

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

| Fiscal Years | 2015 | 2016 | 2017 | 2018 | 2019 |
|------------------------|------|------|------|------|------|
| Capital Expenditures | | | | | |
| Operating Costs | | | | | |
| External Revenues | | | | | |
| Program Income | | | | | |
| In-Kind Match (County) | | | | | |
| NET FISCAL IMPACT | * | | | | |

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

Is Item Included In Current Budget? Yes _____ No _____

Budget Account No.:

Fund _____ Dept _____ Unit _____ Object _____ Program Code/Period _____

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

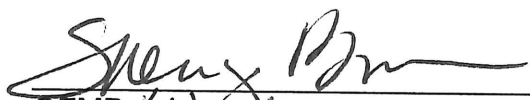
*No fiscal impact

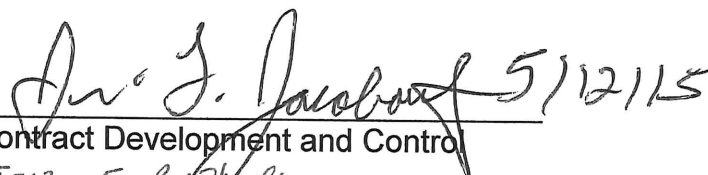
C. Departmental Fiscal Review:


Shairette Major, Fiscal Manager I

III. REVIEW COMMENTS

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


OFMB 5/12/15


Contract Development and Control
5-12-15 B. Jacobson

B. Legal Sufficiency:


Assistant County Attorney

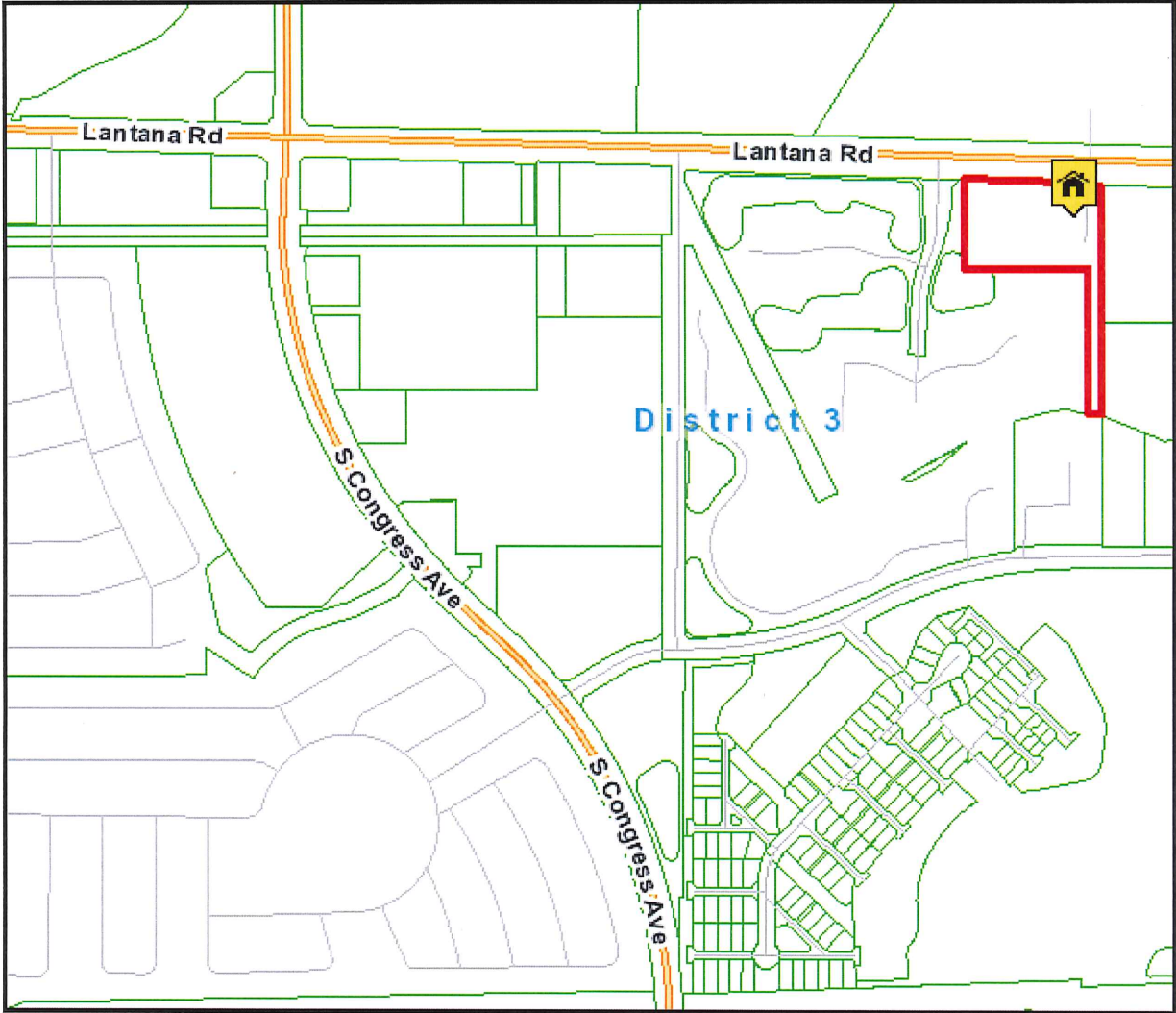
C. Other Department Review:

Department Director

LOCATION MAP



Villas at Cove Crossing
2730 West Lantana Road, Lantana



Prepared by: James Brako
Assistant County Attorney
Return to:

**FIRST AMENDMENT TO MORTGAGE AND SECURITY AGREEMENT
AND MODIFICATION OF PROMISSORY NOTE**

THIS FIRST AMENDMENT TO MORTGAGE AND SECURITY AGREEMENT AND MODIFICATION OF PROMISSORY NOTE ("First Amendment and Modification") executed on _____, by Lantana Associates Ltd., a Florida limited partnership (the "Mortgagor"), as party of the first part, and PALM BEACH COUNTY, a political subdivision of the State of Florida (the "Mortgagee") (which term as used in every instance shall include the Mortgagee's successors and assigns), as party of the second part;

WITNESSETH:

WHEREAS, Mortgagee is the owner of that certain Mortgage and Security Agreement executed by Lantana Associates Ltd., as Mortgagor, to the Mortgagee, on June 22, 1995, and recorded in Official Records Book 8808, Page 521, in the Public Records of Palm Beach County, Florida, and that certain Notice of Future Advance dated June 4, 1996, (together the "Mortgage") and is the holder of a certain Promissory Note dated June 22, 1995, in the original principal sum of ONE HUNDRED AND EIGHT THOUSAND FIVE HUNDRED SEVENTY DOLLARS (\$108,570) and a certain Future Advance Note in the principal sum of SIXTY EIGHT THOUSAND DOLLARS (\$68,000) (together the "Note"); and

WHEREAS, the Note has a Maturity Date of April 30, 2015, and Mortgagor has requested an extension of the Maturity Date in order to sell the affordable housing project know as Villas at Cove Crossing and located on the Mortgaged Property as defined in the Mortgage; and

WHEREAS, Mortgagee has agreed to extend the Maturity Date subject to the terms and conditions stated herein; and

WHEREAS, the Mortgagor and the Mortgagee entered into a Loan Agreement on August 15, 1995 (R95-1070D) (the "Loan Agreement") containing certain covenants and restrictions affecting the affordable rental housing units at Villas at Cove Crossing for a period of thirty (30) years; and

WHEREAS, the thirty (30) year period of the covenants and restrictions contained in the Loan Agreement is also contained in the Mortgage and Security Agreement and in the Rental Program Assistance Written Agreement entered into between the parties on June 4, 1996 (R96-694D) (the "Rental Agreement"); and

WHEREAS, the Mortgagee has agreed to reduce the aforesaid thirty (30) year period to twenty (20) years consistent with current standards; and

WHEREAS, the parties desire to amend the Mortgage, the Loan Agreement, and the Rental Agreement, and wish to modify the Note as hereinafter set out.

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

1. The foregoing recitals are true and correct and incorporated herein by reference. Terms not defined herein shall have the same meaning as ascribed to them in the Mortgage, Loan Agreement, Rental Agreement and the Note.
2. Mortgage, Promissory Note and Loan Agreement - Loan Documents: The term "Loan Documents" as used in the Mortgage, the Note and the Loan Agreement shall be modified to include this First Amendment and Modification, and any other amendments and/or modifications to the Loan Documents entered into by the parties whether or not specifically named.
3. Promissory Note and Future Advance Note - Maturity Date: The Maturity Date of the Promissory Note and the Future Advance Note is hereby extended and shall hereafter be September 30, 2015.
4. Mortgage, Promissory Note and Future Advance Note - Terms and Conditions: The Mortgage, the Promissory Note and the Future Advance Note are modified to incorporate the following terms and conditions:
 - A. Mortgagor acknowledges that the Maturity Date has been extended in the expectation that Mortgagor will make a payment consisting of \$176,570 plus the sum of accrued and deferred interest owed and due under the Promissory Note and Future Advance Note prior to the Maturity Date as extended (the "Total Amount").
 - B. Mortgagee has agreed to accept the payment of the Total Amount in full satisfaction of the debt secured by the Mortgage, the Promissory Note and the Future Advance Note provided that payment in the form of a wire transfer or check payable to the Palm Beach County Board of County Commissioners is received by Mortgagee prior to the Maturity Date. Mortgagor acknowledges that the payment of the Total Amount will be accepted by Mortgagee as full satisfaction of the debt evidenced by the Promissory Note and the Future Advance Note only if it is made prior to the Maturity Date.
 - C. Mortgagor acknowledges that if it fails to make the payment of the Total Amount prior to the Maturity Date, Mortgagor shall be in default of the Mortgage, the Promissory Note and the Future Advance Note under their original terms as if they had not been modified, and that as such, any sums owed and penalties imposed shall be calculated using the terms of the unmodified Mortgage, the Promissory Note and the Future Advance Note.
5. Loan Agreement, Rental Agreement and Mortgage - Covenants and Restrictions: The covenants and restrictions affecting the affordable rental housing units at Villas at Cove Crossing for a period of thirty (30) years as required in the Loan Agreement, the Rental Agreement and the Mortgage are hereby modified to expire on June 4, 2016.
6. First Amendment and Modification - Counterparts: This First Amendment and Modification shall be executed in three (3) counterparts, each of which shall be deemed to be an original, and such counterparts will constitute one and the same instrument.
7. Except as modified by this First Amendment and Modification, the Mortgage and Security Agreement, the Notice of Future Advance, the Promissory Note, the Future Advance Note, the Loan Agreement and the Rental Program Assistance Written Agreement shall remain unmodified and in full force and effect and the parties hereby ratify, confirm and adopt the same, as amended, in accordance with the terms thereof.

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

Signed, sealed, and delivered in the presence of:

[Signature]
Witness Signature
Jacqueline Martin
Witness Name

[Signature]
Witness Signature
Celia Archbold
Witness Name

LANTANA ASSOCIATES LTD.
a Florida Limited Partnership

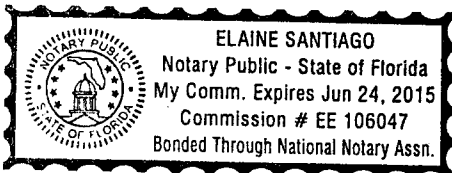
By: **CORNERSTONE LANTANA, LTD.**
a Florida Limited Partnership,
its General Partner

By: **CORNERSTONE AFFORDABLE HOUSING, INC.,** its Sole General Partner

By: [Signature]
Jorge Lopez, Vice-President

STATE OF FLORIDA
COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me this 30 day of April, 2015, by Jorge Lopez as Vice-President of Cornerstone Affordable Housing, Inc., as Sole General Partner of Cornerstone Lantana, Ltd., as General Partner of Lantana Associated, Ltd., who is personally known to me, or who has produced _____ as identification and who did/did not take an oath.



(NOTARY SEAL ABOVE)

Signature: Elaine Santiago

Notary Name: Elaine Santiago
Notary Public - State of Florida

ATTEST:
Sharon R. Bock,
Clerk & Comptroller

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

BOARD OF COUNTY COMMISSIONERS

By: _____
Deputy Clerk

By: _____
Shelley Vana, Mayor

(County Seal)

Document No: _____

Approved as to Form and
Legal Sufficiency

Approved as to Terms and Conditions
Department of Economic Sustainability

By: _____
James Brako
Assistant County Attorney

By: [Signature]
Sherry Howard, Deputy Director

Prepared by: James Brako
Assistant County Attorney
Return to:

SATISFACTION OF MORTGAGE
AND
NOTICE OF THE SURVIVAL OF CERTAIN COVENANTS AND RESTRICTIONS

Know All Men By These Presents: Palm Beach County, a political subdivision of the State of Florida ("County"), the owner and holder of a certain Mortgage and Security Agreement executed by Lantana Associates Ltd., a Florida limited partnership ("Borrower"), dated June 22, 1995, and recorded in Official Records Book 8808, Page 521, in the Office of the Clerk of the Circuit Court of Palm Beach County, Florida, and a Notice of Future Advance dated June 4, 1996, (collectively the "Mortgage"), respectively securing a certain Promissory Note in the principal sum of One Hundred Eight Thousand Five Hundred and Seventy Dollars and 00/100 Cents (\$108,570), and a certain Future Advance Note in the principal sum of Sixty Eight Thousand Dollars and 00/100 Cents (\$68,000) containing certain promises and obligations set forth in said Mortgage, upon the property situate in said State and County as described in Exhibit "A" attached hereto, does hereby acknowledge full payment and satisfaction of said Promissory Note, Future Advance Note and Mortgage and surrenders the same as canceled, and hereby directs the Clerk of the said Circuit Court to cancel the same of record.

NOTICE OF SURVIVAL OF COVENANTS AND RESTRICTIONS: Borrower and County entered into a Loan Agreement on August 15, 1995 (R95-1070D) ("Loan Agreement"), the terms of which were incorporated into the Mortgage. Borrower does hereby acknowledge that the Mortgage and Loan Agreement were granted in consideration of certain covenants and restrictions contained in said Loan Agreement, becoming restrictions recorded against the land for a certain period of time. That period of time was amended and expires on June 4, 2016, as established in the First Amendment to Mortgage and Security Agreement and Modification of Promissory Note ("First Amendment") entered into by and between Borrower and County on May 19, 2015, and recorded in Official Records Book _____, Page _____, in the Office of the Clerk of the Circuit Court of Palm Beach County, Florida. Borrower does hereby also acknowledge that such certain covenants and restrictions shall survive the payment or other termination of the Mortgage, Note and Future Advance Note.

In addition, Borrower and County entered into a Rental Program Assistance Written Agreement on June 4, 1996 (R96-694D) ("Rental Agreement"). Borrower does hereby acknowledge that the Rental Agreement was granted in consideration of certain covenants and restrictions contained in said Rental Agreement for a period that expires on June 4, 2016, as established in the First Amendment.

The surviving covenants and restrictions set forth below shall remain in effect until June 4, 2016, as follows:

1. The Borrower shall comply with the requirements of 24 CFR Part 92 as they pertain to rental housing.
2. Of the 94 apartment units at the property described in Exhibit A, no less than seven (7) units shall be occupied by tenant households whose income, adjusted by family size, is at no more than fifty percent (50%) of the Area Median Income (hereinafter "AMI"). AMI shall mean the most current area median income

published by the U.S. Department of Housing and Urban Development (HUD) for the West Palm Beach-Boca Raton Metropolitan Statistical Area. In addition, no more than 87 units shall be occupied by tenant households whose income, adjusted by family size, is at no more than eighty percent (80%) of AMI.

Executed this _____ day of _____, 20____.

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

**FOR ITS BOARD OF COUNTY
COMMISSIONERS**

By: _____
Shannon R. LaRocque
Assistant County Administrator

Approved as to Form and
Legal Sufficiency

Approved as to Terms and Conditions
Department of Economic Sustainability

By: _____
James Brako,
Assistant County Attorney

By: _____
Sherry Howard,
Deputy Director

**LANTANA ASSOCIATES LTD.
a Florida Limited Partnership**

By: **CORNERSTONE LANTANA, LTD.**
a Florida Limited Partnership,
its General Partner

By: **CORNERSTONE AFFORDABLE
HOUSING, INC.,** its Sole General Partner

By: _____
Jorge Lopez, Vice-President

STATE OF FLORIDA
COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me this ____ day of, _____, 20____,
by _____, who is personally known to me, or who has
produced _____ as identification and who did/did not take an oath.

Signature: _____

(NOTARY SEAL ABOVE)

Notary Name: _____
Notary Public - State of Florida

EXHIBIT A

PARCEL "A"

LEGAL DESCRIPTION

Lot 1 and 2, Block 5 and a portion of Via Vermilya as shown on the Plat of LANAIR PARK, according to the plat thereof, as recorded in Plat Book 21 at page 58, public records, Palm Beach County, Florida, together with a portion in Hiatus Lot 5, Township 44-1/2 South, Range 43 East, Palm Beach County, Florida, being more particularly described as follows:

BEGIN AT the Southwest corner of said Lot 2;
thence North 00°-02'-00" East, along the West boundary of said Lot 2 and its Northerly projection for 351.53 feet;
thence South 88°-01'-31" East, along the North Line of said Hiatus Lot 5, for 375.18 feet;
thence South 44°-01'-10" East for 36.42 feet;
thence South 00°-02'-33" West for 12.69 feet;
thence South 88°-01'-31" East for 100.06 feet;
thence South 00°-02'-33" West, along the East line of Via Vermilya for 746.40 feet more or less, to the edge of water of the existing lake;
thence Northwesterly, along the Northerly edge of water of said lake as it meanders for 50.70 feet more or less, to the centerline of Via Vermilya;
thence North 00°-02'-33" East, along said centerline, for 441.40 feet more or less, to the intersection of the Easterly projection of the Southerly line of said Lot 1 and the centerline of said Via Vermilya;
thence North 89°-57'-27" West for 450.24 feet to the POINT OF BEGINNING.

LESS the following described parcel of land:

A portion of Lot 5, Township 44 1/2 South, Range 43 East, Palm Beach County, Florida being more particularly described as follows:

Commence at the Northeast corner of REFLECTIONS NORTH 1/2 OF CLOISTERS, A PART OF SPORTSMEN'S CLUB P.U.D., according to the plat thereof as recorded in Plat Book 31 on pages 108 and 109, public records, Palm Beach County, Florida;
thence North 89°-57'-27" West, along the Northerly line of said plat for 450.24 feet;
thence North 00°-02'-00" East, for 326.53 feet to the POINT OF BEGINNING, said point being 85 feet South of, as measured at right angles to, the Base Line for Lantana Road;

thence North 00°-02'-00" East for 25.01 feet;
thence South 88°-01'-31" East for 375.18 feet;
thence South 44°-01'-10" East for 35.99 feet;
thence North 88°-01'-31" West for 400.22 feet to the POINT OF BEGINNING.

PARCEL "B"

LEGAL DESCRIPTION

A portion of Block 4 and a portion of Via Vermilya together with a portion of the adjoining lagoon as shown on the plat of LANAIR PARK, according to the plat thereof, as recorded in Plat Book 21, Page 58, Public Records of Palm beach County, Florida, being more particularly described as follows:

BEGIN AT the Southeast corner of Lot 5, Block 4 of said plat of LANAIR PARK, said point bears North $00^{\circ}-10'-16''$ West from the radius point of the next described curve;

Thence Southwesterly, along a circular curve to the left and along the Northerly right of way line of Donnelley Drive, having a radius of 1680.21 feet, a central angle of $7^{\circ}-37'-48''$ for an arc distance of 223.75 feet;

Thence North $00^{\circ}-02'-33''$ East for 464.90 feet;

Thence North $73^{\circ}-55'-48''$ East for 119.32 feet;

Thence North $78^{\circ}-58'-39''$ East for 74.00 feet;

Thence South $74^{\circ}-37'-51''$ East for 88.80 feet;

Thence South $89^{\circ}-57'-15''$ East for 50.00 feet;

Thence South $00^{\circ}-02'33''$ West along the East Line of Via Vermilya for 473.52 feet;

Thence North $89^{\circ}-57'-27''$ West for 93.73 feet to a point of curvature;

Thence Southwesterly along a circular curve to the left having a radius of 1680.21, a central angle $00^{\circ}-12'-49''$ for an arc distance of 6.27 feet to the POINT OF BEGINNING

LESS additional right of way for Donnelley Drive conveyed to Palm Beach County by Deed recorded in Official Record Book 6314, Page 694.

PARCEL "C"

LEGAL DESCRIPTION

A parcel of land being a portion of the East half of Via Vermilya and a portion of the adjoining Lagoon as shown on the plat of LANAIR PARK, according to the plat thereof, as recorded in Plat Book 21, Page 58, Public Records, Palm Beach County, Florida; the right of way of Via Vermilya having been abandoned per Official Record Book 1859, Page 1653, Public Records, Palm Beach County, Florida; said parcel of land being specifically described as follows:

COMMENCING at the Southeast Corner of Lot 5, Block 4 of said plat of LANAIR PARK, said point bears North $00^{\circ}-10'-16''$ West from the radius point of the next described curve;

Thence Easterly, along a circular curve to the right and along the Northerly right of way line of Donnelley Drive, having a radius of 1680.21 feet, a central angle of $00^{\circ}-12'-49''$ for and arc distance of 6.27 feet to the point of tangency;

Thence South $89^{\circ}-57'-27''$ East, along said Northerly right of way line of Donnelley Drive, a distance of 93.73 feet to the Easterly right of way line of Via Vermilya as shown on said plat of LANAIR PARK;

Thence North $00^{\circ}-02'-33''$ East, along said Easterly right of way line, a distance of 473.52 feet to the POINT OF BEGINNING;

Thence North $89^{\circ}-57'-15''$ West, a distance of 50.00 feet to a point on the centerline of said Via Vermilya;

Thence North $00^{\circ}-02'-33''$ East, along said centerline, a distance of 85 feet, more or less, to the Northerly edge of water of the existing lake;

Thence Southeasterly, along the Northerly edge of water of the existing lake, a distance of 50.5 feet, more or less, to a point on the Easterly right of way line of said Via Vermilya;

Thence South $00^{\circ}-02'-33''$ West, along said Easterly right of way line, a distance of 78 feet, more or less, to the POINT OF BEGINNING.

(12)
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

This document is exempt from intangible
tax pursuant to Rule 12C-2.003(3)
since it is owned by and belongs to
the municipality of Palm Beach County,
Florida.

MORTGAGE AND SECURITY AGREEMENT

THIS MORTGAGE INDENTURE, executed this 22 day of
June, 1995, by LANTANA ASSOCIATES LTD., a Florida limited
partnership, (the "Mortgagor"), as party of the first part, and
PALM BEACH COUNTY, a political subdivision of the State of Florida
(the "Mortgagee") (which term as used in every instance shall
include the Mortgagee's successors and assigns), as party of the
second part;

WITNESSETH:

The Mortgagor is the owner of the premises described in
Exhibit "A" attached hereto (hereinafter the "Premises") and made
a part hereof. Mortgagee has this date loaned One Hundred Eight
Thousand Five Hundred and Seventy Dollars (\$108,570.00) to
Mortgagor and in connection therewith Mortgagor has this date
executed and delivered to Mortgagee its Promissory Note in that
amount (the "Note"). A true copy of the Note is annexed hereto as
Exhibit "B" and forms a part hereof.

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

GRANTING CLAUSE

NOW, THEREFORE, the Mortgagor, in consideration of the
premises and in order to secure payment of both the principal of,
and the interest and any other sums payable on, the Note or this
Mortgage, and the performance and observance of all the provisions
hereof, and of the loan documents, hereby gives, leases, bargains,
sells, warrants, aliens, remises, releases, conveys, assigns,
transfers, mortgages, hypothecates, deposits, pledges, sets over
and confirms unto the Mortgagee, all of the Mortgagor's estate,
right, title and interest in, to and under any and all of the
Premises, improvements (including improvements to be made
hereafter), fixtures here and below described and located on the
Premises which sometimes collectively referred to hereinafter as
the "Mortgaged Property".

TOGETHER with all and singular the rights, interests and
appurtenances whatsoever, in any way belonging, relating or
appertaining to any of the Premises hereinabove mentioned or which
hereafter shall in any way belong, relate or be appurtenant
thereto, whether now owned or hereafter acquired by the Mortgagor
including but not limited to all of Mortgagor's sewer capacity
rights, and Mortgagor's rights under contracts, permits, licenses
and all other documents and payments affecting the Premises,
reserving only the right to the Mortgagor to collect the same so
long as the Mortgagor is not in default hereunder and so long as
the same are not subjected to garnishment levy, attachment or lien.

TO HAVE AND TO HOLD the Premises and all parts, rights,
members and appurtenances thereof, to the use, benefit and behalf
of the Mortgagee, its successors and assigns in fee simple forever,
and the Mortgagor covenants that the Mortgagor is lawfully seized
and possessed of the Premises in fee simple and has good right to
convey the same, that the same are unencumbered excepting taxes

accruing subsequent to 1994, and those certain exceptions appearing on the Mortgagee's Title Insurance Policy given in connection herewith and specifically approved by Mortgagee, and that the Mortgagor will warrant and defend the title thereto against the claims of all persons whomsoever, except as hereinafter expressly provided.

Notwithstanding the foregoing, this Mortgage shall be subject and subordinate to separate mortgage and security agreements and related loan documents encumbering the Premises upon their execution by Mortgagor in favor of American Savings Bank of Florida, F.S.B., relating to a loan in an original aggregate principal amount of \$2,970,000 ("First Mortgage"), or any replacement thereof, and in favor of the Florida Housing Finance Agency in an original principal amount not to exceed \$300,000 ("Second Mortgage").

PROVIDED ALWAYS that if the Mortgagor shall pay unto the Mortgagee all sums required under the terms of the Note, which Note is in the original principal amount of \$108,570.00 and has a maturity date of April 30, 2015, unless such maturity is accelerated as set forth in the Note, and shall comply with and abide by each and every one of the stipulations, agreements, conditions and covenants of the Loan Documents, then in such event this Mortgage and Security Agreement and the estate hereby created shall cease and be null and void.

The Mortgagor covenants with the Mortgagee as follows:

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

1.2 Taxes, Liens and Other Charges.

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

(b) The Mortgagor shall pay, from time to time when the same shall become due, all lawful claims and demands of mechanics, 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 Mortgagee.

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

1.3 Insurance/Condemnation.

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

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

(c) Notwithstanding the foregoing, so long as any indebtedness under the First Union mortgage remains outstanding, the Mortgagor agrees that all insurance proceeds resulting from casualty or damage to the Premises and all payments or awards resulting from a taking, for any public or quasi-public purpose, by any lawful power or authority by exercise of the power of condemnation or eminent domain, or by agreement among lenders, in their sole, good faith judgment, and those authorized to exercise

such right, shall be applied toward the restoration, replacement or rebuilding of the Premises, or any part thereof, as nearly as possible to its value, condition and character immediately prior to any such damage, destruction or taking.

1.4 Care of Premises.

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

(b) If the Premises or any part thereof is damaged by fire or any other cause, the Mortgagee will give immediate written notice of the same to the Mortgagee.

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

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

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

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

1.6 Expenses. In addition to the expenses described in subparagraph 2.7(b) hereof, the Mortgagor will pay or reimburse the Mortgagee for all reasonable attorney's fees, costs and expenses, including those in connection with appellate proceedings, incurred by the Mortgagee in any proceedings or in any action, legal proceeding or dispute of any kind which relate to or arise from the Mortgage of the interest created herein, or the Premises, including but not limited to the exercise of the power of sale of this Mortgage, any condemnation action involving the Premises or any action to protect the security hereof; and any such amounts paid by the Mortgagee shall be secured by this Mortgage.

1.7 Estoppel Affidavits. The Mortgagor or the Mortgagee, upon ten days' prior written notice, shall furnish the Mortgagee or the Mortgagor, as applicable, a written statement, duly

acknowledged, setting forth the unpaid principal of, and interest on, the indebtedness secured hereby and whether or not any off-sets or defenses exist against such principal and interest.

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

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

1.10 Environmental Representations.

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

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

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

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

ARTICLE II.

2.1 Due on Sale or Further Encumbrance Clause. In determining whether or not to make the loan secured hereby, Mortgagee examined the credit-worthiness of Mortgagor, found it acceptable and continues to rely upon the same as the means of repayment of the loan. Mortgagee also evaluated the background and experience of Mortgagor in owning and operating property such as the Premises, found it acceptable and continues to rely upon same as the means of maintaining the value of the Premises, was ably represented by a licensed attorney at law in the negotiation and documentation of the loan secured hereby and bargained at arm's length and without duress or any kind for all of the terms and conditions of the loan, including this provision. Mortgagor further recognizes that any secondary or junior financing (with the

exception of a Fourth Mortgage in favor of First Union Corporation in an amount not to exceed \$2,628,795) placed upon the Premises (a) may divert funds which would otherwise be used to pay the Note secured hereby; (b) could result in acceleration and foreclosure by any such junior encumbrance which would force Mortgagee to take measures and incur expenses to protect its security; (c) could detract from the value of the Premises should Mortgagee's right to accept a deed in lieu of foreclosure, as a foreclosure by Mortgagee would be necessary to clear the title to the Premises.

In accordance with the foregoing and for the purposes of (i) protecting Mortgagee's security both of repayment by Mortgagor and of value of the Premises; (ii) giving Mortgagee the full benefit of its bargain and contract with Mortgagor; (iii) allowing Mortgagee to raise the interest rate and/or collect assumption fees; and (iv) keeping the Premises free of subordinate financing liens (with the exception of a Fourth Mortgage in favor of First Union Corporation in an amount not to exceed \$2,628,795) 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 (with the exception of a Fourth Mortgage in favor of First Union Corporation in an amount not to exceed \$2,628,795) or other transfer of title to the Premises or any interest therein (whether voluntarily or by operation of law) without the Mortgagee'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 Mortgagee

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

2.2 Default. A default shall have occurred hereunder if:

(a) The Mortgagor shall fail to pay in full within fifteen (15) days from the date due and payable any installment of principal, interest, late charges or escrow deposits as required by the Note, this Mortgage and otherwise; or

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

(c) Any warranties or representations made or agreed to be made in any of the Loan Documents shall be materially breached by the Mortgagor or shall prove to be false or misleading and such breach is not cured within 30 days following written notice from Mortgagee; or

(d) Any lien for labor or material or otherwise shall be filed against the Premises, and such lien is not canceled, removed, transferred or bonded within thirty (30) days following written notice from the Mortgagee; or

(e) A levy shall be made under any process on, or a receiver be appointed for, the Premises or any other property of

the Mortgagor; or

(f) The Mortgagor shall file a voluntary petition in bankruptcy, or any other petition or answer seeking or acquiescing in any reorganization, arrangement, composition, readjustment, liquidation or similar relief for the Mortgagor under any present or future federal, state or other statute, law or regulation relating to bankruptcy, insolvency or other relief for debtor; or

(g) The Mortgagor shall seek or consent to or acquiesce in the appointment of any trustee, receiver or liquidator of the Mortgagor or of all or any part of the Premises or of any or all of the rents, revenues, issues, earnings, profits or income thereof; or

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

(i) In any legal proceeding the Mortgagor shall be alleged to be insolvent or unable to pay the Mortgagor's debts as they become due and is not dismissed within sixty (60) days of Filing; or

(j) The Mortgagor shall do, or shall omit to do, any act, or any event shall occur, as a result of which any obligation of the Mortgagor not arising hereunder, may be declared immediately due and payable by the holder thereof; or

(k) A 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 Note and Mortgage; or

(l) One Hundred Percent (100%) 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 thirty (30) years from the date hereof; or

(m) The Mortgagor shall default on the First, Second or Fourth Mortgage, resulting in the acceleration thereof; or

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

2.3 First Union's Right to Cure.

(a) Should a default occur under this Mortgage at a time when any proceeds of the First Union Loan have been advanced and remain outstanding, Mortgagee will provide First Union notice of such default and a period ("County Cure Period") of 10 days after the cure period under the County Loan Documents to cure a payment default and 15 days after the applicable cure period to cure any nonmonetary default susceptible to cure, and Mortgagee agrees, during such cure period, not to exercise its remedies under the County Loan Documents (except upon a default arising due to a declaration by the First, Second or Fourth Mortgagee under their respective loan documents.) In the event that First Union is not able to cure such nonmonetary default because such default is only susceptible to cure by Mortgagor or is not curable, First Union shall have the cure period during which to exercise its right to purchase this Mortgage prior to the exercise of its remedies pursuant to this Agreement. If First Union performs and satisfies all Mortgagor's obligations under the County Loan Documents during such cure period, Mortgagor's rights under the County Loan

Documents shall be deemed to be assigned to First Union, and First Union shall be obligated to perform under the County Loan Documents. In the event First Union elects not to cure such default under the County loan, Mortgagor shall have no further obligation to permit cure by First Union with respect to the particular default and may exercise its remedies under its loan documents.

(b) In the event First Union elects to cure a default under this Mortgage, then upon such default being so cured, this defaulted Mortgage shall be deemed reinstated and the Mortgagor shall continue to fund and perform under its Loan Agreement so long as such default remains cured and no other default occurs. The opportunity to cure provided herein shall be for the benefit of First Union only and shall not create any right on the part of the Mortgagee or any other party to notice or opportunity to cure a default.

(c) Notwithstanding anything herein to the contrary, First Union shall have a right at any time during the County Cure Period to purchase the Mortgagor's right, title and interest in and to this Mortgage, including without limitation, all of Mortgagor's liens and security interests securing same for an amount equal to the outstanding principal balance plus interest and reasonable fees and expenses incurred in connection therewith by Mortgagor, without payment of any premium, penalty or other fee. Upon any such purchase by First Union, Mortgagor shall have no further obligation to perform under its Loan Documents.

(d) Mortgagor and Mortgagee agree to provide First Union Corporation with prompt notice of all notices of default delivered or received, as the case may be, under the Loan Documents.

(e) Mortgagee shall not require Mortgagor to make any escrow deposits under its Loan Agreement at any time to the extent that such escrow deposits are being required for the same purpose by any other Mortgagee.

2.4 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) First Mortgage debt in full, including fees;
- (3) Second Mortgage debt in full, including fees;
- (4) All accrued but unpaid interest on the Note;

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

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

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

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

2.5 Acceleration of Maturity. If a default shall have occurred hereunder, then the whole unpaid principal sum of the indebtedness secured hereby with interest accrued thereon shall, at the option of the Mortgagee, become due and payable without notice or demand, time being of the essence of this Mortgage and of the

Note secured hereby; and no omission on the part of the Mortgagee to exercise such option when entitled so to do shall be considered as a waiver of such right.

2.6 Right of Lender to Enter and Take Possession.

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

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

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

2.7 Appointment of a Receiver and Foreclosure.

(a) If a default shall have occurred hereunder, then the whole debt secured by this Mortgage, with all interest thereon, and all other amounts hereby secured shall, at the option of Mortgagee, become immediately due and payable, and may forthwith or at any time thereafter be collected by suit at law, foreclosure of or other proceeding upon this Mortgage or by any other proper, real or equitable procedure without declaration of such option and without notice.

(b) In any suit to foreclose the lien hereof, there shall be allowed and included as additional indebtedness in the decree for sale all reasonable expenditures and expenses which may be paid or incurred by or on behalf of the Mortgagee for attorneys' fees, appraisers' fees, outlays for documentary and expert evidence, stenographers' charges, publication cost and costs (which may be estimated as to items to be expended after entry of the decree) of procuring all such abstract of title, title searches and examinations, title insurance policies, and similar data and assurances with respect to title as Mortgagee may deem to be reasonably necessary either to prosecute such suit or to evidence to bidders at any sale which may be had pursuant to such decree the true condition of the title to or the value of the Premises. All expenditures and expenses of the nature in this paragraph mentioned shall become so much additional debt secured hereby and shall be immediately due and payable with interest thereon at the maximum rate provided by law, when paid or incurred by Mortgagee in connection with (i) any proceeding, including foreclosure, probate and bankruptcy proceedings, to which it shall be a party, either as plaintiff, claimant, or defendant, by reason of this Mortgage, or any indebtedness hereby secured, (ii) preparations for the commencement of any suit for the foreclosure hereof after accrual of such right to foreclose whether or not actually commenced, or (iii) preparations for the defense of any threatened suit or proceeding which might affect the Premises or the security hereof, whether or not actually commenced.

(c) Upon, or at any time after, the filing of a complaint to

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

(d) Mortgagor shall deliver to Mortgagee at any time on its request, all agreements for deed, contracts, leases, abstracts, title insurance policies, commitments 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.

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

2.9 Remedies Cumulative. No right, power or remedy conferred upon or reserved by the Mortgagee by this Mortgagee 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.

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

ARTICLE III.

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

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

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

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

ARTICLE IV.

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

Mortgagor: Lantana Associates, Ltd.
2121 Ponce De Leon Blvd.
Suite 650
Coral Gables, FL 33134
Attn: Stuart I. Meyers

With a copy to: Berman, Wolfe & Rennert
100 SE 2nd Street, Suite 3500
Miami, FL 33131

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

First Union: First Union Corporation
One First Union Center
10th Floor
301 South College Street
Charlotte, NC 28288-0600
Attn: Rick Davis

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

ARTICLE V.

5.1 Future Advances. It is agreed that this Mortgage shall also secure such future or additional advances as may be made by the Mortgage at its option to the Mortgagor, or its successor in title, for any purpose, provided that all those advances are to be made within three (3) years from the date of this Mortgage, or within such lesser period of time as may be provided hereafter by law as a prerequisite for the sufficiency of actual notice or records notice of the optional future or additional advances as against the rights of creditors or subsequent purchasers for

valuable consideration. The total amount of indebtedness secured by this Mortgage may decrease or increase from time to time, but the total unpaid balance so secured at any one time shall not exceed twice the principal amount of the Note, plus interest, and any disbursements made for the payment of taxes, levies or insurance on the Premises with interest on those disbursements. If, pursuant to Florida Statutes Section 697.04, Mortgagor files a notice specifying the dollar limit beyond which future advances made pursuant to this Mortgage will not be secured by this Mortgage, then Mortgagor shall, within one (1) year of day of filing such notice, notify Mortgagee and its counsel by certified mail pursuant to Section 4.1 of this Mortgage. In addition, such a filing shall constitute a default hereunder.

5.2 Conditional Additional Indebtedness. The Mortgaged Property is encumbered by that certain Declaration and Agreement of Restrictive Covenant for Voluntary Density Bonus Program as recorded in ORB 7862 Page 156, ORB 7862 Page 163 and ORB 8541 Page 1280 of the Public Records of Palm Beach County, Florida (collectively the "Covenants"). The Mortgagor has requested the Mortgagee to subordinate its right to enforce said Covenants to the rights of the First Mortgage, and the Mortgagee has agreed to such subordination. As consideration for such subordination, it is hereby agreed that in the event the First Mortgagee, or its successors or assigns, acquires title to the Mortgaged Property, the principal indebtedness secured by this Mortgage shall automatically increase by the amount of One Hundred Sixty Two Thousand Seven Hundred Seventy Four Dollars and Eleven Cents (\$162,744.11) (the "Payment in Lieu"), which sum represents the value of the additional density awarded pursuant to said Covenants. The Payment in Lieu shall decrease by 1/15 of the original amount thereof for each year in which the Covenant is not violated, and shall increase each year by the "Consumer Price Index - U.S. City Average for all items for all Urban Consumers (1982-1984=100) published monthly in the Monthly Labor Review by the United States Department of Labor.

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

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

5.5 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 Mortgagee hereto, and their respective heirs, successors and assigns.

5.7 First Union. Mortgagee acknowledges that First Union Corporation is a third party beneficiary to Sections 2.3(c) and (d) of this Mortgage and that First Union is relying upon such Sections as a material inducement to entering into the First Union Mortgage.

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

Witnesses:

LANTANA ASSOCIATES, LTD.,
a Florida limited partnership

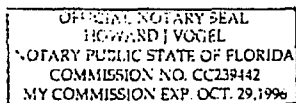
By: CORNERSTONE LANTANA, LTD., a
Florida limited partnership,
its general partner

By: CORNERSTONE AFFORDABLE HOUSING,
INC., its sole general partner

By: Jorge Lopez, President

STATE OF FLORIDA
PALM BEACH COUNTY

The foregoing instrument was acknowledged before me this
22 day of June, 1995 by Jorge Lopez as President of
Cornerstone Affordable Housing, Inc., a Florida corporation, the
sole general partner of Cornerstone Lantana, Ltd., a Florida
limited partnership. He is personally known to me, or has produced
a Florida driver's license as identification.



Howard J. Vogel
Notary Public, State of Florida

Print, Type or Stamp

Commissioned Name of Notary

Personally Known ☒ OR

Produced Identification ☐

Type of Identification Produced ☐

PARCEL "A"LEGAL DESCRIPTION ORB 8808 Pg 534

Lot 1 and 2, Block 5 and a portion of Via Vermilya as shown on the Plat of LANAIR PARK, according to the plat thereof, as recorded in Plat Book 21 at page 58, public records, Palm Beach County, Florida, together with a portion in Hiatus Lot 5, Township 44-1/2 South, Range 43 East, Palm Beach County, Florida, being more particularly described as follows:

BEGIN AT the Southwest corner of said Lot 2;
 thence North 00°-02'-00" East, along the West boundary of said Lot 2 and its Northerly projection for 351.53 feet;
 thence South 88°-01'-31" East, along the North Line of said Hiatus Lot 5, for 375.18 feet;
 thence South 44°-01'-10" East for 36.42 feet;
 thence South 00°-02'-33" West for 12.69 feet;
 thence South 88°-01'-31" East for 100.06 feet;
 thence South 00°-02'-33" West, along the East line of Via Vermilya for 746.40 feet more or less, to the edge of water of the existing lake;
 thence Northwesterly, along the Northerly edge of water of said lake as it meanders for 50.70 feet more or less, to the centerline of Via Vermilya;
 thence North 00°-02'-33" East, along said centerline, for 441.40 feet more or less, to the intersection of the Easterly projection of the Southerly line of said Lot 1 and the centerline of said Via Vermilya;
 thence North 89°-57'-27" West for 450.24 feet to the POINT OF BEGINNING.

LESS the following described parcel of land:

A portion of Lot 5, Township 44 1/2 South, Range 43 East, Palm Beach County, Florida being more particularly described as follows:

Commence at the Northeast corner of REFLECTIONS NORTH 1/2 OF CLOISTERS, A PART OF SPORTSMEN'S CLUB P.O.D., according to the plat thereof as recorded in Plat Book 51 on pages 108 and 109, public records, Palm Beach County, Florida;
 thence North 89°-57'-27" West, along the Northerly line of said plat for 450.24 feet;
 thence North 00°-02'-00" East, for 326.53 feet to the POINT OF BEGINNING, said point being 85 feet South of, as measured at right angles to, the Base Line for Lantana Road;
 thence North 00°-02'-00" East for 25.01 feet;
 thence South 88°-01'-31" East for 375.18 feet;
 thence South 44°-01'-10" East for 35.99 feet;
 thence North 88°-01'-31" West for 400.22 feet to the POINT OF BEGINNING.

EXHIBIT "A"

ORB 8808 Pg 535

PARCEL "B"LEGAL DESCRIPTION

A portion of Block 4 and a portion of Via Vermilya together with a portion of the adjoining lagoon as shown on the plat of LANAIR PARK, according to the plat thereof, as recorded in Plat Book 21, Page 58, Public Records of Palm Beach County, Florida, being more particularly described as follows:

BEGIN AT the Southeast corner of Lot 5, Block 4 of said plat of LANAIR PARK, said point bears North $00^{\circ}-10'-16''$ West from the radius point of the next described curve;
Thence Southwesterly, along a circular curve to the left and along the Northerly right of way line of Donnelley Drive, having a radius of 1680.21 feet, a central angle of $7^{\circ}-37'-48''$ for an arc distance of 223.75 feet;
Thence North $80^{\circ}-02'-33''$ East for 464.90 feet;
Thence North $71^{\circ}-55'-48''$ East for 119.32 feet;
Thence North $78^{\circ}-58'-39''$ East for 74.00 feet;
Thence South $74^{\circ}-57'-51''$ East for 88.80 feet;
Thence South $89^{\circ}-57'-15''$ East for 50.00 feet;
Thence South $00^{\circ}-02'-33''$ West along the East Line of Via Vermilya for 473.52 feet;
Thence North $89^{\circ}-57'-27''$ West for 93.73 feet to a point of curvature;
Thence Southwesterly along a circular curve to the left having a radius of 1680.21, a central angle $00^{\circ}-12'-49''$ for an arc distance of 6.27 feet to the POINT OF BEGINNING

LESS additional right of way for Donnelley Drive conveyed to Palm Beach County by Deed recorded in Official Record Book 6314, Page 694.

Certified
True
Copy

ORB 8808 Pg 536

DOROTHY H. WILKEN, CLERK PB COUNTY, FL

PARCEL "C"LEGAL DESCRIPTION

A parcel of land being a portion of the East half of Via Vermilya and a portion of the adjoining Lagoon as shown on the plat of LANAIR PARK, according to the plat thereof, as recorded in Plat Book 21, Page 38, Public Records, Palm Beach County, Florida; the right of way of Via Vermilya having been abandoned per Official Record Book 1859, Page 1653, Public Records, Palm Beach County, Florida; said parcel of land being specifically described as follows:

COMMENCING at the Southeast Corner of Lot 5, Block 4 of said plat of LANAIR PARK, said point bears North $00^{\circ}-10'-16''$ West from the radius point of the next described curve;

Thence Easterly, along a circular curve to the right and along the Northerly right of way line of Donnelley Drive, having a radius of 1680.21 feet, a central angle of $00^{\circ}-12'-49''$ for and arc distance of 6.27 feet to the point of tangency; Thence South $89^{\circ}-57'-27''$ East, along said Northerly right of way line of Donnelley Drive, a distance of 93.73 feet to the Easterly right of way line of Via Vermilya as shown on said plat of LANAIR PARK;

Thence North $00^{\circ}-02'-33''$ East, along said Easterly right of way line, a distance of 473.52 feet to the POINT OF BEGINNING;

Thence North $89^{\circ}-57'-15''$ West, a distance of 50.00 feet to a point on the centerline of said Via Vermilya;

Thence North $00^{\circ}-02'-33''$ East, along said centerline, a distance of 85 feet, more or less, to the Northerly edge of water of the existing lake;

Thence Southeasterly, along the Northerly edge of water of the existing lake, a distance of 50.5 feet, more or less, to a point on the Easterly right of way line of said Via Vermilya;

Thence South $00^{\circ}-02'-33''$ West, along said Easterly right of way line, a distance of 78 feet, more or less, to the POINT OF BEGINNING.

certified
copy

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

NOTICE OF FUTURE ADVANCE

Please take notice that the undersigned Board of County Commissions of Palm Beach County, Florida, a political subdivision of the State of Florida, whose principal place of business is located at 301 North Olive Avenue (hereinafter referred to as the "Mortgagee"), has advanced Lantana Associates, Ltd., a Florida Limited Partnership, (hereinafter referred to as the "Mortgagor"), the additional sum of \$58,000.00 pursuant to that certain Mortgage dated June 22, 1995, and recorded in Official Records Book 8808, at Page 521, of the Public Records of Palm Beach County, Florida, (the "Mortgage"). The Mortgage contains a future advance provision pursuant to which the aforesaid sum has been advanced to the Mortgagor.

IN WITNESS WHEREOF, the Mortgagee has hereunto caused this Notice of Future Advance to be executed and to be effective as of the _____ of JUN 04 1996, 1996.

ATTEST:

DOROTHY H. WILKEN, CLERK

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

BY: [Signature] Deputy Clerk

[Signature] Chair

R96 694 D

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY

BY: [Signature]
County Attorney

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(5/20/96)