



COMMISSION AGENDA ITEM
DOCUMENT ROUTING FORM

26
RUSH

11-10-24
Today's Date: _____

DOCUMENT TITLE: MOUNT HERMON-DEVELOPER RESTRICTIVE COVENANTS, LOAN AGREEMENT

COMM. MTG. DATE: 8/20/24 CAM #: 24-0663 ITEM #: R-3 CAM attached: ☒ YES ☐ NO

Routing Origin: CAO Router Name/Ext: Erica K./ 6088 Action Summary attached: ☒ YES ☐ NO

CIP FUNDED: ☐ YES ☐ NO

Capital Investment / Community Improvement Projects defined as having a life of at least 10 years and a cost of at least \$50,000 and shall mean improvements to real property (land, buildings, or fixtures) that add value and/or extend useful life, including major repairs such as roof replacement, etc. Term "Real Property" include: land, real estate, realty, or real.

1) Dept: CAO Router Name/Ext: Erica K./6088 # of originals routed: _____ Date to CAO: _____

2) City Attorney's Office: Documents to be signed/routed? ☐ YES ☐ NO # of originals attached: 2

Is attached Granicus document Final? ☐ YES ☐ NO Approved as to Form: ☐ YES ☐ NO

Date to CCO: 11-10-24

Lynn Solomon
Attorney's Name

[Signature]
Initials

3) City Clerk's Office: # of originals: 2 Routed to: Donna V./Aimee L./CMO Date: 11/06/24

4) City Manager's Office: CMO LOG #: NOV 18 Document received from: CCO 11/07/24

Assigned to: SUSAN GRANT ☒ LAURA REECE ☐
BEN ROGERS ☐ SUSAN GRANT as CRA Executive Director ☐

☐ APPROVED FOR S. GRANT'S SIGNATURE ☐ N/A FOR S. GRANT TO SIGN

PER ACM: S. Grant (Initial/Date) PER ACM: L. Reece (Initial/Date)

☐ PENDING APPROVAL (See comments below)

Comments/Questions: _____

Forward 2 originals to ☐ Mayor ☒ CCO Date: 11/8/24

5) Mayor/CRA Chairman: Please sign as indicated. Forward _____ originals to CCO for attestation/City seal (as applicable) Date: _____

6) City Clerk: Scan original and forwards _____ originals to: Erica K./ xt. 6088

Attach _____ certified Reso # _____ ☐ YES ☐ NO

Original Route form to Erica K./6088

- R-2** **24-0757** Resolution Approving an Interlocal Agreement (ILA) between the City of Fort Lauderdale (CITY) and the Community Redevelopment Agency (CRA), for Certain Transactions Between the CRA and the City to Expeditiously Complete Capital Improvement and Tax Credit Projects, and for the City Manager to Negotiate and Execute Any and All Documents or Instruments Necessary or Incidental to Consummate the Transactions - (Commission Districts 2 and 3)
- ADOPTED**
- Yea:** 5 - Commissioner Herbst, Vice Mayor Glassman, Commissioner Beasley-Pittman, Commissioner Sturman and Mayor Trantalis
- R-3** **24-0663** Resolution Ratifying a \$640,000 Loan Approved by the Fort Lauderdale Community Redevelopment Agency as Local Government Area of Opportunity Funding to Mount Hermon Housing, LTD for the Mount Hermon Apartments; Authorizing the City Manager to Execute Any and All Instruments Related to the Loan; and Delegating Authority to the City Manager to Take Certain Actions - (Commission District 3)
- ADOPTED**
- Yea:** 5 - Commissioner Herbst, Vice Mayor Glassman, Commissioner Beasley-Pittman, Commissioner Sturman and Mayor Trantalis
- R-4** **24-0678** Resolution Approving Agreement for Sale of Potable Water between the City of Fort Lauderdale and the City of Tamarac - (Commission Districts 1, 2, 3 and 4)
- ADOPTED**
- Yea:** 5 - Commissioner Herbst, Vice Mayor Glassman, Commissioner Beasley-Pittman, Commissioner Sturman and Mayor Trantalis
- R-5** **24-0708** Resolution Declaring Notice of Intent to Lease City-Owned Property Located at 2925 E Las Olas Boulevard, Fort Lauderdale, Florida 33316, Pursuant to Section 8.09 of the Charter of the City of Fort Lauderdale - (Commission District 2)
- REMOVED FROM AGENDA**
- R-6** **24-0748** Resolution Providing Authorization for the City Manager to Execute Data Security Agreements for the Information Technology Services Department - (Commission Districts 1, 2, 3 and 4)
- ADOPTED**
- Yea:** 5 - Commissioner Herbst, Vice Mayor Glassman, Commissioner Beasley-Pittman, Commissioner Sturman and Mayor Trantalis



CITY OF FORT LAUDERDALE
City Commission Agenda Memo
REGULAR MEETING

#24-0663

TO: Honorable Mayor & Members of the
Fort Lauderdale City Commission

FROM: Susan Grant, Acting City Manager

DATE: August 20, 2024

TITLE: Resolution Ratifying a \$640,000 Loan Approved by the Fort Lauderdale Community Redevelopment Agency as Local Government Area of Opportunity Funding to Mount Hermon Housing, LTD for the Mount Hermon Apartments; Authorizing the City Manager to Execute Any and All Instruments Related to the Loan; and Delegating Authority to the City Manager to Take Certain Actions - (**Commission District 3**)

Recommendation

Staff recommends the City Commission approve a Resolution ratifying a \$640,000 loan approved by the Fort Lauderdale Community Redevelopment Agency (CRA) Development Incentive Program, as Local Government Area of Opportunity Funding to Mount Hermon Housing, LTD, for the "Mount Hermon Apartments"; authorize the City Manager to execute any and all instruments related to the Loan; and delegate authority to the City Manager to take certain actions, subject to review by the City Attorney.

Background

On September 1, 2020, the CRA Board of Commissioners approved a resolution approving a \$640,000 Development Incentive Program Loan as a Local Government Area of Opportunity Funding to Mount Hermon Housing, LTD, for the Mount Hermon Apartments, contingent upon the award of 9% tax credits from the Florida Housing Finance Corporation. CAM #20-0645 (Exhibit 1) describes the project and its funding structure. Mount Hermon was approved for 9% tax credit in its funding application. The project is now under construction, nearing completion.

Under Florida Housing Finance Corporation requirements, local government support must come from the City, rather than from the CRA. Mount Hermon Housing, LTD is asking that the \$640,000 original contribution from the CRA be disbursed by City. This can be accomplished through the Interlocal Agreement (CAM No. 24-0757). The City will then make the loan to Mount Hermon Housing, LTD. The support of the City of Fort Lauderdale, which will be funded by the CRA Development Incentive Program, is structured as Local Government Area of Opportunity (LGAO) Funding. The loan is repayable and may be forgiven at the discretion the City so long as the units remain affordable according to the restrictions of the Florida Housing Finance Corporation.

Resource Impact

There will be a fiscal impact to the CRA in the amount of \$640,000.

| <i>Funds available as of July 15, 2024</i> | | | | | |
|--|---|--|----------------------------------|-------------------------------------|-----------|
| ACCOUNT NUMBER | COST CENTER NAME (Program) | CHARACTER /ACCOUNT NAME | AMENDED BUDGET (Character) | AVAILABLE BALANCE (Character) | AMOUNT |
| 20-119-1531-552-40-4203- CRA092404 | Development Incentive Improvement Program FY 24 | Other Operating Expense/Redevelopment Projects | \$20,874,754 | \$11,274,244 | \$640,000 |
| TOTAL AMOUNT ► | | | | | \$640,000 |

Strategic Connections

This item is a FY 2024 Commission Priority, advancing the Housing Accessibility initiative.

This item supports the *Press Play Fort Lauderdale 2029* Strategic Plan, specifically advancing:

- The Housing Focus Area, Goal 2: Enable housing options for all income levels.

This item advances the *Fast Forward Fort Lauderdale 2035* Vision Plan: We Are Community.

This item supports the Advance Fort Lauderdale 2040 Comprehensive Plan specifically advancing:

- The Neighborhood Enhancement Focus Area
- The Housing Element
- Goal 1: The Comprehensive Plan shall support the provision of adequate sites for future housing, including affordable workforce housing, housing for low-income, very low-income, and moderate-income families, mobile homes, and group home facilities and foster care facilities, with supporting infrastructure and public facilities.
- Goal 2: Be a community of strong, beautiful, and healthy neighborhoods.

Related CAMs

24-0756

24-0757

Attachments

Exhibit 1 – CAM #20-0645

Exhibit 2 – Location Map

Exhibit 3 – Plans and Features

Exhibit 4 – HTG CRA Funding Application

Exhibit 5 – JP Morgan Chase Commitment Letter

Exhibit 6 – Raymond James Letter

08/20/2024

CAM #24-0663

Exhibit 7 – Project Summary and Pro-Forma
Exhibit 8 – Project Schedule
Exhibit 9 – August 11, 2020, NPF Advisory Board Minutes
Exhibit 10 – Resolution #20-06 (CRA) – dated September 1, 2020
Exhibit 11 – Resolution

Prepared by: Eleni Ward-Jankovic, CRA Housing and Economic Development Manager
Clarence Woods, CRA Manager

Charter Officer: Susan Grant, Acting City Manager

RESOLUTION NO. 24-147

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF FORT LAUDERDALE RATIFYING APPROVAL OF A LOAN OF SIX HUNDRED FORTY THOUSAND AND NO/100 DOLLARS (\$640,000.00) BY THE BOARD OF COMMISSIONERS OF THE FORT LAUDERDALE COMMUNITY REDEVELOPMENT AGENCY TO MOUNT HERMON HOUSING, LTD. PURSUANT TO RESOLUTION NO. 20-06(CRA); AUTHORIZING THE CITY MANAGER TO EXECUTE ANY AND ALL INSTRUMENTS RELATED TO THE LOAN; DELEGATING AUTHORITY TO THE CITY MANAGER TO TAKE CERTAIN ACTIONS; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, on September 1, 2020, pursuant to Resolution No. 20-06 (CRA), the Fort Lauderdale Community Redevelopment Agency ("CRA") Board of Commissioners passed a resolution approving a \$640,000 Development Incentive Program Loan as Local Government Area of Opportunity Funding to Mount Hermon Housing, LTD. (the "Developer") for the Mount Hermon Apartments (the "Project"); and

WHEREAS, the Developer has received the tax credits from the Florida Housing Finance Corporation and the Project is under construction; and

WHEREAS the tax credit program administered by Florida Housing Finance Corporation requires the Local Government Area of Opportunity Funding come from the City of Fort Lauderdale, rather than the CRA.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSIONERS OF THE CITY OF FORT LAUDERDALE:

SECTION 1. That the Recitals set forth above are true and correct and incorporated herein by this reference.

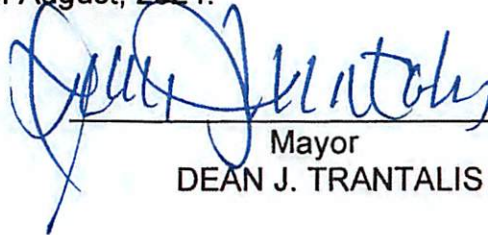
SECTION 2. That the City Commissioners of the City of Fort Lauderdale hereby ratifies and approves a forgivable loan in the amount of Six Hundred Forty Thousand and No/100 Dollars (\$640,000.00), to Mount Hermon Housing, Ltd. The loan may be forgiven at the discretion of the City if the Project meets the affordable housing requirements of Florida Housing Finance Corporation during the affordable housing period.

SECTION 3. That the City Commissioners of the City of Fort Lauderdale hereby authorizes execution by the City Manager of any and all documents or instruments necessary or incidental to consummation of the transaction without further action or approval of this body effective as of September 1, 2020. Except for the authority to increase the amount of the loan or waive the affordable housing requirement, the City Manager his or her designee is delegated authority to negotiate additional terms and conditions, modify the terms, take further actions, and make such further determinations he or she deems reasonable and necessary.

SECTION 4. That the office of the City Attorney shall review and approve as to form all documents prior to their execution by the City Manager.


SECTION 5. That this Resolution shall be in full force and effect upon final passage.

ADOPTED this 20th day of August, 2024.



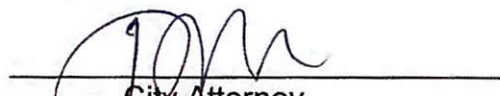
Mayor
DEAN J. TRANTALIS

ATTEST:



City Clerk
DAVID R. SOLOMAN

APPROVED AS TO FORM
AND CORRECTNESS:



City Attorney
THOMAS J. ANSBRO

Dean J. Trantalis Yea

John C. Herbst Yea

Steven Glassman Yea

Pamela Beasley-Pittman Yea

Warren Sturman Yea

LOAN AGREEMENT

THIS LOAN AGREEMENT (the “**Agreement**”) is made as of this ____ day of ____ 2024, **MOUNT HERMON HOUSING, LTD.**, a Florida limited partnership, whose address is 3225 Aviation Avenue, 6th Floor, Miami, FL 33133 (“**Borrower**”), to **THE CITY OF FORT LAUDERDALE**, a municipal corporation of the State of Florida, with offices at 101 N.E. 3rd Avenue, Suite 2100, Fort Lauderdale, Florida 33301 (“**Lender**” or “**City**” or “**Agency**”).

RECITALS

WHEREAS, Borrower has requested funding in the amount of \$640,000 under the Local Government Area of Opportunity Funding administered by the Florida Housing Finance Corporation to support funding for an affordable housing project as further described below (the “**Project**”); and

WHEREAS, the land upon which the Project (as defined herein) is being constructed is owned by Mount Hermon African Methodist Episcopal Church, Inc., a Florida not-for-profit corporation (the “**Owner**”), but subject to a long term ground lease between the Borrower and the Owner dated October 19, 2020, as may be amended from time to time (the “**Ground Lease**”), which land is located at 750 NW 4th Street, Fort Lauderdale, Florida 33311, with a folio number of 504210-12-0500 (the “**Property**”); and

WHEREAS, the Project is currently under construction and it is expected that the Certificate of Occupancy will be issued on or around October 31, 2024.

WHEREAS, Lender finds that the construction, development, and operation of the Project on the Property will benefit the community by providing affordable housing to individuals meeting certain low-income and age restrictions; and

WHEREAS, pursuant to Resolution No. 24-0757, the City approved the loan in the amount of \$640,000 for the Project, subject to the terms and conditions set forth herein.

NOW, THEREFORE, for and in consideration of the mutual promises, covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged by each and every Party, the Parties agree as follows:

ARTICLE 1 **DEFINITIONS**

As used in this Agreement the following terms shall have the following meanings:

“**Affiliate**” means, when used with reference to a specific Person:

- (1) Any Person that, directly or indirectly, through one or more intermediaries, controls or is controlled by or is under common control with the specified Person;

- (2) Any Person that is a director, officer, manager, partner, member, shareholder, owner or trustee of or in, or serves in a similar capacity with respect to, the specified Person, or which the specified Person is a director, officer, manager, partner, member, shareholder, owner or trustee of or in, or serves in a similar capacity with respect to, any Person;
- (3) Any Person that, directly or indirectly, is the beneficial owner of ten percent (10%) or more of any class of equity securities of, or otherwise has a substantial beneficial interest (ten percent (10%) or more) in, the specified Person, or which the specified Person is, directly or indirectly, the owner of ten percent (10%) or more of any class of equity securities of, or otherwise has a substantial beneficial interest (ten percent (10%) or more) in, any Person; or
- (4) A relative or spouse of the specified Person.

As used in this definition, the term “relative” shall include all the relationships specified in Section 732.103 of the Florida Statutes (intestate succession) as they pertain to the Person and the Person’s spouse, signifying that the term “Person” shall be used in place of “decedent”, and provided further, because the Person’s spouse is included in this definition, marriage-created relationships (such as son-in-law, daughter-in-law, brother-in-law, sister-in-law, father-in-law and mother-in-law) are included.

“Affordable Rents” mean the payment of rent which does not exceed thirty percent (30%) of the tenant’s /occupant’s gross monthly income, including utility charges.

“Affordable Units” mean one hundred percent (100%) of the residential rental units within the Project (which is equivalent to 104 residential rental units within the Project) to be leased to Eligible Persons.

“Authorized Representative” means, (i) as to the Lender, the City Manager (or his or her designee), and (ii) as to the Borrower, Matthew Rieger, as manager of HTG Mount Hermon, LLC, Borrower’s Special Limited Partner.

“Building Code” means the code which governs design and construction of infrastructure improvements, building and construction standards, review of plans for construction and infrastructure improvements, issuance of building permits, inspections for compliance with construction standards, issuance of Certificates of Occupancy, issuance of Certificates of Completion, and other matters pertaining to construction of structures in the City.

“Construction Lender” means TD Bank, N.A., a national banking association.

“Construction Loan” means the construction loan funded by Construction Lender, for acquisition, construction, and equipping of the Project, in the approximate amount of \$33,000,000.

“Contractor” means one or more individuals, organizations or firms constituting a general contractor properly licensed by Broward County, State of Florida (or other appropriate jurisdiction), to the extent required by applicable law, to perform contracting services to construct

the Improvements, bonded to the extent required by applicable law and contract specifications, and also means and includes a Contractor for site development work (infrastructure), structural improvements, underground water and sewer utilities, mechanical (HVAC), plumbing and electrical.

“Certificate of Occupancy” means a final certificate of occupancy issued by the City’s building official or other appropriate governing authority pursuant to the Building Code.

“City” or “Lender” means the City of Fort Lauderdale, Florida, a municipal corporation of the State of Florida.

“City Commission” means the elected officials and governing body of the City.

“Closing Date” or “Closing” means November 8, 2024.

“Completion Date” means the date a Certificate of Occupancy issued by the appropriate governing authority for the Project which is expected to occur on or before October 31, 2024.

“Contract Administrator” means the City Manager (or his or her designee).

“Declaration of Developer Restrictive Covenants” means that instrument executed by Borrower in favor of the Lender, which shall be recorded against the Entire Site for the Term, in form and content acceptable to the Lender, which shall incorporate the Affordable Rents and the Affordable Units and Eligible Persons.

“Disbursement” means a disbursement of the Loan proceeds pursuant to this Agreement.

“Disbursement Date” means the date that is on or before thirty (30) days following the date the Certificate of Occupancy for the Project is issued.

“Eligible Persons” mean those individuals or families whose income, as adjusted for family size, is (on average) not greater than sixty percent (60%) of Broward County Area Median Income (“AMI”), as established by the U.S. Department of Housing and Urban Development, or its successor agency (“HUD”), from time to time and at least one individual’s (or head of household’s) age within the household is at least 62 years.

“Entire Site” means the leasehold interest in the Property as legally described in **Exhibit “A”** to this Agreement, which is approximately 1.08 acres of land.

“Hard Costs” means costs for labor and materials required to construct a permanent structure on the Entire Site and for installation of site improvements.

“Horizontal Improvements” means the water, sewer, electric and other utilities, grading, paving and drainage improvements to the Entire Site.

“Improvements” means collectively the Horizontal Improvements and the Vertical Improvements to be constructed on the Entire Site as shown in the site plan for the Project approved by the City Commission.

“Loan Documents” means those certain documents, agreements and instruments in connection with the Loan, including the Declaration of Developer Restrictive Covenants, the Note, this Loan Agreement and such other agreements and instruments as reasonably required by Lender.

“Note” means that certain promissory note executed by Borrower and delivered to Lender in connection with the Closing, which shall evidence Borrower’s promise to Lender to repay the Loan under the terms and conditions set forth in the Loan Documents. The Note shall be in a form mutually agreed upon between Lender and Borrower.

“Partnership Agreement” means that certain Amended and Restated Agreement of Limited Partnership of Borrower, as the same may be amended, restated, or modified in accordance with its terms.

“Party” or “Parties” means, collectively or individually, as the context requires or dictates, Lender and/or Borrower.

“Person” means any individual, estate, trustee, corporation, association, joint stock company, limited liability company, partnership, trust, joint venture, unincorporated organization, real estate investment trust, business trust, non-profit organization, not-for-profit organization, tax-exempt organization, governmental authority (or any department, agency, bureau, service, authority or political subdivision thereof, inclusive of states, counties, municipalities, cities and special districts), or any other legal or artificial entity of any type, kind or nature.

“Plans and Specifications” means the documents required for the development and construction of the Improvements that may include predesign plans and drawings, preliminary plans and building, electrical and mechanical drawings, schematic design documents, design development documents, together with all amendments and modifications thereof, approved by the Lender’s Authorized Representative. To the extent not included in the Plans and Specifications, the subcontractor agreements used by the Contractor shall include written instructions specifying materials, workmanship, style, color and finishes consistent with the Project Development Plan.

“Project” means the financing, marketing, design, development, construction, operation and management by Borrower of a project on the Property consisting of seven-story tower containing one hundred four (104) residential rental units with various amenities for the residents together with all other Improvements. This Project shall provide Affordable Rents for Eligible Persons through the rental of Affordable Units for a minimum of fifty (50) years.

“Project Budget” means the final budget prepared by Borrower as described in Exhibit “D” to this Agreement, which shows the anticipated line items and the estimated costs for all the items that Borrower expects to incur in connection with development and construction of the Project.

“Project Development Plan” means the plan prepared by Borrower as described in Exhibit “B” to this Agreement, which includes the approved site plan for the Project, as well as the floor plans and elevations for the Vertical Improvements and the minimum features of the Project.

“Project Schedule” means the preliminary schedule and time frame for the submittal of applications for approvals required by this Agreement, and for the commencement and completion of development and construction of the Improvements pursuant to this Agreement, attached hereto as **Exhibit “C”** to this Agreement.

“Reasonable Efforts” means a good faith attempt by a Person to cause a result, but not an assurance or guarantee that such result will be achieved.

“Vertical Improvements” means above grade buildings and structures for which a building permit is required.

Other capitalized terms not defined in this Article 1 shall have the meanings assigned to them elsewhere in this Agreement. Words used herein in the singular shall include the plural and words in the masculine/feminine/neuter gender shall include words in the masculine/feminine/neuter where the text of this Agreement requires.

ARTICLE 2

PURPOSE

2.1 The purpose of the Loan is to promote the City’s goals to support the provision of adequate sites for future housing, including affordable workforce housing, housing for low-income, very low-income, and moderate-income families and to be a community of strong, beautiful, and healthy neighborhoods by incentivizing construction for the development of affordable housing.

2.2 The City has determined that the Project complies with the goals and objectives of the City’s comprehensive plan, specifically the Housing Element, and furthers goal 1, which states that the Comprehensive Plan shall support the provision of adequate sites for future housing, including affordable workforce housing, housing for low-income, very low-income, and moderate-income families, mobile homes, and group home facilities and foster care facilities, with supporting infrastructure and public facilities.

ARTICLE 3

THE LOAN

3.1 **Agreement to Lend and Borrower.** Subject to budget and appropriation by the City Commission of the City and as stated in the first whereas clause of the Recitals, Lender has agreed to lend funds to Borrower to support its award of Low Income Housing Tax Credits from the Florida Housing Finance Corporation to secure a minimum of 104 housing units to be constructed for individuals and or households whose income is at or below 60% of AMI for the Term. Borrower agrees to use the proceeds from the Loan to develop and construct the Project in accordance with the Project Development Plan, the Project Schedule and Project Budget.

3.2 **Conditions to Closing.** The City’s obligation to close is subject to compliance with the following conditions:

3.2.1 Closing on Borrower’s construction financing with the Construction Lender and the closing on its tax credit investment with the Project’s investor, together with satisfactory

evidence that it has sufficient funding to complete the Improvements in accordance with the Project Development Plan, the Project Schedule, and the Project Budget.

3.2.2 Execution and delivery of the Loan Documents.

3.2.3 Survey certified to Lender meeting the minimum technical standards under the Florida Administrative Code and otherwise in form and substance acceptable to Lender using commercially reasonable standards.

3.2.4 Issuance of a title search report, at Borrower's expense, to verify the owner of the Property and disclosure of all encumbrances on the Entire Site with Borrower bearing responsibility to pay the title search fees.

3.2.5 Copy of the Ground Lease and any amendments thereto by and between Borrower and Owner.

3.2.7 The Borrower shall deliver to the Lender the Articles of Organization of the Borrower and all amendments thereof, certified by the appropriate official of the State of Florida, together with certificates of such official to the effect that Borrower is in good standing therein together with corporate consents and authorizations.

3.3 Conditions to Disbursement. The conditions listed below are condition precedents to the Lender's disbursement of the Loan proceeds and shall be complied with in form and substance satisfactory to the Lender prior to any Disbursement:

3.3.1 Lender shall have reviewed and accepted the title search report and the Loan Documents have been executed and the Declaration of Developer's Restrictive Covenant has been recorded.

3.3.2 Borrower shall comply with the insurance requirements under the Construction Loan Agreement with its Senior Lender and as specified in the Ground Lease.

3.3.3 Borrower shall supply copies of cancelled checks, receipts, invoices and such other information requested by the City to document \$640,000 in Hard Costs of the Project.

3.3.4 Borrower shall deliver to Lender evidence satisfactory to Lender either that the Property is not within a hazardous flood area as designated by HUD and any other governmental authority, or if the Property is within such a hazardous area, that the Property are covered by flood insurance supplied by the federal Insurance Administration to the maximum amount available, all as provided in the Flood Disaster Protection Act of 1973, as amended, together with appropriate endorsements thereto providing for Lender's interests in the same manner as the Builder's Risk Insurance, including without limitation that such insurance will not be canceled without 30 days' notice to Lender. Borrower agrees that Lender shall have the right to take any action necessary to continue said insurance in full force and effect including, but not limited to, paying premiums. Any funds disbursed to continue said policies in full force and effect shall be considered as Disbursements hereunder and shall bear interest from the date of disbursement at the same rate as other Disbursements. Satisfactory evidence of flood area designation shall be a certification from the surveyor appearing on the survey drawing.

3.3.5 The Certificate of Occupancy for the Project has been issued.

3.4 Disbursement of Loan. The Loan shall only be used for Hard Costs, and such funding shall be disbursed in one disbursements after issuance of the Certificate of Occupancy. Neither this Agreement nor the obligations imposed upon the City hereunder shall be or constitute an indebtedness or general obligation of the City or other governmental authority within the meaning of any constitutional, statutory or charter provisions requiring the City or other governmental authority to levy ad valorem taxes nor a lien upon any properties or funds of the City or other governmental authority. The Parties agree that this Agreement is not intended to create debt of the City nor does this Agreement constitute an unconditional obligation to fund or pay the Loan. The obligations hereunder shall not constitute a lien, either legal or equitable, on any of the City's ad valorem revenue or other revenue. Request for disbursement shall be supported by construction invoices with details of the work carried out and associated cost. The City reserves the right to inspect the completed work for each requested disbursement.

3.5 The Note. The Loan shall be evidenced by the Note in the stated principal amount of Six Hundred Forty Thousand and No/100 Dollars (\$640,000) executed by Borrower and payable to the order of Lender as evidence of the Loan.

3.6 Use of Proceeds. Borrower shall use the proceeds of the Loan exclusively for the reimbursement of Hard Costs of construction and development of the Project. Borrower shall, on or before the Disbursement Date, provide Lender with documentation specifying, in detail, the exact construction and development expenses that have been paid or reimbursed with the Loan proceeds.

3.7 Interest. During the Term, no interest shall be paid or shall accrue on the Loan or on the unpaid principal balance of the Loan.

ARTICLE 4 **LOAN PAYMENT STRUCTURE**

4.1 The Loan shall be paid in full as a balloon payment at the end of the Term, or if the Project is sold, transferred or conveyed during the Term. In the event of a refinance of the Project, the Loan shall be repaid in full.

4.2 Borrower shall be responsible for (a) all reasonable, out-of-pocket loss, damage, reasonable cost and expense (including reasonable attorney's fees) suffered by Lender as a result of Borrower's fraud, deceit, intentional misrepresentation, or gross negligence, failure to maintain insurance upon the Property, or the intentional or grossly negligent waste of the Property; (b) all income, revenues, rents, royalties, issues and profits in possession of Borrower from the Property which, after the occurrence of an Event of Default, are not applied to the payment of sums due under the Note, the Loan, or the payment of the normal operational expenses of the Property, and (c) all insurance proceeds and condemnation awards in possession of Borrower with respect to the Property which proceeds or awards, as the case may be, are intentionally misapplied in contravention of the provisions of the Loan Documents.

ARTICLE 5 **SUBORDINATION**

5.1 The Loan and all payments due on the Loan shall be subordinate to the Senior Loan.

ARTICLE 6

INTENTIONALLY OMITTED.

ARTICLE 7

CONDITIONS PRECEDENT TO LOAN DISBURSEMENT

7.1 Borrower acknowledges that each of the following shall be a condition precedent to a Disbursement of the Loan under this Agreement:

7.2 Borrower shall have performed all of its material obligations under this Agreement and observed and complied with all material covenants and conditions required at or prior to Closing under this Agreement.

7.3 The representations and warranties made by Borrower in Article 8 of this Agreement shall be true and correct in all material respects on and as if made on the Disbursement Date.

7.4 Borrower shall have delivered certificates of good standing for Borrower dated within thirty (30) days prior to Closing.

7.5 Borrower shall have executed and delivered to Lender each of the Loan Documents, and be in compliance with all of the terms and conditions contained therein.

7.6 Borrower shall have good and marketable leasehold title to each parcel, or portions thereof that is a part of the Entire Site.

7.7 Borrower shall have furnished to Lender certificates of insurance or duplicate originals of any insurance policies required of Lender hereunder.

7.8 Such other conditions as set forth in the Construction Loan Agreement.

ARTICLE 8

REPRESENTATIONS AND WARRANTIES OF BORROWER

8.1 Borrower represents and warrants to Lender the following, which shall be true and correct in all material respects as of the date hereof, and on the Disbursement Date:

8.2 Borrower is duly organized, validly existing, and in good standing and is duly qualified in all jurisdictions in which the ownership or lease of its property or the conduct of its business requires such qualification, and Borrower has taken all necessary action to authorize the execution, delivery, and performance of this Agreement and the other Loan Documents by it, and has the power and authority to execute, deliver, and perform under this Agreement, the other Loan Documents, and all the transactions contemplated hereby.

8.3 Borrower has satisfied all of the conditions precedent to Closing as set forth in this Agreement that are required to be satisfied as of the date of this Agreement.

8.4 The execution and delivery of this Agreement and the other Loan Documents by Borrower and the performance of its obligations hereunder and thereunder will not materially conflict with any provision of any law or regulation to which Borrower is subject, or materially conflict with, result in a material breach of, or constitute a material default under, any of the terms, conditions, or provisions of any of Borrower's organizational documents or any material agreement or instrument to which Borrower is a party or by which it is bound, or any order or decree applicable to Borrower, or result in the creation or imposition of any lien on any of Borrower's assets or property (other than pursuant to the Loan Documents).

8.5 All financial data, including, without limitation, the statements of cash flow and income and operating expense, that have been delivered to Lender in respect of the Property (i) are true, complete, and correct in all material respects; (ii) accurately represent the financial condition of the Project as of the date of such reports; and (iii) have been prepared in accordance with GAAP throughout the periods covered, except as disclosed therein. Borrower does not have any contingent liabilities, liabilities for taxes, unusual forward or long-term commitments, or unrealized or anticipated losses from any unfavorable commitments that are known to Borrower and reasonably likely to have a materially adverse effect on the Project or the operation thereof, except as referred to or reflected in said financial statements. Since the date of the financial statements, there has been no material adverse change in the financial condition, operations, or business of Borrower or the Project from that set forth in said financial statements.

8.6 Borrower will have good and marketable leasehold title to the Property at the time that Lender records the Declaration of Developer's Restrictive Covenant, subject to no mortgage, lien, encumbrance, conditional sales contract or other obligation, whether absolute or contingent, except those which have been disclosed to and accepted by Lender which acceptance by Lender shall not be unreasonably withheld, conditioned or delayed (including, without limitation, the Senior Loans), and Borrower will furnish to Lender such further assurances of title as may be reasonably necessary to effectuate the purposes and provisions of this Agreement or to perfect or continue the perfection of Lender's security interest and pay all costs in connection therewith.

8.7 There has not been and will not be prior to Closing, any material and adverse changes made, or caused to be made, by Borrower in the financial condition, assets, liabilities, business or prospects of Borrower other than changes in the ordinary course of business (none of which is materially adverse to Borrower), nor any damage, destruction or loss to the same, whether or not covered by insurance, which has materially and adversely affected the ability of Borrower to complete the Project.

8.8 Borrower will not make or cause to be made prior to Closing, any material capital expenditures, purchases, or acquisitions not in the ordinary course of business, other than in connection with the completion of the Project.

8.9 On the date of Closing, there will not be pending or threatened in writing, any litigation, proceeding or investigation, which may reasonably result in any material and adverse change in the financial condition, assets, liabilities, business or prospects of Borrower, and Borrower does not know of any basis for any such litigation, proceeding, or investigation.

8.10 Borrower holds or will obtain all licenses, certificates, permits, franchises, and rights from all appropriate federal, state, and local authorities necessary for the construction of the Project.

8.11 There are no actions or proceedings pending or threatened in writing against Borrower, to the best of Borrower's actual knowledge, to liquidate, reorganize itself, or place itself into receivership.

8.12 All federal and State of Florida withholding, sales, franchise, or real estate taxes due or payable by Borrower, either pursuant to an assessment against Borrower or a payment obligation contained in a lease or other contract or agreement to which Borrower is a party, have been paid by Borrower or provision for the payment of the same has been made, as of the Closing.

8.13 Any financial statements of Borrower furnished by Borrower to Lender are true, correct, and complete as of the date of certification of the same.

8.14 There is no action, suit, proceeding, or investigation pending or, to Borrower's knowledge, threatened against Borrower in any court or by or before any other Governmental Authority that would materially and adversely affect the ability of Borrower to carry out the transactions contemplated by this Agreement.

8.15 No condemnation or other proceeding has been commenced or, to Borrower's best knowledge, is contemplated with respect to all or any portion of the Entire Site.

8.16 No Event of Default, or event which with notice or lapse of time or both would constitute an Event of Default, has occurred hereunder, or under the Note or Declaration of Developer Restrictive Covenant or under any other indebtedness or obligation of Borrower to Lender.

8.17 The representations and warranties contained in this Section shall survive Closing until repayment in full of the Loan and any accrued interest. Borrower shall have no liability or obligation hereunder for any representation or warranty that becomes untrue because of reasons beyond Borrower's control, but Borrower shall promptly notify Lender upon learning of same.

8.18 The Ground Lease is in full force and effect and has not been terminated nor is Borrower in default under the Ground Lease.

ARTICLE 9

BORROWER'S AFFIRMATIVE COVENANTS

9.1 Until payment in full of the Loan, together with all interest and charges accrued thereon, if any, has been received by Lender, Borrower covenants that it has or will:

9.2 Cooperate with Lender, its representatives, and any duly authorized agents in the delivery and maintenance of the financial disclosures required pursuant to this Agreement.

9.3 Comply with all statutes and government regulations and pay promptly all taxes, assessments, governmental charges, claims for labor, supplies, rent, and other obligations owed by

Borrower, except liabilities being contested in good faith and against which, if requested by Lender, Borrower will establish a reserve satisfactory to Lender.

9.4 Pay all expenses related to, and comply with all terms, conditions, and covenants of, any encumbrances, lien, or indebtedness which is senior or junior to the Loan, with respect to the Property and any personal property which is the security for this Loan.

9.5 Neither Borrower, nor any Affiliate of Borrower, shall, without the prior written consent of Lender, transfer, pledge, encumber, assign, or otherwise burden or sell title to, or any interest, equitable or legal, in any portion of the Property owned or leased by Borrower to any person or entity whatsoever. Notwithstanding the foregoing, (a) transfers of investor member's interests in the Borrower; (b) the removal and replacement of the developing member of Borrower by its investor member pursuant to the Partnership Agreement; and/or (c) assumption of the developing member of the Borrower's interest by the investor member of the Borrower or an Affiliate thereof; in each case, shall not constitute a default and shall not require Lender consent.

9.6 Borrower shall comply with the requirements of the Loan Documents in all material respects.

9.7 Borrower shall not amend the Ground Lease without the Lender's consent in such a way that would adversely affect the Lender.

ARTICLE 10

AFFORDABILITY REQUIREMENTS FOR HOUSING UNITS OFFERED FOR RENT

10.1 Following the Disbursement Date and until the Loan, together with any accrued interest and charges thereon, is repaid to Lender in its entirety, the Affordable Units shall be rented to Eligible Persons at Affordable Rents for a period of fifty (50) years starting from the date the first unit is leased to an eligible household. Lender acknowledges that Borrower shall be allowed to satisfy the above requirement through income averaging methodology if and to the extent that such methodology is implemented by the Florida Housing Finance Corporation.

10.2 On an annual basis following the Disbursement Date and until the Loan (together with any unpaid interest and charges) is repaid to Lender in its entirety, Borrower shall provide Lender (i) copies of the income certification reports for renters of Affordable Units that it provides to any federal, state, or local authority and (ii) any and all additional information or data relied upon by Borrower in ensuring that all Affordable Units are rented in accordance with the requirements of Section 10.1 above. Such reports ("**Income Certification Reports**") generally contain, but may not be limited to (i) the annual adjusted gross income information for any and all individuals or families renting one of the Affordable Units, and (ii) any and all information or data relied upon by Borrower in ensuring that all Affordable Units are rented in accordance with the requirements of Section 10.1 above. Lender may also request the Income Certification Reports and Borrower shall provide these reports to Lender within thirty (30) days after Lender's written notice.

ARTICLE 11

OMISSIONS AND RELIANCE

11.1 Borrower warrants and represents to Lender that the statements contained in this Agreement, all documentation provided to Lender or its representatives, and all other representations or statements made by or on behalf of Borrower to Lender or its representatives in connection with the Closing as of the date hereof are true and complete in all material respects and do not omit any fact or information material to Lender's evaluation of the transaction contemplated by this Agreement or Borrower's compliance with the conditions for the Closing.

11.2 Notwithstanding any investigation conducted before or after Closing, and notwithstanding any facts and circumstances which any party may learn as a result of such investigation or otherwise, the parties shall be entitled to rely upon the warranties and representations set forth in this Agreement and the Loan Documents.

ARTICLE 12

EXPENSES; INDEMNITY

12.1 Borrower shall pay or, if Borrower fails to pay, reimburse Lender upon receipt of notice from Lender, for all reasonable out-of-pocket costs and expenses incurred by Lender in connection with (i) Borrower's ongoing performance of and compliance with all agreements and covenants contained in this Agreement and the other Loan Documents on its part to be performed or complied with after the Closing, including, without limitation, confirming compliance with environmental and insurance requirements; (ii) Lender's ongoing performance of and compliance with all agreements and covenants contained in this Agreement and the other Loan Documents on its part to be performed or complied with after the Closing; (iii) the negotiation, preparation, execution, delivery, and administration of any consents, amendments, waivers, or other modifications to this Agreement and the other Loan Documents and any other documents or matters requested by Borrower; (iv) the filing and recording fees and expenses, documentary stamp taxes, title insurance premiums and expenses, reasonable fees and expenses of counsel for providing to Lender all required legal opinions, and other similar expenses incurred, in any way connected with any of the Loan Documents, including in creating and perfecting the liens in favor of Lender pursuant to this Agreement and the other Loan Documents; (v) enforcing or preserving any rights, in response to third-party claims or the prosecuting or defending of any action or proceeding or other litigation or otherwise, in each case against, under, or affecting Borrower, this Agreement, the other Loan Documents, the Property, the Project, or any other security given for the Loan; and (vi) enforcing any obligations of or collecting any payments due from Borrower under this Agreement, the other Loan Documents, or with respect to the Property, the Project, or in connection with any refinancing or restructuring of the credit arrangements provided under this Agreement in the nature of a "**work-out**" or of any insolvency or bankruptcy proceedings; provided, however, that Borrower shall not be responsible for the payment of any such costs and expenses to the extent the same arise by reason of the gross negligence, illegal acts, fraud, or willful misconduct of Lender.

12.2 Borrower shall at all times hereafter indemnify, hold harmless, and defend Lender and all of Lender's current and former officers, public officials, agents, servants, and employees (collectively, "**Indemnified Party**") from and against any and all causes of action, demands, claims, losses, liabilities, and expenditures of any kind, including attorneys' fees, court costs, and expenses (collectively, a "**Claim**"), raised or asserted by any person or entity not a party to this Agreement, which Claim is caused or alleged to be caused, in whole or in part, by any intentional, reckless or grossly negligent act or omission of Borrower, its current or former officers, employees,

agents, or servants, arising from, relating to, or in connection with this Agreement, the Loan Documents, the Property, or the Project (except to the extent caused by or arising out of any Indemnified Party's gross negligence, illegal acts, fraud, or willful misconduct). In the event any Claim is brought against an Indemnified Party, Borrower shall, upon written notice from Lender, defend each Indemnified Party against each such Claim by counsel satisfactory to Lender or, at Lender's option, pay for an attorney selected by the City Attorney to defend the Indemnified Party. The obligations of this Section shall survive the expiration or earlier termination of this Agreement or the Loan Documents and is not limited by insurance proceeds or coverage.

ARTICLE 13

HAZARDOUS MATERIALS

13.1 Borrower agrees to (i) comply with all governmental requirements applicable to Hazardous Materials (including lead paint) and other environmental, health, fire and safety laws or regulations, including but not limited to the Occupational Health and Safety Act and American With Disabilities Act, (ii) notify Lender of any notice received by Borrower of any leak, spill or other release of Hazardous Materials in violation of any environmental, health, fire or safety laws or regulations with respect to any portion of the Property or Project, in which event Lender shall be allowed a right of entry, (iii) if Hazardous Materials are determined to be located on the Property or Project in violation of any environmental, health, fire or safety laws or regulations with respect to any portion of the Property or Project, or another environmental, health, fire, or safety law has been violated and such violation has been caused by Borrower or its agents, provide Lender with a bond or letter of credit, or similar financial assurance, reasonably satisfactory to Lender, in an amount sufficient to cover the cost of any clean up or remediation of the violation, as the case may be, and (iv) indemnify and forever hold Lender harmless from any loss, claim, damage or liability arising out of, or in connection with, the presence on the Property or Project of, or contamination by, any Hazardous Materials or the violation of environmental, health, fire or safety laws or regulations. This indemnification shall survive repayment of the Loan. Further, Borrower shall pay Lender, upon demand, for all reasonable out-of-pocket costs incurred by Lender in connection with inspecting the Property and Project with respect to Hazardous Materials, which Lender may do at any time and from time to time following any written notice that such Hazardous Materials may be present on the Property, and/or in connection with reviewing any Hazardous Material, environmental, health, fire or safety reports, including reasonable, out-of-pocket attorney's fees, engineering fees and other fees and expenses if such costs are incurred as a result of actions caused by Borrower or its agents or after the date Borrower takes possession of the Property. As used herein, "Hazardous Materials" shall be defined as any substance (i) the presence of which requires investigation, remediation or special handling under any federal, state or local statute, regulation, ordinance, order, policy or common law; or (ii) is or becomes a "hazardous substance" or "hazardous waste" under any federal, state or local statute, regulation, ordinance, order, policy or common law, including the Resource Conservation and Recovery Act of 1976 (42 U.S.C. Section 9601 et. seq.), as amended from time to time, or the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. Section 9601 et seq.), as amended from time to time; and (iii) without limitation, includes any lead, oil or petroleum products, polychlorinated bi-phenyls, PCB's, asbestos, urea formaldehyde foam insulation or radon gas, in each case, at levels exceeding those permissible under applicable laws or regulations.

ARTICLE 14

INSURANCE

14.1 From and after the Disbursement Date, Borrower shall maintain insurance in the forms and amounts required by the Ground Lease and Construction Loan Agreement.

ARTICLE 15
ASSIGNMENT AND TRANSFER

15.1 Except as otherwise permitted herein, Borrower agrees not to assign, pledge, or transfer this Agreement, the Note, or any right or interest in any payment or Loan disbursement due pursuant to this Agreement, without the prior written consent of Lender, which may be given or withheld in the Lender's sole and absolute discretion.

ARTICLE 16
DEFAULT

16.1 Subject to any notice requirement, grace period, or right to cure specifically set forth in any of the Loan Documents, the occurrence of any one or more of the following events shall constitute a default by Borrower ("**Event of Default**") whereupon the Note shall become immediately due and payable without presentation, demand, protest, or notice of any kind, all of which are hereby expressly waived, and Lender shall be entitled to all rights and remedies available to it under the law and as set forth in the Loan Documents:

16.1.1 a breach, nonpayment, failure of performance, or default by Borrower of any covenant, term, condition, or provision of any of the Loan Documents, including failing to rent the Affordable Units to Eligible Persons at Affordable Rents, not cured within thirty (30) days after written notice of such breach, nonpayment, failure to perform, or default has been provided to Borrower; provided that, if Borrower diligently pursues a cure, Borrower shall be afforded by Lender such longer period as may be reasonably necessary for Borrower proceeding diligently to cure such breach, nonpayment, failure to perform, or default but not to exceed 120 days; except however, no longer period of time shall be afforded for any payment of money due under any Loan Document.

16.1.2 the breach of any material representation or warranty herein or in any of the Loan Documents by Borrower that is uncorrected to the reasonable satisfaction of Lender for a period of thirty (30) days following the date Borrower is notified by Lender in writing of such breach; provided that, if Borrower diligently pursues a cure, Borrower shall be afforded by Lender such longer period as may be reasonably necessary for Borrower proceeding diligently to cure such breach.

16.1.3 the (i) sale, transfer, assignment, pledge or conveyance of the Property or Project by Borrower or its Affiliates to a third-party without the prior written approval of Lender, or a (ii) transfer of ownership or control of Borrower, or any portion thereof, without the prior written consent of Lender shall constitute a default by Borrower (provided, however, that, (a) transfers of membership interests in the Borrower; (b) the removal and replacement of the developing member of Borrower by its investor member pursuant to the Partnership Agreement; and/or (c) assumption of the developing member of the Borrower's interest by the investor member of the Borrower or an Affiliate thereof shall not constitute an Event of Default hereunder).

16.1.4 If Borrower shall file for bankruptcy protection, become insolvent, dissolved, or terminated, or be the subject of the appointment of a trustee or receiver, or if the Property or Project shall become subject to the jurisdiction of a bankruptcy court or the

appointment of a trustee or receiver, or if Borrower shall make an assignment for the benefit of Borrower's creditors, or if there is an attachment, execution, or other judicial seizure of any portion of Borrower's assets and such seizure is not discharged within thirty (30) days thereof, or if an order, judgment or decree of involuntary bankruptcy is properly filed against Borrower and is not stayed and continues in effect for ninety (90) days from the date filed, then Lender may, at its option, declare all of the sums to be immediately due and payable without prior notice to Borrower, and Lender may invoke any remedies permitted herein. Any reasonable out-of-pocket attorney's fees to outside counsel and other expenses incurred by Lender in connection with any of the aforesaid events shall be additional indebtedness of Borrower.

16.1.5 A default under the Ground Lease, Construction Loan or permanent loan shall be deemed a default under this Agreement.

16.2 Upon an Event of Default, following any applicable notice and cure period, Lender, without notice or resort to any judicial proceeding, shall have the right to (i) set off against and apply all funds of Borrower held on deposit with or under the control of Lender to the payment of any of the obligations of Borrower under the Loan Documents, and (ii) take any other actions available to Lender at law or in equity. The Borrower's investor member shall have the right, but not the obligation, to cure any default of Borrower, and such cure shall be accepted as if tendered by Borrower.

ARTICLE 17 **NO WARRANTY OR WAIVER**

17.1 Lender's review of appraisals, surveys, or other matters in connection with the Loan shall not constitute a warranty or representation by Lender or its employees, agents, or representatives.

17.2 Neither any failure nor any delay on the part of Lender or Borrower in insisting upon strict performance of any term, condition, covenant, or agreement, or exercising any right, power, remedy, or privilege hereunder or under the Loan Documents, shall operate as or constitute a waiver thereof, nor shall a single or partial exercise thereof preclude any other future exercise, or the exercise of any other right, power, remedy, or privilege. In particular, and not by way of limitation, by accepting payment after the due date of any amount payable under this Agreement or the Loan Documents, neither Lender nor Borrower shall be deemed to have waived any right either to require prompt payment when due of all other amounts due under this Agreement or the other Loan Documents, or to declare a default for failure to effect prompt payment of any such other amount. Lender and Borrower shall have the right to waive or reduce any time periods that Lender or Borrower, as applicable, is entitled to under the Loan Documents in Lender's or Borrower's, as applicable, sole and absolute discretion. No waiver of any of Lender's or Borrower's rights under this Agreement and the Loan Documents shall be binding upon Lender or Borrower, as applicable, unless Lender or Borrower, as applicable, approves such waiver in writing.

ARTICLE 18 **ENTIRE AGREEMENT/ENFORCEABILITY/MODIFICATION**

18.1 This Agreement, in conjunction with the other Loan Documents, constitutes a full and complete understanding between the parties and all other agreements and/or contracts, either

oral or written, or other legal instruments, are hereby superseded upon the execution of this Agreement. This Agreement shall be valid, binding, and enforceable against the parties hereto and their successors and assigns, and the parties warrant that the persons executing this Agreement on their behalf are authorized to do so. None of the terms or provisions of this Agreement may be changed, waived, modified, discharged, or terminated except by a written modification executed by both parties hereto.

ARTICLE 19

CONFLICT OF INTEREST/ LIMIT OF LIABILITY

19.1 All acts, including any failure to act, relating to the Property or Project by any agent, representative or designee of Lender are performed solely for the benefit of Lender to assure repayment of the Loan and are not for the benefit of Borrower or for the benefit of any other person, including, without limitation, purchasers, tenants, or other occupants.

ARTICLE 20

LAW, JURISDICTION, VENUE, WAIVER OF JURY TRIAL

20.1 This Agreement shall be interpreted and construed in accordance with and governed by the laws of the state of Florida. The exclusive venue for any lawsuit arising from, related to, or in connection with this Agreement shall be in the state courts of the Seventeenth Judicial Circuit in and for Broward County, Florida. If any claim arising from, related to, or in connection with this Agreement must be litigated in federal court, the exclusive venue for any such lawsuit shall be in the United States District Court or United States Bankruptcy Court for the Southern District of Florida.

ARTICLE 21

NO THIRD-PARTY BENEFICIARIES

21.1 Neither Borrower nor Lender intends to directly or substantially benefit a third party by this Agreement. Therefore, the Parties acknowledge that there are no third-party beneficiaries to this Agreement and that no third party shall be entitled to assert a right or claim against either of them based upon this Agreement.

ARTICLE 22

COUNTERPARTS AND MULTIPLE ORIGINALS

22.1 This Agreement may be executed in multiple originals, and may be executed in counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same agreement.

ARTICLE 23

TIME OF ESSENCE

23.1 Time is of the essence for each and every provision of this Agreement.

ARTICLE 24

SEVERABILITY

24.1 In the event that any provision of this Agreement shall be held to be unenforceable under the law, all remaining provisions of this Agreement shall be binding, valid, and enforceable.

ARTICLE 25
NOTICES

25.1 In order for a notice to a party to be effective under this Agreement, notice must be sent via U.S. first-class mail with a contemporaneous copy via e-mail to the addresses listed below and shall be effective upon mailing. The addresses for notice shall remain as set forth herein unless and until changed by providing notice of such change in accordance with the provisions of this Section.

NOTICE TO LENDER:

City of Fort Lauderdale
101 NE 3rd Avenue, Suite 2100
Fort Lauderdale, FL 33301
Attention: City Manager

City of Fort Lauderdale
1 East Broward Blvd, Suite 1320
Fort Lauderdale, FL 33301
Attention: City Attorney

NOTICE TO BORROWER:

Mount Hermon Housing, Ltd.
3225 Aviation Avenue, 6th Floor
Miami, FL 33133
Attn: Matthew Rieger

With copies to:

Stearns Weaver Miller Weissler Alhadeff & Sitterson, P.A.
150 West Flagler Street, Suite 2200
Miami, FL 33130
Attn: Brian J. McDonough

Raymond James Tax Credit Fund XX L.L.C.
c/o Raymond James Affordable Housing Investments, Inc.
880 Carillon Parkway
St. Petersburg, FL 33716
Attn: Steven J. Kropf, President

and

Nixon Peabody LLP
Exchange Place
53 State Street
Boston, MA 02109
Attn: Nathan A. Bernard, Esq.

ARTICLE 26
INTENTIONALLY OMITTED

ARTICLE 27

27.1 The Borrower certifies that it is not on the Scrutinized Companies that Boycott Israel List created pursuant to Section 215.4725 of the Florida Statutes, as may be amended or revised from time to time, and that it is not engaged in a boycott of Israel.

ARTICLE 28
SCRUTINIZED COMPANIES

28.1 The Borrower certifies that it is not on the Scrutinized Companies that Boycott Israel List created pursuant to Section 215.4725 of the Florida Statutes, as may be amended or revised from time to time, and that it is not engaged in a boycott of Israel.

ARTICLE 29
PUBLIC ENTITY CRIME

29.1 THE BORROWER REPRESENTS THAT THE EXECUTION OF THIS AGREEMENT WILL NOT VIOLATE THE PUBLIC ENTITY CRIME ACT, SECTION 287.133 OF THE FLORIDA STATUTES, AS MAY BE AMENDED FROM TIME TO TIME, WHICH ESSENTIALLY PROVIDES THAT A PERSON (OR AFFILIATE THEREOF) WHO IS A CONTRACTOR, CONSULTANT, OR OTHER PROVIDER AND WHO HAS BEEN PLACED ON THE CONVICTED VENDOR LIST FOLLOWING A CONVICTION FOR A PUBLIC ENTITY CRIME MAY NOT SUBMIT A BID ON A CONTRACT TO PROVIDE ANY GOODS OR SERVICES TO THE AGENCY, MAY NOT SUBMIT A BID ON A CONTRACT WITH THE AGENCY FOR THE CONSTRUCTION OR REPAIR OF A PUBLIC BUILDING OR PUBLIC WORK, MAY NOT SUBMIT BIDS ON LEASES OF REAL PROPERTY TO THE AGENCY, MAY NOT BE AWARDED OR PERFORM WORK AS A CONTRACTOR, SUPPLIER, SUBCONTRACTOR, OR CONSULTANT UNDER A CONTRACT WITH THE AGENCY, AND MAY NOT TRANSACT ANY BUSINESS WITH THE AGENCY IN EXCESS OF THE THRESHOLD AMOUNT PROVIDED IN SECTION 287.017 OF THE FLORIDA STATUTES, AS MAY BE AMENDED FROM TIME TO TIME, FOR CATEGORY TWO PURCHASES FOR A PERIOD OF THIRTY-SIX (36) MONTHS FROM THE DATE OF BEING PLACED ON THE CONVICTED VENDOR LIST. VIOLATION OF THIS SECTION 15.26.1 SHALL RESULT IN TERMINATION OF THIS AGREEMENT AND RECOVERY OF ALL MONIES PAID BY THE AGENCY PURSUANT TO THIS AGREEMENT AND MAY RESULT IN DEBARMENT FROM THE AGENCY'S COMPETITIVE PROCUREMENT ACTIVITIES.

29.2 IN ADDITION TO THE FOREGOING, THE BORROWER FURTHER REPRESENTS THAT THERE HAS BEEN NO DETERMINATION, BASED ON AN AUDIT, THAT IT COMMITTED AN ACT DEFINED BY SECTION 287.133 OF THE FLORIDA STATUTES, AS A "PUBLIC ENTITY CRIME" AND THAT IT HAS NOT BEEN FORMALLY CHARGED WITH COMMITTING AN ACT DEFINED AS A "PUBLIC ENTITY CRIME" REGARDLESS OF THE AMOUNT OF MONEY INVOLVED OR WHETHER THE BORROWER HAS BEEN PLACED ON THE CONVICTED VENDOR LIST.

ARTICLE 30
PUBLIC RECORDS

30.1 EACH PARTY SHALL MAINTAIN ITS OWN RESPECTIVE RECORDS AND DOCUMENTS ASSOCIATED WITH THIS AGREEMENT IN ACCORDANCE WITH THE RECORDS RETENTION REQUIREMENTS APPLICABLE TO PUBLIC RECORDS, IF ANY. EACH PARTY SHALL BE RESPONSIBLE FOR COMPLIANCE WITH ANY PUBLIC DOCUMENTS REQUEST SERVED UPON IT PURSUANT TO CHAPTER 119 OF THE FLORIDA STATUTES, AS SAME MAY BE AMENDED FROM TIME TO TIME AND ANY RESULTANT AWARD OF ATTORNEY'S FEES FOR NON-COMPLIANCE WITH THAT LAW.

30.2 To the extent applicable, the BORROWER and all Contractors or subcontractors engaging in services in connection with construction and/or maintenance of the Project shall:

30.3 KEEP AND MAINTAIN PUBLIC RECORDS THAT ORDINARILY AND NECESSARILY WOULD BE REQUIRED BY THE CITY IN ORDER TO PERFORM THE SERVICES RENDERED HEREUNDER.

30.4 UPON REQUEST FROM THE CITY'S CUSTODIAN OF PUBLIC RECORDS, PROVIDE THE CITY WITH A COPY OF THE REQUESTED RECORDS OR ALLOW THE RECORDS TO BE INSPECTED OR COPIED WITHIN A REASONABLE TIME AT A COST THAT DOES NOT EXCEED THE COST PROVIDED IN CHAPTER 119 OF THE FLORIDA STATUTES, AS MAY BE AMENDED OR REVISED, OR AS OTHERWISE PROVIDED BY LAW.

30.5 ENSURE THAT PUBLIC RECORDS THAT ARE EXEMPT OR CONFIDENTIAL AND EXEMPT FROM PUBLIC RECORDS DISCLOSURE REQUIREMENTS ARE NOT DISCLOSED, EXCEPT AS AUTHORIZED BY LAW AND AS TO THE BORROWER FOR THE DURATION OF THE AGREEMENT AND AS TO ANY CONTRACTOR FOR THE DURATION OF THE CONTRACT TERM AND FOLLOWING COMPLETION OF SAID CONTRACT IF SUCH CONTRACTOR DOES NOT TRANSFER THE RECORDS TO THE AGENCY.

30.6 TO THE EXTENT APPLICABLE, UPON COMPLETION OF SAID CONSTRUCTION OR MAINTENANCE AT THE PROJECT, TRANSFER, AT NO COST, TO THE CITY ALL PUBLIC RECORDS IN POSSESSION OF THE BORROWER OR ANY CONTRACTOR OR KEEP AND MAINTAIN PUBLIC RECORDS REQUIRED BY THE CITY TO PERFORM THE SERVICES RENDERED HEREUNDER. IF ANY CONTRACTOR TRANSFERS ALL PUBLIC RECORDS TO THE CITY UPON COMPLETION OF THE PROJECT, THE BORROWER AND ANY SUCH CONTRACTOR SHALL DESTROY ANY DUPLICATE PUBLIC RECORDS THAT ARE EXEMPT OR CONFIDENTIAL AND EXEMPT FROM PUBLIC RECORDS DISCLOSURE REQUIREMENTS. IF THE BORROWER OR ANY CONTRACTOR KEEPS AND MAINTAINS PUBLIC RECORDS UPON COMPLETION OF THE PROJECT, THE BORROWER AND ANY SUCH CONTRACTOR SHALL MEET ALL APPLICABLE REQUIREMENTS FOR RETAINING PUBLIC RECORDS. ALL RECORDS STORED ELECTRONICALLY MUST BE PROVIDED TO THE CITY, UPON REQUEST

FROM THE CITY'S CUSTODIAN OF PUBLIC RECORDS, IN A FORMAT THAT IS COMPATIBLE WITH THE INFORMATION TECHNOLOGY SYSTEMS OF THE CITY.


30.7 THE BORROWER OR ANY CONTRACTOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119 OF THE FLORIDA STATUTES TO THE CITY'S OR ANY CONTRACTOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO ITS CONTRACT, PLEASE CONTACT THE CITY'S CUSTODIAN OF PUBLIC RECORDS BY TELEPHONE AT 954-828-5002 OR BY E-MAIL AT PRRCONTRACT@FORTLAUDERDALE.GOV OR BY MAIL AT 100 NORTH ANDREWS AVENUE, FORT LAUDERDALE, FL 33301, ATTENTION: CUSTODIAN OF PUBLIC RECORDS.

[Signature pages to follow]


IN WITNESS WHEREOF, the parties hereto have made and executed this Loan Agreement as of the date first above written.

LENDER

THE CITY OF FORT LAUDERDALE, a
Municipal Corporation of the State of Florida

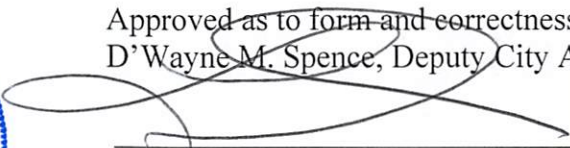
By: 
Susan Grant, Acting City Manager

ATTEST:


David R. Solomon,
City Clerk



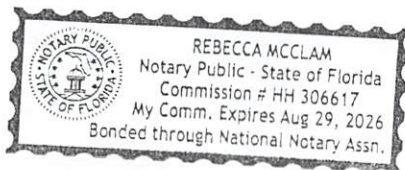
Approved as to form and correctness:
D'Wayne M. Spence, Deputy City Attorney



Lynn Solomon,
Assistant City Attorney

ACKNOWLEDGMENT

STATE OF FLORIDA
COUNTY OF BROWARD

The foregoing instrument was acknowledged before me by means of ☒ physical presence
or ☐ online notarization this 08th day of November, 2024, by Susan Grant as Acting City
Manager of The City of Fort Lauderdale, a municipal corporation of the State of Florida. He or
She ☒ is personally known to me or ☐ has provided _____ as identification.




Notary Public; State of Florida
Print Name: _____
My Commission Expires: _____
My Commission No.: _____



BORROWER:

MOUNT HERMON HOUSING LTD., a Florida
limited partnership

By: HTG Mount Hermon, LLC,
a Florida limited liability company,
its special limited partner

By: _____
Matthew Rieger, Manager

STATE OF FLORIDA)
COUNTY OF _____)

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this _____ day of _____, 2024, by **Matthew Rieger**, as Manager of HTG Mount Hermon, LLC, a Florida limited liability company, the special limited partner of Mount Hermon Housing, Ltd., a Florida limited partnership, on behalf of the company, who ☐ is personally known to me or ☐ has produced _____ as identification.

Notary Public; State of Florida
Print Name: _____
My Commission Expires: _____
My Commission No.: _____

Exhibit A

Legal Description of Property

Lots 11 thru 23, Block A, "SUBDIVISION FOR FORT LAUDERDALE LAND & DEVELOPMENT CO. BLOCK 6, FT. LAUDERDALE, FLA", according to the plat thereof as recorded in Plat Book 1, Page 57, of the Public Records of Miami-Dade County, Florida, TOGETHER with the North 1/2 of the ten foot wide alley as vacated in O.R. Book 13946, Page 94, lying South of and adjacent to said Lots 11, 12 and 13, and all of said vacated alley lying adjacent to remaining Lots 14 thru 23, in Block A. Said lands lying, being, and situate in Broward County, Florida.

Exhibit B

Project Development Plan

Exhibit C

Project Schedule

Exhibit D

Project Budget

Prepared by and return to:
Lynn Solomon, Assistant General Counsel
Fort Lauderdale Community Redevelopment Agency
914 Sistrunk Blvd., Suite 200
Fort Lauderdale, Florida 33311

DECLARATION OF RESTRICTIVE COVENANTS

This Declaration of Restrictive Covenants (the "Covenant") is made this ____ day of _____, 2024, by MOUNT HERMON HOUSING, LTD., a Florida limited partnership (the "Owner"), having an address at 3225 Aviation Avenue, 6th Floor, Miami, FL 33133, in favor of CITY OF FORT LAUDERDALE, a Florida municipal corporation, and its successor in interest (the "City"), having an address at 101 NE 3rd Avenue, Suite 2100, Fort Lauderdale, Florida 33301, Attn: Acting City Manager with a Joinder and Consent of Mount Hermon African Methodist Episcopal Church, Inc.

WHEREAS, Owner hereby covenants that Owner is lawfully seized of that certain real property located in Broward County, Florida, legally described in Exhibit "A", attached hereto and incorporated herein (the "Property") and has constructed a multifamily development consisting of 104 affordable residential units (the "Project"); and

WHEREAS, the City has agreed to make an unsecured loan to the Owner in the amount of SIX HUNDRED FORTY THOUSAND AND 00/100 DOLLARS (\$640,000.00) (the "Loan"), and City is requiring as a condition of making the Loan that Owner enter into this Covenant.

NOW, THEREFORE:

1. Recitals. The foregoing recitals are true and correct and are hereby incorporated herein by reference. Any and all exhibits to this Covenant are hereby deemed a part hereof.

2. Restrictive Covenant. In consideration of the premises and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Owner agrees that the Affordable Units shall be leased to Eligible Persons at Affordable Rents (as Affordable Rents, Affordable Units and Affordable Rents are defined in that Loan Agreement bearing the same dated as this instrument between the City and the Owner) and declares that the Project shall comply with any and all affordable housing restrictions, as imposed by Florida Housing Finance Corporation, a public corporation, and which are recorded against the Property for the Term (as hereinafter defined).

3. Term: The restrictions set forth in this Covenant shall remain for a period of Fifty (50) years from the date the first unit is leased to an Eligible Person (the "Term") in

accordance with the Extended Use Period described in Florida Housing Finance Corporation Carryover Allocation Agreement. In the event of a conflict between the Loan Agreement and this Declaration as to term, this Declaration shall control.

4. Amendment and Modification. This Covenant may be modified, amended, or released as to any portion of the Property by instrument executed on behalf of the City and the then Owner lawfully seized of the Property to be affected by such modification, amendment, or release. Should this instrument be modified, amended, or released, the City shall execute a written instrument in recordable form to be recorded in the Public Records of Broward County, Florida, effectuating and acknowledging such modification, amendment, or release.

5. Severability. Invalidity of one of the provisions of this Covenant by judgment of a court of competent jurisdiction shall not affect any of the other provisions of the Covenant, which shall remain in full force and effect.

6. Recordation. This Covenant shall be filed of record among the Public Records of Broward County, Florida, at the sole cost and expense of the Owner.

7. Covenant runs with the Land; Term. This Covenant is a covenant running with the land and shall terminate on the earlier of: (i) the expiration of the Term, in which case this Covenant shall automatically terminate or (ii) upon the recordation of a Termination of Declaration of Restrictive Covenants executed by the City. Enforcement of the Declaration shall be by action against any party or person violating, or attempting to violate, any provision of this Declaration. The City shall be deemed a beneficiary of this Declaration with the power to enforce the terms and conditions hereof and shall be entitled to avail itself of any and all legal and equitable remedies as permitted by law.

SIGNATURES ON FOLLOWING PAGES

Signed, witnessed, executed and acknowledged this ____ day of _____, 2024.

OWNER:

MOUNT HERMON HOUSING LTD., a Florida limited partnership

WITNESSES:

By: **HTG Mount Hermon, LLC**, a Florida limited liability company, its special limited partner

Print Name: _____
Address: _____

By: _____
Matthew Rieger, Manager

Print Name: _____
Address: _____

STATE OF FLORIDA: _____)
COUNTY: OF _____)

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this _____ day of _____, 2024, by _____ as _____ of MATTHEW RIEGER, as MANAGER of **HTG MOUNT HERMON, LLC**, a Florida limited liability company, the special limited partner of **MOUNT HERMON HOUSING, LTD.**, a Florida limited partnership, on behalf of the _____ company, who is personally known to me or has produced _____ as identification.

Notary Public; State of Florida
Print Name: _____
My Commission Expires: _____
My Commission No.: _____

Signed, witnessed, executed and acknowledged this 8th day of November, 2024.

CITY:

Signed, sealed and delivered in
the presence of:

CITY OF FORT LAUDERDALE, a Florida
municipal corporation

By: [Signature]
Susan Grant, Acting City Manager

[Signature]
Print Name: CAROL AUTCHELL
Address: 101 NE 3RD AVE
FORT LAUDERDALE, FL 33301

[Signature]
Print Name: MARIE E. JOSEPH
Address: 101 NE 3RD AVE
FORT LAUDERDALE, FL 33301

Approved as to form and correctness:
D'Wayne M. Spence, Deputy City Attorney

By: [Signature]
Lynn Solomon, Assistant City Attorney

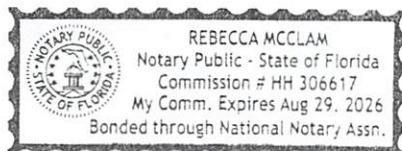
ATTEST

[Signature]
David R. Soloman, City Clerk



STATE OF FLORIDA
COUNTY OF Broward

The foregoing instrument was acknowledged before me by means of ☒ physical presence or ☐ online notarization, this 8th day of November, 2024, by SUSAN GRANT, as Acting City Manager of **CITY OF FORT LAUDERDALE**, a Florida municipal corporation, Florida Statutes, on behalf of the agency. Said person is personally known to me or has produced a valid driver's license as identification.



[Signature]
Notary Public; State of Florida
Print Name: _____
My Commission Expires: _____
My Commission No.: _____

EXHIBIT "A"

LEGAL DESCRIPTION

Lots 11 thru 23, Block A, "SUBDIVISION FOR FORT LAUDERDALE LAND & DEVELOPMENT CO. BLOCK 6, FT. LAUDERDALE, FLA", according to the plat thereof as recorded in Plat Book 1, Page 57, of the Public Records of Miami-Dade County, Florida, TOGETHER with the North 1/2 of the ten foot wide alley as vacated in O.R. Book 13946, Page 94, lying South of and adjacent to said Lots 11, 12 and 13, and all of said vacated alley lying adjacent to remaining Lots 14 thru 23, in Block A. Said lands lying, being, and situate in Broward County, Florida.

JOINDER AND CONSENT

The undersigned hereby consents to the foregoing Declaration of Restrictive Covenants and acknowledges that it encumbers the Property.

Signed, witnessed, executed and acknowledged this ____ day of _____, 2024.

**MOUNT HERMON AFRICAN METHODIST
EPISCOPAL CHURCH, INC.,** a Florida not-for-profit corporation

Signed, sealed and delivered in
the presence of:

By: _____
Pastor Henry Green, Jr., President

Print Name: _____
Address: _____

Print Name: _____
Address: _____

STATE OF FLORIDA)
COUNTY OF _____)

The foregoing instrument was acknowledged before me by means of ____ physical presence or ____ online notarization, this ____ day of _____, 2024, by PASTOR HENRY GREEN, JR., as PRESIDENT of **MOUNT HERMON AFRICAN METHODIST EPISCOPAL CHURCH INC.,** a Florida not-for-profit corporation. Said person is personally known to me or has produced a valid driver's license as identification.

Notary Public; State of Florida
Print Name: _____
My Commission Expires: _____
My Commission No.: _____

EXHIBIT "A"

LEGAL DESCRIPTION

Lots 11 thru 23, Block A, "SUBDIVISION FOR FORT LAUDERDALE LAND & DEVELOPMENT CO. BLOCK 6, FT. LAUDERDALE, FLA", according to the plat thereof as recorded in Plat Book 1, Page 57, of the Public Records of Miami-Dade County, Florida, TOGETHER with the North 1/2 of the ten foot wide alley as vacated in O.R. Book 13946, Page 94, lying South of and adjacent to said Lots 11, 12 and 13, and all of said vacated alley lying adjacent to remaining Lots 14 thru 23, in Block A. Said lands lying, being, and situate in Broward County, Florida.