

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2013	2014	2015	2016	2017
Capital Expenditures					
Operating Costs	\$875,000				
External Revenues					
Program Income	(\$875,000)				
In-Kind Match (County)					
NET FISCAL IMPACT	-0-				

# ADDITIONAL FTE POSITIONS (Cumulative)	-0-				
---	-----	--	--	--	--

Is Item Included In Current Budget? Yes _____ No _____

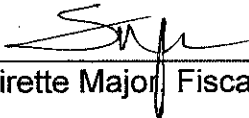
Budget Account No.:

Fund 1100 Dept 143 Unit 7176 Object 8201 Program Code/Period RFS64/GY12

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

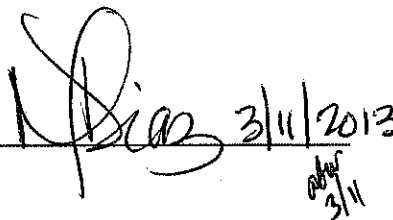
Funding for this loan will be provided from the program income received from the acquisition of NOAH's South Bay Villas by the Palm Beach County Housing Authority. The County held a mortgage on the South Bay Villas property and received \$875,000 as a payoff at the closing.


C. Departmental Fiscal Review:

 2-28-13
 Shairette Major, Fiscal Manager I

III. REVIEW COMMENTS

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

 3/11/2013
 OFMB

 3/11/13
 Contract Development and Control

B. Legal Sufficiency:

 3/11/13
 Chief Assistant County Attorney

C. Other Department Review:

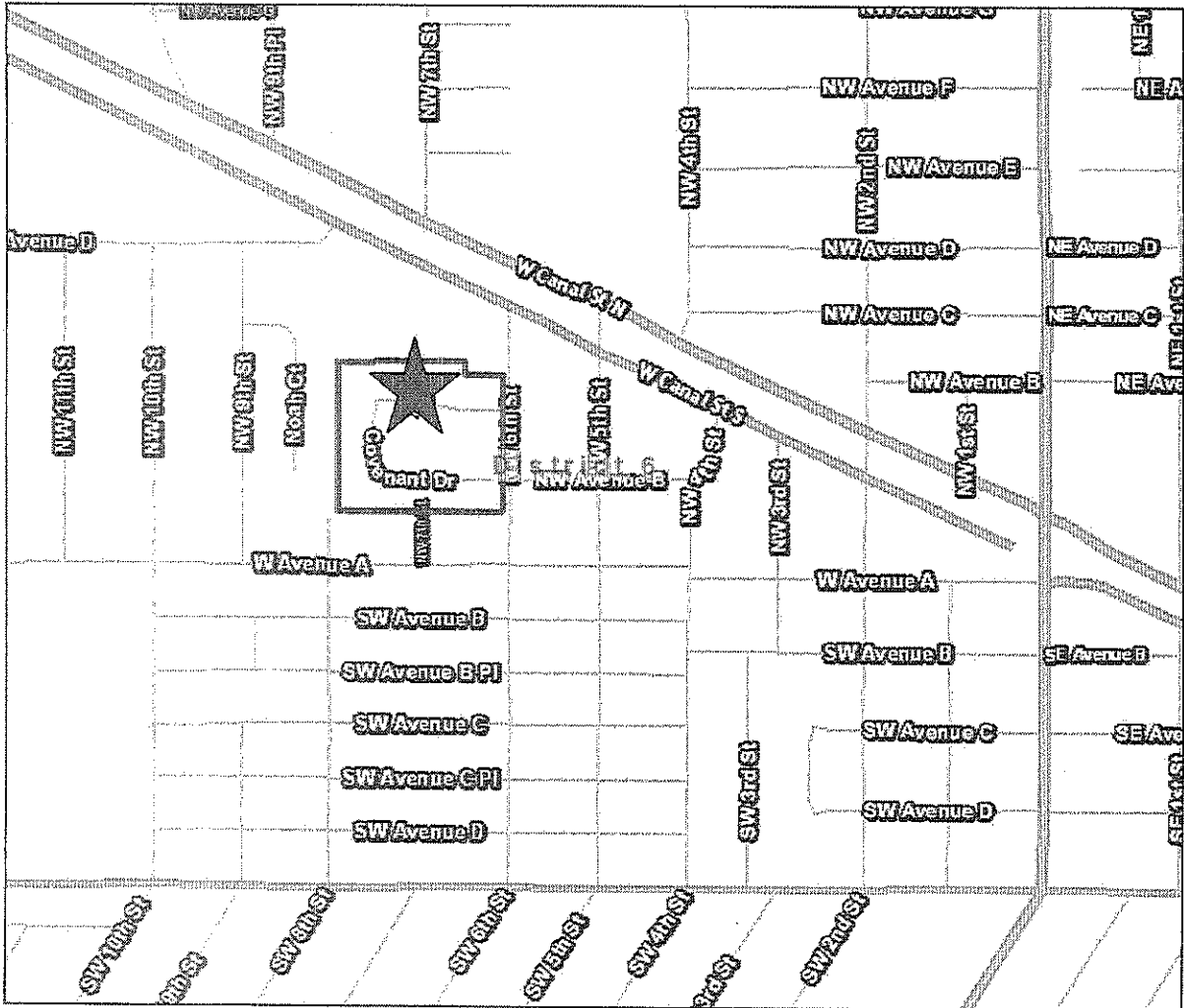
Department Director

LOCATION MAP



Covenant Villas

North



LOAN AGREEMENT

THIS AGREEMENT, dated as of this ____ day of _____, 2013, by and between PALM BEACH COUNTY, a political subdivision of the State of Florida, (hereinafter referred to as the "County" and the "Lender") and NOAH DEVELOPMENT CORPORATION, a Florida not-for-profit corporation, whose Federal I.D. number is 59-2570434, (the "Borrower").

1. RECITALS.

(a) Borrower is the owner of an approximately 8.23 acre tract of improved real property located at 600 Covenant Drive in the City of Belle Glade, Palm Beach County, Florida, as more particularly described in Exhibit "A" attached hereto (the "Premises").

(b) Borrower and County entered into a mutually binding agreement on July 14, 1987, to obligate the use of \$2.7 Million in County funds to assist in the financing of Borrower's costs of acquiring, constructing and equipping the Premises with a 144- unit residential apartment project and related facilities constructed as affordable housing (the "Project").

(c) The County funds consisted of a Loan of \$1,350,000 and a Grant of \$1,350,000, and Borrower executed and delivered to County its promissory note in the principal sum of \$2.7 Million, bearing interest and payable as set forth in the Mortgage, the final payment of which is due on February 1, 2015 (the "Original Note"); and

(d) The repayment of the Original Note was secured by, *inter alia*, a Mortgage recorded in Official Record Book 5406, page 947, Public Records of Palm Beach County, Florida (the "Original Mortgage"); and

(e) The Original Mortgage was subordinate to a mortgage recorded in Official Record Book 5406, page 884, Public Records of Palm Beach County, executed by Borrower to secure the payment of Bonds issued by the Housing Finance Authority of Palm Beach County, Florida ("Bondholder's Mortgage") as part of the financing of the Project.

(f) Borrower has applied to the County for a loan in the principal amount of \$875,000 (the "Loan") in additional funds to apply towards the payment of the Bondholder's Mortgage, and the holder of that mortgage has agreed to subordinate the Bondholder's Mortgage to the Original Mortgage after receipt of such payment, thereby making the Original Mortgage, amended as set forth herein, the new first mortgage of record.

(g) Borrower wishes to amend the Original Note and Original Mortgage to extend the due date for the original loan of \$1,350,000 plus accumulated interest as prorated to the day of closing of this Loan, and include therein Borrower's obligation for repayment of the Loan.

(h) Borrower has two additional mortgages on the Premises, both owned by County, in the amounts of \$348,000 and \$110,000 and recorded in the public records of Palm Beach

County in ORB 18233 page 1080 ("2005 Mortgage") and ORB 19945 page 0001 ("2006 Mortgage") respectively.

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

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

2. THE LOAN. The County shall make the Loan to Borrower in an amount not to exceed \$875,000 upon the terms and conditions set forth herein, and at the rates and terms set forth in its Renewal Promissory Note (the "Note") and Amended and Restated Mortgage Agreement (the "Mortgage") attached hereto as Exhibit "B" and "C" respectively, and Borrower shall take the Loan and expressly agrees to comply with and to perform all of the terms and conditions of this Loan Agreement, the Note, the Mortgage and any other documents evidencing and securing this Loan (collectively hereinafter referred to as the "Loan Documents"). The closing of the Loan including the execution of the Note and Mortgage, shall occur at the offices of the County Attorney or such other mutually agreed upon site no later than May 31, 2013.

3. RIGHT TO AUDIT. The Borrower shall maintain adequate records to justify all charges, expenses and costs incurred for operation of the Project during the term of the Mortgage. The County shall have access to such books, records, and documents as required in this section for the purpose of inspection or audit during normal business hours, at the Borrower's place of business.

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

(a) The Bondholder's Mortgage and all financing documents associated therewith shall be subordinated to the Original Mortgage and the subordination agreement approved by the County and filed of record concurrent with the closing of this Loan.

(b) Any other lien superior to the Original Mortgage, 2005 Mortgage, and/or 2006 Mortgage shall be fully satisfied prior to or concurrent with the closing of the Loan, with all satisfactions or releases to be filed of record promptly after closing.

(c) Title Insurance:

(i) Within ten (10) days of the effective date hereof, Borrower shall deliver to County a title commitment issued by a title insurance company qualified to do business in the State of Florida and acceptable to County, agreeing to issue to County upon recordation of the Mortgage a Lenders Title Insurance Policy in the amount of said Mortgage, subject only to the

Permitted Exceptions listed on Exhibit "D" attached hereto and made a part hereof. Said commitment shall have attached to it copies of all exceptions referred to in the title commitment. The cost of said title commitment and policy and any premium therefore shall be borne by Borrower.

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

(iii) The title insurance commitment shall be endorsed at closing to remove any and all requirements of pre-conditions to the issuance of a Lenders Title Insurance Policy, and to delete any exceptions for: (a) any rights or claims or parties in possession not shown by the public records other than tenants in possession under leases; (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 all prior years; (e) matters arising or attaching subsequent to the effective date of the commitment but before the Mortgage becomes recorded in the Public Records.

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

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

(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 if subject to being located:

(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(c) above and any other requirements requested by the County.

(e) Note: The Note, in a form acceptable to the County Attorney, shall be duly authorized, executed and delivered to the County;

(f) Subordination Agreement: The Subordination Agreement for the Bondholder's Mortgage and all financing documents associated therewith, in a form acceptable to the County Attorney, shall be duly authorized, executed, acknowledged, and delivered to the County to be recorded concurrently with the recording of the Mortgage.

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

(h) Mortgagor's Affidavit: An affidavit of Borrower shall be executed and delivered to the County as required by the Title Insurer as noted in paragraph 4 (a) above, certifying to all such facts as are required to delete the Standard Exceptions from the 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.

(i) Corporation Documents: Borrower shall deliver to the County the following documents:

(i) The Articles of Incorporation of the Borrower and all amendments thereof, certified by the appropriate official of the State of Florida, together with a certificate of such official to the effect that such not-for-profit corporation is in good standing therein,

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

(j) Flood Insurance: Borrower shall deliver to the County evidence satisfactory to the County either that the Premises are not within a hazardous flood area as designated by the Department of Housing and Urban Development and any other governmental authority, or if the Premises are within such a hazardous area, that the Premises are covered by flood insurance supplied by the federal Insurance Administration to the maximum amount available, all as provided in the Flood Disaster Protection Act of 1973, as amended, together with appropriate endorsements thereto providing for the County's interests including without limitation that such insurance will not be canceled without 30 days notice to the County. Borrower agrees that the County shall have the right to take any action necessary to continue said insurance in full force

and effect including, but not limited to, paying premiums. Any funds disbursed to continue said policies in full force and effect shall be considered as Disbursements hereunder and shall bear interest from the date of disbursement at the same rate as other Disbursements and payment of said funds and interest shall be secured by the Mortgage. Satisfactory evidence of flood area designation shall be a certification from the Surveyor appearing on the survey drawing;

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

(i) This Loan Agreement and all Loan Documents and any other documents required to be delivered hereunder have been duly authorized, executed and delivered and are valid, binding and enforceable in accordance with their terms, subject to bankruptcy, insolvency and other principles affecting the enforcement of creditors' rights generally.

(ii) that Borrower 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 to the knowledge of such counsel, Borrower 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 use of the Premises as an apartment project for affordable housing complies with all applicable zoning and building laws and regulations, and all other applicable federal, state and local laws, ordinance and regulations,

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

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

(vii) that the lien of the Mortgage is a valid first lien on the Premises and the security interest described in the mortgage are good and valid security interests,

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

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

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

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

5. DISBURSEMENT OF LOAN FUNDS: Disbursement of Loan Funds shall be made by the County upon receipt of documentation evidencing subordination of the Bondholder's Mortgage and all financing documents associated therewith, satisfaction of any lien superior to Original Mortgage, the 2005 Mortgage, and the 2006 Mortgage, and satisfaction of all conditions precedent to closing.

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

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

(a) Borrower shall maintain no less than 51% of the total residential units within the Project as housing for low-income households for the Mortgage term of twenty-five years in accordance with Borrower's obligations under this Agreement. Low income households are those whose household incomes are at 80%, or less, of the area median income (AMI) for the West Palm Beach - Boca Raton Metropolitan Statistical Area adjusted by family size, as adjusted annually by the U.S. Department of Housing and Urban Development (HUD). Additionally, rental rates shall not exceed those published by annually by HUD in connection with the HOME Investment Program. Units occupied by <50% AMI households shall be charged no greater than "Low HOME Rent" and units occupied by households from >50%AMI but <80%AMI shall be charged no more than "High HOME Rent". In the event there are grant funding requirements for the Premises that are more restrictive than those contained herein, the more restrictive funding requirements shall prevail.

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

(c) Borrower shall complete within three (3) years after the date of the Loan the repair work set forth in Exhibit "E" attached hereto and made a part hereof, in addition to

performing all routine maintenance of the Premises. Borrower shall give priority to the remediation of the mold present in units and on the outside of buildings, and shall retain the services of an American Council for Accredited Certification (ACAC) company employing a ACAC -certified Indoor Environmentalist (CIE), certified Indoor Environmental Consultant (CIEC) or Council-certified Microbial Investigator (CMI) to perform a field inspection of the Premises and provide conclusions and recommendations for maintaining the facility or for additional work as may be necessary.

(d) Borrower shall repair the fire damage in Apartment #620A and provide satisfactory evidence of such to County within 36 months after the closing of the Loan.

(e) Borrower shall renovate 20 apartment units per year until the renovations are completed.

(f) Borrower shall submit a report no later than January 15 of every year, detailing compliance with housing and rental rate requirements, performance of repair and renovation work, and performance of routine maintenance during the previous calendar year. The report, which shall be on the form attached as Exhibit "F" hereto, shall be submitted to the Director of the County's Department of Economic Sustainability at 100 Australian Avenue, Suite 500, West Palm Beach, FL 33406.

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

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

(i) The Mortgage shall be non-assumable.

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

(a) Organization Status. Borrower is a 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. Borrower is duly authorized to borrow from County the principal sum of \$875,000 and execute all Loan documents pertaining thereto.

(b) Financial Statements. The Financial statements of Borrower heretofore reviewed with the County are true and correct in all material respects, have been prepared in accordance with generally accepted accounting principles, and fairly present the respective financial conditions of the subjects thereof as of the respective dates thereof, and no material adverse change has occurred in the financial conditions reflected therein since the respective dates thereof and no additional borrowings have been made by Borrower since the date thereof;

(c) Authority to Enter into Loan Documents. The Borrower has full power and authority to enter into the Loan Documents and consummate the transactions contemplated hereby, and the facts and matters expressed in the opinion of its legal counsel are true and correct;

(d) Validity of Loan Documents. The Loan Documents have been approved by those persons having proper authority, and to the best of Borrower's knowledge are in all respects legal, valid and binding according to their terms;

(e) Conflicting Transactions of Borrower. The consummation of the transaction hereby contemplated and the performance of the obligations of Borrower under and by virtue of the Loan Documents will not result in any breach of, or constitute a default under, any other Agreement to which Borrower is a party or by which it may be bound or affected;

(f) Pending Litigation. There are no actions, suits or proceedings pending before any court or law equity, or any Administrative Board, or, to the knowledge of the Borrower, threaten against or affecting it or the Premises, or, involving the validity or enforceability of the Mortgage, or of any of the Loan Documents.

(g) Availability of Utilities. All utility services necessary for the operation of the Premises for its intended purpose are available at the Premises, including water supply, storm and sanitary sewer facilities, and electric and telephone facilities, and Borrower's payment for such services are current;

(h) Condition of Premises. With the exception of the fire damage referred to herein, the Premises are not now damaged or injured as a result of any fire, explosion, accident, flood or other casualty;

(i) Availability of Roads. All roads necessary for the full utilization of the Premises have been completed or have been dedicated to public use and accepted by such local authorities and all necessary steps have been taken by Borrower and such local authorities to assure the complete construction and installation thereof;

(j) No Default. There is no default on the part of the Borrower under this Loan Agreement, the Note or the Mortgage, and no event has occurred and is continuing which with notice, or the passage of time, or either, would constitute a default under any provision thereof; and

(k) Hazardous Waste. Borrower is in compliance with all provisions of the federal Water Pollution Control Act, Comprehensive Environmental Response, Compensation and Liability ("Superfund") Act of 1980 and Solid Waste Disposal Act, Florida Statutes, Chapter 376, and other similar federal, state and local statutory schemes imposing liability on Borrower relating to the generation, storage, impoundment, disposal, discharge, treatment, release, seepage, emission, transportation or destruction of any sewage, garbage, effluent, asbestos or asbestos-containing materials, polychlorinated biphenyls (PCBs), toxic, hazardous or radioactive materials, petroleum products, pesticides, smoke, dust, or any other form of pollution

as such laws are in effect as of the date of this Agreement and with any rules, regulations and order issued by any federal, state or local governmental body, agency or authority thereunder and with any orders or judgments of any courts of competent jurisdiction with respect thereto, and no assessment, notice of (primary or secondary) liability or notice of financial responsibility, or the amount thereof, or to impose civil penalties has been received by the Borrower. Borrower has paid any environmental excise taxes imposed pursuant to Sections 4611, 4661 or 4681 of the Internal Revenue Code of 1986, as from time to time amended.

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

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

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

In addition, Borrower 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 Loan released or bonded 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. If Borrower fails, after demand, to cause said lien or liens to be released or bonded as aforesaid the County may take such steps as it deems necessary and any funds expended shall be charged to Borrower's Loan Account and shall bear interest as provided by the Loan Documents.

Borrower hereby authorizes the County to demand, on Borrower'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 Mortgage 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 except as provided elsewhere herein or in the Mortgage, it being understood and agreed that part of the consideration for the Loan is the obligation of Borrower. Notwithstanding the preceding prohibition against leasing, individual apartment units located in the Premises may be leased provided that such leases are in compliance with the affordable housing requirements contained in the Loan Documents.

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

(d) Brokerage Commissions. Borrower 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 Borrower 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. Borrower 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 Borrower and, at the request of the County and at Borrower's expense, certified (in form satisfactory to the County) by an independent certified public accountant acceptable to the County, provided that Borrower shall not be required to furnish audited financial statements more often than once a year;

(ii) within ninety (90) days after the end of each fiscal year of Borrower, a balance sheet and statements of income, surplus, and cash flow, together with schedules, all compiled and presented by an independent accounting firm in accordance with standard and uniform accounting practices showing the financial condition of Borrower at the close of each year and the results of operations of Borrower during each year;

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

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

(f) Access to Records. The County shall have full (but confidential) access, as allowed under the Public Records Law, at any reasonable time to the books, records and contracts pertaining to the Premises and Borrower.

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

(h) Indebtedness. With respect to the Premises encumbered by the Borrower of even date herewith, Borrower will not incur, create, assume or permit to exist any indebtedness constituting the deferred purchase price of any property or assets, or any indebtedness or liability evidenced by notes, bonds, debentures or similar obligations without the written approval of the County, except indebtedness owed the County including the aforementioned 2005 and 2006 Mortgages.

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

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

10. INSPECTIONS. Borrower will permit County, or its representatives to enter upon the Premises, inspecting repairs, renovations, and general upkeep.

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

(a) Bankruptcy. If there is filed by or against Borrower a petition in bankruptcy or a petition for the appointment of a receiver or trustee of the property of Borrower and any such petition not filed by Borrower is not dismissed within sixty (60) days of the date of filing, or if Borrower files a petition for reorganization under any of the provisions of the Bankruptcy Code

or of any assignment for the benefit of creditors or makes any insolvency assignment or is adjusted insolvent by any court of competent jurisdiction; or

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

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

(d) Repairs. Borrower shall fail to complete the required repairs and renovations as set forth herein or keep the Premises in good repair.

(e) Default on Bondholder's Mortgage. Borrower shall be in default under the Bondholder's Mortgage beyond any applicable notice or grace period after the date of Closing of this Loan.

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

(a) Cancel this Loan Agreement;

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

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

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

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

(a) Rights of Third Parties. All conditions of the County hereunder are imposed solely and exclusively for the benefit of the County and its successors and assigns, and no other person shall have standing to require satisfaction of such conditions or be entitled to assume that the County will make Disbursements in the absence of strict compliance with any or all thereof, and no other person shall, under any circumstances, be deemed to be a beneficiary of this Loan

Agreement or the Loan Documents, any provisions of which may be freely waived in whole or in part by the County at any time if, in its sole discretion, it deems it desirable to do so.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

TO LENDER:

Board of County Commissioners
c/o Palm Beach County Attorney's Office
Suite 601
301 N. Olive Avenue
West Palm Beach, FL 33401

TO BORROWER:

NOAH Development Corporation
600 Covenant Drive
Belle Glade, FL 33430
Attn: Chief Executive Officer

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

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

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

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

14. ENFORCEMENT COSTS. In the event of any action, suit or proceeding as commence with the respect to interpretation or enforcement of this Loan Agreement, the prevailing party therein shall be entitled to recover all costs, expenses and fees, including without limitation, reasonable attorney's fees, expended or incurred by such party in connection therewith, including any such costs, expenses and fees upon appeal and imposed judgment proceedings.

15. EXCLUSION OF THIRD PARTY BENEFICIARIES. No provision of this Agreement is intended to, or shall be construed to, create any third party beneficiary or to provide any rights to any person or entity not a party to this Agreement, including but not limited to any citizen or employees of the County and/or the Borrower.

16. PALM BEACH COUNTY OFFICE OF THE INSPECTOR GENERAL. Palm Beach County has established the Office of Inspector General in Palm Beach County Code, Section 2-421 - 2-440, as may be amended. The Inspector General's authority includes but is not limited to the power to review past, present and proposed County contracts, transactions, accounts and records, to require the production of records, and to audit, investigate, monitor, and inspect the activities of the Borrower, its officers, agents, employees, and lobbyists in order to ensure compliance with contract requirements and detect corruption and fraud. Failure to cooperate with Inspector General or interfering with or impeding any investigation shall be in violation of Palm Beach County Code, Section 2-421 - 2-440, and punished pursuant to Section 125.69, Florida Statutes, in the same manner as a second degree misdemeanor.

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

18. 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 Borrower and approved and signed by the County Administrator, or his designee, on behalf of the Palm Beach County Board of County Commissioners. The Effective Date shall be the date on which this Loan Agreement is executed by the County Administrator, or his designee, on behalf of the Board of County Commissioners.

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

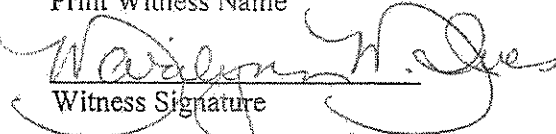
Signed, sealed and delivered
in the presence of:

NOAH DEVELOPMENT CORPORATION,
a Florida not-for-profit corporation

BY: 
Edna McClendon, President


Witness Signature

Gary Walk
Print Witness Name


Witness Signature

Marilynn M. Ives
Print Witness Name

(SEAL)
Corporation
not-for-profit

NOAH DEVELOPMENT CORPORATION

ATTEST:

SHARON R. BOCK
CLERK & COMPTROLLER

PALM BEACH COUNTY, a political
subdivision of the State of Florida

FOR ITS BOARD OF COUNTY
COMMISSIONERS

BY: _____
Deputy Clerk


(County Seal)

BY: _____
Steven L. Abrams, Mayor

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY

APPROVED AS TO TERMS
AND CONDITIONS

BY: _____
Tammy K. Fields
Chief Assistant County Attorney

BY:  _____
Sherry Howard, Deputy Director
Department of Economic Sustainability

Z:\Covenant Villas\Loan Agreement.007.final.docx

EXHIBIT "A"
Premises

Lots 17 through 63, both inclusive, of Royal Palm Subdivision according to the plat thereof, on file in the office of the Clerk of the Circuit Court in and for Palm Beach County, Florida, in Plat Book 16, at Page 41.

EXHIBIT "B"
Renewal Promissory Note

EXHIBIT "B"

RENEWAL PROMISSORY NOTE

\$2,538,157.34

West Palm Beach, Florida
_____, 2013

FOR VALUE RECEIVED the undersigned NOAH DEVELOPMENT CORPORATION, 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 TWO MILLION FIVE HUNDRED THIRTY-EIGHT THOUSAND ONE HUNDRED FIFTY-SEVEN and 34/100 DOLLARS (\$2,538,157.34) plus accrued interest, to be paid in lawful money of the United States of America, as follows:

- 1) This Note shall bear interest computed at the stated rate of one (1%) percent simple interest per annum on the outstanding principal balance.
- 2) Repayment hereunder shall occur as follows:
 - (a) From the date hereof until **May 1, 2016**, no payments will be required and interest will accrue and be payable at the Maturity Date.
 - (b) Repayment thereafter shall be limited to monthly payments, interest only, commencing with the year **2016**. The first monthly interest only payment due date hereunder shall be on **May 1, 2016**. Subsequent monthly interest payments shall be due on the 1st day of each month thereafter through **April 30, 2038 (Maturity Date)**, at which time all outstanding principal indebtedness together with all accrued and unpaid interest thereon shall be due and payable, unless acceleration is made by Holder pursuant to the provisions hereof.
- 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. STAMPS HAVE BEEN AFFIXED TO THE MORTGAGE AND CANCELED AS REQUIRED BY LAW.

This Note is executed pursuant to the terms and conditions of that certain Loan Agreement dated _____, 2013 between Maker, as Borrower, and Holder, as Lender, and is secured by an Amended and Restated Mortgage and Note Replacement Agreement (the "Mortgage") encumbering certain real property located in Palm Beach County, Florida (the "Premises"), all of even date herewith. The foregoing and all other agreements, instruments and documents delivered in connection therewith and herewith are collectively referred to as the "Loan Documents."

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

Nothing herein contained, nor any transaction related thereto, shall be construed or so operate as to require the 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 Loan Documents result in the computation or earning of interest in excess of the maximum rate of interest that is legally permitted under applicable law, any and all such excess shall be and the same is hereby waived by the Holder, and any and all such excess shall be automatically credited against and in reduction of the balance due under this indebtedness, and a portion of said excess which exceeds the balance due under this indebtedness shall be paid by the Holder to the 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 failure of Maker to pay when due any payment of principal or interest or other amount due hereunder which continues beyond any applicable notice or grace period contained herein or in any of the other Loan Documents; or upon the occurrence of an Event of Default pursuant to any other Loan Documents now or hereafter evidencing, securing or guarantying payment of this Note which continues beyond any applicable notice or grace period contained herein or therein. 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 Loan Documents.

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

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

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

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 LOAN REFERENCED HEREIN, THE SOLE REMEDY OF THE HOLDER SHALL BE TO FORECLOSE AGAINST THE PROPERTY GIVEN AS SECURITY FOR THIS LOAN, AND IN NO EVENT SHALL THE BORROWER, OR ANY GENERAL PARTNER OF THE BORROWER, HAVE ANY LIABILITY FOR THE PAYMENT OF THE LOAN OR ANY OTHER OBLIGATIONS REFERENCED HEREIN, OR FOR THE PAYMENT OF ANY DEFICIENCY FOLLOWING THE FORECLOSURE AGAINST THE PROPERTY GIVEN AS SECURITY FOR THE LOAN.

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.

NOAH DEVELOPMENT CORPORATION, a
Florida not-for-profit corporation

BY: _____
Edna McClendon, President

(SEAL)
Corporation not-for-profit

EXHIBIT "C"
Amended and Restated Mortgage

EXHIBIT "D"
Permitted Exceptions

1. Mortgage recorded in Official Record Book 18233 page 1080 of the Public Records of Palm Beach County, Florida (2005 Mortgage).
2. Mortgage recorded Official Record Book 19945 page 0001 of the Public Records of Palm Beach County, Florida (2006 Mortgage).
3. Declaration of Restrictions recorded in Official Record Book 23880 page 0951 of the Public Records of Palm Beach County, Florida.
4. The lien of all taxes for the year 2013 and thereafter, which are not yet due and payable.
5. Mortgage, Assignment of Leases and Agreement and Security Agreement to Housing Finance Authority of Palm Beach County, Florida, and Southeast Bank, N.A., recorded in O.R. Book 5406, page 884, Public Records of Palm Beach County, Florida, in an amount not to exceed \$300,000, that will be subordinate to this Mortgage.
6. Mortgage to Palm Beach County recorded in O.R. Book 5406, Page 947, Public Records of Palm Beach County, Florida.
7. UCC Financing Statement between Noah Development Corporation and Wachovia Bank, N.A., as recorded in O.R. Book 14114, Page 904, Public Records of Palm Beach County, Florida, that will be subordinate to this Mortgage.
8. All matters contained on the Plat of Royal Palm Subdivision, as recorded in Plat Book 16, Page 41; as affected by Resolution No. 1800 recorded in O.R. Book 5014, Page 624, Public Records of Palm Beach County, Florida.
9. Ordinance No. 86-7 recorded in O.R. Book 5636, Page 996; as amended in O.R. Book 5636, Page 1002, Public Records of Palm Beach County, Florida.
10. Covenants, conditions and restrictions recorded October 8, 1986, in O.R. Book 5031, Page 1382, Public Records of Palm Beach County, Florida.
11. Land Use Restriction Agreement recorded in O.R. Book 5406, Page 985, Public Records of Palm Beach County, Florida.
12. Easement in favor of Florida Power and Light Company contained in instrument recorded February 10, 1989, in O.R. Book 5964, Page 1152, Public Records of Palm Beach County, Florida.
13. Easement to Glades Utility Authority recorded in O.R. Book 23737, Page 598, Public Records of Palm Beach County, Florida.
14. Notice of Lien Rights by Glades Utility Authority recorded in O.R. Book 25279, Page 1068, Public Records of Palm Beach County, Florida.

EXHIBIT "E"
Required Repairs

Item Description	Estimated Cost
Repair concrete slab underneath trash dumpsters	\$3,000
Repair, sealcoat and restripe the parking lot, repair concrete sidewalks and repair and clear perimeter fencing as needed.	\$20,000
Landscaping repairs	\$10,000
Repair the storage shed, upgrade the Laundry Facility, and repair and paint the exterior of the Leasing/Laundry/Maintenance building, including installing new windows	\$20,000
Miscellaneous apartment building exterior concrete & stucco repairs and secure loose stair railings	\$70,000
Replace gutters and downspouts and vinyl soffits as needed	\$8,000
Replace windows at the Leasing/Laundry/Maintenance building and all interior doors in 80 apartments	\$40,000
New interior paint, flooring and kitchen cabinets and countertops in 80 apartments	\$250,000
New kitchen appliances in 80 apartments	\$80,000
Replace all plumbing fixtures and accessories including water heaters in 80 apartments	\$60,000
Replace all A/C equipment and bathroom exhaust fans in 80 apartments	\$210,000
Replace light fixtures in 80 apartments and install GFI outlets in the kitchens of all apartments	\$28,000
ADA compliance issues	\$3,000
Contractor's General Conditions, Overhead and Profit	\$107,000
Total	\$867,000

REPAIRS AND RENOVATIONS

RENOVATIONS

Number of Units Renovated: _____

Identify Units: _____

REPAIR ACTIVITIES

Describe your accomplishments during the reporting period: _____

Describe any problems encountered during this reporting period: _____

MAINTENANCE ACTIVITIES

Describe your accomplishments during the reporting period: _____

Describe any problems encountered during this reporting period: _____

Send Report to: Edward Lowery, Director
Department of Economic Sustainability
100 Australian Avenue, Suite 500
West Palm Beach, FL 33406

EXHIBIT "C"

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

PCN: 04-37-43-31-01-021-0020

Tax Legend for Amended and Restated Mortgage Agreement

NOTICE TO RECORDER: This Mortgage amends and restates a certain previous Mortgage recorded in the Official Records of Palm Beach County at Official Record Book 5406 page 0947 (the "Original Mortgage"), which secured a debt of \$2.7 million. Neither documentary stamp taxes nor intangible taxes were payable with respect to a portion of the Original Mortgage pursuant to the exemption provided by Section 159.621 of the Florida Statutes. Pursuant to Florida Statute 199.155, the documentary stamp taxes and intangible taxes were calculated based on the principal indebtedness to Palm Beach County of \$1,350,000.00. The Note secured by the Original Mortgage had an unpaid principal balance of \$1,350,000.00. The Amended and Restated Mortgage increases the amount of indebtedness secured by Florida real property to \$2,538,157.34 an increase of \$1,188,157.34. Accordingly, documentary stamp tax in the amount of \$_____ and non-recurring intangible tax in the amount of \$_____ are due to be paid with the recording of this Amended and Restated Mortgage. The obligor/mortgagor under both the Original Mortgage and the Amended and Restated Mortgage is the same.

AMENDED AND RESTATED MORTGAGE AGREEMENT

This Agreement restates and replaces the mortgage recorded at ORB 5406, Page 0947 of the Palm Beach County Public Records.

THIS AMENDED AND RESTATED MORTGAGE AGREEMENT (the "Mortgage"), executed _____, between **NOAH Development Corporation**, a Florida not-for-profit corporation, (the "Mortgagor"), whose address is 601 Covenant Drive, Belle Glade, Florida 33430, and **Palm Beach County**, a political subdivision of the State of Florida (the "County"), located at 301 North Olive Avenue, Suite 601, West Palm Beach, Florida 33401.

WITNESSETH:

WHEREAS, Mortgagor and County entered into a mutually binding agreement on July 14, 1987, to obligate the use of \$2.7 Million in County funds to assist in the financing of Mortgagor's costs of acquiring, constructing, and equipping a certain residential apartment project and related facilities located in Belle Glade, Florida (the "Project"); and

WHEREAS, the County funds consisted of a Loan of \$1,350,000 and a Grant of \$1,350,000; and

WHEREAS, Mortgagor executed and delivered to County its promissory note in the principal sum of \$2.7 Million, bearing interest and payable as set forth in the Mortgage, the final payment of which is due on February 1, 2015 (the "Original Note"); and

WHEREAS, the repayment of the Original Note was secured by, *inter alia*, a Mortgage recorded in Official Record Book 5406, page 0947, Public Records of Palm Beach County, Florida (the "Original Mortgage"); and

WHEREAS, the Original Mortgage was subordinate to a mortgage recorded in Official Record Book 5406, page 884, Public Records of Palm Beach County, executed by Mortgagor to secure the payment of Bonds issued by the Housing Finance Authority of Palm Beach County, Florida, ("Bondholder's Mortgage") as part of the financing of the Project; and

WHEREAS, Mortgagor requested \$875,000 in additional funds from County to apply towards the payment of the Bondholder's Mortgage, and the holder of that mortgage has agreed to subordinate the Bondholder's Mortgage to the Original Mortgage after receipt of such payment, thereby making the Original Mortgage, amended as set forth herein, the new first mortgage of record; and

WHEREAS, the parties wish to modify the Original Note and Original Mortgage held by County to incorporate the terms for the additional funding provided to Mortgagor, but significant revisions are needed to remove construction requirements and provisions regarding the Bondholder's Mortgage as that mortgage no longer holds superior lien rights; and

WHEREAS, the parties have agreed to amend, restate, and replace the Original Mortgage in its entirety with this Mortgage, acknowledging that this Mortgage relates back to the Original Mortgage and maintains that lien priority. This Mortgage encumbers the Property described in Exhibit "A" attached hereto and made a part hereof (the "Premises"); and

WHEREAS, Mortgagor has agreed to also modify, renew and replace the Original Note in its entirety and has executed and delivered to County the Renewal Promissory Note dated _____, in the principal amount of \$2,538,157.34 (the "Renewal Note"), which amount includes the \$875,000 in additional funds provided to Mortgagor together with the principal plus interest owed to date under the Original Note; and

WHEREAS, this Mortgage is given in accordance with that certain Loan Agreement between Mortgagor and County executed contemporaneously herewith, which replaces the July 14, 1987, Agreement between Mortgagor and County in its entirety. This Mortgage, the Renewal Note, and the Loan Agreement shall hereinafter collectively be referred to as the "Loan Documents".

WHEREAS, Mortgagor and County have executed this Amended and Restated Mortgage Agreement in order to modify the terms of the Original Mortgage to: (i) evidence that the Mortgage secures repayment of the Renewal Note, (ii) acknowledge the reduction of the Mortgagor's Primary Indebtedness as defined in the Original Mortgage and the subordination of the prior and superior lien of the Bondholder's Mortgage; and (iii) restate the obligations of the Mortgagor.

GRANTING CLAUSE

NOW THEREFORE, for and in consideration of the terms and conditions contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Mortgagor and County covenant and agree that the Original Mortgage is hereby amended and restated in its entirety as follows.

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 Renewal Note or this Mortgage, and the performance and observance of all the provisions hereof, and of the loan documents, hereby gives, leases, bargains, sells, warrants, aliens, remises, releases, conveys, assigns, transfers, mortgages, hypothecates, deposits, pledges, sets over and confirms unto County, 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, 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 County, 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 2012, and those certain exceptions appearing on the County's Title Insurance Policy given in connection herewith and specifically approved by County, 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 County all sums required under the terms of the Renewal Note, which Renewal Note is in the original principal amount of \$2,538,157.34 and has a maturity date of April 30, 2038, unless such maturity is accelerated as set forth in the Renewal Note, and shall comply with and abide by each and every one of the stipulations, agreements, conditions and covenants of the Loan Documents, then in such event this Mortgage and the estate hereby created shall cease and be null and void.

The Mortgagor covenants with the County as follows:

ARTICLE I.

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 Renewal Note at the time and place

and in the manner specified in the Renewal 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 County, deliver to the County 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 therefrom whether such lien is or may become prior or remain inferior to the Mortgage and also, irrespective of the priority of such other lien(s). Mortgagor in general will do or cause to be done everything necessary so that the lien hereof shall be fully preserved, at the cost of the Mortgagor, without expense to the County.

(c) The Mortgagor shall pay any taxes except income taxes imposed on the County by reason of the County's ownership of the Renewal 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 County, in its sole discretion, shall from time to time require, for the benefit of the County. All such insurance at all times will be in an insurance company or companies in such amounts and with terms acceptable to the County, with loss, if any, payable to the County as its interest may appear, pursuant to a noncontributory County clause which shall be satisfactory to the County; and forthwith upon the issuance of such policies they will deliver to the County copies of receipts for the premiums paid thereon and certificates of insurance and certified copies of such policies. Any policies furnished the County shall become its property in the event the County becomes the owner of the Premises by foreclosure or otherwise. The County 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 County jointly. Should a loss be incurred, then in such event, County 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 Mortgage will give immediate written notice of the same to the County.

(c) The County 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 County, 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 County, promptly restore, repair or alter the remaining part of the Premises in a manner satisfactory to the County. Nothing contained herein shall, however, relieve the Mortgagor from its obligation to make payments under the Renewal Note in accordance with its terms.

1.5 Further Assurances; Modifications. At any time, and from time to time, upon request by the County, the Mortgagor will make, exercise and deliver or cause to be made, executed and delivered, to the County, any and all other further instruments, certificates and other documents as may, in the opinion of the County, be necessary or desirable in order to effectuate, complete, or perfect or to continue and preserve (i) the obligations of the Mortgagor under the Renewal Note, (ii) the security interest of this Mortgage, and (iii) the mortgage lien hereunder. Upon any failure by the Mortgagor so to do the County 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 County 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 County for all reasonable attorney's fees, costs and expenses, including those in connection with appellate proceedings, incurred by the County 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 County shall be secured by this Mortgage.

1.7 Estoppel Affidavits. The Mortgagor, upon ten days' prior written notice, shall furnish the County 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 County 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 County 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 County; then the County, at its option, may perform or observe the same, and all payments made or costs incurred by the County in connection therewith, shall be secured hereby and shall be, without demand, immediately repaid by the Mortgagor to the County with interest thereon at the maximum rate provided by law. The County 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 County 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 County, 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 County 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 County, who, after deducting therefrom, all its expenses, including attorneys fees, may release any monies received by it without further affecting this Mortgage and may apply the same in such manner as the County 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 County may require.

1.11 Environmental Representations.

(a) The Mortgagor covenants with the County 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 County 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, County examined the credit-worthiness of Mortgagor, found it acceptable and continues to rely upon the same as the means of repayment of the loan. County 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. The County is the holder of two junior mortgages on the Premises: the "2005 Mortgage" recorded in Official Records Book 18233 page 1080 and the "2006 Mortgage" recorded in Official Records Book 19945 page 0001, both of the public records of Palm Beach County. Mortgagor further recognizes that any additional junior financing placed upon the Premises (a) may divert funds which would otherwise be used to pay the Renewal Note secured hereby; (b) could result in acceleration and foreclosure by any such additional junior encumbrance which would force County to take measures and incur expenses to protect its security; (c) could detract from the value of the Premises should County's right to accept a deed in lieu of foreclosure, as a foreclosure by County would be necessary to clear the title to the Premises.

In accordance with the foregoing and for the purposes of (i) protecting County's security both of repayment by Mortgagor and of value of the Premises; (ii) giving County the full benefit of its bargain and contract with Mortgagor; (iii) allowing County to raise the interest rate and/or collect assumption fees; and (iv) keeping the Premises free of additional subordinate financing liens, Mortgagor agrees that if this paragraph be deemed a restraint on alienation, that it is a reasonable one and that any sale, conveyance, assignment, further encumbrance or other transfer of title to the Premises or any interest therein (whether voluntarily or by operation of law) without the County's prior written consent, which may be withheld for any reason, shall be an

Event of Default hereunder. For the purpose of and without limiting the generality of, the preceding sentence, the occurrence at any time of any of the following events shall be deemed to be an unpermitted transfer of title to the Premises and therefore an Event of Default hereunder.

(a) any sale, conveyance, assignment or other transfer of or the grant of a security interest in, all or any part of the title to the premises,

(b) any new or additional liabilities without the prior written consent of County,

Any consent by the County, 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 County 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 Renewal Note, this Mortgage and otherwise; or

(b) The Mortgagor shall fail to duly observe on time any other covenant, condition or agreement of this Mortgage, the Loan Documents or of any other instrument evidencing, security or executed in connection with the indebtedness secured hereby, and such failure continues for a period of thirty (30) days following written notice by the County; or

(c) Any warranties or representations made or agreed to be made in any of the Loan Documents shall be breached by the Mortgagor in any material respect or shall prove to be false or misleading in any material respect and such breach is not cured within 15 days following notice from County; 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; or

(e) Mortgagor shall be in default under the Bondholder's Mortgage after the date of closing of the Loan pursuant to the Loan Agreement beyond any applicable notice or grace period; or

(f) 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

(g) 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

(h) 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

(i) The Mortgagor shall make any general assignment for the benefit of creditors;
or

(j) 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

(k) 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

(l) A material breach by Mortgagor of any covenant, representation, or warranty set forth in the Loan Agreement and the expiration of any applicable grace period, or an Event of Default occurs under the terms of the Loan Agreement or any of the other Loan Documents pertaining to the Renewal Note and Mortgage; or

(m) Fifty-one Percent (51%) of the Mortgaged Property shall cease to be reserved for households who have low or very low income pursuant to U.S. Government HUD guidelines for a period of twenty-five (25) years from the date hereof as set forth in the Loan Agreement; or

If the County shall reasonably believe that any one or more of the defaults enumerated in paragraphs (a) through (m) may occur, then the County 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 County 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) This Mortgage debt in full, including fees;
- (3) All accrued but unpaid interest on the Renewal Note;
- (4) The Bondholder's Mortgage;
- (5) 2005 Mortgage debt in full, including fees.
- (6) 2006 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 County or by a lending institution selected by County.

(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 shall continue beyond any applicable notice or grace period, then the whole unpaid principal sum of the indebtedness secured hereby with interest accrued thereon shall, at the option of the County, become due and payable without notice or demand, time being of the essence of this Mortgage and of the Renewal Note secured hereby; and no omission on the part of the County to exercise such option when entitled so to do shall be considered as a waiver of such right.

2.5 Right of County to Enter and Take Possession.

(a) If any default shall have occurred and be continuing beyond any applicable notice or grace period, the Mortgagor, upon demand of the County, shall forthwith surrender to the County the actual possession of the Premises and if, and to the extent permitted by law, the County may enter and take possession of the Premises and may exclude the Mortgagor and the Mortgagor's agents and employees wholly therefrom. In the event County exercises its rights pursuant to this subparagraph (a), the County 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 2.5, the Mortgagor hereby constitutes and appoints the County 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 County shall surrender possession of the Premises to the Mortgagor, provided that the right of the County to take possession, from time to time, pursuant to subparagraph 2.5(a) shall exist if any subsequent default shall occur and be continuing beyond any applicable notice or grace period.

2.6 Appointment of a Receiver and Foreclosure.

(a) If a default shall have occurred hereunder and shall be continuing beyond any applicable notice or grace period, then the whole debt secured by this Mortgage, with all interest thereon, and all other amounts hereby secured shall, at the option of County, 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 County 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 County 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 County 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 County 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 County 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 County, then in every such case the Mortgagor and the County shall be restored to their former positions and rights hereunder, and all rights, powers and remedies of the County 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 County by this County 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 Renewal 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 County harmless with respect thereto. The Mortgagor's liability under this paragraph 2.9 will survive the repayment of indebtedness under the Renewal 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 County 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 County, 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 Renewal 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: NOAH Development Corporation
 601 Covenant Drive
 Belle Glade, FL 33430
 Attn: Chief Executive Officer

County: Palm Beach County
 c/o County Attorney's Office
 301 North Olive Avenue, Suite 601
 West Palm Beach, FL 33401

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 third business day following the date on which said notice is deposited in the mail , unless sooner received, 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 County 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 Renewal 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 County 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 Renewal Note including, but not limited to, an increase in the interest rate charged pursuant to the Renewal 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 County may increase the interest rate charged pursuant to the Renewal Note or otherwise modify the Renewal Note and the Renewal 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, other than the First Mortgage.

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 County under the Florida Uniform Commercial Code to secure payment of principal, interest and other amounts due County now or hereafter secured hereby, and County 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 County arising under the common law or any other laws of the State of Florida or any other jurisdiction.

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

5.5 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.

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

THIS SPACE INTENTIONALLY LEFT BLANK

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

Witnesses:

NOAH DEVELOPMENT CORPORATION, a Florida not-for-profit corporation

BY: [Signature]
Edna McClendon, President

[Signature]
Witness Signature

Gary Walk
Print Witness Name

[Signature]
Witness Signature

Marilynn M. Ives
Print Witness Name

(SEAL)
Corporation
not-for-profit

NOAH DEVELOPMENT CORPORATION

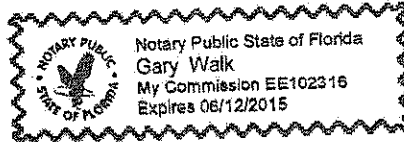
STATE OF FLORIDA
PALM BEACH COUNTY

The foregoing instrument was acknowledged before me this 8th day of March, 2013, by Edna McClendon, as President of NOAH Development Corporation, who is personally known to me or who has produced _____ as identification and who did/did not take an oath.

[Signature]
(Signature of Notary)

(Typed, Printed, or Stamped
Name of Notary)

My Commission Expires:



ATTEST:

SHARON R. BOCK
CLERK & COMPTROLLER

PALM BEACH COUNTY, a
political subdivision of the State of Florida

FOR ITS BOARD OF COUNTY
COMMISSIONERS

BY: _____
Deputy Clerk

BY: _____
Steven L. Abrams, Mayor

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY

APPROVED AS TO TERMS
AND CONDITIONS

BY: _____
Tammy K. Fields
Chief Assistant County Attorney


BY:  _____
Sherry Howard, Deputy Director
Department of Economic Sustainability

EXHIBIT "A"

PREMISES

Lots 17 through 63, both inclusive, of Royal Palm Subdivision according to the plat thereof, on file in the office of the Clerk of the Circuit Court in and for Palm Beach County, Florida, in Plat Book 16, at Page 41.

NOTE TO RECORDER: NO FLORIDA DOCUMENTARY STAMP TAXES OR INTANGIBLE TAXES ARE PAYABLE WITH RESPECT TO THIS MORTGAGE PURSUANT TO THE EXEMPTION PROVIDED BY SECTION 159.621 OF THE FLORIDA STATUTES.

MORTGAGE

THIS MORTGAGE, made as of August 1, 1987 by NOAH

DEVELOPMENT CORPORATION, a Florida not for profit corporation whose address is 141 South Main Street, Suite 251, Belle Glade, Florida 33430 ("Mortgagor"), in favor of PALM BEACH COUNTY, a political subdivision of the State of Florida, located at 301 North Olive Avenue, West Palm Beach, Florida 33401 ("County").

WITNESSETH:

WHEREAS, Palm Beach County Board of County Commissioners has committed \$2.7 Million dollars in County Funds to assist in the financing of Mortgagor's costs of acquiring, constructing and equipping a certain residential apartment project and related facilities located in Belle Glade, Florida; and

WHEREAS, Palm Beach County and NOAH Development Corporation entered into a mutually binding agreement on July 14, 1987 to obligate the use of these funds; and

WHEREAS, in order to provide such assistance, County has agreed to loan ("Loan") to Mortgagor \$1,350,000.00 and to grant ("Grant") to Mortgagor \$1,350,000.00 pursuant to that certain agreement ("Agreement") by and between Mortgagor and County executed on July 14, 1987; attached hereto as Exhibit A and incorporated by reference herein; and

WHEREAS, in order to provide for and secure payment of the Loan and grant, Mortgagor has executed and delivered to County its promissory note in the principal sum of \$2.700 Million, bearing interest and payable as set forth therein, the final payment of which is due, if not paid sooner, on February 1, 2015, (the "Note"); and

WHEREAS, the obligations of the Mortgagor under the Agreement, attached hereto, the Note and all other documents now or hereafter evidencing or securing obligations thereof, and any and all extensions, modifications, renewals, amendments and supplements thereto or thereof, are together called the "Obligations"; and

WHEREAS, the Housing Finance Authority of Palm Beach County, Florida, a public body corporate and politic ("Issuer") has issued, sold and delivered its Multi-family Housing Revenue Bonds, Series 1987 - A (NOAH Belle Glade Apartment Project) in the aggregate

Barnett I. Poy, Jr.

85406 P0947

principal amount of \$2,700,000.00, (the "Bonds") which Bonds have been issued pursuant to that certain Trust Indenture dated as of August 1, 1987 between the Issuer and Southeast Bank, N.A., a national banking association ("Trustee") ("Indenture") and

WHEREAS, pursuant to that certain Loan Agreement dated as of August 1, 1987 between the Issuer and Mortgagor, the Issuer has lent to the Mortgagor the proceeds received from the sale of the Bonds; and

WHEREAS, in order to induce the purchase of the Bonds, the Mortgagor has requested Southeast Bank, N.A., a national banking association (in its capacity as Issuer of the Letter of Credit hereinafter referred to the "Bank") to issue its Irrevocable Standby Letter of Credit No. 00000000010162 ("Letter of Credit"); and

WHEREAS, to evidence the obligation of the Mortgagor to reimburse the Bank for any draws under the Letter of Credit, the Mortgagor and the Bank have entered into that certain Letter of Credit Reimbursement Agreement dated as of August 1, 1987 ("Reimbursement Agreement") and to provide for the time and manner of disbursement of the proceeds received from the sale of the Bonds, the Mortgagor and the Bank have entered into that certain Construction Disbursement Agreement dated as of August 1, 1987 ("Construction Disbursement Agreement"); and

WHEREAS, the Mortgagor has executed that certain Mortgage dated as of August 1, 1987 ("First Mortgage") for the purpose of securing (i) the payment of the Bonds, (ii) the payment and performance of all obligations of the Mortgagor to the Issuer and the Trustee under the Loan Agreement, the First Mortgage and certain other documents executed in connection with the First Mortgage, including, without limitation, the obligation to make payments when due under the Loan Agreement, (iii) the payment of any amounts advanced or costs incurred by the Issuer, the Trustee or the Bank for the protection of the Property mortgaged under the First Mortgage or in connection with the enforcement of the First Mortgage, (iv) the performance and observance of each covenant and agreement of the Mortgagor contained in the First Mortgage and certain other documents executed in connection therewith and (v) the payment, performance and observance of all obligations, covenants and agreements of the Mortgagor contained in the Reimbursement Agreement, Construction Disbursement Agreement and certain

BS406 P0948

other documents executed by the Mortgagor in favor of the Bank in connection therewith (all of the foregoing obligations of the Mortgagor are referred to herein as the "First Mortgage Obligations"). The First Mortgage, together with all other instruments or documents executed in connection with, and evidencing or securing the First Mortgage Obligations are sometimes hereinafter collectively referred to as the "First Mortgage Documents".

NOW, THEREFORE, to secure the performance and observance by Mortgagor of all covenants and conditions of the Obligations and in this Mortgage and in all other instruments securing the Obligations, and in order to charge the properties, interests and rights hereinafter described with such payment, performance and observance, and for and in consideration of the sum of One Dollar (\$1.00) paid by County to Mortgagor this date, and for other valuable considerations, the receipt of which is acknowledged, Mortgagor does hereby grant, bargain, sell, alien, remise, release, convey, assign, transfer, mortgage, hypothecate, pledge, deliver, set over, warrant and confirm unto County, its successors and assigns forever; subject, however, to the prior and superior lien of the Issuer, the Trust and the Bank under the First Mortgage and any other documents executed in connection therewith.

THE MORTGAGED PROPERTY

Everything referred to in paragraphs (A), (B), (C), herein and any additional property subject to the lien of this mortgage or intended to be so is herein referred to as the "Mortgaged Property".

- (A) THE LAND All the land located in Palm Beach County, Florida (the "Land"), described in Exhibit "B" attached hereto and made a part hereof;
- (B) THE IMPROVEMENTS TOGETHER WITH all buildings, structures and improvements of every nature whatsoever now or hereafter situated on the Land, and all fixtures of every nature whatsoever now or hereafter owned by Mortgagor and located in or on, or attached to, or used or intended to be used in connection with or with the operation of, the Land, buildings, structures or other improvements, or in connection with any construction being conducted or which may be conducted

B5406 P0949

hereon, and owned by Mortgagor, including all extensions, additions, improvements, betterments, and replacements to any of the foregoing.

(C) EASEMENTS OR OTHER INTERESTS TOGETHER WITH all easements, rights of way, streets, ways, alleys, passages, sewer rights, waters, water courses, water rights of powers, and all estates, rights, titles, interests, privileges, liberties, tenements, hereditaments and appurtenances, whatsoever, in any way belonging, relating or appertaining to any of the property hereinabove described, or which hereafter shall in any way belong relate or be appurtenant thereof, and all the estate, right, title, interest, property, possession, claim and demand of, in and to the same.

Note to Clerk: Pursuant to Florida Statute 199.155, the Documentary Stamps and the Intangible Tax on this Obligation have been calculated based upon the principal indebtedness to Palm Beach County of 1,350,000.00.

TO HAVE AND TO HOLD the Mortgaged Property and all parts thereof to County, its successors and assigns, to its own proper use and benefit forever, subject, however, and subordinate to the lien and operation of the First Mortgage Documents and the First Mortgage Obligations evidenced and secured thereby in accordance with the following terms and conditions:

A. The indebtedness evidenced by the Note and any additional indebtedness secured at any time and from time to time by this Mortgage (the "Subordinated Indebtedness") is subordinate and junior in right of payment in the manner and with the force and effect hereinafter set forth, to any and all indebtedness evidenced and/or secured any time and from time to time by the First Mortgage Documents and any indebtedness incurred by the Mortgagor to pay or refinance all or any portion of the indebtedness secured by the First Mortgage Documents (herein collectively referred to as the "Primary Indebtedness"):

85406 P0950

(1) In the event of any proceedings to liquidate, dissolve or wind up the maker, or of any execution, sale, receivership, insolvency, bankruptcy, liquidation, readjustment, reorganization, or other similar proceedings relative to the Mortgagor or its property (collectively, a "Bankruptcy Proceeding") the Primary Indebtedness shall first be paid in full before any payment or distribution of any kind or character, whether in cash, property or securities (other than in securities or other evidences of indebtedness, the payment of which is subordinated to the payment of all Primary Indebtedness which may at the time be outstanding) which shall be made upon or in respect of this Mortgage or the Subordinated Indebtedness in or as a result of any such proceeding shall be paid over first to the holders of the indebtedness secured by the First Mortgage Documents, for the application in payment thereof until such Primary Indebtedness shall have been paid or satisfied in full

(2) In the event that the Subordinated Indebtedness is declared or becomes due and payable because of the occurrence of any Default or Event of Default under this Mortgage or any other security agreements, real estate mortgages, pledge agreements, lien instruments or other documents, instruments or agreements evidencing or securing the Subordinated Indebtedness (collectively, the "Subordinate Documents"), the County and its successor mortgagees hereunder, as the holder or holders of the Subordinated Indebtedness shall be entitled to payments then and thereafter due thereon only after there shall first have been paid in full the Primary Indebtedness outstanding at the time the Subordinated Indebtedness so becomes due and payable because of any such event, or payment shall have been provided for in a manner satisfactory to the holders of such Primary Indebtedness.

(3) During the continuance of (i) any default in the payment of either principal or interest on the Primary Indebtedness or (ii) any other Default or Event of Default under the First Mortgage Documents, no payment of principal, premium, if any, or interest shall be made on the Subordinated Indebtedness, nor shall the County as the holder of the Subordinated Indebtedness hereof be entitled to receive or retain any such payment.

85406 P0951

B. The County as the holder of the Subordinated Indebtedness undertakes and agrees for the benefit of each holder of Primary Indebtedness to execute, verify, deliver and file any proofs of claim, consents, assignments or other instruments which any holder of Primary Indebtedness may at any time require in order to provide and realize upon any rights or claims pertaining to the Subordinated Indebtedness and to effectuate the full benefit of the subordination contained herein; and upon failure of the holder of the Subordinated Indebtedness so to do any such holder of Primary Indebtedness shall be deemed to be irrevocably appointed the agent and attorney-in fact of the holder of the Subordinated Indebtedness to execute, verify, deliver and file any such proofs of claim, consents, assignments or other instruments.

C. No right of any holders of the Primary Indebtedness to enforce the subordination of this Mortgage or the Subordinated Indebtedness as herein provided shall at any time or in any way be affected or impaired by any failure to act on the part of the Mortgagor, or by any noncompliance by the Mortgagor with any of the terms, provisions and covenants of this Mortgage, the Subordinated Indebtedness or the Subordinate Documents, regardless of any knowledge thereof that any holder of the Primary Indebtedness may have or be otherwise charged with.

D. The County, by acceptance of this mortgage further covenants, agrees and undertakes that:

(1) any and all liens and security interests evidenced by this Mortgage and/or by any other Subordinate Documents securing or evidencing the Subordinated Indebtedness, whether now existing or hereafter acquired, shall be, and thereby are, subordinated to the First Mortgage Documents and any and all present and future liens and security interests securing the Primary Indebtedness;

(2) without the prior written consent of the holders of the Primary Indebtedness, the County will not assert, collect or enforce all of any portion of the obligations under this Mortgage or the other Subordinate Documents except as otherwise permitted by the provisions of this Mortgage (or by the provisions of any agreement or indenture relating to any such Primary Indebtedness) or, except as aforesaid, take any action to

85406 P0952

foreclose or realize upon any collateral securing the Subordinated Indebtedness or to enforce its rights and remedies under this Mortgage or other Subordinated Documents;

(3) if the County, in violation of the provisions set forth herein, shall commence, prosecute or participate in any suit, action or proceeding against the Mortgagor, the Mortgagor may interpose as a defense or plea the provisions set forth in this Mortgage, and any holder or holders of the Primary Indebtedness, or any trustee for their benefit, may intervene and interpose such defense or plea in its own name or in the name of the Mortgagor, and may, in any event, have standing to restrain the enforcement of the provisions of this Mortgage in its own name or in the name of the Mortgagor in the same suit, action or proceeding or in an independent suit, action or proceeding;

(4) if the County obtains any assets of the Mortgagor as a result of any administrative, legal or equitable action, or otherwise, in violation of the provisions of this Mortgage or the provisions of any agreement or indenture relating to any Primary Indebtedness, the County will hold such assets in trust for, and immediately pay, deliver and assign to, the holders of the Primary Indebtedness such assets for application to the Primary Indebtedness;

(5) the County, as the holder the Subordinated Indebtedness, shall not at any time demand or retain any voluntary or optional payment, prepayment, redemption or repurchase of any portion of the Subordinated Indebtedness from the County, which optional or voluntary payments, repayments, redemptions or repurchases are expressly prohibited hereby;

(6) upon the occurrence of any Bankruptcy Proceeding with respect to the Mortgagor, or any guarantor of the Primary Indebtedness or the Subordinated Indebtedness, the County agrees to fully cooperate with the holders of the Primary Indebtedness, or any of them, in connection with such Bankruptcy Proceeding and to refrain from taking any action including any filing, voting or other action, which would adversely affect the

85406 P0953

interests of the holders of the Primary Indebtedness in connection with such Bankruptcy Proceeding or the availability of the Mortgaged Property to pay the Primary Indebtedness;

(7) ~~if the holders of the Primary Indebtedness or their agents exercise any right or take any remedial action pursuant to the terms and provisions of the First Mortgage Documents, the County expressly waives any defenses or claims it may have as a junior mortgagee or otherwise in connection with such act by the holders of the Primary Indebtedness or their agents.~~ The County agrees to refrain from challenging the prior mortgage liens and security interests of the First Mortgage Documents and not to oppose any plan of reorganization or rehabilitation proposed or approved by the holders of the Primary Indebtedness;

(8) the County shall not commence any Bankruptcy Proceeding, against the Mortgagor, any guarantor of the Subordinated Indebtedness or the Primary Indebtedness or any of their respective property, or exercise any right or take any action which could terminate or in any way adversely affect the lien or security interests of holders of the Primary Indebtedness under the First Mortgage Documents or the availability of the Mortgaged Property (including without limitation all rents, revenues, issues, profits and proceeds of the Mortgaged Property) to pay and satisfy all Primary Indebtedness in full before any payment is made upon the Subordinated Indebtedness therefrom it being understood and agreed that the Primary Indebtedness shall not be deemed satisfied or paid in full unless until the holders of the Primary Indebtedness shall receive payment thereof in cash; and

(9) without the prior written consent of the holders of any Primary Indebtedness, the County will not commence, prosecute or participate in any administrative, legal or equitable action relating to the Subordinated Indebtedness or its rights and remedies under this Mortgage or any of the other Subordinate Documents against the Mortgagor, or any guarantors of the Subordinated Indebtedness or the Primary Indebtedness or that might materially adversely affect the Mortgagor or its property.

85406 P0954

E. No right of any holder of the Primary Indebtedness to enforce the provisions as herein provided shall at any time or in any way be affected or impaired by any failure to act on the part of the Mortgagor or any holder of the Primary Indebtedness, or by any noncompliance by the Mortgagor with any of the terms, provisions and covenants of the Subordinated Indebtedness or this Mortgage or the other Subordinated Documents, regardless of any knowledge thereof that any such holder of the Primary Indebtedness may have or be otherwise charged with except to the extent agreed to in writing by such holder of the Primary Indebtedness but only with respect to such holder.

F. The foregoing provisions are solely for the purpose of defining the relative rights of the holders of the Primary Indebtedness under the First Mortgage Documents and as holders of Primary Indebtedness on the one hand, and the County as the holder of the Subordinated Indebtedness on the other hand, and nothing herein shall impair, as between the Mortgagor and the County, the obligation of the Mortgagor, which is unconditional and absolute, to pay the principal, premium, if any, and interest on the Subordinated Indebtedness in accordance with its terms, nor shall anything herein prevent the County from exercising all remedies otherwise permitted by applicable law or hereunder upon default hereunder, subject to the rights of the holders of Primary Indebtedness as herein provided for.

G. The Mortgagor and the County hereby agree that they will not modify the provisions of this Mortgage without the prior written consent of the Trustee, the Issuer, the Bank or Continental Casualty Company, an Illinois insurance company or its nominee, COMAC & CO., (the "Initial Purchaser") while it owns any of the Bonds.

PROVIDED, HOWEVER, that if Mortgagor shall promptly pay or cause to be paid to County all sums with interest payable under the Obligations, at the times and in the manner stipulated therein, herein, and in all other instruments securing the Obligations, all without any deduction or credit for taxes or other similar charges paid by Mortgagor, and all Obligors shall keep, perform and observe all the covenants and promises in the Obligations, and any increase, renewal, extension or modification thereof, and in this Mortgage and in all other instruments securing the Obligations, to be kept, performed or observed

85406 P0955

by Mortgagor or any other Obligations, then this Mortgage, and all the properties, interest and rights hereby granted, conveyed and assigned shall cease and be void, but shall otherwise remain in full force and effect. Mortgagor covenants and agrees with County as follows:

COVENANTS OF MORTGAGOR

1.10 Performance of Obligations Mortgagor shall perform, observe and comply with all provisions hereof, of the obligations and of every instrument securing the obligations, and will promptly pay to Mortgagee all sums with interest thereon and all other sums required to be paid by Mortgagor under the Obligations and pursuant to the provisions of this Mortgage and of every other instrument securing the Obligations when payment shall become due, all without deduction or credit for taxes or other similar charges paid by Mortgagor.

1.02 Warranty of Title Mortgagor covenants and warrants that it is seized of an indefeasible estate in fee simple in the Land and real property hereby mortgaged, and has good rights, full power and lawful authority to convey, mortgage and encumber the same as provided herein. That upon the occurrence of an Event of Default County may take action to foreclose on the mortgage. That the real property is free and clear of all liens, security interests, charges, except for the lien of taxes not yet due and payable, and the first Mortgage Documents.

1.03 Zoning Mortgagor covenants and warrants that all applicable zoning laws, ordinances and regulations affecting the Land permit the use and occupancy of the Improvements.

1.04 Taxes and Liens

a) Mortgagor shall pay promptly, when and as due, and shall promptly exhibit to County receipts for the payment of, all taxes, assessments, rates, dues, charges, fees, levies, fines, impositions, liens for unpaid withholding taxes, liabilities,

85406 P0956

obligations and encumbrances of every kind whatsoever now or hereafter imposed, levied or assessed upon or against the Mortgaged Property or any part thereof, or upon or against this Mortgage or the indebtedness or other sums secured hereby, or upon or against the interest of County in the Mortgaged Property, as well as all income taxes, assessments and other governmental charges levied and imposed by the United States of America or any state, county, municipality, borough or other taxing authority upon or against Mortgagor or in respect of the Mortgaged Property or any part thereof, and any charge which, if unpaid, would become a lien or charge upon the Mortgaged Property prior to or equal to the lien of this Mortgage before they become delinquent and before any interest attaches or any penalty is incurred.

- b) Mortgagor shall not permit or suffer any mechanic's's, laborer's, materialmen's, statutory or other lien which might or could be prior or equal to the lien of this Mortgage to be created or to remain a lien upon any of the Mortgaged Property, other than the first and superior mortgage held by Southeast Bank, and to do so will be considered an event of default.
- c) Mortgagor shall not claim, demand or be entitled to receive any credit or credits on the principal or interest payable under the terms of the Obligations or on any other sums secured hereby, for so much of the taxes, assessments or similar impositions assessed against the Mortgaged Property or any part thereof as are applicable to the indebtedness secured hereby or to County's interest in the Mortgaged Property.

85406 P0957

1.05 Insurance

a) Mortgagor shall at its sole expense obtain for, deliver to and maintain for the benefit of County during the life of this Mortgage, insurance policies in such amounts as are sufficient to protect the County's financial interest, insuring the Mortgaged Property against fire, extended coverage, flood, worker's compensation, business interruption, public liability and such other insurable hazards.

b) Mortgagor hereby assigns to County all proceeds due to the County from any insurance policies, and County is hereby authorized and empowered, at its option, to collect and receive the proceeds from any such policy or policies. County shall not be responsible for any failure to collect any insurance proceeds due under the terms of any policy regardless of the cause of such failure.

1.06 Casualty Loss; Proceeds of Insurance

a) The Mortgagor will give the County prompt written notice of any loss or damage to the Mortgaged Property, or any part thereof, by fire or other casualty.

b) Upon notice to the County and in accordance with the First Mortgage Documents, the Mortgagor shall promptly commence and complete with all reasonable diligence the restoration, repair, replacement or rebuilding of the Mortgaged Property ("Restoration"), as nearly as possible to the same value, condition and character which existed immediately prior to such loss or damage, in accordance with plans and specifications approved by the County ("Restoration Plans"), unless the County shall approve Restoration Plans for, and authorize, the Restoration of only a portion of the Mortgaged Property in connection with a prepayment of the Loan in part.

B5406 P0958

c) In the event any insurance company fails to disburse directly and solely to the County but disburses instead either solely to the Mortgagor or to the Mortgagor and the County jointly, the Mortgagor shall receive such Insurance Proceeds in trust for the benefit of the County and shall immediately endorse and transfer the Insurance Proceeds to the County upon demand; subject however to the provisions of the Indenture and First Mortgage Documents.

County agrees to disburse the proceeds to the Mortgagor in order to reconstruct the Mortgaged Property in accordance with the provisions of paragraph 1.06 (b) above.

1.07 Care of Property

- a) Mortgagor shall preserve and maintain the Mortgaged Property in good condition and repair. Mortgagor shall not permit, commit or suffer any waste, impairment, deterioration, or blight of the Mortgaged Property or of any part thereof, and will not take any action which will increase the risk of fire or other hazard to the Mortgaged Property or to any part thereof.
- b) County may enter upon and inspect the Mortgaged Property at any reasonable time during normal business hours upon twenty four hours notice, during the life of this Mortgage.
- c) Mortgagor will promptly comply with all Legal Requirements affecting the Mortgaged Property or any part thereof.

1.08 Transfer of Property Mortgagor shall not sell, convey, transfer, lease or further encumber any legal or equitable interest in all or any part of the Mortgaged Property other than as provided in First Mortgage Documents, without the prior written consent of County, and any sale, conveyance, transfer, lease or encumbrances made without County's prior written consent

85406 P0959

shall be void. This prohibition shall not prevent leasing of individual residential apartments in the ordinary course of business nor transfers in the event of foreclosure under the First Mortgage Documents.

1.09 County's Performance of Defaults If Mortgagor defaults in the payment of any tax, assessment, encumbrance or other imposition, in its obligation to furnish insurance hereunder or in the performance or observance of any other covenant, condition or term in this Mortgage or in any other instrument securing the obligations, County may, upon prior notice to Mortgagor (except in the case of exigent circumstances, in which case County shall give notice to Mortgagor as soon as is practicable), at its option perform, or observe the same, and all payments made (whether such payments are regular or accelerated payments) and costs and expenses incurred or paid by County in connection therewith shall become due and payable on demand. The amounts so incurred or paid by County in connection therewith shall become due and payable on demand. The amounts so incurred or paid by County, together with interest thereon at the rate specified in the Note, from the date incurred until paid by Mortgagor, shall be added to the indebtedness and secured by the lien of this Mortgage.

ARTICLE TWO
DEFAULTS

2.01 Event of Default The term Event of Default, where ever used in this Mortgage, shall mean the occurrence of any one or more of the following events, and the expiration of any cure or grace periods afforded under the Parties Agreement, dated July 14, 1987.

- a) Failure by Mortgagor to pay, as and when due and payable, any sums due under the Obligations, or any deposits for taxes and assessments or

85406 P0960

insurance premiums due hereunder, or any other sums to be paid by Mortgagor hereunder or under any other instrument securing the Obligations.

- b) Failure of Mortgagor to duly keep, perform and observe any other covenant, condition or agreement of the Agreement, between the parties executed July 14, 1987, this Mortgage, any other instrument securing the Obligations or executed in connection with the sums secured hereby. If any Event of Default constitutes a Violation of the Agreement, same shall not be deemed a default unless and until: (i) County notifies the Mortgagor of the nature of the violation, (ii) County notifies the Mortgagor of actions required to be taken and the remedies to be applied to cure the violation, and (iii) Mortgagor shall have a reasonable opportunity which in no event is to exceed sixty (60) days to cure the violation or take reasonable actions satisfactory to County in furtherance of the cure of the violation.
- c) If either (A) Mortgagor (i) files a voluntary petition in bankruptcy, or (ii) is adjudicated as a bankrupt or insolvent, or (iii) files any petition or answer seeking or acquiescing in any organization, management, composition, readjustment, liquidation, dissolution or similar relief for itself under any law relating to bankruptcy, insolvency or other relief for debtors, or (iv) seeks or consents to or acquiesces in the appointment of any trustee, receiver, master or liquidator or itself or of all or any substantial part of the Mortgaged Property or of any or all of the rents, revenues, issues, earnings, profits or income thereof; or (v) makes any general assignment for the benefit of creditors; or (vi) makes an admission in writing of its inability to pay in debts generally as they become due; or (B) a

85406 P0961

petition is filed against Mortgagor seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future federal, state, or other statute, law or regulation relating to bankruptcy, insolvency or other relief for debtors.

- d) Default by Mortgagor under any of the obligations or any other agreement or obligation of Mortgagor (including, but not limited to, any other mortgage, security agreement or encumbrance upon any portion of the Mortgaged Property, or any other documents or instruments securing any other indebtedness of Mortgagor to County), which default is not cured within the grace period, if any, afforded under such instrument will be deemed an event of default. Mortgagor shall notify County in writing of the occurrence of such default, specifying the nature of such default.
- e) Material breach of any warranty or material untruth of any representation of Mortgagor contained in the Obligations, this Mortgage or any other instrument securing the Obligations.
- f) Breach of Obligations Notwithstanding anything to the contrary contained in this Mortgage or in the Obligations, or in any other instrument securing the Obligations, County may at its option declare the entire indebtedness secured hereby, and all interest thereon and all advances made by County hereunder, immediately due and payable and/or exercise all additional rights accruing to it under this Mortgage upon an Event of Default, or in the event of a breach (and expiration of any cure period) by Mortgagor of any covenant contained in this Mortgage, the Agreement of the parties, executed July 14, 1987, attached hereto as Exhibit A, or any other instrument

85406 P0962

evidencing or securing the Obligation. A breach of a covenant in any of the documents referred to above, which is not cured within the time period, if any allowed for curing the same under the applicable document shall be deemed an Event of Default hereunder and upon the occurrence of an Event of Default County may, at its option, take such action as it may deem necessary to protect its security.

2.02 Acceleration of Maturity If an Event of Default shall

have occurred and not cured within any grace period provided under the Agreement or this instrument, County may declare the sums outstanding under the Obligations and the interest accrued thereon, and all other sums secured hereby, to be due and payable immediately, and upon such declaration such principle and interest and other sums shall immediately become and be due and payable without further demand or notice provided, however, that thirty (30) days notice of proposed acceleration shall have been given to the Trustee, the Bank and the Initial Purchaser.

2.03 County's Power of Enforcement If an Event of Default

shall have occurred, County may proceed by suit or suits at law or in equity or by any other appropriate proceeding or remedy; (a) to enforce payment of the Obligations or the performance of any term here of or any other right; (b) to foreclose this Mortgage and to sell the Mortgaged Property under the judgment, or decree of a court or courts of competent jurisdiction; and (c) to pursue any other remedy available to it under the instruments evidencing or securing the obligations or otherwise.

Mortgagor shall pay to County, upon demand, all costs and expenses of obtaining such judgment or decree and reasonable compensation to County, its attorneys and

85406 P0963

agents, and all such costs, expenses and compensations shall, until paid, be secured by the lien of this Mortgage.

2.04 Purchase of County Upon any such foreclosure sale, County may bid for and purchase the Mortgaged Property and in compliance with the terms of sale, may hold, retain and possess and dispose of such property in its own absolute right without further accountability, except as required by law.

2.05 Application of Indebtedness Toward Purchase Price

Upon any such foreclosure sale, County may, if permitted by law, after allowing for the proportion of the total purchase price required to be paid in cash and for the costs and expenses of the sale, compensation and other charges, in paying the purchase price apply any portion of or all sums due to County under the Obligations, this Mortgage or any other instrument securing the Obligation, in lieu of cash, to the amount which shall, upon distribution of the net proceeds of such sale, be payable thereon.

2.06 Proofs of Claim In the case of any receivership, insolvency, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial proceedings affecting Mortgagor, any person, partnership or corporation guaranteeing or endorsing any of Mortgagor's obligations, its creditors or its property, County, to the extent permitted by law, shall be entitled to file such proofs of claim and other documents as may be necessary or advisable in order to have its claims allowed in such proceedings for the entire amount due and payable by Mortgagor under the Obligations, this Mortgage and any other instrument securing the Obligations, at the date of the institution of such proceedings, and for any additional amounts which may become due and payable by Mortgagor after such date.

B5406 P0964

2.07 Delay or Omission No Waiver No delay or omission of County to exercise any right, power or remedy accruing upon any Event of Default shall exhaust or impair any such right, power or remedy or shall be construed to waive any such Event of Default or to constitute to acquiescence therein. Every right, power and remedy given to County may be exercised from time to time and as often as may be deemed expedient by County.

2.08 Discontinuance of Proceedings; Position of Parties Restored If County shall have proceeded to enforce any right or remedy under this Mortgage by foreclosure, or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to County, then and in every such case Mortgagor and County shall be restored to their former positions and rights hereunder, and all rights, powers and remedies of County shall continue as if no such proceedings had occurred or had been taken.

2.09 Remedies Cumulative No right, power or remedy conferred upon or reserved to County by the Obligations, this Mortgage or any other instrument securing the Obligations is 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 under the Obligations, now or hereafter existing at law, in equity or by statute.

ARTICLE THREE
MISCELLANEOUS PROVISIONS

3.01 Heirs, Successors, and Assigns Included in Parties

Whenever one of the parties hereto is named or referred to herein, the heirs, successors and assigns of such party shall be included and all covenants and agreements contained in this Mortgage, by or on behalf

85406 P0965

of Mortgagor or County, shall bind and inure to the benefit of their respective heirs, successors and assigns, whether so expressed or not.

3.02 Addresses for Notices, etc.

- a) Any notice, report demand or other instrument authorized or required to be given or furnished under this Mortgage to Mortgagor or County shall deemed given or furnished upon the earlier of:
- (i) actual delivery; or (ii) when addressed to the party intended to receive the same, at the address of such party on the first page hereof, and delivered at such address or deposited in the United States mail as first class registered or certified mail, return receipt requested, postage paid.
- b) Either party may change the address to which any such notice, report, demand or other instrument is to be delivered or mailed, by furnishing written notice of such change to the other party, but no such notice of change shall be effective unless and until received by such other party.

3.03 Headings The headings of the articles, sections, paragraphs and subdivisions of this Mortgage are for convenience of reference only, are not to be considered a part hereof, and shall not limit or expand or otherwise affect any of the terms hereof.

3.04 Invalid Provisions to Affect No Others In the event that any of the covenants, agreements, terms or provisions contained in the Obligations, this Mortgage or any other instrument securing the Obligations shall be invalid, illegal or unenforceable in any respect, the validity of the remaining covenants, agreements terms or provisions contained herein and in the Obligations and any other instrument securing the Obligations shall be in no way affected, prejudiced or disturbed thereby.

85406 P0966

3.05 Changes, etc. Neither this Mortgage nor any term hereof may be changed, waived, discharged or terminated orally, or by any action or inaction, but only by an instrument in writing signed by the party against which enforcement of the change, waiver, discharge or termination is sought. Any agreement hereafter made by Mortgagor or County relating to this Mortgage shall be superior to the rights of the holder of any intervening lien or encumbrance.

3.06 Governing Law This Mortgage is made by Mortgagor with reference to the laws of the State of Florida.

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

WITNESSES:

NOAH DEVELOPMENT CORPORATION

a Florida not-for-profit Corporation

[Signature]

John Brown

Executive Director

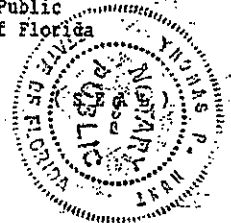
[Signature]

STATE OF FLORIDA)
) SS:
COUNTY OF PALM BEACH)

The foregoing instrument was acknowledge before me, on this 2nd day of September, 1987 by John Brown, Executive Director NOAH Development Corporation, a Florida corporation, on behalf of that corporation.

Notary Public State of Florida at Large
My Commission Expires October 23, 1988
Bonded Thru Cornelius, Johnson & Clark, Inc.

[Signature]
Notary Public
State of Florida



85406 P0967

This is a certified copy

EXHIBIT A

AGREEMENT BETWEEN PALM BEACH COUNTY AND THE
NOAH DEVELOPMENT CORPORATION TO PROVIDE
COUNTY GENERAL FUNDS FOR THE CONSTRUCTION
OF LOW-INCOME HOUSING IN THE CITY OF BELLE
GLADE

THIS AGREEMENT, entered into this 14th day of JULY,
1987, by and between Palm Beach County, a political subdivision of the State
of Florida, and the NOAH Development Corporation, a non-profit community
development corporation duly organized and existing by the virtue of the
laws of the state of Florida, having its principal office at 141 South Main
Street, Suite 251, Belle Glade, Florida 33430.

WHEREAS, the Palm Beach County Board of County Commissioners has
met in open session on numerous occasions to discuss the pervasive substan-
dard living conditions in the western Glades area of Palm Beach County;

WHEREAS, in 1985, the Board of County Commissioners determined
that the public purpose would be served by committing County funds to
initiate the eradication of the substandard housing conditions within the
Glades; and

WHEREAS, the Board of County Commissioners took action by request-
ing that its Housing and Community Development office prepare a five-year
Glades Housing Plan to formulate strategies and identify needs within the
Glades for new housing development, and the Board established the Glades
Housing Advisory Committee to bring cognizant community interests together
to discuss means of developing new housing; and

WHEREAS, the Glades Housing Plan, which was adopted by the Board
of County Commissioners on November 7, 1985, recommended that four (4)
housing assistance projects be supported with County Funds, with emphasis
placed upon those projects in the public interest which encourage leveraging
of private investment with County funds; and

WHEREAS, four (4) housing projects received approval from the
Glades Housing Advisory Committee in February of 1986; and

WHEREAS, among these approved projects is the proposed con-
struction of one hundred and forty-four (144) low-income rental units within
the City of Belle Glade by the NOAH Development Corporation, to be known as
Covenant Village; and

WHEREAS, this project requires \$2.7 million of County Fund
assistance to leverage an additional \$2.7 million in private financing
support from CNA Holdings, Inc.; and

85406 P0968

WHEREAS, Palm Beach County, through its Community Development Block Grant funds, has expended monies in the public interest to support NOAH Development Corporation's administrative, operational and land acquisition costs for Covenant Village; and

WHEREAS, NOAH Development Corporation has used this financial support to facilitate development of Covenant Village; and

WHEREAS, Housing and Community Development, the Board of County Commissioners, the City of Belle Glade and CNA Holdings, Inc. have observed sufficient evidence to indicate that the NOAH Development Corporation has the technical and administrative capability to carry out the project, and

WHEREAS, it has been determined that financial support of the NOAH Development Corporation's Covenant Village development constitutes a valid public purpose; and

WHEREAS, the representations that Palm Beach County is relying upon and which are conditions of this commitment include:

1. That the Covenant Village Project is being privately funded by \$2.7 million of bond financing provided by CNA Holdings, Inc. with funds to be held by Southeast Bank and other participating lending institutions, which shall issue a letter of credit for project construction;
2. The County financial assistance is being provided through a combination of a grant and repayable loan, with fifty percent (50%) of the total funding support provided through a twenty-five year, one percent (1%) interest loan; and
3. The Belle Glade housing development, Covenant Village, to be constructed with County funds must be occupied by low-income persons and/or families in at least fifty-one percent (51%) of the units for the Project Term.

NOW, THEREFORE, in consideration of these premises and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as set forth herein:

1. The foregoing recitations are adopted as true and correct; and
2. The Board of County Commissioners hereby commits to the funding of TWO MILLION AND SEVEN HUNDRED THOUSAND DOLLARS for

85406 P0969

construction and related expenses of NOAH Development Corporation's Covenant Village development, to be provided through the County's 1986-1987 Fiscal Year Budget under Account Number [REDACTED] contingent upon and provided that the conditions set forth herein are met.

ARTICLE I -
DEFINITIONS

Unless specifically provided or if the context requires, when used in this Agreement:

1. "Bank" means Southeast Bank, the primary lending institution, and any other lending institutions responsible for holding permanent financing issued by CNA Holdings, Inc. in escrow, and issuing a letter of credit for Project construction.
2. "Construction Inspector" means the licensed engineer or architect as nominated by NDC qualified to do business in the State of Florida, appointed prior to the commencement of construction by the mutual consent of the County Engineering Department, NDC and the Bank to receive, review and process requisitions for County and Bank Funds and to inspect and report on the progress of Project construction.
3. "County" means Palm Beach County.
4. "County Engineering Department" means the Palm Beach County Engineering Department.
5. "County Finance Department" means the Palm Beach County Finance Department.
6. "County Funds" means the \$2.7 million of FY 1986-87 County Funds being loaned and granted to NDC by the County.
7. "Grant Funds" means the portion of County Funds, totalling \$1,350,000, which are being granted to NDC in support of the Project.
8. "HCD" means the Palm Beach County Housing and Community Development office.
9. "Loan Funds" means the portion of County Funds, totalling \$1,350,000, which are being loaned to NDC at one percent (1%) interest over twenty-five (25) years in support of the Project.

85406 P0970

10. "Low-Income" means no more than eighty percent (80%) of area median income (as based on family size) as set forth by the U.S. Department of Housing and Urban Development's Section 8 Income Guidelines.
11. "NDC" means the NOAH Development Corporation and its successors or assigns; a non-profit community development corporation, the function of which is to facilitate the development of adequate and affordable housing in the Glades area of Palm Beach County.
12. "Permanent Lender" means CNA Holdings, Inc., which shall issue \$27 million of bond revenue for development of the project. These funds will be held by the Bank, which shall issue a letter of credit for Project construction.
13. "Project" means the 144-unit low-income rental housing complex, to be known as Covenant Village, to be developed by NDC within the City of Belle Glade, and to be constructed on the property described in the Legal Description contained within Exhibit A, attached hereto and incorporated by reference herein.
14. "Project Term" shall mean the period of time during which the number of units specified as low-income must be occupied or available for occupancy by low-income households. The Project Term shall begin on July 17, 1987 and shall continue for twenty-five (25) years thereafter.
15. "Substantial Completion" means the date upon which, certified by the Construction Inspector and the County, construction is sufficiently complete, in accordance with this Agreement, so NDC can utilize the Project or designated portions thereof for the use for which it is intended.

ARTICLE II -

REPRESENTATIONS, WARRANTIES AND COVENANTS OF NDC

NDC represents, warrants and covenants to Palm Beach County as

follows:

1. NON-DEFAULT. Prior to any disbursement of funds by the

85406 P0971

County to the NDC, NDC shall not be in default or in violation of any legal requirement, or agreement to which it is a party or by which it is otherwise bound in conjunction with this Project or the 64-unit Project in South Bay, Florida.

2. DUTY TO MAINTAIN: RIGHTS TO INSPECT AND COPY. NDC shall keep and maintain such books, records and other documents as required to reflect and to disclose fully the amount and disposition of County Funds, and the total cost of activities paid for, in whole or in part, with County Funds.

At any time during normal business hours and as often as the County may deem necessary, there shall be made available by NDC to the County for examination, all its records with respect to all matters covered by this Agreement. NDC will permit the County to audit and examine all contracts, invoices, materials, payroll, records of personnel, conditions of employment and other data related to all matters covered by this Agreement. The County reserves the right to require NDC to submit, at the request of the County, to an audit of the funds received for this Project by an auditor of the County's choosing. The County shall submit any such audit to the Bank upon written request of the Bank.

3. INDEMNIFICATION. NDC shall and hereby agrees to indemnify and save the County and its employees, officers, commissioners, and agents, harmless against all claims by or on behalf of any person, firm, corporation or other legal entity arising from the conduct or management of, or from any work or thing done on the Project (except as a direct result of the negligence of the County) including, without limitation, the condition of the Project, any breach or default on the part of NDC in the performance of any of its obligations under this Agreement, any act of negligence of NDC or of any of its agents, contractors, servants, employees or licensees or any act of negligence or of any assignee or lessee of NDC or of any agents, contractors, servants, employees or licensees of any assignee or lessee of NDC. NDC shall indemnify and save the County, its employees, officers, commissioners, and agents harmless from any such claim arising as aforesaid, or in connection with any action or proceeding brought thereon, and upon notice from the County, NDC shall defend them or any of them in such action or proceeding.

It is the intention of the Parties hereto that the County,

B5406 P0972

its employees, officers, commissioners and agents shall not incur any pecuniary liability by reason of the terms of this Agreement, including all claims, liabilities or losses arising in connection with the violation of any statutes or regulations pertaining to the foregoing; nevertheless, if the County, its employees, officers, commissioners, or agents should incur any such pecuniary liability, except as a result of the negligence of the County, then in such event NDC shall indemnify and hold the County, its employees, officers, commissioners, and agents harmless against all claims by or on behalf of any person, firm or corporation of any other legal entity arising out of the same and all costs and expenses incurred in connection with any such claim or in connection with any action or proceeding brought thereon, and upon notice from the County, or any such employee, officer, commissioner, or agent, NDC shall defend the County and/or such employee, officer or agent in any such action or proceeding.

At all times during the term of this Agreement, NDC shall maintain in force Comprehensive General Liability Insurance, including coverage for personal injury, bodily injury and property damage to support the indemnification agreement contained herein. Such insurance shall be in an amount of not less than \$1,000,000 combined single limit, and coverages shall be evidenced by a Certificate of Insurance and shall provide for 30 days notice of cancellation, non-renewal or any adverse change in coverage. Palm Beach County shall be included in the coverage as an additional insured as its interests may appear.

4. **LOW-INCOME HOUSING REQUIREMENTS.** NDC agrees to maintain fifty-one percent (51%) of the total residential units of the rental Project as housing for low-income persons for the Project Term of twenty-five (25) years in accordance with NDC's obligations under this Agreement. The definitions of low-income persons shall be as defined in the U.S. Department of Housing and Urban Development Section 8 Income Guidelines as amended from time to time, or by any reasonable standard the County may deem appropriate in the absence of said guidelines.

5. **RESTRICTION TO RENTAL UNITS.** During the Project Term, NDC warrants that Project units will not be converted to condominium ownership or cooperative ownership. The County shall have the right of sole determination as to any substantive breach of this clause.

B5406 P0973

6. CONSTRUCTION DRAW RETAINAGE. The Construction Draw Retainage shall apply only to those items indicated on Exhibit B, Development Cost Estimate, attached hereto and incorporated by reference herein. Upon request for payment submitted to the County Engineering Department as provided in Article 3 hereof, the County shall pay to NDC for payment to the Contractor, ninety (90%) percent of the request for payment and shall retain the balance. As the project will be constructed in three (3) phases, the County shall retain the balance for each phase until the issuance of a Certificate of Occupancy for each phase, and the determination of substantial completion and final acceptance by the Construction Inspector and the County. Upon substantial completion and final acceptance of each phase, the retainage for that phase shall be released by the County to NDC.

7. COMPLETION AND PAYMENT BOND. NDC hereby insures that it will require the General Contractor for the Project to obtain and deliver a Completion and Payment Bond (Performance Bond) prior to construction of each of the three phases of the Project. Said Bond shall be for the full amount of work in each respective phase (one-third of the total estimated project costs as set out in Exhibit B), and shall remain in effect until the completion of and payment for each Project phase, free and clear of all claims of mechanics, laborers and suppliers. Said Bond shall be in favor of the County, satisfactory in form and content to the Director of the Department of Risk Management and County Attorney. Disbursement of County funds, except for funds required at the closing of construction loan financing, are expressly subject to receipt by Palm Beach County of a Bond meeting the requirements set out above.

8. PROGRESS REPORTS. The County requires that NDC submit progress reports to the County containing such information as the County may request from time to time. Such progress reports shall include, but not be limited to, the following:

- A. During the construction phase of the Project, detailed monthly construction project reports shall be submitted with requests for reimbursement to the County, and shall be subject to the review and certification of the Construction Inspector prior to reimbursement.
- B. Yearly financial audits of the financial records of NDC

85406 P0974

shall be completed by an independent accounting firm at NDC's expense, and shall be submitted by NDC to the County upon completion for each of the construction phases as well as the Project Term.

- c. Quarterly reports shall be submitted to the County after completion and occupancy of the Project, and shall contain information pursuant to occupancy, percentage of low-income residents, or any other information reasonably deemed necessary by the County. Said reports shall be submitted for the duration of the Project Term.

9. REIMBURSEMENT TO COUNTY. In the event that NDC conveys the Project during the twenty-five year Project Term of the County Loan to an entity other than another non-profit community development corporation, or a public housing authority, the County shall be reimbursed by NDC to the full extent of the County Grant and Loan funds expended, in addition to any interest accrued. Upon sale to a qualified non-profit community development corporation or public housing authority established pursuant to Florida Statutes, Chapter 421, this entity would assume the obligations of NDC to the County as set out in this Agreement, and will agree to be bound by the terms of the note and subordinate mortgage securing same. Whether a non-profit corporation or public housing authority qualifies under this article shall be in the sole discretion of the County.

10. EXECUTION OF MORTGAGE. NDC shall execute a Promissory Note and subordinated Mortgage on the Project in favor of the County. The Bank and the Permanent Lender shall maintain their primary financial position for the Project through execution of a Promissory Note and collateralization of the Project's assets.

11. USE OF FUNDS. County Funds to be provided may be used for any purposes consistent with the construction of the Project in accordance with the Development Cost Estimate, Exhibit B, attached hereto and incorporated by reference herein.

12. NDC shall allow the County access to any and all documents in its possession pertaining to Project development at reasonable time and upon reasonable notice.

13. CHANGE ORDERS. Any change orders shall require the review

85406 P0975

and written approval of the Construction Inspector, NDC, and the County Engineering Department.

14. BUILDING PERMITS. NDC will be named on all building permits pulled on the Project, as well as the General Contractor.

15. AGREE TO RETAIN ARCHITECT. NDC agrees to retain a fully licensed architect for the duration of the construction of the Project.

16. RECEIPT OF OWNER/BUILDER CONTRACT. Prior to disbursement of County funds, except for funds required at the closing of construction loan financing, NDC shall forward a copy of the owner/builder contract between NDC and the General Contractor to the County Engineering Department.

ARTICLE III -

REPRESENTATION AND COVENANTS OF PALM BEACH COUNTY

1. FINANCIAL COMMITMENT. The County shall provide for the exclusive use of NDC the sum of \$2.7 million in County funds for construction and related costs, which funds shall be disbursed, less retainage, prior to the disbursement of any funds by the Bank.

Fifty percent (50%) of the County Funds are to be provided as a grant for project activities. Grant funds in the sum of \$1,350,000 shall be placed in an account designated as "NOAH Development Corporation Grant Expenditures."

Fifty percent (50%) of the County Funds are to be provided as a loan for Project activities. This loan will bear simple interest at one percent (1%) annually over a twenty-five (25) year period, with interest and principal deferred until the end of the twenty-fifth year. At the conclusion of the twenty-fifth year of this loan, interest and principal (totalling \$1,687,500) must be repaid by NDC to the County.

For the purpose of reimbursement for Project activities, Loan Funds in the sum of \$1,350,000 shall be placed in an account designated as "NOAH Development Corporation Loan Expenditures".

In order to receive County funds, NDC shall submit a requisition to the County Engineering Department, with a copy forwarded to HCD monthly, on or before the 25th day of the month, stating with particularity the items for which funds are requested. The funds shall be drawn from each account on an equal basis. The requisition shall contain a statement by the Construction Inspector that he/she has received and reviewed the requisition.

B5406 P0976

tions and that they are sufficient in form and content. Upon approval of the requisition, the County shall disburse the requested funds to NDC on or before the 10th day of the following month or after the next regularly scheduled meeting of the Board of County Commissioners.

In no event shall the County provide advance funding to NDC. Requests by NDC for payments or reimbursements shall be accompanied by proper documentation of expenditures and shall be submitted to the County Engineering Department for approval. The County Engineering Department reserves the right to request further documentation as deemed necessary to authorize payment. Payment shall be made by the County Finance Department, upon proper presentation of invoices and documentation reviewed and approved by the Construction Inspector and the Palm Beach County Engineering Department. For purposes of this section, proper documentation includes, but is not limited to, copies of invoices, receipts, releases of liens from all subcontractors and material suppliers, and other evidence of indebtedness.

The County will maintain a Construction Draw Retainage in accordance with Article II, Section 6 of this Agreement. The items affected by the Construction Draw Retainage are indicated on Exhibit B, Development Cost Estimate, attached hereto and incorporated by reference herein.

NDC, with each invoice, will provide the County with a release of liens stating that all accounts for labor performed and/or materials furnished for the construction of any improvements thereon have been paid in full. Said invoices shall contain the certification of each provider of materials and/or labor that they have been paid in full. NDC will further provide, with monthly submission of invoices, a monthly title search of Palm Beach County records provided by a licensed title agent of Lawyer's Title Insurance Corporation indicating that no liens have been placed on the subject property. In the event that a lien is filed or certification of payment is not present on any invoice, then that amount shall be withheld from payment by the County in addition to the scheduled retainage.

The County may have a financial systems analysis and an internal fiscal control evaluation of NDC's records of the Project by an independent auditing firm employed by the County, or by the County Internal Audit Department, at any time the County deems necessary to determine if the

85406 P0977

Project is being constructed in accordance with Federal, State and County requirements.

County's obligations hereunder are expressly made subject to NDC's receipt of financing from the Bank through the Permanent Lender and receipt by the County of an executed subordinated mortgage and promissory note in the County's favor protecting the County's funds, in a form satisfactory to the County. In the event that the above requirements are not met, this Agreement shall be null and void.

ARTICLE IV -

EVENTS OF DEFAULT

The happening of any one or more of the following events shall constitute an event of default under this Agreement.

1. SUBSTANTIAL DISCONTINUANCE OF CONSTRUCTION OF DEVELOPMENT.

The substantial discontinuance of construction of the Project, which discontinuance is in the sole but reasonable determination of the County, without satisfactory cause, and such event or circumstance not being cured within fifteen (15) days from the date of the County's written notice to NDC shall be deemed an event of default.

2. FAILURE TO PERFORM. Failure or delay by NDC to timely perform any term or provision of this Agreement shall constitute a default.

3. IMPROPER PLACEMENT OF LIENS ON PROPERTY. Any placement of a lien on the subject property not cured and/or satisfied by NDC within thirty (30) days of the date of filing shall be considered an event of default.

ARTICLE V -

UPON OCCURRENCE OF DEFAULT

1. DEFAULT BY NDC. If through any cause the NDC shall fail to fulfill in timely and proper manner its obligations under this Agreement, or if NDC shall violate any of the covenants, agreements, or stipulations of this Agreement which violation shall continue after notice, and opportunity to cure, the County shall thereupon have the right to terminate this Agreement or suspend payment in whole or in part by giving written notice to NDC of such termination or suspension of payment and specify the effective date thereof, at least five (5) working days before the effective date of termination or suspension. If payments are withheld, the County shall specify in writing the actions that must be taken by NDC as a condition

85406 P0978

precedent to resumption of payments and shall specify a reasonable date for compliance.

In the event of default by NDC to this Agreement during construction phase and/or Project Term, the County shall have all remedies afforded by law and in equity with reference to such default, including recovery of damages to the extent of the funds disbursed to date of default, costs, expenses and fees occasioned by such default.

2. **DEFAULT BY COUNTY.** If the County shall default in its obligations, the NDC shall give written notice of default to the County, specifying the default. NDC shall not institute proceedings against the County until thirty (30) days after giving such notice. Failure or delay in giving such notice shall not constitute a waiver of any default, nor shall it change the time of default.

3. **VENUE FOR INSTITUTION OF LEGAL ACTIONS.** Venue of any action instituted pursuant to this contract shall be in the Courts of Palm Beach County.

4. **NOTICES, DEMANDS AND COMMUNICATIONS BETWEEN THE PARTIES.** Formal notices, demands and communications between County and NDC shall be sufficiently given if dispatched by registered or certified mail, postage prepaid, return receipt requested, to the principal offices of County and NDC. Such written notices, demands and communications may be sent in the same manner to such other addresses as any Party may from time to time designate by mail as provided in this Section. For the purpose of this section the addresses of the County and NDC shall be:

Palm Beach County
Post Office Box 1989
West Palm Beach, Florida 33402-1989

NOAH Development Corporation
141 South Main Street
Suite 251
Belle Glade, Florida 33430

ARTICLE VI -

MISCELLANEOUS

1. **SEVERABILITY OF PROVISIONS.** If any provision of this Agreement is held invalid, the remainder of this Agreement shall not be affected thereby if such remainder would then continue to conform to the

85406 P0979

terms and requirements of applicable law.

2. AMENDMENTS. The County may, at its discretion, propose an amendment to this Agreement to conform with changes in Federal, State, County law or County guidelines, directives, and objectives. Said amendment, which shall be executed by both parties, shall be incorporated by written amendment as a part of this Agreement and shall be subject to approval of the Palm Beach County Board of Commissioners. Except as otherwise provided herein no amendment to this Agreement shall be binding on either party unless in writing approved by the Board of County Commissioners and signed by the Parties.

3. ASSIGNABILITY. NDC shall not assign this Agreement, nor any of its rights, without the prior written consent of Palm Beach County, which shall not be unreasonably withheld.

4. PRIVATE FUNDING ASSURANCE. Prior to the disbursement of County Funds pursuant to this Agreement, Palm Beach County shall have received evidence satisfactory to it that all conditions precedent to the securing of private financing through the Bank and the Permanent Lender have been satisfied. Without limiting the foregoing, Palm Beach County shall have received copies of the letters of firm commitment from both the Bank and the Permanent Lender. After closing, NDC will forward copies of the Loan Agreement with both the Bank and the Permanent Lender to the County.

5. EFFECTIVE DATE. The term of this Agreement shall begin on the day when it has been executed by all Parties hereto, all conditions precedent under this Agreement have been met, and private funding is received by NDC. This Agreement shall be in effect for the Project Term.

6. COUNTERPARTS OF THE AGREEMENT. This Agreement, consisting of fourteen (14) pages and the exhibits referenced herein, shall be executed in five (5) counterparts, each of which shall be deemed an original, and such

85406 P0980

counterparts will constitute one and the same instrument.

WITNESS our Hand and Seals on this 14th day of JULY, 1987.

Approved as to Form and Legal
Sufficiency

PALM BEACH COUNTY, FLORIDA, BY ITS
BOARD OF COUNTY COMMISSIONERS

By: [Signature]
Assistant County Attorney
Palm Beach County
JOHN B. DUNKLE, CLERK
Board of County Commissioners

By: [Signature]
Chair
Board of County Commissioners
Palm Beach County

By: [Signature]
Deputy Clerk
Clerk
Board of County Commissioners

By: [Signature]
President
NOAH Development Corporation

By: [Signature]
Member, Board of Directors
NOAH Development Corporation

(SEAL)

(SEAL)

Top
a certified copy

1860 9081
85406 P0981

RECORDER'S MEMO: Legibility
of Writing, Typing or Printing
unsatisfactory in this document
when received.

NOAH Development Corporation
Page 15

EXHIBIT "A"

LEGAL DESCRIPTION

Lots 17 through 63, both inclusive, of Royal Palm Subdivision, according to the plat thereof on file in the office of the Clerk of the Circuit Court in and for Palm Beach County, Florida, in Plat Book 16, at page 41.

This is not a certified copy

85406 P0982

EXHIBIT "B"

Development Cost Estimate - NOAH Development Corporation Covenant Village Project

THIS IS A CONFIDENTIAL COPY

Docs, Intangibles, Recording Fees & Title Insurance	\$ 37,000
Bank Construction Fee	40,500
Permanent Lender Fee	189,000
Attorney Fee	16,000
Land Acquisition Costs	350,000
* Land Development, Infrastructure & Site Development	657,324
* Recreational Amenities	240,000
* Building Construction	2,803,008
* Construction Contingency	220,000
Architect/Engineer	125,830
Permits/Fees, Surveys & Soil Tests	87,022
Bond Premium	90,683
Appraisal	7,615
Insurance	10,000
Real Estate Taxes	5,760
Interest/Reserve	114,042
Advertising/Marketing	28,800
Borrower Overhead/Management	512,594
Operating Reserve	191,822
TOTAL DEVELOPMENT COSTS	<u>\$ 5,727,000</u>

* These items are subject to the Construction Draw Retainage as set out in the Agreement. All other items shall be paid at invoice amount upon proper approval.

THIS IS A CONFIDENTIAL COPY

85406 P0983

Ref: R310

EXHIBIT B

LEGAL DESCRIPTION OF SITE

Lot 17 through 63, both inclusive, of Royal Palm Subdivision, according to the plat thereof on file in the office of the Clerk of the Circuit Court in and for Palm Beach County, Florida, in Plat Book 16, at Page 41, together with that portion of 7th Street as vacated pursuant to Resolution 1800 of the City of Belle Glade.

6394B

This is not a certified copy

85406 P0984

RECORD VERIFIED
PALM BEACH COUNTY FLA
JOHN B. DUNKLE
CLERK CIRCUIT COURT

BOARD OF COUNTY COMMISSIONERS
PALM BEACH COUNTY, FLORIDA
BUDGET AMENDMENT

Page 1 of 1
BGEX-143-022313000000001158
BGRV-143-022313000000000508

FUND 1100 -Affordable Housing Trust Fund

Use this form to provide budget for items not anticipated in the budget.

ACCOUNT NUMBER	ACCOUNT NAME	ORIGINAL BUDGET	CURRENT BUDGET	INCREASE	DECREASE	ADJUSTED BUDGET	EXPENDED/ ENCUMBERED	REMAINING BALANCE
REVENUE								
143-7175-6112	Interest Revene-Accounts Receivable	15,000	15,000	175,000	0	190,000		
143-7175-8701	Loan Repayment	41,000	41,000	700,000	0	741,000		
TOTAL REVENUE		2,425,867	2,425,867	875,000	0	3,300,867		
EXPENDITURES								
143-7176-8201	Contributions - Non-Governemnt Agency	2,410,867	2,410,867	875,000	0	3,285,867		
TOTAL EXPENDITURES		2,425,867	2,425,867	875,000	0	3,300,867		

Department of Economic Sustainability
INITIATING DEPARTMENT/DIVISION
Administration/Budget Department Approval
OFMB Department - Posted

Signatures _____ Date _____
Spring Howard 3-11-13

By Board of County Commissioners
At Meeting of :
March 12, 2013
Deputy Clerk to the
Board of County Commissioners