

**PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS**

AGENDA ITEM SUMMARY

Meeting Date:	June 21, 2011	<input type="checkbox"/> Consent	<input checked="" type="checkbox"/> Regular
		<input type="checkbox"/> Ordinance	<input type="checkbox"/> 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) Amendment No. 001 to a Conditional Grant Agreement (R2009-0658) with Habitat for Humanity of Palm Beach County, Inc. (Habitat);
B) A First Mortgage and Note Modification Agreement with Habitat;
C) A First Amendment to the Declaration of Restrictive Covenant with Habitat; and
D) A Mortgage Subordination Agreement to subordinate Palm Beach County's interest in a Mortgage and Security Agreement received from Habitat to that of the Palm Beach County Housing Finance Authority.

Summary: The proposed development of 19 homes at Kennedy Estates II is the second phase by Habitat to provide affordable housing in the Town of Jupiter. Habitat was only recently able to obtain approval of a \$1.2 Million revolving loan from the Palm Beach County Housing Finance Authority (HFA) of which \$400,000 will be for infrastructure and \$800,000 for vertical home construction. The original funding provided by the County requires Habitat to complete the construction of these homes by June 30, 2011. ***Continued on Page 3***

Background and Justification: On April 21, 2009, Palm Beach County entered into a Conditional Grant Agreement (R2009-0658) with Habitat to provide \$750,000 of State Housing Initiatives Partnership (SHIP) funds from the Florida Housing Finance Corporation for the acquisition of a 3.5 acre parcel of land where 19 affordable homes will be constructed. The Kennedy Estates II site is located at the corner of Jupiter Gardens Boulevard and Mallards Cove Road, which is south of Indian Town Road and west of South Central Boulevard. Habitat recently completed the construction of 27 affordable homes known as Kennedy Estates I which is nearby on Jupiter Gardens Boulevard.

Attachments:

1. Location Map
2. Amendment 001 to a Conditional Grant Agreement (R2009-0658) with Habitat for Humanity of Palm Beach County, Inc.
3. First Mortgage and Note Modification Agreement with Habitat for Humanity of Palm Beach County, Inc.
4. First Amendment to the Declaration of Restrictive Covenant with Habitat for Humanity of Palm Beach County, Inc.
5. Mortgage Subordination Agreement with Exhibit A
6. Conditional Grant Agreement (R2009-0658) with Habitat for Humanity of Palm Beach County, Inc., with Exhibits A-E
7. Mortgage and Security Agreement with Habitat for Humanity of Palm Beach County, Inc. with Exhibits A and B
8. Declaration of Restrictive Covenant from Habitat for Humanity of Palm Beach County, Inc. with Exhibit A
9. Appraisal of Kennedy Estates II property dated April 25, 2011

Recommended by: _____

Department Director

6/8/2011
Date

Approved By: _____

Assistant County Administrator

6/13/2011
Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2011	2012	2013	2014	2015
Capital Expenditures					
Operating Costs					
External Revenues					
Program Income					
In-Kind Match					
NET FISCAL IMPACT	*				

# ADDITIONAL FTE POSITIONS (Cumulative)					
--	--	--	--	--	--

Is Item Included In Current Budget? Yes ____ No ____
 Budget Account No.:

Fund ____ Unit ____ Org ____ Object ____ Program Code/Period BG ____ -GY ____

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

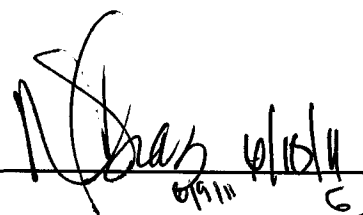
* No Fiscal Impact


C. Departmental Fiscal Review:


 Shairette Major, Fiscal Manager I

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Development and Control Comments:


 OFMB


 Contract Development and Control

B. Legal Sufficiency:


 Senior Assistant County Attorney

C. Other Department Review:

 Department Director

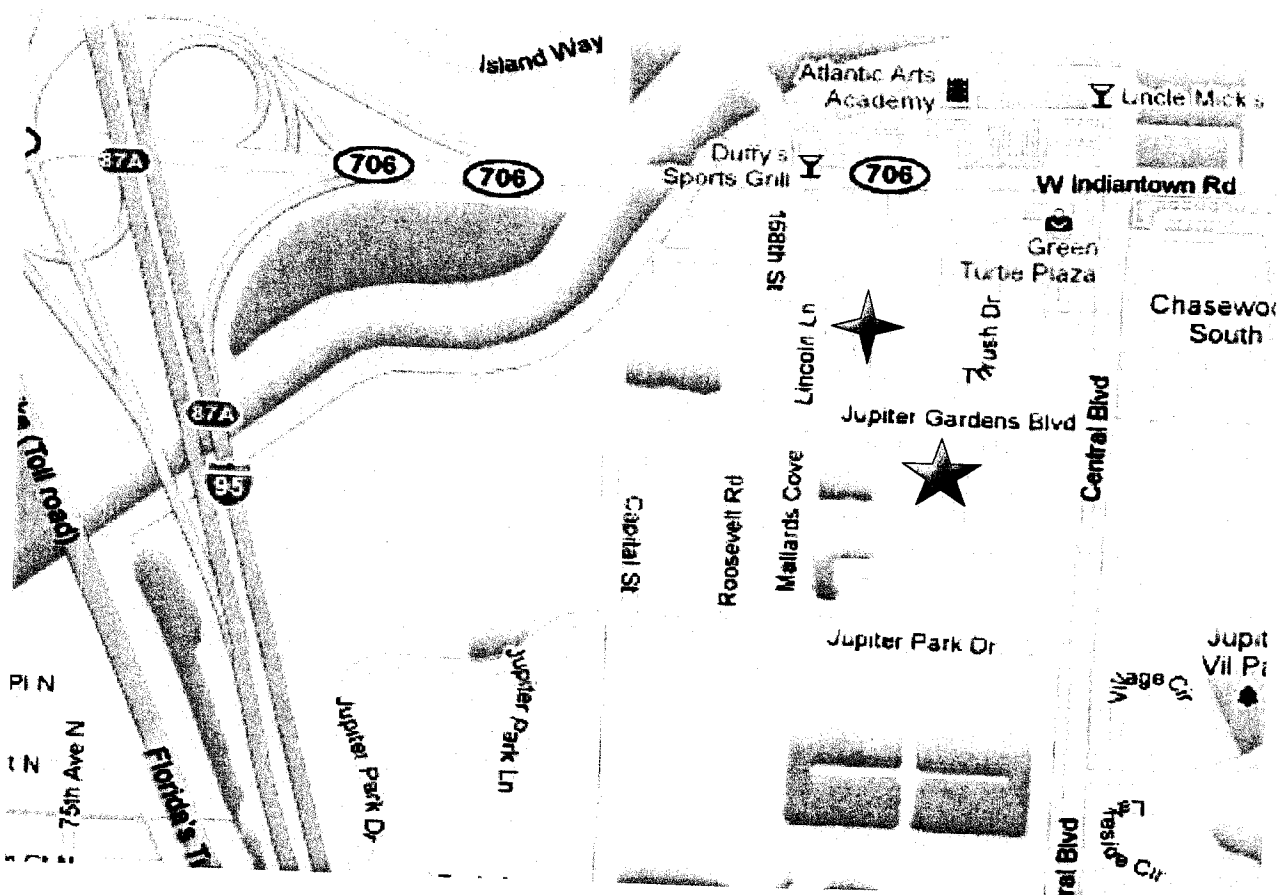
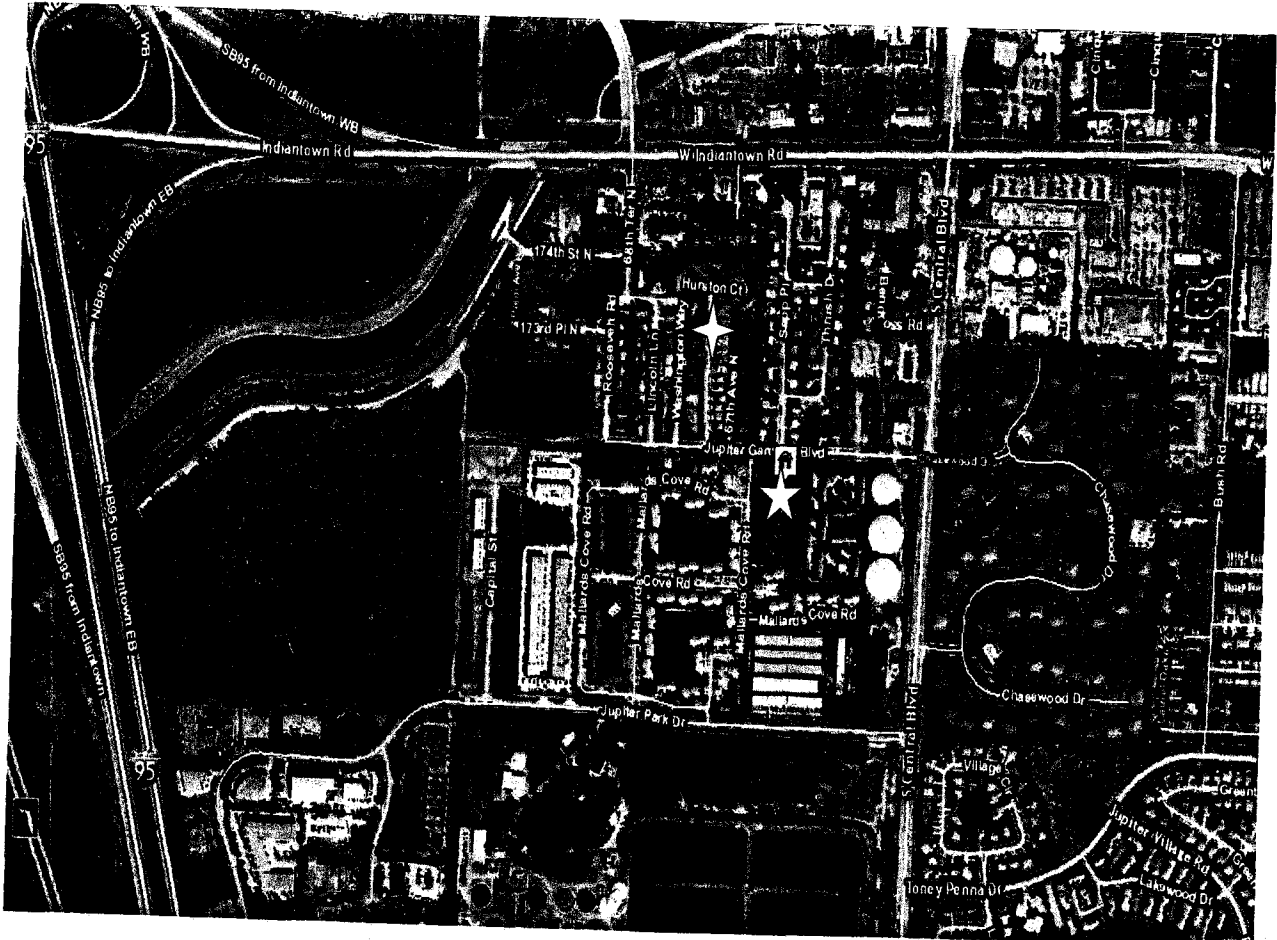
This summary is not to be used as a basis for payment.

Summary: Continued from Page 1

Since Habitat was only recently able to acquire the financing needed to proceed with this development, they have requested a two (2) year time extension to complete the construction of the homes by June 30, 2013. Habitat has indicated that given the prevailing economic conditions, it does not expect to identify a sufficient number of extremely low income households to occupy 12 of the 19 homes, and has accordingly requested that the requirement for these 12 homes be changed from extremely low income households to very low income households. The Conditional Grant Agreement, First Mortgage and Note Modification Agreement and First Amendment to the Declaration of Restrictive Covenant are being amended to reflect these changes.

The HFA is requiring the County to subordinate our \$750,000 mortgage to their \$1.2 Million line of credit. It is customary for the larger creditor to be in the first lien position. An April 2011 appraisal projects a value of \$1.1 Million upon completion of the on-site infrastructure. Should Habitat default, based on the current land value and after HFA's \$400,000 for infrastructure, there would be \$700,000 in remaining value, which would cover 93% of the County's \$750,000 mortgage. Should Habitat fail to complete the project, the County would be at risk to pay the State for the units not completed which is why it is important to ensure that there are adequate assets to cover this risk. Staff is recommending approval due to the excellent track record Habitat had executing Kennedy Estates I. **These are State Housing Initiatives Partnership (SHIP) funds which require no local match.** (Contract Development) District 1 (TKF)

Habitat for Humanity of Palm Beach County, Inc.
Location Map



★ Kennedy Estates I

★ Kennedy Estates II

**AMENDMENT 001 TO THE CONDITIONAL GRANT AGREEMENT
WITH
HABITAT FOR HUMANITY OF PALM BEACH COUNTY, INC.**

Amendment 001 entered into this ____ day of _____, 20____, by and between Palm Beach County and Habitat for Humanity of Palm Beach County, Inc.

WITNESSETH:

WHEREAS, Palm Beach County entered into a Conditional Grant Agreement (R2009-0658) with Habitat for Humanity of Palm Beach County, Inc., on April 21, 2009, to provide \$750,000 of State Housing Initiatives Partnership (SHIP) funds for land acquisition; and

WHEREAS, the parties wish to modify the Conditional Grant Agreement to change the date of completion of construction, and

WHEREAS, both parties mutually agree that the original Conditional Grant Agreement entered into on April 21, 2009, is hereby amended as follows:

Paragraph 1(b) - RECITALS:

Replace "extremely low income households" with "very low income households".

Paragraph 7(a) - SPECIAL PROVISIONS:

Delete the entire contents of Paragraph 7(a) of the Conditional Grant Agreement and replace them with the following: "Grantee agrees that the Improvements will consist of nineteen (19) homes constructed on the Premises of which twelve (12) homes shall be reserved for households who have very low income, and of which seven homes shall be reserved for households who have low income, as defined in the Declaration of Restrictive Covenants, for a period of thirty (30) years."

Paragraph 12(e) - DEFAULT:

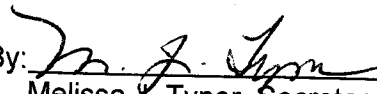
Replace "June 30, 2011" with "June 30, 2013".

NOW THEREFORE, 1) all items in the previous Conditional Grant Agreement in conflict with this Amendment shall be and are hereby changed to conform to this Amendment, and 2) 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 Conditional Grant Agreement.

(AGENCY SEAL BELOW)

**HABITAT FOR HUMANITY
OF PALM BEACH COUNTY, INC.**

By: 
Robert J. Frein, President

By: 
Melissa J. Tyner, Secretary

(COUNTY SEAL BELOW)

**PALM BEACH COUNTY, FLORIDA, a
Political Subdivision of the State of Florida
BOARD OF COUNTY COMMISSIONERS**

By: _____
Karen T. Marcus, Chair
Board of County Commissioners

ATTEST: Sharon R. Bock,
Clerk & Comptroller

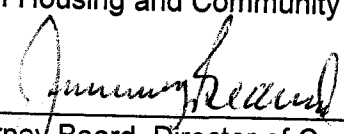
By: _____
Deputy Clerk

Document No.: _____

Approved as to Form and
Legal Sufficiency

Approved as to Terms and Conditions
Dept. of Housing and Community Development

By: _____
Tammy K. Fields
Senior Assistant County Attorney

By: 
Journey Beard, Director of Contract
Development and Quality Control

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By: _____

Melissa G. Tyner, Secretary

(COUNTY SEAL BELOW)

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Deputy Clerk

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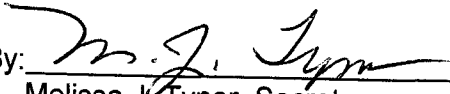
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(AGENCY SEAL BELOW)

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OF PALM BEACH COUNTY, INC.**

By: 
Robert J. Frein, President

By: 
Melissa J. Tyner, Secretary

(COUNTY SEAL BELOW)

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By: _____
Karen T. Marcus, Chair
Board of County Commissioners

ATTEST: Sharon R. Bock,
Clerk & Comptroller

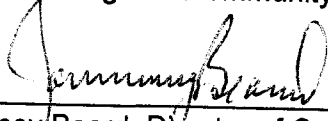
By: _____
Deputy Clerk

Document No.: _____

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Approved as to Terms and Conditions
Dept. of Housing and Community Development

By: _____
Tammy K. Fields
Senior Assistant County Attorney

By: 
Journey Beard, Director of Contract
Development and Quality Control

FIRST MORTGAGE AND NOTE MODIFICATION AGREEMENT BETWEEN
PALM BEACH COUNTY
AND
HABITAT FOR HUMANITY OF PALM BEACH COUNTY, INC.

THIS MORTGAGE AND NOTE MODIFICATION AGREEMENT executed this ____ day of _____, 20__, by Habitat for Humanity of Palm Beach County, Inc., (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:

WHEREAS, Mortgagee is the owner of that certain Mortgage and Security Agreement executed by Habitat for Humanity of Palm Beach County, Inc., as Mortgagor to the Mortgagee, dated May 8, 2009, said Mortgage being recorded in Official Records Book 23223, Page 1078, in the Public Records of Palm Beach County, Florida, on May 11, 2009, (the "Mortgage") and is the holder of a certain Promissory Note, of which a copy is attached to the Mortgage, and which is dated May 8, 2009, and recorded in Official Records Book 23223, Page 1090, in the Public Records of Palm Beach County, Florida, in the original principal sum of Seven Hundred and Fifty Thousand and 00/100 DOLLARS (\$750,000.00) (the "Note"); and

WHEREAS, the parties desire to modify said Mortgage and Note as hereinafter set out.

NOW THEREFORE, in consideration of Ten Dollars (\$10.00) and other good and valuable considerations paid by the Mortgagor to the Mortgagee, receipt of which is hereby acknowledged by Mortgagee, it is mutually understood and agreed that said Mortgage and Note be modified as follows:

1. In Paragraph 2(b) of the Note: Replace "extremely low and very low income households" with "very low and low income households".
2. In Paragraph 2(c) of the Note: Replace "June 30, 2011" with "June 30, 2013".
3. This Mortgage and Note Modification Agreement, consisting of two (2) enumerated pages, shall be executed in three (3) counterparts, each of which shall be deemed to be an original, and such counterparts will constitute one and the same instrument.
4. All other terms and conditions of the original Mortgage and Note, unless specifically changed herein, shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed in their respective names and have caused their seals to be affixed by their respective proper officers thereunto duly authorized.

Signed, sealed, and delivered in the presence of:

Witness Name: PAULA PORTCH

Witness Signature: _____

**HABITAT FOR HUMANITY
OF PALM BEACH COUNTY, INC.**

By: [Signature]
Robert J. Frein, President

(AGENCY SEAL BELOW)

Witness Name: Lisa Archer

Witness Signature: _____

[Signature]

(COUNTY SEAL BELOW)

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

BOARD OF COUNTY COMMISSIONERS

ATTEST: Sharon R. Bock,
Clerk & Comptroller

By: _____
Karen T. Marcus, Chair
Board of County Commissioners

By: _____
Deputy Clerk

Document No.: _____

Approved as to Form and
Legal Sufficiency

Approved as to Terms and Conditions
Dept. of Housing and Community Development

By: _____
Tammy K. Fields
Senior Assistant County Attorney

By: [Signature]
Journey Beard, Director of Contract
Development and Quality Control

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Witness Name: PAULA PORTCH

Witness Signature: _____

Paula Portch

Witness Name: Lisa Archer

Witness Signature: _____

Lisa Archer

(COUNTY SEAL BELOW)

**HABITAT FOR HUMANITY
OF PALM BEACH COUNTY, INC.**

By: [Signature]
Robert J. Frein, President

(AGENCY SEAL BELOW)

**PALM BEACH COUNTY, FLORIDA, a
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By: _____
Karen T. Marcus, Chair
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By: _____
Deputy Clerk

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Dept. of Housing and Community Development

By: _____
Tammy K. Fields
Senior Assistant County Attorney

By: [Signature]
Journey Beard, Director of Contract
Development and Quality Control

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Witness Signature:

Paula Portch

Witness Name: Lisa Archer

Witness Signature:

Lisa Archer

(COUNTY SEAL BELOW)

**HABITAT FOR HUMANITY
OF PALM BEACH COUNTY, INC.**

By: Robert J. Frein
Robert J. Frein, President

(AGENCY SEAL BELOW)

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ATTEST: Sharon R. Bock,
Clerk & Comptroller

By: _____
Deputy Clerk

Approved as to Form and
Legal Sufficiency

Approved as to Terms and Conditions
Dept. of Housing and Community Development

By: _____
Tammy K. Fields
Senior Assistant County Attorney

By: Journey Beard
Journey Beard, Director of Contract
Development and Quality Control

FIRST AMENDMENT TO THE DECLARATION OF RESTRICTIVE COVENANT

This Amendment is entered into this ____ day of _____, 20____, by and between Palm Beach County and Habitat for Humanity of Palm Beach County, Inc.

WITNESSETH:

WHEREAS, Habitat for Humanity of Palm Beach County, Inc. (hereinafter referred to as the "Declarant") executed a Declaration of Restrictive Covenant (hereinafter referred to as "Declaration") on May 8, 2009, and recorded said Declaration on May 11, 2009, in Official Records Book 23223, at Page 1093, of the Public Records of Palm Beach County, Florida; and

WHEREAS, Palm Beach County is the beneficiary of the restrictions created by the granting of the Declaration, and

WHEREAS, the parties desire to modify said Declaration as follows:

Paragraph 1.f - Eligible Household: Delete the entire contents of Paragraph 1.f of the Declaration entitled Eligible Household and replace them with the following: "Eligible Household" means one or more person living together and sharing living expenses whose combined income does not exceed the limits of low and very low income households as identified in the guidelines of the U.S. Department of Housing and Urban Development (HUD), localized for Palm Beach County, and published annually by the Palm Beach County Department of Housing and Community Development. Eligible Low Income Households are those with adjusted gross incomes less than or equal to eighty percent (80%) of the median adjusted gross income for households within the County. Eligible Very Low Income Households are those with adjusted gross incomes less than or equal to fifty percent (50%) of the median adjusted gross income for households within the County. For purposes of this paragraph, one or more persons from this living arrangement will occupy a Subject Affordable Housing Unit on a year-round basis as the primary residence.

Paragraph 6.a - Consideration for Declaration: Delete the word "Extremely" in one instance where it appears in this Paragraph.

Paragraph 7 - Covenant Compliance: Delete the word "Extremely" in two instances where it appears in this Paragraph.

Paragraph 14 - Release of Restrictions: Replace "\$31,250.00" with "\$39,473.68".

NOW THEREFORE, 1) all items in the Declaration in conflict with this Amendment shall be and are hereby changed to conform to this Amendment, and 2) 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 Declaration.

Signed, sealed, and delivered in the presence of:

Witness Name: Paula Portch

Witness Signature:

Paula Portch

Witness Name: Lisa Archer

Witness Signature:

Lisa Archer

(COUNTY SEAL BELOW)

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OF PALM BEACH COUNTY, INC.**

By:

Robert J. Frein, President

(AGENCY SEAL BELOW)

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ATTEST: Sharon R. Bock,
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By: _____
Deputy Clerk

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Witness Name: PAULA PORTCH
Witness Signature: _____

Paula Portch

Witness Name: Lisa Archer
Witness Signature: _____

Lisa Archer

(COUNTY SEAL BELOW)

**HABITAT FOR HUMANITY
OF PALM BEACH COUNTY, INC.**

By: Robert J. Frein
Robert J. Frein, President

(AGENCY SEAL BELOW)

**PALM BEACH COUNTY, FLORIDA, a
Political Subdivision of the State of Florida
BOARD OF COUNTY COMMISSIONERS**

By: _____
Karen T. Marcus, Chair
Board of County Commissioners

ATTEST: Sharon R. Bock,
Clerk & Comptroller

By: _____
Deputy Clerk

Approved as to Form and
Legal Sufficiency

By: _____
Tammy K. Fields
Senior Assistant County Attorney

Approved as to Terms and Conditions
Dept. of Housing and Community Development

By: Journey Beard
Journey Beard, Director of Contract
Development and Quality Control

FIRST AMENDMENT TO THE DECLARATION OF RESTRICTIVE COVENANT

This Amendment is entered into this ____ day of _____, 20____, by and between Palm Beach County and Habitat for Humanity of Palm Beach County, Inc.

WITNESSETH:

WHEREAS, Habitat for Humanity of Palm Beach County, Inc. (hereinafter referred to as the "Declarant") executed a Declaration of Restrictive Covenant (hereinafter referred to as "Declaration") on May 8, 2009, and recorded said Declaration on May 11, 2009, in Official Records Book 23223, at Page 1093, of the Public Records of Palm Beach County, Florida; and

WHEREAS, Palm Beach County is the beneficiary of the restrictions created by the granting of the Declaration, and

WHEREAS, the parties desire to modify said Declaration as follows:

Paragraph 1.f - Eligible Household: Delete the entire contents of Paragraph 1.f of the Declaration entitled Eligible Household and replace them with the following: "Eligible Household" means one or more person living together and sharing living expenses whose combined income does not exceed the limits of low and very low income households as identified in the guidelines of the U.S. Department of Housing and Urban Development (HUD), localized for Palm Beach County, and published annually by the Palm Beach County Department of Housing and Community Development. Eligible Low Income Households are those with adjusted gross incomes less than or equal to eighty percent (80%) of the median adjusted gross income for households within the County. Eligible Very Low Income Households are those with adjusted gross incomes less than or equal to fifty percent (50%) of the median adjusted gross income for households within the County. For purposes of this paragraph, one or more persons from this living arrangement will occupy a Subject Affordable Housing Unit on a year-round basis as the primary residence.

Paragraph 6.a - Consideration for Declaration: Delete the word "Extremely" in one instance where it appears in this Paragraph.

Paragraph 7 - Covenant Compliance: Delete the word "Extremely" in two instances where it appears in this Paragraph.

Paragraph 14 - Release of Restrictions: Replace "\$31,250.00" with "\$39,473.68".

NOW THEREFORE, 1) all items in the Declaration in conflict with this Amendment shall be and are hereby changed to conform to this Amendment, and 2) 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 Declaration.

Signed, sealed, and delivered in the presence of:

Witness Name: PAULA PORTCH
Witness Signature:

Paula Portch

Witness Name: Lisa Archer
Witness Signature:

Lisa Archer

(COUNTY SEAL BELOW)

**HABITAT FOR HUMANITY
OF PALM BEACH COUNTY, INC.**

By: [Signature]
Robert J. Frein, President
(AGENCY SEAL BELOW)

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Senior Assistant County Attorney

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Document No.: _____

Approved as to Terms and Conditions
Dept. of Housing and Community Development

By: [Signature]
Journey Beard, Director of Contract
Development and Quality Control

MORTGAGE SUBORDINATION AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

Palm Beach County as present legal holder and owner of that certain Mortgage and Security Agreement (the "Mortgage") dated May 8, 2009, and executed by Habitat for Humanity of Palm Beach County, Inc., as Mortgagor, to Palm Beach County, as Mortgagee, said Mortgage being recorded on May 11, 2009, in Official Record Book 23223, at Page 1078, in the Public Records of Palm Beach County, Florida, encumbering the real property situate, lying and being in Palm Beach County, Florida, as described in Exhibit A attached hereto.

For good and valuable consideration, to wit: Palm Beach County, Mortgagee, has and by these presents does waive the priority of the lien of the above described Mortgage insofar as the following described Mortgage is concerned, but not otherwise:

That certain Mortgage dated _____, from Habitat for Humanity of Palm Beach County, Inc., Mortgagor, to Housing Finance Authority of Palm Beach County, as Mortgagee, securing payment of a Note for a term of 36 months, at a fixed interest rate not to exceed 1 % per annum, and in the original principal amount which shall not exceed \$1,200,000.00, plus all future advances and payments made for taxes, insurance and to cure borrower's default.

The undersigned Palm Beach County hereby consenting that the lien of the Mortgage first above described be taken as second and inferior to the Mortgage last above described, which shall be a first mortgage.

WITNESS my hand and seal this day of _____.

(COUNTY SEAL BELOW)

**PALM BEACH COUNTY, FLORIDA, a
Political Subdivision of the State of Florida
BOARD OF COUNTY COMMISSIONERS**

ATTEST: Sharon R. Bock,
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By: _____
Karen T. Marcus, Chair
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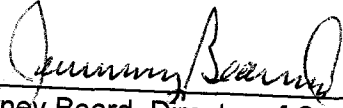
By:  _____
Journey Beard, Director of Contract
Development and Quality Control

EXHIBIT "A"

LEGAL DESCRIPTION

A parcel of land lying in Section 3, Township 41 South, Range 42 East, Palm Beach County, Florida. Being the South 408 feet of the North 424.5 feet of the East half of the West half of the Southeast quarter of the Southwest quarter of Section 3, Township 41 South, Range 42 East, LESS the North 32.5 feet thereof taken by Palm Beach County for road Right-of-Way purposes. LESS also that portion lying East of a line 660.0 feet West of and parallel to the East line of said Southwest quarter of Section 3.

ALSO described as:

A part of the east half of the Northwest quarter of the Southeast quarter of the Southwest quarter of Section 3, Township 41 South, Range 42 East, Palm Beach County, Florida, more particularly described as follows:

From the Northwest corner of said East half of the Northwest quarter of the Southeast quarter of the Southwest quarter, proceed Southerly along the West line of said East half of the Northwest quarter of the Southeast quarter of the Southwest quarter 60.00 feet to the Point of Beginning, thence Southerly along said West line 364.5 feet thence Easterly parallel to the North line of said East half of the Northwest quarter of the Southeast quarter of the Southwest quarter 306.43 feet to a line 660.0 feet West of and parallel to the East line of said Southwest quarter of Section 3: thence Northerly along said parallel line 364.5 feet to a line 60.00 feet South of and parallel to said North line; thence Westerly parallel to said North line 309.50 feet to the Point of Beginning.

And

That portion of the East $\frac{1}{2}$ of the West $\frac{1}{3}$ of the Southeast $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of Section 3, Township 41 South, Range 42 East; LESS; however, the North 424.5 feet; also LESS that portion of said East $\frac{1}{2}$ lying South of the following described line:

From the Southwest corner of said Section 3, bear S 88° 54' 17" E along the South line of said Section 3 a distance of 358.54 feet; thence N 01° 05' 57" E, along the West line of the East ¼ of the Southwest ¼ of the Southwest ¼ of said Section 3, a distance of 16.50 feet; thence continue N 01° 05' 57" E. along said West line, a distance of 1155.41 feet; thence S 89° 09' 04" E. a distance of 322.87 feet to a point in the East line of the Southwest ¼ of the Southwest ¼ of said Section 3; thence N 01° 15' 40" E. along said East line, a distance of 106.50 feet to a point in the South line of a 60.00 foot Right-of-Way, as recorded in O.R. Book 8485, Page 1142, Public Records of Palm Beach County, Florida, thence S 89° 09' 44" E. along the South line of said 60.00 foot Right-of-Way, (a portion of which is recorded in O.R. Book 3485, Page 1144, Public Records of Palm Beach County, Florida), a distance of 323.17 feet to a point in the East line of the West ¼ of the Southeast ¼ of the Southwest ¼ of said Section 3; thence S 01° 25' 22" W. along said East line, a distance of 506.82 feet, for a Point of Beginning of the aforementioned line; thence S 88° 54' 17" E. a distance of 321.73 feet more or less to a point in the east line of said East ½ of the West ½ of the Southeast ¼ of the Southwest ¼ to a point being the end of said line.

Together with:

An Ingress and Egress easement said easement being the North 449.5 feet of a 15 foot wide strip of land lying Easterly of adjacent and contiguous to East line of the East ½ of the West ½ of the Southeast ¼ of the Southwest; ¼ of Section 3, Township 41 South. Range 42 East, Palm Beach County, Florida; LESS the North 60.00 feet thereof.

MORTGAGE SUBORDINATION AGREEMENT

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BOARD OF COUNTY COMMISSIONERS**

ATTEST: Sharon R. Bock,
Clerk & Comptroller

By: _____
Karen T. Marcus, Chair
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By: _____
Deputy Clerk

Approved as to Form and
Legal Sufficiency

Approved as to Terms and Conditions
Dept. of Housing and Community Development

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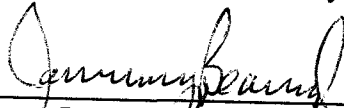
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CONDITIONAL GRANT AGREEMENT

THIS AGREEMENT, dated as of this APR 21 day of 2009, by and between Palm Beach County, a political subdivision of the State of Florida, (hereinafter referred to as the "County") and HABITAT FOR HUMANITY OF PALM BEACH COUNTY, INC., a Florida not-for-profit corporation, whose Federal I.D. number is 593525576 (the "Grantee").

1. RECITALS:

(a) Grantee has a contract to purchase real property located in West Jupiter in Palm Beach County, Florida, as more particularly described in Exhibit "A", attached hereto and made a part hereof, (the "Premises").

(b) Grantee has applied to the County for a Conditional Grant in the principal amount of \$750,000.00 (the "Conditional Grant") to be used by Grantee to acquire the Premises and improve the Premises. Grantee intends to construct nineteen (19) units. At least twelve (12) of the units will be reserved for extremely low income households and at least seven (7) of the units will be reserved for low-income households. This project shall be known as Kennedy Estates II.

(c) Grantee 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 Conditional Grant.

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, Grantee and the County agree as follows:

2. THE CONDITIONAL GRANT. The County shall make the Conditional Grant to Grantee in an amount not to exceed \$750,000.00 upon the terms and conditions set forth herein, the Declaration of Restrictions attached hereto as Exhibit "B" the Promissory Note attached hereto as Exhibit C and the Mortgage and Security Agreement attached hereto as Exhibit D, and Grantee shall take the Conditional Grant and expressly agrees to comply with and to perform all of the terms and conditions of the Conditional Grant Agreement, the Declaration of Restrictive Covenants the Promissory Note, the Mortgage and Security Agreement and any other documents evidencing and securing the Conditional Grant (collectively hereinafter referred to as the "Conditional Grant Documents"). The closing of the Conditional Grant shall occur at the office of the County Attorney or such other mutually agreed upon site no later than December 18, 2009.

3. RIGHT TO AUDIT. The Grantee shall maintain adequate records to justify all charges, expenses and costs incurred for the acquisition of the Premises and the completion of the Improvements for at least three (3) years after completion. 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 Grantee's place of business.

4. CONDITIONS PRECEDENT TO CLOSING. The conditions listed below are a condition precedent to the County's acceptance of the Declaration of Restrictive Covenants and disbursement of funds and shall be complied with in form and substance satisfactory to the County prior to the closing, with the exception of the items listed in 4(F) which shall be delivered within six (6) months of Closing and disbursement of funds:

(a) Title Insurance:

(i) Within thirty (30) days of the effective date hereof, Grantee 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 Declaration of Restrictions a Lender's Title Insurance Policy in the amount of the Grant, subject only to the Permitted Exceptions listed on Exhibit "E" 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 Grantee.

(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 Grantee of its objections there to and Grantee shall act to remove such exceptions, which exception shall be deemed to constitute title defects. The Grantee shall be entitled to thirty (30) days from the day of notification (with the extension of the 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 the Conditional Grant Agreement, by giving written notice thereof to Grantee, 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 or pre-conditions to the issuance of a Lender's Title Insurance Policy, and to delete any exceptions for: (a) any rights or claims of 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 Declaration of Restrictive Covenants becomes recorded in the Public Records.

(b) Survey: Grantee 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.

(ix) within thirty (30) days of replatting of the subject property, Grantee shall deliver an updated survey to the County.

(c) Note: The Note, in a form substantially similar to Exhibit "C" attached hereto, and acceptable to the County Attorney, shall be duly authorized, executed and delivered to the County;

(d) Mortgage: The Mortgage, in a form substantially similar to Exhibit "D" attached hereto, and acceptable to the County Attorney, shall be duly authorized, executed, acknowledged, delivered to the County, and when recorded, shall be a valid mortgage lien on the Premises and on all fixtures 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 above, certifying to all such facts as are required to delete the Standard Exceptions from the Lenders 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) Public Requirements: Grantee shall deliver to the County within six (6) months of Closing:

(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 Grantee 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;

(g) Corporate Documents: Grantee shall deliver to the County the following documents:

(i) the Articles of Incorporation of the Grantee and all amendments thereof, certified by the appropriate official of the State of Florida, together with certificates of such official to the effect that Grantee is in good standing therein;

(ii) certified resolutions of the Grantee authorizing the execution and delivery of the Conditional Grant, the Declaration of Restrictions and all other documents necessary or desirable, for the consummation of the transactions contemplated by this Agreement;

(h) Flood Insurance: Grantee 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.

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

(i) This Conditional Grant Agreement, the Promissory Note, the Mortgage and Security Agreement 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 Grantee is a Florida not-for-profit corporation 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 Grantee is in compliance with all laws, regulations, ordinances and orders of all governmental authorities, including, but not limited to, if applicable, the Interstate Land Sales Full Disclosure Act, 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 Grantee and no provision of any existing mortgage, indenture, contract or agreement known to such counsel binding on Grantee 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 Grantee 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 the Declaration of Restrictive Covenants will be a valid encumbrance on the Premises.

(viii) that the lien of the Mortgage is a valid lien on the Premises and the Security interest described in the mortgage is good and valid security interests.

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

(h) Expenses: Grantee 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 Grant Agreement entitled Expenses;

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

(j) Representations and Warranties: The representations and warranties of Grantee as set forth in this Agreement and the other documents required hereunder are true and correct.

5. DISBURSEMENT OF GRANT FUNDS: The Grant funds will be used solely for the purposes of acquiring the Premises upon which the nineteen (19) units will be developed. The County shall disburse the Grant funds to Grantee in an amount not to exceed Seven Hundred and Fifty Thousand Dollars (\$750,000.00) upon receipt of documentation evidencing acquisition of the Premises. 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: Grantee shall pay fees and charges incurred in the procuring and making of this Grant if applicable, and other expenses incurred by the County during the term of the Grant 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: Grantee expressly agrees to the following terms and conditions:

(a) Grantee agrees that the Improvements will consist of nineteen (19) homes constructed on the Premises of which twelve (12) homes shall be reserved for households who have extremely low income and seven (7) homes shall be reserved for households who have very low income pursuant to U.S. Government HUD guidelines for a period of thirty (30) years.

(b) The Grantee shall not discriminate on the basis of race, creed, religion, color, sex, marital status, sexual orientation, national origin, age, gender identity or expression, familial status or disability in the use, or occupancy of any housing constructed on the Premises.

(c) Grantee agrees that the affordable housing units in the project will;

- (i) provide energy efficient heating and cooling;
- (ii) provide awnings, blinds, sun screening or similar window treatment;
- (iii) provide high efficiency appliances over 8 SEER;
- (iv) provide high efficiency water heater;
- (v) provide wall insulation R-13 or better (wood) or R-7 or better (CBS);
- (vi) maximize open space (25% or more of site);

(d) Grantee agrees to execute and record the Declaration of Restrictive Covenants and abide by its terms and conditions within five days of platting of the portion of the property containing the Subject Affordable Housing Units.

(e) Grantee agrees that Subject Affordable Housing Units will each be sold for less than the following:

- 3 bedrooms, two baths with 1250 sq. ft. - \$ 90,000
- 4 bedrooms, two baths with 1250 sq. ft. - \$ 90,000

Grantee further agrees that the units will be sold at a price which reflects the County's grant for this project. Accordingly, Grantee will provide documentation to the County that the sales price to eligible homebuyers is at least \$39,473.68 below the cost of acquisition development and construction of the Subject Affordable Housing Units. Grantee acknowledges that \$39,473.68 per Unit will be considered a subsidy to the homebuyer. The homebuyer of a SHIP-Assisted Unit may still be eligible to apply for purchase assistance from the County, but the maximum assistance shall be reduced by \$39,473.68.

Conditions (a-c) above shall, upon closing become covenants running with the land and shall survive the closing. These conditions and covenants will be recorded in the land records of Palm Beach County, Florida by inclusion in the Declaration of Restrictive Covenants and/or any separate document satisfactory to the County's Attorney citing the funding of this grant as consideration.

8. **AFFIRMATIVE MARKETING:** In furtherance of Palm Beach County's commitment to non-discrimination and equal opportunity in housing, the County's Department of Housing and Community Development (HCD) has established policies and procedures to affirmatively market housing units produced under the HOME, Community Development Block Grant (CDBG), and the State Housing Initiatives Partnership (SHIP) Programs.

These affirmative marketing procedures are implemented comprehensively for all the above housing programs through the County's Department of HCD and aim to effect greater participation of eligible persons from all racial, ethnic and gender-based minorities.

Palm Beach County will take the necessary steps to affirmatively market its housing programs through organized neighborhood meetings, distribution of literature, provision of information, press releases and other "good faith" efforts.

Palm Beach County Department of HCD, therefore, ensures that housing programs (geared toward existing homeowners and first-time home buyers) are advertised periodically through general circulation and minority newspapers, as well as through community information meetings at various locations, County-wide.

Borrower, in order to carry out the requirements and procedures of HCD's Affirmative Marketing Program, must comply with the following procedures:

(i) The Equal Opportunity logo or slogan will be used in advertisements;

(ii) Borrower will be requested to solicit applications from persons in the housing market area who are not likely to apply for housing without special

outreach. Borrower satisfies this requirement by posting a notice of vacancies in any or all of the following:

- Community Organizations
- Fair Housing Groups
- Housing Counseling Agencies
- Commercial Media
- Employment Centers
- Local Public Housing Authorities (PHA's)
or Other Similar Agencies

(iii) Palm Beach County HCD will keep records of their efforts to affirmatively market units and will require Borrower to provide copies of its records, including advertisements, minutes of meetings, income documentation, and census tract information as applicable.

(iv) Affirmative marketing records of the participants in the program will be monitored on-site annually, and a report will be compiled to assess their efforts in adhering to the requirements. These records will include, but not be limited to: copies of brochures, news clippings, press releases, sign-in logs from community meetings, and any letters of inquiry written to or from prospective clients. Borrower will be informed of their responsibility to adhere to the said requirements. Borrower will be required to submit monthly or quarterly reports using measures such as number of housing units provided, and number of families assisted. These measures will be used to determine the success of the program.

9. REPRESENTATIONS AND WARRANTIES OF GRANTEE. Grantee represents and warrants (which representations and warranties shall be deemed continuing) as follows:

(a) Organization Status. Grantee is a Florida not-for-profit 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. Grantee is duly authorized to receive from County the principal sum of \$750,000.00 and execute all Grant documents pertaining thereto.

(b) Financial Statements. The Financial statements of Grantee 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 Grantee since the date thereof;

(c) Authority to Enter into Grant Documents. The Grantee has full power and authority to enter into the Grant 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 Grant Documents. The Grant Documents have been approved by those persons having proper authority, and to the best of Grantee's knowledge are in all respects legal, valid and binding according to their terms;

(e) Conflicting Transactions of Grantee. The consummation of the transaction hereby contemplated and the performance of the obligations of Grantee under and by virtue of the Grant Documents will not result in any breach of, or constitute a default under, any other Agreement to which Grantee 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 Grantee, threaten against or affecting it or the Premises, or, involving the validity or enforceability of the Grant Agreement, or the Declaration of Restrictions.

(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 Grantee will obtain 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 Grantee'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 will be acquired by the appropriate local authorities or will be dedicated to public use and accepted by such local authorities and all necessary steps will be taken by Grantee and such local authorities to assure the complete construction and installation thereof;

(j) No Default. There is no default on the part of the Grantee under this Grant Agreement or the Declaration of Restrictions, 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 Grantee's expense.

(l) Hazardous Waste. Grantee 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 Grantee 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 Grantee. Grantee 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 Grantee 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.

10. **ADDITIONAL COVENANTS OF GRANTEE.** Grantee covenants and agrees with the County as follows:

(a) **Mechanics' Liens.** Grantee (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 Declaration of Restrictions 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 Grantee 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. Grantee 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 cost of defending same and the County's reasonable attorneys' fees in connection therewith.

In addition, Grantee agrees, at its sole cost and expense, to have any mechanics' lien or equitable lien which may be filed against the Premises or undisbursed funds of this Grant released, bonded or insured over within sixty (60) days of the date of filing same, time being of the essence. The County shall be under no obligation to make further disbursements while any such lien remains outstanding against the Premises.

Grantee hereby authorizes the County to demand, on Grantee's behalf, the statement of account referred to in Section 713.16(2) of the Florida Statutes, of any potential lienor filing a Notice to Owner. It is specifically understood and agreed, however, that the County's right to request such statements of account will in no way impose any obligation on the County to use such authority, and the exercise of such authority on one or more occasion shall not create or imply any obligation on such party to exercise such authority on subsequent occasions.

(b) **No Transfer of Premises.** Except as specifically set forth in the Declaration of Restrictions or herein, the Premises or any part thereof shall not be sold, leased, conveyed, mortgaged or encumbered in any way without the prior written consent of the County and other mortgage lien holder except as provided elsewhere herein in the Declaration of Restrictive Covenants or other mortgage documents, it being understood and agreed that part of the consideration for the Grant is the obligation of Grantee.

(c) **Compliance with Laws.** Grantee will comply promptly with all federal, state and local laws, ordinances and regulations relating to the construction, use, and leasing of the Premises, and will obtain and keep in good standing all necessary licenses, permits and approvals required or desirable for construction and use of the Improvements.

(d) **Brokerage Commissions.** Grantee will not knowingly engage in any activity or enter into any relationship which will give rise to any loan or brokerage commission with regard to the Loan, and Grantee will indemnify and hold County harmless from the claims of any broker(s) arising by reason of the execution hereof or the consummation of the transactions contemplated hereby.

(e) **Financial Statements to be Furnished.** Grantee shall furnish to the County:

(i) Upon the County's request, a complete and current financial statement

of all assets and liabilities, contingent or otherwise, prepared in accordance with generally accepted accounting principles and verified by affidavit of Grantee and, at the request of the County, certified (in form satisfactory to the County) by an independent certified public accountant acceptable to the County;

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

(f) Grantee to Maintain Bookkeeping System. Grantee 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 access, as allowed under the Public Records Law, at any reasonable time to the books, records and contracts pertaining to the Premises and Grantee.

(g) Insurance Proceeds. The Grantee 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, 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 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 Grantee 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 Grantee of even date herewith, Grantee 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 Mortgages; provided however, that the Mortgage shall not exceed the amounts contained in the recitals incorporated in this Grant Agreement.

(i) Further Assurances and Preservation of Premises. Grantee will do all acts and execute all documents for the better and more effective carrying out of the intent and purposes of this Grant 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 Premises to secure the Note, as the County may reasonably require.

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

11. INSPECTIONS. Grantee 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 examine all details, plans and shop drawings which are kept at the construction site, and will cooperate, and cause Grantee's general contractor and subcontractors to cooperate with the County's representative.

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

(a) Bankruptcy. If there is filed by or against Grantee a petition in bankruptcy or a petition for the appointment of a receiver or trustee of the property of Grantee and any such petition not filed by Grantee is not dismissed within sixty (60) days of the date of filing, or if Grantee 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 Grantee in this Grant Agreement or in any other Grant Document shall at any time be false or misleading in any material respect, or if Grantee shall fail to keep, observe or perform any of the terms, covenants, representations or warranties contained in this Grant Agreement and any other document given in connection with the Grant or development of the Improvement (provided, that with respect to non-monetary defaults, the County shall give written notice to Grantee, who shall have thirty (30) days to cure), or is unwilling to meet its obligations thereunder; or

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

(d) Grantee shall fail to use all funds under this Grant Agreement for costs associated with the acquisition of the Premises by December 19, 2009. In the event Grantee fails to use all funds as required, all remaining funds shall revert to the County and the County may reallocate for other projects or needs.

(e) Grantee shall fail to complete construction of the Improvements and secure a Certificate of Occupancy for the Improvements by June 30, 2011.

(f) Grantee shall default under the Mortgage which default is not cured within applicable cure periods.

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

(a) Cancel this Grant Agreement;

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

(c) Exercise any other rights or remedies the County may have under the Grant Agreement executed in connection with the Grant or which may be available under applicable law.

14. 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 Grant Agreement or the Grant 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 Grantee of the Improvements or the absence therefrom of defects.

(b) Grantee is not the County's Agent. Nothing in this Agreement, or any other Grant Document shall be construed to make the Grantee the County's agent for any purpose whatsoever, or the Grantee 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 Grant Agreement shall be rendered solely for the protection and benefit of the County. Neither Grantee 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 Grant Agreement.

(d) The County Not Obligated to Ensure 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. Grantee shall indemnify and hold County harmless from any liability, claims or losses resulting from the disbursement of the Grant proceeds to Grantee 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 Grant. This provision shall survive the repayment of the Grant 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 Grantee'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 Grantee or Grantee'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 Grantee'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 Grant Agreement 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 Grant Documents, or shall fail to enforce any of the conditions or provisions of this Grant 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 Grantee to the County and the County to Grantee 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
301 N. Olive Avenue, Suite 601
West Palm Beach, FL 33401
Attn: Tammy K. Fields,
Sr. Assistant County Attorney

TO GRANTEE:

HABITAT FOR HUMANITY OF
PALM BEACH COUNTY, INC.
1225A South Military Trail
West Palm Beach, FL 33415
Attn: Bernard J. Godek, Executive Director

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 Grantee.

(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. GRANTEE 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 GRANT. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE COUNTY'S EXTENDING CREDIT TO Grantee 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.

15. EFFECTIVE DATE OF AGREEMENT. This Agreement is expressly contingent upon the approval of the Palm Beach County Board of County Commissioners, and shall become effective only when signed by all parties and approved by the Palm Beach County Board of County Commissioners. The Effective Date shall be the date on which this Grant Agreement is executed by the Board of County Commissioners.

(Remainder of page is left blank intentionally.)

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

Signed, sealed and delivered
in the presence of:

HABITAT FOR HUMANITY OF
PALM BEACH COUNTY, INC., a Florida
Not-for-Profit Corporation

Yara Aguilon
Yara Aguilon
Beatrice Rohey
Beatrice Rohey

By: Bernard J. Godek
Bernard J. Godek
Executive Director

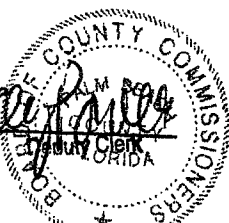
STATE OF FLORIDA
COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me this 2 day of APRIL, 2009 by Bernard J. Godek, Executive Director of Habitat for Humanity of Palm Beach County, Inc., who is personally known to me or who has produced as identification and who did/did not take an oath.

Theresa J. Portch
(Signature of Notary) J PORTCH
MY COMMISSION # DD655819
EXPIRES March 26, 2011
(Typed, Printed, or Stamped
Name of Notary)

ATTEST:

SHARON R. BOCK, CLERK &
COMPTROLLER

BY: Sharon R. Bock
Clerk


APPROVED AS TO FORM
AND LEGAL SUFFICIENCY

[Signature]

2216

My Commission Expires:
R2009.0658 APR 21 2009
PALM BEACH COUNTY, FLORIDA, a
political subdivision of the
state of Florida

BY ITS BOARD OF COUNTY
COMMISSIONERS

BY: John F. Koons
John F. Koons, Chairman

APPROVED AS TO TERMS AND
CONDITIONS

14

Edmund P. [Signature]

LEGAL DESCRIPTION

A parcel of land lying in Section 3, Township 41 South, Range 42 East, Palm Beach County, Florida. Being the South 408 feet of the North 424.5 feet of the East half of the West half of the Southeast quarter of the Southwest quarter of Section 3, Township 41 South, Range 42 East, LESS the North 32.5 feet thereof taken by Palm Beach County for road Right-of-Way purposes. LESS also that portion lying East of a line 660.0 feet West of and parallel to the East line of said Southwest quarter of Section 3.

ALSO described as:

A part of the east half of the Northwest quarter of the Southeast quarter of the Southwest quarter of Section 3, Township 41 South, Range 42 East, Palm Beach County, Florida, more particularly described as follows:

From the Northwest corner of said East half of the Northwest quarter of the Southeast quarter of the Southwest quarter, proceed Southerly along the West line of said East half of the Northwest quarter of the Southeast quarter of the Southwest quarter 60.00 feet to the Point of Beginning, thence Southerly along said West line 364.5 feet thence Easterly parallel to the North line of said East half of the Northwest quarter of the Southeast quarter of the Southwest quarter 306.43 feet to a line 660.0 feet West of and parallel to the East line of said Southwest quarter of Section 3: thence Northerly along said parallel line 364.5 feet to a line 60.00 feet South of and parallel to said North line; thence Westerly parallel to said North line 309.50 feet to the Point of Beginning.

And

That portion of the East $\frac{1}{2}$ of the West $\frac{1}{3}$ of the Southeast $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of Section 3, Township 41 South, Range 42 East; LESS; however, the North 424.5 feet; also LESS that portion of said East $\frac{1}{2}$ lying South of the following described line:

From the Southwest corner of said Section 3, bear S 88° 54' 17" E along the South line of said Section 3 a distance of 358.54 feet; thence N 01° 05' 57" E, along the West line of the East ¼ of the Southwest ¼ of the Southwest ¼ of said Section 3, a distance of 16.50 feet; thence continue N 01° 05' 57" E. along said West line, a distance of 1155.41 feet; thence S 89° 09' 04" E. a distance of 322.87 feet to a point in the East line of the Southwest ¼ of the Southwest ¼ of said Section 3; thence N 01° 15' 40" E. along said East line, a distance of 106.50 feet to a point in the South line of a 60.00 feet Right-of-Way, as recorded in O.R. Book 8485, Page 1142, Public Records of Palm Beach County, Florida, thence S 89° 09' 44" E. along the South line of said 60.00 foot Right-of-Way, (a portion of which is recorded in O.R. Book 3485, Page 1144, Public Records of Palm Beach County, Florida), a distance of 323.17 feet to a point in the East line of the West ¼ of the Southeast ¼ of the Southwest ¼ of said Section 3; thence S 01° 25' 22" W. along said East line, a distance of 506.82 feet, for a Point of Beginning of the aforementioned line; thence S 88° 54' 17" E. a distance of 321.73 feet more or less to a point in the east line of said East ½ of the West ½ of the Southeast ¼ of the Southwest ¼ to a point being the end of said line.

Together with:

An Ingress and Egress easement said easement being the North 449.5 feet of a 15 foot wide strip of land lying Easterly of adjacent and contiguous to East line of the East ½ of the West ½ of the Southeast ¼ of the Southwest ¼ of Section 3, Township 41 South. Range 42 East, Palm Beach County, Florida; LESS the North 60.00 feet thereof.

EXHIBIT "B"

Return to:
Tammy K. Fields
Assistant County Attorney
County Attorney's Office
301 N. Olive Avenue, Suite 601
West Palm Beach, FL 33401

DECLARATION OF RESTRICTIVE COVENANT

THIS DECLARATION OF RESTRICTIVE COVENANT FOR AFFORDABLE HOUSING (the "Declaration") is made by HABITAT OF HUMANITY OF PALM BEACH COUNTY, INC., a Florida not-for-profit corporation, (hereinafter referred to as the "Declarant") as the current owners of the property described on Exhibit "A" attached hereto (the "Property").

1. **Definitions:** In this Covenant, the following words and phrases shall have the meanings indicated, unless the context requires otherwise.

a. "Adjusted Gross Income" as defined by the Palm Beach County Comprehensive Plan (page 3-HE), means all wages, assets, regular cash or non-cash contributions or gifts from persons outside the household, and such other resources and benefits as may be determined to be income by the United States Department of Housing and Urban Development, adjusted for family size, less deductions allowable under Section 62 of the Internal Revenue Code.

b. "Affordable Housing" shall have the meaning contained in the Palm Beach County 1989 Comprehensive Land Use Plan's Housing Element, as of that date or as such term may be modified in future amendments to the Plan. As presently defined (page 2-HE), Affordable Housing means that monthly rents including utilities or monthly mortgage payments including property taxes, insurance and utilities do not exceed thirty (30%) percent of that amount which represents the percentage of the median adjusted gross annual income for the households composed of very low-income persons and low-income persons.

c. "Compliance Period" shall mean thirty (30) years from the date of first occupancy of a Subject Affordable Housing Unit.

d. "Declarant" means the entity creating the initial Development, HABITAT FOR HUMANITY OF PALM BEACH COUNTY, INC., and its successors and assigns, including any or all successors or assigns holding an interest in a Subject Affordable Housing Unit.

e. "Development" means a planned unit development of homes in western Jupiter, Palm Beach County, Florida, to be known as "Kennedy Estates II".

f. "Eligible Household" means one or more persons living together and sharing living expenses whose combined income does not exceed the limits of extremely low and very low income households as identified in the guidelines of the U.S. Department of Housing and Urban Development (HUD), localized for Palm Beach County, and published annually by the Palm Beach County Department of Housing and Community Development. Eligible Very Low Income Household income are those with adjusted gross incomes less than or equal to Fifty (50%) percent of the median adjusted gross income for households within the County. Eligible Extremely Low Income Households are those with less than thirty (30%) percent or equal to eighty (80%) percent of the median adjusted gross income for households within the County. For purposes of this paragraph, one or more persons from this living arrangement will occupy a Subject Affordable Housing Unit on a year-round basis as the primary residence.

g. "Monitoring Entity" shall mean the Palm Beach County Department of Housing and Community Development.

h. "Owner" means the person or entity identified in this covenant as the Declarant and/or any successor or assign holding an interest in a Subject Affordable Housing Unit.

i. "Subject Affordable Housing Unit" means one of the nineteen (19) homes within the Development for which thirty (30) year deed restrictions shall be recorded in accordance with this Declaration.

2. **Occupancy.** A Subject Affordable Housing Unit subject to this Declaration shall be occupied only by one who qualifies as an Eligible Household on the date of occupancy of the Unit.

3. **Term of Covenant.** The Term of this covenant shall be for a period of thirty (30) years from the date of the initial occupancy of the last Subject Affordable Housing Unit.

4. **Restriction.** Declarant shall include in every deed of sale for a Required Affordable Low Income Unit, a restriction stating as follows: "This property is to be sold and occupied by an Eligible Very Low or Low Income Household only, in accordance with the Declaration of Restrictive Covenant for Affordable Housing recorded in ORB _____ Page _____ of the Public Records of Palm Beach County. Said Declaration requires verification by Palm Beach County of the Eligible Household prior to closing. This restriction shall be in effect for thirty (30) years from the date of the first occupancy of the Subject Affordable Housing Unit."

5. **Selection of Eligible Households.** The Declarant and the County, their successors and assigns, agree that the procedures for selection of an occupant of an Owner of a Subject Affordable Housing Unit under this paragraph shall not discriminate against any applicant based upon any protected class included in any federal, state or local fair housing law. For so long as the Declarant is the owner of a Subject Affordable Housing Unit, selection of an Eligible Household, evaluation of its income and assignments of Affordable Units shall be performed exclusively by the Declarant according to the expressed terms of this paragraph. The Declarant

shall have the unrestricted right to screen all Eligible Household applicants. Such screening shall include, but not be limited to, credit-worthiness, employer references, income and ownership of assets and any other background checks usually made by the Declarant on any prospective purchaser's application. Subject to the foregoing, the Declarant shall retain the exclusive and absolute right to reject Eligible Household applicants. Once approved by Declarant, the Eligible Household must be submitted to Palm Beach County for verification of income eligibility prior to closing on that unit.

6. **Consideration for Declaration.** Declarant applied for a grant from Palm Beach County in the amount of \$750,000.00 in order to construct the town homes on the property. This Declaration is done in consideration of said grant.

Therefore, Declarant covenants as follows:

- a. Declarant shall sell nineteen (19) of its homes to Eligible Extremely Low and Very Low Income Households.
- b. Beginning on the first anniversary of the first occupancy of the first Subject Affordable Housing Unit within the Development (and then annually until and including the thirtieth anniversary of the first occupancy of the last Subject Affordable Housing Unit) Declarant shall file an Annual Affordable Housing Summary Report with the Monitoring Entity. This report shall provide the Monitoring Entity with documentary evidence showing how many Eligible Very Low and Low Income Households have occupied homes within the development.
- c. It is desired that the Subject Affordable Housing Units be occupied at the same rate as other Units. Declarant will document number and location of the Subject Affordable Housing Units occupied during the year at the time of the annual report.
- d. Further, in the event Declarant violates any of the terms and conditions of the Grant Agreement or this Declaration of Restrictive Covenants dated _____, or fails to complete the Subject Affordable Housing Units, Declarant shall pay to the County the amount of \$39,473.68 per unit uncompleted or unconveyed to an Eligible Household.

7. **Covenant Compliance.** The Declarant, their successors and assigns, shall furnish to the County such information about the Subject Affordable Housing Units as the County may request at each occasion of transfer of title, including, but not limited to the identity of the Declarant, the identity of the Eligible Household, the condition of the unit, the identity of the occupants, and the household income of the occupants, all for the purpose of assuring compliance with this Declaration. Declarant shall include in each lease agreement or other participant agreement the right of County to approve the sale of the unit to an Eligible Household, and the requirement to provide income and other necessary information to the County. The County shall have access to inspect the Affordable Units at reasonable times and

upon reasonable prior notice to the Declarant. The Declarant and their successors and assignees, shall include a reference to the Thirty (30) Year Deed Restriction which guarantees the affordability of the unit, and which requires County verification on initial sale and verification of resales to an Eligible Extremely Low and Very Low Income Household before closing, and an explanation of the responsibilities resulting from the Thirty (30) Year Deed Restriction upon any subsequent owners, successors and assigns, in any and all sales documents, agreements, etc., and in deeds or other instruments conveying an interest in the Required Extremely Low and Very Low Income Property or any part thereof. It is further agreed that the covenants and restrictions contained herein are for public purposes.

8. Annual Report. The Declarant shall provide a report detailing the Declarant's compliance with the terms of this Covenant, as well as the maintenance of satisfactory occupancy rate for the thirty (30) Subject Affordable Housing Units for the purpose of assuring compliance with this Covenant.

Not later than (date) June 1st, of each year following the first occupancy of a Subject Affordable Housing Unit, for the term of this covenant, the Declarant shall furnish to the Monitoring Entity, on a form provided by the County, an Annual Report which shall contain, at a minimum, sufficient information and documentation to prove the compliance of the Declarant with this paragraph for each unit.

- a. The identity of the Declarant and/or Owner(s);
- b. The compliance with report requirements explained in Section 16 below.

9. Covenant to Run with the Land. It is intended and agreed that the covenants and restrictions set forth in this Declaration shall run with the land constituting the property and shall be binding upon any owner (s), successors and assigns for the benefit of and shall be enforceable by the County and its successors and assigns, for a period of thirty (30) years from the date of the first occupancy of each Subject Affordable Housing Unit.

10. Deed Restrictions. A deed restriction will be required for each Subject Affordable Housing Unit in order to guarantee the affordability of each of these units for a period of thirty (30) years from date of first occupancy.

11. Modifications. This Covenant shall not be extinguished, enlarged, modified or replaced during the Thirty (30) Year Term, except with written authorization of Palm Beach County Board of County Commissioners, and shall be binding upon any owner(s), successor(s) and assign(s) for the benefit of and shall be enforceable by County and its successors and assigns during the Term.

12. Fair Housing. The Declarant, their successors and assigns, agree that the sale or rental of all units shall be done in conformity with federal, state and local Fair Housing laws.

13. **Enforcement.** Without limitation on any other rights or remedies of the County, its successors or assigns, in the event of any occupancy of any Subject Affordable Housing Unit in violation of the provisions hereof, the County shall be entitled to seek specific performance of the provisions hereof.

14. **Release of Restrictions.** Restrictions will be automatically released at the expiration of the term of the covenant. Restrictions may also be partially released upon payment of \$31,250.00 to Palm Beach County for each lot upon which a release is sought.

15. **Penalties: Remedies for Violations.** Should there be found any violation of any of the restrictions, covenants and/or agreements set forth herein, the Declarant or the selling Owner shall be liable to pay to Palm Beach County money damages equaling the incentive offered by the Developer at time of initial sale, but in no event less than \$39,473.68 per lot with a violation. Developer has no liability for violations of this covenant for sales subsequent to Developer's initial sale to an Eligible Household. It is understood that such liability will rest with the property owner.

16. **Notices and Reports.** All notices and reports required hereunder shall be sent to the Director of Housing and Community Development Department, 160 Australian Avenue, Suite 500, West Palm Beach, Florida 33406.

17. **Recorded in the Public Records.** This Covenant shall be recorded in the Official Public Records of Palm Beach County. A copy of the recorded Covenant shall be provided to the Director of Housing and Community Development Department, 160 Australian Avenue, Suite 500, West Palm Beach, Florida 33406.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals this day of _____, 2009.

Signed, Sealed and Delivered in
the Presence of:

Declarant:

HABITAT FOR HUMANITY OF
PALM BEACH COUNTY, INC., a Florida
Not-for-Profit Corporation

Print Name

Bernard J. Godek, Executive Director

Print Name

STATE OF FLORIDA }
 } SS
COUNTY OF PALM BEACH }

The foregoing instrument was acknowledged before me this _____ day of 2009, by Bernard J. Godek, Executive Director of HABITAT FOR HUMANITY OF PALM BEACH COUNTY, INC., who is personally known to me or has produced as a type of identification.

Notary Signature

Print Name: _____
Notary Public, State of: _____
Serial Number, if any: _____
My commission expires: _____

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EXHIBIT "C"

PROMISSORY NOTE

\$750,000.00

West Palm Beach, Florida
_____, 2009

FOR VALUE RECEIVED the undersigned, HABITAT FOR HUMANITY OF PALM BEACH COUNTY INC., a Florida not-for-profit corporation ("Maker"), 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 Seven Hundred Fifty Thousand Dollars (\$750,000.00) plus accrued interest, to be paid in lawful money of the United States of America, as follows:

- 1) This Note shall bear interest only computed at the stated rate of three (3%) percent per annum on the outstanding principal balance from time to time remaining unpaid from the date of each disbursement.
- 2) Repayment hereunder shall occur as follows:
 - (a) From the date hereof until **January 1, 2011** no payments will be required and interest will not accrue and be payable at the maturity date.
 - (b) Repayment thereafter shall be dependent upon the successful completion of nineteen (19) homes for eligible extremely low and very low income households (Subject Affordable Housing Units) pursuant to the terms of the Grant Agreement dated _____, **2009**. If all Subject Affordable Housing Units have been completed in accordance with the Grant Agreement and conveyed to eligible households and the Declaration of Restrictive Covenants required under the Grant Agreement has been executed and recorded, then no repayment will be required.
 - (c) In the event the nineteen (19) homes have not been completed and conveyed to eligible households on or before June 30, 2011, or the Declaration of Restrictive Covenants have not been filed, then repayment will be immediately due and payable at the rate of \$39,473.68 per unit uncompleted or unconveyed to an eligible household. For the purpose of this note, conveyance shall include occupancy by an Eligible Household pursuant to a lease purchase agreement.
- 3) 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.
- 4) After maturity or acceleration, this Note shall bear interest at the Default Interest Rate until paid in full.
- 5) All terms hereunder shall be as construed and defined in Chapter 91-28, Florida Administrative Code.

PALM BEACH COUNTY, A POLITICAL SUBDIVISION OF THE STATE OF FLORIDA
IS EXEMPT FROM PAYMENT OF EXCISE TAX ON DOCUMENTS.

This Note is executed pursuant to the terms and conditions of that certain Grant Agreement dated _____, 2009 between Maker, as Borrower, and Holder, as Lender, 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 "Grant Documents including but not limited to the Declaration of Restrictive Covenants."

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 operated as to require the Maker 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 Maker, or parties liable for the payment of this Note, in connection with the Grant 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 Maker.

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 occurrence of an Event of Default pursuant to any other Grant Documents now or hereafter evidencing, securing or guarantying payment of this Note. Exercise of this right shall be without notice to Maker or to any other person liable for payment hereof, notice of such exercise being hereby expressly waived.

Any payment hereunder not paid when due (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, Maker shall pay holder a late charge of five percent (5%) of any required payment which is not received by Holder when said payment is due pursuant to the Mortgage. 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, Maker 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 Maker to pay all obligations due hereunder, and shall not affect the right of Holder to pursue all remedies available to it under any Grant 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 case 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 Grant 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 grant 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.

Maker 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 Maker (or any co-maker) 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 Maker (or any co-maker) or against any other person liable for payment hereof or to attempt to realize on any collateral for this Note.

ANYTHING CONTAINED HEREIN TO THE CONTRARY NOTWITHSTANDING, IN THE EVENT OF ANY DEFAULT BY THE BORROWER UNDER THE GRANT REFERENCED HEREIN, THE SOLE REMEDY OF THE HOLDER SHALL BE TO FORECLOSE AGAINST THE PROPERTY GIVEN AS SECURITY FOR THIS GRANT, AND IN NO EVENT SHALL THE BORROWER HAVE ANY LIABILITY FOR THE PAYMENT OF THE GRANT OR ANY OTHER OBLIGATIONS REFERENCED HEREIN, OR FOR THE PAYMENT OF ANY DEFICIENCY FOLLOWING THE FORECLOSURE AGAINST THE PROPERTY GIVEN AS SECURITY FOR THE GRANT.

MAKER WAIVES ITS RIGHT TO A TRIAL BY JURY IF 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 MAKER 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, Maker has executed this Note on the day and year first above written.

**HABITAT FOR HUMANITY OF
PALM BEACH COUNTY, INC., a
Florida Not-for-Profit Corporation**

By: _____
Bernard J. Godek, Executive Director

G:\WPDATA\ENG\TKFH\TF.AGT\Habitat-for-Humanity-of-PBC-Prom-Note-Kennedy-Estates-II-03-31-09.rtf

This instrument prepared by
and to be returned to:
Tammy K. Fields, Esq.
Palm Beach County Attorney's Office
P.O. Box 1989
West Palm Beach, FL 33402

MORTGAGE AND SECURITY AGREEMENT

THIS MORTGAGE INDENTURE, executed this ____ day of _____, 2009, by HABITAT FOR HUMANITY OF PALM BEACH COUNTY, INC., a Florida not-for-profit 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 Seven Hundred Fifty Thousand Dollars (\$750,000.00) to Mortgagor and in connection therewith Mortgagor has this date executed and delivered to Mortgagee its Promissory Note in that amount (the "Note"). A true copy of the Note is annexed hereto as Exhibit "B" and forms a part hereof.

This Mortgage is given in accordance with that certain Grant Agreement executed on the ____ day of _____, 2009 between Mortgagor and Mortgagee. This Mortgage and Security Agreement, the Note, and the Grant Agreement and the Declaration of Restrictive Covenants 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 grant 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 hereinabove 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 2008 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.

PROVIDED ALWAYS that if the Mortgagor shall pay unto the Mortgagee all sums required under the terms of the Note or complied with all conditions of the Note, which Note is in the original principal amount of \$750,000.00 and has a maturity date of December 31, 2039, 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 Grant 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 and/or comply with all conditions of 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, materialmen, 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 there from 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.

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 Mortgagee 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. 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 there from, 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.

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 Premises or a grant of a security interest in the Premises, then the Loan, together with accrued interest and any other expenses shall become due and payable. Notwithstanding, the income restrictions set forth in the Grant Agreement shall remain in full force and effect for thirty (30) years from the date of completion of the units. The County may consent to a transfer of the Premises provided the transferee demonstrates to the County that it is creditworthy and has appropriate financial management skills and experience with affordable housing. The County may consent to an encumbrance and subordination of such encumbrance if the Mortgagee obtains construction financing from an independent lender, provided that sufficient documentation is presented to the County that the improved value of the property will adequately secure the County's interest in the property.

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

(l) If the Mortgagee shall reasonably believe that any one or more of the defaults enumerated in paragraphs (a) through (k) 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 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) All accrued, but unpaid interest on the Note;

(3) 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 there from. 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.

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.

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:

Mortgagor: HABITAT FOR HUMANITY OF
PALM BEACH COUNTY, INC.
1225A South Military Trail
West Palm Beach, FL 33415
Attn: Bernard J. Godek, Executive Director

Mortgagee: Palm Beach County
c/o County Attorney's Office
301 North Olive Avenue, Suite 601
West Palm Beach, FL 33401
Attn: Tammy K. Fields, Sr. Assistant County Attorney

Any party may change said address by giving the other parties hereto notice of such change of address. Notice given as hereinabove provided shall be deemed given on the date of its deposit in the United States Mail and, unless sooner received, shall be deemed received by the party to whom it is addressed on the third calendar day following the date on which said notice is deposited in the mail, or if a courier system is used, on the date of delivery of the notice.

ARTICLE V.

5.1 Future Advances. It is agreed that this Mortgage shall also secure such future or additional advances as may be made by the Mortgage at its option to the Mortgagor, or its successor in title, for any purpose, provided that all those advances are to be made within three (3) years from the date of this Mortgage, or within such lesser period of time as may be provided hereafter by law as a prerequisite for the sufficiency of actual notice or records notice of the optional future or additional advances as against the rights of creditors or subsequent purchasers for valuable consideration. The total amount of indebtedness secured by this Mortgage may decrease or increase from time to time, but the total unpaid balance so secured at any one time shall not exceed twice the principal amount of the Note, plus interest, and any disbursements made for the payment of taxes, levies or insurance on the Premises with interest on those disbursements. If, pursuant to Florida Statutes Section 697.04, Mortgagor files a notice specifying the dollar limit beyond which future advances made

pursuant to this Mortgage will not be secured by this Mortgage, then Mortgagor shall, within one (1) year of day of filing such notice, notify Mortgagee and its counsel by certified mail pursuant to Section 4.1 of this Mortgage. In addition, such a filing shall constitute a default hereunder.

5.2 Lien Priority. The lien priority of this Mortgage shall not be affected by any changes in the Note including, but not limited to, an increase in the interest rate charged pursuant to the Note. Any parties acquiring an interest in the Premises subsequent to the date of this Mortgage is recorded shall acquire such interest in the Premises with notice that Mortgagee may increase the interest rate charged pursuant to the Note or otherwise modify the Note and the Note, as modified, and the Mortgage shall remain superior to the interest of any Party in the Premises acquired subsequent to the date of this Mortgage is recorded.

5.3 Security Agreement. This instrument also creates a security interest in any and all equipment and furnishings as are considered or determined to be personal property or fixtures, together with all replacements, substitutions, additions, products and proceeds thereof, in favor of the Mortgagee under the Florida Uniform Commercial Code to secure payment of principal, interest and other amounts due Mortgagee now or hereafter secured hereby, and Mortgagee shall also have all the rights and remedies of a secured part under the Florida Uniform Commercial Code shall be cumulative and in addition to all other rights and remedies of Mortgagee arising under the common law or any other laws of the State of Florida or any other jurisdiction.

5.4 Choice of Law. This Mortgage is to be construed in all respects and enforced according to the laws of the State of Florida and you shall be in Palm Beach County.

5.5 Binding Effect. This Mortgage shall be binding upon and insure to the benefit of the Mortgagor and Mortgagee hereto, and their respective heirs, successors and assigns.

ARTICLE VI

6.1 Satisfaction of Mortgage. This Mortgage may be satisfied by successful completion of all the terms and conditions of the Grant Agreement, including, but not limited to completion of all nineteen (19) single family affordable housing units and conveyance to Eligible Households and execution and recording of the required Declaration of Restrictive Covenants.

6.2 Partial Satisfaction of Mortgage. Partial satisfactions of mortgage may be obtained by:

(a) payment of \$39,473.68 per lot to be released; or

(b) successful completion of a single family affordable housing unit and conveyance to an eligible household and the execution and recording of the required Declaration of Restrictive Covenants.

(Remainder of page is left blank intentionally)

IN WITNESS WHEREOF, the Mortgagor has executed and sealed this Mortgage, the day and year first above written.

Witnesses:

HABITAT FOR HUMANITY OF
PALM BEACH COUNTY, INC., a
Florida Not-for-Profit Corporation

BY: _____
Bernard J. Godek,
Executive Director

STATE OF FLORIDA
COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me this ____ day of _____, 2009 by Bernard J. Godek, Executive Director of Habitat For Humanity of Palm Beach County, Inc., who is personally known to me or who has produced _____ as identification and who did/did not take an oath.

(Signature of Notary)

(Typed, Printed, or Stamped

(Name of Notary)

My Commission Expires:

G:\WPDATA\ENG\ITKFHTF.AGT\Habitat-for-Humanity-of-PBC-Kennedy-Estates-II-Mortgage-03-31-09.rtf

EXHIBIT "E"

PERMITTED EXCEPTIONS

1. The lien of all taxes for the year 2009 and thereafter, which are not yet due and payable.
2. Notice of Lien Rights of The Loxahatchee River Environmental Control District recorded August 26, 1986 in O.R. Book 4984, Page 1254 and Revised Notice of Lien Rights recorded December 9, 1991 in O.R. Book 7048, Page 655 together with Second Revised Notice of Lien Rights recorded April 3, 1992 in O.R. Book 7187, Page 1712, Public Records of Palm Beach County, Florida.
3. Easement in favor of Loxahatchee River Environmental Control District contained in instrument recorded June 25, 1987 in O.R. Book 5329, Page 262, Public Records of Palm Beach County, Florida.
4. Easement in favor of Myrtle Dillard contained in instrument recorded December 30, 1999 in O.R. Book 11536, Page 561, Public Records of Palm Beach County, Florida.
5. Water Service Agreement recorded in O.R. Book 19435, Page 1392, Public Records of Palm Beach County, Florida.
6. Standard Developer Agreement recorded in O..R. Book 19123, Page 1098, Public Records of Palm Beach County, Florida.
7. Concurrency Reservation Agreement recorded in O.R. Book 14455, Page 1826, Public Records of Palm Beach County, Florida.

CFN 20090157492
OR BK 23223 PG 1078
RECORDED 05/11/2009 12:56:42
Palm Beach County, Florida
AMT 750,000.00
Deed Doc 2,625.00
Sharon R. Bock, CLERK & COMPTROLLER
Pgs 1078 - 1092; (15pgs)

Will Call 168
This instrument prepared by
and to be returned to:
Tammy K. Fields, Esq.
Palm Beach County Attorney's Office
P.O. Box 1989
West Palm Beach, FL 33402

MORTGAGE AND SECURITY AGREEMENT

THIS MORTGAGE INDENTURE, executed this 8th day of May, 2009, by HABITAT FOR HUMANITY OF PALM BEACH COUNTY, INC., a Florida not-for-profit 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 Seven Hundred Fifty Thousand Dollars (\$750,000.00) to Mortgagor and in connection therewith Mortgagor has this date executed and delivered to Mortgagee its Promissory Note in that amount (the "Note"). A true copy of the Note is annexed hereto as Exhibit "B" and forms a part hereof.

This Mortgage is given in accordance with that certain Grant Agreement executed on the 21st day of April, 2009 between Mortgagor and Mortgagee. This Mortgage and Security Agreement, the Note, and the Grant Agreement and the Declaration of Restrictive Covenants 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 grant 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 hereinabove 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 2008 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.

PROVIDED ALWAYS that if the Mortgagor shall pay unto the Mortgagee all sums required under the terms of the Note or complied with all conditions of the Note, which Note is in the original principal amount of \$750,000.00 and has a maturity date of December 31, 2039, 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 Grant 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 and/or comply with all conditions of 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, materialmen, 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 there from 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.

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 Mortgagee 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. 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 offsets 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 Mortgage; 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 there from, 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.

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 Premises or a grant of a security interest in the Premises, then the Loan, together with accrued interest and any other expenses shall become due and payable. Notwithstanding, the income restrictions set forth in the Grant Agreement shall remain in full force and effect for thirty (30) years from the date of completion of the units. The County may consent to a transfer of the Premises provided the transferee demonstrates to the County that it is creditworthy and has appropriate financial management skills and experience with affordable housing. The County may consent to an encumbrance and subordination of such encumbrance if the Mortgagee obtains construction financing from an independent lender, provided that sufficient documentation is presented to the County that the improved value of the property will adequately secure the County's interest in the property.

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

(l) If the Mortgagee shall reasonably believe that any one or more of the defaults enumerated in paragraphs (a) through (k) 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 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) All accrued, but unpaid interest on the Note;

(3) 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 there from. 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.

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 of 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.

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:

Mortgagor: HABITAT FOR HUMANITY OF
PALM BEACH COUNTY, INC.
1225A South Military Trail
West Palm Beach, FL 33415
Attn: Bernard J. Godek, Executive Director

Mortgagee: Palm Beach County
c/o County Attorney's Office
301 North Olive Avenue, Suite 601
West Palm Beach, FL 33401
Attn: Tammy K. Fields, Sr. Assistant County Attorney

Any party may change said address by giving the other parties hereto notice of such change of address. Notice given as hereinabove provided shall be deemed given on the date of its deposit in the United States Mail and, unless sooner received, shall be deemed received by the party to whom it is addressed on the third calendar day following the date on which said notice is deposited in the mail, or if a courier system is used, on the date of delivery of the notice.

ARTICLE V.

5.1 Future Advances. It is agreed that this Mortgage shall also secure such future or additional advances as may be made by the Mortgage at its option to the Mortgagor, or its successor in title, for any purpose, provided that all those advances are to be made within three (3) years from the date of this Mortgage, or within such lesser period of time as may be provided hereafter by law as a prerequisite for the sufficiency of actual notice or records notice of the optional future or additional advances as against the rights of creditors or subsequent purchasers for valuable consideration. The total amount of indebtedness secured by this Mortgage may decrease or increase from time to time, but the total unpaid balance so secured at any one time shall not exceed twice the principal amount of the Note, plus interest, and any disbursements made for the payment of taxes, levies or insurance on the Premises with interest on those disbursements. If, pursuant to Florida Statutes Section 697.04, Mortgagor files a notice specifying the dollar limit beyond which future advances made

pursuant to this Mortgage will not be secured by this Mortgage, then Mortgagor shall, within one (1) year of day of filing such notice, notify Mortgagee and its counsel by certified mail pursuant to Section 4.1 of this Mortgage. In addition, such a filing shall constitute a default hereunder.

5.2 Lien Priority. The lien priority of this Mortgage shall not be affected by any changes in the Note including, but not limited to, an increase in the interest rate charged pursuant to the Note. Any parties acquiring an interest in the Premises subsequent to the date of this Mortgage is recorded shall acquire such interest in the Premises with notice that Mortgagee may increase the interest rate charged pursuant to the Note or otherwise modify the Note and the Note, as modified, and the Mortgage shall remain superior to the interest of any Party in the Premises acquired subsequent to the date of this Mortgage is recorded.

5.3 Security Agreement. This instrument also creates a security interest in any and all equipment and furnishings as are considered or determined to be personal property or fixtures, together with all replacements, substitutions, additions, products and proceeds thereof, in favor of the Mortgagee under the Florida Uniform Commercial Code to secure payment of principal, interest and other amounts due Mortgagee now or hereafter secured hereby, and Mortgagee shall also have all the rights and remedies of a secured part under the Florida Uniform Commercial Code shall be cumulative and in addition to all other rights and remedies of Mortgagee arising under the common law or any other laws of the State of Florida or any other jurisdiction.

5.4 Choice of Law. This Mortgage is to be construed in all respects and enforced according to the laws of the State of Florida and you shall be in Palm Beach County.

5.5 Binding Effect. This Mortgage shall be binding upon and insure to the benefit of the Mortgagor and Mortgagee hereto, and their respective heirs, successors and assigns.

ARTICLE VI

6.1 Satisfaction of Mortgage. This Mortgage may be satisfied by successful completion of all the terms and conditions of the Grant Agreement, including, but not limited to completion of all nineteen (19) single family affordable housing units and conveyance to Eligible Households and execution and recording of the required Declaration of Restrictive Covenants.

6.2 Partial Satisfaction of Mortgage. Partial satisfactions of mortgage may be obtained by:


(a) payment of \$39,473.68 per lot to be released; or

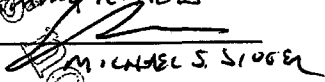
(b) successful completion of a single family affordable housing unit and conveyance to an eligible household and the execution and recording of the required Declaration of Restrictive Covenants.

(Remainder of page is left blank intentionally)

IN WITNESS WHEREOF, the Mortgagor has executed and sealed this Mortgage, the day and year first above written.

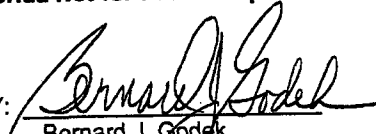
Witnesses:



William K. Fields


Michael S. Siroen

HABITAT FOR HUMANITY OF
PALM BEACH COUNTY, INC., a
Florida Not-for-Profit Corporation

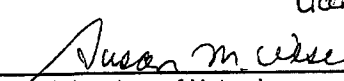
BY: 

Bernard J. Godek,
Executive Director

STATE OF FLORIDA
COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me this 8th day of May, 2009 by Bernard J. Godek, Executive Director of Habitat For Humanity of Palm Beach County, Inc., who is personally known to me or who has produced Florida Driver's License as identification and who did not take an oath.





(Signature of Notary)

(Typed, Printed, or Stamped)

(Name of Notary)

My Commission Expires:

G:\WPDATA\ENG\TKFH\TF.AGTHabitat-for-Humanity-of-PBC-Kennedy-Estates-II-Mortgage-03-31-09.rtf

EXHIBIT "A"

Parcel 1:

A parcel of land lying in Section 3, Township 41 South, Range 42 East, Palm Beach County, Florida. Being the South 408 feet of the North 424.5 feet of the East half of the West half of the Southeast quarter of the Southwest quarter of Section 3, Township 41 South, Range 42 East, LESS the North 32.5 feet thereof taken by Palm Beach County for road Right-of-Way purposes, LESS also that portion lying East of a line 660.0 feet West of and parallel to the East line of said Southwest quarter of Section 3.

ALSO described as:

A part of the East half of the Northwest quarter of the Southeast quarter of the Southwest quarter of Section 3, Township 41 South, Range 42 East, Palm Beach County, Florida, more particularly described as follows;

From the Northwest corner of said East half of the Northwest quarter of the Southeast quarter of the Southwest quarter, proceed Southerly along the West line of said East half of the Northwest quarter of the Southeast quarter of the Southwest quarter 60.00 feet to the Point of Beginning; thence Southerly along said West line 364.5 feet; thence Easterly parallel to the North line of said East half of the Northwest quarter of the Southeast quarter of the Southwest quarter 306.43 feet to a line 660.00 feet West of and parallel to the East line of said Southwest quarter of Section 3; thence Northerly along said parallel line 364.5 feet to a line 60.00 feet South of and parallel to said North line; thence Westerly parallel to said North line 309.50 feet to the Point of Beginning.

Parcel 2:

That portion of the East $\frac{1}{2}$ of the West $\frac{1}{2}$ of the Southeast $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of Section 3, Township 41 South, Range 42 East; LESS however, the North 424.5 feet; also LESS that portion of said East $\frac{1}{2}$ lying South of the following described line:

From the Southwest corner of said Section 3, bear S 88° 54' 17" E along the South line of said Section 3 a distance of 958.64 feet; thence N 01° 05' 57" E, along the West line of the East $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of said Section 3, a distance of 16.50 feet; thence continue N 01° 05' 57" E, along said West line, a distance of 1155.41 feet; thence S 89° 09' 04" E, a distance of 322.87 feet to a point in the East line of the Southwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of said Section 3; thence N 01° 15' 40" E, along said East line, a distance of 106.50 feet to a point in the South line of a 60.00 feet Right-of-Way, as recorded in O.R. Book 3485, Page 1142, Public Records of Palm Beach County, Florida, thence S 89° 09' 44" E, along the South line of said 60.00 foot Right-of-Way, (a portion of which is recorded in O.R. Book 3485, Page 1144, Public Records of Palm Beach County, Florida), a distance of 323.17 feet to a point in the East line of the West $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of said Section 3; thence S 01° 25' 22" W, along said East line, a distance of 506.82 feet, for a Point of Beginning of the aforementioned line; thence S 88° 54' 17" E a distance of 321.73 feet more or less to a point in the East line of said East $\frac{1}{2}$ of the West $\frac{1}{2}$ of the Southeast $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ to a point being the end of said line.

Together with:

An Ingress and Egress easement said easement being the North 449.5 feet of a 15 foot wide strip of land lying Easterly of adjacent and contiguous to East line of the East $\frac{1}{2}$ of the West $\frac{1}{2}$ of the Southeast $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of Section 3, Township 41 South, Range 42 East, Palm Beach County, Florida; LESS the North 60.00 feet thereof.

Exhibit "B"

PROMISSORY NOTE

\$750,000.00

West Palm Beach, Florida
May 8th, 2009

FOR VALUE RECEIVED the undersigned, HABITAT FOR HUMANITY OF PALM BEACH COUNTY INC., a Florida not-for-profit corporation ("Maker"), 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 Seven Hundred Fifty Thousand Dollars (\$750,000.00) plus accrued interest, to be paid in lawful money of the United States of America, as follows:

- 1) This Note shall bear interest only computed at the stated rate of three (3%) percent per annum on the outstanding principal balance from time to time remaining unpaid from the date of each disbursement.
- 2) Repayment hereunder shall occur as follows:
 - (a) From the date hereof until **January 1, 2011** no payments will be required and interest will not accrue and be payable at the maturity date.
 - (b) Repayment thereafter shall be dependent upon the successful completion of nineteen (19) homes for eligible extremely low and very low income households (Subject Affordable Housing Units) pursuant to the terms of the Grant Agreement dated **April 21st, 2009**. If all Subject Affordable Housing Units have been completed in accordance with the Grant Agreement and conveyed to eligible households and the Declaration of Restrictive Covenants required under the Grant Agreement has been executed and recorded, then no repayment will be required.
 - (c) In the event the nineteen (19) homes have not been completed and conveyed to eligible households on or before June 30, 2011, or the Declaration of Restrictive Covenants have not been filed, then repayment will be immediately due and payable at the rate of \$39,473.68 per unit uncompleted or unconveyed to an eligible household. For the purpose of this note, conveyance shall include occupancy by an Eligible Household pursuant to a lease purchase agreement.
- 3) 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.
- 4) After maturity or acceleration, this Note shall bear interest at the Default Interest Rate until paid in full.
- 5) All terms hereunder shall be as construed and defined in Chapter 91-28, Florida Administrative Code.

PALM BEACH COUNTY, A POLITICAL SUBDIVISION OF THE STATE OF FLORIDA IS EXEMPT FROM PAYMENT OF EXCISE TAX ON DOCUMENTS.

This Note is executed pursuant to the terms and conditions of that certain Grant Agreement dated April 21st, 2009 between Maker, as Borrower, and Holder, as Lender, 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 "Grant Documents including but not limited to the Declaration of Restrictive Covenants."

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 operated as to require the Maker 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 Maker, or parties liable for the payment of this Note, in connection with the Grant 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 Maker.

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 occurrence of an Event of Default pursuant to any other Grant Documents now or hereafter evidencing, securing or guaranteeing payment of this Note. Exercise of this right shall be without notice to Maker or to any other person liable for payment hereof, notice of such exercise being hereby expressly waived.

Any payment hereunder not paid when due (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, Maker shall pay holder a late charge of five percent (5%) of any required payment which is not received by Holder when said payment is due pursuant to the Mortgage. 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, Maker 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 Maker to pay all obligations due hereunder, and shall not affect the right of Holder to pursue all remedies available to it under any Grant 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 case 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 Grant 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 grant 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.

Maker 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 Maker (or any co-maker) 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 Maker (or any co-maker) or against any other person liable for payment hereof or to attempt to realize on any collateral for this Note.

ANYTHING CONTAINED HEREIN TO THE CONTRARY NOTWITHSTANDING, IN THE EVENT OF ANY DEFAULT BY THE BORROWER UNDER THE GRANT REFERENCED HEREIN, THE SOLE REMEDY OF THE HOLDER SHALL BE TO FORECLOSE AGAINST THE PROPERTY GIVEN AS SECURITY FOR THIS GRANT, AND IN NO EVENT SHALL THE BORROWER HAVE ANY LIABILITY FOR THE PAYMENT OF THE GRANT OR ANY OTHER OBLIGATIONS REFERENCED HEREIN, OR FOR THE PAYMENT OF ANY DEFICIENCY FOLLOWING THE FORECLOSURE AGAINST THE PROPERTY GIVEN AS SECURITY FOR THE GRANT.

MAKER WAIVES ITS RIGHT TO A TRIAL BY JURY IF 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 MAKER 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, Maker has executed this Note on the day and year first above written.

HABITAT FOR HUMANITY OF
PALM BEACH COUNTY, INC., a
Florida Not-for-Profit Corporation

By


Bernard J. Godek, Executive Director

G:\WPDATA\ENG\TKFH\TF.AGT\Habitat-for-Humanity-of-PBC-Prom-Note-Kennedy-Estates-IL-03-31-09.rtf

Will Call 168
Return to:
Tammy K. Fields
Assistant County Attorney
County Attorney's Office
301 N. Olive Avenue, Suite 601
West Palm Beach, FL 33401

DECLARATION OF RESTRICTIVE COVENANT

THIS DECLARATION OF RESTRICTIVE COVENANT FOR AFFORDABLE HOUSING (the "Declaration") is made by HABITAT OF HUMANITY OF PALM BEACH COUNTY, INC., a Florida not-for-profit corporation, (hereinafter referred to as the "Declarant") as the current owners of the property described on Exhibit "A" attached hereto (the "Property").

1. **Definitions:** In this Covenant, the following words and phrases shall have the meanings indicated, unless the context requires otherwise.

a. "Adjusted Gross Income" as defined by the Palm Beach County Comprehensive Plan (page 3-HE), means all wages, assets, regular cash or non-cash contributions or gifts from persons outside the household, and such other resources and benefits as may be determined to be income by the United States Department of Housing and Urban Development, adjusted for family size, less deductions allowable under Section 62 of the Internal Revenue Code.

b. "Affordable Housing" shall have the meaning contained in the Palm Beach County 1989 Comprehensive Land Use Plan's Housing Element, as of that date or as such term may be modified in future amendments to the Plan. As presently defined (page 2-HE), Affordable Housing means that monthly rents including utilities or monthly mortgage payments including property taxes, insurance and utilities do not exceed thirty (30%) percent of that amount which represents the percentage of the median adjusted gross annual income for the households composed of very low-income persons and low-income persons.

c. "Compliance Period" shall mean thirty (30) years from the date of first occupancy of a Subject Affordable Housing Unit.

d. "Declarant" means the entity creating the initial Development, HABITAT FOR HUMANITY OF PALM BEACH COUNTY, INC., and its successors and assigns, including any or all successors or assigns holding an interest in a Subject Affordable Housing Unit.

e. "Development" means a planned unit development of homes in western Jupiter, Palm Beach County, Florida, to be known as "Kennedy Estates II".

f. "Eligible Household" means one or more persons living together and sharing living expenses whose combined income does not exceed the limits of extremely low and very low income households as identified in the guidelines of the U.S. Department of Housing and Urban Development (HUD), localized for Palm Beach County, and published annually by the Palm Beach County Department of Housing and Community Development. Eligible Very Low Income Household income are those with adjusted gross incomes less than or equal to Fifty (50%) percent of the median adjusted gross income for households within the County. Eligible Extremely Low Income Households are those with less than thirty (30%) percent or equal to eighty (80%) percent of the median adjusted gross income for households within the County. For purposes of this paragraph, one or more persons from this living arrangement will occupy a Subject Affordable Housing Unit on a year-round basis as the primary residence.

g. "Monitoring Entity" shall mean the Palm Beach County Department of Housing and Community Development.

h. "Owner" means the person or entity identified in this covenant as the Declarant and/or any successor or assign holding an interest in a Subject Affordable Housing Unit.

i. "Subject Affordable Housing Unit" means one of the nineteen (19) homes within the Development for which thirty (30) year deed restrictions shall be recorded in accordance with this Declaration.

2. **Occupancy.** A Subject Affordable Housing Unit subject to this Declaration shall be occupied only by one who qualifies as an Eligible Household on the date of occupancy of the Unit.

3. **Term of Covenant.** The Term of this covenant shall be for a period of thirty (30) years from the date of the initial occupancy of the last Subject Affordable Housing Unit.

4. **Restriction.** Declarant shall include in every deed of sale for a Required Affordable Low Income Unit, a restriction stating as follows: "This property is to be sold and occupied by an Eligible Very Low or Low Income Household only, in accordance with the Declaration of Restrictive Covenant for Affordable Housing recorded in ORB _____ Page _____ of the Public Records of Palm Beach County. Said Declaration requires verification by Palm Beach County of the Eligible Household prior to closing. This restriction shall be in effect for thirty (30) years from the date of the first occupancy of the Subject Affordable Housing Unit."

5. **Selection of Eligible Households.** The Declarant and the County, their successors and assigns, agree that the procedures for selection of an occupant of an Owner of a Subject Affordable Housing Unit under this paragraph shall not discriminate against any applicant based upon any protected class included in any federal, state or local fair housing law. For so long as the Declarant is the owner of a Subject Affordable Housing Unit, selection of an Eligible Household, evaluation of its income and assignments of Affordable Units shall be performed exclusively by the Declarant according to the expressed terms of this paragraph. The Declarant

shall have the unrestricted right to screen all Eligible Household applicants. Such screening shall include, but not be limited to, credit-worthiness, employer references, income and ownership of assets and any other background checks usually made by the Declarant on any prospective purchaser's application. Subject to the foregoing, the Declarant shall retain the exclusive and absolute right to reject Eligible Household applicants. Once approved by Declarant, the Eligible Household must be submitted to Palm Beach County for verification of income eligibility prior to closing on that unit.

6. Consideration for Declaration. Declarant applied for a grant from Palm Beach County in the amount of \$750,000.00 in order to construct the town homes on the property. This Declaration is done in consideration of said grant.

Therefore, Declarant covenants as follows:

- a. Declarant shall sell nineteen (19) of its homes to Eligible Extremely Low and Very Low Income Households.
- b. Beginning on the first anniversary of the first occupancy of the first Subject Affordable Housing Unit within the Development (and then annually until and including the thirtieth anniversary of the first occupancy of the last Subject Affordable Housing Unit) Declarant shall file an Annual Affordable Housing Summary Report with the Monitoring Entity. This report shall provide the Monitoring Entity with documentary evidence showing how many Eligible Very Low and Low Income Households have occupied homes within the development.
- c. It is desired that the Subject Affordable Housing Units be occupied at the same rate as other Units. Declarant will document number and location of the Subject Affordable Housing Units occupied during the year at the time of the annual report.
- d. Further, in the event Declarant violates any of the terms and conditions of the Grant Agreement or this Declaration of Restrictive Covenants dated May 8th, 2009, or fails to complete the Subject Affordable Housing Units, Declarant shall pay to the County the amount of \$39,473.68 per unit uncompleted or unconveyed to an Eligible Household.

7. Covenant Compliance. The Declarant, their successors and assigns, shall furnish to the County such information about the Subject Affordable Housing Units as the County may request at each occasion of transfer of title, including, but not limited to the identity of the Declarant, the identity of the Eligible Household, the condition of the unit, the identity of the occupants, and the household income of the occupants, all for the purpose of assuring compliance with this Declaration. Declarant shall include in each lease agreement or other participant agreement the right of County to approve the sale of the unit to an Eligible Household, and the requirement to provide income and other necessary information to the County. The County shall have access to inspect the Affordable Units at reasonable times and

upon reasonable prior notice to the Declarant. The Declarant and their successors and assignees, shall include a reference to the Thirty (30) Year Deed Restriction which guarantees the affordability of the unit, and which requires County verification on initial sale and verification of resales to an Eligible Extremely Low and Very Low Income Household before closing, and an explanation of the responsibilities resulting from the Thirty (30) Year Deed Restriction upon any subsequent owners, successors and assigns, in any and all sales documents, agreements, etc., and in deeds or other instruments conveying an interest in the Required Extremely Low and Very Low Income Property or any part thereof. It is further agreed that the covenants and restrictions contained herein are for public purposes.

8. Annual Report. The Declarant shall provide a report detailing the Declarant's compliance with the terms of this Covenant, as well as the maintenance of satisfactory occupancy rate for the thirty (30) Subject Affordable Housing Units for the purpose of assuring compliance with this Covenant.

Not later than (date) June 1st, of each year following the first occupancy of a Subject Affordable Housing Unit, for the term of this covenant, the Declarant shall furnish to the Monitoring Entity, on a form provided by the County, an Annual Report which shall contain, at a minimum, sufficient information and documentation to prove the compliance of the Declarant with this paragraph for each unit.

- a. The identity of the Declarant and/or Owner(s);
- b. The compliance with report requirements explained in Section 16 below.

9. Covenant to Run with the Land. It is intended and agreed that the covenants and restrictions set forth in this Declaration shall run with the land constituting the property and shall be binding upon any owner (s), successors and assigns for the benefit of and shall be enforceable by the County and its successors and assigns, for a period of thirty (30) years from the date of the first occupancy of each Subject Affordable Housing Unit.

10. Deed Restrictions. A deed restriction will be required for each Subject Affordable Housing Unit in order to guarantee the affordability of each of these units for a period of thirty (30) years from date of first occupancy.

11. Modifications. This Covenant shall not be extinguished, enlarged, modified or replaced during the Thirty (30) Year Term, except with written authorization of Palm Beach County Board of County Commissioners, and shall be binding upon any owner(s), successor(s) and assign(s) for the benefit of and shall be enforceable by County and its successors and assigns during the Term.

12. Fair Housing. The Declarant, their successors and assigns, agree that the sale or rental of all units shall be done in conformity with federal, state and local Fair Housing laws.

13. **Enforcement.** Without limitation on any other rights or remedies of the County, its successors or assigns, in the event of any occupancy of any Subject Affordable Housing Unit in violation of the provisions hereof, the County shall be entitled to seek specific performance of the provisions hereof.

14. **Release of Restrictions.** Restrictions will be automatically released at the expiration of the term of the covenant. Restrictions may also be partially released upon payment of \$31,250.00 to Palm Beach County for each lot upon which a release is sought.

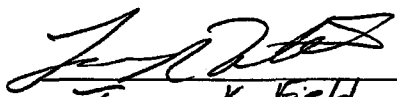
15. **Penalties: Remedies for Violations.** Should there be found any violation of any of the restrictions, covenants and/or agreements set forth herein, the Declarant or the selling Owner shall be liable to pay to Palm Beach County money damages equaling the incentive offered by the Developer at time of initial sale, but in no event less than \$39,473.68 per lot with a violation. Developer has no liability for violations of this covenant for sales subsequent to Developer's initial sale to an Eligible Household. It is understood that such liability will rest with the property owner.

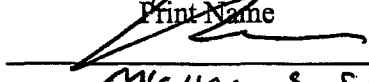
16. **Notices and Reports.** All notices and reports required hereunder shall be sent to the Director of Housing and Community Development Department, 160 Australian Avenue, Suite 500, West Palm Beach, Florida 33406.

17. **Recorded in the Public Records.** This Covenant shall be recorded in the Official Public Records of Palm Beach County. A copy of the recorded Covenant shall be provided to the Director of Housing and Community Development Department, 160 Australian Avenue, Suite 500, West Palm Beach, Florida 33406.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals this day of May 8th, 2009.

Signed, Sealed and Delivered in
the Presence of:

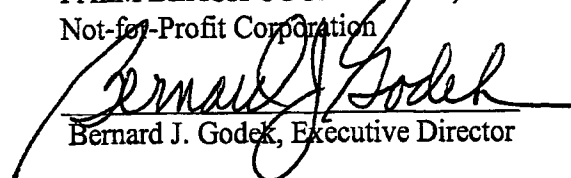


Tammy K. Fields
Print Name


MICHAEL S. SINGER
Print Name

Declarant:

HABITAT FOR HUMANITY OF
PALM BEACH COUNTY, INC., a Florida
Not-for-Profit Corporation



Bernard J. Godek, Executive Director

STATE OF FLORIDA }
 } SS
COUNTY OF PALM BEACH }

The foregoing instrument was acknowledged before me this 8th day of May, 2009, by Bernard J. Godek, Executive Director of HABITAT FOR HUMANITY OF PALM BEACH COUNTY, INC., who is personally known to me or has produced as a type of identification.



Susan M. Weser
Notary Signature

Print Name: _____
Notary Public, State of: _____
Serial Number, if any: _____
My commission expires: _____

G:\WPDATA\ENG\TKFH\TF.AGT\Habitat-for-Humanity-of-PBC-Kennedy-Estate-II-Declaration-RestricCov-03-31-09.rtf

EXHIBIT "A"

Parcel 1:

A parcel of land lying in Section 3, Township 41 South, Range 42 East, Palm Beach County, Florida. Being the South 408 feet of the North 424.5 feet of the East half of the West half of the Southeast quarter of the Southwest quarter of Section 3, Township 41 South, Range 42 East, LESS the North 32.5 feet thereof taken by Palm Beach County for road Right-of-Way purposes, LESS also that portion lying East of a line 660.0 feet West of and parallel to the East line of said Southwest quarter of Section 3.

ALSO described as:

A part of the East half of the Northwest quarter of the Southeast quarter of the Southwest quarter of Section 3, Township 41 South, Range 42 East, Palm Beach County, Florida, more particularly described as follows:

From the Northwest corner of said East half of the Northwest quarter of the Southeast quarter of the Southwest quarter, proceed Southerly along the West line of said East half of the Northwest quarter of the Southeast quarter of the Southwest quarter 60.00 feet to the Point of Beginning; thence Southerly along said West line 364.5 feet; thence Easterly parallel to the North line of said East half of the Northwest quarter of the Southeast quarter of the Southwest quarter 306.43 feet to a line 660.00 feet West of and parallel to the East line of said Southwest quarter of Section 3; thence Northerly along said parallel line 364.5 feet to a line 60.00 feet South of and parallel to said North line; thence Westerly parallel to said North line 309.50 feet to the Point of Beginning.

Parcel 2:

That portion of the East $\frac{1}{2}$ of the West $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of Section 3, Township 41 South, Range 42 East; LESS however, the North 424.5 feet; also LESS that portion of said East $\frac{1}{2}$ lying South of the following described line:

From the Southwest corner of said Section 3, bear S 88° 54' 17" E along the South line of said Section 3 a distance of 958.64 feet; thence N 01° 05' 57" E, along the West line of the East $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of said Section 3, a distance of 16.50 feet; thence continue N 01° 05' 57" E, along said West line, a distance of 1155.41 feet; thence S 89° 09' 04" E, a distance of 322.87 feet to a point in the East line of the Southwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of said Section 3; thence N 01° 15' 40" E, along said East line, a distance of 106.50 feet to a point in the South line of a 60.00 feet Right-of-Way, as recorded in O.R. Book 3485, Page 1142, Public Records of Palm Beach County, Florida, thence S 89° 09' 44" E, along the South line of said 60.00 foot Right-of-Way, (a portion of which is recorded in O.R. Book 3485, Page 1144, Public Records of Palm Beach County, Florida), a distance of 323.17 feet to a point in the East line of the West $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of said Section 3; thence S 01° 25' 22" W, along said East line, a distance of 506.82 feet, for a Point of Beginning of the aforementioned line; thence S 88° 54' 17" E a distance of 321.73 feet more or less to a point in the East line of said East $\frac{1}{2}$ of the West $\frac{1}{2}$ of the Southeast $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ to a point being the end of said line.

Together with:

An Ingress and Egress easement said easement being the North 449.5 feet of a 15 foot wide strip of land lying Easterly of adjacent and contiguous to East line of the East $\frac{1}{2}$ of the West $\frac{1}{2}$ of the Southeast $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of Section 3, Township 41 South, Range 42 East, Palm Beach County, Florida; LESS the North 60.00 feet thereof.

A SUMMARY
APPRAISAL OF

**THE PARCEL OF VACANT
RESIDENTIAL LAND KNOWN AS
KENNEDY ESTATES II
LOCATED AT
6600 JUPITER GARDENS BLVD
JUPITER, FLORIDA**

OUR FILE NUMBER: 11-65169

PREPARED FOR

HABITAT FOR HUMANITY OF PALM BEACH COUNTY, INC.

AS OF

APRIL 25, 2011

BY

MICHAEL R. SLADE, MAI, SRA, CRE
CALLAWAY & PRICE, INC



Callaway & Price, Inc.

Real Estate Appraisers And Consultants

www.callawayandprice.com

Licensed Real Estate Brokers

Please respond to West Palm Beach office

E-Mail: mrs@cpwpp.com

WEST PALM BEACH

1639 Forum Place
Suite 5
West Palm Beach, FL 33401
Phone (561)686-0333
Fax (561)686-3705

Michael R. Slade, MAI, SRA, CRE
St.Cert.Gen.REA RZ116

Daniel P. Hrabko, MAI
St.Cert.Gen.REA RZ48

Stephen D. Shaw, MAI
St.Cert.Gen.REA RZ1192

FORT PIERCE/STUART

500 South U.S. Highway
Suite 107
Fort Pierce, FL 34950
Phone (772)464-8607
Fax (772)461-0809

Stuart
Phone (772)287-3330
Fax (772)461-0809

Harry D. Gray, MAI, SRA
St.Cert.Gen.REA RZ662

Stephen G. Neill, Jr., MAI
St.Cert.Gen.REA RZ2480

MELBOURNE/INDIALANTIC

114 6th Avenue,
Suite 3
Indialantic, FL 32903
Phone (321)726-0970
Fax (321)726-0384

Curtis L. Phillips, MAI
St.Cert.Gen.REA RZ2085

BOCA RATON

Phone (561)998-8088
Fax (561)686-3705

Daniel P. Hrabko, MAI
St.Cert.Gen.REA RZ48

April 29, 2011

Mr. Bernard Godek
Habitat for Humanity of Palm Beach County, Inc.
6758 North Military Trail, Ste. 303
West Palm Beach, Florida 33407

Our File Number: 11-65169

Dear Mr. Godek:

We have made an investigation and analysis of the parcel of vacant residential land known as Kennedy Estates II, located at 6600 Jupiter Gardens Boulevard, in an area of unincorporated Palm Beach County, surrounded by the Town of Jupiter, Florida 33477. The Subject Property will be further described both narratively and legally within the following Summary Appraisal Report.

The purpose of this investigation and analysis was to provide our opinion of the Market Value of the Fee Simple Estate of the Subject Property "as is" as of April 25, 2011. In addition, we have estimated the Prospective Market Value of the Subject Property as though the proposed infrastructure improvements were complete as of the estimated completion date of January 1, 2012.

This report has been prepared for our client and intended user, Habitat for Humanity of Palm Beach County, Inc. The intended use was for the client's internal decision making purposes. The scope of work performed is specific to the needs of the intended user and the intended use. No other use is intended, and the scope of work may not be appropriate for other uses.

The scope of work performed included a complete analysis of the Subject Property. A detailed scope of work description can be found in the body of this report.

Mr. Bernard Godek
Habitat for Humanity of Palm Beach County, Inc.
April 29, 2011
Page Two

Based upon the scope of the assignment, our investigation and analysis of the information contained within this report, as well as our general knowledge of real estate valuation procedures and market conditions, it is our opinion that:

The Market Value of the Fee Simple
Estate of the Subject Property "as is"
as of April 25, 2011 was:

\$450,000

Further, the Prospective Market Value
of the Fee Simple Estate of the Subject
Property as though the proposed infrastructure
improvements were complete as of the estimated
completion date of January 1, 2012 was:

\$1,100,000

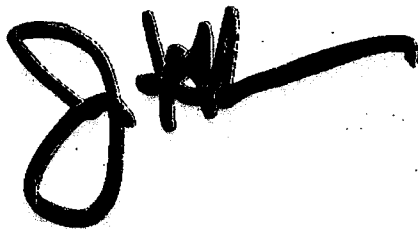
A description of the property appraised, together with an explanation of the valuation procedures utilized, is contained in the body of the attached report. For your convenience, an Executive Summary follows this letter. Your attention is directed to the Limiting Conditions and underlying assumptions upon which the value conclusions are contingent.

Respectfully submitted,

CALLAWAY & PRICE, INC.



Michael R. Slade, MAI, SRA, CRE
St.Cert.Gen.REA RZ116



James H. Mader, Associate Appraiser
St.Cert.Gen.REA RZ832

MRS/JHM/KPS/11-65169
Attachments



Executive Summary

PROPERTY TYPE : Vacant residential land.

STREET ADDRESS : 6600 Jupiter Gardens Boulevard
Jupiter, Florida 33458

LOCATION : Southeast corner of Jupiter Gardens
Boulevard and Mallards Cove Road, in an
unincorporated area of Palm Beach County,
surrounded by the Town of Jupiter, Florida.

DATES OF VALUATION
EST. COMPLETION DATE : January 1, 2012.
"AS IS" APPRAISAL DATE : April 25, 2011.

PROPERTY DESCRIPTION

LAND : Basically rectangular shaped parcel containing
a total of 158,558 square feet, or 3.64 acres,
more or less.

ZONING : RM, Multi-family Residential, by Palm Beach
County, Florida. Further, the Subject has site
plan approval for a 19-lot single family
subdivision.

LAND USE PLAN : HR-8, High Residential (max of 8 units per
acre), by Palm Beach County, Florida.

HIGHEST & BEST USE : Future residential development.

MARKET VALUE OF THE
FEE SIMPLE ESTATE OF
THE SUBJECT PROPERTY
"AS IS", AS OF
APRIL 25, 2011 : \$450,000

PROSPECTIVE MARKET VALUE
OF THE FEE SIMPLE ESTATE
OF THE SUBJECT PROPERTY AS
THOUGH THE PROPOSED
INFRASTRUCTURE IMPROVEMENTS
WERE COMPLETE AS OF
THE ESTIMATED COMPLETION
DATE OF JANUARY 1, 2012 : \$1,100,000



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ADDENDA

Letter of Engagement

Client-Supplied Subdivision Costs

Qualifications:

 Michael R. Slade, MAI, SRA, CRE

 James H. Mader, Associate Appraiser



CERTIFICATION

We certify that, to the best of our knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, unbiased professional analyses, opinions, and conclusions.
3. We have no present or prospective interest in the property that is the subject of this report, and we have no personal interest or bias with respect to the parties involved.
4. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. Our compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
7. The analyses, opinions, and conclusion were developed, and this report was prepared, in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) and FIRREA.
8. Michael R. Slade and James H. Mader have made a personal inspection of the Subject Property.
9. No one provided significant real property appraisal assistance to the persons signing this certification.
10. The use of this report is subject to the requirements of the State of Florida relating to review by the Florida Real Estate Appraisal Board.
11. The reported analyses, opinions and conclusion were developed, and this report was prepared, in conformity with the requirements of the Appraisal Institute's Code of Professional Ethics and Standards of Professional Appraisal Practice, which include the Uniform Standards of Professional Appraisal Practice.
12. This appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.



Certification

13. We have provided appraisal services regarding this property within the last three years.
14. I certify that the use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
15. As of the date of this report, Michael R. Slade, MAI, SRA, has completed the requirements under the continuing education program of the Appraisal Institute.

Michael Robert Slade

Michael R. Slade, MAI, SRA, CRE
St.Cert.Gen.REA RZ116

J. H. Mader

James H. Mader, Associate Appraiser
St.Cert.Gen.REA RZ832



LIMITING CONDITIONS

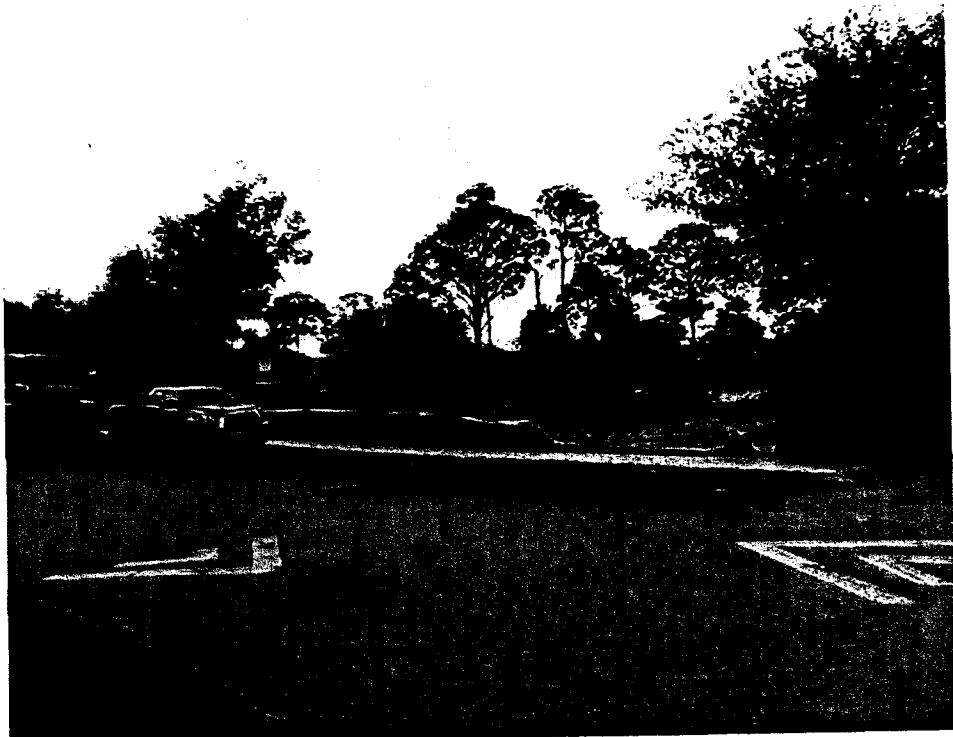
1. Unless otherwise stated, the value appearing in this appraisal represents the opinion of the Market Value or the Value Defined AS OF THE DATE SPECIFIED. Market Value of real estate is affected by national and local economic conditions and consequently will vary with future changes in such conditions.
2. The value estimated in this appraisal report is gross, without consideration given to any encumbrance, restriction or question of title, unless specifically defined.
3. This appraisal report covers only the property described and any values or rates utilized are not to be construed as applicable to any other property, however similar the properties might be.
4. It is assumed that the title to the premises is good; that the legal description is correct; that the improvements are entirely and correctly located on the property described and that there are no encroachments on this property, but no investigation or survey has been made.
5. This appraisal expresses our opinion, and employment to make this appraisal was in no way contingent upon the reporting of predetermined value or conclusion.
6. No responsibility is assumed for matters legal in nature, nor is any opinion of title rendered. In the performance of our investigation and analysis leading to the conclusions reached herein, the statements of others were relied on. No liability is assumed for the correctness of these statements; and, in any event, the appraisers' total liability for this report is limited to the actual fee charged.
7. Neither all nor any part of the contents of this report (especially any conclusions, the identity of the appraiser or the firm with which he is connected, or any reference to the Appraisal Institute or any of its designations) shall be disseminated to the public through advertising media, public relations media, news media, sales media or any other public means of communication without our prior written consent and approval.
8. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures which would render it more or less valuable. The appraiser assumes no responsibility for such conditions or the engineering which might be required to discover these factors.



9. Unless otherwise stated in this report, the existence of hazardous substances, including without limitation stachybotrys chartarum (mold), asbestos, polychlorinated biphenyls, petroleum leakage, or agricultural chemicals, which may or may not be present on the property, or other environmental conditions, was not called to the attention of, nor did the appraiser become aware of such during the appraiser's inspection. The appraiser has no knowledge of the existence of such materials on or in the property unless otherwise stated. The appraiser, however, is not qualified to test for such substances or conditions. If the presence of such substances, such as asbestos, urea formaldehyde foam insulation, or other hazardous substances or environmental conditions, may affect the value of the property, the value estimated is predicated on the assumption that there is no such proximity thereto that would cause a loss in value. We are unaware of very wet conditions that may have existed for days or weeks which are required to grow mold. No responsibility is assumed for any such conditions, nor for any expertise or engineering knowledge required to discover them.
10. The Americans with Disabilities Act ("ADA") became effective January 26, 1992. The appraisers have not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property, together with a detailed analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative effect upon the value of the property. Since the appraisers have no direct evidence relating to this issue, possible noncompliance with the requirements of ADA in estimating the value of the property has not been considered.
11. The values contained herein assume and are based on the assumption of competent marketing and management. If they deficient, the values estimated herein may not apply.
12. The forecasts, projections, or operating estimates contained herein are based on current market conditions, anticipated short-term supply and demand factors, and continued stable economy. These forecasts are, therefore, subject to changes with future conditions. The appraiser cannot be held responsible for unforeseeable events that may alter market conditions subsequent to the effective date of appraisal.
13. The Prospective Market Value indication estimated herein is based on the Subject's infrastructure improvements (a list of which is found in the Addenda) being completed by a competent builder in a timely and workmanlike manner.



NORTHEASTERLY VIEW OF SUBJECT



SOUTHEASTERLY VIEW OF SUBJECT



NORTHWESTERLY VIEW OF SUBJECT



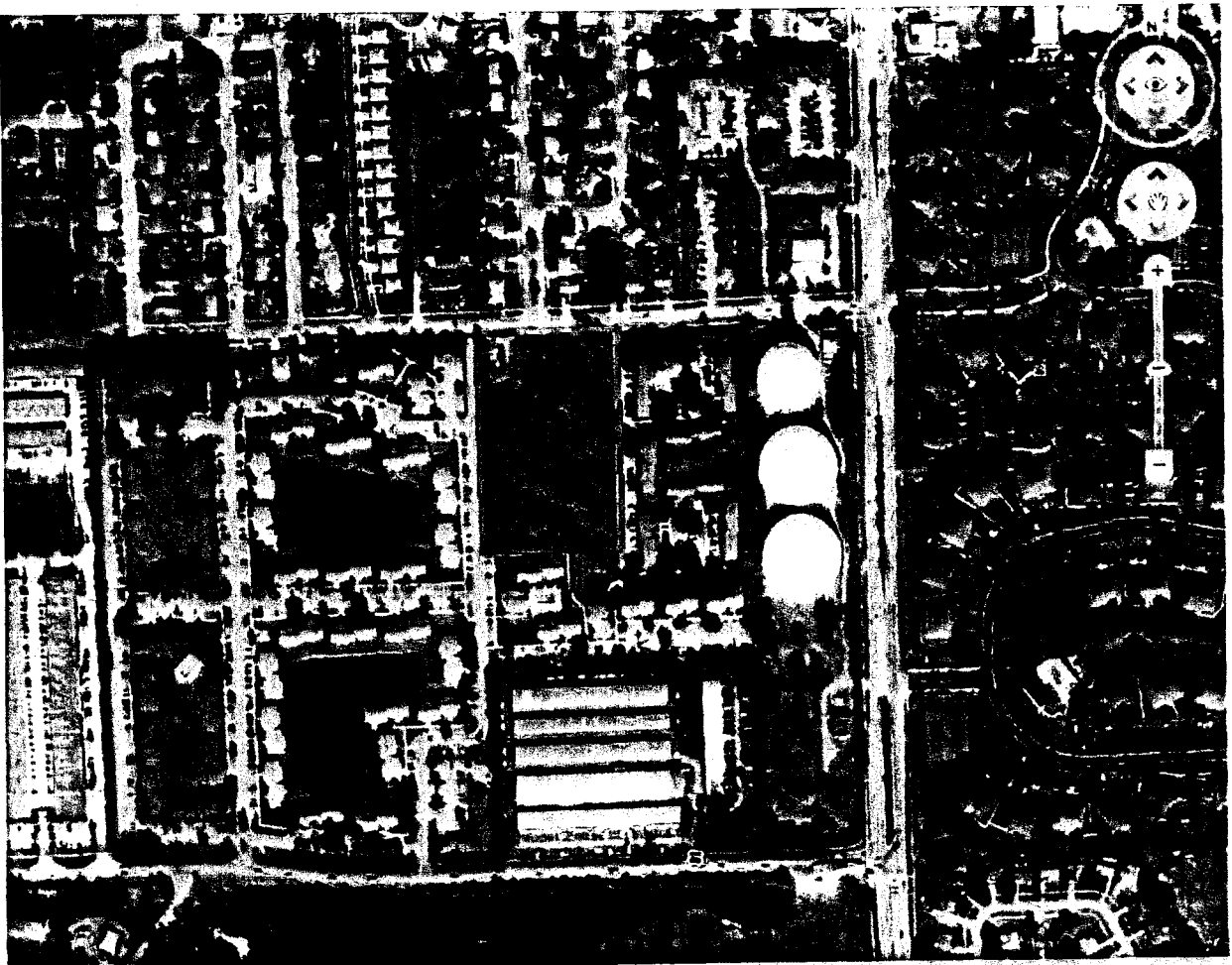
SOUTHWESTERLY VIEW OF SUBJECT



LOOKING EAST ALONG JUPITER GARDENS BLVD WITH SUBJECT AT RIGHT



LOOKING WEST ALONG JUPITER GARDENS BLVD WITH SUBJECT AT LEFT



AERIAL VIEW



DEFINITION OF THE APPRAISAL PROBLEM

Purpose, Date of Value, and Interest Appraised

The purpose of this investigation and analysis was to provide our opinion of the Market Value of the Fee Simple Estate of the Subject Property "as is" as of April 25, 2011. In addition, we have estimated the Prospective Market Value of the Subject Property as though the proposed infrastructure improvements were complete as of the estimated completion date of January 1, 2012.

Intended Use and User of Appraisal

This report has been prepared for our client and intended user, Habitat for Humanity of Palm Beach County, Inc. The intended use was for the client's internal decision making purposes. The scope of work performed is specific to the needs of the intended user and the intended use. No other use is intended, and the scope of work may not be appropriate for other uses.

Market Value

Section 1110 of Financial Institutions Reform, Recovery, and Enforcement Act's (FIRREA) instructions to the Office of Thrift Supervision uses the definition of Market Value below as developed by the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation, and adopted by the Appraisal Foundation's Uniform Standards of Professional Appraisal Practice.

"The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition are the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- a. buyer and seller are typically motivated;
- b. both parties are well informed or well advised, and acting in what they consider their own best interests;
- c. a reasonable time is allowed for exposure in the open market;
- d. payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- e. the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale."



Legal Description

A PARCEL OF LAND IN SECTION 3, TOWNSHIP 41 SOUTH, RANGE 42 EAST, PALM BEACH COUNTY, FLORIDA. BEING THE SOUTH 408 FEET OF THE NORTH 424.5 FEET OF THE EAST HALF OF THE WEST HALF OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 3, TOWNSHIP 41 SOUTH, RANGE 42 EAST, LESS THE NORTH 32.5 FEET THEREOF TAKEN BY PALM BEACH COUNTY FOR ROAD RIGHT-OF-WAY PURPOSES, LESS ALSO THAT PORTION LYING EAST OF A LINE 660.0 FEET WEST OF AND PARALLEL TO THE EAST LINE OF SAID SOUTHWEST QUARTER OF SECTION 3.

ALSO DESCRIBED AS:

A PART OF THE EAST HALF OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 3, TOWNSHIP 41 SOUTH, RANGE 42 EAST, PALM BEACH COUNTY, FLORIDA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

FROM THE NORTHWEST CORNER OF SAID EAST HALF OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER, PROCEED SOUTHERLY ALONG THE WEST LINE OF SAID EAST HALF OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER 60.00 FEET TO THE POINT OF BEGINNING; THENCE SOUTHERLY ALONG SAID WEST LINE 364.5 FEET; THENCE EASTERLY PARALLEL TO THE NORTH LINE OF SAID EAST HALF OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER 306.43 FEET TO A LINE 660.00 FEET WEST OF AND PARALLEL TO THE EAST LINE OF SAID SOUTHWEST QUARTER OF SECTION 3; THENCE NORTHERLY ALONG SAID PARALLEL LINE 364.5 FEET TO A LINE 60.00 FEET SOUTH OF AND PARALLEL TO SAID NORTH LINE; THENCE WESTERLY PARALLEL TO SAID NORTH LINE 309.50 FEET TO THE POINT OF BEGINNING.

AND

THAT PORTION OF THE EAST 1/2 OF THE WEST 1/2 OF THE SOUTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 3, TOWNSHIP 41 SOUTH, RANGE 42 EAST; LESS HOWEVER, THE NORTH 424.5 FEET; ALSO LESS THAT PORTION OF SAID EAST 1/2 LYING SOUTH OF THE FOLLOWING DESCRIBED LINE:

FROM THE SOUTHWEST CORNER OF SAID SECTION 3, BEAR S 88°54'17" E ALONG THE SOUTH LINE OF SAID SECTION 3 A DISTANCE OF 958.64 FEET; THENCE N 01°05'57" E, ALONG THE WEST LINE OF THE EAST 1/4 OF THE SOUTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 3, A DISTANCE OF 16.50 FEET; THENCE CONTINUE N 01°05'57" E, ALONG SAID WEST LINE, A DISTANCE OF 1155.41 FEET; THENCE S 89°09'04" E, A DISTANCE OF 322.87 FEET TO A POINT IN THE EAST LINE OF THE SOUTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 3; THENCE N 01°15'40" E, ALONG SAID EAST LINE, A DISTANCE OF 106.50 FEET TO A POINT IN THE SOUTH LINE OF A 60.00 FEET RIGHT-OF-WAY, AS RECORDED IN O.R. BOOK 3485, PAGE 1142, PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA, THENCE S 89°09'44" E, ALONG THE SOUTH LINE OF SAID 60.00 FOOT RIGHT-OF-WAY, (A PORTION OF WHICH IS RECORDED IN O.R. BOOK 3485, PAGE 1144, PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA), A DISTANCE OF 323.17 FEET TO A POINT IN THE EAST LINE OF THE WEST 1/4 OF THE SOUTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 3; THENCE S 01°25'22" W, ALONG SAID EAST LINE, A DISTANCE OF 506.82 FEET, FOR A POINT OF BEGINNING OF THE AFOREMENTIONED LINE; S 88°54'17" E A DISTANCE OF 321.73 FEET MORE OR LESS TO A POINT IN THE EAST LINE OF SAID EAST 1/2 OF THE WEST 1/2 OF THE SOUTHEAST 1/4 OF THE SOUTHWEST 1/4 TO A POINT BEING THE END OF SAID LINE.

TOGETHER WITH:

AN INGRESS AND EGRESS EASEMENT SAID EASEMENT BEING THE NORTH 449.5 FEET OF A 15 FOOT WIDE STRIP OF LAND LYING EASTERLY OF ADJACENT AND CONTIGUOUS TO EAST LINE OF THE EAST 1/2 OF THE WEST 1/2 OF THE SOUTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 3, TOWNSHIP 41 SOUTH, RANGE 42 EAST, PALM BEACH COUNTY, FLORIDA; LESS THE NORTH 60.00 FEET THEREOF.

CONTAINING: 3.64 ACRES MORE OR LESS.

SUBJECT TO EASEMENTS, RESTRICTIONS AND RIGHTS OF WAY OF RECORD.

Source: Resolution No: R-2009-0485, of the Public Records of Palm Beach County, Florida.



Prospective Opinion of Value

The Dictionary of Real Estate Appraisal, Fifth Edition 2010, by the Appraisal Institute, defines Prospective Opinion of Value on page 153 as follows:

"A value opinion effective as of a specified future date. The term does not define a type of value. Instead, it identifies a value opinion as being effective at some specific future date. An opinion of value as of a prospective date is frequently sought in connection with projects that are proposed, under construction, or under conversion to a new use, or those that have not yet achieved sellout or a stabilized level of long-term occupancy"

Fee Simple Estate

The Dictionary of Real Estate Appraisal, Fifth Edition 2010, by the Appraisal Institute, defines Fee Simple Estate on page 78 as follows:

"Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat."

Hypothetical Conditions

The Dictionary of Real Estate Appraisal, Fifth Edition 2010, by the Appraisal Institute, defines Hypothetical Conditions on page 97 as follows:

"That which is contrary to what exists but is supposed for the purpose of analysis. Hypothetical conditions assume conditions contract to know facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis."

A Hypothetical Condition was made in the valuation of the Subject as though the infrastructure improvements were complete as of the estimated completion date.

Extraordinary Assumptions

Extraordinary assumptions are defined by The Dictionary of Real Estate Appraisal, Fifth Edition 2010, by the Appraisal Institute, on page 73 as follows:

"An assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinions or conclusions. Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property such as market conditions or trends; or about the integrity of data used in an analysis."



Definition of the Appraisal Problem

An Extraordinary Assumption was made in the valuation of the Subject as though the infrastructure improvements were complete as of the estimated completion date.



SCOPE OF WORK

According to the 13th Edition of The Appraisal of Real Estate, page 135, "Scope of Work refers to the type and extent of research and analyses in an assignment. The appraiser is responsible for determining the appropriate scope of work in the appraisal assignment. Scope of work for an assignment is acceptable if it leads to credible assignment results, is consistent with the expectations of parties who are regularly intended users for similar assignments, and is consistent with what the actions of the appraiser's peers would be in the same or a similar assignment."

The first step in the appraisal process is the identification of the appraisal problem which included the purpose and date of value, determining the interest being appraised, intended use and user of the appraisal, and identifying the real estate (legal description). This step also determines if the appraisal were subject to any extraordinary assumptions or hypothetical conditions.

The next step involved the inspection of the Subject Property in April 2011 by Michael R. Slade, MAI, SRA, CRE and James H. Mader. In addition to the inspection of the Subject Property, we also began the data-collection process and, subsequently, an analysis of the factors that affect the market value of the Subject Property, including a market area analysis, neighborhood analysis, and property data analysis. We gathered and reviewed information from the Palm Beach County Property Appraiser's Office, the Town of Jupiter and the property owner to understand and describe the Subject Property.

The third step in the process was to determine the Highest and Best Use of the Subject Property as vacant and as improved. Through the Highest and Best Use analysis, we determined the issues that have an effect on the final opinion of value. To determine the Highest and Best Use, we relied on information obtained from the data-collection process.

The fourth step was the application of the appropriate approaches to value. Three conventional approaches to value are typically utilized in the valuation of real estate. They are the Cost, Sales Comparison and Income Capitalization Approaches. *No approaches were specifically omitted from this appraisal by the client.* The most reliable way to estimate land value is by the Sales Comparison Approach. When few sales are available, however, or when the value indications produced through sales comparison need additional support, alternative techniques like extraction or allocation may be applied. In the case of the Subject Property the only approach used was the Sales Comparison Approach. Since only one approach to value was used, no reconciliation was needed.

In order to estimate the Prospective Market Value of the Subject as though the infrastructure improvements were complete as of the estimated completion date, we will add the estimated infrastructure costs as supplied by the client to the "as is" land value.



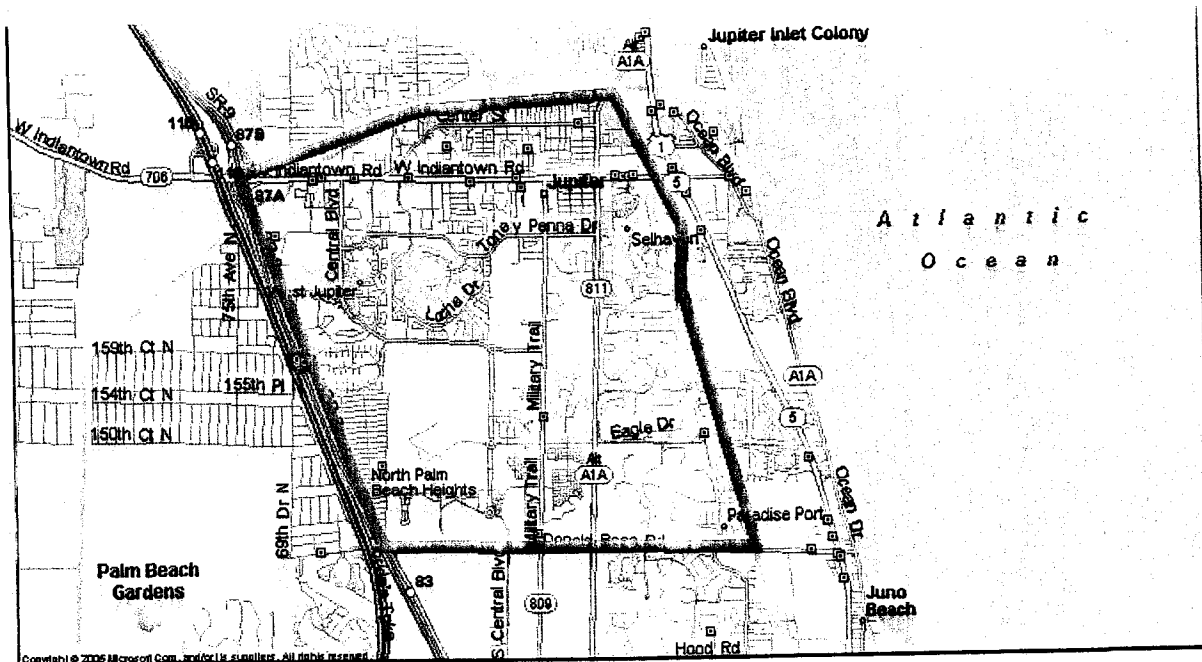
Scope of Work

The authenticity and reliability of representations made by others in the data gathering process are not warranted. We have taken due care in attempting to verify the data utilized in this analysis. However, the analysis of the data and conclusions derived there from are based on overall patterns in the marketplace rather than on specific representations.



NEIGHBORHOOD DATA

The relationship of the Subject Property with surrounding properties forms the basis of neighborhood analysis. The Appraisal of Real Estate, 13th Edition 2008, states: Social, economic, governmental, and environmental forces influence property values in the vicinity of a subject property. As a result, they affect the value of that property. Although physical boundaries may be drawn, the most important boundaries are those that identify factors influencing property values. The area of influence, commonly called a neighborhood, can be defined as a group of complementary land uses.



The Subject neighborhood is considered to include the area bounded on the north by the Loxahatchee River, on the south by Donald Ross Road, on the east by the Intracoastal Waterway, and on the west by I-95. The neighborhood includes portions of the Town of Jupiter, and some unincorporated areas of Palm Beach County.

The primary north/south traffic artery providing access to and through the Subject neighborhood is Alternate A1A, Military Trail and Central Boulevard. Alternate A1A is a major commuter route, which begins at County Line Road (north of the Subject neighborhood), extends southerly to Northlake Boulevard (south of the Subject neighborhood). Military Trail is an arterial roadway which begins at Indiantown Road and traverses south through Palm Beach County and into Broward County. Central Boulevard begins at Indiantown Road and runs south through the Abacoa development, to its termination at PGA Boulevard.



Neighborhood Data

Frederick Small Road, Donald Ross Road and Indiantown Road (State Road 706) provide east/west travel, which is restricted mostly to local streets within the Subject neighborhood. Access to Interstate 95 and Florida's Turnpike is provided via Donald Ross Road and Indiantown Road.

The predominant property use within the neighborhood is residential, with numerous single and multifamily developments. Industrial development is situated mainly in the Jupiter Commerce Park and the Pennock Industrial Park located east of Jupiter Commerce Park, on the south side of Indiantown Road. Commercial development within the Subject neighborhood is concentrated primarily along Indiantown Road.

The development which has the greatest impact on the neighborhood is Abacoa. This project is located in southern Jupiter and contains approximately 2,055 acres. At build out, the project will contain a total of 6,280 dwelling units, of which 3,926 will be detached single family, with the remaining 2,354 units being multifamily. The development is approximately 75% built-out.

The community also contains 608 acres of recreational, including an 18-hole public golf course, a skate park, natural land area, and 167 acres of institutional land, which will include three public schools. The project also has 142 acres of commercial acreage situated throughout the community. However, its focal point is the "Abacoa Town Center", with retail/office space, apartments/condominiums, along with Roger Dean Stadium, the spring training home of the St. Louis Cardinals and the Florida Marlins, as well as the Jupiter Hammerheads and Palm Beach Cardinals minor league baseball teams.

Lastly, Florida Atlantic University (FAU) has its northern campus, which has the capacity to accommodate 4,900 students, including an Honors College. Additionally the Scripps Research Institute (SRI) has developed a facility on 30 acres of land within FAU's Abacoa campus with room for expansion on 70 acres of the 682-acre Briger parcel (located just to the south). Scripps Florida Biotechnology Research Institute constructed three buildings which contain 364,000 square feet on FAU's campus. Scripps Florida currently employs 300 employees. The Max Planck Florida Institute is scheduled to begin construction soon on a 100,000 square foot high-tech laboratory adjacent to the Scripps facility which will help to establish the region (southeast Florida and the Treasure Coast) as a research hub. The Max Planck Society for the Advancement of Science is a Munich-based, internationally renowned non-profit research organization that will create 1,824 jobs.

**Conclusion**

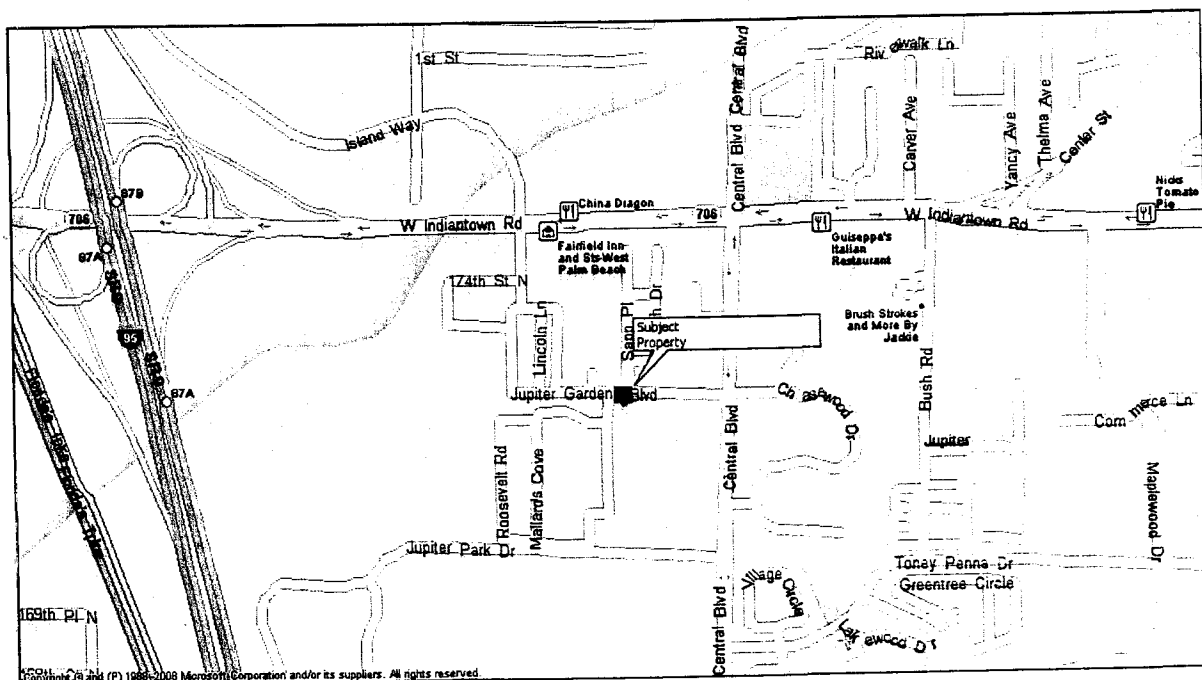
The Subject neighborhood is a portion of the Jupiter area of northern Palm Beach County. The general character of the Subject neighborhood (which is a relatively good mix of both commercial and residential) is not expected to change. The neighborhood has been affected by the residential real estate market collapse and local decline in both residential and commercial real estate values. It is our opinion that property values will stabilize sometime in the near future as the general economy improves and the neighborhood reaches build-out.



PROPERTY DATA

Location

The Subject Property is located at the southeast corner of Jupiter Gardens Boulevard and Mallards Cove Road, in an unincorporated area of Palm Beach County, surrounded by the Town of Jupiter, Florida 33458. Its street address is 6600 Jupiter Gardens Boulevard. It should be noted that Mallards Cove Road is blocked off at Jupiter Gardens Boulevard by a wooden fence. No other information regarding this was available.



Zoning

The Subject site is currently zoned RM, Multi-family Residential District, by Palm Beach County. Further, the property has site plan approval for a 19-lot single family subdivision to be known as "Kennedy Estates II".

Land-Use Plan

The Palm Beach County Land Use Plan designates the Subject Property as HR-8, High Density Residential, 8 units per acre.



Concurrency

In 1985, the Florida Legislature enacted the Local Government Comprehensive Planning and Land Development Regional Act (Chapter 163, Part II, Florida Statutes), commonly referred to as "The Growth Management Act".

The Subject has approvals for a 19-lot single family subdivision from Palm Beach County. Therefore, concurrency is not an issue of concern for the Subject.

Easements and Deed Restrictions

We have not been provided a title search for the Subject Property. Based upon our inspection of the property records, we are unaware of any adverse easements situated on the Subject Property. However, the property does have a Restrictive Covenant pertaining to the sale of the proposed lots to low income households. The Declaration of Restrictive Covenant is shown below and on the following pages. It is recorded in Official Record Book 23223 Page 1093.

DECLARATION OF RESTRICTIVE COVENANT

THIS DECLARATION OF RESTRICTIVE COVENANT FOR AFFORDABLE HOUSING (the "Declaration") is made by HABITAT OF HUMANITY OF PALM BEACH COUNTY, INC., a Florida not-for-profit corporation, (hereinafter referred to as the "Declarant") as the current owners of the property described on Exhibit "A" attached hereto (the "Property").

1. **Definitions:** In this Covenant, the following words and phrases shall have the meanings indicated, unless the context requires otherwise.

a. "Adjusted Gross Income" as defined by the Palm Beach County Comprehensive Plan (page 3-HE), means all wages, assets, regular cash or non-cash contributions or gifts from persons outside the household, and such other resources and benefits as may be determined to be income by the United States Department of Housing and Urban Development, adjusted for family size, less deductions allowable under Section 62 of the Internal Revenue Code.

b. "Affordable Housing" shall have the meaning contained in the Palm Beach County 1989 Comprehensive Land Use Plan's Housing Element, as of that date or as such term may be modified in future amendments to the Plan. As presently defined (page 2-HE), Affordable Housing means that monthly rents including utilities or monthly mortgage payments including property taxes, insurance and utilities do not exceed thirty (30%) percent of that amount which represents the percentage of the median adjusted gross annual income for the households composed of very low-income persons and low-income persons.

c. "Compliance Period" shall mean thirty (30) years from the date of first occupancy of a Subject Affordable Housing Unit.

d. "Declarant" means the entity creating the initial Development, HABITAT FOR HUMANITY OF PALM BEACH COUNTY, INC., and its successors and assigns, including any or all successors or assigns holding an interest in a Subject Affordable Housing Unit.

e. "Development" means a planned unit development of homes in western Jupiter, Palm Beach County, Florida, to be known as "Kennedy Estates II".



f. "Eligible Household" means one or more persons living together and sharing living expenses whose combined income does not exceed the limits of extremely low and very low income households as identified in the guidelines of the U.S. Department of Housing and Urban Development (HUD), localized for Palm Beach County, and published annually by the Palm Beach County Department of Housing and Community Development. Eligible Very Low Income Household income are those with adjusted gross incomes less than or equal to Fifty (50%) percent of the median adjusted gross income for households within the County. Eligible Extremely Low Income Households are those with less than thirty (30%) percent or equal to eighty (80%) percent of the median adjusted gross income for households within the County. For purposes of this paragraph, one or more persons from this living arrangement will occupy a Subject Affordable Housing Unit on a year-round basis as the primary residence.

g. "Monitoring Entity" shall mean the Palm Beach County Department of Housing and Community Development.

h. "Owner" means the person or entity identified in this covenant as the Declarant and/or any successor or assign holding an interest in a Subject Affordable Housing Unit.

i. "Subject Affordable Housing Unit" means one of the nineteen (19) homes within the Development for which thirty (30) year deed restrictions shall be recorded in accordance with this Declaration.

2. **Occupancy.** A Subject Affordable Housing Unit subject to this Declaration shall be occupied only by one who qualifies as an Eligible Household on the date of occupancy of the Unit.

3. **Term of Covenant.** The Term of this covenant shall be for a period of thirty (30) years from the date of the initial occupancy of the last Subject Affordable Housing Unit.

4. **Restriction.** Declarant shall include in every deed of sale for a Required Affordable Low Income Unit, a restriction stating as follows: "This property is to be sold and occupied by an Eligible Very Low or Low Income Household only, in accordance with the Declaration of Restrictive Covenant for Affordable Housing recorded in ORB _____ Page _____ of the Public Records of Palm Beach County. Said Declaration requires verification by Palm Beach County of the Eligible Household prior to closing. This restriction shall be in effect for thirty (30) years from the date of the first occupancy of the Subject Affordable Housing Unit."

5. **Selection of Eligible Households.** The Declarant and the County, their successors and assigns, agree that the procedures for selection of an occupant of an Owner of a Subject Affordable Housing Unit under this paragraph shall not discriminate against any applicant based upon any protected class included in any federal, state or local fair housing law. For so long as the Declarant is the owner of a Subject Affordable Housing Unit, selection of an Eligible Household, evaluation of its income and assignments of Affordable Units shall be performed exclusively by the Declarant according to the expressed terms of this paragraph. The Declarant



shall have the unrestricted right to screen all Eligible Household applicants. Such screening shall include, but not be limited to, credit-worthiness, employer references, income and ownership of assets and any other background checks usually made by the Declarant on any prospective purchaser's application. Subject to the foregoing, the Declarant shall retain the exclusive and absolute right to reject Eligible Household applicants. Once approved by Declarant, the Eligible Household must be submitted to Palm Beach County for verification of income eligibility prior to closing on that unit.

6. Consideration for Declaration. Declarant applied for a grant from Palm Beach County in the amount of \$750,000.00 in order to construct the town homes on the property. This Declaration is done in consideration of said grant.

Therefore, Declarant covenants as follows:

- a. Declarant shall sell nineteen (19) of its homes to Eligible Extremely Low and Very Low Income Households.
- b. Beginning on the first anniversary of the first occupancy of the first Subject Affordable Housing Unit within the Development (and then annually until and including the thirtieth anniversary of the first occupancy of the last Subject Affordable Housing Unit) Declarant shall file an Annual Affordable Housing Summary Report with the Monitoring Entity. This report shall provide the Monitoring Entity with documentary evidence showing how many Eligible Very Low and Low Income Households have occupied homes within the development.
- c. It is desired that the Subject Affordable Housing Units be occupied at the same rate as other Units. Declarant will document number and location of the Subject Affordable Housing Units occupied during the year at the time of the annual report.
- d. Further, in the event Declarant violates any of the terms and conditions of the Grant Agreement or this Declaration of Restrictive Covenants dated May 8th, 2009, or fails to complete the Subject Affordable Housing Units, Declarant shall pay to the County the amount of \$39,473.68 per unit uncompleted or unconveyed to an Eligible Household.

7. Covenant Compliance. The Declarant, their successors and assigns, shall furnish to the County such information about the Subject Affordable Housing Units as the County may request at each occasion of transfer of title, including, but not limited to the identity of the Declarant, the identity of the Eligible Household, the condition of the unit, the identity of the occupants, and the household income of the occupants, all for the purpose of assuring compliance with this Declaration. Declarant shall include in each lease agreement or other participant agreement the right of County to approve the sale of the unit to an Eligible Household, and the requirement to provide income and other necessary information to the County. The County shall have access to inspect the Affordable Units at reasonable times and



upon reasonable prior notice to the Declarant. The Declarant and their successors and assignees, shall include a reference to the Thirty (30) Year Deed Restriction which guarantees the affordability of the unit, and which requires County verification on initial sale and verification of resales to an Eligible Extremely Low and Very Low Income Household before closing, and an explanation of the responsibilities resulting from the Thirty (30) Year Deed Restriction upon any subsequent owners, successors and assigns, in any and all sales documents, agreements, etc., and in deeds or other instruments conveying an interest in the Required Extremely Low and Very Low Income Property or any part thereof. It is further agreed that the covenants and restrictions contained herein are for public purposes.

8. **Annual Report.** The Declarant shall provide a report detailing the Declarant's compliance with the terms of this Covenant, as well as the maintenance of satisfactory occupancy rate for the thirty (30) Subject Affordable Housing Units for the purpose of assuring compliance with this Covenant.

Not later than (date) June 1st, of each year following the first occupancy of a Subject Affordable Housing Unit, for the term of this covenant, the Declarant shall furnish to the Monitoring Entity, on a form provided by the County, an Annual Report which shall contain, at a minimum, sufficient information and documentation to prove the compliance of the Declarant with this paragraph for each unit.

- a. The identity of the Declarant and/or Owner(s);
- b. The compliance with report requirements explained in Section 16 below.

9. **Covenant to Run with the Land.** It is intended and agreed that the covenants and restrictions set forth in this Declaration shall run with the land constituting the property and shall be binding upon any owner (s), successors and assigns for the benefit of and shall be enforceable by the County and its successors and assigns, for a period of thirty (30) years from the date of the first occupancy of each Subject Affordable Housing Unit.

10. **Deed Restrictions.** A deed restriction will be required for each Subject Affordable Housing Unit in order to guarantee the affordability of each of these units for a period of thirty (30) years from date of first occupancy.

11. **Modifications.** This Covenant shall not be extinguished, enlarged, modified or replaced during the Thirty (30) Year Term, except with written authorization of Palm Beach County Board of County Commissioners, and shall be binding upon any owner(s), successor(s) and assign(s) for the benefit of and shall be enforceable by County and its successors and assigns during the Term.

12. **Fair Housing.** The Declarant, their successors and assigns, agree that the sale or rental of all units shall be done in conformity with federal, state and local Fair Housing laws.



13. **Enforcement.** Without limitation on any other rights or remedies of the County, its successors or assigns, in the event of any occupancy of any Subject Affordable Housing Unit in violation of the provisions hereof, the County shall be entitled to seek specific performance of the provisions hereof.

14. **Release of Restrictions.** Restrictions will be automatically released at the expiration of the term of the covenant. Restrictions may also be partially released upon payment of \$31,250.00 to Palm Beach County for each lot upon which a release is sought.

15. **Penalties: Remedies for Violations.** Should there be found any violation of any of the restrictions, covenants and/or agreements set forth herein, the Declarant or the selling Owner shall be liable to pay to Palm Beach County money damages equaling the incentive offered by the Developer at time of initial sale, but in no event less than \$39,473.68 per lot with a violation. Developer has no liability for violations of this covenant for sales subsequent to Developer's initial sale to an Eligible Household. It is understood that such liability will rest with the property owner.

16. **Notices and Reports.** All notices and reports required hereunder shall be sent to the Director of Housing and Community Development Department, 160 Australian Avenue, Suite 500, West Palm Beach, Florida 33406.

17. **Recorded in the Public Records.** This Covenant shall be recorded in the Official Public Records of Palm Beach County. A copy of the recorded Covenant shall be provided to the Director of Housing and Community Development Department, 160 Australian Avenue, Suite 500, West Palm Beach, Florida 33406.


IN WITNESS WHEREOF, the parties have hereunto set their hands and seals this day of May 8th, 2009.

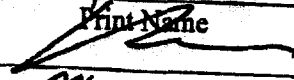
Signed, Sealed and Delivered in
the Presence of:

Declarant:

HABITAT FOR HUMANITY OF
PALM BEACH COUNTY, INC., a Florida
Not-for-Profit Corporation


Bernard J. Godek, Executive Director


Jimmy K. Fields
Print Name

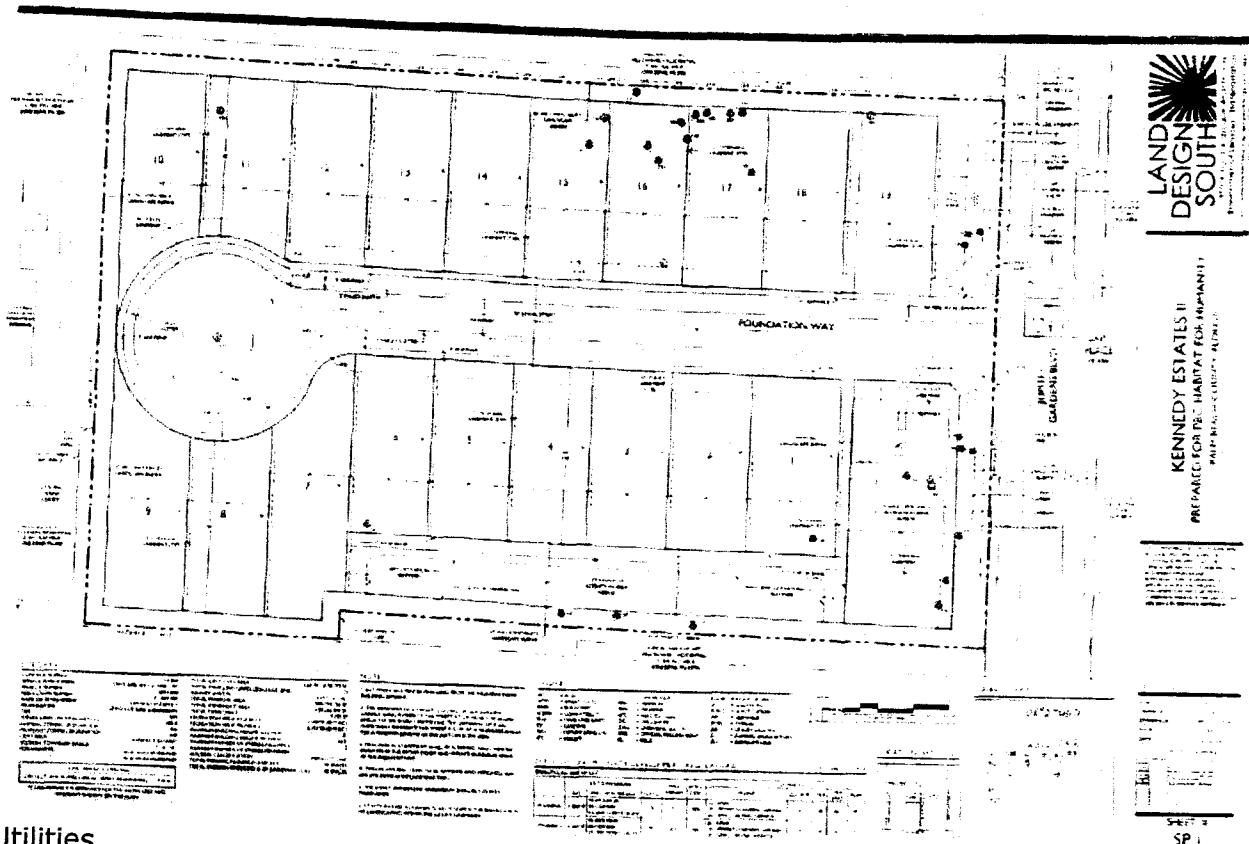

MICHAEL S. SINGER
Print Name



Property Data

Site Size, Shape and Access

The Subject Property is basically rectangular in shape and contains 158,558 square feet, or 3.64 acres more or less. The site has 309+/- feet of frontage on the south side of Jupiter Gardens Boulevard, with a depth of 509+/- feet. Access is available from Jupiter Gardens Boulevard and Mallards Cove Road. However as noted, Mallards Cove Road is blocked off at Jupiter Gardens Boulevard by a wooden fence. The Subject's approved site plan can be found below:



Utilities

All utilities are available to the Subject Property with sewer provided by ENCON, water provided by the Town of Jupiter, telephone service by AT&T and electricity from FPL.

Topography

No topographical survey, soil or sub-soil analysis was available. The property is basically level and at grade of the surrounding roads. Based on visual observation, no drainage problems were apparent.



Property Data

Census Tract

2.13.

Flood Hazard Zone

The Subject Property lies within Flood Zone "B", according to the Flood Insurance Rate Map (Panel Number 120192 0105 B) prepared for the National Flood Insurance Program of the U.S. Department of Housing and Urban Development (HUD). Flood Zone "B" indicates areas between limits of the 100-year flood and 500-year flood; or certain areas subject to 100-year flooding with average depths less than one (1) foot or where the contributing drainage area is less than one square mile; or areas protected by levees from the base flood.

Assessed Value and Taxes

<u>Folio Number</u>	<u>Allocations</u>	<u>2010 Assessed Value</u>	<u>2010 Taxes</u>
00-42-41-03-00-000-7420	Land	\$153,511	
	Improvements	<u>\$0</u>	
	Subtotal	\$153,511	\$0 (1)
00-42-41-03-00-000-7430	Land	\$58,401	
	Improvements	<u>\$0</u>	
	Subtotal	\$58,401	\$449 (2)
	Totals	<u>\$211,912</u>	<u>\$449</u>

(1) Habitat for Humanity is tax exempt

(2) Non-Ad valorem

Property History

No title history was provided, nor did this office perform a title search. According to the Palm Beach County Property Appraiser's Office, the current owner of record for the Subject is Habitat for Humanity of Palm Beach County, Inc. It has been under this ownership since May 2009 when it was purchased for \$750,000. This sale will be considered and analyzed in the Land Value Analysis section that follows. To the best of our knowledge, the Subject is not listed for sale, or under contract as of the appraisal date.



HIGHEST AND BEST USE

The Dictionary of Real Estate Appraisal, Fifth Edition 2010, by the Appraisal Institute defines Highest and Best Use on page 93 as follows:

"The reasonably probable and legal use of vacant land or an improved property, that is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity."

To estimate the Highest and Best Use of the Subject, we have considered those uses which are legally permissible, physically possible, economically feasible, and maximally productive. Consideration was given to individual features of the land such as size, shape, location, access to roadways, and the availability of utilities. Consideration was also given to the surrounding land uses and the demand for property in the current real estate market.

As Vacant

Legally Permissible

Legally permissible uses involve aspects of zoning, deed restrictions, land use, or other governmental regulations which may limit or restrict a site's use. We will consider those uses which are legally permitted on the Subject site under its present zoning and land use, or under future rezoning if a zoning change was determined to be probable.

As discussed, the Subject Property is residentially zoned, with an underlying land use of residential by Palm Beach County, Florida. Further, the property has approval for a 19 lot single family subdivision.

Physically Possible

Under the criteria of Highest and Best Use, a site's size, shape, topography, and other physical characteristics affect the development capability of a site. For example, a larger site may have greater flexibility in development than a similar smaller site, or a rectangular shaped parcel may also provide greater development potential than an irregular shaped parcel of similar size. In our opinion, the Subject Property is physically capable of being developed with a variety of uses permitted under the current zoning and land use plan including the approved use.



Financially Feasible

Of those uses that are both legally permissible and physically possible, we must determine which of these are financially feasible. According to The Appraisal of Real Estate, 13th Edition, as long as a potential use has value commensurate with its cost and conforms to the first two tests, the use is financially feasible. Some economic uses of land such as housing may not be income producing in the sense of a commercial property, and economic feasibility is weighed by considering prices and price trends. For income-producing properties, the income analysis for financial feasibility may vary with assignments, but the economic demand for the Subject is a prerequisite to the financial testing alternatives.

Maximally Productive

The maximally productive use of a site is that use of those which are financially feasible, which generates the highest rate of return to the underlying land. In case of the Subject site, it is our opinion that future residential development as approved could be the most maximally productive and Highest and Best Use of the site as of the appraisal date. Most probable buyer would be a developer.



LAND VALUE ANALYSIS

According to the 13th Edition of The Appraisal of Real Estate the valuation of land begins by identifying the real estate and property rights valued, any encumbrances, use restrictions, and the land's physical characteristics. An appraiser can use several techniques to obtain an indication of land value:

- Sales Comparison
- Market Extraction
- Allocation
- Land Residual Technique
- Ground Rent Capitalization
- Subdivision Development Analysis

Usually the most reliable way to estimate land value is by sales comparison. When few sales are available, however, or when the value indications produced through sales comparison need additional support, alternative techniques like extraction or allocation may be applied. In the case of the Subject Property, the only approach used was the sales comparison approach.

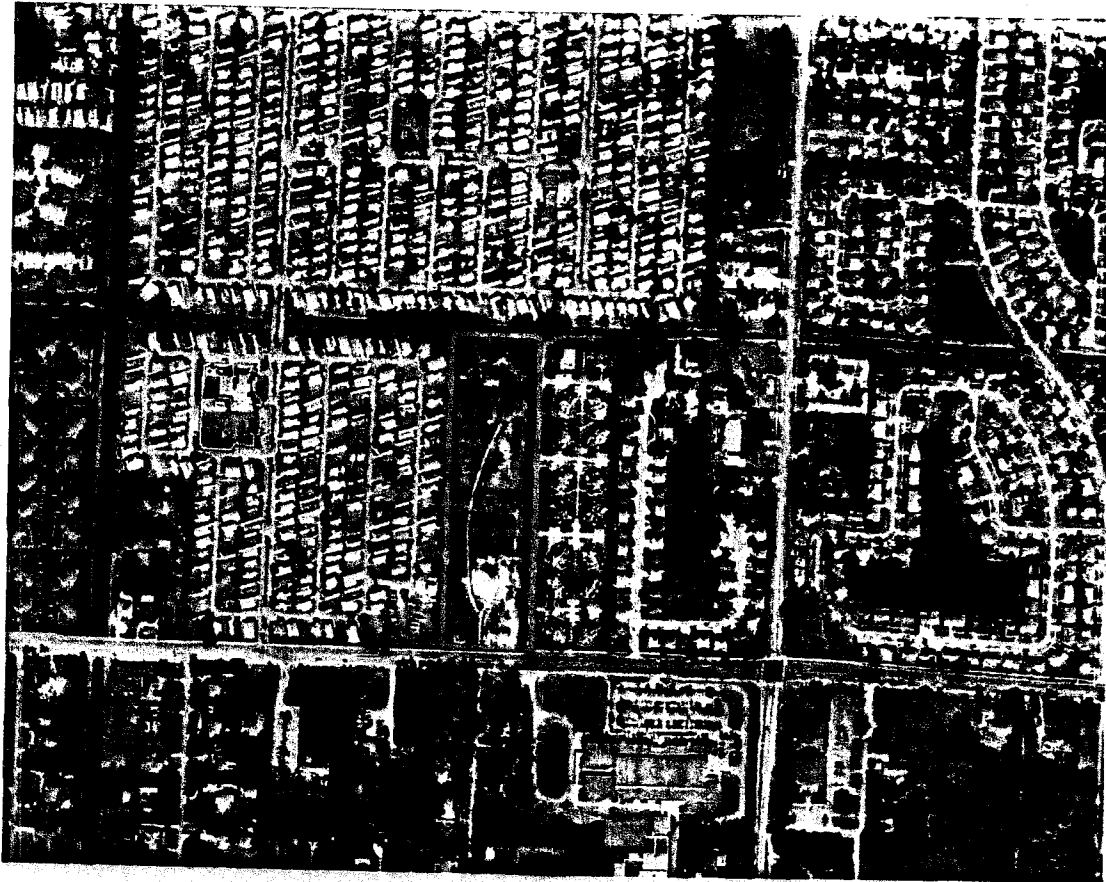
Sales Comparison Approach

In order to estimate the value of the Subject site, a search was made for recent sales of vacant residential land in the Subject's market area with similar developmental potential. We analyzed the Subject Property based on a price per acre and on a price per residential dwelling unit basis.

All of the comparables were considered with regard to property rights conveyed, financing, conditions of sale, time or market conditions, location, density, size and miscellaneous factors. Details of each sale along with a location map are located on the following pages. A sales chart and discussion follow.



Land Sale No. 1



Property Identification

Record ID	7720
Property Type	Residential, Townhome
Address	5212 Sunset Trail, Greenacres, Palm Beach County, Florida 33463
Location	Between Sunset Trail and Melaleuca Lane, approximately 2/10 miles west of Haverhill Road
Tax ID	00-42-44-26-26-006-0000 & 001-0000
Legal Description	All of the plat of Pinerun Villas, PB 109, PG 169
Sec/Twp/Rng	26/44/42

Sale Data

Grantor	Vizcaya Controls, LLC
Grantee	Pine Run 5212, LLC
Sale Date	March 02, 2011
Deed Book/Page	24410/1345
Financing	Cash to seller

Sale Price	\$675,000
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Land Data

Zoning	RM, Residential Multi-family
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Land Value Analysis

Land Sale No. 1 (Cont.)

Utilities	Available to site
Shape	Rectangular
Land Use Plan	HR-8, High Residential (8 du/acre), by Palm Beach County
Density	7.99 units per acre

Land Size Information

Gross Land Size	9.637 Acres or 419,782 SF
Actual Units	77
Front Footage	Sunset Trail; Melaleuca Lane

Indicators

Sale Price/Gross Acre	\$70,043
Sale Price/Gross SF	\$1.61
Sale Price/Actual Units	\$8,766

Remarks

Property had been foreclosed upon and sold at public auction. Property has approvals for 77 townhome units.



Land Sale No. 2



Property Identification

Record ID	7688
Property Type	Residential, Townhome
Address	Unincorporated, Palm Beach County, Florida
Location	West side of Simms Road, ¼ mile north of West Atlantic Avenue
Tax ID	00-42-46-14-31-001-0000
Legal Description	Lengthy, portion of Sec 14, Twnshp 46, Rng 42, PBCo
Sec/Twp/Rng	14/46/42

Sale Data

Grantor	CRM Florida Properties, LLC
Grantee	Windsor Investments (Emerald Place Delray Beach), LLC
Sale Date	February 07, 2011
Deed Book/Page	24388/968
Financing	Cash to seller with no effect on the sale price

Sale Price	\$500,000
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Land Data

Zoning	RM, Residential Multi-family
Utilities	All available
Shape	Rectangular

**Land Sale No. 2 (Cont.)**

Land Use Plan	HR-8, High Residential (8 du/acre), by Palm Beach County
Density	8.81 units per acre

Land Size Information

Gross Land Size	3.518 Acres or 153,244 SF
Planned Units	31
Front Footage	Simms Road

Indicators

Sale Price/Gross Acre	\$142,126
Sale Price/Gross SF	\$3.26
Sale Price/Planned Units	\$16,129

Remarks

Most of the site work was completed on this site at time of sale. It was approved for 31 townhouse units under the current zoning and 10 TDR's (Transferrable Density Rights).



Land Sale No. 3



Property Identification

Record ID	7550
Property Type	Residential, Townhome
Property Name	Charles Landing
Address	100 Harrington Court, Palm Springs, Palm Beach County, Florida 33461
Location	Northwest corner of Amanda Street and 2nd Avenue North
Tax ID	70-43-44-19-36-001-multiple
Legal Description	All of the plat of St. Charles Landings, PB 106, PG 142
Sec/Twp/Rng	19/44/43

Sale Data

Grantor	Spear St. Charles Corp.
Grantee	Charles Landing LLC
Sale Date	March 29, 2010
Deed Book/Page	23769/1642

**Land Sale No. 3 (Cont.)**

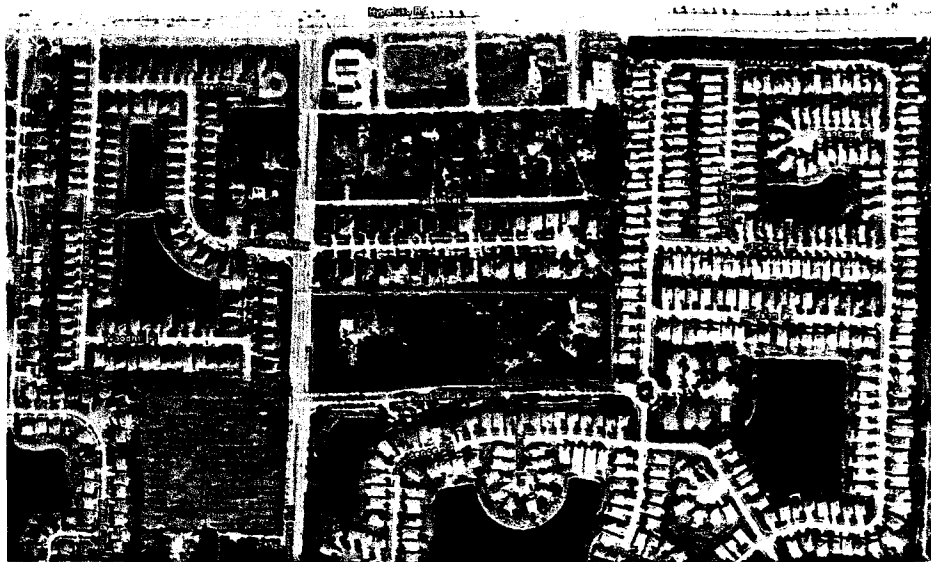
Financing	Cash to seller
Sale Price	\$1,150,000
Cash Equivalent	\$1,150,000
<u>Land Data</u>	
Zoning	RM, Residential Multi-family
Utilities	All to site
Shape	Rectangular
Land Use Plan	Multifamily, by Palm Springs
Density	13.71 units per acre
<u>Land Size Information</u>	
Gross Land Size	3.210 Acres or 139,828 SF
Planned Units	44
Front Footage	2nd Avenue North; Amanda Street
<u>Indicators</u>	
Sale Price/Gross Acre	\$358,254
Sale Price/Gross SF	\$8.22
Sale Price/Planned Units	\$26,136

Remarks

Site was planned platted and approved. One building of 8 units was built and completed and was part of this sale. This project has approval for a total of 44 townhome units. The Palm Beach County Property Appraisers Office has estimated the value of the 8 completed units at \$526,000.



Land Sale No. 4



Property Identification

Record ID	7154
Property Type	Residential, Vacant Land
Address	7216 Lawrence Road, Boynton Beach, Palm Beach County, Florida 33436
Location	Northeast corner of Lawrence Road and Nautica Sound Boulevard
Tax ID	08-43-45-07-00-000-3050/60
Legal Description	Lengthy, portion of Sec 7, Twnshp 45, Rng 434
Sec/Twp/Rng	7/45/43

Sale Data

Grantor	Iota Gold, LLC./Amtrust Financial
Grantee	Laac-1, LLC
Sale Date	June 23, 2009
Deed Book/Page	23324/1504
Marketing Time	N/A
Financing	Cash to seller

Sale Price	\$1,500,000
Cash Equivalent	\$1,500,000

Land Data

Zoning	PUD, Planned Unit Devel.
Utilities	Available to site
Shape	Rectangular
Land Use Plan	Low Density Residential, by Boynton Beach
Density	4.80 units per acre

Land Size Information

Gross Land Size	9.370 Acres or 408,157 SF
Planned Units	45

**Land Sale No. 4 (Cont.)****Front Footage**

Lawrence Road; Nautica Sound Boulevard

Indicators

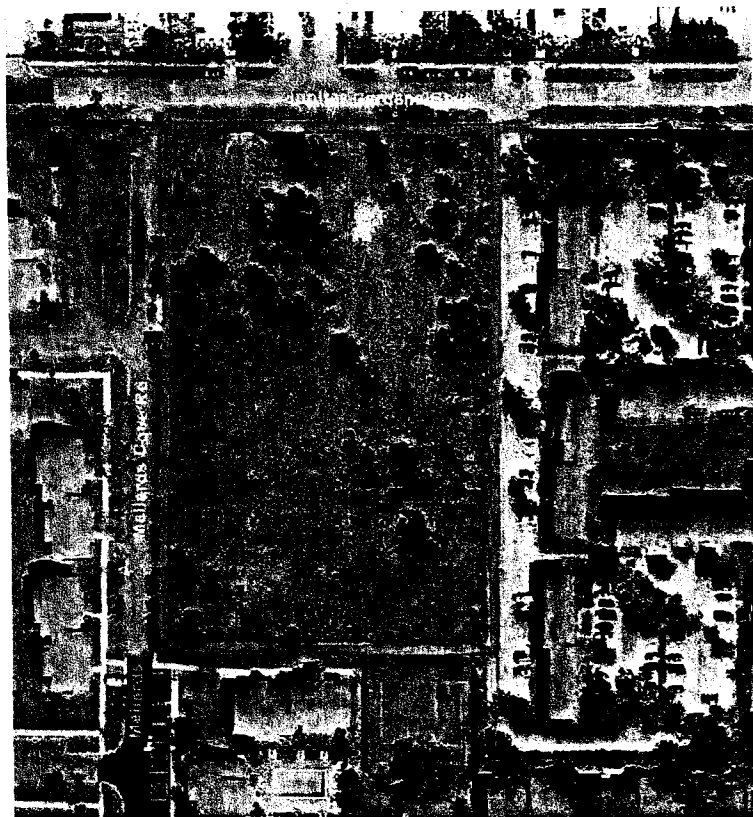
Sale Price/Gross Acre	\$160,085
Sale Price/Gross SF	\$3.68
Sale Price/Planned Units	\$33,333

Remarks

This is the sale of a vacant site that was previously annexed to the City of Boynton Beach and re-zoned as a PUD. It is currently site plan approved for the development of a 45 single family subdivision. It also has water and sewer lines in place. It was previously foreclosed on by the Bank in February 2009. The buyer heard about it, so he approached the bank directly. The buyer re-listed the property after sale.



Land Sale No. 5



Property Identification

Record ID	6575
Property Type	Residential, Townhome
Address	6600 Jupiter Gardens Boulevard, Jupiter, Palm Beach County, Florida
Location	Southeast corner of Jupiter Gardens Boulevard and Mallards Cove Road
Tax ID	00-42-41-03-00-000-7420 & 7430
Legal Description	Lengthy, portion of Sec 3, Twnshp 41, Rng 42
Sec/Twp/Rng	3/41/42

Sale Data

Grantor	Carter's Cay Villas, LLC
Grantee	Habitat for Humanity of Palm Beach County, Inc.
Sale Date	May 08, 2009
Deed Book/Page	23223/1071
Marketing Time	7+ months
Financing	Cash to seller

Sale Price	\$750,000
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Land Data

Zoning	RH, Residential High Density
Utilities	All available to site

**Land Sale No. 5 (Cont.)**

Shape	Rectangular
Land Use Plan	HR-8, High Residential, 8 units per acre
Density	7.98 units per acre

Land Size Information

Gross Land Size	3.635 Acres or 158,332 SF
Allowable Units	29

Indicators

Sale Price/Gross Acre	\$206,339
Sale Price/Gross SF	\$4.74
Sale Price/Allowable Units	\$25,862

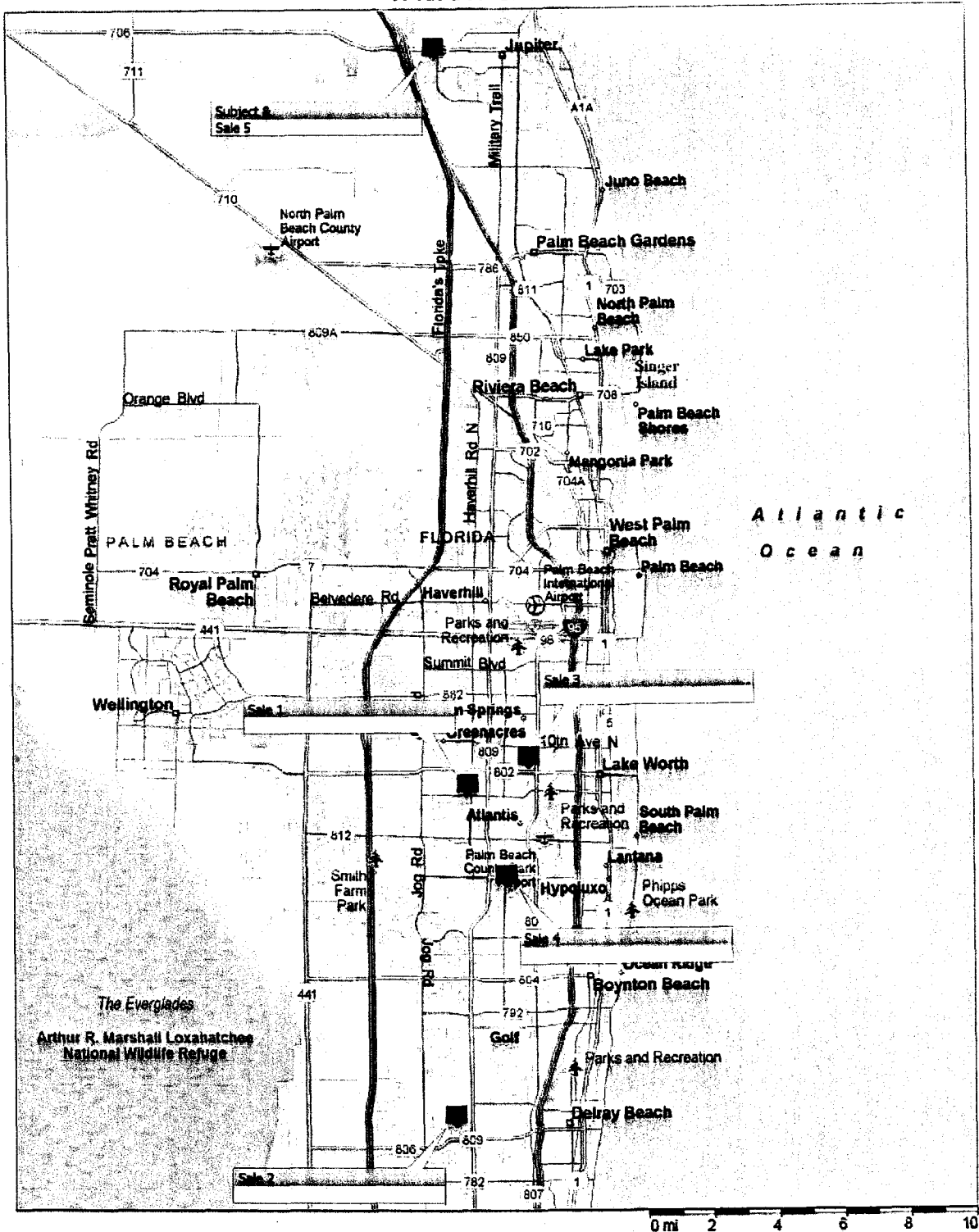
Remarks

Property was approved for a 29 unit condominium project called Carter's Cay. However, buyer plans on developing site with a 19 or 20 lot single family zero lot line project, to be occupied by lower income families. Seller purchased property in December 2005 for \$2,000,000. Sellers realized they purchased at the peak of the market, and desired to unload the site to avoid additional carry costs.

Property was listed in late 2007 for \$1,650,000. The price was reduced in May 2008 to \$1,395,000, and then to \$1,095,000 in August 2008.



VACANT SALES



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**Discussion of Adjustments**

Sale No.	1		2		3		4		5	
OrBk/Pg	24410/1345		24388/968		23769/1642		23324/1504		23223/1071	
Record No.	7720		7688		7550		7154		6575	
Location	Subject Property	Btwn Sunset Tr & Melaleuca Ln, 2/10 mi W Haverhill Rd Greenacres	W/S Simms Rd, 1/4 mi N W Atlantic Ave W of Delray Bch		NWC 2nd Ave N & Amanda St Palm Springs		NEC Lawrence Rd & Nautica Sound Blvd Boynton Beach		Subject Property	
Sale Date	-	Mar-11	Feb-11		Mar-10		Jun-09		May-09	
Effective Sale Price	-	\$675,000	\$500,000		\$1,150,000		\$1,500,000		\$750,000	
Land Size - Acre	3.64	9.64	3.52		3.21		9.37		3.64	
Price per acre		\$70,043	\$142,126		\$358,254		\$160,085		\$206,339	
No. of Units	19	77	31		44		45		29	
Density - Units/Acre	5.22	7.99	8.81		13.71		4.80		7.98	
Price per Unit	-	\$8,766	\$16,129		\$26,136		\$33,333		\$25,862	

ADJUSTMENT CONSIDERATIONS

Financing	Market	Market	Market	Market	Market
Adjustment	0%	0%	0%	0%	0%
Adj Price - Acre	\$70,043	\$142,126	\$358,254	\$160,085	\$206,339
Adj Price - Unit	\$8,766	\$16,129	\$26,136	\$33,333	\$25,862
Conditions of Sale	Market	Market	Market	Market	Market
Adjustment	0%	0%	0%	0%	0%
Adj Price - Acre	\$70,043	\$142,126	\$358,254	\$160,085	\$206,339
Adj Price - Unit	\$8,766	\$16,129	\$26,136	\$33,333	\$25,862
Market Condition	Similar	Similar	Have Declined	Have Declined	Have Declined
Adjustment	0%	0%	-5%	-10%	-10%
Adj Price - Acre	\$70,043	\$142,126	\$340,341	\$144,077	\$185,705
Adj Price - Unit	\$8,766	\$16,129	\$24,830	\$30,000	\$23,276
Other Adjustments - Price Per Acre					
Location	5%	0%	5%	0%	0%
Density	-5%	-5%	-10%	0%	-5%
Size	5%	0%	0%	5%	0%
Miscellaneous	0%	-5%	-55%	0%	0%
Net Adjustment	5%	-10%	-60%	5%	-5%
Adjusted \$/Acre	\$73,545	\$127,913	\$136,137	\$151,280	\$176,420
Other Adjustments - Price Per Unit					
Location	5%	0%	5%	0%	0%
Density	5%	5%	10%	0%	5%
Size	5%	0%	0%	5%	0%
Miscellaneous	0%	-5%	-55%	0%	0%
Net Adjustment	15%	0%	-40%	5%	5%
Adjusted \$/Unit	\$10,081	\$16,129	\$14,898	\$31,500	\$24,440

File No: 11-65169

Since the frontage to depth ratio adjustment consideration has opposing significance to the two units of comparison utilized, we have segregated the "Other Adjustments" above between each unit of comparison.

Real Property Rights Conveyed

All the sales in this analysis were transferred on a Fee Simple Estate basis, with the buyers receiving full property rights ownership. We are also unaware of any adverse deed restrictions or any other property rights limitations which would have affected the sales. Therefore, no adjustment was considered necessary for property rights conveyed.



Terms of Financing (Cash Equivalency)

The transaction price of one property may differ from that of a similar property due to atypical financing arrangements. In a case where favorable financing is established, a cash equivalency adjustment is often necessary. However, all of the sales analyzed herein involved either market terms or cash to Grantor. Therefore, no adjustments were made, nor any cash equivalency performed.

Conditions of Sale

Adjustments for conditions of sale usually reflect the motivations of the buyer and seller at the time of conveyance. In our opinion, no adjustments were required to the sales for this factor.

Market Conditions (Time)

Also considered was an adjustment for any increase or decrease in value due to the passage of time (changing market conditions). Market conditions have deteriorated substantially over the last several years, with values decreasing, and marketing times increasing. In our opinion, Sales 3, 4 and 5 required downward adjustments for market conditions, with the chart summarizing our conclusions. Sales 1 and 2 occurred during times considered reasonably similar to conditions existing as of the appraisal date and were not adjusted for this factor.

Location

In terms of location, it is our opinion that Sales 1 and 3 are located in areas that are inferior to the Subject's location, and they have been adjusted upward for this difference. The remaining sales are located in areas that are similar to the Subject's location in our opinion, and they were not adjusted for this factor.

Density

Next, residential density (number of units per acre) of the properties was analyzed. The Subject has an indicated density of 5.22 units per acre. In the case of the adjustment applied to the price per acre, a property with a higher density would typically sell for more per acre than a parcel with a lower density when all other things are equal. With the exception of Sale 4, all of the comparables had densities that were greater than the Subject's density. They were adjusted downward for this difference. Sale 4 was not adjusted for this factor.

For the price per dwelling unit, it is typical for a parcel with a higher density to sell for less per unit, than a comparable parcel with a lower density. As noted, all of the comparables (except Sale 4) had densities that were higher than the Subject. They were adjusted upward for this difference. Sale 4 was not adjusted for this factor.



Size

Also considered was size. The Subject contains 3.64 acres compared to the comparables that ranged from 3.21 to 9.64 acres. Typically, a larger parcel will sell for less per unit of comparison than a smaller parcel, when all other things are equal. Sales 1 and 4 were considerably larger than the Subject, and they were adjusted upward for this difference. The remaining sales were similar to the Subject in terms of size and were not adjusted for this factor.

Miscellaneous

Sale 2 sold with most of the site work in place at time of sale. It was adjusted downward for this factor. Further, Sale 3 included eight completed townhome units and completed site work. A substantial downward adjustment was applied to this sale.

Sale 5 is the most recent sale of the Subject Property. It closed in May 2009 for \$750,000. At the time of sale, the property had approvals for 29 multifamily dwelling units. The buyer/client had the property rezoned to a lower density zoning classification and went through the approvals process for a 19-lot single family subdivision which has been approved.

In addition to the closed sales data, we have also considered listings for vacant residential properties located within the Palm Beach County market area. The data is summarized below:

<u>Location</u>	<u>Asking Price</u>	<u>Site Size in Acres</u>	<u>Asking Price per Acre</u>	<u># of Units</u>	<u>Units per Acre</u>	<u>Asking Price per Unit</u>	<u>Comments</u>
S/S Dryden Rd, 230 ft E of Fergusson Lane West Palm Beach	\$1,690,000	7.40	\$228,378	40	5.41	\$42,250	N/A
N/S NW 9th Ct, 180 ft N of NW 8th Ave Boynton Beach	\$299,000	2.50	\$119,600	10	4.00	\$29,900	Site has approvals for 10 single family lots
NWQ Old Military Tr & Knollwood Rd Boynton Beach	\$1,160,000	8.01	\$144,819	52	6.49	\$22,308	Site has approvals in place
S/S Melaleuca Ln, 3/10 mi E of Sherwood Forest Blvd Greenacres	\$739,600	4.70	\$157,362	21	4.47	\$35,219	Site has approvals for 21 single family lots

File No: 11-65169

Listings typically set the upper limits of value, and the data is shown for informational purposes only.



Conclusion - Land-Value Analysis

After adjustments, the data indicated the following:

<u>Sale</u>	<u>Time Adj \$/acre</u>	<u>Net Adjustment</u>	<u>Adjusted \$/acre</u>
1	\$70,043	5%	\$73,545
2	\$142,126	-10%	\$127,913
3	\$340,341	-60%	\$136,137
4	\$144,077	5%	\$151,280
5	\$185,705	-5%	\$176,420

<u>Sale</u>	<u>Time Adj \$/unit</u>	<u>Net Adjustment</u>	<u>Adjusted \$/unit</u>
1	\$8,766	15%	\$10,081
2	\$16,129	0%	\$16,129
3	\$24,830	-40%	\$14,898
4	\$30,000	5%	\$31,500
5	\$23,276	5%	\$24,440

Less weight was given to Sale 1 since it sold after foreclosure at public auction. Based on the aforementioned data and analysis of the available data, our opinion of "as is" Market Value for the Subject as of the appraisal date is shown below:

$$3.64 \text{ acres} \times \$140,000 \text{ /acre} = \$509,600$$

$$3.64 \text{ acres} \times \$145,000 \text{ /acre} = \$527,800$$

$$19 \text{ units} \times \$21,000 \text{ /unit} = \$399,000$$

$$19 \text{ units} \times \$22,000 \text{ /unit} = \$418,000$$

$$\text{Say, } \underline{\underline{\$450,000}}$$

Given all the data, it is our opinion that the "as is" Market Value of the Subject Property as of the appraisal date was:

FOUR HUNDRED FIFTY THOUSAND DOLLARS
(\$450,000)



Prospective Market Value with Infrastructure In Place

PROSPECTIVE MARKET VALUE WITH INFRASTRUCTURE IN PLACE

In order to estimate the Prospective Market Value of the Subject with infrastructure in place, we will add to the "as is" land value the cost of the infrastructure improvements as supplied by the client. We have also researched cost comparables to support the client's infrastructure costs. Below is a chart summarizing cost comparables for residential subdivisions in the south Florida area:

<u>Location</u>	<u>Year Developed</u>	<u>Size (Acres)</u>	<u>Planned Lots</u>	<u>Lots/ Acre</u>	<u>Dev. Costs/ Planned Lot</u>	<u>Dev. Costs/ Acre</u>
Palm Bch Co	2006/07	2.02	12	5.94	\$24,628	\$147,769
Palm Bch Co	2007	5.64	27	4.79	\$44,665	\$213,821
St. Lucie Co.	2007	20.03	162	8.09	\$25,882	\$209,330
St. Lucie Co.	2006	31.35	123	3.92	\$25,164	\$98,730
Palm Bch Co	2006/2007	2.68	20	7.46	\$23,928	\$178,568
St. Lucie Co.	2006	38.00	220	5.79	\$25,136	\$145,524
Broward Co.	2010	48.10	322	6.69	\$27,344	\$183,050
Subject	Proposed	3.64	19	5.22	\$30,820	\$160,874

File No: 11-65169

In our opinion, the client's infrastructure costs are supported by the data and are reasonable, in our opinion. Therefore, our opinion of Prospective Market Value of the Fee Simple Interest in the Subject Property as though the proposed infrastructure improvements were complete as of the estimated completion date of January 1, 2012 is calculated on the following page. It should be noted that we have included a nominal entrepreneurial incentive of 5% of depreciated site improvement cost to account for a developer's incentive to develop the Subject.



Prospective Market Value with Infrastructure In Place

"As Is" Land Value

\$450,000

Site Improvements

19 lots x \$30,820 /lot = \$585,580

Less Depreciation:

Physical	0%	\$0
Functional	0%	\$0
External	0%	\$0

Total Depreciation \$0

Depreciated Site Improvements

\$585,580

Plus Entrepreneurial Incentive:

5% of Depreciated Improvement Cost

\$29,279

Total \$1,064,859

Prospective Market Value with Infrastructure In Place

Say, \$1,100,000

ADDENDA

ENGAGEMENT LETTER



Callaway & Price, Inc.

Real Estate Appraisers And Consultants

www.callawayandprice.com

Licensed Real Estate Brokers

Please respond to West Palm Beach office
E-Mail: mrs@cpwpb.com

11-05109
CL#32973

WEST PALM BEACH

1639 Forum Place
Suite 5
West Palm Beach, FL 33401
Phone (561)686-0333
Fax (561)686-3705

Michael R. Slade, MAI, SRA, CRE
St.Cert.Gen.REA RZ116

Daniel P. Hrabko, MAI
St.Cert.Gen.REA RZ48

Stephen D. Shaw, MAI
St.Cert.Gen.REA RZ1192

FORT PIERCE/STUART

500 South U.S. Highway 1
Suite 107
Fort Pierce, FL 34950
Phone (772)464-8607
Fax (772)461-0809

Stuart
Phone (772)287-3330
Fax (772)461-0809

Harry D. Gray, MAI, SRA
St.Cert.Gen.REA RZ662

Stephen G. Neill, Jr., MAI
St.Cert.Gen.REA RZ2480

MELBOURNE/INDIALANTIC

114 6th Avenue,
Suite 3
Indialantic, FL 32903
Phone (321)726-0970
Fax (321)726-0384

Curtis L. Phillips, MAI
St.Cert.Gen.REA RZ2085

BOCA RATON

Phone (561)998-8088
Fax (561)686-3705

Daniel P. Hrabko, MAI
St.Cert.Gen.REA RZ48

April 11, 2011

Mr. Bernard Godek
Habitat for Humanity of Palm Beach County Inc.
6758 North Military Trail, Suite 303
West Palm Beach, FL 33407

VIA EMAIL: godekb@habitatpbc.org

Dear Mr. Godek:

We would be pleased to prepare an appraisal on the approximately 3.64 acres of land located at 6600 Jupiter Gardens Blvd in Jupiter, Florida. It is our understanding the purpose of the appraisal is to estimate Market Value As Is and with proposed infrastructure being completed.

The intended user is Habitat for Humanity of Palm Beach County Inc. The intended use is for internal decision making. The scope of work performed is specific to the needs of the intended user and the intended use. No other use is intended, and the scope of work may not be appropriate for other uses.

The fee to complete the appraisals would be \$2,500. It is our policy to request a retainer and \$1,250 will suffice for this purpose.

REMAINED
4/11/11

Mr. Bernard Godek
April 11, 2011
Page Two

We will have the completed appraisal by approximately April 28th, 2011 provided that we receive your authorization and information requested. **Please be aware that delays in our receipt of information requested could postpone completion.**

If the above is agreeable to you, please sign below as our authorization and return it together with the retainer and the information requested, as we have begun work. This agreement is subject to the Agreements and Conditions listed on the attached pages, a copy of which should also be signed and returned to us. Our work will be done in accordance with the Appraisal Institute Code of Ethics and Standards of Professional Practice. Thank you for the opportunity to be of service.

Respectfully submitted,

CALLAWAY & PRICE, INC.

M.R. Slade

Michael R. Slade, MAI, SRA, CRE
St.Cert.Gen.REA RZ116

MRS:
Attachments

Client:

Accepted By\Date:

Date

Name and Title (Printed or Typed):

Client Fed ID# or SS#:

Quotes11/Godek

Bernard J. Godek 4/12/11
Signature

BERNARD J. GODEK, EXECUTIVE DIRECTOR

066-40-2168

PROPOSED BUDGET
FOR
PROPERTY DEVELOPMENT
KENNEDY ESTATES 2

ITEM	PROPOSED COSTS
Infrastructure work	\$354,229.65
Quote by Belvedere Construction	
Testing Services	12,173.00
Quote by Testing Labs Palm Beaches	
Landscaping Work	
Estimate by Land Design	
Trees and Shrubs	89,279.00
Tree moving	14,400.00
Irrigation	90,000.00
Retention Wall	25,500.00
Estimate by Habitat	
TOTAL	\$585,581.65

QUALIFICATIONS



Qualifications - Michael R. Slade, MAI, SRA, CRE

Professional Designations\Licenses\Certifications

Member, Appraisal Institute, MAI Designation # 6864, and SRA Designation
Member, American Society of Real Estate Counselors, CRE Designation Florida
State-Certified General Real Estate Appraiser RZ116
Real Estate Broker BK0128222, State of Florida
Appraisal Institute Approved Instructor (1986-1993) for:
Course 201 - Principles of Income Property Appraisal
Course 310 - Basic Income Capitalization

Professional Experience

Principal, Callaway & Price, Inc. since 1981
Staff Appraiser, Callaway & Price, Inc., 1975 to 1981
Special Master, Tax Appeal Hearings, Palm Beach County

Qualified As An Expert Witness

Broward County, Florida
Palm Beach County, Florida
Martin County, Florida
Federal District Court of Southern District of Florida
United States Bankruptcy Court Southern Florida
Supreme Court of the State of New York (for Florida properties)

Geographic Experience

Throughout Florida

Education

Masters of Business Administration, Florida Atlantic University
Bachelor of Science, Accounting, Florida Atlantic University
Society of Real Estate Appraisers:
Course 101 - Introduction to Appraising Real Estate
Course 201 - Principles of Income Property Appraising
Course 202 - Advanced Applications
American Institute of Real Estate Appraisers:
Course II - Urban Properties
Course IV - Condemnation
Standards of Professional Practice
Numerous seminars sponsored by the Appraisal Institute and other organizations



Qualifications - Michael R. Slade, MAI, SRA, CRE

Organizations and Affiliations

Appraisal Institute:

Past National Chairman of Ethics Administration
Past National Vice Chairman of Ethics & Counseling
Review & Counseling Division, Past National Chairman
South Florida-Caribbean Chapter, Past President

American Society of Real Estate Counselors:

Southern Florida Chapter, past Treasurer
Urban Land Institute, Member

Palm Beach County Housing Authority:

Past Chairman/Board Member (Gubernatorial Appointment)

Chamber of Commerce of the Palm Beaches:

Past Member of the Board of Directors, Past Member of the Executive
Committee, Past Treasurer Economic Development Committee, Past Chair
and Member

Society of Real Estate Appraisers (now Appraisal Institute):

Young Advisory Council, Past National Chairman and Member
Chairman of the Board of Directors of Boys Town of South Florida
Guardian ad Litem Volunteer, South Florida

Awards and Honors

Robert L. Foreman Memorial Award from the Appraisal Institute, 1999
Alumni Talon Award from Florida Atlantic University, 2001

5333046

STATE OF FLORIDA

DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION
FLORIDA REAL ESTATE APPRAISAL BD

SEQ# L10110800980

DATE	BATCH NUMBER	LICENSE NBR
11/08/2010	100217380	RZ116

The CERTIFIED GENERAL APPRAISER
Named below IS CERTIFIED
Under the provisions of Chapter 475 FS.
Expiration date: NOV 30, 2012

SLADE, MICHAEL ROBERT
1639 FORUM PLACE, STE. 5
WEST PALM BEACH FL 33401

CHARLIE CRIST
GOVERNOR

DISPLAY AS REQUIRED BY LAW

CHARLIE LIEM
SECRETARY



Professional Designations\Licenses\Certifications

Florida State-Certified General Appraiser RZ832
Florida Licensed Real Estate Salesman 0435885

Professional Experience

Appraisal Consultant, Callaway & Price, Inc since February, 1985
Researcher, Callaway & Price, Inc., June 1982 to January 1985

Qualified As An Expert Witness

Palm Beach County, Florida

Education

Bachelor of Business Administration, Marketing Major, Florida Atlantic University
Florida Real Estate Commission, Course I
Society of Real Estate Appraisers:

An Introduction to Appraising Real Property, 1983
Principles of Income Property Appraising, 1984
Applied Income Property Valuation, 1984

American Institute of Real Estate Appraisers:

Appraising Troubled Property, 1992
Appraisal Theory Update, 1992
Appraisal Review - Residential Property, 1994 USPAP
Update Core Law for Appraisers, 1994 Standards of
Professional Practice, 1986, 1992, 1994 Capitalization
Theory and Techniques, Part A, 1986 Capitalization
Theory and Techniques, Part B, 1986 Real Estate
Appraisal Principles, 1986
Basic Valuation Procedures, 1986

Appraising\Consulting Expertise

Acreage
Automobile Dealerships
Apartment Buildings
Commercial Buildings
Condominiums (Individual
Units and Total Sellout)
Churches
Country Club/Golf Courses
Day Care Facilities
Duplexes

Easements
Groves
Industrial Properties
Life Care Facilities
Marinas
Mobile Home Parks
Motels
Office Buildings
Ranches
Restaurants

Road Abandonment
RV Parks
Shopping Centers
Special Purpose Properties
Strip Centers
Subdivisions/Residential
Vacant Commercial
Vacant Residential
Warehouses



Qualifications - James H. Mader

AC# 5341428

STATE OF FLORIDA

DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION
FLORIDA REAL ESTATE APPRAISAL BD

SEQ# L10111501268

DATE	BATCH NUMBER	LICENSE NBR
11/15/2010	108127526	RZ832

The CERTIFIED GENERAL APPRAISER
Named below IS CERTIFIED
Under the provisions of Chapter 475 FS.
Expiration date: NOV 30, 2012

MADER, JAMES H
1639 FORUM PL STE 5
WEST PALM BEACH FL 33401

CHARLIE CRIST
GOVERNOR

DISPLAY AS REQUIRED BY LAW

CHARLIE LIEM
SECRETARY