

**PUBLIC NOTICE:  
NOTICE OF INTENT TO FILE**

Please take notice that RRE Tamarlane Holdings, LLC, having an address at One Crescent Drive, Suite 203, Philadelphia, Pennsylvania 19112, and which can be contacted c/o Matthew D. Manahan, Esq., Pierce Atwood LLP, 254 Commercial St., Portland, ME 04101, (207) 791-1189, is intending to file a Site Location of Development Act permit application with the Maine Department of Environmental Protection pursuant to the provisions of 38 M.R.S.A. §§ 81-490 on or about October 30, 2015.

The application is for transfer of the existing DEP Site Location of Development permit, having the number L-011024-87-A-N and subsequent amendments, associated with the Tamarlane Apartments located at 988-996 Washington Ave. in Portland, ME.

A request for a public hearing or a request that the Board of Environmental Protection assume jurisdiction over this application must be received by the Department, in writing, no later than 20 days after the application is found by the Department to be complete and is accepted for processing. A public hearing may or may not be held at the discretion of the Commissioner or Board of Environmental Protection. Public comment on the application will be accepted throughout the processing of the application.

The application will be filed for public inspection at the Department of Environmental Protection's office in Portland during normal working hours. A copy of the application may also be seen at the city offices in Portland, ME.

Written public comments may be sent to the Department of Environmental Protection, Bureau of Land and Water Quality, 17 State House Station, Augusta, Maine 04333-0017.

Merrill's Wharf  
254 Commercial Street  
Portland, ME 04101

**P** 207.791.1189  
**F** 207.791.1350  
**C** 207.807.4653  
mmanahan@pierceatwood.com  
pierceatwood.com

Admitted in: MA, ME, NH

October 30, 2015

Via Hand Delivery

Marybeth Richardson  
Maine Department of Environmental Protection  
312 Canco Road  
Portland, ME 04103

Re: Transfer of the Site Location Permit for Tamarlane Apartments to RRE Tamarlane Holdings, LLC, Order No. L-011024-87-A-N

Dear Marybeth:

As we have discussed, enclosed please find an after-the-fact application for the transfer to RRE Tamarlane Holdings, LLC ("RRE Tamarlane") of the 1985 Site Location of Development Act ("Site Law") order for Tamarlane Apartments ("Tamarlane"). Also enclosed is a check in the amount of \$298.00 to cover the after-the-fact application fee.

Accompanying this letter are eight (8) exhibits, providing the information required by the DEP's rules. A summary of the attached exhibits follows:

- Ex. 1: Completed DEP Transfer Application Form with Signature Page
- Ex. 2: Financial Capacity of RRE Tamarlane
- Ex. 3: Technical Ability of RRE Tamarlane
- Ex. 4: Title, Right, or Interest of RRE Tamarlane
- Ex. 5: Certificate of Good Standing
- Ex. 6: Public Notice
- Ex. 7: Agent Authorization
- Ex. 8: Existing DEP Order

Please note that the most recent owner of Tamarlane prior to RRE Tamarlane's acquisition of Tamarlane -- EQR-Plantation Vistas, Inc. -- did not obtain a transfer of the Site Law permit for Tamarlane, and no longer has title, right, or interest in Tamarlane, so the application form attached as Exhibit 1 is signed only by the applicant, RRE Tamarlane, pursuant to DEP Reg. 2.21(C)(4) ("If the proposed transferee demonstrates that the original licensee no longer has sufficient title, right or interest in the property subject to the license, the Department may allow the transfer application to be processed without the signature of the original licensee.").

If you have any questions about this after-the-fact transfer application or need additional information, please let me know. Because RRE Tamarlane hopes to transfer Tamarlane to a

Marybeth Richard  
October 30, 2015  
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new owner on or about December 1, 2015, we request that you process this transfer application as quickly as possible.

Sincerely,

A handwritten signature in black ink, appearing to read "Matthew D. Manahan", with a long horizontal line extending to the right.

Matthew D. Manahan

Enclosures

cc: Margaret Bensinger, Esq.  
Barbara Barhydt, City of Portland

**Exhibit 1:**  
**DEP Site Law Permit Transfer Application Form**

See Attached.

#L- \_\_\_\_\_  
Fees Paid \_\_\_\_\_  
Date Received \_\_\_\_\_

**TRANSFER APPLICATION**

For Site Location and Stormwater Projects

This form shall be used for the transfer of a Site Location permit or a Stormwater permit. All required fees **MUST** be paid when the transfer application is submitted to the Department. Please contact DEP for current fee schedule information. The fee schedule is updated every November 1. The fee is payable to "Treasurer, State of Maine".

Please type or print in black ink only

|  |   |  |  |
|--|---|--|--|
| <b>1. New Applicant Name:</b>                      | RRE Tamarlane Holdings, LLC                             | <b>4. Name of Agent:</b>                   | Matthew D. Manahan, Esq.                                   |
| <b>2. New Applicant's Mailing Address:</b>         | One Crescent Dr. STE 203<br>Philadelphia, PA 19112      | <b>5. Agent's Mailing Address:</b>         | Pierce Atwood LLP<br>254 Commercial Street<br>Portland, ME |
| <b>3. New Applicant's Phone # and Fax #:</b>       | Phone: 215-832-4187 Fax: 215-761-0452                   | <b>6. Agent's Phone # and Fax #:</b>       | Phone: 207-791-1189 Fax: 207-791-1350                      |
| <b>4. New Applicant e-mail address (REQUIRED):</b> | sweisbaum@resourcerei.com                               | <b>7. Agent e-mail address (REQUIRED):</b> | mmanahan@pierceatwood.com                                  |
| <b>CURRENT PERMIT HOLDER</b>                       |   |  |  |
| <b>8. Current Permittee Name:</b>                  | East Deering Housing Assoc. and Housing Resources Corp. | <b>10. Current Permittee Contact:</b>      | Unknown  |
| <b>9. Current Permittee Address:</b>               | Unknown   | <b>11. Contact's Telephone Number:</b>     | Unknown  |
| <b>12. Existing DEP Permit Number:</b>             | L-011024-87-A-N   |  |  |
| <b>LOCATION OF ACTIVITY</b>                        |   |  |  |
| <b>13. Name of Project:</b>                        | Tamarlane Apartments                                    |  |  |
| <b>14. Name of Town where project is located:</b>  | Portland  | <b>15. County:</b>                         | Cumberland   |

**All supporting documentation, outlined below, must be attached to this form and sent to the appropriate DEP office in Augusta, Portland or Bangor.**

|  |   |  |
|--|---|--|
| Bureau of Land and Water Quality<br>17 State House Station<br>Augusta, ME 04333<br>Tel: (207) 287-3901 | Bureau of Land and Water Quality<br>312 Canco Road<br>Portland, ME 04103<br>Tel: (207) 822-6300 | Bureau of Land and Water Quality<br>106 Hogan Road<br>Bangor, ME 04401<br>(207) 941-4570 |
|--|---|--|

**REQUIRED INFORMATION**

1. Provide a breakdown of costs for any unfinished construction and for project operation. These must include costs resulting from compliance with the Board or Department Order. **Not applicable**
2. Provide evidence of the availability and commitment of funds sufficient to complete any unfinished project construction and to operate the project as approved. Submit one of the following three:
  - a. a letter of commitment from a financial institution or funding agency for a specified amount of funds and their use, or
  - b. the most recent corporate annual report and supporting documents indicating sufficient funds to finance the development, or **See Exhibit 2.**

- c. copies of bank statements or other evidence indicating availability of the unencumbered funds, when the developer will personally finance the project.
- 3. Provide a narrative describing the new applicant's technical ability to complete or maintain this development. See Exhibit 3.
- 4. Provide a complete copy of the deed, lease, purchase option or other documented evidence of the new applicant's title, right or interest in the development. See Exhibit 4.
- 5. If the new applicant is a registered corporation, provide either a *Certificate of Good Standing* (available from the Secretary of State) or a statement signed by a corporate officer affirming that the corporation is in good standing. See Exhibit 5.
- 6. Provide evidence of compliance with all public notice requirements (see attached Public Notice Requirements and Certification of Publication). See Exhibit 6.

**CERTIFICATIONS / SIGNATURES**

**Current Permittee Signature.** By signing below the current permittee, certifies that he or she agrees to the transfer of the specified permit(s) to the new applicant named on this form.

Signed: \_\_\_\_\_ Title \_\_\_\_\_ Date: \_\_\_\_\_

Print or Type Name: \_\_\_\_\_

**New Applicant Signature.** By signing below the new applicant certifies that he or she is familiar with the DEP project file and will comply with the Board or Department Order being transferred, including all existing minor revisions and amendments to the Order and all attached conditions.

"I certify under penalty of law that I have personally examined the information submitted in this document and all attachments thereto and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe the information is true, accurate, and complete. I am aware there are significant penalties for submitting false information, including the possibility of fine and imprisonment.

Further, I hereby authorize the DEP to send me an electronically signed decision on the license I am applying for with this application by e-mailing the decision to the electronic address located on the front page of this application (see #4 and #7)"

Signed: Shelle Weisbaum Title Secretary Date: 10.28.15

Print or Type Name: Shelle Weisbaum

## PUBLIC NOTICE FILING AND CERTIFICATION

The DEP Rules, Chapter 2, require an applicant to provide public notice for all Site Location projects with the exception of minor revisions and condition compliance applications. In the notice, the applicant must describe the proposed activity and where it is located. "Abutter" for the purposes of the notice provision means any person who owns property that is BOTH (1) adjoining and (2) within one mile of the delineated project boundary, including owners of property directly across a public or private right of way.

1. **Newspaper:** You must publish the Notice of Intent to File in a newspaper circulated in the area where the activity is located. The notice must appear in the newspaper within 30 days prior to the filing of the application with the Department. You may use the attached Notice of Intent to File form, or one containing identical information, for newspaper publication and certified mailing.
2. **Abutting Property Owners:** You must send a copy of the Notice of Intent to File by certified mail to the owners of the property abutting the activity. Their names and addresses can be obtained from the town tax maps or local officials. They must receive notice within 30 days prior to the filing of the application with the Department.
3. **Municipal Office:** You must send a copy of the Notice of Intent to File and a **duplicate of the entire application** to the Municipal Office.

**ATTACH a list of the names and addresses of the owners of abutting property.**

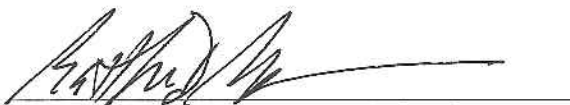
### CERTIFICATION

By signing below, the applicant or authorized agent certifies that:

1. A Notice of Intent to File was published in a newspaper circulated in the area where the project site is located within 30 days prior to filing the application;
2. A Certificate of Mailing of the Notice of Intent to File was sent to all abutters within 30 days of the filing of the application;
3. A Certificate of Mailing of the Notice of Intent to File, and a duplicate copy of the application was sent to the town office of the municipality in which the project is located; and

The Public Informational Meeting was held on   n/a    
Date

Approximately   n/a   members of the public attended the Public Informational Meeting.

  
Signature of Applicant or authorized agent

  10/30/18    
Date

## **Exhibit 2: Financial Capacity**

The Tamarlane Apartments are fully developed; there is no unfinished construction.

RRE Tamarlane Holdings, LLC ("RRE Tamarlane") is the owner of the Tamarlane Apartments. RRE Tamarlane was formed specifically to take title to the property, and is a subsidiary of Resource Real Estate Investors 7, L.P., a syndicated real estate fund whose general partner is Resource Capital Partners, Inc. (RCPI). RCPI is a subsidiary of Resource Real Estate, Inc. ("RREI"), which has an ownership interest in and manages real estate portfolios with an aggregate value of over \$1.6 billion. RREI is a wholly owned subsidiary of Resource America, Inc., a publicly traded company (NASDAQ: REXI) that has a total market capitalization in excess of \$173 million as of October 19, 2015.

Included with this Exhibit is the cover page, table of contents, and additional excerpts containing financial information (including a consolidated balance sheet) from the most recent annual report filed by Resource Real Estate Investors 7, L.P. on March 24, 2015 with the U.S. Securities and Exchange Commission.



UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 20549

FORM 10-K

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2014

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_  
Commission file number 0-53962



**Resource Real Estate Investors 7, L.P.**  
(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of  
incorporation or organization)

26-2726308

(I.R.S. Employer  
Identification No.)

One Crescent Drive, Suite 203, Navy Yard Corporate Center, Philadelphia, PA 19112

(Address of principal executive offices) (Zip code)

(215) 231-7050

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act: None

Securities registered pursuant to Section 12(g) of the Act: Limited Partnership Units

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes  No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes  No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

(Do not check if a smaller reporting company)

Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

There is no public market for the Registrant's securities.

Documents Incorporated by Reference: None

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RESOURCE REAL ESTATE INVESTORS 7, L.P.  
INDEX TO ANNUAL REPORT  
ON FORM 10-K

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**PART I**  
**CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS**

*The information contained in this Annual Report on Form 10-K (this "Report") include "forward-looking statements." Forward-looking statements relate to expectations, beliefs, projections, future plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts. In some cases, you can identify forward-looking statements by terms such as "anticipate," "believe," "could," "estimate," "expects," "intend," "may," "plan," "potential," "project," "should," "will" and "would" or the negative of these terms or other comparable terminology.*

Forward-looking statements contained in this Report are based on our beliefs, assumptions and expectations for our future performance, taking into account all information currently available to us. These beliefs, assumptions and expectations can change as a result of many possible events or factors, not all of which are known to us or are within our control. If a change occurs, our business, financial condition, liquidity and results of operations may vary materially from those expressed in our forward-looking statements. Forward-looking statements we make in this Report are subject to various risks and uncertainties that could cause actual results to vary from our forward-looking statements, including:

- changes in our industry, interest rates or the general economy;
- decrease in tenant occupancy rates;
- increased rates of tenant default
- availability, terms and deployment of debt funding for any property we may acquire;
- increase in operating expenses at our properties;
- increase in capital expenditures to maintain or enhance our properties;
- the timing of cash flows, if any, from our investments and payments for debt service;
- the degree and the nature of our competition in the geographic areas in which our properties are located; and
- availability and retention of qualified personnel to manage and operate out properties.

We caution you not to place undue reliance on these forward-looking statements which speak only as of the date of this Report. All subsequent written and oral forward-looking statements attributable to us or any person acting on our behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. Except to the extent required by applicable law or regulation, we undertake no obligation to update these forward-looking statements to reflect events or circumstances after the date of this filing or to reflect the occurrence of unanticipated events.

As used herein, the terms "we," "us," or "our" refer to Resource Real Estate Investors 7, L.P.

**ITEM 1. BUSINESS**

**General**

Resource Real Estate Investors 7, L.P., is a Delaware limited partnership which was formed on March 28, 2008 and commenced operations on June 16, 2008. We own in fee, operate and invest in multifamily residential rental properties, which we refer to as the Properties, located in Georgia, Maine, South Carolina and Texas. We may also invest in interests in real estate mortgages and other debt instruments that are secured, directly or indirectly, by a multifamily residential rental property or an interest in an entity that directly owns such a property. We currently do not own any real estate debt investments.

Our general partner, Resource Capital Partners, Inc., or the General Partner, is in the business of sponsoring and managing real estate investment limited partnerships and tenant in common programs, or TICs. Our General Partner operates and manages our Properties on our behalf, and is responsible for evaluating, managing, refinancing, and selling our Properties on our behalf. Our General Partner is an indirect wholly owned subsidiary of Resource America, Inc., or Resource America, a publicly traded company (NASDAQ: REXI) operating in the real estate, financial fund and commercial finance management sectors.

Our goals are to generate regular cash distributions from our operations, gains from the potential appreciation in the value of our Properties, and cash for our partners' distributions from the sale or refinancing of the Properties.

We will terminate on March 28, 2016, unless we are sooner dissolved or terminated. We plan to continue past the termination date based on the assumption that the General Partner will exercise its right to extend the term of the Partnership for the two one-year extensions. Our General Partner has complete and exclusive discretion in the management of our business.

## **Our Management**

As we do not have any officers, directors or employees, we rely solely on the officers and employees of our General Partner and its affiliates for the management of our Properties. Our General Partner and its affiliates, Resource Real Estate Management, LLC and Resource Real Estate, Inc., also conduct business activities of their own in which we have no economic interest. Employees of our General Partner and its affiliates who provide us with services are not required to work full-time on our affairs. These employees devote significant time to the affairs of our General Partner and its affiliates and are compensated by our General Partner and its affiliates for the services rendered to them. There may be significant conflicts between us and our General Partner and its affiliates regarding the availability of those employees to manage us and our Properties.

## **Real Estate Manager**

Resource Real Estate Management, LLC, or Resource Real Estate Management, a wholly owned subsidiary of our General Partner, manages or supervises the management of our Properties under a real estate management agreement with us or our subsidiary holding legal title to a particular Property. Resource Real Estate Management is a Delaware limited liability company that was formed in 2005 for the purpose of managing the real estate investments of our General Partner and its affiliates either for their own account or for other real estate programs. In October 2007, Resource Real Estate Management, Inc., d/b/a Resource Residential, a wholly owned subsidiary of Resource America, was formed to manage residential real estate investments for Resource Real Estate Management. For a discussion of the management fees payable under these arrangements, see Item 13.

## **Distribution Allocations**

Distributable cash, which includes both distributable cash from operations as well as from capital transactions, will be distributed as described below.

Distributable cash from operations will be distributed in the following order of priority:

- first, 100% to the limited partners until they have each received distributions from us, including distributions of distributable cash from capital transactions, equal to their respective preferred return of 8.25% if they subscribed for their units on or before December 31, 2007 or 8% if they subscribed for their units after December 31, 2007, which we refer to as their Preferred Return; and
- thereafter, 80% to the limited partners and 20% to our General Partner.

Distributable cash from capital transactions, which includes cash received from the sale or refinancing of a Property, or the sale or repayment in full of all outstanding principal and interest due and owing to us on a real estate debt investment, will be distributed in the following order of priority:

- first, 100% to our limited partners until they have each received distributions from us, including distributions of distributable cash from operations, equal to their respective Preferred Return;
- second, 100% to our limited partners until their respective adjusted capital contribution has been reduced to zero; and
- thereafter, 80% to our limited partners and 20% to our General Partner.

An adjusted capital contribution is the amount originally paid for the limited partnership interest, less previous distributions of distributable cash from capital transactions.

## Redemption of Units

We are permitted, in our General Partner's sole discretion, to redeem units upon a unitholder's request. However, we have no obligation to redeem units at any time, and we can decline to redeem units for any reason. For example, if our General Partner determines that we do not have the necessary cash flow, taking into account future distributions to our other limited partners, investments, and foreseeable operating expenses, a unitholder's request may be declined. In addition, our General Partner may not approve the redemption of units if it concludes that the redemption might cause our total unit transfers in the year, subject to certain exceptions, to exceed 2% of our total capital or profits interests. All of these determinations are subjective and will be made in our General Partner's sole discretion. We will also determine the redemption price based on provisions set forth in the First Amended and Restated Agreement of Limited Partnership, or the Partnership Agreement. To the extent the formula for arriving at the redemption price has any subjective determinations, they will fall within the sole discretion of our General Partner. If we lack the requisite liquidity to redeem the units, our General Partner, in its sole discretion, may purchase the units on generally the same terms as we would have redeemed the units. As of the date of this Report, 5,000 units have been redeemed. During the years ended December 31, 2013 and December 31, 2014, we did not receive any redemption requests.

## Available Information

We file annual, quarterly and current reports with the Securities and Exchange Commission, or SEC. The public may read and copy any materials we file with the SEC at the SEC's Public Reference Room at 100 F Street, NE, Washington, DC 20549. The public may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. The SEC maintains an internet site that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC. The internet address of the SEC site is <http://www.sec.gov>.

### ITEM 1A. RISK FACTORS

Omitted as permitted under rules applicable to smaller reporting companies.

### ITEM 1B. UNRESOLVED STAFF COMMENTS

Omitted as permitted under rules applicable to smaller reporting companies.

### ITEM 2. PROPERTIES

See Item 7 - "Overview."

### ITEM 3. LEGAL PROCEEDINGS

We are a party to various routine legal proceedings arising out of the ordinary course of our business. Management believes that none of these actions, individually or in the aggregate, will have a material adverse effect on our financial condition or results of operations.

**PART II**

**ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCK MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES**

Our limited partner units are not publicly traded. There is no market for our limited partner units and it is unlikely that any will develop. As of March 24, 2015 there were 588 holders of record of our limited partnership units.

We pay distributions monthly. No distributions were paid to the General Partner for either 2014 or 2013, except for distributions on the limited partner units it owns. Total distributions paid to limited partners were \$1.6 million in each of those years. The following table details these distributions by month:

|   | December 31, 2014   |                 | December 31, 2013   |                 |
|---|---------------------|-----------------|---------------------|-----------------|
|   | Distributions       | Per Unit        | Distributions       | Per Unit        |
| January                                 | \$ 136,495          | \$ 0.042        | \$ 136,494          | \$ 0.042        |
| February                                | 136,495             | 0.042           | 136,495             | 0.042           |
| March                                   | 136,495             | 0.042           | 136,495             | 0.042           |
| April                                   | 136,495             | 0.042           | 136,496             | 0.042           |
| May                                     | 136,494             | 0.042           | 136,496             | 0.042           |
| June                                    | 136,869             | 0.042           | 136,496             | 0.042           |
| July                                    | 136,870             | 0.042           | 136,496             | 0.042           |
| August                                  | 136,870             | 0.042           | 136,495             | 0.042           |
| September                               | 136,870             | 0.042           | 136,495             | 0.042           |
| October                                 | 136,870             | 0.042           | 136,495             | 0.042           |
| November                                | 136,870             | 0.042           | 136,495             | 0.042           |
| December                                | 136,871             | 0.042           | 136,495             | 0.042           |
| <b>Total distributions for the year</b> | <b>\$ 1,640,564</b> | <b>\$ 0.504</b> | <b>\$ 1,637,943</b> | <b>\$ 0.504</b> |

We do not have any equity compensation plans.

**ITEM 6. SELECTED FINANCIAL DATA**

Selected financial data have been omitted as permitted under rules applicable to smaller reporting companies.

**ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

The following discussion relates to our financial statements and should be read in conjunction with the financial statements and notes thereto appearing elsewhere in this Report. Statements contained in this "Management's Discussion and Analysis of Financial Condition and Results of Operations" that are not historical facts may be forward-looking statements. Such statements are subject to certain risks and uncertainties, which could cause actual results to materially differ from those projected. See "Cautionary Note Regarding Forward-Looking Statements."

**Overview**

We are a Delaware limited partnership that was formed on March 28, 2008 and commenced operations on June 16, 2008. Through wholly owned subsidiaries, we own in fee, operate and invest in multifamily residential rental properties located in Georgia, Maine, South Carolina and Texas. We also may invest in interests in real estate mortgages and other debt instruments that are secured, directly or indirectly, by a multifamily residential rental property or an interest in an entity that directly owns such a property. As of December 31, 2014, we did not own any real estate debt investments. If we were to acquire mortgages or other real estate debt investments in the future, these investments would be in an amount that would not cause us to become an investment company within the meaning of Section 3(a)(1) of the Investment Company Act of 1940.

As of December 31, 2014, we own six multifamily residential rental Properties through our 100% owned subsidiaries, as follows:

| Subsidiary / Property                          | Purchase Date | Leverage Ratio <sup>(1)</sup> | Number of Units | Property Location |
|--|---------------|-------------------------------|-----------------|-------------------|
| RRE Tamarlane Holdings, LLC, or Tamarlane      | 07/31/2008    | 68%                           | 115             | Portland, ME      |
| RRE Bent Oaks Holdings, LLC, or Bent Oaks      | 12/10/2008    | 57%                           | 146             | Austin, TX        |
| RRE Cape Cod Holdings, LLC, or Cape Cod        | 12/10/2008    | 57%                           | 212             | San Antonio, TX   |
| RRE Woodhollow Holdings, LLC, or Woodhollow    | 12/12/2008    | 60%                           | 108             | Austin, TX        |
| RRE Woodland Hills Holdings, LLC, or Hills     | 12/19/2008    | 65%                           | 228             | Decatur, GA       |
| RRE Woodland Village Holdings, LLC, or Village | 03/07/2012    | 77%                           | 308             | Columbia, SC      |
|  |               |                               | 1,117           |                   |

(1) Original face value of mortgage divided by total property capitalization, including reserves, escrows, fees and closing costs.

The following table sets forth operating statistics about our multifamily residential rental properties:

| Apartment Complex | Average Occupancy Rate <sup>(1)</sup> |       | Average Effective Rent per Square Foot <sup>(2)</sup> |         | Ratio of Operating Expense to Revenue <sup>(3)</sup> |      |
|-------------------|---------------------------------------|-------|---|---------|--|------|
|                   | December 31,                          |       | December 31,  |         | December 31,   |      |
|                   | 2014                                  | 2013  | 2014  | 2013    | 2014   | 2013 |
| Tamarlane         | 96.8%                                 | 97.0% | \$ 1.34   | \$ 1.28 | 40%  | 36%  |
| Bent Oaks         | 95.9%                                 | 97.2% | \$ 1.22   | \$ 1.16 | 52%  | 53%  |
| Cape Cod          | 94.1%                                 | 96.1% | \$ 0.96   | \$ 0.96 | 58%  | 54%  |
| Woodhollow        | 93.9%                                 | 97.7% | \$ 1.06   | \$ 1.03 | 56%  | 52%  |
| Hills             | 95.7%                                 | 94.6% | \$ 0.76   | \$ 0.71 | 47%  | 46%  |
| Village           | 94.3%                                 | 94.3% | \$ 0.54   | \$ 0.53 | 59%  | 57%  |

- (1) Number of occupied units divided by total units adjusted for any unrentable units; average calculated on a weekly basis.
- (2) Average rental revenue divided by total rentable square footage. We calculate average rental revenue by dividing gross rental revenue by the number of months in the period.
- (3) Rental operating expenses, excluding certain one-time expenses funded from reserves for capital expenditures, and general and administrative expenses, excluding asset management fees and transaction expenses, as a percentage of rental income, excluding any adjustment for concessions.

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## Results of Operations

We generate our income from the net revenues we receive from our Properties. We also may, in the future, generate funds from the sale or refinancing of our Properties. We do not expect that we will sell or refinance our Properties during the next year. Should economic conditions in the areas in which our Properties are located deteriorate, we could experience lower occupancy, lower rental revenues and higher operating costs, all of which could harm our operations and financial condition, reduce the value of our Properties and limit our ability to make distributions to our limited partners.

Our operating results and cash flows from our Properties are affected by four principal factors:

- occupancy and rental rates,
- property operating expenses,
- interest rates on the related financing, and
- capital expenditures.

The amount of rental revenues from our Properties depends upon their occupancy rates and concessions granted. We seek to maximize our occupancy rates through aggressive property-level programs, including, in particular, our Lease Rent Optimizer, or LRO, program which includes rent concessions. Under our LRO program, we seek to price our rents for apartment units on a daily basis, based upon inventory in the marketplace and competitors' pricing. Our Properties experienced an overall decrease in the average occupancy rate during the year ended December 31, 2014 of approximately (1.1%), with an average occupancy of 95.1% as compared to an average occupancy rate of 96.2% during the same period of 2013. Our Properties also experienced an overall increase in the average effective rent per square foot of \$0.40 during the year ended December 31, 2014 compared to the same period in 2013 for the same properties.

We seek to control operating expenses through our General Partner's automated purchase order system that compares actual to budgeted expenses and requires management approval of variances, and through the use of third-party service providers to seek best available pricing.

With the exception of three mortgage notes, our existing financing is at fixed rates of interest and, accordingly, our interest cost has remained relatively stable during the period of our ownership of the Properties. Based upon current economic conditions and their effect on interest rates, and because two of our mortgage notes that have May 1, 2015 maturities have options to extend the maturity dates for one year, which we exercised, we expect that our financing costs will remain relatively stable during fiscal year 2015. However, should interest rates change materially, the interest component of our variable rate financing, which is based upon the one-month London Interbank Offered Rate plus 323 basis points, and is capped at 7%, could change.

### Year Ended December 31, 2014 Compared to Year Ended December 31, 2013

The following table sets forth the results of our operations for the periods indicated (in thousands, except per unit data):

|  | December 31, |           | Increase (Decrease) |         |
|--|--------------|-----------|---------------------|---------|
|  | 2014         | 2013      | Amount              | Percent |
| <b>Revenues:</b>   |              |           |                     |         |
| Rental income  | \$ 12,278    | \$ 11,751 | \$ 527              | 4 %     |
| <b>Expenses:</b>   |              |           |                     |         |
| Rental operating   | 6,097        | 5,467     | 630                 | 12 %    |
| Management fees – related parties                            | 935          | 906       | 29                  | 3 %     |
| General and administrative                                   | 574          | 522       | 52                  | 10 %    |
| Depreciation and amortization                                | 2,706        | 2,944     | (238)               | (8)%    |
| Total expenses   | 10,312       | 9,839     | 473                 | 5 %     |
| Income before other expenses                                 | 1,966        | 1,912     | 54                  | 3 %     |
| <b>Other expenses:</b>                                       |              |           |                     |         |
| Interest expense, net  | (2,529)      | (2,564)   | (35)                | (1)%    |
| Casualty loss  | —            | (28)      | (28)                | (100)%  |
| Loss on disposal of fixed assets                             | (37)         | (89)      | (52)                | (58)%   |
| Net loss   | \$ (600)     | \$ (769)  | \$ (169)            | (22)%   |
| Weighted average number of limited partner units outstanding |              |           |                     |         |
|  | 3,270        | 3,270     |                     |         |
| Net loss per weighted average limited partner unit           |              |           |                     |         |
|  | \$ (0.18)    | \$ (0.24) |                     |         |



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## Revenues

We attribute the \$527,000 increase in revenues principally to an increase in average effective rent per square foot at the Properties. We were able to increase rents as a result of stable occupancy and strong market demand. Occupancy rates have remained consistent during the year ended December 31, 2014 compared to the same period in 2013 for the same properties.

## Expenses

We attribute the \$473,000 increase in expenses principally to:

- a \$630,000 increase in rental operating expenses, primarily due to a \$169,000 increase in insurance expense for all Properties resulting from claims against our self-insurance fund, a \$65,000 increase in real estate taxes for the Properties due to assessment increases, and \$384,000 increase in repairs and maintenance, generally carpet and vinyl replacements, building repairs, and HVAC repairs.
- a \$52,000 increase in general and administrative due primarily to an increase in audit and legal fees.
- a \$29,000 increase in management fees corresponding to the increase in revenues.

Partially offsetting these increases in expenses was a decrease attributed principally to:

- a \$238,000 decrease in depreciation due to the disposal of appliances, carpeting and flooring and an increase in the capitalization threshold.

## Other Expenses

We attribute the \$115,000 decrease in other expenses primarily to:

- a \$28,000 decrease in casualty losses due to wind damage that occurred at Bent Oaks in 2013.
- a \$52,000 decrease in the loss on disposals.
- a \$35,000 decrease in interest expense related to the paydown of principal balances on our mortgage notes.

## Liquidity and Capital Resources

The following table sets forth our sources and uses of cash (in thousands):

|   | Years Ended<br>December 31, |          |
|---|-----------------------------|----------|
|   | 2014                        | 2013     |
| Provided by operating activities <sup>(1)</sup> | \$ 2,446                    | \$ 3,133 |
| Used in investing activities                    | (622)                       | (1,254)  |
| Used in financing activities                    | (2,298)                     | (2,156)  |
| Net decrease in cash                            | \$ (474)                    | \$ (277) |

(1) Includes changes in operating assets and liabilities.

Our liquidity needs consist principally of funds used to pay the Properties' debt service, operating expenses, capital expenditures and monthly distributions to the limited partners. Our ability to meet our liquidity needs will be subject to our ability to generate cash from operations, to control property operating expenses and, with respect to capital expenditures, the use of cash reserves established when the Properties were purchased. The ability to generate cash from operations will depend on the occupancy rates, rates charged to tenants compared with competing properties in the area and the ability of tenants to pay rent. Occupancy rates can fluctuate based on changes in local market conditions where the Properties are located such as: excessive building resulting in an oversupply of similar properties, deterioration of surrounding areas, a decrease in market rates or local economic conditions including unemployment rates. The rental rates charged to tenants compared to competing properties can be impacted by a lack of perceived safety, convenience and attractiveness of a property.

While the two Tamarlane mortgage notes are set to mature on May 1, 2015, we exercised the option to extend the maturity date on both Tamarlane notes for an additional year to May 1, 2016 and plan to sell the property during the extension period.

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During the year ended December 31, 2014, we incurred a net loss; our results are substantially affected by non-cash expenses, principally depreciation and amortization expense, as is common for entities that own real properties. Our net loss for the years ended December 31, 2014 and 2013 of \$600,000 and \$769,000, respectively, included \$2.7 million and \$2.9 million, respectively, of depreciation and amortization expense. Excluding these non-cash expenses, our operations generated \$2.5 million and \$3.7 million, respectively, of positive adjusted cash flow from operations for the years ended December 31, 2014 and 2013, respectively. We define adjusted cash flow from operations, a non-GAAP liquidity measure, as net cash provided by operating activities as adjusted for net changes in operating assets and liabilities. Management views adjusted cash flow from operations as a useful and appropriate supplement to cash provided by operating activities, since distributions to the limited partners depend upon this measure. Unless our properties are affected by the factors referred to above in this discussion and in "Results of Operations," we anticipate that we will generate positive adjusted cash flow from operations for the year ending December 31, 2015.

The following table reconciles net cash provided by operating activities to adjusted cash flow from operations, a non-GAAP measure, as described in the paragraph above (in thousands):

|   | Years Ended<br>December 31, |          |
|---|-----------------------------|----------|
|   | 2014                        | 2013     |
| Net cash provided by operating activities       | \$ 2,446                    | \$ 3,133 |
| Net changes in operating assets and liabilities | 100                         | 598      |
| Adjusted cash flow from operations (non-GAAP)   | \$ 2,546                    | \$ 3,731 |

Under our capital improvements program, we expect to spend approximately \$4 million in the next three years for property improvements intended to increase the Properties' appeal to tenants. As we implement planned improvements to our Properties, we seek to maintain our occupancy rates and, potentially, to increase our rental rates and our cash flow from operating activities.

We are planning improvements to the Properties for the next three years based on the assumption that the General Partner will exercise its right to extend the term of the partnership for the two one-year extensions. At this time we expect to extend to ensure that we maximize the return to our investors.

The following table sets forth the capital expenditures incurred during the year ended December 31, 2014 and estimated future capital expenditures, which are discretionary in nature (in thousands):

| Subsidiaries | Capital Expenditures | Future Discretionary Capital Expenditures |
|--------------|----------------------|---|
| Tamarlane    | \$ 74                | \$ 325                                    |
| Bent Oaks    | 28                   | 688                                       |
| Cape Cod     | 52                   | 986                                       |
| Woodhollow   | 37                   | 599                                       |
| Hills        | 87                   | 552                                       |
| Village      | 307                  | 921                                       |
| Total        | \$ 585               | \$ 4,071                                  |

Our capital expenditures were \$585,000 during the year ended December 31, 2014. We have planned a series of future major capital projects for our Properties, including further landscaping, parking lot paving, signage upgrades, upgrades to exterior structures, replacing the HVAC condensing units and replacing water heaters. We review future expenditures periodically and adjust them based on both operating results and local market conditions. If market conditions improve and there is an acceptable return on the additional expenditures, we will consider restoring a previously contemplated interior upgrade program. We cannot assure you that we will complete projects currently planned or that we will not change our plans in response to changes in market conditions.

In connection with the acquisitions of our Properties, we have \$48.7 million of total mortgage financing outstanding. For information regarding mortgage financing with respect to each Property, see Note 6 of the notes to our consolidated financial statements.

The purchase of the Village during the year ended December 31, 2012 completed our asset acquisition plans. The remaining offering proceeds have been reserved for estimated future capital expenditures as noted above.

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Our payables to related parties consist of investment management fees due to our General Partner, payable monthly, equal to 1% of the gross offering proceeds, net of any limited partnership interest owned by the General Partner. The General Partner must subordinate up to 100% of its annual investment management fee to the receipt by the limited partners of their Preferred Return. The limited partners have not received their Preferred Return over the six years the Partnership has been operating and we do not anticipate they will receive the return in 2015.

Our debt service requirements for the next 12 months are \$2.5 million in the aggregate.

### **Redemption of Units**

We are permitted, in our General Partner's sole discretion, to redeem units upon a unitholder's request. However, we have no obligation to redeem units at any time, and we can decline to redeem units for any reason. See Item 1, "Redemption of Units." Cumulatively through December 31, 2014, a total of 5,000 units have been redeemed at an aggregate price of \$46,710, although were no units were redeemed in the year then ended.

### **Legal Proceedings**

We are a party to various routine legal proceedings arising out of the ordinary course of our business. Management believes that none of these actions, individually or in the aggregate, will have a material adverse effect on our financial condition or results of operations.

### **Critical Accounting Policies**

The discussion and analysis of our financial condition and results of operations are based upon our consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States of America, or GAAP. The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of our assets, liabilities, revenues and cost and expenses, and related disclosure of contingent assets and liabilities. On an on-going basis, we evaluate our estimates, including those related to certain accrued liabilities. We base our estimates on historical experience and on various other assumptions that we believe reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

We have identified the following policies as critical to our business operations and the understanding of our results of operations.

*Property Acquisitions.* We allocated the purchase price of acquired properties to the acquired tangible assets and liabilities, consisting of land, building, tenant improvements, long-term debt and identified intangible assets and liabilities, consisting of the value of above-market and below-market leases, the value of in-place leases, the value of unamortized lease origination costs and the value of tenant relationships, based in each case on their relative fair values. The value of in-place leases is amortized over the average remaining term of the respective lease on a straight line basis.

*Impairment.* We review the carrying value of each Property to determine if circumstances that indicate impairment in the carrying value of the investment exist or that depreciation periods should be modified. If we determine that an asset's estimated future cash flows will not be sufficient to recover its carrying amount, we will record an impairment charge to reduce the carrying amount for that asset to its estimated fair value. We have not recognized any impairments of our Properties for the years ended December 31, 2014 and 2013.

*Revenue Recognition.* We derive our revenue primarily from rental of residential housing units with lease agreement terms of generally one year or less. We recognize rent as income on a straight-line basis over the term of the related lease. Additionally, any incentives included in the lease are amortized on a straight-line basis over the term of the related lease.

Included within rental income are other income amounts such as utility reimbursements, late fees, parking fees, pet fees and lease application fees which are recognized when earned.

### **Off-Balance Sheet Arrangements**

As of December 31, 2014 and 2013, we do not have any off-balance sheet arrangements or obligations, including contingent obligations, other than guarantees by the General Partner of certain limited standard exceptions to the non-recourse nature of the mortgage notes which are secured by the Properties.

## **ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISKS**

Omitted pursuant to Regulation S-K, Item 305(c).

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ITEM 8.

FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

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## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Partners of  
Resource Real Estate Investors 7, L.P.

We have audited the accompanying consolidated balance sheets of Resource Real Estate Investors 7, L.P. (a Delaware partnership) and subsidiaries (the "Partnership") as of December 31, 2014 and 2013, and the related consolidated statements of operations, changes in partners' capital, and cash flows for each of the two years in the period ended December 31, 2014. Our audits of the basic consolidated financial statements included the financial statement schedule listed in the index appearing under Item 15(a) (2). These financial statements and financial statement schedules are the responsibility of the Partnership's management. Our responsibility is to express an opinion on these financial statements and financial statement schedule based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Partnership's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Partnership's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Resource Real Estate Investors 7, L.P. and subsidiaries as of December 31, 2014 and 2013 and the results of their operations and their cash flows for each of the two years in the period ended December 31, 2014 in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the related financial statement schedule, when considered in relation to the basic consolidated financial statements taken as a whole, present fairly, in all material respects, the information set forth therein.

/s/ GRANT THORNTON LLP

Philadelphia, Pennsylvania

March 24, 2015

**RESOURCE REAL ESTATE INVESTORS 7, L.P.**  
**CONSOLIDATED BALANCE SHEETS**  
(in thousands)

|  | December 31,     |                  |
|--|------------------|------------------|
|  | 2014             | 2013             |
| <b>ASSETS</b>                                |                  |                  |
| Rental properties, at cost:                  |                  |                  |
| Land   | \$ 8,715         | \$ 8,715         |
| Buildings and improvements                   | 58,624           | 58,248           |
| Personal property                            | 2,127            | 1,949            |
| Construction-in-progress                     | —                | 87               |
| Identifiable intangible assets               | 2,378            | 2,378            |
|  | 71,844           | 71,377           |
| Accumulated depreciation and amortization    | (16,255)         | (13,628)         |
|  | 55,589           | 57,749           |
| Cash   | 4,483            | 4,957            |
| Restricted cash                              | 1,989            | 1,712            |
| Tenant receivables, net                      | 20               | 22               |
| Accounts receivable due from related parties | 99               | 195              |
| Prepaid expenses and other assets            | 140              | 150              |
| Deferred financing costs, net                | 430              | 634              |
| Total assets                                 | <u>\$ 62,750</u> | <u>\$ 65,419</u> |
| <b>LIABILITIES AND PARTNERS' CAPITAL</b>     |                  |                  |
| Liabilities:                                 |                  |                  |
| Mortgage notes payable                       | \$ 48,692        | \$ 49,350        |
| Accounts payable and accrued expenses        | 548              | 734              |
| Real estate tax payable                      | 988              | 976              |
| Accrued interest                             | 196              | 200              |
| Payables to related parties                  | 2,010            | 1,645            |
| Prepaid rent                                 | 122              | 88               |
| Security deposits                            | 273              | 265              |
| Total liabilities                            | 52,829           | 53,258           |
| Partners' capital                            | 9,921            | 12,161           |
| Total liabilities and partners' capital      | <u>\$ 62,750</u> | <u>\$ 65,419</u> |

The accompanying notes are an integral part of these consolidated financial statements.

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**RESOURCE REAL ESTATE INVESTORS 7, L.P.**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
(in thousands, except per unit data)

|  | Years Ended<br>December 31, |                  |
|--|-----------------------------|------------------|
|  | 2014                        | 2013             |
| <b>Revenues:</b>   |                             |                  |
| Rental income  | \$ 12,278                   | \$ 11,751        |
| <b>Expenses:</b>   |                             |                  |
| Rental operating   | 6,097                       | 5,467            |
| Management fees – related parties                            | 935                         | 906              |
| General and administrative                                   | 574                         | 522              |
| Depreciation and amortization                                | 2,706                       | 2,944            |
| Total expenses   | <u>10,312</u>               | <u>9,839</u>     |
| Income before other expenses                                 | 1,966                       | 1,912            |
| <b>Other expenses:</b>                                       |                             |                  |
| Interest expense, net  | (2,529)                     | (2,564)          |
| Casualty loss  | —                           | (28)             |
| Loss on disposal of fixed assets                             | (37)                        | (89)             |
| Net loss   | <u>\$ (600)</u>             | <u>\$ (769)</u>  |
| Weighted average number of limited partner units outstanding | <u>3,270</u>                | <u>3,270</u>     |
| Net loss per weighted average limited partner unit           | <u>\$ (0.18)</u>            | <u>\$ (0.24)</u> |

The accompanying notes are an integral part of these consolidated financial statements.

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**RESOURCE REAL ESTATE INVESTORS 7, L.P.**  
**CONSOLIDATED STATEMENT OF CHANGES IN PARTNERS' CAPITAL**  
**FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013**  
(in thousands, except units)

|                              | General<br>Partner | Limited Partners |           | Total     |
|------------------------------|--------------------|------------------|-----------|-----------|
|                              |                    | Units            | Amount    |           |
| Balance at January 1, 2013   | \$ 1               | 3,269,655        | \$ 14,566 | \$ 14,567 |
| Distributions                | —                  | —                | (1,637)   | (1,637)   |
| Net loss                     | —                  | —                | (769)     | (769)     |
| Balance at December 31, 2013 | 1                  | 3,269,655        | 12,160    | 12,161    |
| Distributions                | —                  | —                | (1,640)   | (1,640)   |
| Net loss                     | —                  | —                | (600)     | (600)     |
| Balance at December 31, 2014 | \$ 1               | 3,269,655        | \$ 9,920  | \$ 9,921  |

The accompanying notes are an integral part of this consolidated financial statement.

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**RESOURCE REAL ESTATE INVESTORS 7, L.P.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(in thousands)

|  | Years Ended<br>December 31, |          |
|--|-----------------------------|----------|
|  | 2014                        | 2013     |
| <b>Cash flows from operating activities:</b>                                       |                             |          |
| Net loss   | \$ (600)                    | \$ (769) |
| Adjustments to reconcile net loss to net cash provided by operating activities:    |                             |          |
| Depreciation and amortization  | 2,706                       | 2,944    |
| Amortization of deferred financing costs   | 204                         | 209      |
| Casualty loss  | —                           | 28       |
| Losses on disposal/sale of fixed assets  | 37                          | 89       |
| Changes in operating assets and liabilities, excluding the effects of acquisition: |                             |          |
| Restricted cash  | (277)                       | (177)    |
| Tenant receivables, net  | 2                           | (18)     |
| Prepaid expense and other assets   | 12                          | 74       |
| Insurance proceeds received  | —                           | 35       |
| Accounts receivable - related parties  | 96                          | (195)    |
| Accounts payable and accrued expenses  | (149)                       | 199      |
| Real estate tax payable  | 12                          | 392      |
| Accrued interest   | (4)                         | (2)      |
| Payables to related parties  | 365                         | 313      |
| Prepaid rent   | 34                          | 2        |
| Security deposits  | 8                           | 9        |
| Net cash provided by operating activities  | 2,446                       | 3,133    |
| <b>Cash flows from investing activities:</b>                                       |                             |          |
| Capital expenditures   | (622)                       | (1,254)  |
| Net cash used in investing activities  | (622)                       | (1,254)  |
| <b>Cash flows from financing activities:</b>                                       |                             |          |
| Distributions to limited partners  | (1,640)                     | (1,637)  |
| Principal payments on mortgage notes payable                                       | (658)                       | (519)    |
| Net cash used in financing activities  | (2,298)                     | (2,156)  |
| Net decrease in cash   | (474)                       | (277)    |
| Cash at beginning of period  | 4,957                       | 5,234    |
| Cash at end of period  | \$ 4,483                    | \$ 4,957 |

The accompanying notes are an integral part of these consolidated financial statements.

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**RESOURCE REAL ESTATE INVESTORS 7, L.P.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2014**

**NOTE 1 – NATURE OF BUSINESS AND OPERATIONS**

Resource Real Estate Investors 7, L.P. (“R-7” or the “Partnership”) is a Delaware limited partnership which owns and operates multifamily residential rental properties located in Georgia, Maine, Texas and South Carolina (the “Properties”). The Partnership also may invest in interests in real estate mortgages and other debt instruments that are secured, directly or indirectly, by multifamily residential rental properties although the Partnership had no such investments as of December 31, 2014 and 2013. The Partnership was formed on March 28, 2008 and commenced operations on June 16, 2008. The General Partner, Resource Capital Partners, Inc. (“RCP”, the “General Partner”, or “GP”), is in the business of sponsoring and managing real estate investment limited partnerships and tenant in common programs. RCP contributed \$1,000 in cash as its minimum capital contribution to the Partnership. In addition, during the years ended December 31, 2014 and 2013, RCP held a 5.62% limited partnership interest in the Partnership. RCP is an indirect wholly owned subsidiary of Resource America, Inc. (“RAI”), a publicly traded company (NASDAQ: REXI) operating in the real estate, financial fund management and commercial finance sectors.

The Partnership will continue until March 28, 2016, unless terminated earlier in accordance with the First Amended and Restated Agreement of Limited Partnership (the “Agreement”). The GP has the right to extend the Partnership term for one or more periods to a maximum of two years in the aggregate following the initial termination date. We plan to continue past the termination date based on the assumption that the General Partner will exercise its right to extend the term of the Partnership for the two one-year extensions.

The Agreement provides that income is allocated as follows: first, to the Limited Partners (“LPs”) and the GP (collectively, the “Partners”) in proportion to and to the extent of the deficit balances, if any, in their respective capital accounts; second, to the Partners in proportion to the allocations of Distributable Cash (as defined in the Agreement); and third, 100% to the LPs. All losses are allocated as follows: first, 100% to the LPs until the LPs have been allocated losses equal to the excess, if any, of their aggregate capital account balances over the aggregate Adjusted Capital Contributions (as defined in the Agreement); second, to the Partners in proportion to and to the extent of their respective remaining positive capital account balances, if any; and third, 100% to the LPs.

Distributable cash from operations, payable monthly, as determined by the GP, is first allocated 100% to the LPs until the LP’s have received their Preferred Return (as defined in the Agreement); and thereafter, 80% to the LPs and 20% to the GP.

Distributable cash from capital transactions, as determined by the GP, is first allocated 100% to the LPs until the LPs have received their Preferred Return; second, 100% to the LPs until their Adjusted Capital Contributions (as defined in the Agreement) have been reduced to zero; and thereafter, 80% to the LPs and 20% to the GP.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

A summary of the significant accounting policies consistently applied in the preparation of the accompanying consolidated financial statements follows:

**Principles of Consolidation**

The consolidated financial statements include the accounts of the Partnership and its wholly-owned subsidiaries, as follows:

| Subsidiaries   | Number of Units | Location        |
|--|-----------------|-----------------|
| RRE Tamarlane Holdings, LLC, or Tamarlane Apartments (“Tamarlane”)             | 115             | Portland, ME    |
| RRE Bent Oaks Holdings, LLC, or Bent Oaks Apartments (“Bent Oaks”)             | 146             | Austin, TX      |
| RRE Cape Cod Holdings, LLC, or Cape Cod Apartments (“Cape Cod”)                | 212             | San Antonio, TX |
| RRE Woodhollow Holdings, LLC, or Woodhollow Apartments (“Woodhollow”)          | 108             | Austin, TX      |
| RRE Woodland Hills Holdings, LLC, or Woodland Hills Apartments (“Hills”)       | 228             | Decatur, GA     |
| RRE Woodland Village Holdings, LLC, or Woodland Village Apartments (“Village”) | 308             | Columbia, SC    |
|  | <u>1,117</u>    |                 |

All intercompany transactions and balances have been eliminated in consolidation.

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**RESOURCE REAL ESTATE INVESTORS 7, L.P.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (Continued)**  
**DECEMBER 31, 2014**

**Use of Estimates**

The preparation of the consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. The Partnership estimates the allowance for uncollectible receivables and loan losses and adjusts the balance quarterly. Actual results could differ from those estimates.

**Supplemental Disclosure of Cash Flow Information**

During the years ended December 31, 2014 and 2013, the Partnership paid \$2.3 million and \$2.4 million, respectively, in cash for interest.

**Advertising**

The Partnership expenses advertising costs as they are incurred. Advertising costs, which are included in rental operating expenses, totaled \$131,000 and \$145,000 for the years ended December 31, 2014 and 2013, respectively.

**Deferred Financing Costs**

Costs incurred to obtain financing have been capitalized and are being amortized over the term of the related debt using the effective yield method.

**Concentration of Credit Risk**

Financial instruments, which potentially subject the Partnership to concentration of credit risk, consist of periodic temporary deposits of cash. At December 31, 2014, the Partnership had \$4.6 million of deposits at various banks, of which \$2.4 million was over the insurance limit of the Federal Deposit Insurance Corporation. No losses have been experienced on such deposits.

**Income Taxes**

Income taxes or credits resulting from earnings or losses are payable by or accrue to the benefit of the partners; accordingly, no provision has been made for income taxes in these consolidated financial statements.

The Partnership evaluates the benefits of tax positions taken or expected to be taken in its tax returns under a two-step recognition and measurement process. Only the largest amount of benefits from the tax positions that will more likely than not be sustainable upon examination are recognized by the Partnership. The Partnership does not have any unrecognized tax benefits, nor interest and penalties, recorded in the Consolidated Balance Sheets or Consolidated Statements of Operations and does not anticipate significant adjustments to the total amount of unrecognized tax benefits within the next twelve months.

The Partnership is subject to examination by the U.S. Internal Revenue Service and by the taxing authorities in those states in which the Partnership has significant business operations. The Partnership is not currently undergoing any examinations by taxing authorities. The Partnership may be subject to U.S. federal income tax and state/local income tax examinations for years 2011 through 2014.

**Revenue Recognition**

Revenue is primarily derived from the rental of residential housing units with lease agreement terms of generally one year or less. The Partnership recognizes revenue in the period that rent is earned, which is on a monthly basis. The Partnership recognizes rent as income on a straight-line basis over the term of the related lease. Additionally, any incentives included in the lease are amortized on a straight-line basis over the term of the related lease.

Included within rental income are other income amounts such as utility reimbursements, late fees, parking fees, pet fees and lease application fees which are recognized when earned or received.

The future minimum rental payments to be received from noncancelable operating leases is approximately \$6.1 million and \$80,000 for the years ending December 31, 2015 and 2016, respectively, and none thereafter.

**RESOURCE REAL ESTATE INVESTORS 7, L.P.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (Continued)**  
**DECEMBER 31, 2014**

**Long-Lived Assets**

The Partnership reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If it is determined that an asset's estimated future cash flows will not be sufficient to recover its carrying amount, an impairment charge will be recorded to reduce the carrying amount for that asset to its estimated fair value. The Partnership impaired assets at one of the Properties due to a wind storm in 2013 (see Note 9). Insurance proceeds covered the majority of the impairment.

**Rental Properties**

Rental properties are carried at cost, net of accumulated depreciation. Buildings and improvements and personal property are depreciated for financial reporting purposes on the straight-line method over their estimated useful lives. The value of in-place leases is amortized over the average remaining term of the respective leases on a straight-line basis. Useful lives used for calculating depreciation for financial reporting purposes are as follows:

|                            |                |
|----------------------------|----------------|
| Buildings and improvements | 5 - 27.5 years |
| Personal property          | 3 - 15 years   |

**Tenant Receivables**

Tenant receivables are stated at amounts due from tenants net of an allowance for uncollectible receivables. Payment terms vary and receivables outstanding longer than the payment terms are considered past due. The Partnership determines its allowance by considering a number of factors, including the length of time receivables are past due, security deposits held, the Partnership's previous loss history, the tenants' current ability to pay their obligations to the Partnership, the general condition of the economy and the industry as a whole. The Partnership writes off receivables when they become uncollectible. At December 31, 2014 and 2013, there were \$44 and \$2,000, respectively, in allowances for uncollectible receivables.

**Redemptions**

The LPs may request redemption of their units at any time. The Partnership has no obligation to redeem any units and will do so only at the GP's discretion. If the Partnership redeems units, the redemption price is generally the amount of the initial investment less all distributions from the Partnership to the LP, and less all organization and offering expenses charged to the LP.

**Acquisition**

The cost of Properties is allocated to net tangible assets based on relative fair values. Fair value estimates are based on information obtained from a number of sources, including independent appraisals that may be obtained in connection with the acquisition or financing of each property and other market data, as well as information obtained about each property as a result of due diligence, marketing and leasing activities.

**NOTE 3 - RESTRICTED CASH**

Restricted cash represents escrow deposits with lenders to be used to pay real estate taxes, insurance, and capital improvements. A summary of the components of restricted cash follows (in thousands):

|                      | Years Ended  |          |
|----------------------|--------------|----------|
|                      | December 31, |          |
|                      | 2014         | 2013     |
| Real estate taxes    | \$ 1,089     | \$ 882   |
| Insurance            | 227          | 278      |
| Capital improvements | 673          | 552      |
| Total                | \$ 1,989     | \$ 1,712 |

**RESOURCE REAL ESTATE INVESTORS 7, L.P.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (Continued)**  
**DECEMBER 31, 2014**

**NOTE 4 – DEFERRED FINANCING COSTS**

Deferred financing costs include unamortized costs incurred to obtain financing which are being amortized over the term of the related debt. Accumulated amortization as of December 31, 2014 and 2013 was \$1.2 million and \$967,000, respectively. Estimated amortization of the Properties' existing deferred financing costs for the next five years ending December 31, and thereafter, is as follows (in thousands):

|      |    |            |
|------|----|------------|
| 2015 | \$ | 162        |
| 2016 |    | 88         |
| 2017 |    | 82         |
| 2018 |    | 80         |
| 2019 |    | 18         |
|      | \$ | <u>430</u> |

**NOTE 5 – MORTGAGE NOTES PAYABLE**

The following is a summary of mortgage notes payable (in thousands, except percentages):

| Property   | Balance at<br>December 31, |                  | Maturity<br>Date          | Annual<br>Interest Rate | Average<br>Monthly<br>Debt Service |
|------------|----------------------------|------------------|---------------------------|-------------------------|------------------------------------|
|            | 2014                       | 2013             |                           |                         |                                    |
| Tamarlane  | \$ 8,906                   | \$ 8,906         | 05/01/2016 <sup>(6)</sup> | 4.92%                   | \$ 37 <sup>(1)</sup>               |
| Tamarlane  | 935                        | 952              | 05/01/2016 <sup>(6)</sup> | 6.12%                   | \$ 6 <sup>(2)</sup>                |
| Bent Oaks  | 5,820                      | 5,903            | 01/01/2019 <sup>(4)</sup> | 5.99% <sup>(4)</sup>    | \$ 37 <sup>(2)</sup>               |
| Cape Cod   | 6,045                      | 6,133            | 01/01/2019 <sup>(4)</sup> | 5.91% <sup>(4)</sup>    | \$ 38 <sup>(2)</sup>               |
| Woodhollow | 4,991                      | 5,060            | 01/01/2019 <sup>(4)</sup> | 6.14% <sup>(4)</sup>    | \$ 32 <sup>(2)</sup>               |
| Hills      | 12,527                     | 12,816           | 01/01/2016                | 3.40% <sup>(3)</sup>    | \$ 60 <sup>(3)</sup>               |
| Village    | 9,468                      | 9,580            | 04/01/2019                | 3.76% <sup>(5)</sup>    | \$ 31 <sup>(5)</sup>               |
| Total      | <u>\$ 48,692</u>           | <u>\$ 49,350</u> |                           |                         |                                    |

- (1) Interest only through the date of maturity, at which time the principal is due.
- (2) Monthly payment includes principal and interest.
- (3) Monthly payment includes principal and interest. Interest is variable and calculated monthly based upon the one-month British Bankers Association London Interbank Offered Rate plus 323 basis points, capped at 7% for the term of the loan.
- (4) The Partnership has an option to extend the maturity date for an additional one year to January 1, 2020. During the extension period, the interest rate would convert to the Federal Home Loan Mortgage Corporation Bill Index Rate plus 2.5%.
- (5) Interest only payments of \$31,000 through April 1, 2014; thereafter, monthly payment including principal and interest will total \$44,422.
- (6) The Partnership exercised the option to extend maturity date for an additional 1 year to May 1, 2015. During the extension period, the interest rate would convert to the Federal Home Loan Mortgage Corporation Bill Index Rate plus 2.5%.

Annual principal payments on the mortgage notes payable for each of the next five years ending December 31, and thereafter, are as follows (in thousands):

|      |    |               |
|------|----|---------------|
| 2015 | \$ | 10,571        |
| 2016 |    | 12,680        |
| 2017 |    | 479           |
| 2018 |    | 504           |
| 2019 |    | 24,458        |
|      | \$ | <u>48,692</u> |

**RESOURCE REAL ESTATE INVESTORS 7, L.P.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (Continued)**  
**DECEMBER 31, 2014**

The mortgage notes payable are with recourse only to the Properties securing them subject to certain limited standard exceptions, as defined in the mortgage notes, which the GP has guaranteed with respect to each property. These exceptions are referred to as “carveouts”. In general, carveouts relate to damages suffered by the lender for a subsidiary’s failure to pay rents, insurance or condemnation proceeds to the lender, to pay water, sewer and other public assessments or charges, to pay environmental compliance costs or to deliver books and records, in each case as required in the loan documents. The exceptions also require the GP to guarantee payment of audit costs, lender’s enforcement of its rights under the loan documents and payment of the loan if the subsidiary voluntarily files for bankruptcy or seeks reorganization, or if a related party of the subsidiary does so with respect to the subsidiary.

**NOTE 6 – CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS**

In the ordinary course of its business operations, the Partnership has ongoing relationships with several related entities.

Substantially all of the accounts receivable due from related parties represents escrow funds held by RAI for self-insurance. The Partnership’s properties participate in insurance pools with other properties directly and indirectly managed by RAI for both property insurance and general liability. RAI holds the escrow funds related to the insurance pools on its books. The insurance pool covers losses up to \$2.5 million for property losses and \$750,000 for general liability losses. Catastrophic insurance would cover property losses in excess of the insurance pool up to \$85 million. Therefore, unforeseen or catastrophic losses in excess of the Partnership’s insured limits could have a material adverse on the Partnership financial condition and operating results.

RCP is entitled to receive an annual investment management fee, payable monthly, equal to 1% of the gross offering proceeds, net of any amounts otherwise attributable to LP interests owned by RCP. During the term of the Partnership, RCP must subordinate up to 100% of its annual investment management fee to the receipt by the LPs of their Preferred Return. As of December 31, 2014 and 2013, investment management fees due to RCP totaled \$1.9 million and \$1.5 million, respectively.

A wholly-owned subsidiary of RCP, Resource Real Estate Management, LLC (“RREML”) is entitled to receive property and debt management fees. RREML engaged Resource Real Estate Management, Inc (“RREMI”), an indirect wholly owned subsidiary of RAI, to manage the Partnership’s Properties. As of December 31, 2014 and 2013, property management fees due totaled \$85,000 and \$49,000, respectively.

During the ordinary course of business, RCP and RREMI advance funds for ordinary operating expenses on behalf of the Properties, which are repaid within a few days. As of December 31, 2014 and 2013, advances due totaled \$67,000 and \$62,000, respectively.

The Partnership is obligated to pay fees to reimburse expenses of related parties. These activities are summarized as follows (in thousands):

|  | Years Ended<br>December 31, |               |
|--|-----------------------------|---------------|
|  | 2014                        | 2013          |
| <b>RCP:</b>  |                             |               |
| Investment management fees                           | \$ 322                      | \$ 321        |
| <b>RREML:</b>  |                             |               |
| Property management fees - 5% of gross cash receipts | 613                         | 585           |
|  | <u>\$ 935</u>               | <u>\$ 906</u> |

**NOTE 7 – FAIR VALUE OF FINANCIAL INSTRUMENTS**

In analyzing the fair value of its financial instruments disclosed or accounted for on a fair value basis, the Partnership follows the fair value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The Partnership determines fair value based on quoted prices when available or, if quoted prices are not available, through the use of alternative approaches, such as discounting the expected cash flows using market interest rates commensurate with the credit quality and duration of the financial instruments. The fair value of cash, tenant receivables and accounts payable approximate their carrying values due to their short term nature. The hierarchy followed defines three levels of inputs that may be used to measure fair value:

**RESOURCE REAL ESTATE INVESTORS 7, L.P.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (Continued)**  
**DECEMBER 31, 2014**

*Level 1* - Quoted prices in active markets for identical assets that the reporting entity has the ability to access at the measurement date.

*Level 2* - Inputs other than quoted prices included within Level 1 that are observable for the asset or can be corroborated with observable market data for substantially the entire contractual term of the asset.

*Level 3* - Unobservable inputs that reflect the entity's own assumptions about the assumptions that market participants would use in the pricing of the asset and are consequently not based on market activity, but rather through particular valuation techniques.

The following methods and assumptions were used to estimate the fair value of the Partnership's financial instruments:

- *Mortgage notes payable.* Rates currently available to the Partnership for debt with similar terms and remaining maturities are used to estimate the fair value of existing debt.

The carrying amounts and estimated fair values of the Partnership's financial instruments were as follows (in thousands):

|                                | December 31, 2014 |            | December 31, 2013 |            |
|--------------------------------|-------------------|------------|-------------------|------------|
|                                | Carrying Amount   | Fair Value | Carrying Amount   | Fair Value |
| <b>Mortgage notes payable:</b> |                   |            |                   |            |
| Tamarlane                      | \$ 9,842          | \$ 9,867   | \$ 9,858          | \$ 10,061  |
| Bent Oaks                      | 5,820             | 6,327      | 5,903             | 6,305      |
| Cape Cod                       | 6,045             | 6,554      | 6,133             | 6,529      |
| Woodhollow                     | 4,990             | 5,416      | 5,060             | 5,404      |
| Hills                          | 12,527            | 12,342     | 12,816            | 12,679     |
| Village                        | 9,468             | 9,485      | 9,580             | 9,260      |
| Total mortgage notes payable   | \$ 48,692         | \$ 49,991  | \$ 49,350         | \$ 50,238  |

**NOTE 8 - INSURANCE CLAIM**

On February 25, 2013, Bent Oaks suffered roof damage as the result of a windstorm. The damage was partially covered by insurance. The Partnership reduced the net carrying value of buildings and improvements for Bent Oaks by \$61,000. The Partnership received insurance proceeds of \$35,000 during the year ended December 31, 2013. Additional non-capitalized expenses incurred in conjunction with this claim were \$2,000 for the year ended December 31, 2013. The Partnership recorded a loss of \$28,000 for the year ended December 31, 2013.

**NOTE 9 - SUBSEQUENT EVENTS**

The Partnership sold Woodland Hills on March 19, 2015 for \$25.2 million and the Partnership will recognize a gain.

The Partnership has evaluated subsequent events through the date these consolidated financial statements were issued and determined that no events have occurred, other than those disclosed above, which would require an adjustment to the consolidated financial statements.

**ITEM 9. CHANGES IN AND DISABREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE**

None.

**ITEM 9A. CONTROLS AND PROCEDURES**

**Disclosure Controls**

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in our periodic reports under the Securities Exchange Act of 1934, as amended, or the Exchange Act, is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to our General Partner, including its chief executive officer and its chief financial officer, as appropriate, to allow timely decisions regarding required disclosure. In designing and evaluating the disclosure controls and procedures, our management recognized that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and our management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

Under the supervision of the chief executive officer and chief financial officer of our General Partner, we have carried out an evaluation of the effectiveness of our disclosure controls and procedures as of the end of the period covered by this report. Based upon that evaluation, our chief executive officer and chief financial officer concluded that our disclosure controls and procedures are effective at the reasonable assurance level.

**Management's Report on Internal Controls over Financial Reporting**

Our General Partner is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(l) and 15d-15(f) under the Exchange Act. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Projections of any evaluation of effectiveness to future periods are subject to the risks that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Our General Partner assessed the effectiveness of our internal control over financial reporting as of December 31, 2014. In making this assessment, the General Partner used the criteria set forth in the 2013 version of the *Internal Control - Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based upon this assessment, our General Partner concluded that, as of December 31, 2014, our internal control over financial reporting is effective.

This annual report does not include an attestation report of our independent registered public accounting firm regarding internal control over financial reporting. Management's report was not subject to attestation by our independent registered public accounting firm pursuant to the Dodd-Frank Wall Street Consumer Protection Act, which exempted smaller reporting companies from the auditor attestation requirements of Section 404(b) of the Sarbanes-Oxley Act.

**Changes in Internal Control over Financial Reporting**

There has been no change in our internal control over financial reporting that occurred during our quarter ended December 31, 2014 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

**ITEM 9B. OTHER INFORMATION**

None.



### PART III

#### ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

We do not have any officers, directors or employees. Rather, our General Partner manages our activities and supervises our Real Estate Investments using its affiliates under the provisions of our Limited Partnership Agreement which governs its conduct. Officers of our General Partner and its affiliates may spend a substantial amount of time managing its business and affairs and may face a conflict regarding the allocation of their time between our business and affairs and their other business interests.

##### Directors and Executive Officers of Our General Partner

The following table sets forth information with respect to the executive officers, directors and key personnel of our General Partner:

| <u>NAME</u>        | <u>AGE</u> | <u>POSITION OR OFFICE</u>  |
|--------------------|------------|--|
| Jonathan Z. Cohen  | 44         | Director and Chairman of the Board                                   |
| Alan F. Feldman    | 51         | Director and Senior Vice President                                   |
| David E. Bloom     | 50         | Director and Senior Vice President                                   |
| Kevin M. Finkel    | 43         | President  |
| Steven R. Saltzman | 51         | Vice President of Finance and Chief Financial and Accounting Officer |
| Darshan V. Patel   | 44         | Chief Legal Officer and Secretary                                    |

Jonathan Z. Cohen, a Director since 2002. Mr. Cohen also has served as Chairman and a Director of Resource Real Estate Management since 2005 and as Chief Executive Officer, President and a Director of Resource Capital Corp., (NYSE: RSO), a real estate investment trust managed by Resource America, since its formation in 2005. Mr. Cohen has been President since 2003 and Chief Executive Officer since 2004 of Resource America and also has served as Chairman and a Director of Resource Financial Institutions Group, Inc., a subsidiary of Resource America, since 2005. Mr. Cohen was Executive Vice President of Resource America from 2001 to 2003, Senior Vice President from 1999 to 2001 and Chief Operating Officer from 2002 to 2004. Mr. Cohen has been Vice Chairman of the Managing Board of Atlas Pipeline Partners GP, LLC, the general partner of Atlas Pipeline Partners, L.P., a publicly registered (NYSE: APL) natural gas pipeline company since its formation in 1999, Vice Chairman of Atlas Energy, L.P. (formally Atlas America, Inc.), a publicly-traded natural gas and oil exploration and production company since 2000 and Vice Chairman of Atlas Energy Resources, a natural gas and oil exploration and production company since 2006. Upon consummation of a transaction with Targa Resources Corp., Mr. Cohen will become the Executive Chairman of Atlas Energy Group, LLC, which will hold all of Atlas Energy L.P.'s assets and businesses other than those related to its Atlas Pipeline Partners segment. Mr. Cohen was the Vice Chairman of RAIT Investment Trust, (now RAIT Financial Trust), or RAIT, a publicly-traded REIT (NYSE: RAS) from 2003 to 2006, and Secretary, trustee and a member of RAIT's investment committee from 1997 to 2006. Among the reasons for his appointment as director, Mr. Cohen's financial, business and real estate experience add strategic vision to our General Partner's board.

Alan F. Feldman, a Director and Senior Vice President since 2004. Mr. Feldman also has served as Chief Executive Officer of Resource Real Estate, a subsidiary of Resource America, since 2004, and of Resource Real Estate Opportunity REIT, a real estate investment trust managed by Resource America, since 2009, President and a Director of Resource Real Estate Management since 2005 and a Senior Vice President of Resource America since 2002. Mr. Feldman was President of Resource Properties, a subsidiary of Resource America, from 2002 to 2005. From 1998 to 2002, Mr. Feldman was a Vice President at Lazard Freres & Co., an investment banking firm, specializing in real estate mergers and acquisitions, asset and portfolio sales and recapitalization. From 1992 through 1998 Mr. Feldman was an Executive Vice President of the Pennsylvania Real Estate Investment Trust and its predecessor, The Rubin Organization, where he was responsible for the firm's 20 million square feet of managed retail properties. From 1990 to 1992 Mr. Feldman was a Director at Strouse, Greenberg & Co., a regional full service real estate company. From 1986 through 1988, Mr. Feldman was an engineer at Squibb Corporation. Mr. Feldman's extensive experience and knowledge in the real estate business is an asset to our General Partner's board.

David E. Bloom, a Director since 2002, President from 2002 to 2006 and Senior Vice President since 2006. Mr. Bloom also has served as President and a Director of Resource Real Estate since 2004, and as a Senior Vice President of Resource America, a position he has held since September 2001. Mr. Bloom joined Resource America from Colony Capital, LLC, a Los Angeles-based real estate fund, where he was a Senior Vice President as well as a Principal of Colony Capital Asia Pacific from 1999 to 2001. While at Colony, Mr. Bloom was responsible for the identification, evaluation and consummation of new investments, and he actively participated in the firm's equity and debt raising efforts. From 1998 to 1999, Mr. Bloom was a Director at Sonnenblick-Goldman Company, a New York based real estate investment bank. From 1992 to 1998, Mr. Bloom practiced law in the real estate

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and corporate departments of Wilkie Farr & Gallagher in New York and Drinker Biddle & Reath in Philadelphia. Prior to practicing law, Mr. Bloom began his real estate career in 1987 as an Acquisitions and Development Associate with Strouse, Greenberg & Company, a regional full-service real estate company. Mr. Bloom's extensive experience and knowledge in the real estate business is an asset to our General Partner's board.

Kevin M. Finkel, President since 2006 and Senior Vice President from 2003 to 2006. Mr. Finkel also has served as Executive Vice President since 2008 and Director of Acquisitions since 2004 of Resource Real Estate. Mr. Finkel joined Resource America in 2002, and has been a Vice President of Resource America since 2006. Prior to joining Resource America, Mr. Finkel was an investment banker at Barclays Capital from 1998 to 2000 and at Deutsche Bank Securities from 1994 to 1998.

Steven R. Saltzman, Vice President of Finance and Chief Financial and Accounting Officer since August 2003. Mr. Saltzman also has served as Vice President and Controller of Resource Real Estate since 2004 and Vice President of Finance of Resource Real Estate Management since 2006. From 1999 to 2003, Mr. Saltzman was Controller at WP Realty, Inc., a regional developer and property manager specializing in community shopping centers. Mr. Saltzman began his real estate career in 1988 as a Property Controller at The Rubin Organization, a predecessor to the Pennsylvania Real Estate Investment Trust. Mr. Saltzman began his professional career at Price Waterhouse from 1985 to 1988.

Darshan V. Patel, Chief Legal Officer and Secretary since 2002. Mr. Patel also has served as Vice President of Resource America since 2005 and Associate General Counsel for Resource America since 2001. From 1998 to 2001, Mr. Patel was associated with the law firm of Berman, Paley, Goldstein & Kannry practicing commercial litigation and real estate law. From 1996 to 1998, Mr. Patel was associated with the law firm of Glynn & Associates practicing litigation and real estate law.

#### **Code of Business Conduct and Ethics**

Because we do not directly employ any persons, we rely on a Code of Business Conduct and Ethics adopted by Resource America that applies to the principal executive officer, principal financial officer and principal accounting officer of our General Partner, as well as to persons performing services for us generally. You may obtain a copy of this code of ethics by a request to our General Partner, Resource Capital Partners, at One Crescent Drive, Suite 203, Navy Yard Corporate Center, Philadelphia, PA 19112.

#### **Audit Committee Financial Expert**

Neither we nor our General Partner's Board of Directors has a standing audit committee; our General Partner's entire Board of Directors acts as the audit committee. Our General Partner's Board of Directors does not currently have any member who qualifies as an audit committee financial expert. We believe that the cost related to retaining such a financial expert at this time is prohibitive for a small entity such as ours, and that it would reduce amounts otherwise distributable to our LPs.

#### **Section 16(a) Beneficial Ownership Reporting Compliance**

Section 16(a) of the Securities Exchange Act of 1934, which we refer to as the Exchange Act, requires the directors and executive officers of our General Partner, our General Partner, and holders greater than 10% of our limited partnership interests to file reports with the SEC. SEC regulations require us to identify anyone who filed a required report late during the most recent fiscal year. Based on our review of these reports, we believe that the filing requirements for all of these reporting persons were complied with during 2014.

## ITEM 11. EXECUTIVE COMPENSATION

We have no directors or officers and we do not directly employ any persons to manage or operate our business. Our affairs are managed by our General Partner and its affiliates. As compensation for its services, we pay our General Partner various fees as set forth in Item 13.

## ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT RELATED STOCKHOLDER MATTERS

The following table sets forth the number and percentage of our limited partnership interests owned by beneficial owners of 5% or more of our limited partnership interests as well as the beneficial ownership of our General Partner, and its officers and directors, as of March 27, 2015. Under the terms of the Partnership Agreement, our affairs are managed by our General Partner. We do not have any officers or directors. This information is reported in accordance with the beneficial ownership rules of the SEC under which a person is deemed to be the beneficial owner of a security if that person has or shares voting power or investment power with respect to such security or has the right to acquire such ownership within 60 days.

| Title of Class                        | Name and address of beneficial owner <sup>(1)</sup>           | Amount and nature of beneficial ownership <sup>(2)</sup> | Percent of Class |
|---------------------------------------|---|--|------------------|
| Units of limited partnership interest | Resource Capital Partners, Inc.                               | 183,768 units  | 5.62%            |
| Units of limited partnership interest | Jonathan Z. Cohen, Chairman of the Board and Director         | -  | -                |
|                                       | Alan F. Feldman, Senior Vice President and Director           | -  | -                |
|                                       | Kevin M. Finkel, President                                    | -  | -                |
|                                       | Steven R. Saltzman, Vice President - Finance                  | -  | -                |
|                                       | David E. Bloom, Senior Vice President and Director            | -  | -                |
|                                       | Darshan V. Patel, Chief Legal Officer and Assistant Secretary | -  | -                |
|                                       | Michael S. Yecies, Secretary                                  | -  | -                |
|                                       | All directors and executive officers as a group               | -  | -                |

(1) The address for each beneficial owner is One Crescent Drive, Suite 203, Philadelphia, Pennsylvania 19112.

(2) Beneficial ownership for officers and directors excludes amounts that may be attributable to them as a result of the units beneficially owned by Resource Capital Partners.

## ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS AND DIRECTOR INDEPENDENCE

We pay our General Partner and its affiliates the following fees for their services.

### Property Management Fees

We pay Resource Real Estate Management, an affiliate of our General Partner, a monthly property management fee in an amount equal to 5% of our gross cash receipts from the operation of our Properties. This fee is for Resource Real Estate Management's services in managing the Properties or obtaining and supervising subcontractor Property managers, which may be affiliates of Resource Real Estate Management or independent third-parties. Resource Real Estate Management is permitted to manage the Properties through a property management affiliate or subcontract the management of the Properties out to unaffiliated third-party subcontractors. If Resource Real Estate Management subcontracts the management of the Properties, then it will pay all management fees payable to the subcontractor managers of our Properties. For the year ended December 31, 2014, Resource Real Estate Management earned \$613,000 in real estate property management fees.

### Deferral of Real Estate Management Fees

We pay Resource Real Estate Management or its affiliates the real estate management fees for our Real Estate Investments from our operating revenues and our General Partner may, in its discretion, from time to time defer payment of all or any portion of such fees related to our Real Estate Investments, and accrue the same, if it deems our operating revenues are insufficient to pay such fees and still satisfy our investment objectives. We will pay any deferred fees to Resource Real Estate Management when our General Partner deems our operating revenues are sufficient to make such payment. As of December 31, 2014, no fees had been deferred.

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### Investment Management Fees

We pay our General Partner or its affiliates an annual investment management fee payable from our revenues in an amount equal to 1% of the gross offering proceeds from the offering that have been, and continue to be, deployed in real estate investments. The investment management fee is for our General Partner's professional services rendered in our administration, including, but not limited to, the preparation and distribution of our required quarterly and annual reports to our limited partners. Since the annual investment management fee is for our General Partner's professional services, it is in addition to the reimbursements we pay our General Partner for certain administrative expenses that it and its affiliates incur on our behalf as described below in "Reimbursement of Administrative Expenses and Direct Costs." Up to 100% of our General Partner's annual investment management fee is subordinated to our limited partners' receipt of their Preferred Return. Our General Partner is entitled at any time to an additional share of our cash distributions to recoup any investment management fees or distributions that were previously subordinated to the extent that our cash distributions to our limited partners exceeded their Preferred Return. For the year ended December 31, 2014, our General Partner earned \$322,000 in investment management fees, the payment of which was deferred under the subordination clause of the Partnership Agreement. The payment of the fees earned in the prior years have been deferred as well.

### Property Financing Fee for Refinancing a Property

We pay our General Partner or its affiliates a property financing fee equal to 0.5% of the face amount of any refinancing we obtain for our interest in the Properties. This fee is for our General Partner's or its affiliates' services in obtaining the financing and negotiating its terms. The property financing fee for refinancing will not be paid for real estate debt investments. There were no refinancings of the Properties during the year ended December 31, 2014, accordingly, no fees were paid.

### Cash Distributions to Our General Partner

Our General Partner will receive distributions from us from the following sources:

- distributable cash from operations;
- distributable cash from capital transactions; and
- cash distributions to the partners upon our liquidation.

Cash distributions from our operations will be first paid to our limited partners until they have received distributions totaling their Preferred Return and thereafter, 80% to our limited partners and 20% to our General Partner.

Cash distributions from capital transactions, which include cash we receive from the sale or refinancing of a Property or the sale or repayment in full of all outstanding principal and interest due and owing to us on a real estate debt investment, are distributed in the following order:

- first, 100% to our limited partners until they receive distributions, including distributions of distributable cash from operations, totaling their Preferred Return;
- second, 100% to our limited partners until their respective adjusted capital contributions (amount originally paid for a limited partnership interest less previous distributions of distributable cash from capital transactions) have been reduced to zero; and
- thereafter, 80% to our limited partners and 20% to our General Partner.

When we dissolve and liquidate, we will distribute the liquidation proceeds in the following order of priority:

- first, to the payment of our creditors in the order of priority provided by law, except obligations to partners or their affiliates;
- next, to establish any reserve that our General Partner (or any other person effecting the winding up) determines is reasonably necessary for any contingent or unforeseen liability or obligation;
- next, to the payment of all unpaid fees (other than our General Partner's right to reimbursement of any fees previously subordinated to distributions to our limited partners) and other obligations owed by us to our General Partner and its affiliates (other than expense reimbursements), such as loans to us, in proportion to, and to the extent of, the unpaid fees, advances and other obligations to our General Partner and its affiliates under the Partnership Agreement;
- next, to the payment of all expense reimbursements (other than our General Partner's right to reimbursement of any fees previously subordinated to distributions to our limited partners) to which our General Partner or its affiliates may be entitled under the Partnership Agreement;
- next, to the partners in proportion to, and to the extent of, the positive balances of their capital accounts;

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- next, 100% to our limited partners until they have received their respective Preferred Returns;
- next, to our General Partner as reimbursement for any fees previously subordinated to distributions to our limited partners; and
- thereafter, 80% to our limited partners and 20% to our General Partner.

There were no distributions to the General Partner as of December 31, 2014 and 2013.

#### Director Independence

Because we are not listed on any national securities exchange or inter-dealer quotation system, we have elected to use the NASDAQ National Stock Market's definition of "independent director" in evaluating whether any of our General Partner's directors are independent. Under this definition, the board of directors of our General Partner has determined that our General Partner does not have any independent directors, nor are we required to have any.

#### Parent Entities

See Item 1, "Business - General"

### **ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES**

**Audit Fees.** The aggregate fees billed by our independent auditors, Grant Thornton LLP for the periods ended December 31, 2014 and 2013 for professional services rendered were \$112,000 and \$102,000, respectively.

**Audit-Related Fees.** We did not incur any audit related fees from Grant Thornton LLP during 2014 and 2013.

**Tax Fees.** We did not incur any fees for tax services from Grant Thornton LLP during 2014 and 2013.

**All Other Fees.** We did not incur any other fees from Grant Thornton LLP during 2014 and 2013.

*Procedures for Audit Committee Pre-Approval of Audit and Permissible Non-Audit Services of Independent Auditor.* As a limited partnership, we do not have an audit committee. Our General Partner's Board of Directors, acting as a committee of the whole, reviews and approves in advance any audit and any permissible non-audit engagement or relationship between us and our independent auditors.

**PART IV**

**ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES**

(a) The following documents are filed as part of this Annual Report on Form 10-K/A:

**1. Financial Statements**

Report of Independent Registered Public Accounting Firm  
Consolidated Balance Sheets at December 31, 2014 and 2013  
Consolidated Statements of Operations for the  
Years Ended December 31, 2014 and 2013  
Consolidated Statements of Changes in Partners' Capital for the Years Ended  
December 31, 2014 and 2013  
Consolidated Statements of Cash Flows for the Years Ended December 31, 2014 and 2013  
Notes to Consolidated Financial Statements - December 31, 2014

**2. Financial Statement Schedules**

Schedule III Investments in Real Estate

**3. Exhibits**

| Exhibit No. | Description  |
|-------------|--|
| 3.1         | Amended and Restated Agreement of Limited Partnership. <sup>(1)</sup>  |
| 3.2         | Certificate of Limited Partnership. <sup>(1)</sup>   |
| 4.1         | Forms of letters sent to limited partners confirming their investment. <sup>(1)</sup>  |
| 31.1        | Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.  |
| 31.2        | Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.  |
| 32.1        | Certification of Chief Executive Officer pursuant to Section 1350 18 U.S.C., as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.   |
| 32.2        | Certification of Chief Financial Officer pursuant to Section 1350 18 U.S.C., as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.   |
| 101.1       | The following information from the Partnership's annual report on Form 10-K for the year ended December 31, 2014, formatted in XBRL (eXtensible Business Reporting Language):<br>(i) Consolidated Balance Sheets; (ii) Consolidated Statements of Operations; (iii) Consolidated Statement of Changes in Partners' Capital; and<br>(iv) Consolidated Statements of Cash Flows. |

(1) Filed previously as an exhibit to the Partnership's registration statement on Form 10 for the year ended December 31, 2008 and by this reference incorporated herein.

## SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

### RESOURCE REAL ESTATE INVESTORS 7, L.P.

By: Resource Capital Partners, Inc., its general partner

March 24, 2015

By: /s/ Kevin M. Finkel

Kevin M. Finkel

President

(Principal Executive Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

|   |  |                |
|---|--|----------------|
| <u>/s/ Jonathan Z. Cohen</u><br>JONATHAN Z. COHEN   | Director   | March 24, 2015 |
| <u>/s/ Alan F. Feldman</u><br>ALAN F. FELDMAN       | Director and Senior Vice President                                       | March 24, 2015 |
| <u>/s/ David E. Bloom</u><br>DAVID E. BLOOM         | Director and Senior Vice President                                       | March 24, 2015 |
| <u>/s/ Kevin M. Finkel</u><br>KEVIN M. FINKEL       | President<br>(Principal Executive Officer)                               | March 24, 2015 |
| <u>/s/ Steven R. Saltzman</u><br>STEVEN R. SALTZMAN | Vice President - Finance<br>(Principal Financial and Accounting Officer) | March 24, 2015 |

**Resource Real Estate Investors 7, L.P.**  
**SCHEDULE III**  
**Real Estate and Accumulated Depreciation**  
**December 31, 2014**  
**(dollars in thousands)**

| Column A                       | Column B         | Column C                        | Column D                                   | Column E   | Column F                 | Column G             | Column H      | Column I  |
|--------------------------------|------------------|---------------------------------|--|--|--------------------------|----------------------|---------------|---|
| Description                    | Encumbrances     | Initial cost to Company         | Cost capitalized subsequent to acquisition | Gross amount at which carried at close of period | Accumulated depreciation | Date of construction | Date acquired | Life on which depreciation in latest income is computed |
|                                |                  | Buildings and land improvements | Improvements carrying costs                | Buildings and land improvements total            |                          |                      |               |   |
| <b>Real estate owned:</b>      |                  |                                 |  |  |                          |                      |               |   |
| Residential<br>Portland, ME    | 9,841            | \$ 12,632                       | \$ 1,363                                   | \$ 13,995  | (3,657)                  | 1985                 | 7/31/2008     | 3 - 27.5 years  |
| Residential<br>Austin, TX      | 5,820            | 7,902                           | 1,141                                      | 9,043  | (2,218)                  | 1978                 | 12/10/2008    | 3 - 27.5 years  |
| Residential<br>San Antonio, TX | 6,045            | 8,407                           | 507  | 8,914  | (2,143)                  | 1985                 | 12/10/2008    | 3 - 27.5 years  |
| Residential<br>Austin, TX      | 4,991            | 6,765                           | 966  | 7,731  | (1,853)                  | 1974                 | 12/12/2008    | 3 - 27.5 years  |
| Residential<br>Decatur, GA     | 12,527           | 17,157                          | 2,050                                      | 19,207   | (4,429)                  | 1985                 | 12/19/2008    | 3 - 27.5 years  |
| Residential<br>Columbia, SC    | 9,468            | 11,500                          | 1,454                                      | 12,954   | (1,955)                  | 1970                 | 3/7/2012      | 3 - 27.5 years  |
|                                | <u>\$ 48,692</u> | <u>\$ 64,363</u>                | <u>\$ 7,481</u>                            | <u>\$ 71,844</u>                                 | <u>\$ (16,255)</u>       |                      |               |   |

|  | 2014             | 2013             |
|--|------------------|------------------|
| Balance at the beginning of the period | \$ 71,377        | \$ 70,526        |
| Additions during period:               |                  |                  |
| Improvements                           | 584              | 1,254            |
| Purchase of new asset                  | —                | —                |
| Other - basis adjustment               | —                | 60               |
| Deductions during period:              |                  |                  |
| Sale of land                           | —                | —                |
| Disposals                              | (117)            | (463)            |
| Balance at the end of the period       | <u>\$ 71,844</u> | <u>\$ 71,377</u> |



**Exhibit 3:  
Technical Ability**

As noted in Exhibit 2, there is no unfinished construction at the Tamarlane Apartments property.

While RRE Tamarlane Holdings, LLC is the holding company that now owns the Tamarlane Apartments, the asset manager for Tamarlane is Resource Real Estate Management, LLC ("RREM"), a wholly owned subsidiary of RREI with the actual day-to-day management performed by Resource Residential, another affiliate of RREI. RREI has an ownership interest in and manages over 15,000 apartment units and 1.3 million square feet of commercial space located throughout the United States. RREM and Resource Residential have demonstrated their technical ability to operate and manage real estate developments, including large apartment complexes, by being the asset and property managers respectively for almost all of the real estate owned and managed by RREI. Further, RRE Tamarlane has successfully operated Tamarlane since 2008.

**Exhibit 4:**  
**Title, Right or Interest**

See attached quitclaim deed.

When Recorded, Mail to:

Resource Real Estate, Inc.  
1845 Walnut Street, 10th Floor  
Philadelphia, Pennsylvania 19103  
Attention: Shelle Weisbaum

MAINE REAL ESTATE TAX PAID

### QUITCLAIM DEED WITH COVENANT

KNOW ALL BY THESE PRESENTS, That EQR-PLANTATION VISTAS, INC., an Illinois corporation ("Grantor"), does hereby grant to RRE TAMARLANE HOLDINGS, LLC, a Delaware limited liability company ("Grantee"), having a mailing address of One Crescent Drive, Suite 203, Philadelphia, Pennsylvania 19112, WITH QUITCLAIM COVENANT, the land (the "Property") situated in the City of Portland, Cumberland County, Maine, together with all improvements thereon and all of Grantor's interest in any rights and privileges solely appurtenant thereto:

SEE EXHIBIT A ATTACHED HERETO AND BY THIS REFERENCE MADE A PART HEREOF.

Meaning and intending to convey the premises conveyed by East Deering Housing Associates, a Maine limited partnership, to the Grantor herein by deed dated May 21, 1997, and recorded in the Cumberland County Registry of Deeds in Book 13091, Page 170.

SUBJECT TO: the permitted exceptions set forth on Exhibit B attached hereto and by this reference made a part hereof.

IN WITNESS WHEREOF, Grantor has caused this Quitclaim Deed With Covenant to be executed under seal this \_\_\_\_ day of April, 2008.

GRANTOR:

EQR-PLANTATION VISTAS, INC., an Illinois corporation

By: Shelanda Haskell  
Name: SHELANDA HASKELL  
Title: VICE PRESIDENT

*W*

STATE OF ILLINOIS )  
  )ss  
COUNTY OF COOK )

On this \_\_\_\_ day of April, 2008 before me the undersigned notary public personally appeared Shelanda Haskell the VP of EQR-Plantation Vistas, Inc. and proved to me through satisfactory evidence of identification to be the person whose name is signed on the preceding document, and acknowledged to me that he signed it as the VP of EQR-Plantation Vistas, Inc. voluntarily for its stated purpose.

Christina Purdue  
Notary Public

Typed or Printed Name: Christina Purdue

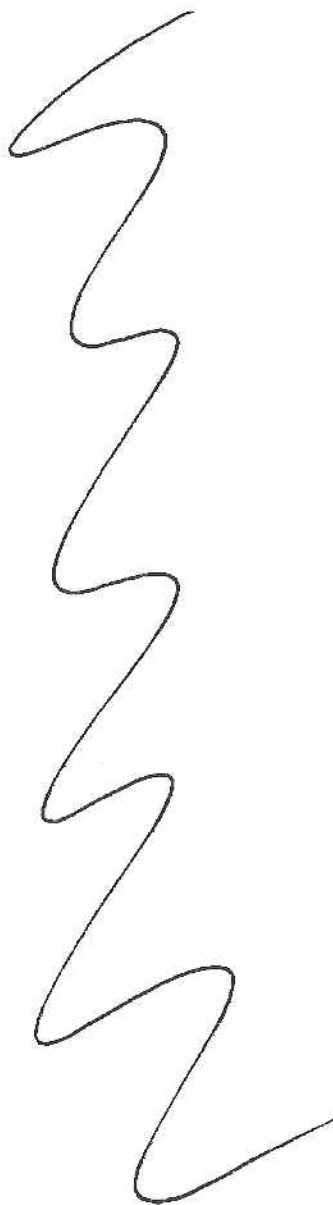
My commission expires:



**EXHIBIT A**

**LEGAL DESCRIPTION**

(attached)



LEGAL DESCRIPTION

A certain parcel of land situated on the Southwesterly side of Washington Avenue in the City of Portland, County of Cumberland, and State of Maine, bounded and described as follows:

Beginning at a point on the Southwesterly sideline of Washington Avenue, which point is located N 42°-04'-25" W 234.83 feet from a stone monument on the Southwesterly sideline of Washington Avenue;

Thence S 49°-17'-50" W by the Southeasterly sideline of Gerald Ave. as shown on Plan Book 28 page 18 at the Cumberland County Registry of Deeds 572.68 feet to a 5/8" iron rod set;

Thence S 40°-10'-10" E by lots 57 through 71 and across the East Side Intercepting Sewer as shown on Plan Book 28 page 18 965.13 feet to the Northern most corner of lot 56 on said plan;

Thence S 10°-28'-50" W by lot 56, Lloyd Ave., lot 16, and lot 15 on Plan Book 28 page 18, 406.26 feet to a 5/8" iron rod set;

Thence S 39°-00'-50" W by lot 14 on Plan Book 28 page 18 159.83 feet to a 5/8" iron rod set on the rear line of lot 472 as shown on the plan recorded at the Cumberland County Registry of Deeds in Plan Book 15 page 41;

Thence N 41°-04'-10" W by lots 434 through 472 on Plan Book 15 page 41 a distance of 1101.26 feet;

Thence N 40°-31'-10" W by lots 90, 89, 88, 87, and 82 on Plan Book 28 page 18, 499.50 feet to a 5/8" iron rod set;

Thence N 49°-28'-50" E by the land of the City of Portland (Book 2024 page 369; Book 2026 page 51) 491.50 feet to a 5/8" iron rod set;

Thence N 40°-10'-10" W by the land of the City of Portland 1.06 feet to a 5/8" iron rod set at the Westernmost corner of the land formerly of Richard G. and Justina Ives (Book 2643 page 406);

Thence N 49°-17'-50" E by the land of the City of Portland and the land of Donald A. Heller and Kimberly A. Washam (Book 6362 page 342) 202.60 feet to a 5/8" iron rod set;

Continued on next page

Thence S 36°-15'-35" E by the land of Richard G. and Justina Ives (Book 2643 page 406) and by the land of James O. and Joan H. Flaherty (Book 2241 page 312) 152.44 feet to a 5/8" iron rod set in the Northwesterly line of land formerly of Francis J., Jr. and Patricia A. McPartlan (Book 4039 page 296);

Thence N 49°-17'-50" E by the land of Flaherty 27.37 feet to a 5/8" iron rod set;

Thence S 40°-42'-10" E by the land of McPartlan 99.98 feet to a 5/8" iron rod set;

Thence N 49°-17'-50" E by lots 75, 74, 73 and 72 on Plan Book 28 page 16, and by the land of McPartlan 348.86 feet to the Southwesterly sideline of Washington Avenue;

Thence S 42°-04'-25" E by the sideline of Washington Avenue 100.01 feet to the point of beginning.

Said parcel is shown on "Plan of Land on Washington Ave., Portland, Maine for Housing Resources Corp., Owen Haskell, Inc. Dec. 27, 1984; Rev. 4/19/85" which plan is made a part of this description.

All bearings are deflected 03°-54'-10" East of magnetic 1941 as per plan.

Also an Easement deed as set forth in an instrument to East Deering Housing Associates from the City of Portland dated October 28, 1985 and recorded in the Cumberland County Registry of Deeds in Book 6948, Page 113.

And Clarification of easement as set forth in an instrument from the City of Portland dated December 16, 1985 and recorded in the Cumberland County Registry of Deeds in Book 7011, Page 30.

Also a Corrective easement deed as set forth in an instrument to East Deering Housing Associates from the City of Portland dated January 10, 1986 and recorded in the Cumberland County Registry of Deeds in Book 7046, Page 320.

And an Amendment to easement dated September 24, 198 between Portland Congregation of Jehovah's Witnesses ("Witnesses") and East Deering Housing Associates recorded in Book 7417, Page 173.

**EXHIBIT B**  
**PERMITTED EXCEPTIONS**

1. Acts of Grantee, and those claiming by, through and under Grantee.
2. General and special taxes and assessments not yet delinquent.
3. Rights of tenants under leases, and those claiming by, through and under said tenants.
4. Zoning, building and other governmental and quasi-governmental laws, codes and regulations.
5. Any adverse claim to any portion of the Property which has been created by artificial means or has accreted to any such portion so created and riparian rights, if any.
6. Covenants, conditions, restrictions, and private or public utility easements of record together with easements or claims of easements not shown by the public records.
7. Encroachments, overlaps, boundary line disputes, or other matters which would be disclosed by an accurate survey or inspection of the Property.

Received  
Recorded Register of Deeds  
Apr 24, 2008 03:58:38P  
Cumberland County  
Fawela E. Lovley



**Exhibit 5:  
Certificate of Good Standing**

See attached.

# State of Maine



## Department of the Secretary of State

*I, the Secretary of State of Maine, certify that according to the provisions of the Constitution and Laws of the State of Maine, the Department of the Secretary of State is the legal custodian of the Great Seal of the State of Maine which is hereunto affixed and of the reports of qualification of foreign limited liability companies in this State and annual reports filed by the same.*

*I further certify that RRE TAMARLANE HOLDINGS, LLC, a DELAWARE limited liability company, is a duly qualified foreign limited liability company under the laws of the State of Maine and that the application for authority to transact business in this State was filed on January 28, 2008.*

*I further certify that said foreign limited liability company has filed annual reports due to this Department, and that no action is now pending by or on behalf of the State of Maine to forfeit the authority to transact business in this State and that according to the records in the Department of the Secretary of State, said foreign limited liability company is a legally existing limited liability company in good standing under the laws of the State of Maine at the present time.*

*In testimony whereof, I have caused the Great Seal of the State of Maine to be hereunto affixed. Given under my hand at Augusta, Maine, this nineteenth day of October 2015.*



A handwritten signature in black ink, appearing to read "Matthew Dunlap", written over a horizontal line.

Matthew Dunlap  
Secretary of State

**Exhibit 6:  
Public Notice**

A copy of the completed notice of intent to file and a list of abutters to whom notice of this application for transfer have been sent are contained in this exhibit. Also contained in this exhibit is proof of the publication and mailing of the enclosed notice.

**PUBLIC NOTICE:  
NOTICE OF INTENT TO FILE**

Please take notice that RRE Tamarlane Holdings, LLC, having an address at One Crescent Drive, Suite 203, Philadelphia, Pennsylvania 19112, and which can be contacted c/o Matthew D. Manahan, Esq., Pierce Atwood LLP, 254 Commercial St., Portland, ME 04101, (207) 791-1189, is intending to file a Site Location of Development Act permit application with the Maine Department of Environmental Protection pursuant to the provisions of 38 M.R.S.A. §§ 81-490 on or about October 30, 2015.

The application is for transfer of the existing DEP Site Location of Development permit, having the number L-011024-87-A-N and subsequent amendments, associated with the Tamarlane Apartments located at 988-996 Washington Ave. in Portland, ME.

A request for a public hearing or a request that the Board of Environmental Protection assume jurisdiction over this application must be received by the Department, in writing, no later than 20 days after the application is found by the Department to be complete and is accepted for processing. A public hearing may or may not be held at the discretion of the Commissioner or Board of Environmental Protection. Public comment on the application will be accepted throughout the processing of the application.

The application will be filed for public inspection at the Department of Environmental Protection's office in Portland during normal working hours. A copy of the application may also be seen at the city offices in Portland, ME.

Written public comments may be sent to the Department of Environmental Protection, Bureau of Land and Water Quality, 17 State House Station, Augusta, Maine 04333-0017.

**Portland Press Herald**  
EST. 1845  
**Maine Sunday Telegram**  
pressherald.com

Classified Advertising Proof

**Legal Advertisement**

**NOTICE OF INTENT TO FILE**

Please take notice that RRE Tamarlane Holdings, LLC, having an address at One Crescent Drive, Suite 203, Philadelphia, Pennsylvania 19112, and which can be contacted c/o Matthew D. Manahan, Esq., Pierce Atwood LLP, 254 Commercial St., Portland, ME 04101, (207) 791-1189, is intending to file a Site Location of Development Act permit application with the Maine Department of Environmental Protection pursuant to the provisions of 38 M.R.S.A. §§ 81-490 on or about October 30, 2015.

The application is for transfer of the existing DEP Site Location of Development permit, having the number L-011024-87-A-N and subsequent amendments, associated with the Tamarlane Apartments located at 988-996 Washington Ave. in Portland, ME.

A request for a public hearing or a request that the Board of Environmental Protection assume jurisdiction over this application must be received by the Department, in writing, no later than 20 days after the application is found by the Department to be complete and is accepted for processing. A public hearing may or may not be held at the discretion of the Commissioner or Board of Environmental Protection. Public comment on the application will be accepted throughout the processing of the application.

The application will be filed for public inspection at the Department of Environmental Protection's office in Portland during normal working hours. A copy of the application may also be seen at the city offices in Portland, ME.

Written public comments may be sent to the Department of Environmental Protection, Bureau of Land and Water Quality, 17 State House Station, Augusta, Maine 04333-0017.

**List of Abutters**

**988-996 Washington Ave, Portland ( Tax Map 161 Block D Lot 25 & Tax Map 162 Block B Lot 10)**

| <u>Tax Map &amp; Lot No</u>                                    | <u>Current Owner</u>                         | <u>Mailing Address</u>                                       | <u>Property address</u>                           |
|--|--|--|---|
| <b>Subject premises:<br/>162-B-10<br/>&amp;<br/>161- B- 25</b> | <b>RRE Tamarlane Holdings, LLC</b>           | <b>One Crescent Drive, Suite 203, Philadelphia, PA 19112</b> | <b>988 -996 Washington Ave., Portland</b>         |
| 161-B-42   | Casco Bay Holdings LLC                       | 1000 Washington Ave.<br>Portland, ME 04103                   | 1000 Washington Ave.<br>Portland                  |
| 161- E-14  | Bradford M. Davis                            | 984 Washington Ave<br>Portland, ME 04103                     | 984 Washington Ave.<br>Portland                   |
| 161- E-13  | <u>Mohammad N. Shir</u>                      | 41 Ocean House Road<br>Cape Elizabeth, ME 04107              | 982 Washington Ave.<br>Rear Portland              |
| 161- E-12  | <u>Mohammad N. Shir</u>                      | 41 Ocean House Road,<br>Cape Elizabeth, ME 04107             | 982 Washington Ave.<br>Rear Portland              |
| 161- E-11  | Christopher J Peters &<br>Jennifer W. Peters | 22 Winding Way<br>Yarmouth, ME 04096                         | 37 Fall Brook Street<br>Rear Portland             |
| 161- E-8   | Christopher J Peters &<br>Jennifer W. Peters | 22 Winding Way<br>Yarmouth, ME 04096                         | 37- 39 Fall Brook Street,<br>Portland             |
| 161-E-7  | Glen D. Dyer & Jane M.<br>Dyer               | 35 Fall Brook Street<br>Portland, ME 041013                  | 35 Fall Brook Street,<br>Portland                 |
| 161-E-6  | Roger P. Carignan                            | 29 Fall Brook Street<br>Portland, ME 041013                  | 29 Fall Brook Street,<br>Portland                 |
| 161-E-1  | Rocco Toppi III & Mary<br>M. Toppi           | 17 Fall Brook Street<br>Portland, ME 041013                  | 11-21 Fall Brook Street,<br>Portland              |
| 161-E-2  | Rocco Toppi III & Mary<br>M. Toppi           | 17 Fall Brook Street<br>Portland, ME 041013                  | 11-21 Fall Brook Street,<br>Portland              |
| 161-E-5  | Rocco Toppi III & Mary<br>M. Toppi           | 17 Fall Brook Street<br>Portland, ME 041013                  | 11-21 Fall Brook Street,<br>Portland              |
| 161- E -3  | Sadri Shir                                   | PO Box 8301<br>Portland, ME 04104                            | 972-978 Washington<br>Ave. & Jill St.<br>Portland |
| 161- E-9   | Michael J. Vassallo &<br>Nancy A. Vassallo   | 43 Fall Brook Street<br>Portland, ME 04103                   | 43 Fall Brook Street,<br>Portland                 |
| 161- E-10  | David B. Chittick &<br>Patricia S. Chittick  | 74 Frost Hill Road<br>Portland, ME 04103                     | 47 Fall Brook Street<br>Portland                  |
| 162-B-9  | Leslie T. Burkhart                           | 53 Fall Brook Street<br>Portland, ME 04103                   | 53 Fall Brook Street,<br>Portland                 |

|          |   |  |  |
|----------|---|--|--|
| 162-B-2  | Charles T. Young & Darlene A. Young   | 57 Fall Brook Street<br>Portland, ME 04103 | 57 Fall Brook Street<br>Portland           |
| 162-B-3  | Robert J. Loranger & Deborah A. Loranger, Trustees of the Robert J. and Deborah A Loranger Living Trust | 106 Brown Cove Road<br>Windham, ME 04062   | 63 Fall Brook Street,<br>Portland          |
| 162-B-4  | Robert J. Loranger & Deborah A. Loranger, Trustees of the Robert J. and Deborah A Loranger Living Trust | 106 Brown Cove Road<br>Windham, ME 04062   | 63 Fall Brook Street,<br>Portland          |
| 162-B-5  | Michael Bosserman   | 73 Fall Brook Street<br>Portland, ME 04103 | 69-71 Fall Brook Street<br>Portland        |
| 162-B-6  | Michael Bosserman   | 73 Fall Brook Street<br>Portland, ME 04103 | 73-77 Fall Brook Street<br>Portland        |
| 162-B-47 | Nicolino Ciccomancini & Patricia A. Ciccomancini  | 43 Walton Street<br>Portland, ME 04103     | 82 Fall Brook Street,<br>Portland          |
| 162-B-19 | Nicolino Ciccomancini & Patricia A. Ciccomancini  | 43 Walton Street<br>Portland, ME 04103     | 0 Lloyd Ave., Portland                     |
| 162-B-20 | Carole Anne Noonan  | 89 Vera Street<br>Portland, ME 04103       | 87-91 Vera Street, Lloyd<br>Ave., Portland |
| 162-J-1  | Gary Glick & Kathleen M. Glick  | 84 Victor Road<br>Portland, ME 04103       | 84 Victor Road, Lloyd<br>Ave. Portland     |
| 162-J-2  | Rebecca L. Scaplen  | 78 Victor Road<br>Portland, ME 04103       | 78 Victor Road, Portland                   |
| 162-J-3  | Nancy S. Armitage, Trustee of the Robert E. Armitage Family Trust                                       | 7 Marion Way #7401<br>Falmouth, ME 04105   | 70 Victor Road                             |
| 162-D-30 | Thomas Hennessy   | 83 Murray Street<br>Portland, ME 04103     | 67 – 77 Murray Street,<br>Portland         |
| 162-D-29 | Thomas Hennessy   | 83 Murray Street<br>Portland, ME 04103     | 67 – 77 Murray Street,<br>Portland         |
| 162-D-28 | Thomas Hennessy   | 83 Murray Street<br>Portland, ME 04103     | 67 – 77 Murray Street,<br>Portland         |
| 162-D-27 | Priscilla B. Hennessey & Thomas Hennessey   | 83 Murray Street<br>Portland, ME 04103     | 79-85 Murray Street,<br>Portland           |
| 162-D-26 | Priscilla B. Hennessey & Thomas Hennessey   | 83 Murray Street<br>Portland, ME 04103     | 79-85 Murray Street,<br>Portland           |
| 162-D-25 | Priscilla B. Hennessey & Thomas Hennessey   | 83 Murray Street<br>Portland, ME 04103     | 79-85 Murray Street,<br>Portland           |
| 162-D-24 | Thomas E. Maiorano  | 89 Murray Street<br>Portland, ME 04103     | 87-89 Murray Street,<br>Portland           |
| 162-D-23 | Thomas E. Maiorano  | 89 Murray Street<br>Portland, ME 04103     | 87-89 Murray Street,<br>Portland           |
| 162-D-22 | Emily C. Parr & David A   | 95 Murray Street                           | 95 Murray Street,                          |

|          |  |   |                                    |
|----------|--|---|------------------------------------|
|          | Parr                                   | Portland, ME 04103                      | Portland                           |
| 162-D-21 | Emily C. Parr & David A Parr           | 95 Murray Street<br>Portland, ME 04103  | 95 Murray Street,<br>Portland      |
| 162-D-20 | Emily C. Parr & David A Parr           | 95 Murray Street<br>Portland, ME 04103  | 95 Murray Street,<br>Portland      |
| 162-D-19 | Kevin G. Wilcox Sample                 | 101 Murray Street<br>Portland, ME 04103 | 99-107 Murray Street,<br>Portland  |
| 162-D-18 | Kevin G. Wilcox Sample                 | 101 Murray Street<br>Portland, ME 04103 | 99-107 Murray Street,<br>Portland  |
| 162-D-17 | Kevin G. Wilcox Sample                 | 101 Murray Street<br>Portland, ME 04103 | 99-107 Murray Street,<br>Portland  |
| 162-D-16 | Kevin G. Wilcox Sample                 | 101 Murray Street<br>Portland, ME 04103 | 99-107 Murray Street,<br>Portland  |
| 162-D-15 | Adelbert H. Stinson & Janet D. Stinson | 109 Murray Street<br>Portland, ME 04103 | 109-111 Murray Street,<br>Portland |
| 162-D-14 | Adelbert H. Stinson & Janet D. Stinson | 109 Murray Street<br>Portland, ME 04103 | 109-111 Murray Street,<br>Portland |
| 162-D-13 | Steven B. Grindle                      | 115 Murray Street<br>Portland, ME 04103 | 115 Murray Street,<br>Portland     |
| 162-D-12 | Steven B. Grindle                      | 115 Murray Street<br>Portland, ME 04103 | 115 Murray Street,<br>Portland     |
| 162-D-11 | Theodore S. Williams                   | 121 Murray Street<br>Portland, ME 04103 | 119-123 Murray Street,<br>Portland |
| 162-D-10 | Theodore S. Williams                   | 121 Murray Street<br>Portland, ME 04103 | 119-123 Murray Street,<br>Portland |
| 162-D-09 | Stephen M. Lowell                      | 125 Murray Street<br>Portland, ME 04103 | 125-127 Murray Street,<br>Portland |
| 162-D-08 | Stephen M. Lowell                      | 125 Murray Street<br>Portland, ME 04103 | 125-127 Murray Street,<br>Portland |
| 162-D-07 | Stephen M. Lowell                      | 125 Murray Street<br>Portland, ME 04103 | 125-127 Murray Street,<br>Portland |
| 162-D-06 | Karen L. Fredrickson                   | 131 Murray Street<br>Portland, ME 04103 | 129-133 Murray Street,<br>Portland |
| 162-D-05 | Karen L. Fredrickson                   | 131 Murray Street<br>Portland, ME 04103 | 129-133 Murray Street,<br>Portland |
| 162-D-04 | Tanya K. Cadger                        | 131 Murray Street<br>Portland, ME 04103 | 135-139 Murray Street,<br>Portland |
| 162-D-03 | Tanya K. Cadger                        | 131 Murray Street<br>Portland, ME 04103 | 135-139 Murray Street,<br>Portland |
| 162-D-01 | Jeffrey K. Campbell                    | 141 Murray Street<br>Portland, ME 04103 | 141-145 Murray Street,<br>Portland |
| 161-B-24 | Deborah J. Jackson                     | 147 Murray Street<br>Portland, ME 04103 | 147-149 Murray Street,<br>Portland |
| 161-B-23 | Deborah J. Jackson                     | 147 Murray Street<br>Portland, ME 04103 | 147-149 Murray Street,<br>Portland |
| 161-B-21 | Doreen A. Tompkins                     | 151 Murray Street                       | 151-155 Murray Street,             |



|          |  |   |                                    |
|----------|--|---|------------------------------------|
|          |  | Portland, ME 04103  | Portland                           |
| 161-B-18 | Murray Street Properties LLC   | PO Box 8249<br>Portland, ME 04104                         | 157-161 Murray Street,<br>Portland |
| 161-B-17 | Douglas A. Laramore &<br>Edith M. Laramore<br>Trustees of the Laramore<br>Family Revocable Trust | 7 Haines Terrace<br>Merrimac, NH 03054                    | 163-169 Murray Street,<br>Portland |
| 161-B-16 | Douglas A. Laramore &<br>Edith M. Laramore<br>Trustees of the Laramore<br>Family Revocable Trust | 7 Haines Terrace<br>Merrimac, NH 03054                    | 163-169 Murray Street,<br>Portland |
| 161-B-15 | Douglas A. Laramore &<br>Edith M. Laramore<br>Trustees of the Laramore<br>Family Revocable Trust | 7 Haines Terrace<br>Merrimac, NH 03054                    | 163-169 Murray Street,<br>Portland |
| 161-B-14 | Seth R. Hope   | PO Box 6823<br>Scarborough, ME 04070                      | 171-179 Murray Street,<br>Portland |
| 161-B-13 | Seth R. Hope   | PO Box 6823<br>Scarborough, ME 04070                      | 171-179 Murray Street,<br>Portland |
| 161-B-12 | Seth R. Hope   | PO Box 6823<br>Scarborough, ME 04070                      | 171-179 Murray Street,<br>Portland |
| 161-B-11 | Seth R. Hope   | PO Box 6823<br>Scarborough, ME 04070                      | 171-179 Murray Street,<br>Portland |
| 161-B-10 | Lawrence John<br>Youngless & Thidarat<br>Khemkaew - Youngless                                    | 185 Murray Street<br>Portland, ME 04103                   | 181-185 Murray Street,<br>Portland |
| 161-B-09 | Lawrence John<br>Youngless & Thidarat<br>Khemkaew - Youngless                                    | 185 Murray Street<br>Portland, ME 04103                   | 181-185 Murray Street,<br>Portland |
| 161-B-08 | Lawrence John<br>Youngless & Thidarat<br>Khemkaew - Youngless                                    | 185 Murray Street<br>Portland, ME 04103                   | 181-185 Murray Street,<br>Portland |
| 161-B-06 | Berla A. Stacey  | 187 Murray Street<br>Portland, ME 04103                   | 187-191 Murray Street,<br>Portland |
| 161-B-07 | Berla A. Stacey  | 187 Murray Street<br>Portland, ME 04103                   | 187-191 Murray Street,<br>Portland |
| 161-A-01 | Ventas Woods at Canco<br>LLC   | 21001 N Tatum BLVD<br>Ste. 1630-630<br>Phoenix , AZ 85050 | 257 Canco Road,<br>Portland        |
| 149-B-1  | Ventas Woods at Canco<br>LLC   | 21001 N Tatum BLVD<br>Ste. 1630-630<br>Phoenix , AZ 85050 | 257 Canco Road,<br>Portland        |
| 161-B-38 | City of Portland   | 389 Congress Street<br>Portland, ME 04101                 | Canco Road                         |
| 161-B-43 | Portland Congregation of   | 355 Canco Road  | 337-383 Canco Road,                |

|             |  |  |   |
|-------------|--|--|---|
|             | Jehovah's Witnesses                                  | Portland, ME 04103                                       | 1030 Washington Ave.<br>Portland                                |
| 161-B-39-1  | Robert J. Brochu & Anne L. Brochu                    | 1024 Washington Ave #1<br>Portland, ME 04103             | 1016-1026 Washington Ave Unit 1 Farmhouse Condominium           |
| 161-B-39-2  | Jeffrey R. Scribner & Wendy Scribner                 | 9 Trail Circle<br>Denmark, ME 04022                      | 1016-1026 Washington Ave Unit 2 Farmhouse Condominium           |
| 161-B-39-3  | Andrew P. Blanchard                                  | 1024 Washington Ave #3<br>Portland, ME 04103             | 1016-1026 Washington Ave Unit 3 Farmhouse Condominium           |
| 161-B-39-4  | Catherine A Martin                                   | 1024 Washington Ave #4<br>Portland, ME 04103             | 1016-1026 Washington Ave Unit 4 Farmhouse Condominium           |
| 161-B-39-5  | Thomas M. Crane                                      | 20 Belmont Street<br>Portland, ME 04101                  | 1016-1026 Washington Ave Unit 5 Farmhouse Condominium           |
| 161-B-39-6  | George Gullick                                       | 1024 Washington Ave #6<br>Portland, ME 04103             | 1016-1026 Washington Ave Unit 6 Farmhouse Condominium           |
| 161-B-39-7  | Alan N. Starrett & Darcy W. Starrett                 | 1024 Washington Ave #7<br>Portland, ME 04103             | 1016-1026 Washington Ave Unit 7 Farmhouse Condominium           |
| 161-B-39-8  | Grand Trunk Ventures LLC                             | 215 High Street # 304<br>South Portland, ME 04106        | 1016-1026 Washington Ave Unit 8 Farmhouse Condominium           |
| 161-B-39-9  | Julie A. Matthews                                    | 142 Josiah Norton Road<br>Cape Neddick, ME 03902         | 1016-1026 Washington Ave Unit 9 Farmhouse Condominium           |
| 161-B-39-10 | Jack Rusley & Erika Blauch                           | 3040 Hudson Street<br>Baltimore , MD 21224               | 1016-1026 Washington Ave<br>Unit 10<br>Farmhouse<br>Condominium |
| 161-B-40    | Yun Ok Hatt, Trustee of The Yun Ok Hatt Living Trust | 3 Howard Street Apt # 3<br>Portland, ME 04101            | 1014 Washington Ave,<br>Portland                                |
| 161-B-41    | Port Resources Inc.                                  | PO Box 2832<br>South Portland, ME 04106                  | 1004-1008 Washington Ave., Portland                             |
| 171-A-52    | Scott A. Emmons                                      | 46 Merlin Court<br>Worcester , MA 01602                  | 1003 Washington Ave.,<br>Portland                               |
| 171 A -1    | SB Haven House LLC                                   | 100 Commercial Street<br>Suite 414<br>Portland, ME 04101 | 997 Washington Ave.,<br>Portland                                |
| 171-A-10    | Raymond D. Pomerleau & Rena M. Pomerleau             | 985 Washington Ave.<br>Portland, ME 04103                | 985 Washington Ave.,<br>Portland                                |

|            |   |   |                                       |
|------------|---|---|---------------------------------------|
| 171-A-31   | Raymond D. Pomerleau<br>& Rena M. Pomerleau | 985 Washington Ave.<br>Portland, ME 04103 | 981 Washington Ave.,<br>Portland      |
| 161- E - 4 | Ann P. Roderick                             | 970 Washington Ave.<br>Portland, ME 04103 | 968-970 Washington<br>Ave ., Portland |

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c/o Barbara Barhydt  
389 Congress Street  
Portland, ME 04101

Pierce Atwood  
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 Portland, ME 04101

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|----------------|---|---------|-----|-----------------|----------------------------|---------------|-------------------|--------|--------|--------|--------|--------|
| 1.             | RRE-Tamarlane Holdings, LLC<br>One Crescent Drive, Suite 203<br>Philadelphia, PA 19112      | .485    | .47 |                 |                            |               |                   |        |        |        |        |        |
| 2.             | Mohammad N. Shir<br>41 Ocean House Road<br>Cape Elizabeth, ME 04107                         | .485    | .47 |                 |                            |               |                   |        |        |        |        |        |
| 3.             | Roger P. Carignan<br>29 Fall Brook Street<br>Portland, ME 04103                             | .485    | .47 |                 |                            |               |                   |        |        |        |        |        |
| 4.             | Michael J. Vassallo<br>Nancy A. Vassallo<br>43 Fall Brook Street<br>Portland, ME 04103      | .485    | .47 |                 |                            |               |                   |        |        |        |        |        |
| 5.             | Charles T. Young<br>Darlene A. Young<br>57 Fall Brook street<br>Portland, ME 04103          | .485    | .47 |                 |                            |               |                   |        |        |        |        |        |
| 6.             | Nicolino Ciccomancini<br>Patricia A. Ciccomancini<br>43 Walton Street<br>Portland, ME 04103 | .485    | .47 |                 |                            |               |                   |        |        |        |        |        |
| 7.             | Rebecca L. Scaplen<br>78 Victor Road<br>Portland, ME 04103                                  | .485    | .47 |                 |                            |               |                   |        |        |        |        |        |
| 8.             | Thomas E. Maiorano<br>89 Murray Street<br>Portland, ME 04103                                | .485    | .47 |                 |                            |               |                   |        |        |        |        |        |



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Page 1 of 8

Name and Address of Wharf  
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|--|---|---------|-----|-----------------|----------------------------|---------------|-------------------|--------|--------|--------|--------|--------|
| 1.   | Adelbert H. Stinson<br>Janet D. Stinson<br>109 Murray Street<br>Portland, ME 04103  | .485    | .47 |                 |                            |               |                   |        |        |        |        |        |
| 2.   | Stephen M. Lowell<br>125 Murray Street<br>Portland, ME 04103  | .485    | .47 |                 |                            |               |                   |        |        |        |        |        |
| 3.   | Casco Bay Holdings LLC<br>1000 Washington Ave.<br>Portland, ME 04103  | .485    | .47 |                 |                            |               |                   |        |        |        |        |        |
| 4.   | Christopher J. Peters<br>Jennifer W. Peters<br>22 Winding Way<br>Yarmouth, ME 04097   | .485    | .47 |                 |                            |               |                   |        |        |        |        |        |
| 5.   | Rocco Toppi III<br>Mary M. Toppi<br>17 Fall Brook Street<br>Portland, ME 04103  | .485    | .47 |                 |                            |               |                   |        |        |        |        |        |
| 6.   | David B. Chittick<br>Patricia S. Chittick<br>74 Frost Hill Road<br>Portland, ME 04103   | .485    | .47 |                 |                            |               |                   |        |        |        |        |        |
| 7.   | Robert J. Loranger<br>Deborah A. Loranger, Trustees of the Robert J. and Deborah A. Loranger Living Trust<br>106 Brown Cove Road<br>Windham, ME 04062 | .485    | .47 |                 |                            |               |                   |        |        |        |        |        |
| 8.   | Carole Anne Noonan<br>89 Vera Street<br>Portland, ME 04103  | .485    | .47 |                 |                            |               |                   |        |        |        |        |        |
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Page 2 of 8

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**254 Commercial Street**  
**Portland, ME 04101**

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|--|---|--------------------------------------|-----|-----------------|----------------------------|---------------|-------------------|--------|--------|--------|--------|--------|
| 1.   | Nancy S. Armitage, Trustee of the Robert E. Armitage Family Trust<br>7 Marion Way #7401<br>Falmouth, ME 04105 | .485                                 | .47 |                 |                            |               |                   |        |        |        |        |        |
| 2.   | Emily C. Parr<br>David A Parr<br>95 Murray Street<br>Portland, ME 04103                                       | .485                                 | .47 |                 |                            |               |                   |        |        |        |        |        |
| 3.   | Steven B. Grindle<br>115 Murray Street<br>Portland, ME 04103  | .485                                 | .47 |                 |                            |               |                   |        |        |        |        |        |
| 4.   | Karen L. Fredrickson<br>131 Murray Street<br>Portland, ME 04103   | .485                                 | .47 |                 |                            |               |                   |        |        |        |        |        |
| 5.   | Bradford M. Davis<br>984 Washington Ave.<br>Portland, ME 04103  | .485                                 | .47 |                 |                            |               |                   |        |        |        |        |        |
| 6.   | Glen D. Dyer<br>Jane M. Dyer<br>35 Fall Brook Street<br>Portland, ME 04103                                    | .485                                 | .47 |                 |                            |               |                   |        |        |        |        |        |
| 7.   | Sadri Shir<br>PO Box 8301<br>Portland, ME 04104   | .485                                 | .47 |                 |                            |               |                   |        |        |        |        |        |
| 8.   | Leslie T. Burkhart<br>53 Fall Brook Street<br>Portland, ME 04103  | .485                                 | .47 |                 |                            |               |                   |        |        |        |        |        |
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40823 28

Name and Address of Wharf  
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**Portland, ME 04101**

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|----------------|--|---------|-----|-----------------|----------------------------|---------------|-------------------|--------|--------|--------|--------|--------|
| 1.             | Michael Bosserman<br>73 Fall Brook Street<br>Portland, ME 04103                    | .485    | .47 |                 |                            |               |                   |        |        |        |        |        |
| 2.             | Gary Glick<br>Kathleen M. Glick<br>84 Victor Road<br>Portland, ME 04103            | .485    | .47 |                 |                            |               |                   |        |        |        |        |        |
| 3.             | Thomas Hennessy<br>Priscilla B. Hennessy<br>83 Murray Street<br>Portland, ME 04103 | .485    | .47 |                 |                            |               |                   |        |        |        |        |        |
| 4.             | Kevin G. Wilcox Sample<br>101 Murray Street<br>Portland, ME 04103                  | .485    | .47 |                 |                            |               |                   |        |        |        |        |        |
| 5.             | Theodore S. Williams<br>121 Murray Street<br>Portland, ME 04103                    | .485    | .47 |                 |                            |               |                   |        |        |        |        |        |
| 6.             | Tanya K. Cadger<br>131 Murray Street<br>Portland, ME 04103                         | .485    | .47 |                 |                            |               |                   |        |        |        |        |        |
| 7.             | Jeffrey K. Campbell<br>141 Murray Street<br>Portland, ME 04103                     | .485    | .47 |                 |                            |               |                   |        |        |        |        |        |
| 8.             | Deborah J. Jackson<br>147 Murray Street<br>Portland, ME 04103                      | .485    | .47 |                 |                            |               |                   |        |        |        |        |        |



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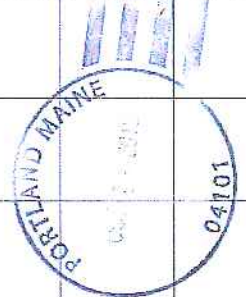
Name and Address of Sender  
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| 1.             | Doreen A. Tompkins<br>151 Murray Street<br>Portland, ME 04103   | .485    | .47 |                 |                            |               |                   |        |        |        |        |        |
| 2.             | Murray Street Properties LLC<br>PO Box 8249<br>Portland, ME 04104   | .485    | .47 |                 |                            |               |                   |        |        |        |        |        |
| 3.             | Douglas A. Laramore & Edith M. Laramore Trustees of the Laramore Family Revocable Trust<br>7 Haines Terrace<br>Merrimac, NH 03054 | .485    | .47 |                 |                            |               |                   |        |        |        |        |        |
| 4.             | Seth R. Hope<br>PO Box 6823<br>Scarborough, ME 04070  | .485    | .47 |                 |                            |               |                   |        |        |        |        |        |
| 5.             | Lawrence John Youngless<br>Thidarat Khemkaew-Youngless<br>185 Murray Street<br>Portland, ME 04103                                 | .485    | .47 |                 |                            |               |                   |        |        |        |        |        |
| 6.             | Berla A. Stacey<br>187 Murray Street<br>Portland, ME 04103  | .485    | .47 |                 |                            |               |                   |        |        |        |        |        |
| 7.             | Ventas Woods at Canco LLC<br>21001 N Tatum Blvd., Suite 1630-630<br>Phoenix, AZ 85050   | .485    | .47 |                 |                            |               |                   |        |        |        |        |        |
| 8.             | City of Portland<br>389 Congress Street<br>Portland, ME 04101   | .485    | .47 |                 |                            |               |                   |        |        |        |        |        |



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|--|--|--------------------------------------|-----|-----------------|----------------------------|---------------|-------------------|--------|--------|--------|--------|--------|
|  |  |                                      |     |                 |                            |               |                   |        |        |        |        |        |
| 1.   | Portland Congregation of Jehovah's Witnesses<br>355 Canco Road<br>Portland, ME 04103     | .485                                 | .47 |                 |                            |               |                   |        |        |        |        |        |
| 2.   | Robert J. Brochu<br>Anne L. Brochu<br>1024 Washington Avenue #1<br>Portland, ME 04103    | .485                                 | .47 |                 |                            |               |                   |        |        |        |        |        |
| 3.   | Jeffrey R. Scribner<br>Wendy Scribner<br>9 Trail Circle<br>Denmark, ME 04022             | .485                                 | .47 |                 |                            |               |                   |        |        |        |        |        |
| 4.   | Andrew P. Blanchard<br>1024 Washington Avenue #3<br>Portland, ME 04103                   | .485                                 | .47 |                 |                            |               |                   |        |        |        |        |        |
| 5.   | Catherine A Martin<br>1024 Washington Avenue #4<br>Portland, ME 04103                    | .485                                 | .47 |                 |                            |               |                   |        |        |        |        |        |
| 6.   | Thomas M. Crane<br>20 Belmont Street<br>Portland, ME 04101                               | .485                                 | .47 |                 |                            |               |                   |        |        |        |        |        |
| 7.   | George Gullick<br>1024 Washington Avenue #6<br>Portland, ME 04103                        | .485                                 | .47 |                 |                            |               |                   |        |        |        |        |        |
| 8.   | Alan N. Starrett<br>Darcy W. Starrett<br>1024 Washington Avenue #7<br>Portland, ME 04103 | .485                                 | .47 |                 |                            |               |                   |        |        |        |        |        |
| Total Number of Pieces Listed by Sender        |  | See Privacy Act Statement on Reverse |     |                 |                            |               |                   |        |        |        |        |        |
| Total Number of Pieces Received at Post Office |  | See Privacy Act Statement on Reverse |     |                 |                            |               |                   |        |        |        |        |        |

Page 6 of 8

Complete by Typewriter, Ink, or Ball Point Pen

Name and Address of Sender  
**Merrill's Wharf**  
**254 Commercial Street**  
**Portland, ME 04101**

Check type of mail or service:  
 Certified  
 COD  
 Delivery Confirmation  
 Express Mail  
 Insured

Recorded Delivery (International)  
 Registered  
 Return Receipt for Merchandise  
 Signature Confirmation

Affix Stamp Here  
 (If issued as a  
 certificate of mailing,  
 or for additional  
 copies of this bill)  
 Postmark and  
 Date of Receipt

| Article Number | Address (Name, Street, City, State, & ZIP Code)  | Postage | Handling Charge | Actual Value if Registered | Insured Value | Due Sender if COD | DC Fee | SC Fee | SH Fee | RD Fee | RR Fee |
|----------------|--|---------|-----------------|----------------------------|---------------|-------------------|--------|--------|--------|--------|--------|
| 1.             | Grand Trunk Ventures LLC<br>215 High Street #304<br>South Portland, ME 04106                           | .485    | .47             |                            |               |                   |        |        |        |        |        |
| 2.             | Julie A. Matthews<br>142 Josiah Norton Road<br>Cape Neddick, ME 03902                                  | .485    | .47             |                            |               |                   |        |        |        |        |        |
| 3.             | Jack Rusley<br>Erika Blanch<br>3040 Hudson Street<br>Baltimore, MD 21224                               | .485    | .47             |                            |               |                   |        |        |        |        |        |
| 4.             | Yun Ok Hatt, Trustee of The Yun Ok Hatt Living Trust<br>3 Howard Street, Apt. #3<br>Portland, ME 04101 | .485    | .47             |                            |               |                   |        |        |        |        |        |
| 5.             | Port-Resources Inc.<br>PO Box 2832<br>South Portland, ME 04106   | .485    | .47             |                            |               |                   |        |        |        |        |        |
| 6.             | Scott A. Emmons<br>46 Merlin Court<br>Worcester, MA 01602  | .485    | .47             |                            |               |                   |        |        |        |        |        |
| 7.             | SB Haven House LLC<br>100 Commercial Street, Suite 414<br>Portland, ME 04101                           | .485    | .47             |                            |               |                   |        |        |        |        |        |
| 8.             | Raymond D. Pomerleau<br>Rena M. Pomerleau<br>985 Washington Avenue<br>Portland, ME 04103               | .485    | .47             |                            |               |                   |        |        |        |        |        |



Total Number of Pieces Listed by Sender

Total Number of Pieces Received at Post Office

Postmaster (Name of receiving employee)

See Privacy Act Statement on Reverse

2002 10 10 10 10

Name and Address of Wharf  
 254 Commercial Street  
 Portland, ME 04101

Check type of mail or service:

- Certified
- COD
- Delivery Confirmation
- Express Mail
- Insured
- Recorded Delivery (International)
- Registered
- Return Receipt for Merchandise
- Signature Confirmation

Affix Stamp Here  
 (If issued as a certificate of mailing, or for additional copies of this bill) Postmark and Date of Receipt

neopost<sup>®</sup>  
 10/28/2015  
**US POSTAGE \$027.26**  
  
 ZIP 04101  
 041M12250475

| Article Number | Addressee (Name, Street, City, State, & ZIP Code)                           | Postage | Fee | Handling Charge |
|----------------|---|---------|-----|-----------------|
| 1.             | Ann P. Roderick<br>970 Washington Avenue<br>Portland, ME 04103              | .465    | .47 |                 |
| 2.             | Barbara Bermydt<br>City of Portland<br>339 Congress St<br>Portland ME 04101 | .465    | .47 |                 |
| 3.             |   |         |     |                 |
| 4.             |   |         |     |                 |
| 5.             |   |         |     |                 |
| 6.             |   |         |     |                 |
| 7.             |   |         |     |                 |
| 8.             |   |         |     |                 |



\$0.88

Total Number of Pieces Listed by Sender: 58  
 Total Number of Pieces Received at Post Office: 58

Postmaster, Paf (Name of receiving employee)

See Privacy Act Statement on Reverse

**Exhibit 7:  
Agent Authorization**

See attached.



**RESOURCE**  
REAL ESTATE

October 28, 2015

Maine Department of Environmental Protection  
312 Canco Road  
Portland, ME 04103

**Re: Maine Department of Environmental Protection – License Transfer Application**

To Whom it May Concern:

This letter will confirm that Pierce Atwood LLP is authorized to represent Resource Real Estate, Inc. and its subsidiary RCP Tamarlane Manager, LLC, manager of RRE Tamarlane Holdings, LLC, before the Maine Department of Environmental Protection with respect to the filing of a Transfer Application for the Tamarlane Apartments in Portland, Maine, and to execute and file any and all documents associated with this representation.

Very truly yours,

**Resource Real Estate, Inc.**

By: Stelle Weisbaum  
Title: SVP

cc: Matthew D. Manahan, Pierce Atwood LLP

**Exhibit 8:  
Existing Department Orders**

See attached.



45967

STATE OF MAINE

DEPARTMENT OF ENVIRONMENTAL PROTECTION  
STATE HOUSE STATION 17

DDA 6949 PAGE 293  
AUGUSTA, MAINE 04333

DEPARTMENT ORDER

IN THE MATTER OF

EAST DEERING HOUSING ASSOCIATES and  
HOUSING RESOURCES CORPORATION  
Portland, Maine  
SPRINGHILL

#L-011024-87-A-N

SITE LOCATION ORDER

Pursuant to the provision of Title 38, M.R.S.A., Section 483, the Department of Environmental Protection has considered the application of EAST DEERING HOUSING ASSOCIATES and HOUSING RESOURCES CORPORATION with its supportive data, staff summary, agency review comments, and other related materials on file and finds the following facts:

1. The applicants propose to develop 115 units of rental housing called Springhill, in eighteen townhouse buildings and five two-story garden-style buildings, located on 19 acres near the intersection of Conco Road and Washington Avenue in Portland.
2. Arrangements for funding of the project have been made between Housing Resources Corp. and Maine Savings Bank.
3. Public sewer and water supply will be provided by the City of Portland. Solid waste will be disposed of at Regional Waste Systems in Portland by a private contractor.
4. Access to the site is via Washington Avenue and Conco Road. Existing roads are of ample widths with light controlled intersections.
5. Plans call for interior roads and parking with generous amounts of new landscaping. Many of the existing large oaks will remain.
6. Soils in the project consist of brown silty clays over gravelly silty sand. Bedrock was found 3-10 feet below the surface.

BASED on the above findings of fact, the Department makes the following conclusions.

- A. The applicant has provided adequate evidence of financial capacity and technical ability to meet air and water pollution control standards.
- B. The applicant has made adequate provision for solid waste disposal, the control of offensive odors, and the securing and maintenance of sufficient and healthful water supplies.
- C. The applicant has made adequate provision for traffic movement of all types into, out of or within the development area.
- D. The applicant has made adequate provision for fitting the development harmoniously into the existing natural environment and the development will not adversely affect existing uses, scenic character or natural resources in the municipality or in neighboring municipalities.

6949-  
893

EAST DEERING HOUSING ASSOCIATES and  
HOUSING RESOURCES CORPORATION  
Portland, Maine  
SPRINGHILL  
#L-011024-B7-A-H

SITE LOCATION ORDER

Findings of Fact and Order

- E. The proposed development will be built on soil types which are suitable to the nature of the undertaking.
- F. The proposed development will not pose an unreasonable risk that a discharge to a significant ground water aquifer will occur.

THEREFORE, the Department APPROVES WITH THE ATTACHED CONDITIONS the application of EAST DEERING HOUSING ASSOCIATES and HOUSING RESOURCES CORP. to develop 115 units of rental housing called Springhill in Portland, Maine, in accordance with the following conditions:

- 1. The Standard Conditions of Approval, a copy attached.

DONE AND DATED AT AUGUSTA, MAINE, THIS 18TH DAY OF JULY, 1985.

DEPARTMENT OF ENVIRONMENTAL PROTECTION

BY: *[Signature]*  
GEOFFREY E. WARRER, Commissioner

PLEASE NOTE ATTACHED SHEET FOR APPEAL PROCEDURES....

A TRUE COPY  
ATTEST: *[Signature]*  
Hollis A. McQuillan, Director  
Bureau of Land Quality Control



STANDARD CONDITIONS

BOOK 6949 PAGE 295

STRICT CONFORMANCE WITH THE STANDARD AND SPECIAL CONDITIONS OF THIS APPROVAL IS NECESSARY FOR THE PROJECT TO MEET THE STATUTORY CRITERIA FOR APPROVAL.

1. This approval is dependent upon and limited to the proposals and plans contained in the application and supporting documents submitted and affirmed to by the applicant. Any variation from the plans, proposals and supporting documents is subject to the review and approval of the Board prior to implementation. Further subdivision of proposed lots by the applicant or future owners is specifically prohibited, without prior approval by the Board of Environmental Protection, and the applicant shall include deed restrictions to this effect.
2. The applicant shall secure and comply with all applicable Federal, State and local licenses, permits, authorizations, conditions, agreements, and orders, prior to or during construction and operation as appropriate.
3. The applicant shall submit all reports and information requested by the Board or Department demonstrating that the applicant has complied or will comply with all conditions of this approval. All preconstruction terms and conditions must be met before construction begins.
4. Advertising relating to matters included in this application shall refer to this approval only if it notes that the approval has been granted WITH CONDITIONS, and indicates where copies of these conditions may be obtained.
5. Unless otherwise provided in this approval, the applicant shall not sell, lease, assign or otherwise transfer the development or any portion thereof without prior written approval of the Board where the purpose or consequences of the transfer is to transfer any of the obligations of the developer as incorporated in this approval. Such approval shall be granted only if the applicant or transferee demonstrates to the Board that the transferee has the technical capacity and financial ability to comply with conditions of this approval and the proposals and plans contained in the application and supporting documents submitted by the applicant.
6. If the construction or operation of the activity is not begun within two years, this approval shall lapse and the applicant shall reapply to the Board for a new approval. The applicant may not begin construction or operation of the development until a new approval is granted. Reapplications for approval shall state the reasons why the development was not begun within two years from the granting of the initial approval and the reasons why the applicant will be able to begin the activity within two years from the granting of a new approval, if granted. Reapplications for approval may include information submitted in the initial application by reference.
7. If the approved development is not completed within five years from the date of the granting of approval, the Board may reexamine its approval and impose additional terms or conditions or prescribe other necessary corrective action to respond to significant changes in circumstances which may have occurred during the five-year period.
8. A copy of this approval must be included in or attached to all contract bid specifications for the development.
9. Work done by a contractor pursuant to this approval shall not begin before the contractor has been shown by the developer a copy of this approval.

(1/81)

Revised November 1, 1979

RECEIVED  
RECORDED REGISTRY OF DEEDS  
1985 OCT 29 PM 2:25  
CUMBERLAND COUNTY  
*James J. Walsh*