

United States Department of the Air Force

Air Education and Training Command Air Force Center for Environmental Excellence (AFCEE)



Privatization of Military Family Housing AETC Group I

Solicitation No. AFCEE-05-0004

APPENDIX Y Sample SO Counsel Opinion Letter

**STEP ONE PROPOSALS ARE DUE NO LATER THAN
5:00 P.M. EST 7 March 2005 AT:**

PSC MILITARY HOUSING COMPANY
132 South 600 East
Salt Lake City UT 84102
Voice 866-801-2253 Fax 801-363-1912
Email binks@psc-evg.com
Web site www.pscmhc.com

SAMPLE FORM OPINION LETTER

Law Firm Letterhead

[Insert Date of Closing]

Department of the Air Force
c/o HQ AFCEE/DCP
2735 Louis Bauer Drive
Brooks City-Base, Texas 78235-5133

RE: Military Family Housing Privatization Project - Basename Air Force Base, Basestate
("Project")

Gentlemen:

Our firm has acted as legal counsel to XYZ Inc., (the "Developer") in connection with the closing of the transaction between the Developer and the Department of the Air Force (the "Government"). In connection with our representation of the Developer we render the following opinion on its behalf.

In connection with this opinion we have examined the following documents (herein referred to collectively as the "Transaction Documents"):

1. Corporate Resolutions
2. Promissory Note
3. Assignment of Promissory Notes
4. Stock Pledge Agreement
5. Agreement and Stipulation
6. Irrevocable Proxy
7. Disclosure Statement
8. Attorney's Fee Affidavit
9. Disbursement Memorandum
10. Funds Wiring Instructions
11. Property Mortgage
12. Security Agreement
13. UCC-1 Financing Statement
14. Lease of Property
15. Use Agreement (as applicable)
16. Intercreditor Agreement
17. Subordination Agreement
18. Forward Commitment Letter
19. Senior Lender's Counsel Opinion Letter

20. First Lender's Counsel Opinion Letter
21. Bond Counsel Opinion Letter
22. Tax Proration Letter
23. Settlement/Closing Statement
24. Collateral Assignment of Leases and Rents encumbering all existing shopping center leases affecting the Property and any future leases
25. A certified copy of the Certificate of Partnership and all amendments thereto of the Borrower
26. Title insurance binder
27. Such other documents or instruments as we have considered relevant and necessary as the basis for the opinions hereinafter expressed

Based on such examination, we are of the opinion that, on and as of the date of closing:

1. Each of the Transaction Documents has been duly executed by the appropriate parties and constitutes the valid and binding agreement of the parties, and are fully enforceable in accordance with their terms, except (a) as enforceability may be limited or affected by bankruptcy, reorganization, arrangement, moratorium, or other laws affecting the rights of creditors generally, (b) to the extent that the binding effect and enforceability thereof may be limited by the application of the general principles of equity, (c) to the extent that a court may refuse to enforce any of the foregoing by reason of a finding of unconscionability, or (d) to the extent of terms which may be construed and held by a court to be in the nature of penalties or forfeitures.

2. Upon recordation, the relative priorities of any security interests or other liens affecting any property that is the subject matter of the Transaction Documents, or any proceeds thereof, or as to the perfection of any security interest or other liens affecting said property or any proceeds thereof are as stated in the Transaction Documents.

3. The Transaction Documents accurately and completely reflect the business terms and conditions contained in the Successful Offer of the Developer, as accepted, in response to the Request for Proposal issued on behalf of the Department of the Air Force for the Project.

We express no opinion as to the status of title to any property, real or personal, which is the subject matter of the above-described documents, or as to the relative rights, interests, and priorities of the various parties who have or claim any interest in this property.

Our opinion is based solely on the laws of the state of in which the real property is located and applicable federal laws, and we express no opinion as to matters governed or affected by the laws of other states, and we have made no independent examination of the laws of any other states. We have assumed that insofar as the substantive laws of any other state may be applicable to any matters opined upon herein, such laws are identical to the substantive laws of the state in which the real property is located as applied by us herein. To the extent that those Transaction Documents are governed by the laws of any other state, as provided herein, and that law is not identical to the substantive laws of the state in which the real property is located, we render no opinion as to the validity, binding effect, or enforceability of those documents and our opinion is limited accordingly. We render no opinion as to

whether the courts in the jurisdictions of the governing law (or elsewhere) would take the case involving the Transaction Documents and apply the governing law designated therein.

This opinion is rendered solely for the benefit of the Developer and the Government and may not be relied upon by any other party, nor may copies be delivered to any other person or filed with any governmental agency, without our prior written consent.

We have assumed the authenticity of all documents submitted to us as originals, the genuineness of all signatures, the legal capacity of natural persons and the conformity to the originals of all documents submitted to us as copies. Furthermore, in making our examination of documents, we have assumed that all parties executing any documents had the requisite power, authority, and capacity to enter into and perform all obligations thereunder, and we have also assumed the due authorization by all requisite action and execution and delivery of these documents and the validity and binding effect thereof. We also have assumed that some funds or other consideration have been advanced by the Government to the Developer.

We express no opinion as to the usury laws of any state as they may affect this transaction.

We have relied upon information, both oral and written, and copies of documents and records furnished to us by our client and, for purposes of this opinion, we have assumed that all such information and copies are true, correct, genuine, and accurate and remain unchanged to the date hereof and that all signatures are genuine, and none of those matters have been independently verified by us. We have also assumed conformity to the originals of all documents submitted to us as copies.

This opinion is limited to the matters expressly stated herein, and no opinion is inferred or may be implied beyond the matters expressly stated.

Very truly yours,

[Insert law firm name]

By: _____

For the Firm