

**PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY**

Meeting Date: December 15, 2009 Consent Regular
 Public Hearing

Department: Housing and Community Development

Submitted By: Housing and Community Development

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to approve: **A)** an Amendment to the Loan Agreement (R2004-0844) with Thirteenth Street Industrial Park, Inc (TSIP) to extend the job creation date from January 2009 to January 2012 to create 70 full time equivalent jobs; **B)** an Amendment to the Promissory Note for Acquisition Loan changing the effective date of the interest rate of the Note from "in effect July 1, 2004" to seven (7) days prior to the payment due date each month; and **C)** an Amendment to the Promissory Note for equipment purchase changing the effective date of the interest rate of the Note from "in effect July 1, 2004" to seven (7) days prior to the payment due date each month.

Summary: The Amendment to the Loan Agreement provides for an extension of three years to the term of the existing Agreement to enable TSIP to create seventy (70) full time equivalent (FTE) jobs. The last monitoring of the company's facility, conducted in June 2009 revealed that only 45 FTE jobs were created. Due to challenging economic conditions, TSIP requested a time extension to January 2012 to create the required 70 FTE jobs. The Amendments to the Promissory Note for property acquisition and the Promissory Note for equipment purchase will clarify the method of calculating the interest on the loans and ensure that the wording on the notes is consistent with both the County's and the Borrower's interpretation. The Amendments will ensure that the interest rate charged each month will be the six month London Interbank Offered Rate (LIBOR) published seven (7) days prior to the payment due date (which is the first day of each month) plus one percent (1%). These are Federal Section 108 Loan funds that require no local match. District 7 (TKF)

Background and Justification: The County entered into an Agreement (R2004-0844) with TSIP on May 4, 2004 to provide loans under its Section 108 funded Community Development Business Loan Program in the principal amounts of \$1,366,000 for acquisition of property and \$320,000 for the purchase of machinery and equipment. The Loan Agreement required TSIP to create a minimum of seventy (70) FTE jobs over a three year period, commencing with the issuance of a certificate of occupancy (CO) for the building which was to be constructed on the acquired property. The CO was issued by the City of Riviera Beach on January 3, 2006, and the stipulated jobs were to be created by January 3, 2009. In a letter dated April 9, 2008, TSIP indicated that they would not be able to create the 70 jobs by the contractual deadline and requested the three year extension. HCD's monitoring of the TSIP facility on June 19, 2008 and August 13, 2009 indicated the creation of 30.3 FTE jobs and 45 FTE jobs respectively compared to the required 70 FTE jobs. In response to TSIP's request to have the job creation deadline extended by three years, Palm Beach County, in a letter dated June 30, 2008, indicated that the request would be considered after a January 2009 monitoring visit. **(Continued on Page 3)**

Attachments:

1. Amendment to the Agreement with Thirteenth Street Industrial Park, Inc. (3 originals)
2. Amendment to the Promissory Note- Acquisition Loan (3 originals)
3. Amendment to the Promissory Note-Equipment Purchase (3 originals)
4. Agreement (R2004-0844) with Thirteenth Street Industrial Park, Inc. and the Promissory Notes

Recommended By: Edward R. Romo 12/2/09
 Department Director Date

Approved By: Sharon R. ... 12/4/09
 Assistant County Administrator Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

<u>Fiscal Years</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs:	_____	_____	_____	_____	_____
External Revenues:	_____	_____	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County):	_____	_____	_____	_____	_____
NET FISCAL IMPACT:	_____	* See below	_____	_____	_____
# OF ADDITIONAL FTE POSITIONS (Cumulative):	_____	_____	_____	_____	_____

Is Item Included In Current Budget? Yes _____ No _____

Budget Account #: Fund _____ Dept _____ Unit _____ Object _____

Program Code/Program Period _____

B. Recommended Sources of Funds/Summary of Fiscal Impact:

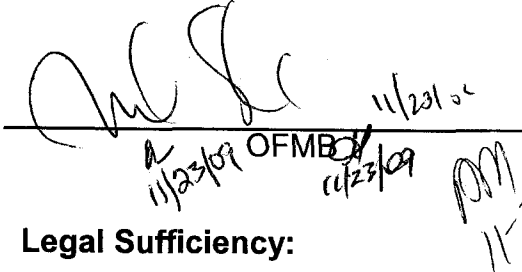
No fiscal impact at this time.

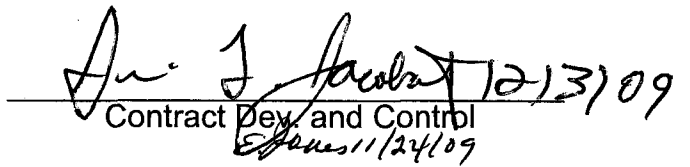
C. Departmental Fiscal Review:


 Fiscal Manager I

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Administration Comments:


 OFMB
 11/23/09
 11/23/09
 AM
 11-20-09


 Contract Review and Control
 12/3/09
 11/24/09

B. Legal Sufficiency:


 Senior Assistant County Attorney
 12/3/09

This item complies with current County policies.

C. Other Department Review:

_____ Department Director

Background and Justification (Continued from Page 1): In the original promissory notes dated May 29, 2004 between TSIP and Palm Beach County, the effective date to compute interest for the notes was based on the stated rate of the London Interbank Offered Rate (LIBOR) for six months, as published in the Money Rates Section of the Wall Street Journal in effect on July 1, 2004 plus one (1%) percent per annum on the outstanding principal balance. The Amendments will clarify the method of calculating interest on the loans and ensure the rates are consistent with both the County's and the Borrower's interpretation. The rate of interest on the notes is set each month by the six month LIBOR rate in effect seven (7) days prior to the payment due date (which is the first day of each month) plus one percent (1%). The Amendments will clarify any uncertainty regarding the basis for identification of the effective rate of interest, and will ensure consistency between the notes and HCD's calculation of interest payments.

S:\2007_08\Section 108\Baron Signs\Contract Amendment Agenda Item.doc

AMENDMENT TO THE AGREEMENT WITH Thirteenth Street Industrial Park, Inc, a Florida corporation.

Amendment 001 entered into this ___ day of ___, 2009 by and between Palm Beach County and Thirteenth Street Industrial Park, Inc, a Florida corporation.

WITNESSETH:

WHEREAS, Palm Beach County entered into an Agreement with Thirteenth Street Industrial Park, Inc, on May 4, 2004, approved by Document R2004-0844, to provide loans under its Section 108 funded Community Development Business Loan program in the principal amounts of \$1,366,000 for acquisition of premises and \$320,000 for purchase of machinery and equipment; and

WHEREAS, Item 7 (SPECIAL PROVISIONS)(a) of the loan agreement requires Thirteenth Street Industrial Park, Inc to create a minimum of seventy (70) jobs on a full time equivalent basis over a three year period, commencing with the issuance of a certificate of occupancy for the building on the premises; and

WHEREAS, certificate of occupancy was issued by the City of Riviera Beach in January 2006, causing the creation of the 70 jobs full time equivalent jobs to be due in January 2009; and

WHEREAS, in letter dated April 9, 2008, Thirteenth Street Industrial Park, Inc, indicated that they would not be able to create the 70 full time equivalent jobs by the contractual deadline; and

WHEREAS, the parties wish to modify the Agreement, and extend the deadline for the jobs to be created to no later than six years after issuance of the certificate of occupancy; and

NOW THEREFORE, the parties mutually agree that the original Agreement entered into on May 4, 2004, is hereby amended as follows:

- A. Item 7 SPECIAL PROVISIONS (a): Substitute "no later than six years" for "no later than three years". Substitute "six (6) year period" for "three year period".

- B. All items in the Loan Agreement dated May 4, 2004 and accompanying Loan Documents in conflict with this Amendment shall be and are hereby changed to conform to this Amendment.

All provisions not in conflict with this aforementioned Amendment are still in effect and shall be performed at the same level as specified in the Agreement.

AGENCY SEAL

THIRTEENTH STREET INDUSTRIAL PARK, INC.

BY: [Signature] Sandra D. Foland, President

ATTEST: SHARON R. BOCK, Clerk and Comptroller

PALM BEACH COUNTY, Florida, a Political Subdivision of the State of Florida FOR ITS BOARD OF COUNTY COMMISSIONERS

BY: [Signature] Deputy Clerk

BY: [Signature] Burt Aaronson, Chair

Approved as to Form and Legal Sufficiency

BY: [Signature] Tammy K. Fields Senior Assistant County Attorney

Approved as to Terms and Conditions

BY: [Signature] Edward W. Lowery, Director Housing and Community Development

[Handwritten mark]

**AMENDMENT TO THE AGREEMENT
WITH
Thirteenth Street Industrial Park, Inc, a Florida corporation.**

This Amendment entered into this _____ day of _____, 2009 by and between Palm Beach County and Thirteenth Street Industrial Park, Inc, a Florida corporation.

WITNESSETH:

WHEREAS, Palm Beach County entered into an Agreement with Thirteenth Street Industrial Park, Inc, on May 4, 2004, approved by Document R2004-0844, to provide loans under its Section 108 funded Community Development Business Loan program in the principal amounts of \$1,366,000 for acquisition of real property and \$320,000 for purchase of machinery and equipment; and

WHEREAS, Paragraph 1 of the promissory note for the acquisition of premises in the amount of \$1,340,000.00 signed and dated May 29, 2004 states "This Note shall bear interest computed at the stated rate of London Interbank Offered Rate (LIBOR) for six months...in effect on July 1, 2004 plus One (1%) percent annum on the outstanding principal balance from time to time remaining unpaid from the date of each disbursement."; and

WHEREAS, interest on the outstanding principal balance is computed by Palm Beach County based on the stated LIBOR rate for six months as published in the Wall Street Journal seven (7) days prior to the payment due date, plus one percent (1%);

NOW THEREFORE, the effective date for computing interest under the promissory note for the acquisition of property as signed and dated on May 29, 2004 is hereby amended as follows:

A. Item 1:

Substitute "seven (7) days prior to the payment due date each month" for "in effect on July 1, 2004"

B. All items in the Loan Agreement dated May 4, 2004 and accompanying Loan Documents in conflict with this Amendment shall be and are hereby changed to conform to this Amendment.

All provisions not in conflict with this aforementioned Amendment are still in effect and shall be performed at the same level as specified in the Agreement.

AGENCY SEAL

THIRTEENTH STREET INDUSTRIAL PARK, INC.

Sandra D. Foland
BY: President

Sandra D. Foland, President

**ATTEST:
SHARON R. BOCK, Clerk and Comptroller**

**PALM BEACH COUNTY, Florida, a
Political Subdivision of the State of Florida**

FOR ITS BOARD OF COUNTY COMMISSIONERS

BY: _____
Deputy Clerk

BY: _____
Burt Aaronson, Chair

Approved as to Form and Legal Sufficiency

BY: *Tammy K. Fields*
Tammy K. Fields
Senior Assistant County Attorney

Approved as to Terms and Conditions

BY: *Edward W. Lowery*
Edward W. Lowery, Director
Housing and Community Development

AMENDMENT TO THE AGREEMENT
WITH
Thirteenth Street Industrial Park, Inc, a Florida corporation.

This Amendment entered into this ____ day of ____, 2009 by and between Palm Beach County and Thirteenth Street Industrial Park, Inc, a Florida corporation.

WITNESSETH:

WHEREAS, Palm Beach County entered into an Agreement with Thirteenth Street Industrial Park, Inc, on May 4, 2004, approved by Document R2004-0844, to provide loans under its Section 108 funded Community Development Business Loan program in the principal amounts of \$1,366,000 for acquisition of real property and \$320,000 for purchase of machinery and equipment; and

WHEREAS, Paragraph 1 of the promissory note for the purchase of equipment in the amount of \$320,000 signed and dated May 29, 2004 states "This Note shall bear interest computed at the stated rate of London Interbank Offered Rate (LIBOR) for six months...in effect on July 1, 2004 plus One (1%) percent annum on the outstanding principal balance from time to time remaining unpaid from the date of each disbursement."; and

WHEREAS, interest on the outstanding principal balance is computed by Palm Beach County based on the stated LIBOR rate for six months as published in the Wall Street Journal seven (7) days prior to the payment due date, plus one percent (1%);

NOW THEREFORE, the effective date for computing interest under the promissory note for the purchase of equipment as signed and dated on May 29, 2004 is hereby amended as follows:

A. Item 1:


Substitute "seven (7) days prior to the payment due date each month" for "in effect on July 1, 2004"

B. All items in the Loan Agreement dated May 4, 2004 and accompanying Loan Documents in conflict with this Amendment shall be and are hereby changed to conform to this Amendment.

All provisions not in conflict with this aforementioned Amendment are still in effect and shall be performed at the same level as specified in the Agreement.

AGENCY SEAL

THIRTEENTH STREET INDUSTRIAL PARK, INC.


BY: President
Sandra D. Foland, President

ATTEST:
SHARON R. BOCK, Clerk and Comptroller

PALM BEACH COUNTY, Florida, a
Political Subdivision of the State of Florida

FOR ITS BOARD OF COUNTY COMMISSIONERS

BY: _____
Deputy Clerk

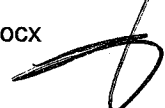
BY: _____
Burt Aaronson, Chair

Approved as to Form and Legal Sufficiency

BY: 
Tammy K. Fields
Senior Assistant County Attorney

Approved as to Terms and Conditions

BY: 
Edward W. Lowery, Director
Housing and Community Development



ATTACHMENT 4

R2004 0844

LOAN AGREEMENT

MAY 04 2004

THIS AGREEMENT, dated as of this ____ day of May, 2004, by and between Palm Beach County, a political subdivision of the State of Florida, (hereinafter referred to as the "County" and the "Lender") and THIRTEENTH STREET INDUSTRIAL PARK, INC., a Florida corporation, whose Federal I.D. number is #20-061-4262 (the "Borrower").

1. RECITALS.

(a) Borrower is purchasing approximately 4.39 acres of real property approximately 500 feet west of the corner of 13th Street and Old Dixie Highway in Riviera Beach, Palm Beach County, Florida, as more particularly described in Exhibit "A", attached hereto and made a part hereof, (the "Premises") in order to construct a 40,000 square foot manufacturing facility, ("the Improvements").

(b) Borrower has applied to the County for a loan in the principal amounts of \$1,340,000.00 and \$320,000.00 (the "Loan") to be used by Borrower. Borrower intends to acquire the premises and to purchase equipment and machinery for business operations.

(c) Borrower and the County have negotiated the terms and conditions of, and wish to enter into, this Agreement in order to set forth the terms and conditions for the disbursement of the Loan.

(d) Fidelity Federal Bank and Trust, has agreed to finance \$1,366,000.00 for the construction of the Improvements pursuant to a separate loan to Borrower, secured by a separate mortgage, encumbering the Premises (the "First Mortgage").

NOW, THEREFORE, in consideration of the premises, and of the mutual covenants and agreements set forth below the receipt and sufficiency of which is hereby acknowledged, Borrower and the County agree as follows:

2. THE LOAN. Subject to approval by the United States Department of Housing and Urban Development and availability of Funds and in accordance with the Agenda Item # 6D -1 (March 12, 2002) as amended, the County shall make a Loan to Borrower in amounts not to exceed \$1,340,000.00 for acquisition of the Premises and \$320,000.00 for machinery and equipment purchase upon the terms and conditions set forth herein, and at the rates and terms set forth in its Note and Mortgage attached hereto as Exhibit "B" and "C" respectively, and Borrower shall take the Loan and expressly agrees to comply with and to perform all of the terms and conditions of this Loan Agreement, the Note, the Mortgage and any other documents evidencing and securing this Loan (collectively hereinafter referred to as the "Loan Documents").

3. RIGHT TO AUDIT AND COMPLIANCE. The Borrower shall maintain adequate financial and personnel records to justify all charges, expenses and costs incurred for completion of the Improvements for at three (3) least years after completion and to verify compliance with

paragraph 7 (a) of this Agreement regarding compliance with the national objective of job creation. Further, Borrower agrees to comply with Palm Beach County and federal requirements of the Section 108 Program. The County shall have access to such books, records, and documents as required in this section for the purpose of inspection or audit during normal business hours, at the Borrower's place of business.

4. CONDITIONS PRECEDENT TO CLOSING. The conditions listed below are conditions precedent to the County's acceptance of the Loan Documents and disbursement of funds and shall be complied with in form and substance satisfactory to the County prior to closing:

(a) Title Insurance:

(i) At least twenty (20) days before closing, Borrower shall deliver to County a title commitment issued by a title insurance company qualified to do business in the State of Florida and acceptable to County, agreeing to issue to County upon recordation of the Mortgage a Lender's Title Insurance Policy in the amount of said Mortgage, subject only to the Permitted Exceptions listed on Exhibit "D" attached hereto and made a part hereof. Said commitment shall have attached to it copies of all exceptions referred to in the title commitment. The cost of said title commitment and policy and any premium therefore shall be borne by Borrower. Borrower shall provide title insurance for the Property and the existing Lake Park building.

(ii) County shall have fifteen (15) days after receipt of the title insurance commitment in which to review the same. In the event the title insurance commitment shall show as an exception any matter other than the Permitted Exceptions, County shall notify Borrower of its objections there to and Borrower shall act to remove such exceptions, which exception shall be deemed to constitute title defects. The Borrower shall be entitled to thirty (30) days from the day of notification (with the term of Closing Date if necessary) within which to cure such defects or make arrangements with the title insurer for the removal of any such objections from the commitment. If the defect shall not have been so cured or removed from the commitment by endorsement thereto with the termination of said thirty (30) day period, the County shall have the option of accepting title as it then exists or terminating this Loan Agreement, by giving written notice thereof to Borrower, in which event the parties shall be relieved of all further obligations hereunder.

(iii) The title insurance commitment shall be endorsed at closing to remove any and all requirements of pre-conditions to the issuance of a Lenders Title Insurance Policy, and to delete any exceptions for: (a) any rights or claims or parties in possession not shown by the public records; (b) encroachments, overlaps, boundary line disputes, and any other matters which would be disclosed by an accurate survey and inspection of the Premises; (c) unrecorded easements and claims of liens; (d) taxes for the year of closing and all prior years; (e) matters arising or attaching subsequent to the effective date of the commitment but before the Mortgage becomes recorded in the Public Records.

(b) Survey: Borrower shall deliver to the County a current certified survey prepared by a surveyor acceptable to the County of the Premises showing the following:

(i) the location of the perimeter of the Premises by courses and distances and perimeter footings in place, and by reference to Township, Range, Section:

(ii) the location of and the identification by reference to recording data of all easements, rights-of-way, conditions and restrictions on or appurtenant to the Premises:

(iii) the location of all building setback lines:

(iv) the lines of the streets abutting the Premises and the width thereof;

(v) all encroachments, and the extent thereof in feet and inches upon the Premises;

(vi) if the Premises are described as being on a filed map, a legend relating the plat of survey to such map;

(vii) flood zone certification; and

(viii) any other notations required for the deletion of the survey exception from the Title Insurance Policy to be issued in accordance with paragraph 4(a) above and any other requirements requested by the County.

(c) Two (2) Promissory Notes: The Notes, in a form acceptable to the County Attorney, shall be duly authorized, executed and delivered to the County;

(d) Mortgage: The Mortgage, in a form acceptable to the County Attorney, shall be duly authorized, executed, acknowledged, delivered to the County, and when recorded, shall be a valid second mortgage lien on the Premises and on all fixtures, machinery, equipment and personal property owned by Borrower to be used in connection with the Improvements.

(e) Mortgagor's Affidavit: An affidavit of Borrower shall be executed and delivered to the County as required by the Title Insurer as noted in paragraph 4 (a) above, certifying to all such facts as are required to delete the Standard Exceptions from the Lender's Title Insurance Policy and certifying that no liens exist on the Premises for taxes not yet due and payable and that no other parties are entitled to possession except as otherwise provided herein.

(f) Assignment of Rents: Assignment of Rents in form and content acceptable to County and County Attorney and duly authorized, executed and delivered to the County;

(g) Personal Guarantees: Unconditional, irrevocable and continuing Personal Guarantees of Sandra D. Foland and Gerald Foland in form and content acceptable to County and County Attorney;

(h) Corporate Guarantees: Unconditional, Irrevocable and Continuing Corporate guarantees of The Baron Group, Inc. and S & G Partnership;

(i) Security Agreement: Security Agreement and UCC-1 Financing Statements in form and content acceptable to County and County attorney which shall represent a first security interest in all machinery and equipment purchased by the Borrower with the loan proceeds;

(j) Corporate Resolutions: Corporate resolutions and Incumbency Certificates from Borrower and all Corporate guarantors authorizing this loan transaction in form and substance acceptable to County and County's attorney;

(k) Closing Statements: Closings statements in form and substance acceptable to County and County's attorney;

(l) Warranty Deed: Certified Copy of Warranty Deed transferring title to Borrower;

(m) Lease: Certified Copy of the Commercial Lease between Borrower and The Baron Group, Inc.

(n) Additional Requirements: Such other documents, instruments and information as shall be reasonably required by County, United States Department of Housing and Urban Development and County Attorney including without limitation, a properly perfected mortgage on the existing manufacturing facility in Lake Park, Environmental Indemnity Agreement, a Security interest in all automobiles and trucks owned by The Baron Group, Inc., S&G Partnership and the Borrower;

(o) Public Requirements: Borrower shall deliver to the County:

(i) letters from local utility companies or municipal authorities stating that electricity, telephone, sewer and water facilities will be available to the Premises upon the completion of the intended Improvements,

(ii) a letter from the appropriate Zoning Department certifying as to compliance with all zoning and land use regulations including but not limited to compliance with parking requirements, a copy of the applicable zoning ordinances certified by an appropriate official to be a complete and accurate statement thereof, and an up-to-date zoning map similarly certified,

(iii) evidence satisfactory to the County that all roads necessary for the full utilization of the intended Improvements for their intended purposes have either been acquired by the appropriate governmental authorities or have been dedicated to public use and accepted by such governmental authorities and that all necessary steps have been taken by Borrower and such governmental authorities to assure the complete construction and installation thereof,

(iv) copies of subdivision plats, restrictive covenants, plans of developments, and all other documents required by the local zoning and subdivision ordinances, and such other documents required by and satisfactory to the County; and evidence satisfactory to the County and its counsel that the Final Plans conform to all federal, state, and local laws, ordinances, rules and regulations, including, but not limited to, laws of the State of Florida regulating air and water pollution and land use,

(v) copies of all necessary approvals from appropriate environmental protection agencies, and

(vi) satisfactory soil test report;

(p) Corporate Documents: Borrower and Corporate Guarantors shall deliver to the County the following documents:

(i) The Articles of Incorporation of the Borrower and Guarantors 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;

(ii) certified resolutions of the Borrower and Corporate Guarantors authorizing the execution and delivery of this Agreement, the Mortgage, Note and all other documents necessary or desirable, for the consummation of the transactions contemplated by this Agreement;

(q) Flood Insurance: Borrower shall deliver to the County evidence satisfactory to the County either that the Premises are not within a hazardous flood area as designated by the Department of Housing and Urban Development and any other governmental authority, or if the Premises are within such a hazardous area, that the Premises 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 the County'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 the County. Borrower agrees that the County 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 and payment of said funds and interest shall be secured by the Mortgage. Satisfactory evidence of flood area designation shall be a certification from the Surveyor appearing on the survey drawing;

(r) Opinion of Borrower's Counsel: Borrower shall deliver to the County an opinion of counsel for Borrower and addressed to the County, such counsel to be reasonably satisfactory to the County, to the effect that:

(i) This Loan Agreement and all Loan Documents and any other documents required to be delivered hereunder have been duly authorized, executed and delivered and are valid, binding and enforceable in accordance with their terms.

(ii) that Borrower and each Corporate guarantor is a Florida corporation or partnership is in good standing under the laws of the State of Florida and has all the necessary power and authority to undertake its obligations hereunder,

(iii) that Borrower is in compliance with all laws, regulations, ordinances and orders of all governmental authorities, including, but not limited to, all applicable federal and state securities laws, and all laws of the State of Florida, applicable to the type of development contemplated hereunder,

(iv) that the proposed construction of the Improvements and proposed use of the Premises comply with all applicable zoning and building laws and regulations, and all other applicable federal, state and local laws, ordinance and regulations, and that all permits and approvals required by all governmental agencies regulating air and water pollution have been obtained, and Florida Statute Chapter 380 pertaining to Development of Regional Impact (including the Aggregation Rule) as it relates to the Premises is not applicable,

(v) that there is no charter or bylaw of Borrower or Guarantors and no provision of any existing mortgage, indenture, contract or agreement known to such counsel binding on Borrower or Guarantors or affecting its property which could conflict with or in any way prevent the execution, delivery and carrying out of the terms of this Agreement,

(vi) that to counsel's knowledge there are no proceedings pending or threatened before any court or administrative agency which will materially adversely affect the financial condition or operation of Borrower or the Premises, including but not limited to bankruptcy, reorganization or insolvency proceeding or any other debtor-creditor proceedings under the Bankruptcy Code or any similar statute, nor to counsel's knowledge are there any finance circumstances within counsel's knowledge which could lead to such proceedings,

(vii) that upon recording, the lien of the Mortgage is a valid lien on the Premises and, upon filing, the security interests described in the mortgage are good and valid security interests.

(viii) such other matters as the County may reasonable require.

(s) Expenses: Borrower shall have paid all those fees and charges due and payable or ordered paid by the County as provided herein under Paragraph 6 of this Loan Agreement entitled Expenses;

(t) Other Documents: Borrower shall deliver to the County such other documents and information as the County may reasonably require; and

(u) Representations and Warranties: The representations and warranties of Borrower as set forth in this Agreement and the Loan Documents are true and correct.

5. DISBURSEMENT OF LOAN FUNDS: Upon receipt of documentation evidencing Closing Costs associated with acquiring the Premises by Borrower, the County shall disburse the Loan funds to Borrower in an amount not to exceed \$1,340,000.00. Disbursements of funds for equipment and machinery purchase (\$320,000.00) shall be made upon receipt of Certificates of Title, Bills of Sale and/or invoices reflecting the cost, identification numbers, make, model and/or manufacturer of the equipment or machinery purchased or to be purchased by Borrower. The County shall not disburse funds for equipment or machinery purchases without adequate assurance that the Borrower holds legal title to the equipment and machinery upon which the County will file a security interest. All purchasing of equipment and machinery shall be made by purchase order or by a written contract and in conformity with the procedures prescribed by the Palm Beach County Purchasing Ordinance, as well as 48 CFR Part 31 and 24 CFR 84.40-48, which are incorporated herein by reference. The County reserves the right to make additional reasonable requirements with respecting to funding equipment and machinery purchases. Payment will not be made hereunder for any other purpose or purposes except with prior written approval of the Board of County Commissioners of Palm Beach County. *

6. EXPENSES: Borrower shall pay fees and charges incurred in the procuring and making of this Loan, if applicable, and other expenses incurred by the County during the term of the Loan, including the Title Insurance Company's fees and premiums, charges for examination of title to the Premises, expenses of surveys, Florida Documentary Stamp Taxes, recording expenses, any and all insurance premiums, taxes, assessments, water rates, sewer rates and other charges, liens and encumbrances upon the Premises, and any other amounts necessary for the payment of the costs of Improvements.

7. SPECIAL PROVISIONS: Borrower expressly agrees to the following terms and conditions:

(a) Borrower acknowledges that the County loan funds and beneficial interest rate are made available under a national program administered by the United States Department of Housing and Urban Development. Under this program, one of the national objectives is to provide economic opportunities for low to moderate income persons. Borrower further acknowledges the acquisition funds will allow Borrower to expand its workforce and to consolidate its business operations. Therefore, Borrower covenants and agrees that, subsequent to the effective date of this Agreement and no later than three years after issuance of a certificate of occupancy for the building on the Premises, the Borrower shall create a minimum of seventy (70) jobs, on a full time equivalent basis, where at least fifty one (51%) percent of the jobs created over the three(3) year period will be made available to low and moderate income persons, and where a full time job shall mean employment for a minimum of 2,080 hours per year. Borrower covenants and agrees that these seventy (70) full time equivalent jobs shall correspond to the job descriptions and wages as set forth in Exhibit "E". Borrower covenants and agrees to comply with the rules, regulations and requirements imposed by

the County, and the United States Department of Housing and Urban Development with respect to this loan and transaction. Low and moderate income status shall be based on the person's income at the time of hire and is not affected by subsequent raises or promotions. Said jobs shall include, but are not limited to, the jobs listed in Exhibit "E". In the event of any sale or transfer of any portion of the Premises, the job requirements contained in this paragraph will remain unchanged.

The provisions of this clause shall survive termination of this Agreement.

(b) The Borrower shall not discriminate on the basis of race, creed, religion, color, sex, marital status, sexual orientation, national origin, age, familial status or disability in the use of the Premises and the creation of jobs.

(c) The Mortgage shall not be subject to any prepayment penalty.

(d) The Mortgage shall become immediately due and payable upon sale, transfer, or refinancing.

(e) The Mortgage shall be non-assumable.

(f) During the term of the Acquisition and Equipment Purchase Loan, the Borrower shall maintained a Debt Service Coverage Ratio of 1.2. Debt service coverage is defined as net operating income divided by principal and interest payments for all existing debt. Net Operating Income is defined as gross income minus operating expenses. Whenever the debt service coverage ratio falls below the required 1.2, it shall be the responsibility of Borrower to provide additional cash into the Premises and Improvements without placing additional liens or mortgages on the Premises or Improvements.

All conditions shall terminate twenty (20) years from the date of closing on the Loan. These conditions and covenants will be recorded in the land records of Palm Beach County, Florida by inclusion in the mortgage and/or by separate document satisfactory to the County's Attorney citing the granting of this loan and mortgage as consideration.

8. REPRESENTATIONS AND WARRANTIES OF BORROWER. Borrower represents and warrants (which representations and warranties shall be deemed continuing) as follows:

(a) Organization Status. Borrower is a Florida Corporation duly organized and validly existing in good standing under the laws of the State of Florida with full power and authority to consummate the transactions contemplated herein. Borrower is duly authorized to borrow from County the principal sums of \$1,340,000.00 and \$320,000.00 and execute all Loan the documents pertaining thereto.

- (b) Financial Statements. The Financial statements of Borrower heretofore reviewed with the County are true and correct in all respects, have been prepared in accordance with generally accepted accounting principles, and fairly present the respective financial conditions of the subjects thereof as of the respective dates thereof, and no material adverse change has occurred in the financial conditions reflected therein since the respective dates thereof and no additional borrowings have been made by Borrower since the date thereof;
- (c) Authority to Enter into Loan Documents. The Borrower has full power and authority to enter into the Loan Documents and consummate the transactions contemplated hereby, and the facts and matters expressed or implied in the opinions of its legal counsel are true and correct;
- (d) Validity of Loan Documents. The Loan Documents have been approved by those persons having proper authority, and to the best of Borrower's knowledge are in all respects legal, valid and binding according to their terms;
- (e) Conflicting Transactions of Borrower. The consummation of the transaction hereby contemplated and the performance of the obligations of Borrower under and by virtue of the Loan Documents will not result in any breach of, or constitute a default under, any other Agreement to which Borrower is a party or by which it may be bound or affected;
- (f) Pending Litigation. There are no actions, suits or proceedings pending before any court or law equity, or any Administrative Board, or, to the knowledge of the Borrower, threaten against or affecting it or the Premises, or, involving the validity or enforceability of the Mortgage, or of any of the Loan Documents.
- (g) Availability of Utilities. All utility services necessary for the construction of the Improvements and the operation thereof for their intended purpose are or will be available at the boundaries of the Premises, including water supply, storm and sanitary sewer facilities, and electric and telephone facilities, and Borrower has obtained all necessary permits and permissions required from governmental authorities for unrestricted access to and use of such services in connection with the construction and use of the intended Improvements;
- (h) Condition of Premises. The Premises are not now damaged or injured as a result of any fire, explosion, accident, flood or other casualty, and to Borrower's knowledge there are no soil conditions which would materially interfere with the construction of the Improvements;
- (i) Availability of Roads. All roads necessary for the full utilization of the intended Improvements for their intended purposes have either been completed or the necessary rights of way therefor have either been acquired by the appropriate local authorities or have been dedicated to public use and accepted by such local authorities and all necessary steps have been taken by Borrower and such local authorities to assure the complete construction and installation thereof;
- (j) No Default. There is no default on the part of the Borrower under this Loan

Agreement, the Note or the Mortgage, and no event has occurred and is continuing which with notice, or the passage of time, or either, would constitute a default under any provision thereof; and

(k) Advertising. During the period of the construction of the Improvements, the County shall have the right to install and maintain on the Premises one or more signs identifying the County, or to be identified on such signs installed by others, as one of the institutions financing the Premises. Sign or signs will be provided by the County and erected at Borrower's expense.

(l) Hazardous Waste. Borrower is in compliance with all provisions of the federal Water Pollution Control Act, Comprehensive Environmental Response, Compensation and Liability ("Superfund") Act of 1980 and Solid Waste Disposal Act, Florida Statutes, Chapter 376, and other similar federal, state and local statutory schemes imposing liability on Borrower relating to the generation, storage, impoundment, disposal, discharge, treatment, release, seepage, emission, transportation or destruction of any sewage, garbage, effluent, asbestos or asbestos-containing materials, polychlorinated biphenyls (PCBs), toxic, hazardous or radioactive materials, petroleum products, pesticides, smoke, dust, or any other form of pollution as such laws are in effect as of the date of this Agreement and with any rules, regulations and order issued by any federal, state or local governmental body, agency or authority thereunder and with any orders or judgments of any courts of competent jurisdiction with respect thereto, and no assessment, notice of (primary or secondary) liability or notice of financial responsibility, or the amount thereof, or to impose civil penalties has been received by the Borrower. Borrower has paid any environmental excise taxes imposed pursuant to Sections 4611, 4661 or 4681 of the Internal Revenue Code of 1986, as from time to time amended.

(m) The Borrower has filed all Federal, State and local tax reports and returns required by any law or regulation to be filed by them, and have either duly paid all taxes, duties and charges indicated due on the basis of such returns and reports, or made adequate provisions for the payment thereof, and the assessment of any material amount of additional taxes in excess of those paid and reported is not reasonably expected.

9. ADDITIONAL COVENANTS OF BORROWER. Borrower covenants and agrees with the County as follows:

(a) Mechanics' Liens. Borrower (i) will allow no work or construction to be commenced on the Premises, or goods specially fabricated for incorporation therein, which has not been fully paid for prior to the recording of the Mortgage and Notice of Commencement or which could constitute a lien on the Premises (ii) will cause a certified copy of the Notice of Commencement to be posted as required by Chapter 713, Florida Statutes, as soon as possible after recording the Notice of Commencement, (iii) shall notify the County of any and all Notices to Borrower as Owner as that term is defined in Chapter 713, Florida Statutes, within five (5) days of receipt thereof, and (iv) will comply with all provisions of the Florida Mechanics' Lien Law, including but not limited to, payment and notice provisions contained therein. Borrower shall indemnify and hold the County harmless from the claims of any mechanics' lien or equitable lien and pay promptly upon demand any loss or losses which the County may incur as a result of the filing of any such lien, including the reasonable

practices showing the financial condition of Borrower at the close of each year and the results of operations of Borrower during each year;

(iii) with the statements submitted under (ii) above, a certificate signed by the principal financial officer of Borrower to the effect that no Event of Default specified herein, nor any event which upon notice or lapse of time or both, would constitute such an Event of Default, has occurred which has not been cured or otherwise waived in writing by the Lender; and

(iv) on a quarterly basis, the Borrower shall submit written reports detailing when the low and moderate income individuals are hired, how often and how much they are paid, job descriptions and such other reasonable information as required by the County; and

(v) promptly, from time to time, such other information regarding the operations, business, affairs and financial condition of Borrower as the County may reasonably request.

(f) Borrower to Maintain Bookkeeping System. Borrower shall, if required by the County, maintain a bookkeeping system to the construction project in form and content sufficient for the County and Inspector to conduct reviews, inspections, certifications and reports required by this Agreement. The County shall have full (but confidential) access, as allowed under the Public Records Law, at any reasonable time to the books, records and contracts pertaining to the Premises and Borrower.

(g) Insurance Proceeds. The Borrower shall keep the Premises continually insured in an amount not less than full insurable value of the Premises, which coverage shall insure the Premises against loss or damage by fire and by the perils covered by extended coverage and against such other hazards as the County, in its sole discretion, shall from time to time require, for the benefit of the County. All such insurance at all times will be in an insurance company or companies in such amounts and with terms acceptable to the County, with loss, if any, payable to the County, as its interest may appear, pursuant to a non-contributory mortgagee clause which shall be satisfactory to the County; and forthwith upon the issuance of such policies they will deliver to the County copies of receipts for the premiums paid thereon and certificates of insurance and certified copies of such policies. Any policies furnished the County shall become its property in the event the County becomes the owner of the Premises by foreclosure or otherwise. Subject to the provisions of the First Mortgage, should a loss be incurred, equal to or in excess of fifty percent (50%) of the full insurable value of the Premises, then in such event, County and Borrower may jointly elect to use the proceeds for the reconstruction and repair of the Premises or, in the alternative, to apply the net proceeds to the payment of the indebtedness hereby secured, whether then due or not.

(h) Indebtedness. With respect to the Premises encumbered by the Borrower of even date herewith, Borrower will not incur, create, assume or permit to exist any indebtedness constituting the deferred purchase price of any property or assets, or any indebtedness or liability evidenced by notes, bonds, debentures or similar obligations without the written approval of the County, except indebtedness owed the County and the aforementioned First Mortgage; provided however, that the

First Mortgage shall not exceed the amounts contained in the recitals incorporated in this Loan Agreement.

(i) Further Assurances and Preservation of Security. Borrower will do all acts and execute all documents for the better and more effective carrying out of the intent and purposes of this Loan Agreement, as the County shall reasonably require from time to time, and will do such other acts necessary or desirable to preserve and protect the collateral at any time securing or intending to secure the Note, as the County may reasonably require.

(j) No Assignment. Borrower shall not assign this Loan Agreement or any interest therein and any such assignment is void and of no effect.

10. INSPECTIONS. Borrower will permit County, or its representatives to enter upon the Premises, inspecting Improvements and all materials to be used in the construction thereof, and to observe and inspect the delivery and/or machinery and/or equipment funded by the County Loan, to examine the personal and other records to verify employment and to examine all details, plans and shop drawings which are kept at the construction site, and will cooperate, and cause Borrower's general contractor and subcontractors to cooperate with the County's representative.

11. DEFAULT. The following events shall be deemed Events of Default:

(a) Bankruptcy. If there is filed by or against Borrower a petition in bankruptcy or a petition for the appointment of a receiver or trustee of the property of Borrower and any such petition not filed by Borrower is not dismissed within sixty (60) days of the date of filing, or if Borrower files a petition for reorganization under any of the provisions of the Bankruptcy Code or of any assignment for the benefit of creditors or makes any insolvency assignment or is adjusted insolvent by any court of competent jurisdiction; or

(b) Breach of Covenants, Warranties and Representations. If any warranty or representation made by Borrower in this Loan Agreement or in any other Loan Document shall at any time be false or misleading in any material respect, or if Borrower shall fail to keep, observe or perform any of the terms, covenants, representations or warranties contained in this Loan Agreement, the Note, the Mortgage, the Loan Documents, and any other document given in connection with the Loan or development of the Improvement (provided, that with respect to nonmonetary defaults, the County shall give written notice to Borrower, who shall have thirty (30) days to cure), or is unwilling to meet its obligations thereunder; or

(c) Material Adverse Change of Borrower. If any material adverse change shall occur in the financial condition of Borrower at any time during the term of the Loan from the financial condition revealed in statements already presented to and accepted by the County; or

(d) Use of Funds. Borrower shall fail to use all funds under this loan agreement for costs associated with the Acquisition of the Premises by December 31, 2004. In the event the Borrower fails to use all funds by December 31, 2004, all remaining funds shall revert to the County and the County may reallocate for other projects or needs.

(e) Construction Completion. Borrower shall fail to complete construction of the Improvements and secure a Certificate of Occupancy for the Improvements by September 30, 2005.

(f) First Mortgage. Borrower shall default under the First Mortgage in favor of Fidelity Federal Bank and Trust which is not cured within applicable cure periods.

(g) Debt Service Coverage. Failure of Borrower to maintain the required Debt Service Coverage Ratio.

(h) Promissory Notes. Failure to pay any and all obligations owed under the Notes or any other Loan Documents.

12. REMEDIES OF LENDER. Upon the happening of an Event of Default, then the County may, at its option, upon written notice to Borrower:

(a) Cancel this Loan Agreement;

(b) Commence an appropriate legal or equitable action to enforce performance of this Loan Agreement;

(c) Accelerate the payment of the Note and any other sums secured by the Mortgage, and commence appropriate legal and equitable action to foreclose the Mortgage and collect all such amounts due the County;

(d) Exercise any other rights or remedies the County may have under the Mortgage or other Loan Documents executed in connection with the Loan or which may be available under applicable law.

13. GENERAL TERMS. The following shall be applicable throughout the period of this Agreement or thereafter as provided herein:

(a) Rights of Third Parties. All conditions of the County hereunder are imposed solely and exclusively for the benefit of the County and its successors and assigns, and no other person shall have standing to require satisfaction of such conditions or be entitled to assume that the County will make Disbursements in the absence of strict compliance with any or all thereof, and no other person shall, under any circumstances, be deemed to be a beneficiary of this Loan Agreement or the Loan Documents, any provisions of which may be freely waived in whole or in part by the County at any time if, in its sole discretion, it deems it desirable to do so. In particular, the County makes

no representations and assumes no duties or obligations as to third parties concerning the quality of the construction by Borrower of the Improvements or the absence therefrom of defects.

(b) Borrower is not the County's Agent. Nothing in this Agreement, the Note, the Mortgager or any other Loan Document shall be construed to make the Borrower the County's agent for any purpose whatsoever, or the Borrower and the County partners, or joint or co-venturers, and the relationship of the parties shall, at all times, be that of debtor and creditor.

(c) The County Not Liable for Damage or Loss. All inspections and other services rendered by or on behalf of the County pursuant to this Loan Agreement shall be rendered solely for the protection and benefit of the County. Neither Borrower nor other third persons shall be entitled to claim any loss or damage against the County or against its agents or employees for failure to properly conduct inspections and other such services contemplated by this Loan Agreement.

(d) The County Not Obligated to Insure Proper Disbursement of Funds to Third Parties. Nothing contained in this Agreement, or any Loan documents, shall impose upon the County any obligation to oversee the proper use or application of any disbursements and disbursements of funds made hereunder.

(e) Indemnification from Third Party Claims. Borrower shall indemnify and hold County harmless from any liability, claims or losses resulting from the disbursement of the Loan proceeds to Borrower or from the condition of the Premises, whether related to the quality of construction or otherwise, and whether arising during or after the term of the Loan. This provision shall survive the repayment of the Loan and shall continue in a full force and effect so long as the possibility of such liability, claims, or losses exists.

(f) Rights of Subcontractors, Laborers and Materialmen. In no event shall this Agreement be construed to make the County, Title Company or agent of the County liable to Borrower's Contractor or any subcontractors, laborers, materialmen, craftsmen, or others for labor, materials, or services delivered to the Premises or goods specially fabricated for incorporation therein, or for debts or liens accruing or arising to such persons or parties against Borrower or Borrower's Contractor. It is distinctly understood and agreed that there is no relation of any type whatsoever, contractual or otherwise, whether express or implied, between the County and Borrower's Contractor, any materialman, subcontractor, craftsman, laborer or any other person or entity supplying any labor, materials or services to the Premises or specially fabricating goods to be incorporated therein. Except as otherwise specifically provided herein, no such person or entities are intended to be third party beneficiaries of this Agreement or any document or instrument related to the Loan or to have any claim or claims in or to any undisbursed or retained Loan proceeds.

(g) Evidence of Satisfaction of Conditions. The County shall, at all time, be free independently to establish to its good faith and satisfaction, and in its absolute discretion, the existence or nonexistence of a fact of facts which are disclosed in documents or other evidence required by the terms of this Agreement.

(h) Headings. The headings of the sections, paragraphs and subdivisions of this Agreement are for the convenience of reference only, and shall not limit or otherwise affect any of the terms hereof.

(i) Invalid Provisions to Affect No Others. If performance of any provision hereof or any transaction related hereto is limited by law, then the obligation to be performed shall be reduced accordingly; and if any clause or provision herein contained operates or would prospectively operate to invalidate this Agreement in part, then the invalid part of said clause or provision only shall be held for naught, as though not contained herein, and the remainder of this Agreement shall remain operative and in full force and effect.

(j) Application of Interest to Reduce Principal Sums Due. In the event that any charge, interest or late charge is above the maximum rate provided by law, then any excess amount over the lawful rate shall be applied by the County to reduce the principal sum of the Loan or any other amounts due the County hereunder.

(k) Governing Law. The laws of the State of Florida shall govern the interpretation and enforcement of this Agreement and the venue shall be in Palm Beach County.

(l) Number and Gender. Whenever the singular or plural number, masculine or feminine or neuter gender is used herein, it shall equally include the others and shall apply jointly and severally.

(m) Agreement. This Loan Agreement, Notes, Mortgage and other Loan Documents constitutes the entire understanding and agreement between the parties with respect the subject matter hereof and may not be modified or amended, except in writing and signed by all parties hereto.

(n) Waiver. If the County shall waive any provisions of the Loan Documents, or shall fail to enforce any of the conditions or provisions of this Loan Agreement, such waiver shall not be deemed to be a continuing waiver and shall never be construed as such; and the County shall thereafter have the right to insist upon the enforcement of such conditions or provisions. Furthermore, no provision of this Agreement shall be amended, waived, modified, discharged or terminated, except by instrument in writing signed by the parties hereto.

(o) Notices. All notice from the Borrower to the County and the County to Borrower required or permitted by any provision of this agreement shall be in writing and sent by registered or certified mail and addressed as follows:

TO LENDER:

Board of County Commissioners
c/o Palm Beach County Attorney's Office
Suite 601
301 N. Olive Avenue

West Palm Beach, FL 33401

TO BORROWER:

Thirteenth Street Industrial Park, Inc.
1099 Newman Road
Lake Park, Florida 33408
Attn: Sandra D. Foland

Such addresses may be changed by written notice to the other party.

(p) Successors and Assigns. This Agreement shall inure to the benefit of and be binding on the parties hereto and their heirs, legal representatives, successors and assigns; but nothing herein shall authorize the assignment hereof by the Borrower.

(q) Counterparts. This Agreement may be executed in one or more counterparts, all of which shall constitute collectively but one and the same instrument.

(r) Waiver of Jury Trial. BORROWER WAIVES ITS RIGHT TO A TRIAL BY JURY IN ANY ACTION, WHETHER ARISING IN CONTRACT OR TORT, BY STATUTE OR OTHERWISE, IN ANY WAY RELATED TO THIS LOAN. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE COUNTY'S EXTENDING CREDIT TO BORROWER AND NO WAIVER OF LIMITATION OF THE COUNTY'S RIGHTS UNDER THIS PARAGRAPH SHALL BE EFFECTIVE UNLESS IN WRITING AND MANUALLY SIGNED ON THE COUNTY'S BEHALF.

14. SUBORDINATION. Lender shall approve a First Mortgage provided that it does not exceed One Million Three Hundred Sixty-Six Thousand (\$1,366,000.00) and further agrees to subordinate to such First Mortgage in favor of Fidelity Federal Bank & Trust. The Chair of the Board of County Commissioners of Palm Beach County and the Clerk of the Court for Palm Beach County, are hereby authorized to execute subordination agreements required herein without further approval of the Board of County Commissioners of Palm Beach County, Florida, provided such documents are in a form acceptable to the County Attorney. Nothing contained herein shall, however, relieve the Borrower from its obligation to make payments under the Promissory Note in accordance with its terms.

15. EFFECTIVE DATE OF AGREEMENT. This Agreement is expressly contingent upon the approval of the Palm Beach County Board of County Commissioners, and the United States, Department of Housing and Urban Development ("HUD") and shall become effective only when signed by all parties and approved by the Palm Beach County Board of County Commissioners and HUD. The Effective Date shall be the date on which this Loan Agreement is executed by the Board of County Commissioners.

IN WITNESS WHEREOF, Borrower and the County have caused this Agreement to be executed on the date first above written.

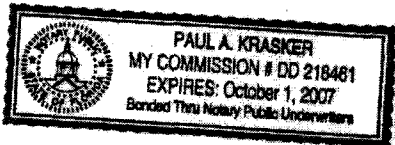
Signed, sealed and delivered in the presence of:

Thirteenth Street Industrial Park, Inc., a Florida Corporation

By: Sandra D. Foland,
Sandra D. Foland, President *President*

RL
Suzanne Charbonneau
Suzanne Charbonneau
STATE OF FLORIDA
COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me this 29th day of ~~May~~ ^{April}, 2004 by Sandra D. Foland, President of Thirteenth Street Industrial Park, Inc., a Florida Corporation who is personally known to me or who has produced _____ as identification and who did/did not take an oath.



RL
(Signature of Notary)

(Typed, Printed, or Stamped Name of Notary)

R2004 0844
MAY 04 2004

My Commission Expires:

ATTEST:

PALM BEACH COUNTY, FLORIDA, a political subdivision of the State of Florida
BY ITS BOARD OF COUNTY COMMISSIONERS

DOROTHY H. WILKINSON, CLERK
Board of County Commissioners

BY: Judith Casale
Deputy Clerk

BY: Karen T. Marcus
Karen T. Marcus, Chair

APPROVED AS TO FORM AND LEGAL SUFFICIENCY

APPROVED AS TO TERMS AND CONDITIONS

BY: [Signature]
County Attorney

By: [Signature]
Department Head

EXHIBIT A

LEGAL DESCRIPTION

Beginning at the Northwest corner of the Southwest Quarter (SW ¼) of Northwest (NW ¼) of Section 33, Township 42 South, Range 42 East, Palm Beach County, Florida; thence N89°55'05"E along the North line of the Southwest Quarter (SW ¼) of Northwest (NW ¼) of said Section 33, a distance of 389.64 feet to a point; thence S01°10'25"W a distance of 490.00 feet to a point; thence S89°55'05"W a distance of 402.83 feet to a point; thence N01°13'41"E a distance of 489.98 feet to a point; lying on the North line of the Southeast Quarter (SE ¼) of Northeast (NE ¼) of Section 32, Township 42 South, Range 43 East, Palm Beach County, Florida; thence N89°47'32" along the North line of the Southeast Quarter (SE ¼) of Northeast (NE ¼) of said Section 32 a distance of 12.74 feet to the point of beginning. LESS Road Right-of Way (West 13th Street). 4.37 Acres.

EXHIBIT B

NOTE

PROMISSORY NOTE
(Acquisition Loan)

\$1,340,000.00

West Palm Beach, Florida
May _____, 2004

FOR VALUE RECEIVED the undersigned, Thirteenth Street Industrial Park, Inc., a Florida corporation ("Borrower"), promises to pay to the order of PALM BEACH COUNTY, a political subdivision of the State of Florida, together with any other holder hereof ("Holder"), at 301 North Olive Avenue, West Palm Beach, Florida 33401, or such other place as Holder may from time to time designate in writing, the principal sum of One Million Three Hundred Thirty-Nine Thousand Five Hundred and No/100 Dollars (1,339,500.00) plus accrued interest, to be paid in lawful money of the United States of America, as follows:

- 1) This Note shall bear interest computed at the stated rate of London Interbank Offered Rate (LIBOR), as quoted in the Wall Street Journal's Money Rates at least two days before closing plus _____ (___%) percent per annum on the outstanding principal balance from time to time remaining unpaid from the date of each disbursement. The annual interest rate for this Note is computed based on a 360 day year.
- 2) Repayment hereunder shall occur as follows:
 - (a) Commencing on July , 2004 and on the First day of each month thereafter, Borrower shall make principal and interest payments of \$ _____ until June 1, 2024, at which time all principal, accrued interest, late fees and advances shall be due and payable.
- 3) Borrower agrees to provide annually to Holder a certification of Project income and expenses, and certified by an independent Certified Public Accountant acceptable to the County. Said certification shall be provided prior to each annual due date commencing in the year 2005.
- 4) This Note may be prepaid in whole or in part at any time, without penalty or premium. Any prepayment hereunder shall be applied first to unpaid costs of collection, servicing fees, and late charges, if any, then to accrued, deferred and unpaid interest and the balance, if any, to the principal balance.
- 5) After maturity or acceleration, this Note shall bear interest at the Default Interest Rate until paid in full.

PALM BEACH COUNTY, A POLITICAL SUBDIVISION OF THE STATE OF FLORIDA IS EXEMPT FROM PAYMENT OF EXCISE TAX ON DOCUMENTS. STAMPS HAVE BEEN AFFIXED TO THE MORTGAGE AND CANCELED AS REQUIRED BY LAW.

This Note is executed pursuant to the terms and conditions of that certain Loan Agreement dated May 4, 2004 between Maker, as Borrower, and Holder, as Lender, and is secured by a Mortgage and Security Agreement (the "Mortgage") encumbering certain real property located in Palm Beach County, Florida (the "Premises"), all of even date herewith. The foregoing and all other agreements, instruments and documents delivered in connection therewith and herewith are collectively referred to as the "Loan Documents."

This Note has been executed and delivered in, and is to be governed by and construed under the laws of, the State of Florida, as amended, except as modified by the laws and regulations of the United States of America.

Nothing herein contained, nor any transaction related thereto, shall be construed or so operate as to require the Borrower to pay interest at a greater rate than is now lawful in such case to contract for, or to make any payment, or to do any act contrary to ethical law. Should any interest or other charges paid by the Borrower, or parties liable for the payment of this Note, in connection with the Loan Documents result in the computation or earning of interest in excess of the maximum rate of interest that is legally permitted under applicable law, any and all such excess shall be and the same is hereby waived by the Holder, and any and all such excess shall be automatically credited against and in reduction of the balance due under this indebtedness, and a portion of said excess which exceeds the balance due under this indebtedness shall be paid by the Holder to the Borrower.

Holder shall have the right to declare the total unpaid balance hereof to be immediately due and payable in advance of the Maturity Date upon the failure of Borrower to pay when due or within the applicable grace period any payment of principal or interest or other amount due hereunder; or failure to pay when due or within the applicable grace period any payment of principal or interest under that promissory note dated May____, 2004 in the amount of \$320,000.00 in favor of Holder or upon the occurrence of an Event of Default pursuant to any other Loan Documents now or hereafter evidencing, securing or guarantying payment of this Note. Exercise of this right shall be without notice to Borrower or to any other person liable for payment hereof, notice of such exercise being hereby expressly waived.

Any payment hereunder not paid when due or within the applicable grace period (at maturity, upon acceleration or otherwise) shall bear interest at the highest rate allowed by applicable law from the due date until paid.

Provided Holder has not accelerated this Note as provided herein, Borrower shall pay holder a late charge of five percent (5%) of any required payment which is not received by Holder within Fifteen (15) days of when said payment is due. The parties agree that said charge is a fair and reasonable charge for the late payment and shall not be deemed a penalty.

Time is of the essence hereunder. In the event that this Note is collected by law or through attorneys at law, or under advice therefrom, Borrower agrees, to pay all costs of collection including reasonable attorneys' fees, whether or not suit is brought, and whether incurred in connection with collection, trial, appeal, bankruptcy or other creditors proceedings or otherwise.

Acceptance of partial payments or payments marked "payment in full" or "in satisfaction" or words to similar effect shall not affect the duty of Borrower to pay all obligations due hereunder, and shall not affect the right of Holder to pursue all remedies available to it under any Loan Documents.

The remedies of Holder shall be cumulative and concurrent, and may be pursued singularly, successively or together, at the sole discretion of Holder, including specifically any failure to exercise or forbearance in the exercise of any remedy, shall be deemed to be a waiver or release of the same, such waiver or release to be effected only through a written document executed by Holder and then only to the extent specifically recited therein. A waiver or release with reference to any one event shall not be construed as continuing or as constituting a course of dealing, nor shall it be construed as a bar to, or as a waiver or release of, any subsequent remedy as to a subsequent event.

Any notice to be given or to be served upon any party hereto in connection with this Note, whether required or otherwise, may be given in any manner permitted under the Loan Documents.

The term "other person liable for payment hereof" shall include any endorser, guarantor, surety or other person now or hereafter primarily or secondarily liable for the payment of this Note, whether by signing this or another loan document.

Whenever the context so requires, the neuter gender includes the feminine and/or masculine, as the case may be, and the singular number includes the plural, and the plural number includes the singular.

Borrower and any other person liable for the payment hereof respectively, hereby (a) expressly waive any valuation and appraisal, presentment, demand for payment, notice of dishonor, protest, notice of nonpayment or protest, all other forms of notice whatsoever, and diligence in collection; (b) consent that Holder

may, from time to time and without notice to any of them or demand, (i) extend, rearrange, renew or postpone any or all payments, (ii) release, exchange, add to or substitute all or any part of the collateral for this Note, and/or (iii) release Borrower (or any co-borrower) or any other person liable for payment hereof, without in any way modifying, altering, releasing, affecting or limiting their respective liability or the lien of any security instrument; and (c) agree that Holder, in order to enforce payment of this Note against any of them, shall not be required first to institute any suit or to exhaust any of its remedies against Borrower (or any co-borrower) or against any other person liable for payment hereof or to attempt to realize on any collateral for this Note.

BORROWER WAIVES ITS RIGHT TO A TRIAL BY JURY IN ANY ACTION, WHETHER ARISING IN CONTRACT OR TORT, BY STATUTE OR OTHERWISE, IN ANY WAY RELATED TO THIS NOTE. THIS PROVISION IS A MATERIAL INDUCEMENT FOR HOLDER'S EXTENDING CREDIT TO BORROWER AND NO WAIVER OR LIMITATION OF HOLDER'S RIGHTS UNDER THIS PARAGRAPH SHALL BE EFFECTIVE UNLESS IN WRITING AND MANUALLY SIGNED ON HOLDER'S BEHALF.

IN WITNESS WHEREOF, Borrower has executed this Note on the day and year first above written.

Thirteenth Street Industrial Park, Inc., a
Florida Corporation

By: _____
Sandra D. Foland
President

04/29/2004

S:\2003_04\Section 108\Projects\Baron Signs\closing documents\Promissory note-Acq-04-29-04.wpd

PROMISSORY NOTE
(Equipment Purchase)

\$320,000.00

West Palm Beach, Florida
May _____, 2004

FOR VALUE RECEIVED the undersigned, Thirteenth Street Industrial Park, Inc., a Florida corporation ("Borrower"), promises to pay to the order of PALM BEACH COUNTY, a political subdivision of the State of Florida, together with any other holder hereof ("Holder"), at 301 North Olive Avenue, West Palm Beach, Florida 33401, or such other place as Holder may from time to time designate in writing, the principal sum of Three Hundred Twenty Thousand and No/100 Dollars (320,000.00) plus accrued interest, to be paid in lawful money of the United States of America, as follows:

- 1) This Note shall bear interest computed at the stated rate of London Interbank Offered Rate (LIBOR), as quoted in Wall Street Journal's Money Rates at least two days before closing plus _____ percent per annum on the outstanding principal balance from time to time remaining unpaid from the date of each disbursement. The annual interest rate for this Note is computed based on a 360 day year.
- 2) Repayment hereunder shall occur as follows:
 - (a) Commencing on July _____, 2004 and on the First day of each month thereafter, Borrower shall make principal and interest payments of \$ _____ until June 1, 2019, at which time all principal, accrued interest, late fees and advances shall be due and payable.
- 3) Borrower agrees to provide annually to Holder a certification of Project income and expenses, and certified by an independent Certified Public Accountant acceptable to the County. Said certification shall be provided prior to each annual due date commencing in the year 2005.
- 4) This Note may be prepaid in whole or in part at any time, without penalty or premium. Any prepayment hereunder shall be applied first to unpaid costs of collection, servicing fees, and late charges, if any, then to accrued, deferred and unpaid interest and the balance, if any, to the principal balance.
- 5) After maturity or acceleration, this Note shall bear interest at the Default Interest Rate until paid in full.

PALM BEACH COUNTY, A POLITICAL SUBDIVISION OF THE STATE OF FLORIDA IS EXEMPT FROM PAYMENT OF EXCISE TAX ON DOCUMENTS. STAMPS HAVE BEEN AFFIXED TO THE MORTGAGE AND CANCELED AS REQUIRED BY LAW.

This Note is executed pursuant to the terms and conditions of that certain Loan Agreement dated May 4, 2004 between Maker, as Borrower, and Holder, as Lender, and is secured by a Mortgage and Security Agreement (the "Mortgage") encumbering certain real property located in Palm Beach County, Florida (the "Premises"), all of even date herewith. The foregoing and all other agreements, instruments and documents delivered in connection therewith and herewith are collectively referred to as the "Loan Documents."

This Note has been executed and delivered in, and is to be governed by and construed under the laws of, the State of Florida, as amended, except as modified by the laws and regulations of the United States of America.

Nothing herein contained, nor any transaction related thereto, shall be construed or so operate as to require the Borrower to pay interest at a greater rate than is now lawful in such case to contract for, or to make any payment, or to do any act contrary to ethical law. Should any interest or other charges paid by the Borrower, or parties liable for the payment of this Note, in connection with the Loan Documents result in the computation or earning of interest in excess of the maximum rate of interest that is legally permitted under applicable law, any and all such excess shall be and the same is hereby waived by the Holder, and any and all such excess shall be automatically credited against and in reduction of the balance due under this indebtedness, and a portion of said excess which exceeds the balance due under this indebtedness shall be paid by the Holder to the Borrower.

Holder shall have the right to declare the total unpaid balance hereof to be immediately due and payable in advance of the Maturity Date upon the failure of Borrower to pay when due or within the applicable grace period any payment of principal or interest or other amount due hereunder; or failure to pay when due or within the applicable grace period any payment of principal or interest under that promissory note in the amount of \$1,339,500.00 dated May ,2004 in favor of the Holder or upon the occurrence of an Event of Default pursuant to any other Loan Documents now or hereafter evidencing, securing or guarantying payment of this Note. Exercise of this right shall be without notice to Borrower or to any other person liable for payment hereof, notice of such exercise being hereby expressly waived.

Any payment hereunder not paid when due or within the applicable grace period (at maturity, upon acceleration or otherwise) shall bear interest at the highest rate allowed by applicable law from the due date until paid.

Provided Holder has not accelerated this Note as provided herein, Borrower shall pay holder a late charge of five percent (5%) of any required payment which is not received by Holder within Fifteen (15) days of when said payment is due. The parties agree that said charge is a fair and reasonable charge for the late payment and shall not be deemed a penalty.

Time is of the essence hereunder. In the event that this Note is collected by law or through attorneys at law, or under advice therefrom, Borrower agrees, to pay all costs of collection including reasonable attorneys' fees, whether or not suit is brought, and whether incurred in connection with collection, trial, appeal, bankruptcy or other creditors proceedings or otherwise.

Acceptance of partial payments or payments marked "payment in full" or "in satisfaction" or words to similar effect shall not affect the duty of Borrower to pay all obligations due hereunder, and shall not affect the right of Holder to pursue all remedies available to it under any Loan Documents.

The remedies of Holder shall be cumulative and concurrent, and may be pursued singularly, successively or together, at the sole discretion of Holder, including specifically any failure to exercise or forbearance in the exercise of any remedy, shall be deemed to be a waiver or release of the same, such waiver or release to be effected only through a written document executed by Holder and then only to the extent specifically recited therein. A waiver or release with reference to any one event shall not be construed as continuing or as constituting a course of dealing, nor shall it be construed as a bar to, or as a waiver or release of, any subsequent remedy as to a subsequent event.

Any notice to be given or to be served upon any party hereto in connection with this Note, whether required or otherwise, may be given in any manner permitted under the Loan Documents.

The term "other person liable for payment hereof" shall include any endorser, guarantor, surety or other person now or hereafter primarily or secondarily liable for the payment of this Note, whether by signing this or another loan document.

Whenever the context so requires, the neuter gender includes the feminine and/or masculine, as the case may be, and the singular number includes the plural, and the plural number includes the singular.

Borrower and any other person liable for the payment hereof respectively, hereby (a) expressly waive any valuation and appraisal, presentment, demand for payment, notice of dishonor, protest, notice of nonpayment or protest, all other forms of notice whatsoever, and diligence in collection; (b) consent that Holder

may, from time to time and without notice to any of them or demand, (i) extend, rearrange, renew or postpone any or all payments, (ii) release, exchange, add to or substitute all or any part of the collateral for this Note, and/or (iii) release Borrower (or any co-borrower) or any other person liable for payment hereof, without in any way modifying, altering, releasing, affecting or limiting their respective liability or the lien of any security instrument; and (c) agree that Holder, in order to enforce payment of this Note against any of them, shall not be required first to institute any suit or to exhaust any of its remedies against Borrower (or any co-borrower) or against any other person liable for payment hereof or to attempt to realize on any collateral for this Note.

BORROWER WAIVES ITS RIGHT TO A TRIAL BY JURY IN ANY ACTION, WHETHER ARISING IN CONTRACT OR TORT, BY STATUTE OR OTHERWISE, IN ANY WAY RELATED TO THIS NOTE. THIS PROVISION IS A MATERIAL INDUCEMENT FOR HOLDER'S EXTENDING CREDIT TO BORROWER AND NO WAIVER OR LIMITATION OF HOLDER'S RIGHTS UNDER THIS PARAGRAPH SHALL BE EFFECTIVE UNLESS IN WRITING AND MANUALLY SIGNED ON HOLDER'S BEHALF.

IN WITNESS WHEREOF, Borrower has executed this Note on the day and year first above written.

Thirteenth Street Industrial Park, Inc., a
Florida Corporation

By: _____
Sandra D. Foland
President

04/29/2004

S:\2003_04\Section 108\Projects\Baron Signs\closing documents\promissory note equipment-04-29-04.wpd

EXHIBIT C
MORTGAGE

This instrument prepared by
and to be returned to:
Lynn Solomon, Esq.
Lynn Solomon, P.A.
324 Datura Street, Suite #235
West Palm Beach, FL 33401

MORTGAGE AND SECURITY AGREEMENT

THIS MORTGAGE INDENTURE, executed this _____ day of _____, 2004 by a Florida Corporation, (the "Mortgagor"), as party of the first part, and PALM BEACH COUNTY, a political subdivision of the State of Florida (the "Mortgagee") (which term as used in every instance shall include the Mortgagee's successors and assigns), as party of the second part;

WITNESSETH:

The Mortgagor is the owner of the premises described in Exhibit "A" attached hereto (hereinafter the "Premises") and made a part hereof. Mortgagee has this date loaned \$1,340,000.00 and \$320,000.00 to Mortgagor and in connection therewith Mortgagor has this date executed and delivered to Mortgagee two Promissory Notes in the respective amounts (collectively the "Note"). A true copy of the Notes are annexed hereto as Exhibit "B" and forms a part hereof.

This Mortgage is given in accordance with that certain Loan Agreement executed on the 4th day of May, 2004 between Mortgagor and Mortgagee. This Mortgage and Security Agreement, the Note, and the Loan Agreement shall hereinafter collectively be referred to as the "Loan Documents".

GRANTING CLAUSE

NOW, THEREFORE, the Mortgagor, in consideration of the premises and in order to secure payment of both the principal of, and the interest and any other sums payable on, the Note or this Mortgage, and the performance and observance of all the provisions hereof, and of the loan documents, hereby gives, leases, bargains, sells, warrants, aliens, remises, releases, conveys, assigns, transfers, mortgages, hypothecates, deposits, pledges, sets over and confirms unto the Mortgagee, all of the Mortgagor's estate, right, title and interest in, to and under any and all of the Premises, improvements (including improvements to be made hereafter), fixtures here and below described and located on the Premises which sometimes collectively referred to hereinafter as the "Mortgaged Property". TOGETHER with all and singular the rights, interests and appurtenances whatsoever, in any way belonging, relating or appertaining to any of the Premises herein above mentioned or which hereafter shall in any way belong, relate or be appurtenant thereto, whether now owned or hereafter acquired by the Mortgagor including but not limited to all of Mortgagor's sewer capacity rights, and Mortgagor's rights under contracts, permits, licenses and all other documents and payments affecting the Premises, reserving only the right to the Mortgagor to collect the same so

long as the Mortgagor is not in default hereunder and so long as the same are not subjected to garnishment levy, attachment or lien.

TO HAVE AND TO HOLD the Premises and all parts, rights, members and appurtenances thereof, to the use, benefit and behalf of the Mortgagee, its successors and assigns in fee simple forever, and the Mortgagor covenants that the Mortgagor is lawfully seized and possessed of the Premises in fee simple and has good right to convey the same, that the same are unencumbered excepting taxes accruing subsequent to 2003, and those certain exceptions appearing on the Mortgagee's Title Insurance Policy given in connection herewith and specifically approved by Mortgagee, and that the Mortgagor will warrant and defend the title thereto against the claims of all persons whomsoever, except as hereinafter expressly provided.

Notwithstanding the foregoing, this Mortgage shall be subject and subordinate to separate mortgage and security agreements and related loan documents encumbering the Premises upon their execution by Mortgagor in favor of Fidelity Federal Bank & Trust, in an original principal amount not to exceed One Million Three Hundred Sixty-Six Thousand and No/100 Dollars (1,366,000.00) ("First Mortgage").

PROVIDED ALWAYS that if the Mortgagor shall pay unto the Mortgagee all sums required under the terms of the Note, which Note is in the original principal amounts of \$1,340,000.00 and \$320,000.00 and has a maturity date of May 1, 2024, and May 1, 2019 respectively, unless such maturity is accelerated as set forth in the Note, and shall comply with and abide by each and every one of the stipulations, agreements, conditions and covenants of the Loan Documents, then in such event this Mortgage and Security Agreement and the estate hereby created shall cease and be null and void.

The Mortgagor covenants with the Mortgagee as follows:

1.1 Payments of Indebtedness. The Mortgagor shall punctually pay the principal and interest and all other sums to become due in respect to the Note at the time and place and in the manner specified in the Note, according to the true intent and meaning thereof, all and any coin or currency of the United States of America which at the time of such payment shall be legal tender for the payment of public and private debts.

1.2 Taxes, Liens and Other Charges.

(a) The Mortgagor, from time to time when the same shall become due and payable, will pay and discharge all taxes of every kind and nature, all general and special assessments, levies, permits, inspection and license fees, all water and sewer rents and charges and all other public charges, whether of a like or different nature, imposed upon or assessed against the Mortgaged Property or any part thereof or upon the revenues, rents, issues, income and profits of the Mortgaged Property or arising in respect of the occupancy, use or possession thereof. The Mortgagor will, upon the request of the Mortgagee, deliver to the Mortgagee copies of receipts evidencing the payment of

all such taxes, assessments, levies, fees, rents and other public charges imposed upon or assessed against the Mortgaged Property or the revenues, rents, issues, income or profits thereof.

(b) The Mortgagor shall pay, from time to time when the same shall become due, all lawful claims and demands of mechanics, material men, laborers, and other persons or entities which, if unpaid, might result in or permit the creation of, a lien on Mortgaged Property or any part hereof, or on the revenues, rents, issues, income and profits arising therefrom whether such lien is or may become prior or remain inferior to the Mortgage and also, irrespective of the priority of such other lien(s). Mortgagor in general will do or cause to be done everything necessary so that the lien hereof shall be fully preserved, at the cost of the Mortgagor, without expense to the Mortgagee.

(c) The Mortgagor shall pay any taxes except income taxes imposed on the Mortgagee by reason of the Mortgagee's ownership of the Note or this Mortgage.

1.3 Insurance. The Mortgagor will keep the Mortgaged Property continuously insured in an amount no less than full insurable value which coverage shall insure the Mortgaged Property against loss or damage by fire and by the perils covered by extended coverage and against such other hazards as the Mortgagee, in its sole discretion, shall from time to time require, for the benefit of the Mortgagee. All such insurance at all times will be in an insurance company or companies in such amounts and with terms acceptable to the Mortgagee, with loss, if any, payable to the Mortgagee as its interest may appear, pursuant to a noncontributory mortgagee clause which shall be satisfactory to the Mortgagee; and forthwith upon the issuance of such policies they will deliver to the Mortgagee copies of receipts for the premiums paid thereon and certificates of insurance and certified copies of such policies. Any policies furnished the Mortgagee shall become its property in the event the Mortgagee becomes the owner of the Premises by foreclosure or otherwise. The Mortgagee is hereby authorized and empowered, at its option, to adjust or compromise any loss under any insurance policies on the Mortgaged Property. Each insurance company is hereby authorized and directed to make payment for all such losses to the Mortgagor and the Mortgagee jointly. Should a loss be incurred, equal to or in excess of fifty percent (50%) of the full insurable value of the Mortgaged Property, then in such event, Mortgagee and Mortgagor may jointly elect to use the proceeds for the reconstruction and repair of the Mortgaged Property or, in the alternative, to apply the net proceeds to the payment of the indebtedness hereby secured, whether then due or not. The provisions of this Section 1.3 are subject to the rights under the First Mortgage, to which the rights of the Mortgagee are subordinate.

1.4 Care of Premises.

(a) The Mortgagor will keep the improvements now or hereafter erected on the Premises in good condition and repair, will not commit or suffer any waste and will not do or suffer to be done anything which will increase the risk of fire or other hazard to the Premises or any part thereof.

(b) If the Premises or any part thereof is damaged by fire or any other cause, the

Mortgage will give immediate written notice of the same to the Mortgagee.

(c) The Mortgagee or its representative is hereby authorized to enter upon and inspect the Premises at any time during normal business hours.

(d) The Mortgagor will promptly comply with all present and future laws, ordinances, rules and regulations of any governmental authority affecting the Premises or any part thereof.

(e) If all or any part of the Premises shall be damaged by fire or other casualty, the Mortgagor will, upon request of the Mortgagee, promptly restore the Premises to the equivalent of its condition immediately prior to such damage, and if a part of the Premises shall be damaged through condemnation, the Mortgagor will, upon request of Mortgagee, promptly restore, repair or alter the remaining part of the Premises in a manner satisfactory to the Mortgagee. The Mortgagee recognizes that this mortgage will be subordinate to the First Mortgage, and to the extent this provision conflicts with the similar terms and conditions of the First Mortgage, the First Mortgage shall supersede and shall be controlling. Nothing contained herein shall, however, relieve the Mortgagor from its obligation to make payments under the Promissory Note in accordance with its terms.

1.5 Further Assurances; Modifications. At any time, and from time to time, upon request by the Mortgagee, the Mortgagor will make, exercise and deliver or cause to be made, executed and delivered, to the Mortgagee, any and all other further instruments, certificates and other documents as may, in the opinion of the Mortgagee, be necessary or desirable in order to effectuate, complete, or perfect or to continue and preserve (i) the obligations of the Mortgagor under the Note, (ii) the security interest of this Mortgage, and (iii) the mortgage lien hereunder. Upon any failure by the Mortgagor so to do the Mortgagee may make, execute and record any and all such instruments, certificates and documents for and in the name of the Mortgagor and the Mortgagor hereby irrevocably appoints the Mortgagee the agent and the attorney in fact of the Mortgagor so to do.

1.6 Expenses. In addition to the expenses described in subparagraph 2.6(b) hereof, the Mortgagor will pay or reimburse the Mortgagee for all reasonable attorney's fees, costs and expenses, including those in connection with appellate proceedings; incurred by the Mortgagee in any proceedings or in any action, legal proceeding or dispute of any kind which relate to or arise from the Mortgage of the interest created herein, or the Premises, including but not limited to the exercise of the power of sale of this Mortgage, any condemnation action involving the Premises or any action to protect the security hereof; and any such amounts paid by the Mortgagee shall be secured by this Mortgage.

1.7 Estoppel Affidavits. The Mortgagor, upon ten days' prior written notice, shall furnish the Mortgagee a written statement, duly acknowledged, setting forth the unpaid principal of, and interest on, the indebtedness secured hereby and whether or not any off-sets or defenses exist against such principal and interest.

1.8 Subrogation. The Mortgagee shall be subrogated to the claims and liens of all parties whose claims or liens are discharged or paid with the proceeds of the indebtedness secured hereby.

1.9 Performance by Mortgagee of Defaults by Mortgagor. If the Mortgagor shall default in the payment of any tax, lien, assessment or charge levied or assessed against the Premises; in the payment of any utility charge, whether public or private; in the payment of any insurance premium; in the procurement of insurance coverage and the delivery of the insurance policies required hereunder; in the performance of any covenant, term or condition of any leases affecting all or any part of the Premises; or in the performance or observance of any covenant, condition or term of this Mortgagee; then the Mortgagee, at its option, may perform or observe the same, and all payments made or costs incurred by the Mortgagee in connection therewith, shall be secured hereby and shall be, without demand, immediately repaid by the Mortgagor to the Mortgagee with interest thereon at the maximum rate provided by law. The Mortgagee shall be the sole judge of the legality, validity and priority of any such tax, lien, assessment, charge, claim, premium and obligation, of the necessity for any such actions and of the amount necessary to be paid in satisfaction thereof. The Mortgagee is hereby empowered to enter and to authorize others to enter upon the Premises or any part thereof for the purpose of performing or observing any such defaulted covenant, condition or term, without thereby becoming liable to the Mortgagor or any other person in possession holding under the Mortgagor.

1.10 Condemnation. In the event of a condemnation (which term when used in the Mortgage shall include any damage or taking by any governmental authority and any transfer by private sale in lieu thereof) either temporarily or permanently, of any part of the Premises constituting twenty percent (20%) or more of the full value of the Premises, or in the event such condemnation makes the Premises unusable for the purposes contemplated herein and in the Loan Agreement, then in such event, the entire indebtedness secured hereby shall at the option of the Mortgagee, become immediately due and payable. Such events shall be a Condemnation Event ("Condemnation Event"); however, any condemnation for less than twenty percent (20%) of value or not rendering the Premises unusable, shall not be affected by this section. In the event of a Condemnation Event: The Mortgagee shall be entitled to all compensation, awards, and other payments or relief thereof, and is hereby authorized at its option, to commence, appear in, and prosecute, in its own, or the Mortgagor's name, any action or proceeding relating to any condemnation, any to settle or compromise any claim in connection therewith; and all such compensation, awards, damages, claims, rights of action and proceeds, and the right thereto from any Condemnation Event are hereby assigned by the Mortgagor to the Mortgagee, who, after deducting therefrom, all its expenses, including attorneys fees, may release any monies received by it without further affecting this Mortgage and may apply the same in such manner as the Mortgagee shall determine, to the reduction of the sum secured hereby, and any balance of such monies then remaining shall be paid to the Mortgagor. The Mortgagor agrees to execute such further assignment of any compensation, awards, damages, claims, rights of action and proceeds from a Condemnation Event as the Mortgagee may require. The provisions of this Section 1.10 are subject to the rights under the First Mortgage, to which the rights of the Mortgagee are subordinate.

1.11 Environmental Representations.

(a) The Mortgagor covenants with the Mortgagee that the Premises have not been used and will not be used in whole or in part for the storage of hazardous waste.

(b) No violation of any Federal, State or local environmental regulations now exists regarding the Mortgage Property.

(c) Mortgagor shall comply with all Federal, State and local environmental regulations during the construction of the improvements on the Premises.

(d) Mortgagor shall give written notice to Mortgagee immediately upon Mortgagor's acquiring knowledge of the presence of any hazardous substances on the Mortgage Property or of any hazardous substances contamination thereon, or of any notices received by Mortgagor that are violations or potential violations of any environmental regulation laws, ordinances, rules or regulations exists on the Mortgage Property.

ARTICLE II.

2.1 Due on Sale or Further Encumbrance Clause. In determining whether or not to make the loan secured hereby, Mortgagee examined the credit-worthiness of Mortgagor, found it acceptable and continues to rely upon the same as the means of repayment of the loan. Mortgagee also evaluated the background and experience of Mortgagor in owning and operating property such as the Premises, found it acceptable and continues to rely upon same as the means of maintaining the value of the Premises, was ably represented by a licensed attorney at law in the negotiation and documentation of the loan secured hereby and bargained at arm's length and without duress or any kind for all of the terms and conditions of the loan, including this provision. Mortgagor further recognizes that any secondary or junior financing placed upon the Premises (a) may divert funds which would otherwise be used to pay the Note secured hereby; (b) could result in acceleration and foreclosure by any such junior encumbrance which would force Mortgagee to take measures and incur expenses to protect its security; (c) could detract from the value of the Premises should Mortgagee's right to accept a deed in lieu of foreclosure, as a foreclosure by Mortgagee would be necessary to clear the title to the Premises.

In the event of a sale, transfer, conveyance or assignment of the entire Premises or a grant of security interest in the Premises, then the Loan, together with accrued interest and any other expenses shall become due and payable. Mortgagor may sell a portion of the Premises, with the consent of Mortgagee. Mortgagee shall not withhold consent provided the loan to value ratios remain unchanged and provided that Mortgagee receives 50% of the net Sale proceeds.

Any consent by the Mortgagee, or any waiver of an event of default, under this Paragraph shall not constitute a consent to, or waiver of any right, remedy or power of the Mortgagee upon a subsequent event of default under this Paragraph.

2.2 Default. A default shall have occurred hereunder if:

- (a) The Mortgagor shall fail to pay in full within fifteen (15) days from the date due and payable any installment of principal, interest, late charges or escrow deposits as required by the Note, this Mortgage and otherwise; or
- (b) The Mortgagor shall fail to duly observe on time any other covenant, condition or agreement of this Mortgage the Loan Documents or of any other instrument evidencing, security or executed in connection with the indebtedness secured hereby, and such failure continues for a period of Thirty (30) days following written notice by the Mortgagee; or
- (c) Any warranties or representations made or agreed to be made in any of the Loan Documents shall be breached by the Mortgagor or shall prove to be false or misleading in any material manner and such breach is not cured within Thirty (30) days following notice from Mortgagee; or
- (d) Any lien for labor or material or otherwise shall be filed against the Premises, and such lien is not canceled, removed or transferred within sixty (60) days after notice of such lien; or
- (e) A levy shall be made under any process on, or a receiver be appointed for, the Premises or any other property of the Mortgagor; or
- (f) The Mortgagor shall file a voluntary petition in bankruptcy, or any other petition or answer seeking or acquiescing in any reorganization, arrangement, composition, readjustment, liquidation or similar relief for the Mortgagor under any present or future federal, state or other statute, law or regulation relating to bankruptcy, insolvency or other relief for debtor; or
- (g) The Mortgagor shall seek or consent to or acquiesce in the appointment of any trustee, receiver or liquidator of the Mortgagor or of all or any part of the Premises or of any or all of the rents, revenues, issues, earnings, profits or income thereof; or
- (h) The Mortgagor shall make any general assignment for the benefit of creditors;
or
- (i) In any legal proceeding the Mortgagor shall be alleged to be insolvent or unable to pay the Mortgagor's debts as they become due and is not dismissed within sixty (60) days of Filing; or
- (j) The Mortgagor shall do, or shall omit to do, any act, or any event shall occur, as a result of which any obligation of the Mortgagor, not arising hereunder, may be declared immediately due and payable by the holder thereof; or
- (k) A breach by Mortgagor of any covenant, representation, or warranty set forth in

the Loan Agreement and the expiration of any applicable grace period, or an Event of Default occurs under the terms of the Loan Agreement or any of the other Loan Documents pertaining to the Note and Mortgage; or

(l) Mortgager shall fail to create 70 jobs as set forth in the Loan Agreement and if Mortgagor fails to maintain a debt service coverage of 1.20 during the term of the Loan.

(m) The Mortgagor shall default on the First Mortgage.

(n) If the Mortgagee shall reasonably believe that any one or more of the defaults enumerated in paragraphs (a) through (m) may occur, then the Mortgagee shall notify the Mortgagor of the specific facts which create the reasonable basis for its belief and shall request the Mortgagor to provide satisfactory evidence to the Mortgagee that such default is not likely to occur or that Mortgagor has taken appropriate steps to cure the default if it should occur.

2.3 Special Conditions.

(a) Upon sale, transfer, or refinancing of the entire Premises, all available proceeds of the sale shall be applied to pay the following items in order of priority:

- (1) Expenses of the sale;
- (2) First Mortgage debt in full, including fees;
- (3) All accrued but unpaid interest on the Note;
- (4) Second Mortgage debt in full, including fees.

(b) All of the principal and interest of the indebtedness secured hereby shall be due and payable upon sale, transfer, or refinancing.

(c) The indebtedness secured hereby shall be serviced by the Mortgagee or by a lending institution selected by Mortgagee.

(d) The discrimination provision of §420.516, Florida Statutes, shall apply to the loan secured hereby.

A violation of any of the above stated Special Conditions by Mortgagor shall constitute a default hereunder.

2.4 Acceleration of Maturity. If a default shall have occurred hereunder and not cured within applicable cure periods, then the whole unpaid principal sum of the indebtedness secured hereby with interest accrued thereon shall, at the option of the Mortgagee, become due and payable without

notice or demand, time being of the essence of this Mortgage and of the Note secured hereby; and no omission on the part of the Mortgagee to exercise such option when entitled so to do shall be considered as a waiver of such right.

2.5 Right of Lender to Enter and Take Possession.

(a) If any default shall have occurred and be continuing, the Mortgagor, upon demand of the Mortgagee, shall forthwith surrender to the Mortgagee the actual possession of the Premises and if, and to the extent permitted by law, the Mortgagee may enter and take possession of the Premises and may exclude the Mortgagor and the Mortgagor's agents and employees wholly therefrom. In the event Mortgagee exercises its rights pursuant to this subparagraph (a), the Mortgagee shall be deemed to be acting as agent of Mortgagor and not as owner of the Premises.

(b) For the purpose of carrying out the provisions of this paragraph 2.6, the Mortgagor hereby constitutes and appoints the Mortgagee the true and lawful attorney in fact of the Mortgagor to do and perform, from time to time, any and all actions necessary and incidental to such purpose and does, by these presents, ratify and confirm any and all actions of said attorney in fact in the Premises.

(c) Whenever all such defaults have been cured and satisfied, the Mortgagee shall surrender possession of the Premises to the Mortgagor, provided that the right of the Mortgagee to take possession, from time to time, pursuant to subparagraph 2.6(a) shall exist if any subsequent default shall occur and be continuing.

(d) The provisions of this Section 2.5 are subject to the rights under the First Mortgage, to which the rights of the Mortgagee are subordinate.

2.6 Appointment of a Receiver and Foreclosure.

(a) If a default shall have occurred hereunder and not cured within applicable cure periods, then the whole debt secured by this Mortgage, with all interest thereon, and all other amounts hereby secured shall, at the option of Mortgagee, become immediately due and payable, and may forthwith or at any time thereafter be collected by suit at law, foreclosure or other proceeding upon this Mortgage or by any other proper, real or equitable procedure without declaration of such option and without notice.

(b) In any suit to foreclose the lien hereof, there shall be allowed and included as additional indebtedness in the decree for sale all expenditures and expenses which may be paid or incurred by or on behalf of the Mortgagee for attorneys' fees, appraisers' fees, outlays for documentary and expert evidence, stenographers' charges, publication cost and costs (which may be estimated as to items to be expended after entry of the decree) of procuring all such abstract of title, title searches and examinations, title insurance policies, and similar data and assurances with respect to title as Mortgagee may deem to be reasonably necessary either to prosecute such suit or to

evidence to bidders at any sale which may be had pursuant to such decree the true condition of the title to or the value of the Premises. All expenditures and expenses of the nature in this paragraph mentioned shall become so much additional debt secured hereby and shall be immediately due and payable with interest thereon at the maximum rate provided by law, when paid or incurred by Mortgagee in connection with (i) any proceeding, including foreclosure, probate and bankruptcy proceedings, to which it shall be a party, either as plaintiff, claimant, or defendant, by reason of this Mortgage, or any indebtedness hereby secured, (ii) preparations for the commencement of any suit for the foreclosure hereof after accrual of such right to foreclose whether or not actually commenced, or (iii) preparations for the defense of any threatened suit or proceeding which might affect the Premises or the security hereof, whether or not actually commenced.

(c) Upon, or at any time after, the filing of a complaint to foreclose this Mortgage, the court in which such complaint is filed may appoint a receiver of the Premises. Such appointment may be made either before or after sale, without notice, without regard to the solvency or insolvency of Mortgagor at the time of application for such receiver and without regard to the then value of the Premises. Such receiver shall have power to collect the rents, issues and profits of the Premises during the pendency of such foreclosure suit, and in case of a sale and a deficiency, during the full statutory period of redemption, if any, whether there be redemption or not, as well as during any further times when Mortgagor except for the intervention of such receiver, would be entitled to collect such rents, issues and profits, and all other powers which may be necessary or are usual in such cases for the protection, possession, control, management and operation of the Premises during the whole of said period.

(d) Mortgagor shall deliver to Mortgagee at any time on its request, all agreements for deed, contracts, leases, abstracts, title insurance policies, muniments of title, surveys and other papers relating to the Premises, and in case of foreclosure thereof and failure to redeem, the same shall be delivered to and become the property of the person obtaining a deed to the Premises by reason of such foreclosure.

(e) The provisions of this Section 2.6 are subject to the rights under the First Mortgage, to which the rights of the Mortgagee are subordinate.

2.7 Discontinuance of Proceedings and Restoration of the Parties. In case the Mortgagee shall have proceeded to enforce any right or remedy under this Mortgage by receiver, entry or otherwise, and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adverse to the Mortgagee, then in every such case the Mortgagor and the Mortgagee shall be restored to their former positions and rights hereunder, and all rights, powers and remedies of the Mortgagee shall continue as if no such proceeding had been taken.

2.8 Remedies Cumulative. No right, power or remedy conferred upon or reserved by the Mortgagee by this Mortgage is intended to be exclusive of any other right, power or remedy, but each and every such right, power and remedy shall be cumulative and concurrent and shall be in addition to any other right, power and remedy given hereunder or now or hereafter existing at law

or in equity or by statute.

2.9 Stamp and Excise Tax. If any documentary additional stamp or excise tax shall become applicable with respect to this Mortgage, the Note, any loan or credit extended hereunder, or any security agreement, guaranty, the loan agreement or other document, the Mortgagor shall promptly pay such tax in full (including interest and penalties, if any) and shall hold the Mortgagee harmless with respect thereto. The Mortgagor's liability under this paragraph will survive the repayment of indebtedness under the Note.

ARTICLE III.

3.1 Successors and Assigns Included in Parties. Whenever in this Mortgage one of the parties hereto is named or referred to, the heirs, legal representatives, successors and assigns of such parties shall be included and all covenants and agreements contained in this indenture by or on behalf of the Mortgagor and by or on behalf of the Mortgagee shall bind and inure to the benefit of their respective heirs, legal representatives, successors and assigns, whether so expressed or not. Provided, however, that the Mortgagor shall have no right to assign its obligations hereunder without the prior written consent of the Mortgagee, which shall not be unreasonably withheld.

3.2 Headings. The headings of the sections, paragraphs and subdivisions of this Mortgage are for the convenience of reference only and shall not limit or otherwise affect any of the terms hereof.

3.3 Invalid Provisions to Affect No Others. If fulfillment of any provision hereof or any transaction related hereto or to the Note, at the time performance of such provisions shall be due, shall involve transcending the limit of validity prescribed by law, then ipso facto, the obligation to be fulfilled shall be reduced to the limit of such validity; and if any clause or provision herein contained operates or would prospectively operate to invalidate this Mortgage in whole or in part, then such clause or provision only shall be held for naught, as though not herein contained, and the remainder of this Mortgage shall remain operative and in full force and effect. Notwithstanding any provision contained herein, the total liability of Mortgagor for payment of interest, including service charges, penalties or any other fees shall not exceed the maximum amount of such interest permitted by applicable law to be charged, and if any payments by Mortgagor include interest in excess to the reduction of the unpaid principal amount due and pursuant hereto.

3.4 Number and Gender. Whenever the singular or plural number, masculine or feminine or neuter gender is used herein, it shall equally include the other.

ARTICLE IV.

4.1 Notice. Any notice or other communication required or permitted to be given hereunder shall be sufficient if in writing and delivered in person or sent by United States Certified Mail, postage prepaid, to the parties being given such notice at the following addresses:

ASSIGNMENT OF RIGHTS IN AND TO CONTRACT

THIS AGREEMENT is made the 21st day of ^{May} ~~April~~, 2004, by and between S & G Partnership, a Florida general partnership ("Assignor") and Thirteenth Street Industrial Park, Inc., a Florida corporation ("Assignee").

WHEREAS, Assignor has entered into that certain Contract for Sale and Purchase dated October 27, 2003, as amended, by and between Assignor, as Purchaser, and Daniel D. Dyle and Audrey Dyle, as Sellers (the "Contract"), which Contract is incorporated herein by reference; and

WHEREAS, Assignor desires to assign all of its interest in the Contract to Assignee and Assignee desires to accept such assignment and assume all of the rights, interests, responsibilities, liabilities and obligations therein.

NOW THEREFORE, in consideration of the sum of \$10.00 and other good and valuable consideration in hand paid by Assignee to Assignor, the receipt whereof is hereby acknowledged, Assignor does hereby assign to Assignee, without liability or recourse, all of Assignor's right, title and interest in and to the Contract, and Assignee does hereby accept such assignment and assumes all of the rights, interests, responsibilities, liabilities and obligations therein.

IN WITNESS WHEREOF, Assignor and Assignee have caused this instrument to be signed as of the day and year first above written.

WITNESSES:

(1) [Signature]
As to both

(2) [Signature]
As to both

S & G General Partnership,
a Florida general partnership

By: [Signature]
Gerald Foland, Partner

By: [Signature]
Sandra Foland, Partner

Thirteenth Street Industrial Park, Inc.,
a Florida corporation

(1) [Signature]

(2) [Signature]

By: [Signature]
Sandra D. Foland, President

PROMISSORY NOTE
(Acquisition Loan)

\$1,340,000.00

West Palm Beach, Florida
May 27, 2004

FOR VALUE RECEIVED the undersigned, Thirteenth Street Industrial Park, Inc., a Florida corporation ("Borrower"), promises to pay to the order of PALM BEACH COUNTY, a political subdivision of the State of Florida, together with any other holder hereof ("Holder") at 301 North Olive Avenue, West Palm Beach, Florida 33401, or such other place as Holder may from time to time designate in writing, the principal sum of One Million Three Hundred Forty Thousand Hundred and No/100 Dollars (1,340,000.00) plus accrued interest, to be paid in lawful money of the United States of America, as follows:

- 1) This Note shall bear interest computed at the stated rate of London Interbank Offered Rate (LIBOR) for six months, as published in the Money Rates Section of the Wall Street Journal, or some other comparable rate if LIBOR is no longer published, in effect on July 1, 2004 plus One (1%) percent per annum on the outstanding principal balance from time to time remaining unpaid from the date of each disbursement. The annual interest rate for this Note is computed based on a 360 day year.
- 2) Repayment hereunder shall occur as follows:
 - (a) Commencing on July 1, 2004 and on the first day of each month thereafter, Borrower shall make principal and interest payments based on a twenty year amortization schedule until June 1, 2024, at which time all principal, accrued interest, late fees and advances shall be due and payable.
- 3) Borrower agrees to provide annually to Holder a certification of Project income and expenses, and certified by an independent Certified Public Accountant acceptable to the County. Said certification shall be provided prior to each annual due date commencing in the year 2005.

- 4) This Note may be prepaid in whole or in part at any time, without penalty or premium. Any prepayment hereunder shall be applied first to unpaid costs of collection, servicing fees, and late charges, if any, then to accrued, deferred and unpaid interest and the balance, if any, to the principal balance.
- 5) After maturity or acceleration, this Note shall bear interest at the Default Interest Rate until paid in full.

PALM BEACH COUNTY, A POLITICAL SUBDIVISION OF THE STATE OF FLORIDA IS EXEMPT FROM PAYMENT OF EXCISE TAX ON DOCUMENTS. STAMPS HAVE BEEN AFFIXED TO THE MORTGAGE AND CANCELED AS REQUIRED BY LAW.

This Note is executed pursuant to the terms and conditions of that certain Loan Agreement dated May 4, 2004 between Maker, as Borrower, and Holder, as Lender, and is secured by a Mortgage and Security Agreement (the "Mortgage") encumbering certain real property located in Palm Beach County, Florida (the "Premises"), all of even date herewith. The foregoing and all other agreements, instruments and documents delivered in connection therewith and herewith are collectively referred to as the "Loan Documents."

This Note has been executed and delivered in, and is to be governed by and construed under the laws of, the State of Florida, as amended, except as modified by the laws and regulations of the United States of America.

Nothing herein contained, nor any transaction related thereto, shall be construed or so operate as to require the Borrower to pay interest at a greater rate than is now lawful in such case to contract for, or to make any payment, or to do any act contrary to ethical law. Should any interest or other charges paid by the Borrower, or parties liable for the payment of this Note, in connection with the Loan Documents result in the computation or earning of interest in excess of the maximum rate of interest that is legally permitted under applicable law, any and all such excess shall be and the same is hereby waived by the Holder, and any and all such excess shall be automatically credited against and in reduction of the balance due under this indebtedness, and a portion of said excess which exceeds the balance due under this indebtedness shall be paid by the Holder to the Borrower.

Holder shall have the right to declare the total unpaid balance hereof to be immediately due and payable in advance of the

Maturity Date upon the failure of Borrower to pay when due or within the applicable grace period any payment of principal or interest or other amount due hereunder; or failure to pay when due or within the applicable grace period any payment of principal or interest under that promissory note dated May 21, 2004 in the amount of \$320,000.00 in favor of Holder or upon the occurrence of an Event of Default pursuant to any other Loan Documents now or hereafter evidencing, securing or guarantying payment of this Note. Exercise of this right shall be without notice to Borrower or to any other person liable for payment hereof, notice of such exercise being hereby expressly waived.

Any payment hereunder not paid when due or within the applicable grace period (at maturity, upon acceleration or otherwise) shall bear interest at the highest rate allowed by applicable law from the due date until paid.

Provided, Holder has not accelerated this Note as provided herein, Borrower shall pay holder a late charge of five percent (5%) of any required payment which is not received by Holder within Fifteen (15) days of when said payment is due. The parties agree that said charge is a fair and reasonable charge for the late payment and shall not be deemed a penalty.

Time is of the essence hereunder. In the event that this Note is collected by law or through attorneys at law, or under advice therefrom, Borrower agrees, to pay all costs of collection including reasonable attorneys' fees, whether or not suit is brought, and whether incurred in connection with collection, trial, appeal, bankruptcy or other creditors proceedings or otherwise.

Acceptance of partial payments or payments marked "payment in full" or "in satisfaction" or words to similar effect shall not affect the duty of Borrower to pay all obligations due hereunder, and shall not affect the right of Holder to pursue all remedies available to it under any Loan Documents.

The remedies of Holder shall be cumulative and concurrent, and may be pursued singularly, successively or together, at the sole discretion of Holder, including specifically any failure to exercise or forbearance in the exercise of any remedy, shall be deemed to be a waiver or release of the same, such waiver or release to be effected only through a written document executed by Holder and then only to the extent specifically recited therein. A waiver or release with reference to any one event shall not be

construed as continuing or as constituting a course of dealing, nor shall it be construed as a bar to, or as a waiver or release of, any subsequent remedy as to a subsequent event.

Any notice to be given or to be served upon any party hereto in connection with this Note, whether required or otherwise, may be given in any manner permitted under the Loan Documents.

The term "other person liable for payment hereof" shall include any endorser, guarantor, surety or other person now or hereafter primarily or secondarily liable for the payment of this Note, whether by signing this or another loan document.

Whenever the context so requires, the neuter gender includes the feminine and/or masculine, as the case may be, and the singular number includes the plural, and the plural number includes the singular.

Borrower and any other person liable for the payment hereof respectively, hereby (a) expressly waive any valuation and appraisal, presentment, demand for payment, notice of dishonor, protest, notice of nonpayment or protest, all other forms of notice whatsoever, and diligence in collection; (b) consent that Holder may, from time to time and without notice to any of them or demand, (i) extend, rearrange, renew or postpone any or all payments, (ii) release, exchange, add to or substitute all or any part of the collateral for this Note, and/or (iii) release Borrower (or any co-borrower) or any other person liable for payment hereof, without in any way modifying, altering, releasing, affecting or limiting their respective liability or the lien of any security instrument; and (c) agree that Holder, in order to enforce payment of this Note against any of them, shall not be required first to institute any suit or to exhaust any of its remedies against Borrower (or any co-borrower) or against any other person liable for payment hereof or to attempt to realize on any collateral for this Note.

BORROWER WAIVES ITS RIGHT TO A TRIAL BY JURY IN ANY ACTION, WHETHER ARISING IN CONTRACT OR TORT BY STATUTE OR OTHERWISE, IN ANY WAY RELATED TO THIS NOTE. THIS PROVISION IS A MATERIAL INDUCEMENT FOR HOLDER'S EXTENDING CREDIT TO BORROWER AND NO WAIVER OR LIMITATION OF HOLDER'S RIGHTS UNDER THIS PARAGRAPH SHALL BE EFFECTIVE UNLESS IN WRITING AND MANUALLY SIGNED ON HOLDER'S BEHALF.

IN WITNESS WHEREOF, Borrower has executed this Note on the day and year first above written.

Thirteenth Street Industrial Park, Inc., a
Florida Corporation

By: *Sandra D. Foland*
Sandra D. Foland
President

04/21/2004

L:\LYNN SOLOMON\pbe-108 loans\baron signs\final documents\Promissory note-Acq-04-29-04.wpd

This is not a certified copy

PROMISSORY NOTE
(Equipment Purchase)

\$320,000.00

West Palm Beach, Florida
May 27, 2004

FOR VALUE RECEIVED the undersigned, Thirteenth Street Industrial Park, Inc., a Florida corporation ("Borrower"), promises to pay to the order of PALM BEACH COUNTY, a political subdivision of the State of Florida, together with any other holder hereof ("Holder"), at 301 North Olive Avenue, West Palm Beach, Florida 33401, or such other place as Holder may from time to time designate in writing, the principal sum of Three Hundred Twenty Thousand and No/100 Dollars (320,000.00) plus accrued interest, to be paid in lawful money of the United States of America, as follows:

- 1) This Note shall bear interest computed at the stated rate of London Interbank Offered Rate (LIBOR) for six months, as published in the Money Rates Section of the Wall Street Journal, or some other comparable rate if LIBOR is no longer published, in effect on July 1, 2004 plus One (1%) percent per annum on the outstanding principal balance from time to time remaining unpaid from the date of each disbursement. The annual interest rate for this Note is computed based on a 360 day year.
- 2) Repayment hereunder shall occur as follows:
 - (a) Commencing on July 1, 2004 and on the First day of each month thereafter, Borrower shall make principal and interest payments based on a fifteen year amortization schedule until June 1, 2019, at which time all principal, accrued interest, late fees and advances shall be due and payable.
- 3) Borrower agrees to provide annually to Holder a certification of Project income and expenses, and certified by an independent Certified Public Accountant acceptable to the County. Said certification shall be provided prior to each annual due date commencing in the year 2005.
- 4) This Note may be prepaid in whole or in part at any time, without penalty or premium. Any prepayment hereunder

shall be applied first to unpaid costs of collection, servicing fees, and late charges, if any, then to accrued, deferred and unpaid interest and the balance, if any, to the principal balance.

- 5) After maturity or acceleration, this Note shall bear interest at the Default Interest Rate until paid in full.

PALM BEACH COUNTY, A POLITICAL SUBDIVISION OF THE STATE OF FLORIDA IS EXEMPT FROM PAYMENT OF EXCISE TAX ON DOCUMENTS. STAMPS HAVE BEEN AFFIXED TO THE MORTGAGE AND CANCELED AS REQUIRED BY LAW.

This Note is executed pursuant to the terms and conditions of that certain Loan Agreement dated May 4, 2004 between Maker, as Borrower, and Holder, as Lender, and is secured by a Mortgage and Security Agreement (the "Mortgage") encumbering certain real property located in Palm Beach County, Florida (the "Premises"), all of even date herewith. The foregoing and all other agreements, instruments and documents delivered in connection therewith and herewith are collectively referred to as the "Loan Documents."

This Note has been executed and delivered in, and is to be governed by and construed under the laws of, the State of Florida, as amended, except as modified by the laws and regulations of the United States of America.

Nothing herein contained, nor any transaction related thereto, shall be construed or so operate as to require the Borrower to pay interest at a greater rate than is now lawful in such case to contract for, or to make any payment, or to do any act contrary to ethical law. Should any interest or other charges paid by the Borrower, or parties liable for the payment of this Note, in connection with the Loan Documents result in the computation or earning of interest in excess of the maximum rate of interest that is legally permitted under applicable law, any and all such excess shall be and the same is hereby waived by the Holder, and any and all such excess shall be automatically credited against and in reduction of the balance due under this indebtedness, and a portion of said excess which exceeds the balance due under this indebtedness shall be paid by the Holder to the Borrower.

Holder shall have the right to declare the total unpaid balance hereof to be immediately due and payable in advance of the Maturity Date upon the failure of Borrower to pay when due or within the

applicable grace period any payment of principal or interest or other amount due hereunder; or failure to pay when due or within the applicable grace period any payment of principal or interest under that promissory note in the amount of \$1,340,000.00 dated May 21, 2004 in favor of the Holder or upon the occurrence of an Event of Default pursuant to any other Loan Documents now or hereafter evidencing, securing or guarantying payment of this Note. Exercise of this right shall be without notice to Borrower or to any other person liable for payment hereof, notice of such exercise being hereby expressly waived.

Any payment hereunder not paid when due or within the applicable grace period (at maturity, upon acceleration or otherwise) shall bear interest at the highest rate allowed by applicable law from the due date until paid.

Provided Holder has not accelerated this Note as provided herein, Borrower shall pay holder a late charge of five percent (5%) of any required payment which is not received by Holder within Fifteen (15) days of when said payment is due. The parties agree that said charge is a fair and reasonable charge for the late payment and shall not be deemed a penalty.

Time is of the essence hereunder. In the event that this Note is collected by law or through attorneys at law, or under advice therefrom, Borrower agrees, to pay all costs of collection including reasonable attorneys' fees, whether or not suit is brought, and whether incurred in connection with collection, trial, appeal, bankruptcy or other creditors proceedings or otherwise.

Acceptance of partial payments or payments marked "payment in full" or "in satisfaction" or words to similar effect shall not affect the duty of Borrower to pay all obligations due hereunder, and shall not affect the right of Holder to pursue all remedies available to it under any Loan Documents.

The remedies of Holder shall be cumulative and concurrent, and may be pursued singularly, successively or together, at the sole discretion of Holder, including specifically any failure to exercise or forbearance in the exercise of any remedy, shall be deemed to be a waiver or release of the same, such waiver or release to be effected only through a written document executed by Holder and then only to the extent specifically recited therein. A waiver or release with reference to any one event shall not be construed as continuing or as constituting a course of dealing, nor shall it be

construed as a bar to, or as a waiver or release of, any subsequent remedy as to a subsequent event.

Any notice to be given or to be served upon any party hereto in connection with this Note, whether required or otherwise, may be given in any manner permitted under the Loan Documents.

The term "other person liable for payment hereof" shall include any endorser, guarantor, surety or other person now or hereafter primarily or secondarily liable for the payment of this Note, whether by signing this or another loan document.

Whenever the context so requires, the neuter gender includes the feminine and/or masculine, as the case may be, and the singular number includes the plural, and the plural number includes the singular.

Borrower and any other person liable for the payment hereof respectively, hereby (a) expressly waive any valuation and appraisal, presentment, demand for payment, notice of dishonor, protest, notice of nonpayment or protest, all other forms of notice whatsoever, and diligence in collection; (b) consent that Holder may, from time to time and without notice to any of them or demand, (i) extend, rearrange, renew or postpone any or all payments, (ii) release, exchange, add to or substitute all or any part of the collateral for this Note, and/or (iii) release Borrower (or any co-borrower) or any other person liable for payment hereof, without in any way modifying, altering, releasing, affecting or limiting their respective liability or the lien of any security instrument; and (c) agree that Holder, in order to enforce payment of this Note against any of them, shall not be required first to institute any suit or to exhaust any of its remedies against Borrower (or any co-borrower) or against any other person liable for payment hereof or to attempt to realize on any collateral for this Note.

BORROWER WAIVES ITS RIGHT TO A TRIAL BY JURY IN ANY ACTION, WHETHER ARISING IN CONTRACT OR TORT, BY STATUTE OR OTHERWISE, IN ANY WAY RELATED TO THIS NOTE. THIS PROVISION IS A MATERIAL INDUCEMENT FOR HOLDER'S EXTENDING CREDIT TO BORROWER AND NO WAIVER OR LIMITATION OF HOLDER'S RIGHTS UNDER THIS PARAGRAPH SHALL BE EFFECTIVE UNLESS IN WRITING AND MANUALLY SIGNED ON HOLDER'S BEHALF.

IN WITNESS WHEREOF, Borrower has executed this Note on the day and year first above written.

Thirteenth Street Industrial Park, Inc., a
Florida Corporation

By: *Sandra D. Foland*
Sandra D. Foland
President

04/21/2004

L:\LYNN SOLOMON\pbc 108 loans\baron signs\final documents\promissory note equipment-04-29-04.wpd