

II. FISCAL IMPACT ANALYSIS

A. **Five Year Summary of Fiscal Impact:**

Fiscal Years	2017	2018	2019	2020	2021
Capital Expenditures					
Grant Expenditures	\$550,000				
External Revenues	(\$550,000)				
Program Income	(\$1,278,159)				
In-Kind Match (County)	-0-				
NET FISCAL IMPACT	(\$1,278,159)				

# ADDITIONAL FTE POSITIONS (Cumulative)					
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Is Item Included In Current Budget? Yes _____ No _____


Fund 1544 Dept 143 Unit 2108/PET1 Object 8201 Program Code/Period NA
Fund 1544 Dept 143 Unit 2109/D001 Object 8201 Program Code/Period NA

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

The Subgrant Agreement with City of South Bay is funded by the EPA Brownfields Revolving Loan Funds grant.

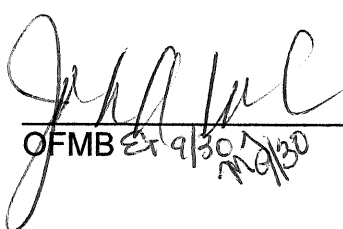
The Loan Agreement with WPBCRA is funded by the EPA Brownfields Revolving Loan Funds grant.

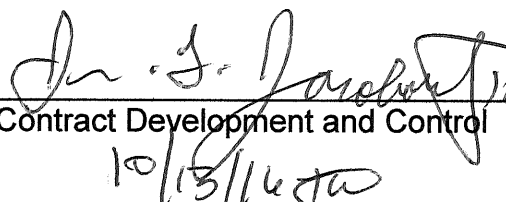
Proceeds from the sale of the Covenant Villas property to HTG will be deposited in the General Fund (\$1,013,918), the Affordable Housing Trust Fund (\$10,493) and the Home Investment Partnership Fund (\$253,748).

C. **Departmental Fiscal Review:** 
Shairette Major, Fiscal Manager II
9/30/16

III. REVIEW COMMENTS

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

 10/3/16
OFMB 9/30/16

 10/13/16
Contract Development and Control

B. **Legal Sufficiency:**

 10/14/16
Assistant County Attorney

C. **Other Department Review:**

Department Director

Background and Justification: (Continued from Page 1)

C) On October 28, 2013, the County entered into a Loan Agreement (R2013-1808) with NOAH. The Loan Agreement provided \$500,000 in HOME Investment Partnership (HOME) funds for the rehabilitation of at least 25 existing affordable housing units in the Covenant Villas apartment complex in the City of Belle Glade. The loan was secured by a mortgage recorded against the Covenant Villas property. To date, the County reimbursed NOAH \$237,445.92 for project costs. On September 22, 2016, a closing occurred for the sale of the property by NOAH to HTG Covenant Villas, LLC at which time the debt on the property was restructured resulting in the payment of \$253,748.05 (\$237,445.92 plus \$16,302.13 in interest) to the County and the issuance of a satisfaction of mortgage. Since these HOME funds will no longer be used for this project, the Department of Economic Sustainability (DES) issued a termination of the Loan Agreement which is submitted with this agenda item to be received and filed. HTG Covenant Villas, LLC will undertake the rehabilitation of the property with non-County funds. The \$500,000 in HOME funds will be reallocated to other eligible HOME uses as approved by the BCC.

D) On June 2, 2015, the County entered into a Subgrant Agreement (R2015-0745) with the City of South Bay to provide \$200,000 under the Brownfields Revolving Loan Fund (BRLF) Program for environmental cleanup assistance for the City-owned Brownfield redevelopment site located at 480 U.S. Highway 27 North in South Bay. The City intends to sell this property to a developer who has expressed interest in developing a restaurant at the site contingent on site cleanup. The new project will create six (6) new jobs, represent a capital investment of approximately \$150,000. Amendment No. 1 to the Subgrant Agreement, dated July 30, 2015, modifies the nondiscrimination provision, provides for a new Site Manager, provides for the County's hiring, oversight and payment of a contractor, and provides insurance requirements for the contractor. Amendment 001/Reinstatement dated August 10, 2016, reinstates the expired Subgrant Agreement, extends the expiration date to December 1, 2016, and replaces the Site Manager.

E) On December 14, 2015, the County entered into an Agreement (R2016-0436) with WPBCRA under the BRLF Program to provide \$350,000 for environmental cleanup of a Brownfield redevelopment site owned by WPBCRA and located at 2401 Broadway in West Palm Beach (in the Northwood/Pleasant City Community Redevelopment Area). The cleanup funds were received from the U.S. Environmental Protection Agency under its Revolving Loan Fund Program and delivered through the BRLF Program. Amendment No. 001, dated September 28, 2016, extended the deadline to expend funds from December 13, 2016, to December 13, 2019.

F) On October 28, 2013, the County entered into an Agreement (R2013-1809) with Riviera Beach Community Development Corporation, Inc. (RBCDC) to provide \$897,082 in HOME funds for the construction of seven (7) affordable single-family homes. Amendment No. 001 (R2014-1046) dated May 19, 2014, provided an additional \$117,360.70 in HOME funds for the construction of one (1) additional home and amended the boundaries of the area within which these homes may be constructed. Amendment No. 002 (R2014-1923) dated November 5, 2014, expanded the types of expenditures for which RBCDC may receive reimbursement as allowed under the HOME Program. Amendment No. 003 (R2015-0624) dated April 2, 2015, increased the maximum per unit subsidy for the first two (2) homes to be constructed by the RBCDC and established the method for computing the per unit maximum subsidy amount for the remaining six (6) homes to be constructed. Amendment No. 004 (R2015-1710) dated September 9, 2015, reduced the number of homes to be funded through the Agreement from eight (8) to five (5). Amendment No. 005, dated September 9, 2016, extended the deadline to expend funds from September 30, 2016, to November 30, 2016.

LOAN AGREEMENT

AUG 11 2016

THIS LOAN AGREEMENT ("Agreement"), dated as of this ____ day of _____, 2016, by and between **PALM BEACH COUNTY**, a political subdivision of the State of Florida, (hereinafter referred to as the "County" and the "Lender") and **HTG COVENANT VILLAS, LLC**, a Florida limited liability company, whose Federal I.D. number is 47-3361909, (the "Buyer").

1. RECITALS.

(a) Buyer has entered into an Agreement for Purchase and Sale dated January 9, 2015, with amendments (the "Purchase Agreement") with NOAH Development Corporation, a Florida not-for-profit corporation ("NOAH") for the purchase of an approximately 8.23 acre tract of improved real property known as Covenant Villas 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"). Buyer is a Florida limited liability company whose members include HTG Affordable, LLC ("HTG") and Spectra Covenant Villas, LLC, ("Spectra") a Florida limited liability company and an affiliate of the Palm Beach County Housing Authority ("Housing Authority"), Rieger Holdings, LLC ("Rieger Holdings") a Florida limited liability company, and Raymond James Housing Opportunities Fund 38 L.L.C., a Florida limited liability company ("Investor Member").

(b) NOAH previously entered into loan and grant agreements that resulted in mortgage liens and other liens being placed upon the Premises to secure financing awarded to NOAH, which financing liens are listed on Exhibit "B" attached hereto (the "Existing Loan/Grant Liens").

(c) Buyer requested that County consent to Buyer's acquisition of the Premises from NOAH subject to County's mortgage and grant liens, which mortgages Buyer will assume in modified form and which County will subordinate initially to a lien for a construction loan in the approximate amount of \$13,500,000, which lien will be replaced by a first mortgage lien in the amount of \$1,900,000 ("First Mortgage") from Buyer's primary lender (the "Primary Lender").

(d) The Primary Lender's construction loan lien and replacement first mortgage lien will secure the funding loaned to Buyer to acquire the Premises and perform major rehabilitation of the 144- unit affordable housing residential apartment project and related facilities known as Covenant Villas (the "Project").

(e) The County's Board of County Commissioners (the "Board"), at the January 13, 2015 Board meeting (Agenda Item #5E1), conceptually approved the sale of the Premises to Buyer, Buyer's assumption of and restructuring of certain of NOAH's loans from County, and the subordination of those County mortgage liens to a new first mortgage lien to be held by the Primary Lender in exchange for County's receipt of \$1,000,000. The Board's conceptual approval also required repayment of all funds expended pursuant to NOAH's 2013 HOME Loan Agreement with County (R2013-1808) ("NOAH's HOME Loan") followed by termination of NOAH's Home Loan Agreement and \$500,000 Mortgage, as identified below.

(f) County's approval of the sale of the Premises to Buyer, including Buyer's assumption of NOAH's debt to County, is expressly contingent upon County's receipt of \$1,000,000 in conjunction with the sale transaction between NOAH and Buyer, and other terms as detailed herein, which \$1,000,000 shall then be applied towards reduction of the principal owed under NOAH's 2013 Restated Mortgage as identified below.

(g) Upon County's receipt of \$1,000,000 in conjunction with the sale transaction, repayment of the outstanding balance of NOAH's HOME Loan, and satisfaction of the other conditions precedent to closing set forth herein, County will approve the concurrent release of NOAH from its mortgage debt to County, Buyer's assumption of NOAH's County debt as modified pursuant to the terms of this Agreement, and conveyance of the Premises to Buyer.

(h) Buyer 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 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, Buyer and the County agree as follows:

2. INCORPORATION OF RECITALS. The above recitals are true and correct and are incorporated herein and made a part hereof.

3. LOAN DOCUMENTS. The term "Loan Documents" shall include this Agreement, the Assumed Lien Documents identified below, and the First Global Assignment, Assumption, Modification and Amendment of Mortgage Agreements and Replacement Promissory Note identified in Section 6 below. The Assumed Lien Documents, individually and collectively, are:

a) **Amended and Restated Mortgage Agreement between NOAH and County**

Dated May 31, 2013 and recorded in ORB 26065 pg 1662*
Original Principal Amount: \$2,539,969.85
("2013 Restated Mortgage")

b) **Mortgage and Security Agreement between NOAH and County**

Dated March 3, 2005 and recorded in ORB 18233 pg 1080
Original Principal Amount: \$348,000
("2005 SHIP Mortgage")

c) **Mortgage and Security Agreement between NOAH and County**

Dated February 16, 2006 and recorded in ORB 19945 pg 0001
Original Principal Amount: \$110,000

("2006 SHIP Mortgage")

d) **Declaration of Restrictions, as Amended**

Dated May 27, 2010 and recorded in ORB 23880 pg 951

Amended July 14, 2015 and recorded in ORB 27768 pg 0547

Amended Amount of Grant: \$591,887.90

("DRI Grant Declaration")

**All references in this Agreement to recorded documents shall refer to documents recorded in the Public Records of Palm Beach County, Florida.*

In the event there are any conflicts between the loan terms in this Agreement and the loan terms contained in any of the Assumed Lien Documents, this Agreement shall supersede and shall be controlling.

4. MODIFICATION OF ASSUMED LIEN DOCUMENTS. The loan terms in the 2013 Restated Mortgage, the 2005 SHIP mortgage, and the 2006 SHIP Mortgage shall be modified where necessary to provide in each loan and mortgage for (i) extension of the term of the loan referenced therein to a thirty (30) year term from the date of recordation of the Assumed Mortgage; (ii) reduction of the interest rate to a 1% interest rate; (iii) repayment of the loan from cash flow with a balloon payment of principal and any unpaid interest due at maturity; (iv) reference to this Agreement instead of the applicable loan agreement referenced in each of the mortgages; and (v) reduction of any 30 year affordability periods in the SHIP mortgages to 15 years from the commencement date noted in each SHIP mortgage. By execution of the First Global Assignment, Assumption, Modification and Amendment of Mortgage Agreements, County shall waive the "due on sale" provisions of each mortgage.

The modification of the 2013 Restated Mortgage shall also reflect the reduction in principal owed upon County's receipt of NOAH's funds at the Closing. In addition to the required \$1,000,000 payment and required repayment of all outstanding funds under the NOAH's HOME Loan, any surplus funds received by County at the Closing shall also be applied to the reduction of the principal due under the 2013 Restated Mortgage.

The DRI Grant Declaration will not be modified by the First Global Assignment, Assumption, Modification and Amendment of Mortgage Agreements. Buyer shall execute a commitment to assume the obligations contained therein, which commitment is set forth in the form attached as Exhibit "G" hereto.

The Assumed Lien Documents are hereby modified to permit the following transfers without Lender consent: (i) a transfer of the Buyer's investor member interest, or (ii) the removal and replacement of Buyer's Developing Members, Non-Profit Member or Manager in accordance with Buyer's Operating Agreement as long as any replacement Developing Member or Manager is an affiliate of Raymond James Tax Credit Funds, Inc. The Buyer's Developing Members, Non-Profit Member and Manager are identified and defined in Buyer's Operating Agreement.

5. TERMINATION/SATISFACTION OF PRIOR LOANS. As a condition to

Closing, Buyer shall ensure that certain loans made to NOAH shall be terminated and released concurrent with or prior to Buyer's acquisition of the Premises from NOAH and will not be assumed by Buyer (the "Terminating Liens"). The Terminating Liens are:

a) **Bondholder Mortgage**

Dated August 1, 1987 and recorded in ORB 5406 pg 884.

This mortgage executed by NOAH to secure the payment of Bonds issued by the Housing Finance Authority of Palm Beach County, Florida ("Bondholder's Mortgage") was reduced and subordinated to the 2013 Restated Mortgage. The Bondholder's Mortgage, Financing Statements recorded in ORB 14114, pg 904, as modified and continued, together with that Subordination and Intercreditor Agreement recorded in ORB 26065 pg 1683 will be terminated.

b) **Mortgage and Security Agreement between NOAH and County**

Dated March 28, 2014 and recorded in ORB 26696 pg 849.

The outstanding balance of NOAH's HOME funded loan ("NOAH'S HOME Loan") shall be repaid and terminated prior to or concurrent with Closing, regardless of whether Buyer intends to enter into a new HOME loan agreement with County for \$500,000.

6. **THE LOAN.** The Loan shall consist of Buyer's assumption of NOAH's existing debt to County as evidenced by the Assumed Lien Documents and modified, assigned to and assumed by Buyer in the First Global Assignment, Assumption, Modification and Amendment of Mortgage Agreements. The Loan shall include the principal amount due under the 2013 Restated Mortgage, the 2005 SHIP Mortgage, and the 2006 SHIP Mortgage, plus accumulated interest for each calculated to the day of closing of the Loan, the total of which shall then be adjusted for payment received prior to or at Closing. No new funding shall be included in the Loan and to the best of County's knowledge, no portion of the Assumed Lien Documents were financed directly or indirectly by the proceeds of the tax-exempt bonds. The County shall consent to the Loan in an amount anticipated to be approximately \$2,189,000.00 (but subject to adjustment) upon the terms and conditions set forth herein, and at the rates and terms set forth in its Replacement Promissory Note (the "Note") and the First Global Assignment, Assumption, Modification and Amendment of Mortgage Agreements (the "Assumed Mortgage") attached hereto as Exhibit "C" and "D" respectively, and Buyer 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 Assumed Mortgage and any other documents evidencing and securing this Loan. The closing of the Loan including the execution of the Note and Assumed Mortgage ("Closing") shall occur at the offices of the County Attorney or such other mutually agreed upon site no later than September 30, 2016.

7. **RIGHT TO AUDIT.** The Buyer shall maintain adequate records to justify all charges, expenses and costs incurred for operation of the Project during the term of the Assumed 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 Buyer's place of business.

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

- (a) Buyer's acquisition of title to the Premises from NOAH.
- (b) County's receipt of a minimum of \$1,000,000 in conjunction with the sale transaction between Buyer and NOAH.
- (c) The Bondholder's Mortgage and all financing documents associated therewith shall be paid in full and terminated prior to or concurrent with the closing of this Loan. The respective satisfaction and any termination documents shall be recorded in the Public Records of Palm Beach County, Florida, promptly after closing.
- (d) The outstanding balance of NOAH's HOME Loan, calculated at time of repayment, shall be repaid in full and NOAH's HOME Loan terminated in its entirety prior to or concurrent with the closing of this Loan. County shall provide a recordable Satisfaction of Mortgage promptly after closing.
- (e) In addition to the Terminating Liens, all liens except the first mortgage lien of the Primary Lender shall be fully satisfied prior to or concurrent with the closing of the Loan, with all satisfactions or releases to be filed of record prior to or promptly after Closing.
- (f) Receipt of 116 HUD project based vouchers, for this Project, from the Housing Authority.
- (g) Closing of Buyer's first mortgage financing loan from Primary Lender.
- (h) County's receipt of executed Assumed Mortgage from Buyer.
- (i) County's receipt of executed Note from Buyer.
- (j) Payment of all current and past due property taxes.
- (k) Proof of compliance with insurance requirements.
- (l) Title Insurance:
 - (i) Within ten (10) days of the effective date hereof, Buyer 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 Assumed Mortgage, three (3) Lenders Title Insurance Policies equal in total to the amount of said Assumed Mortgage, subject only to the Permitted Exceptions listed on Exhibit "E" attached hereto and made a part hereof. Said commitment shall have attached to it copies of all exceptions referred to in the title commitment. The cost of said title commitment and policies

and any premium therefore shall be borne by Buyer.

(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 Buyer of its objections there to and Buyer shall act to remove such exceptions, which exception shall be deemed to constitute title defects. The Buyer 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 for the removal of any such objections from the commitment. If the defect shall not have been so cured or removed or arranged to be cured at or prior to closing, the County shall have the option of accepting title as it then exists or terminating this Agreement, by giving written notice thereof to Buyer, 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 Assumed Mortgage becomes recorded in the Public Records.

(m) Survey: Buyer shall deliver to the County a current certified survey of the Premises prepared by a surveyor acceptable to the County and showing locations and notations sufficient to allow deletion of the survey exception from the Lenders Title Insurance Policy to be issued to County in accordance with paragraph 8(l) above and any other requirements requested by the County. The County will accept the survey prepared for the Primary Lender provided that the survey is certified to Palm Beach County and is sufficient to allow the deletion of the survey exception from the Lenders Title Insurance Policy as set forth above.

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

(o) Bondholder's Mortgage: The Satisfaction of 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 promptly after closing.

(p) Assumed Mortgage: The Assumed Mortgage, which is comprised of three (3) separate mortgages assumed by Buyer 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 mortgage lien on the Premises and on all fixtures and personal property owned by Buyer to be used in connection with the Project.

(q) Mortgagor's Affidavit: An affidavit of Buyer shall be executed and delivered to

the County as required by the Title Insurer as noted in paragraph 8(l) above, certifying to all such facts as are required to delete the Standard Exceptions from each 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.

(r) Company Documents: Buyer shall deliver to the County the following documents:

(i) The Articles of Organization of the Buyer 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 limited liability company is in good standing therein;

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

(s) Flood Insurance: Buyer 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. Buyer 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 Assumed Mortgage. Satisfactory evidence of flood area designation shall be a certification from the Surveyor appearing on the survey drawing;

(t) Opinion of Buyer's Counsel: Buyer shall deliver to the County an opinion of counsel for Buyer 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 Buyer is a Florida limited liability company 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 there is no charter or operating agreement of Buyer and no provision of

any existing mortgage, indenture, contract or agreement known to such counsel binding on Buyer 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,

(iv) 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 Buyer, 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,

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

(vi) such other matters as the County may reasonably require.

(u) Expenses: Buyer shall have paid all those fees and charges due and payable or ordered paid by the County as provided herein under Paragraph 10 of this Loan Agreement entitled Expenses;

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

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

9. ASSUMPTION OF LOAN: Consent to assumption of Loan shall be made by the County upon receipt of documentation evidencing the payoff and subsequent termination of the Bondholder's Mortgage and NOAH's HOME Loan, satisfaction of any lien superior to the Assumed Mortgage other than the Primary Lender's mortgage, and satisfaction of all conditions precedent to closing, all to occur at or prior to closing.

10. EXPENSES: Buyer 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.

11. SPECIAL PROVISIONS: Buyer expressly agrees to the following terms and conditions:

(a) Buyer shall maintain no less than 51% of the total residential units within the Project as housing for low-income households for the Assumed Mortgage term of thirty (30) years in accordance with Buyer'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). Rental rates, adjusted by unit size, shall not exceed the applicable rates established annually by the Florida Housing Finance Corporation for the SHIP program in Palm Beach County. 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 Buyer 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, or genetic information in the use, or occupancy of any housing constructed on the Premises.

(c) Buyer shall complete within three (3) years after the date of the Loan the renovation of the Premises, in addition to performing all routine maintenance of the Premises. Buyer 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) Buyer shall submit a report no later than March 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.

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

(f) The Assumed Mortgage shall become immediately due and payable upon sale, transfer, or refinancing of the Project unless the County provides written approval of any such sale, transfer, or refinancing, which approval may be granted or denied at County's sole discretion and, if granted, may be conditional; provided however, that the County agrees that it will permit The Spectra Organization or the Palm Beach County Housing Authority (or any instrumentality of either) to assume the obligations under the Loan Documents if such entity acquires the Project at the end of the 15-year tax credit compliance period pursuant to that certain Right of First Refusal Agreement by and among Buyer, The Spectra Organization, Inc., the Palm Beach County Housing Authority, HTG Affordable, LLC, and Spectra Covenant Villas, LLC.

(g) The Assumed Mortgage shall be non-assumable without the consent of the County.

(h) Any original issue discount income resulting from the modification of the Assumed Mortgage shall be allocated to NOAH.

12. REPRESENTATIONS AND WARRANTIES OF BUYER. Buyer represents and warrants (which representations and warranties shall be deemed continuing) as follows:

(a) Organization Status. Buyer is a limited liability company 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. Buyer is duly authorized to assume from NOAH loans in the total principal sum of \$2,189,000 and execute all Loan documents pertaining thereto.

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

(c) Authority to Enter into Loan Documents. The Buyer 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 Buyer's knowledge are in all respects legal, valid and binding according to their terms;

(e) Conflicting Transactions of Buyer. The consummation of the transaction hereby contemplated and the performance of the obligations of Buyer 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 Buyer 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 Buyer, threaten against or affecting it or the Premises, or, involving the validity or enforceability of the Assumed Mortgage, or of any of the Loan Documents.

(g) No Default. There is no default on the part of the Buyer under this Loan Agreement, the Note or the Assumed 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 by Buyer; and

(h) Hazardous Waste. To Buyer's knowledge, Buyer 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 Buyer 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 Buyer. Buyer 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.

(i) The Buyer 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.

13. ADDITIONAL COVENANTS OF BUYER. Buyer covenants and agrees with the County as follows:

(a) Mechanics' Liens. Buyer (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 Assumed 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 Buyer 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. Buyer 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, Buyer agrees 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 Buyer 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 Buyer's Loan Account and shall bear interest as provided by the Loan Documents.

Buyer hereby authorizes the County to demand, on Buyer'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 Assumed 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 Assumed Mortgage, it being understood and agreed that part of the consideration for the Loan is the obligation of Buyer. 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. Buyer 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. Buyer 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 Buyer 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. Buyer 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 Buyer and, at the request of the County and at Buyer's expense, certified (in form satisfactory to the County) by an independent certified public accountant acceptable to the County, provided that Buyer shall not be required to furnish audited financial statements more often than once a year;

(ii) within one hundred fifty (150) days after the end of each fiscal year of Buyer, 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 Buyer at the close of each year and the results of operations of Buyer during each year;

(iii) with the statements submitted under (ii) above, a certificate signed by the principal financial officer of Buyer 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 Buyer 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 Buyer.

(g) Insurance Proceeds. The Buyer 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 windstorm, 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, provided however, the rights of County in and to any insurance policy shall be subject to and subordinate to the rights of the Primary Lender; 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 Buyer 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, provided however, the rights of County in and to any insurance policy shall be subject to and subordinate to the rights of the Primary Lender. Buyer shall require all contractors to have insurance in compliance with County standards as established by the County's Risk Management department.

(h) Indebtedness. With respect to the Premises encumbered by the Buyer of even date herewith, Buyer 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 pursuant to the Assumed Mortgage and the mortgage from the Primary Lender and member loans payable solely from cash flow and made in accordance with Buyer's Operating Agreement.

(i) Further Assurances and Preservation of Security. Buyer 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. Buyer shall not assign this Loan Agreement or any interest therein without written consent from the County, and any such assignment is void and of no effect.

14. INSPECTIONS. Buyer will permit County, or its representatives to enter upon the Premises for the purpose of inspecting repairs, renovations, and general upkeep, during normal daytime hours upon reasonable prior notice.

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

(a) Bankruptcy. If there is filed by or against Buyer a petition in bankruptcy or a petition for the appointment of a receiver or trustee of the property of Buyer and any such petition not filed by Buyer is not dismissed within sixty (60) days of the date of filing, or if Buyer 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 Buyer in this Loan Agreement or in any other Loan Document shall at any time be false or misleading in any material respect, or if Buyer shall fail to keep, observe or perform any of the terms, covenants, representations or warranties contained in this Loan Agreement, the Note, the Assumed 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 Buyer, who shall have thirty (30) days to cure), or is unwilling to meet its obligations thereunder; or

(c) Material Adverse Change of Buyer. If any material adverse change shall occur in the financial condition of Buyer 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. Buyer shall fail to complete the required repairs and renovations as set forth herein or keep the Premises in good repair.

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

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

(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 Assumed Mortgage, and commence appropriate legal and equitable action to foreclose the Assumed Mortgage and collect all such amounts due the County;

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

Notwithstanding anything to the contrary in this Agreement, the Investor Member shall have the right, but not the obligation, to cure any defaults of the Buyer hereunder, and the Lender agrees

to accept cures tendered by the Investor Member on behalf of the Buyer within the applicable cure periods.

17. SUBORDINATION TO PRIMARY LENDER. County hereby approves the First Mortgage provided that it does not exceed \$13,500,000 plus any protective advances made in accordance with applicable law, and further agrees to subordinate to such First Mortgage or any refinancing of the First Mortgage with an independent institutional lender. County's subordination to the First Mortgage shall be in a form reasonably acceptable to County. The County Administrator or her designee are hereby authorized to execute subordination agreements required herein in connection with a permitted refinancing of the First Mortgage without further approval of the Board of County Commissioners of Palm Beach County, Florida, provided such documents are in a form reasonably acceptable to the County Attorney. Nothing contained herein shall, however, relieve the Buyer from its obligation to make payments under the Replacement Promissory Note in accordance with its terms.

18. 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) Buyer is not the County's Agent. Nothing in this Agreement, the Note, the Assumed Mortgage or any other Loan Document shall be construed to make the Buyer the County's agent for any purpose whatsoever, or the Buyer 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 Buyer 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. Buyer shall indemnify and hold County harmless from any liability, claims or losses resulting from the disbursement of the Loan proceeds to Buyer 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 Buyer'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 Buyer or Buyer'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 Buyer'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 or 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, or, at the option and request of the Buyer, such excess shall be promptly refunded to Buyer.

(k) Governing Law. The laws of the State of Florida shall govern the interpretation and enforcement of this Agreement and any legal action necessary to enforce this Agreement shall be held in a court of competent jurisdiction located 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 Buyer to the County and the County to Buyer 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

Attn: James Brako, Esq.

TO BUYER:

HTG Covenant Villas, LLC
3225 Aviation Avenue
Suite 602
Coconut Grove, FL 33133

Attn: Matthew Rieger, Manager

TO INVESTOR MEMBER:

Raymond James Housing Opportunities Fund 38
L.L.C.
c/o Raymond James Tax Credit Funds, Inc.
880 Carillon Parkway
St. Petersburg, FL 33716
Facsimile No.: 727-567-8455

Attention: Steven J. Kropf, President

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 Buyer.

(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. BUYER 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 BUYER 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.

19. 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 Parties shall be responsible for paying their own 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.

20. NON-DISCRIMINATION. The Buyer acknowledges that it is the express policy of the Board of County Commissioners of Palm Beach County, Florida that the County shall not conduct business with nor appropriate any funds to any organization that practices discrimination on the basis of race, color, ancestry, disability, national origin, religion, age, familial status, marital status, sex, gender, sexual orientation, gender identity and expression, or genetic information. In compliance with the County's requirements as contained in Resolution R-2014-1421, the Buyer has either submitted a copy of its written non-discrimination policy which is consistent with the policy detailed above, or has submitted an executed statement affirming that its non-discrimination policy is in conformance with the policy detailed above.

In furtherance of such policy, the Buyer shall not, on the basis of race, color, ancestry, disability, national origin, religion, age, familial status, marital status, sex, gender, sexual orientation, gender identity and expression, or genetic information, exclude any person from the benefits of, or subject any person to discrimination under, any activity carried out by the performance of this Agreement. Upon receipt of evidence of such discrimination, the County shall have the right to terminate this Agreement.

21. 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 Buyer.

22. 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 Buyer, 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.

23. INCORPORATION BY REFERENCE. Exhibits attached hereto and referenced herein shall be deemed to be incorporated into this Agreement by reference.

24. NONRECOURSE. ANYTHING CONTAINED HEREIN TO THE CONTRARY NOTWITHSTANDING, IN THE EVENT OF ANY DEFAULT BY THE BUYER 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 BUYER, OR ANY MEMBER OR MANAGER OF THE BUYER, 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.

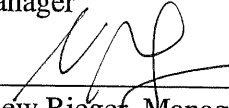
25. EFFECTIVE DATE OF AGREEMENT. This Agreement is expressly contingent upon the approval of the Palm Beach County Board of County Commissioners, and shall become effective only when signed by Buyer and approved and signed by the County Administrator, or her designee, on behalf of the Palm Beach County Board of County Commissioners. The Effective Date shall be the date on which this Loan Agreement is executed by the County Administrator, or her designee, on behalf of the Board of County Commissioners.

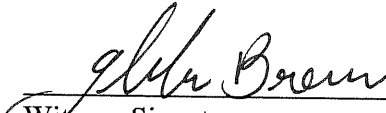

IN WITNESS WHEREOF, Buyer and the County have caused this Agreement to be executed on the date first above written.

Signed, sealed and delivered
in the presence of:

HTG COVENANT VILLAS, LLC,
a Florida limited liability company

By: HTG Covenant Villas Manager, LLC,
a Florida limited liability company,
its Manager

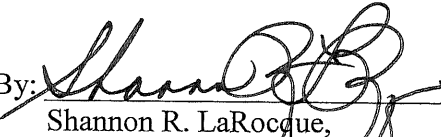
By: 
Matthew Rieger, Manager


Witness Signature
Glenda Brown
Print Witness Name

Witness Signature
Charice Heywood
Print Witness Name

(signatures continue on next page)

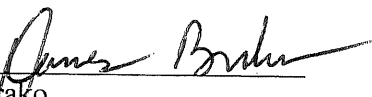
PALM BEACH COUNTY, a political
subdivision of the State of Florida

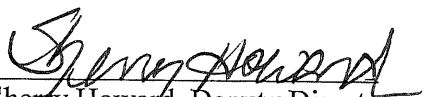
FOR ITS BOARD OF COUNTY
COMMISSIONERS

By: 
Shannon R. LaRocque,
Assistant County Administrator

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY

APPROVED AS TO TERMS
AND CONDITIONS

By: 
James Brako
Assistant County Attorney

By: 
Sherry Howard, Deputy Director
Department of Economic Sustainability

Z:\Covenant Villas - HTG\Loan Agreement,exhibits - HTG Covenant Villas\Loan Agreement\Loan Agreement.014.clean.final.docx

EXHIBIT "A"
Premises

A portion of Section 31, Township 43 South, Range 37 East of Palm Beach County, Florida, being more particularly described as follows:

Beginning at the southeast corner of Lot 16, ROYAL PALM SUBDIVISION, in Plat Book 16, page 41, as recorded in the public records of Palm Beach County, Florida, said point also being a point on the west right of way line of NW 6th Street; thence proceed South 00° 02' 40" East, along the west right of way line and the basis of bearing for this description, a distance of 550.00 feet to the northeast corner of Lot 73, ROYAL PALM SUBDIVISION, in Plat Book 16, page 41 as recorded in the public records of Palm Beach County, Florida; thence proceed North 89° 50' 00" West, along the north line of Lots 73, 70, 67 and 64 of said ROYAL PALM SUBDIVISION, a distance of 610.15 feet to the northwest corner of Lot 64 of aforementioned ROYAL PALM SUBDIVISION plat, said point also being on the east right of way line of Eighth Street; thence proceed North 00° 00' 00" West, along said east right of way line, a distance of 600.00 feet to the intersection of said east right of way line and the south right of way line of Royal Palm Avenue; thence proceed South 89° 50' 00" East, along said south right of way line, a distance of 470.61 feet to a point on said south right of way line, said point also being the northwest corner of aforementioned Lot 16; thence proceed South 00° 02' 40" West, along the west line of said Lot 16, a distance of 50.00 feet to the southwest corner of said Lot 16; thence proceed South 89° 50' 01" East, along the south line of Lot 16, a distance of 140.00 feet to the Point of Beginning.

Exhibit "A" to
Loan Agreement

EXHIBIT "B"
Existing Loan/Grant Liens

SECTION I
Assumed Lien Documents
NOAH's existing loans/grants to be assigned, assumed, and modified by Buyer

- | | | | | | |
|---|---|--|---|--|--|
| 1. | Amended and Restated Mortgage from PBC | May 31, 2013 (ORB 26065 pg 1662) | | | |
| | <table border="0" style="width: 100%;"><tr><td style="width: 33%;"><u>Original Principal</u>
\$2,539,969.85</td><td style="width: 33%;"><u>Original Interest Rate</u>
1% interest</td><td style="width: 33%;"><u>Original Terms</u>
1st payment due May 1, 2016
Monthly interest payments
Matures April 30, 2038</td></tr></table> | <u>Original Principal</u>
\$2,539,969.85 | <u>Original Interest Rate</u>
1% interest | <u>Original Terms</u>
1 st payment due May 1, 2016
Monthly interest payments
Matures April 30, 2038 | |
| <u>Original Principal</u>
\$2,539,969.85 | <u>Original Interest Rate</u>
1% interest | <u>Original Terms</u>
1 st payment due May 1, 2016
Monthly interest payments
Matures April 30, 2038 | | | |
| 2. | Mortgage from PBC | March 3, 2005 (ORB 18233 pg 1080) | | | |
| | <table border="0" style="width: 100%;"><tr><td style="width: 33%;"><u>Original Principal</u>
\$348,000</td><td style="width: 33%;"><u>Original Interest Rate</u>
3% interest</td><td style="width: 33%;"><u>Original Terms</u>
1st payment due April 30, 2005
Cash flow interest payments
Matures April 30, 2034</td></tr></table> | <u>Original Principal</u>
\$348,000 | <u>Original Interest Rate</u>
3% interest | <u>Original Terms</u>
1 st payment due April 30, 2005
Cash flow interest payments
Matures April 30, 2034 | |
| <u>Original Principal</u>
\$348,000 | <u>Original Interest Rate</u>
3% interest | <u>Original Terms</u>
1 st payment due April 30, 2005
Cash flow interest payments
Matures April 30, 2034 | | | |
| 3. | Mortgage from PBC | February 16, 2006 (ORB 19945 pg 0001) | | | |
| | <table border="0" style="width: 100%;"><tr><td style="width: 33%;"><u>Original Principal</u>
\$110,000</td><td style="width: 33%;"><u>Original Interest Rate</u>
1% interest</td><td style="width: 33%;"><u>Original Terms</u>
1st payment due April 30, 2008
Cash flow interest payments
Matures April 30, 2021</td></tr></table> | <u>Original Principal</u>
\$110,000 | <u>Original Interest Rate</u>
1% interest | <u>Original Terms</u>
1 st payment due April 30, 2008
Cash flow interest payments
Matures April 30, 2021 | |
| <u>Original Principal</u>
\$110,000 | <u>Original Interest Rate</u>
1% interest | <u>Original Terms</u>
1 st payment due April 30, 2008
Cash flow interest payments
Matures April 30, 2021 | | | |
| 4. | Declaration of Restrictions
as Amended | May 27, 2010 (ORB 23880 pg 951)
July 14, 2015 (ORB 27768 pg 547) | | | |
| | <table border="0" style="width: 100%;"><tr><td style="width: 60%;"><u>Grant Amount (reduced)</u>
\$591,887.90</td><td style="width: 40%;"><u>Terms</u>
No repayment due provided
affordability requirements are met</td></tr></table> | <u>Grant Amount (reduced)</u>
\$591,887.90 | <u>Terms</u>
No repayment due provided
affordability requirements are met | | |
| <u>Grant Amount (reduced)</u>
\$591,887.90 | <u>Terms</u>
No repayment due provided
affordability requirements are met | | | | |

Terminating Liens

NOAH's existing loans to be satisfied or terminated prior to Closing

- | | | |
|----|--|--|
| 1. | Mortgage (HOME) from PBC | March 28, 2014 (ORB 26696 pg 849) |
| | <u>Original Principal</u>
\$500,000 | <u>Original Principal</u>
4% interest |
| | | <u>Original Terms</u>
1 st payment due October 1, 2018
Annual interest payments – not cash flow
Matures September 30, 2048
Annual Rental Compliance Fee – 50 basis points based on unpaid balance |
| 2. | Bondholder Mortgage | August 1, 1987 (ORB 5406 pg 884) |
| | \$300,000 + | |

EXHIBIT "B"

REPLACEMENT PROMISSORY NOTE

\$2,189,000

West Palm Beach, Florida
_____, 2016

FOR VALUE RECEIVED the undersigned **HTG COVENANT VILLAS, LLC**, a Florida Limited Liability Company ("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 ONE HUNDRED EIGHTY-NINE THOUSAND DOLLARS (\$2,189,000)** (the "Loan"), plus accrued interest, to be paid in lawful money of the United States of America, as follows:

- 1) The entire Loan is non-amortizing and this Note shall bear interest at the stated rate of **one percent (1%) per annum** (compounded annually) computed only on the outstanding principal balance from time to time remaining unpaid from the date of each disbursement. The outstanding principal balance shall be due in full on the Maturity Date (as defined below).
- 2) Repayment hereunder shall occur as follows:
 - (a) From the date hereof until December 31, 2017, no payments will be required and interest will accrue and be payable at the Maturity Date, as defined below. Interest that accrues prior to January 1, 2018, and after December 31, 2047, shall be payable at the Maturity Date. Interest that accrues for the period commencing January 1, 2018, and continuing through December 31, 2047, shall be payable as set forth herein.
 - (b) From and after December 31, 2017, annual payments of interest shall be made out of available Net Cash Flow (as defined below) of the Project (as defined below) which shall be determined annually on a calendar year basis, commencing with the year 2018, and certified by an independent Certified Public Accountant reasonably acceptable to the County, prior to the annual payment due date. The first annual interest payment due date hereunder shall be on May 31, 2019, with respect to all interest payments due under Subparagraph (4) below for the preceding calendar year. Subsequent annual interest payments shall be due on the 31st day of May for each preceding calendar year

thereafter through **May 31, 2048, (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. Nothing herein or elsewhere in this Note shall require Maker to make payments to Holder that exceed thirty percent (30%) of the available Net Cash Flow in any calendar year, but any interest owed under the terms of this Note and not paid shall be deferred interest and shall continue to be due and payable pursuant to the terms of this Note.

- 3) Maker agrees to provide annually to Holder a certification of Project income and expenses, and certified by an independent Certified Public Accountant acceptable to the County in its reasonable discretion, which shall be used by Holder to determine cash flow and the payments due hereunder. Said certification shall be provided prior to each annual due date commencing for the calendar year 2018.
- 4) Commencing May 31, 2019, payments from Net Cash Flow as determined by Holder shall be applied to pay the following items in order of priority:
 - (a) An annual interest payment on the principal balance hereof equal to one percent (1%) per annum; and
 - (b) Any such interest hereunder deferred from previous years, but not the accrued interest payable at the Maturity Date as provided in Subparagraph 2(a) above.

Net Cash Flow means the Project cash flow from rental income and other income generated by the Project, less (i) all sums due or currently required to be paid under the documents executed in connection with the senior loans, including, without limitation, debt service payment on senior loans, (ii) debt service on subordinate loans that are payable from other than cash flow, and (iii) Project Expenses (as defined below). The following items shall be excluded from Project cash flow in determining Net Cash Flow, and shall not be considered as available for payment of the Holder's Loan: (i) refinancing and insurance proceeds, (ii) tax credit equity capital contributions, (iii) proceeds from the senior and the Holder's loans, and (iv) any other funding sources used to fund construction or rehabilitation of the Project. Project Expenses means any usual, reasonable and customary operating, development and financial costs within acceptable industry standards that are associated with the project, including, without limitation, any compliance monitoring fee, any financial monitoring fee, any Developer Fee, as defined below, any deferred construction contractor fees and expenses, any replacement reserves,

completion/repair reserves, or other reserves or escrows required by any senior lienholder, any servicing fees and any debt service reserves required by any senior lienholder, guaranty fees which are payable while any guarantees are in place. The term Project Expenses shall also include any investor asset management fee, any amount owed to the investor under the operating agreement to replenish the operating reserves, the payment of any deferred Developer's Fee, the management company's fee for providing professional customary management services for the project on a day to day basis, including marketing, maintenance, leasing, compliance duties, management of budget, daily operations, and administrative expenses such as office supplies, postage/express mail, office equipment lease and repair (fax, copier, computers), telephone, internet, license, fees and permits, legal expenses, accounting and audit expenses, resident services, miscellaneous expenses such as travel and meals.

Developer Fee means the overhead and fee paid to HTG Covenant Villas Developer, LLC, a Florida Limited Liability Company (the "Developer"), with respect to the Project, which shall not exceed eighteen percent (18%) of Project Costs. Project Costs for purpose of determining Developer Fee per this Promissory Note are herein defined as all costs incurred in the acquisition, financing, construction and completion of the Project, as reflected in the cost certification completed by the Project accountant, and shall include all items in the following sentence, and exclusive of Developer Fee and land cost. Project Costs shall include but not be limited to: (a) the cost of acquiring real property and any buildings thereon, excluding the purchase price of the real property, including payment for options, deposits, or contracts to purchase properties, (b) the cost of site preparation, demolition, and development, (c) any expenses relating to the issuance of tax-exempt bonds or taxable bonds, if any, related to the Project, (d) fees in connection with the planning, execution, and financing of the Project, such as those of architects, engineers, attorneys, accountants, lenders, (e) the cost of studies, surveys, plans, permits, insurance, interest, financing, tax and assessment costs, and other operating and carrying costs during construction, rehabilitation, or reconstruction of the Project, (f) the cost of the construction, rehabilitation, and equipping of the Project, (g) the cost of land improvements, such as landscaping and offsite improvements related to the Project, whether such costs are paid in cash, property, or services, (h) expenses in connection with initial occupancy of the Project, (i) allowances for contingency reserves and reserves for any anticipated operating deficits during the first two (2) years after completion of the Project, (j) the cost of such other items, including relocation costs, indemnity and surety bonds, premiums on insurance, and fees and expenses of trustees, depositories, and paying

agents for the tax-exempt bonds, for the construction or rehabilitation (as applicable) of the Project.

- 5) Any required payments of current or deferred interest due annually hereunder shall be deferred until the next annual due date to the extent that Net Cash Flow is insufficient to make said payments pursuant to the payment priority schedule in Subparagraph (4) above and as determined by Maker.
- 6) 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.
- 7) At acceleration, this Note shall bear interest at the Default Interest Rate which shall be the maximum interest rate allowed by applicable law, until paid in full.
- 8) All terms hereunder shall be construed and defined as provided in Florida law.

This Note is executed pursuant to the terms and conditions of that certain Loan Agreement dated _____, 2016, between Maker, as Buyer, and Holder, as County, is secured by a First Global Assignment, Assumption, Modification and Amendment of Mortgage Agreements (the "Mortgage"), of even date herewith, encumbering certain real property located in Palm Beach County, Florida (the "Premises"). The foregoing and all other agreements, instruments and documents delivered in connection therewith and herewith are collectively referred to as the "Loan Documents". Project is the one hundred forty-four (144) unit apartment project, known as **Covenant Villas**, which is more fully described in the Loan Documents.

The indebtedness evidenced by this Note is and shall be subordinate in right of payment to the prior payment in full of all amounts then due and payable (including, but not limited to, all amounts due and payable by virtue of any default or acceleration or upon maturity) with respect to the indebtedness evidenced by the Promissory Note which is secured by the Mortgage and Security Agreement by the Buyer in favor of TD Bank, N.A., in the original maximum principal amount of \$13,500,000 executed by Buyer and payable to TD Bank, N.A. ("Senior Lender") to the extent and in the manner provided in that certain Subordination and Standstill Agreement (the "Subordination Agreement"), to be entered into between TD Bank, N.A. and the Holder of this Note. The Senior Lender's loan may be replaced with a new permanent loan, as set forth in the Mortgage. The rights and remedies of the Holder and each subsequent holder of this Note shall be deemed, by virtue of such subsequent holder's acquisition of this

Note, to have agreed to perform and observe all of the terms, covenants and conditions to be performed or observed by the Holder a/k/a "Junior Lender" under the Subordination Agreement.

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 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. Notwithstanding the foregoing, Holder shall not exercise any remedies hereunder prior to the expiration of any notice and cure period in the Loan Agreement.

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 within fifteen (15) days following the date said payment is due pursuant to the Note. 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 not be deemed to be a waiver or release of the same, such waiver or release to be effected only through a written document executed by Holder and then only to the extent specifically recited therein. A waiver or release with reference to any one event shall not be construed as continuing or as constituting a course of dealing, nor shall it be construed as a bar to, or as a waiver or release of, any subsequent remedy as to a subsequent event.

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

ANYTHING CONTAINED HEREIN TO THE CONTRARY NOTWITHSTANDING, IN THE EVENT OF ANY DEFAULT BY THE MAKER 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 MAKER, OR ANY MEMBER OR MANAGER OF THE MAKER, 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.

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 neutral 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, notice of dishonor, protest, 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, SUBJECT TO APPLICABLE NOTICE AND CURE PROVISIONS, BY THE MAKER 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 MAKER 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.

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.

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

HTG COVENANT VILLAS, LLC,
a Florida Limited Liability Company

By: HTG Covenant Villas Manager, LLC,
a Florida limited liability company,
its Manager

By: _____
Name: Matthew Rieger
Title: Manager

EXHIBIT "D"
to the Loan Agreement

THIS INSTRUMENT PREPARED
BY AND RETURN TO:
James Brako, Esq.
Palm Beach County Attorney's Office
P.O. Box 1989
West Palm Beach, FL 33402

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

ABOVE SPACE RESERVED FOR
RECORDING PURPOSES ONLY

**FIRST GLOBAL ASSIGNMENT, ASSUMPTION,
MODIFICATION AND AMENDMENT OF
MORTGAGE AGREEMENTS
and Other Loan and Grant Documents**

**THIS FIRST GLOBAL ASSIGNMENT, ASSUMPTION, MODIFICATION AND
AMENDMENT OF MORTGAGE AGREEMENTS and Other Loan and Grant
Documents**, including, among others,

- (i) Amended and Restated Mortgage Agreement dated May 31, 2013, and recorded June 4, 2013, in Official Records Book 26065, Page 1662, of the Public Records of Palm Beach County, Florida (the "2013 Restated Mortgage").
- (ii) Mortgage and Security Agreement dated March 3, 2005, and recorded March 9, 2005, in Official Records Book 18233, Page 1080, of the Public Records of Palm Beach County, Florida (the "2005 SHIP Mortgage").
- (iii) Mortgage and Security Agreement dated February 16, 2006 and recorded February 17, 2006, in Official Records Book 19945, Page 0001, of the Public Records of Palm Beach County, Florida (the "2006 SHIP Mortgage").
- (iv) Declaration of Restrictions dated May 27, 2010 and recorded June 3, 2010, in Official Records Book 23880, Page 951, together with the First Amendment dated July 14, 2015, and recorded August 28, 2015, in Official Records Book 27768 Page 547, all of the Public Records of Palm Beach County, Florida ("DRI Grant Declaration").

(this "First Global Amendment"), effective as of _____, 2016, is entered into by and among **HTG COVENANT VILLAS, LLC**, a Florida limited liability company ("Buyer" or "Mortgagor") and **PALM BEACH COUNTY**, a political subdivision of the State of Florida (the "County" or "Mortgagee").

**NOTICE TO RECORDER: NO NEW FUNDS ARE BEING LOANED AS A RESULT OF THE
TRANSACTIONS EVIDENCED BY THIS DOCUMENT. ALL TAXES WERE PAID UPON THE
RECORDING OF THE MORTGAGES DESCRIBED HEREIN AND NO TAXES ARE DUE
UPON THE RECORDING OF THIS INSTRUMENT.**

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to the Loan Agreement

RECITALS

A. Commencing in 1987, the County provided NOAH Development Corporation, a Florida not-for-profit corporation ("NOAH") with the funding described herein for the acquisition of the real property described in Exhibit "A" attached hereto (the "Land"), construction thereon of a multifamily rental housing development known as Covenant Villas, and eventual rehabilitation and repair of hurricane damage to the improvements on the Land. The Land, the improvements, the fixtures and personal property and other amenities now or hereafter located on the Land are referred to collectively hereafter as the "Property" or "Development." The Development is located in the City of Belle Glade in Palm Beach County, Florida.

B. On or about May 31, 2013, the County extended the term of a loan provided to NOAH in 1987 and provided additional funding, resulting in an increase of NOAH's debt to the principal amount of TWO MILLION FIVE HUNDRED THIRTY-NINE THOUSAND NINE HUNDRED SIXTY-NINE AND 85/100 DOLLARS (\$2,539,969.85), as evidenced by that certain Renewal Promissory Note dated May 31, 2013, and which increased amount is secured by the 2013 Restated Mortgage. The 2013 Restated Mortgage retained the lien priority of the mortgage that secured the 1987 mortgage. The terms of the loan secured by the 2013 Restated Mortgage were provided for in the Loan Agreement between County and NOAH dated March 26, 2013.

C. On or about March 3, 2005, the County provided a loan to NOAH in the principal amount of THREE HUNDRED FORTY-EIGHT THOUSAND AND NO/100 DOLLARS (\$348,000), as evidenced by that certain Promissory Note dated March 3, 2005, and secured by the 2005 SHIP Mortgage. The loan secured by the 2005 SHIP Mortgage was provided for in the Loan Agreement between County and NOAH dated June 22, 2004.

D. On or about February 16, 2006, the County provided a loan to NOAH in the principal amount of ONE HUNDRED TEN THOUSAND AND NO/100 DOLLARS (\$110,000), as evidenced by that certain Promissory Note dated February 16, 2006, and secured by the 2006 SHIP Mortgage. The loan secured by the 2006 SHIP Mortgage was provided for in the Loan Agreement between County and NOAH dated September 27, 2005.

E. The loan agreements between County and NOAH entered into March 26, 2013, June 22, 2004, and September 27, 2005, are collectively referred to herein as the "Previous Loan Agreements".

F. On or about May 27, 2010, the County provided grant funds to NOAH in the amount of \$1,033,488, which amount was subsequently reduced on July 14, 2015, to FIVE HUNDRED NINETY-ONE THOUSAND EIGHT HUNDRED EIGHTY-SEVEN AND 90/100 DOLLARS (\$591,887.90), as secured by the restrictive covenants set forth in the DRI Grant Declaration. The grant funds secured by the DRI Grant Declaration were provided to NOAH pursuant to three grant agreements NOAH entered into with County on April 1, 2009, April 15,

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2010, and October 12, 2010, respectively. The three grant agreements are individually and collectively referred to herein as the "DRI Grant Agreement".

G. The 2013 Restated Mortgage, the 2005 SHIP Mortgage, the 2006 SHIP Mortgage, and the DRI Grant Declaration are individually and collectively referred to herein and in the Buyer's Loan Agreement and Replacement Promissory Note as described herein, as the "Assumed Lien Documents".

H. The Buyer entered into an Agreement for Purchase and Sale dated January 9, 2015, with amendments (the "Purchase Agreement") with NOAH for the purchase of the Development, which purchase was contingent in part upon County consenting to Buyer's assumption of NOAH's debt as set forth in the Assumed Lien Documents and modified herein.

I. Pursuant to that certain Loan Agreement dated _____ between the County and the Buyer the parties have agreed to modify the terms of the Assumed Lien Documents and provide for the assignment to and assumption of NOAH's debt described therein by Buyer, and provide for collective replacement of NOAH's promissory notes dated May 31, 2013, March 3, 2005, and February 16, 2006, with the Replacement Promissory Note executed by Buyer and dated of even date herewith in the amount of Two Million One Hundred Eighty-Nine Thousand and no/100 (\$2,189,000). A copy of the Replacement Promissory Note is attached hereto. (The Assumed Lien Documents, Loan Agreement, Replacement Promissory Note and First Global Amendment, together with all other documents executed in connection therewith, are collectively referred to herein as the "Loan Documents")

J. Of even date herewith, the Buyer has received a construction loan from TD Bank (the "Primary Lender" or "First Mortgagee"), in the original principal amount of Thirteen Million Five Hundred Thousand and no/100 dollars (\$13,500,000) ("Construction Loan") which Construction Loan will be replaced by a permanent first mortgage loan (the "Permanent Loan") by Buyer's permanent lender (the "Permanent Lender") in the amount of One Million Nine Hundred Thousand and no/100 (\$1,900,000) (the "Senior Loan"). The Construction Loan is evidenced by that certain Promissory Note dated as of _____ (the "Senior Note") and secured by that certain Mortgage and Security Agreement dated as of _____ (the "Senior Mortgage") and recorded prior to this First Global Amendment in the Public Records of Palm Beach County, Florida. (The Senior Note and Senior Mortgage, together with any other documents from Primary Lender or Permanent Lender executed by Buyer in connection with the Senior Loan and the Permanent Loan are collectively referred to as the "Senior Loan Documents").

K. Pursuant to that certain Subordination Agreement of even date herewith, between County, First Mortgagee and Buyer (the "Subordination Agreement"), and this First Global Amendment, the County agreed to subordinate the Loan Documents to the Senior Loan Documents, and the parties hereto desire to amend and modify the Assumed Lien Documents to modify certain terms and incorporate certain requirements relative to the transaction.

L. The County is the owner and holder of the Loan Documents described above.

EXHIBIT "D"
to the Loan Agreement

M. The Buyer acknowledges that this First Global Amendment confers a substantial benefit upon it and is supported by good and valuable consideration.

NOW, THEREFORE, in consideration of the mutual covenants and undertakings set forth in this First Global Amendment and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

**SECTION 1
GENERAL**

A. 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 Loan Agreement.

B. Although the Assumed Lien Documents are intended to be treated as one loan to Buyer, with certain terms modified herein for the purpose of uniformity, each lien document shall retain its recording priority. Notwithstanding the preceding sentence, the Assumed Lien Documents may be subordinated to the Senior Loan Documents.

**SECTION 2
ASSIGNMENT AND ASSUMPTION**

The Assumed Lien Documents have been assigned to and assumed by Buyer.

**SECTION 3
MODIFICATION OF AND AMENDMENT TO
THE ASSUMED LIEN DOCUMENTS**

A. All references to the Maturity Date in the DRI Grant Declaration as well as each of the mortgages included in the Assumed Lien Documents (as identified in Section C below) are hereby deleted and replaced with the date thirty (30) years from the date of recordation of this First Global Amendment.

B. All references to promissory note or "Note" in each of the mortgages included in the Assumed Lien Documents (as identified in Section C below) shall be modified to refer to the Replacement Promissory Note executed of even date herewith, a copy of which is attached hereto as Exhibit "B" and incorporated herein.

C. Buyer's repayment of the Loan shall be governed by the terms of the Replacement Promissory Note. The County shall apply payments received from Buyer to the payoff of mortgages in the following order:

1. The 2013 Restated Mortgage until principal and interest have been repaid.
2. The 2005 SHIP Mortgage until principal and interest have been repaid.

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3. The 2006 SHIP Mortgage until principal and interest have been repaid.

D. Any payments due from cash flow under the Loan Documents shall be payable only from Net Cash Flow (as such term is defined in the Note) of the Project. The restriction on payment imposed by this paragraph shall not excuse any default caused by the failure of the Buyer to pay the indebtedness evidenced by the Note.

E. Buyer may satisfy reporting requirements for each of the Assumed Lien Documents with submission to County of one annual report for monitoring purposes.

F. The Affordability periods established in the Assumed Lien Documents shall be modified to terminate on the date thirty (30) years from the date of recordation of this First Global Amendment.

G. All references to the Buyer's (Mortgagor's) Insurance requirements in the Assumed Lien Documents shall be modified as follows:

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 windstorm, fire and by the perils covered by extended coverage and against such other hazards, including flood, 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 reasonably acceptable to the Mortgagee, with loss, if any, payable to the Mortgagee as its interest may appear, pursuant to a non-contributory 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 copies of such policies. In the event of a foreclosure or other transfer of title to the Mortgaged Property in lieu of foreclosure, or by purchase at the foreclosure sale, all interest in any proceeds due in connection with any claims made under the policy(ies) (for events arising prior to the title transfer) shall pass to Mortgagee, transferee or purchaser, as the case may be. Each insurance company is hereby authorized and directed to make payment for all such losses to the Mortgagor and the Mortgagee jointly. Unless Mortgagor and Mortgagee otherwise agree in writing, insurance proceeds shall be applied to restoration or repair, provided such restoration or repair is economically feasible and the security of this Mortgage is not thereby materially impaired. In order to determine whether restoration is economically feasible, Mortgagor must provide evidence to the Mortgagee that the Mortgagor has sufficient funds, together with the insurance proceeds, to completely restore or repair the Mortgaged Property to a multi-family affordable housing complex in accord with the Loan Agreement and the requirements described therein. If such restoration or repair is not economically feasible or if the security of this Mortgage would be materially impaired, the insurance proceeds shall be applied to the sums secured by this Mortgage with the excess, if any, paid to Mortgagor. The provisions of this Section are subject to the rights under the First Mortgage, to which the rights of the Mortgagee are subordinate.

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H. The DRI Grant Declaration is hereby modified to provide that forgiveness of such shall be at the County's sole discretion.

I. A Default under the terms of any of the Assumed Lien Documents shall be a default under all of the Assumed Lien Documents, and the Mortgagor shall have the notice and cure period as set forth therein. In the event of conflict between the default provisions, and/or the notice provisions, and/or cure provisions in the Assumed Lien Documents, the County shall determine which provision(s) shall apply.

J. In the event of conflict between the terms contained in the Assumed Lien Documents and the terms contained in the Loan Agreement, Replacement Promissory Note, or First Global Amendment, the terms in the Loan Agreement, Replacement Promissory Note, and First Global Amendment shall prevail.

**SECTION 4
ACKNOWLEDGEMENT OF MODIFICATION**

A. All of the recitals hereinabove set forth are by reference incorporated in and specifically made a part of this First Global Amendment as if fully set forth herein.

B. Buyer acknowledges and agrees that all of the other stipulations, terms, provisions and covenants and agreements as contained in the Loan Documents shall remain in full force and effect except as herein provided to the contrary or modified in conjunction herewith.

C. This First Global Amendment shall be binding upon and shall inure to the benefit of the successors and assigns of the respective parties hereto.

**SECTION 5
MISCELLANEOUS**

A. Full Force and Effect. Except as modified by this First Global Amendment, the Assumed Lien Documents shall remain in full force and effect.

B. Governing Law. This First Global Amendment shall be construed, and the obligations, rights and remedies of the parties hereunder shall be determined, in accordance with the laws of the State of Florida without regard to conflicts of laws or principles, except to the extent that the laws of the United States of America may prevail. Any legal action necessary to enforce the Loan Documents or the Assumed Lien Documents will be held in a court of competent jurisdiction located in Palm Beach County, Florida.

C. Definitions. Initially capitalized terms used herein without definition shall have the respective meanings set forth in the Loan Agreement.

D. Non-Discrimination. The Buyer acknowledges that it is the express policy of the Board of County Commissioners of Palm Beach County, Florida that the County shall not conduct business with nor appropriate any funds to any organization that practices discrimination on the basis of race, color, ancestry, disability, national origin, religion, age, familial status, marital status, sex, gender, sexual orientation, gender identity and expression, or genetic

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information. In compliance with the County's requirements, the Buyer has either submitted a copy of its written non-discrimination policy which is consistent with the policy detailed above, or has submitted an executed statement affirming that its non-discrimination policy is in conformance with the policy detailed above.

In furtherance of such policy, the Buyer shall not, on the basis of race, color, ancestry, disability, national origin, religion, age, familial status, marital status, sex, gender, sexual orientation, gender identity and expression, or genetic information, exclude any person from the benefits of, or subject any person to discrimination under, any activity carried out by the performance of the Loan Documents. Upon receipt of evidence of such discrimination, the County shall have the right to terminate the Loan Documents.

Buyer has submitted to County a copy of its non-discrimination policy which is consistent with the above paragraph, as contained in Resolution R-2014-1421, as amended, or in the alternative, if the Buyer does not have a written non-discrimination policy or one that conforms to the County's policy, it has acknowledged through a signed statement provided to County that Buyer will conform to the County's non-discrimination policy as provided in R-2014-1421, as amended.

E. Notices. All notices required in the Loan Documents shall be sent by certified mail, return receipt requested, hand delivery or other delivery service requiring signed acceptance, to the addresses below:

If sent to the County:
Palm Beach County Dept. of Economic Sustainability
Attn: Director
100 Australian Avenue – Suite 500
West Palm Beach, FL 33406

With copy to:
Palm Beach County Attorney's Office
301 North Olive Ave.
West Palm Beach, Florida 33401

If sent to the Buyer:
HTG Covenant Villas, LLC
3225 Aviation Avenue - Suite 602
Coconut Grove, FL 33133
Attn: Matthew Rieger, Manager

With copy to Investor Member:
Raymond James Housing Opportunities Fund 38 L.L.C.
c/o Raymond James Tax Credit Funds, Inc.
880 Carillon Parkway
St. Petersburg, FL 33716
Facsimile No.: 727-567-8455
Attention: Steven J. Kropf, President

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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 delivery of the notice.

F. 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 Buyer.

G. 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 Buyer, 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.

H. Severability. If any term of the Loan Documents or the application thereof to any person or circumstances shall be determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of the Loan Documents, or the application of such term to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each term of the Loan Documents shall be valid and enforceable to the fullest extent permitted by law.

I. Construction. No party shall be considered the author of the Loan Documents since the parties hereto have participated in extensive negotiations and drafting and redrafting of this document to arrive at a final agreement. Thus, the terms of the Loan Documents shall not be strictly construed against one party as opposed to the other party based upon who drafted it. In the event that any section, paragraph, sentence, clause, or provision hereof is held by a court of competent jurisdiction to be invalid, such shall not affect the remaining portions of this Lease and the same shall remain in full force and effect.

J. Waiver, Accord and Satisfaction. The waiver by County of any default of any term, condition or covenant herein contained shall not be a waiver of such term, condition or covenant, or any subsequent default of the same or any other term, condition or covenant herein contained. The consent or approval by County to or of any act by Buyer requiring County's consent or approval shall not be deemed to waive or render unnecessary County's consent to or approval of any subsequent similar act by Buyer.

K. Multiple Counterparts. This First Global Amendment may be simultaneously executed in one or more counterparts, all of which shall constitute the same instrument and each of which shall be deemed an original.

[COUNTERPART SIGNATURE PAGES TO FOLLOW]

EXHIBIT "D"
to the Loan Agreement

COUNTERPART SIGNATURE PAGE FOR
FIRST GLOBAL ASSIGNMENT, ASSUMPTION,
MODIFICATION AND AMENDMENT OF
MORTGAGE AGREEMENTS
and Other Loan and Grant Documents

IN WITNESS WHEREOF, the Buyer and the County have caused this First Global Amendment to be executed in their respective names by their duly authorized representatives as of the day and year first set forth above.

BUYER:

WITNESSES:

HTG COVENANT VILLAS, LLC, a Florida
limited liability company

By: HTG Covenant Villas Manager, LLC, a
Florida limited liability company,
its Manager

Print: _____

By: _____
Name: Matthew Rieger
Title: Manager

Print: _____

[SEAL]

STATE OF FLORIDA)
):ss
COUNTY OF MIAMI-DADE)

The foregoing instrument was acknowledged before me this _____ day of _____, 2016, by Mathew Rieger as Manager of HTG Covenant Villas Manager, LLC, on behalf of HTG Covenant Villas LLC, a Florida limited liability company. Said person is personally known to me or has produced a valid driver's license as identification.

NOTARY PUBLIC, State of Florida at Large
Print Name: _____
My Commission Expires: _____
My Commission No.: _____

EXHIBIT "D"
to the Loan Agreement

COUNTERPART SIGNATURE PAGE FOR
FIRST GLOBAL ASSIGNMENT, ASSUMPTION,
MODIFICATION AND AMENDMENT OF
MORTGAGE AGREEMENTS
and Other Loan and Grant Documents

IN WITNESS WHEREOF, the Buyer and the County have caused this First Global Amendment to be executed in their respective names by their duly authorized representatives as of the day and year first set forth above.

COUNTY:

WITNESS:

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

Signature: _____

Name: _____

FOR ITS BOARD OF COUNTY COMMISSIONERS

Signature: _____

Name: _____

By: _____

Name: Shannon R. LaRocque

Its: Assistant County Administrator

STATE OF FLORIDA
COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me this ____ day of _____, 20__, by Shannon R. LaRocque, as Assistant County Administrator of Palm Beach County, Florida, a political subdivision of the State of Florida, on behalf of said County. Said person is personally known to me or has produced a valid driver's license as identification.

(SEAL ABOVE)

Notary Public: State of Florida

Print Name: _____

My Commission Expires: _____

My Commission 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: _____

Sherry Howard, Deputy Director
Department of Economic Sustainability

EXHIBIT "D"
to the Loan Agreement

EXHIBIT "A"

**LEGAL DESCRIPTION
COVENANT VILLAS**

A portion of Section 31, Township 43 South, Range 37 East of Palm Beach County, Florida, being more particularly described as follows:

Beginning at the southeast corner of Lot 16, ROYAL PALM SUBDIVISION, in Plat Book 16, page 41, as recorded in the public records of Palm Beach County, Florida, said point also being a point on the west right of way line of NW 6th Street; thence proceed South 00° 02' 40" East, along the west right of way line and the basis of bearing for this description, a distance of 550.00 feet to the northeast corner of Lot 73, ROYAL PALM SUBDIVISION, in Plat Book 16, page 41 as recorded in the public records of Palm Beach County, Florida; thence proceed North 89° 50' 00" West, along the north line of Lots 73, 70, 67 and 64 of said ROYAL PALM SUBDIVISION, a distance of 610.15 feet to the northwest corner of Lot 64 of aforementioned ROYAL PALM SUBDIVISION plat, said point also being on the east right of way line of Eighth Street; thence proceed North 00° 00' 00" West, along said east right of way line, a distance of 600.00 feet to the intersection of said east right of way line and the south right of way line of Royal Palm Avenue; thence proceed South 89° 50' 00" East, along said south right of way line, a distance of 470.61 feet to a point on said south right of way line, said point also being the northwest corner of aforementioned Lot 16; thence proceed South 00° 02' 40" West, along the west line of said Lot 16, a distance of 50.00 feet to the southwest corner of said Lot 16; thence proceed South 89° 50' 01" East, along the south line of Lot 16, a distance of 140.00 feet to the Point of Beginning.

Covenant Villas has previously been legally described by the following:

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"

REPLACEMENT PROMISSORY NOTE

\$2,189,000

West Palm Beach, Florida
_____, 2016

FOR VALUE RECEIVED the undersigned **HTG COVENANT VILLAS, LLC**, a Florida Limited Liability Company ("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 ONE HUNDRED EIGHTY-NINE THOUSAND DOLLARS (\$2,189,000)** (the "Loan"), plus accrued interest, to be paid in lawful money of the United States of America, as follows:

- 1) The entire Loan is non-amortizing and this Note shall bear interest at the stated rate of **one percent (1%) per annum** (compounded annually) computed only on the outstanding principal balance from time to time remaining unpaid from the date of each disbursement. The outstanding principal balance shall be due in full on the Maturity Date (as defined below).
- 2) Repayment hereunder shall occur as follows:
 - (a) From the date hereof until December 31, 2017, no payments will be required and interest will accrue and be payable at the Maturity Date, as defined below. Interest that accrues prior to January 1, 2018, and after December 31, 2047, shall be payable at the Maturity Date. Interest that accrues for the period commencing January 1, 2018, and continuing through December 31, 2047, shall be payable as set forth herein.
 - (b) From and after December 31, 2017, annual payments of interest shall be made out of available Net Cash Flow (as defined below) of the Project (as defined below) which shall be determined annually on a calendar year basis, commencing with the year 2018, and certified by an independent Certified Public Accountant reasonably acceptable to the County, prior to the annual payment due date. The first annual interest payment due date hereunder shall be on May 31, 2019, with respect to all interest payments due under Subparagraph (4) below for the preceding calendar year. Subsequent annual interest payments shall be due on the 31st day of May for each preceding calendar year

thereafter through **May 31, 2048, (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. Nothing herein or elsewhere in this Note shall require Maker to make payments to Holder that exceed thirty percent (30%) of the available Net Cash Flow in any calendar year, but any interest owed under the terms of this Note and not paid shall be deferred interest and shall continue to be due and payable pursuant to the terms of this Note.

- 3) Maker agrees to provide annually to Holder a certification of Project income and expenses, and certified by an independent Certified Public Accountant acceptable to the County in its reasonable discretion, which shall be used by Holder to determine cash flow and the payments due hereunder. Said certification shall be provided prior to each annual due date commencing for the calendar year 2018.
- 4) Commencing May 31, 2019, payments from Net Cash Flow as determined by Holder shall be applied to pay the following items in order of priority:
 - (a) An annual interest payment on the principal balance hereof equal to one percent (1%) per annum; and
 - (b) Any such interest hereunder deferred from previous years, but not the accrued interest payable at the Maturity Date as provided in Subparagraph 2(a) above.

Net Cash Flow means the Project cash flow from rental income and other income generated by the Project, less (i) all sums due or currently required to be paid under the documents executed in connection with the senior loans, including, without limitation, debt service payment on senior loans, (ii) debt service on subordinate loans that are payable from other than cash flow, and (iii) Project Expenses (as defined below). The following items shall be excluded from Project cash flow in determining Net Cash Flow, and shall not be considered as available for payment of the Holder's Loan: (i) refinancing and insurance proceeds, (ii) tax credit equity capital contributions, (iii) proceeds from the senior and the Holder's loans, and (iv) any other funding sources used to fund construction or rehabilitation of the Project. Project Expenses means any usual, reasonable and customary operating, development and financial costs within acceptable industry standards that are associated with the project, including, without limitation, any compliance monitoring fee, any financial monitoring fee, any Developer Fee, as defined below, any deferred construction contractor fees and expenses, any replacement reserves,

completion/repair reserves, or other reserves or escrows required by any senior lienholder, any servicing fees and any debt service reserves required by any senior lienholder, guaranty fees which are payable while any guarantees are in place. The term Project Expenses shall also include any investor asset management fee, any amount owed to the investor under the operating agreement to replenish the operating reserves, the payment of any deferred Developer's Fee, the management company's fee for providing professional customary management services for the project on a day to day basis, including marketing, maintenance, leasing, compliance duties, management of budget, daily operations, and administrative expenses such as office supplies, postage/express mail, office equipment lease and repair (fax, copier, computers), telephone, internet, license, fees and permits, legal expenses, accounting and audit expenses, resident services, miscellaneous expenses such as travel and meals.

Developer Fee means the overhead and fee paid to HTG Covenant Villas Developer, LLC, a Florida Limited Liability Company (the "Developer"), with respect to the Project, which shall not exceed eighteen percent (18%) of Project Costs. Project Costs for purpose of determining Developer Fee per this Promissory Note are herein defined as all costs incurred in the acquisition, financing, construction and completion of the Project, as reflected in the cost certification completed by the Project accountant, and shall include all items in the following sentence, and exclusive of Developer Fee and land cost. Project Costs shall include but not be limited to: (a) the cost of acquiring real property and any buildings thereon, excluding the purchase price of the real property, including payment for options, deposits, or contracts to purchase properties, (b) the cost of site preparation, demolition, and development, (c) any expenses relating to the issuance of tax-exempt bonds or taxable bonds, if any, related to the Project, (d) fees in connection with the planning, execution, and financing of the Project, such as those of architects, engineers, attorneys, accountants, lenders, (e) the cost of studies, surveys, plans, permits, insurance, interest, financing, tax and assessment costs, and other operating and carrying costs during construction, rehabilitation, or reconstruction of the Project, (f) the cost of the construction, rehabilitation, and equipping of the Project, (g) the cost of land improvements, such as landscaping and offsite improvements related to the Project, whether such costs are paid in cash, property, or services, (h) expenses in connection with initial occupancy of the Project, (i) allowances for contingency reserves and reserves for any anticipated operating deficits during the first two (2) years after completion of the Project, (j) the cost of such other items, including relocation costs, indemnity and surety bonds, premiums on insurance, and fees and expenses of trustees, depositories, and paying

agents for the tax-exempt bonds, for the construction or rehabilitation (as applicable) of the Project.

- 5) Any required payments of current or deferred interest due annually hereunder shall be deferred until the next annual due date to the extent that Net Cash Flow is insufficient to make said payments pursuant to the payment priority schedule in Subparagraph (4) above and as determined by Maker.
- 6) 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.
- 7) At acceleration, this Note shall bear interest at the Default Interest Rate which shall be the maximum interest rate allowed by applicable law, until paid in full.
- 8) All terms hereunder shall be construed and defined as provided in Florida law.

This Note is executed pursuant to the terms and conditions of that certain Loan Agreement dated _____, 2016, between Maker, as Buyer, and Holder, as County, is secured by a First Global Assignment, Assumption, Modification and Amendment of Mortgage Agreements (the "Mortgage"), of even date herewith, encumbering certain real property located in Palm Beach County, Florida (the "Premises"). The foregoing and all other agreements, instruments and documents delivered in connection therewith and herewith are collectively referred to as the "Loan Documents". Project is the one hundred forty-four (144) unit apartment project, known as **Covenant Villas**, which is more fully described in the Loan Documents.

The indebtedness evidenced by this Note is and shall be subordinate in right of payment to the prior payment in full of all amounts then due and payable (including, but not limited to, all amounts due and payable by virtue of any default or acceleration or upon maturity) with respect to the indebtedness evidenced by the Promissory Note which is secured by the Mortgage and Security Agreement by the Buyer in favor of TD Bank, N.A., in the original maximum principal amount of \$13,500,000 executed by Buyer and payable to TD Bank, N.A. ("Senior Lender") to the extent and in the manner provided in that certain Subordination and Standstill Agreement (the "Subordination Agreement"), to be entered into between TD Bank, N.A. and the Holder of this Note. The Senior Lender's loan may be replaced with a new permanent loan, as set forth in the Mortgage. The rights and remedies of the Holder and each subsequent holder of this Note shall be deemed, by virtue of such subsequent holder's acquisition of this

Note, to have agreed to perform and observe all of the terms, covenants and conditions to be performed or observed by the Holder a/k/a "Junior Lender" under the Subordination Agreement.

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 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. Notwithstanding the foregoing, Holder shall not exercise any remedies hereunder prior to the expiration of any notice and cure period in the Loan Agreement.

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 within fifteen (15) days following the date said payment is due pursuant to the Note. 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 not be deemed to be a waiver or release of the same, such waiver or release to be effected only through a written document executed by Holder and then only to the extent specifically recited therein. A waiver or release with reference to any one event shall not be construed as continuing or as constituting a course of dealing, nor shall it be construed as a bar to, or as a waiver or release of, any subsequent remedy as to a subsequent event.

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

ANYTHING CONTAINED HEREIN TO THE CONTRARY NOTWITHSTANDING, IN THE EVENT OF ANY DEFAULT BY THE MAKER 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 MAKER, OR ANY MEMBER OR MANAGER OF THE MAKER, 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.

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 neutral 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, notice of dishonor, protest, 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, SUBJECT TO APPLICABLE NOTICE AND CURE PROVISIONS, BY THE MAKER 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 MAKER 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.

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.

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

HTG COVENANT VILLAS, LLC,
a Florida Limited Liability Company

By: HTG Covenant Villas Manager, LLC,
a Florida limited liability company,
its Manager

By: _____
Name: Matthew Rieger
Title: Manager

EXHIBIT "E"
Permitted Exceptions

1. Taxes and assessments for the year 2016 and subsequent years, which are not yet due and payable.
2. Terms, covenants, conditions, restrictions, easements, assessments and possible liens created by and set forth in the Declaration of Restrictions recorded in Official Records Book 5031, page 1382, but omitting any covenants or restrictions, if any, based upon race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, or source of income, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law.
3. Terms, covenants, conditions and other matters contained in Ordinance No. 86-7 of the City of Belle Glade, Florida regarding Covenant Village, P.U.D. recorded in Official Records Book 5636, page 996, as modified by Ordinance No. 87-9 recorded in Official Records Book 5636, page 1002.
4. Easement granted to Florida Power & Light Company recorded in Official Records Book 5964, page 1152.
5. Terms, covenants, conditions and restrictions created by and set forth in the Declaration of Restrictions recorded in Official Records Book 23880, page 951, as amended in Official Records Book 27768, page 547, including, but not limited to, lien rights, right of prior approval of a future purchaser, and reversionary provisions; but omitting any covenant or restriction based on race, color, religion, sex, handicap, familial status or national origin unless and only to the extent that said covenants: (a) is exempt under Chapter 42, Section 3607 of the United States Code; or (b) relates to handicap, but does not discriminate against handicapped persons, as affected by Acceptance of Conditions and Restrictions recorded _____, 2016 in Official Records Book _____, Page _____ and as modified by First Global Assignment, Assumption, Modification and Amendment of Mortgage Agreements recorded _____, 2016 in Official Records Book _____, Page _____.
6. Matters set forth in the Notice of Lien Rights by Glades Utility Authority recorded in Official Records Book 25279, page 1068.
7. Mortgage in favor of TD Bank, N.A., recorded _____, 2016 in Official Records Book _____, Page _____, as affected by Subordination and Standstill Agreement dated _____, 2016, recorded _____, 2016 at Official Records Book _____, Page _____.
8. Mortgage executed by NOAH Development Corporation, Mortgagor, in favor of Palm Beach County, Mortgagee, dated as of August 1, 1987, in the original principal amount of \$2,700,000.00, recorded September 2, 1987, in Official Records Book 5406, Page 947, as modified by the Amended and Restated Mortgage Agreement dated May 31, 2013 and

recorded in Official Records Book 26065, page 1662, and as modified by First Global Assignment, Assumption, Modification and Amendment of Mortgage Agreements recorded _____, 2016 in Official Records Book _____, Page _____, as affected by Subordination Agreement dated _____, 2016, recorded _____, 2016 at Official Records Book _____, Page _____.

9. Mortgage and Security Agreement executed by NOAH Development Corporation, Mortgagor, in favor of Palm Beach County, Mortgagee, dated March 3, 2005, in the original principal amount of \$348,000.00, recorded March 9, 2005, in Official Records Book 18233, page 1080, as modified by First Global Assignment, Assumption, Modification and Amendment of Mortgage Agreements recorded _____, 2016 in Official Records Book _____, Page _____, as affected by Subordination Agreement dated _____, 2016, recorded _____, 2016 at Official Records Book _____, Page _____.
10. Mortgage and Security Agreement executed by NOAH Development Corporation, Mortgagor, in favor of Palm Beach County, Mortgagee, dated February 16, 2006, in the original principal amount of \$110,000.00, recorded February 17, 2006, in Official Records Book 19945, Page 1, as modified by First Global Assignment, Assumption, Modification and Amendment of Mortgage Agreements recorded _____, 2016 in Official Records Book _____, Page _____, as affected by Subordination Agreement dated _____, 2016, recorded _____, 2016 at Official Records Book _____, Page _____.
11. Assignment of Leases and Rents in favor of T.D. Bank, N.A.
12. UCC-1 Financing Statements in favor of T.D. Bank, N.A.
13. Any future mortgage and other ancillary loan documentation given to Neighborhood Lending Partners, Inc. ("NLP"), or a substitute lender, providing permanent financing in an amount not to exceed \$ _____ as a replacement for the Mortgage identified in Item 7 above, including a Subordination Agreement from Palm Beach County ("County") to NLP confirming NLP's superior lien position to that of County's mortgage, subject to the County's approval which approval shall not be unreasonably withheld.
14. Any other exceptions as approved by Palm Beach County in its sole discretion.

NOTE: All recording references in this commitment/policy shall refer to the public records of Palm Beach County, Florida, unless otherwise noted.

EXHIBIT “F”

PALM BEACH COUNTY
DEPARTMENT OF ECONOMIC SUSTAINABILITY

ANNUAL PERFORMANCE REPORT

Report For Year:	January 1, ____ - December 31, ____		
Name:	HTG COVENANT VILLAS LLC		
Project Name:	COVENANT VILLAS, BELLE GLADE, FLORIDA		
Report Prepared By:	<div></div> <div>NameSignatureDate</div>		

INCOME AND RENTAL RATE INFORMATION

Fill in the required information for each apartment or place a check mark where applicable.

Unit Number	Tenant Name	Household Income	HUD Low Income?	Rental Rate	Compliant with SHIP Rates?

[illegible]

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 "G"
to the Loan Agreement

Return to: Palm Beach County
Department of Economic Sustainability
100 Australian Avenue, Suite 500
West Palm Beach, FL 33406
Prepared by: James Brako, Esq.
Assistant County Attorney

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

ACCEPTANCE OF CONDITIONS AND RESTRICTIONS

The undersigned, HTG Covenant Villas, LLC, having its principal office at 3225 Aviation Avenue, Suite 602, Coconut Grove, FL 33133, (hereinafter referred to as "Buyer" or "Declarant"), which term as used in every instance herein shall include Buyer's successors and assigns), hereby provides the Palm Beach County Board of County Commissioners (the "County") its acceptance of conditions and restrictions, as enumerated below, in consideration for the County's approval of the Buyer's acquisition of the subject property described below and hereinafter referred to as the "Property".

A portion of Section 31, Township 43 South, Range 37 East of Palm Beach County, Florida, being more particularly described as follows:

Beginning at the southeast corner of Lot 16, ROYAL PALM SUBDIVISION, in Plat Book 16, page 41, as recorded in the public records of Palm Beach County, Florida, said point also being a point on the west right of way line of NW 6th Street; thence proceed South 00° 02' 40" East, along the west right of way line and the basis of bearing for this description, a distance of 550.00 feet to the northeast corner of Lot 73, ROYAL PALM SUBDIVISION, in Plat Book 16, page 41 as recorded in the public records of Palm Beach County, Florida; thence proceed North 89° 50' 00" West, along the north line of Lots 73, 70, 67 and 64 of said ROYAL PALM SUBDIVISION, a distance of 610.15 feet to the northwest corner of Lot 64 of aforementioned ROYAL PALM SUBDIVISION plat, said point also being on the east right of way line of Eighth Street; thence proceed North 00° 00' 00" West, along said east right of way line, a distance of 600.00 feet to the intersection of said east right of way line and the south right of way line of Royal Palm Avenue; thence proceed South 89° 50' 00" East, along said south right of way line, a distance of 470.61 feet to a point on said south right of way line, said point also being the northwest corner of aforementioned Lot 16; thence proceed South 00° 02' 40" West, along the west line of said Lot 16, a distance of 50.00 feet to the southwest corner of said Lot 16; thence proceed South 89° 50' 01" East, along the south line of Lot 16, a distance of 140.00 feet to the Point of Beginning.

(Legal Description continued on next page)

Covenant Villas has previously been legally described by the following:

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.

Recitals:

1. The Buyer is providing this Acceptance of Conditions and Restrictions in connection with the Buyer's acquisition of the Property from NOAH Development Corporation.
2. On May 27, 2010, NOAH Development Corporation, as the then owner of the Property, executed a Declaration of Restrictions, in favor of the County, as recorded on June 3, 2010, in Official Records Book 23880, at Page 0951, in the Public Records of Palm Beach County, Florida, and amended by the First Amendment to the Declaration of Restrictions executed on July 14, 2015 and recorded on August 28, 2015 in Official Records Book 27768 at Page 0547 in the Public Records of Palm Beach County, Florida (collectively, the "Declaration").
3. The Declaration encumbered the Property with certain restrictions deemed covenants running with the land.
4. Palm Beach County is the beneficiary of the restrictions against the Property as created by the granting of the Declaration.
5. The Declaration requires NOAH Development Corporation to obtain the County's approval of any proposed sale, conveyance or transfer of the Property.
6. The Declaration provides that the County's approval of any sale, conveyance or transfer of the Property be contingent upon the County's receipt of a commitment, executed by the subsequent owner acceptable to the County, confirming acceptance of the restrictions and conditions of the Declaration for its duration.

Confirmation of Acceptance of Conditions and Restrictions:

The Buyer, as the subsequent owner of the Property, hereby confirms its acceptance of the conditions and restrictions contained in the Declaration commencing on the date of the Buyer's acquisition of the Property from NOAH Development Corporation and extending until September 16, 2021, which is the date upon which the period specified in Paragraph 2 of the Declaration terminates.

(continued on next page)

Executed this _____ day of _____, 20 ____.

SIGNED, SEALED, AND DELIVERED IN
THE PRESENCE OF:

BUYER:

HTG Covenant Villas, LLC, a Florida
limited liability company

Witness Name: _____ Witness Signature: _____ X _____
Witness Name: _____ Witness Signature: _____ X _____

By: HTG Covenant Villas Manager, LLC, a Florida limited liability company, its Manager Signature: _____ X _____ By: Matthew Rieger, Manager

(SEAL)

STATE OF FLORIDA
COUNTY OF _____

The foregoing instrument was acknowledged before me on _____,
20____, by Matthew Rieger, as Manager of HTG Covenant Villas Manager, LLC, a Florida
limited liability company, on behalf of HTG Covenant Villas, LLC, who is personally known
to me or has produced _____ as identification and who
did/did not take an oath.

Signature: _____

(NOTARY SEAL ABOVE)

Notary Name: _____
Notary Public - State of Florida

LIMITED RELEASE

THIS LIMITED RELEASE, made as of the 22nd day of September, 2016 PALM BEACH COUNTY, a political subdivision of the State of Florida ("Releasor") to NOAH DEVELOPMENT CORPORATION, a Florida not-for-profit corporation, with an address at 601 Covenant Drive, Belle Glade, Florida 33430, as "Releasee", and HTG COVENANT VILLAS, LLC, a Florida limited liability company, with an address at 3225 Aviation Avenue, Suite 602, Coconut Grove, Florida 33133, as Purchaser;

W I T N E S S E T H:

WHEREAS, commencing in 1987, Releasor provided Releasee with the funding described herein for the acquisition of the real property described in Exhibit "A" attached hereto (the "Land"), construction thereon of a multifamily rental housing development known as Covenant Villas, and eventual rehabilitation and repair of hurricane damage to the improvements on the Land. The Land, the improvements, the fixtures and personal property and other amenities now or hereafter located on the Land are referred to collectively hereafter as the "Development." The Development is located in the City of Belle Glade in Palm Beach County, Florida;

WHEREAS, Releasee executed a Promissory Note in the principal amount of \$2,700,000.00 in favor of Releasor dated August 1, 1987 (the "1987 Note"), as same was renewed and replaced by a Renewal Promissory Note in favor of Releasor dated May 31, 2013 in the principal amount of \$2,539,969.85 (herein called the "2013 Renewal Note");

WHEREAS, Releasee executed a Mortgage in favor of Releasor securing the 1987 Note dated as of August 1, 1987 which was recorded in Official Records Book 5406, Page 947, as same was amended and restated by an Amended and Restated Mortgage Agreement dated May 31, 2013 in favor of Releasor securing the 2013 Renewal Note, which Mortgage is recorded in Official Record Book 26065, Page 1662, Public Records of Palm Beach County, Florida (herein collectively called the "2013 Mortgage");

WHEREAS, Releasee executed a Promissory Note in favor of Releasor dated March 3, 2005 in the principal amount of \$348,000.00 (herein called the "2005 SHIP Note");

WHEREAS, Releasee executed a Mortgage and Security Agreement in favor of Releasor dated March 3, 2005 securing the 2005 SHIP Note, which mortgage is recorded in Official Records Book 18233, Page 1080, Public Records of Palm Beach County, Florida (herein called the "2005 SHIP Mortgage");

WHEREAS, Releasee executed a Promissory Note in favor of Releasor dated February 16, 2006 in the principal amount of \$110,000.00 (herein called the "2006 SHIP Note");

WHEREAS, Releasee executed a Mortgage and Security Agreement in favor of Releasor dated February 16, 2006 securing the 2006 SHIP Note, which Mortgage is recorded in Official Records Book 19945, Page 0001, Public Records of Palm Beach County, Florida (herein called the "2006 SHIP Mortgage");

WHEREAS, the Releasor provided grant funds to Releasee on or about May 27, 2010 in the principal amount of \$1,033,488.00, which amount was subsequently reduced on July 14, 2015 to \$591,887.90 (herein called the "DRI Grant Funds");

WHEREAS, the DRI Grant Funds were secured by restrictive covenants set forth in the DRI Grant Declaration recorded in Official Record Book 23880, Page 951 as amended in Official Records Book 27768, Page 547, Public Records of Palm Beach County, Florida (herein together called the "DRI Restrictions");

WHEREAS, Purchaser entered into an Agreement for Purchase and Sale dated January 9, 2015, as amended (the "Purchase Agreement") with Releasee for the purchase of the Development, which purchase is contingent in part upon Purchaser's assumption of Releasee's debt as set forth in the Assigned Lien Documents and the complete release of Releasee thereunder; and

WHEREAS, in connection with the closing of the purchase and sale of the Development, Releasee is paying a portion of the indebtedness represented by the 2013 Renewal Note, the 2005 SHIP Note, the 2006 SHIP Note as same were secured by the 2013 Mortgage, the 2005 SHIP Mortgage and the 2006 SHIP Mortgage as set forth above (collectively the "Releasee Obligations") and Purchaser is assuming the remaining obligations (the "Assumed Obligations") pursuant to the 2013 Renewal Note and Mortgage, the 2005 SHIP Note and Mortgage, the 2006 SHIP Note and Mortgage and the DRI Restrictions; and

WHEREAS, Purchaser has executed a Replacement Promissory Note (herein called the "Replacement Note") in the amount of \$2,189,000.00 in favor of Releasor of even date herewith renewing a portion of the Releasee Obligations, which collectively have a remaining principal balance of \$2,189,000.00 and a copy of which is attached hereto as Exhibit "B" and made a part hereof; and

WHEREAS, Purchaser has purchased the Development from Releasee, and at the closing of the purchase, Purchaser has assumed the Assumed Obligations, and Releasee has paid to Releasor the amount by which the Releasee Obligations exceed the Assumed Obligations;

NOW, THEREFORE, in consideration of the foregoing premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Releasor hereby releases and forever discharges Releasee from any and all claims arising from the Releasee Obligations and the Assumed Obligations.

WITNESS the due execution hereof as of the day and year first above written.

SEE SIGNATURE PAGES ATTACHED

RELEASOR:

PALM BEACH COUNTY, FLORIDA, a
Political subdivision of the State of Florida

For Its Board of County Commissioners

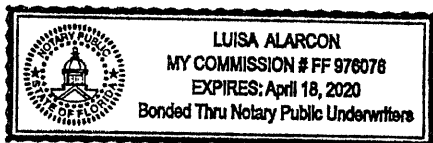
By: Shannon R. LaRocque
Shannon R. LaRocque
Its Assistant County Administrator

Barbara S. Kennedy
Print: Barbara S. Kennedy
Elizabeth Burr
Print: Elizabeth Burr

STATE OF FLORIDA

COUNTY OF PALM BEACH

The Foregoing instrument was acknowledge before me this 8th day of September, 2016, by Shannon R. LaRocque, as Assistant County Administrator of Palm Beach County, Florida, a political subdivision of the State of Florida on behalf of said County. Said person is personally known to me or has produced a valid driver's license as identification.



Luisa Alarcon
Notary Public
State of Florida at Large

My commission expires:

Approved as to form and legal sufficiency

By: James Brako
James Brako
Assistant County Attorney

Approved as to Terms and Conditions
Department of Economic Sustainability

By: Sherry Howard
Sherry Howard, Deputy Director
Department of Economic Sustainability

Exhibit A

A portion of Section 31, Township 43 South, Range 37 East of Palm Beach County, Florida, being more particularly described as follows:

Beginning at the southeast corner of Lot 16, ROYAL PALM SUBDIVISION, in Plat Book 16, page 41, as recorded in the Public Records of Palm Beach County, Florida, said point also being a point on the west right of way line of NW 6th Street; thence proceed South 00° 02' 40" East, along the west right of way line and the basis of bearing for this description, a distance of 550.00 feet to the northeast corner of Lot 73, ROYAL PALM SUBDIVISION, in Plat Book 16, page 41 as recorded in the Public Records of Palm Beach County, Florida; thence proceed North 89° 50' 00" West, along the north line of Lots 73, 70, 67 and 64 of said ROYAL PALM SUBDIVISION, a distance of 610.15 feet to the northwest corner of Lot 64 of aforementioned ROYAL PALM SUBDIVISION plat, said point also being on the east right of way line of Eighth Street; thence proceed North 00° 00' 00" West, along said east right of way line, a distance of 600.00 feet to the intersection of said east right of way line and the south right of way line of Royal Palm Avenue; thence proceed South 89° 50' 00" East, along said south right of way line, a distance of 470.61 feet to a point on said south right of way line, said point also being the northwest corner of aforementioned Lot 16; thence proceed South 00° 02' 40" West, along the west line of said Lot 16, a distance of 50.00 feet to the southwest corner of said Lot 16; thence proceed South 89° 50' 01" East, along the south line of Lot 16, a distance of 140.00 feet to the Point of Beginning.

EXHIBIT B

REPLACEMENT PROMISSORY NOTE

\$2,189,000

West Palm Beach, Florida
9/22, 2016

FOR VALUE RECEIVED the undersigned **HTG COVENANT VILLAS, LLC**, a Florida Limited Liability Company ("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 ONE HUNDRED EIGHTY-NINE THOUSAND DOLLARS (\$2,189,000)** (the "Loan"), plus accrued interest, to be paid in lawful money of the United States of America, as follows:

- 1) The entire Loan is non-amortizing and this Note shall bear interest at the stated rate of **one percent (1%) per annum** (compounded annually) computed only on the outstanding principal balance from time to time remaining unpaid from the date of each disbursement. The outstanding principal balance shall be due in full on the Maturity Date (as defined below).
- 2) Repayment hereunder shall occur as follows:
 - (a) From the date hereof until December 31, 2017, no payments will be required and interest will accrue and be payable at the Maturity Date, as defined below. Interest that accrues prior to January 1, 2018, and after December 31, 2047, shall be payable at the Maturity Date. Interest that accrues for the period commencing January 1, 2018, and continuing through December 31, 2047, shall be payable as set forth herein.
 - (b) From and after December 31, 2017, annual payments of interest shall be made out of available Net Cash Flow (as defined below) of the Project (as defined below) which shall be determined annually on a calendar year basis, commencing with the year 2018, and certified by an independent Certified Public Accountant reasonably acceptable to the County, prior to the annual payment due date. The first annual interest payment due date hereunder shall be on May 31, 2019, with respect to all interest payments due under Subparagraph (4) below for the preceding calendar year. Subsequent annual interest payments shall be due on the 31st day of May for each preceding calendar year

thereafter through May 31, 2048, (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. Nothing herein or elsewhere in this Note shall require Maker to make payments to Holder that exceed thirty percent (30%) of the available Net Cash Flow in any calendar year, but any interest owed under the terms of this Note and not paid shall be deferred interest and shall continue to be due and payable pursuant to the terms of this Note.

- 3) Maker agrees to provide annually to Holder a certification of Project income and expenses, and certified by an independent Certified Public Accountant acceptable to the County in its reasonable discretion, which shall be used by Holder to determine cash flow and the payments due hereunder. Said certification shall be provided prior to each annual due date commencing for the calendar year 2018.
- 4) Commencing May 31, 2019, payments from Net Cash Flow as determined by Holder shall be applied to pay the following items in order of priority:
 - (a) An annual interest payment on the principal balance hereof equal to one percent (1%) per annum; and
 - (b) Any such interest hereunder deferred from previous years, but not the accrued interest payable at the Maturity Date as provided in Subparagraph 2(a) above.

Net Cash Flow means the Project cash flow from rental income and other income generated by the Project, less (i) all sums due or currently required to be paid under the documents executed in connection with the senior loans, including, without limitation, debt service payment on senior loans, (ii) debt service on subordinate loans that are payable from other than cash flow, and (iii) Project Expenses (as defined below). The following items shall be excluded from Project cash flow in determining Net Cash Flow, and shall not be considered as available for payment of the Holder's Loan: (i) refinancing and insurance proceeds, (ii) tax credit equity capital contributions, (iii) proceeds from the senior and the Holder's loans, and (iv) any other funding sources used to fund construction or rehabilitation of the Project. Project Expenses means any usual, reasonable and customary operating, development and financial costs within acceptable industry standards that are associated with the project, including, without limitation, any compliance monitoring fee, any financial monitoring fee, any Developer Fee, as defined below, any deferred construction contractor fees and expenses, any replacement reserves,

completion/repair reserves, or other reserves or escrows required by any senior lienholder, any servicing fees and any debt service reserves required by any senior lienholder, guaranty fees which are payable while any guarantees are in place. The term Project Expenses shall also include any investor asset management fee, any amount owed to the investor under the operating agreement to replenish the operating reserves, the payment of any deferred Developer's Fee, the management company's fee for providing professional customary management services for the project on a day to day basis, including marketing, maintenance, leasing, compliance duties, management of budget, daily operations, and administrative expenses such as office supplies, postage/express mail, office equipment lease and repair (fax, copier, computers), telephone, internet, license, fees and permits, legal expenses, accounting and audit expenses, resident services, miscellaneous expenses such as travel and meals.

Developer Fee means the overhead and fee paid to HTG Covenant Villas Developer, LLC, a Florida Limited Liability Company (the "Developer"), with respect to the Project, which shall not exceed eighteen percent (18%) of Project Costs. Project Costs for purpose of determining Developer Fee per this Promissory Note are herein defined as all costs incurred in the acquisition, financing, construction and completion of the Project, as reflected in the cost certification completed by the Project accountant, and shall include all items in the following sentence, and exclusive of Developer Fee and land cost. Project Costs shall include but not be limited to: (a) the cost of acquiring real property and any buildings thereon, excluding the purchase price of the real property, including payment for options, deposits, or contracts to purchase properties, (b) the cost of site preparation, demolition, and development, (c) any expenses relating to the issuance of tax-exempt bonds or taxable bonds, if any, related to the Project, (d) fees in connection with the planning, execution, and financing of the Project, such as those of architects, engineers, attorneys, accountants, lenders, (e) the cost of studies, surveys, plans, permits, insurance, interest, financing, tax and assessment costs, and other operating and carrying costs during construction, rehabilitation, or reconstruction of the Project, (f) the cost of the construction, rehabilitation, and equipping of the Project, (g) the cost of land improvements, such as landscaping and offsite improvements related to the Project, whether such costs are paid in cash, property, or services, (h) expenses in connection with initial occupancy of the Project, (i) allowances for contingency reserves and reserves for any anticipated operating deficits during the first two (2) years after completion of the Project, (j) the cost of such other items, including relocation costs, indemnity and surety bonds, premiums on insurance, and fees and expenses of trustees, depositories, and paying

agents for the tax-exempt bonds, for the construction or rehabilitation (as applicable) of the Project.

- 5) Any required payments of current or deferred interest due annually hereunder shall be deferred until the next annual due date to the extent that Net Cash Flow is insufficient to make said payments pursuant to the payment priority schedule in Subparagraph (4) above and as determined by Maker.
- 6) 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.
- 7) At acceleration, this Note shall bear interest at the Default Interest Rate which shall be the maximum interest rate allowed by applicable law, until paid in full.
- 8) All terms hereunder shall be construed and defined as provided in Florida law.

This Note is executed pursuant to the terms and conditions of that certain Loan Agreement dated August 11, 2016, between Maker, as Buyer, and Holder, as County, is secured by a First Global Assignment, Assumption, Modification and Amendment of Mortgage Agreements (the "Mortgage"), of even date herewith, encumbering certain real property located in Palm Beach County, Florida (the "Premises"). The foregoing and all other agreements, instruments and documents delivered in connection therewith and herewith are collectively referred to as the "Loan Documents". Project is the one hundred forty-four (144) unit apartment project, known as **Covenant Villas**, which is more fully described in the Loan Documents.

The indebtedness evidenced by this Note is and shall be subordinate in right of payment to the prior payment in full of all amounts then due and payable (including, but not limited to, all amounts due and payable by virtue of any default or acceleration or upon maturity) with respect to the indebtedness evidenced by the Promissory Note which is secured by the Mortgage and Security Agreement by the Buyer in favor of TD Bank, N.A., in the original maximum principal amount of \$13,500,000 executed by Buyer and payable to TD Bank, N.A. ("Senior Lender") to the extent and in the manner provided in that certain Subordination and Standstill Agreement (the "Subordination Agreement"), to be entered into between TD Bank, N.A. and the Holder of this Note. The Senior Lender's loan may be replaced with a new permanent loan, as set forth in the Mortgage. The rights and remedies of the Holder and each subsequent holder of this Note shall be deemed, by virtue of such subsequent holder's acquisition of this

Note, to have agreed to perform and observe all of the terms, covenants and conditions to be performed or observed by the Holder a/k/a "Junior Lender" under the Subordination Agreement.

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 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. Notwithstanding the foregoing, Holder shall not exercise any remedies hereunder prior to the expiration of any notice and cure period in the Loan Agreement.

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 within fifteen (15) days following the date said payment is due pursuant to the Note. 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 not be deemed to be a waiver or release of the same, such waiver or release to be effected only through a written document executed by Holder and then only to the extent specifically recited therein. A waiver or release with reference to any one event shall not be construed as continuing or as constituting a course of dealing, nor shall it be construed as a bar to, or as a waiver or release of, any subsequent remedy as to a subsequent event.

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

ANYTHING CONTAINED HEREIN TO THE CONTRARY NOTWITHSTANDING, IN THE EVENT OF ANY DEFAULT BY THE MAKER 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 MAKER, OR ANY MEMBER OR MANAGER OF THE MAKER, 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.

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 neutral 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, notice of dishonor, protest, 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

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.

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

HTG COVENANT VILLAS, LLC,
a Florida Limited Liability Company

By: HTG Covenant Villas Manager, LLC,
a Florida limited liability company,
its Manager

By: _____

Name: Matthew Rieger

Title: Manager



Department of
Economic Sustainability

Administration

100 Australian Avenue - Suite #500

West Palm Beach, FL 33406

(561) 233-3600

<http://www.pbcgov.com/DES>

□

**Palm Beach County
Board of County
Commissioners**

Mary Lou Berger, Mayor

Hal R. Valeche, Vice Mayor

Paulette Burdick

Shelley Vana

Steven L. Abrams

Melissa McKinlay

Priscilla A. Taylor

County Administrator

Verdenia C. Baker

"An Equal Opportunity
Affirmative Action Employer"

August 30, 2016

Edna McClendon
NOAH Development Corporation
601 Covenant Drive
Belle Glade, FL 33430

Re: Covenant Villas Project
Termination of HOME Loan Agreement

Dear Ms. McClendon:

On January 13, 2015, the Palm Beach County Board of County Commissioners (BCC) conceptually approved the sale of the Covenant Villas property to HTG Covenant Villas, LLC. At that time, the BCC also conceptually approved the termination of NOAH's 2013 HOME Loan Agreement for \$500,000. We understand that NOAH had opted not to use the HOME loan once a sale of the Covenant Villas property seemed likely, but it took some time for the details of the sale to be worked out.

As the transaction with HTG Covenant Villas is close to being finalized, we are writing you now to notify you that the County will process the paperwork officially terminating NOAH's HOME Loan Agreement dated October 28, 2013 (R2013-1808) once the Covenant Villas property has been conveyed to HTG Covenant Villas, LLC.

We appreciate the assistance NOAH Development Corporation has provided to the County's Glades area residents over the years, and we wish you success in your future endeavors.

Please contact me directly at (561) 233-3663 if you have any questions.

Sincerely,

Edward W. Lowery, J.D., Director
Department of Economic Sustainability

cc: Sherry Howard, Deputy Director, DES
Betsy Barr, Director, Contract Management, DES
Carlos Serrano, Director, Strategic Planning, DES
Shairette Major, Manager, FALS, DES
Bud Cheney, Manager, CIREIS, DES

**AMENDMENT 001 TO AND REINSTATEMENT OF SUBGRANT AGREEMENT
PALM BEACH COUNTY
BROWNFIELDS CLEANUP REVOLVING LOAN FUND PROGRAM**

AUG 10 2016

THIS AMENDMENT 001 TO AND REINSTATEMENT OF SUBGRANT AGREEMENT (the "First Amendment") is made and entered into by and between Palm Beach County, a political subdivision of the State of Florida ("County" or "Grantor") and City of South Bay, a Municipal corporation organized under the laws of the State of Florida ("Subgrantee" or "subgrant recipient").

WITNESSETH:

WHEREAS, County and Subgrantee entered into an Agreement dated June 2, 2015 (R2015-0745) wherein County agreed to provide \$200,000 of United States Environmental Protection Agency (EPA) County Brownfields Revolving Loan Funds (BRLF) for remediation of property located at 480 US Highway 27 North, South Bay, Florida 33493 (hereinafter referred to as the "Property"); and

WHEREAS, the Agreement provided the Subgrantee the option of requesting a six (6) month extension to the Agreement if the Subgrantee could not complete the Remediation Work within twelve months after the Effective Date of the Agreement; and

WHEREAS, the original term of the Agreement ended June 1, 2016, but Subgrantee requested approval of the six month extension option; and

WHEREAS, County and Subgrantee desire to reinstate the Agreement and extend the term for six months, to provide for further extensions if such are necessary for the completion of the Remediation Work, and to identify a new Site Manager; and

WHEREAS, the County and the Subgrantee acknowledge and agree that during the period from June 1, 2016, until the Effective Date of this First Amendment, the parties were and are bound by the terms of the Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree 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 Agreement.

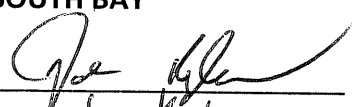
2. Article I, Section 1.02 of the Agreement is hereby modified to provide that the Term of the Agreement shall expire December 1, 2016, unless further extended by written amendment to this Agreement.
3. Article IV, Section 4.02 of the Agreement is hereby modified to remove Greg Vaday and replace him with Carol Thompson as the Subgrantee's Site Manager. The Site Manager's telephone number is (561) 233-3674. The mailing address remains unchanged.
4. Article XV, Section 15.02 of the Agreement is hereby modified to remove provide that Notices to the Grantor shall be sent to Carol Thompson in place of Greg Vaday.

Except as modified by this First Amendment, the Agreement remains unmodified and in full force and effect in accordance with the terms thereof, and the County and the Subgrantee hereby ratify, confirm, and adopt the Agreement as amended hereby.

This First Amendment is expressly contingent upon the approval of the County and shall become effective only when signed by all parties and approved by, or on behalf of by a person with delegated authority, the Palm Beach County Board of County Commissioners (the "Effective Date of the First Amendment").

IN WITNESS WHEREOF, Subgrantee and the County have caused this First Amendment to be executed on the date first above written.


CITY OF SOUTH BAY

By: 
Print name: Joe Kyles
Title: Mayor

(SEAL)

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

**FOR ITS BOARD OF COUNTY
COMMISSIONERS**

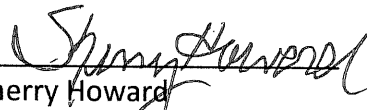
By: 
Shannon R. LaRocque
Assistant County Administrator

AUG 10 2016

Approved as to Form and
Legal Sufficiency

By: 
James Brako
Assistant County Attorney

Approved as to Terms and Conditions
Department of Economic Sustainability

By: 
Sherry Howard
Deputy Director

**AMENDMENT 001 TO LOAN AGREEMENT
PALM BEACH COUNTY
BROWNFIELDS CLEANUP REVOLVING LOAN FUND PROGRAM**

WPB #16590

THIS AMENDMENT 001 TO LOAN AGREEMENT (the "First Amendment") is made and entered into SEP 28 2016, 2016, by and between Palm Beach County, a political subdivision of the State of Florida ("County" or "Lender") and West Palm Beach Community Redevelopment Agency, a public agency under Chapter 163, Part III, Florida Statutes, duly authorized to transact business within the State of Florida ("Borrower").

WITNESSETH:

WHEREAS, County and Borrower entered into an Agreement dated December 14, 2015 (R2016-0436) wherein County agreed to provide \$350,000 of United States Environmental Protection Agency (EPA) County Brownfields Revolving Loan Funds (BRLF) for remediation of property located in the City of West Palm Beach, Florida, at 2401 Broadway, 2425 Broadway, 2501 Broadway, 2505 Broadway, 2501 Pinewood Avenue, 701 23rd Street, 609 24th Street, 604 25th Street, and 610 25th Street, (collectively, the "Property"); and

WHEREAS, the Agreement provides the Borrower the option of requesting a ninety (90) day extension to the Agreement if the Borrower cannot complete the work within twelve months after the Effective Date of the Agreement; and

WHEREAS, due to the level of contamination on the Property and in order to properly monitor the remediation work that is performed, Borrower has requested a three (3) year extension to the Agreement after the term of the Agreement ends December 13, 2016; and

WHEREAS, County and Borrower desire to extend the term for an additional three (3) years, and to add required County language.

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree 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 Agreement.
2. Article I, Section 1.02 of the Agreement is hereby modified to provide that the Term of the Agreement shall be extended three (3) years until December 13, 2019.
3. Article XVII, Section 17.02 of the Agreement is hereby modified to remove provide that Notices to the Lender shall be sent to Carol Thompson in place of Greg Vaday.
4. Article XVII of the Agreement is hereby modified to add Section 17.14, Public Records, as follows:

Section 17.14 Public Records.

Notwithstanding anything contained herein, as provided under Section 119.0701, F.S., if the Borrower: (i) provides a service; and (ii) acts on behalf of the County as provided under Section 119.011(2) F.S., the Borrower shall comply with the requirements of Section 119.0701, Florida Statutes, as it may be amended from time to time The Borrower is specifically required to:

- A. Keep and maintain public records required by the County to perform services as provided under this Agreement.

B. Upon request from the County's Custodian of Public Records, provide the County with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119 or as otherwise provided by law. The Borrower further agrees that all fees, charges and expenses shall be determined in accordance with Palm Beach County PPM CW-F-002, Fees Associated with Public Records Requests, as it may be amended or replaced from time to time.

C. Ensure that public records that are exempt, or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of the agreement term and following completion of the Agreement, if the Borrower does not transfer the records to the public agency.

D. Upon completion of the Agreement the Borrower shall transfer, at no cost to the County, all public records in possession of the Borrower unless notified by County's representative/liaison, on behalf of the County's Custodian of Public Records, to keep and maintain public records required by the County to perform the service. If the Borrower transfers all public records to the County upon completion of the Agreement, the Borrower shall destroy any duplicate public records that are exempt, or confidential and exempt from public records disclosure requirements. If the Borrower keeps and maintains public records upon completion of the Agreement, the Borrower shall meet all applicable requirements for retaining public records. All records stored electronically by the Borrower must be provided to County, upon request of the County's Custodian of Public Records, in a format that is compatible with the information technology systems of County, at no cost to County.

Failure of the Borrower to comply with the requirements of this section shall be a material breach of this Agreement. County shall have the right to exercise any and all remedies available to it, including but not limited to, the right to terminate for cause. Borrower acknowledges that it has familiarized itself with the requirements of Chapter 119, F.S., and other requirements of state law applicable to public records not specifically set forth herein.

IF THE BORROWER HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE BORROWER'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, PLEASE CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT RECORDS REQUEST, PALM BEACH COUNTY PUBLIC AFFAIRS DEPARTMENT, 301 N. OLIVE AVENUE, WEST PALM BEACH, FL 33401, BY E-MAIL AT RECORDSREQUEST@PBCGOV.ORG OR BY TELEPHONE AT 561-355-6680.

Except as modified by this First Amendment, the Agreement remains unmodified and in full force and effect in accordance with the terms thereof, and the County and the Borrower hereby ratify, confirm, and adopt the Agreement as amended hereby.

This First Amendment is expressly contingent upon the approval of the County and shall become effective only when signed by all parties and approved by, or on behalf of by a person with delegated authority, the Palm Beach County Board of County Commissioners (the "Effective Date of the First Amendment").

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

BORROWER:

**WEST PALM BEACH COMMUNITY
REDEVELOPMENT AGENCY**

Attest:

By: *Helen F. Carr*
CRA Secretary

By: *Geraldine Muoio*
Geraldine Muoio, Chair

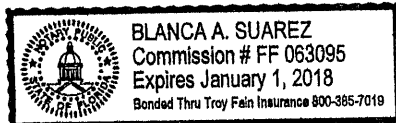
CRA COUNSEL'S OFFICE
Approved as to form and legality

By: *Don*

STATE OF FLORIDA }
COUNTY OF PALM BEACH } SS:

The foregoing First Amendment was acknowledged before me this 27th day of September 2016, by Geraldine Muoio, Chair of the West Palm Beach Community Redevelopment Agency, who is personally known to me, as an act of the Agency.

(NOTARY SEAL)



Signature: *Blanca A Suarez*
Notary Public – State of Florida

Print Name: BLANCA A SUAREZ

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

**FOR ITS BOARD OF COUNTY
COMMISSIONERS**

By: *Shannon R. LaRocque*
Shannon R. LaRocque
Assistant County Administrator

Approved as to Form and
Legal Sufficiency

By: *James Brako*
James Brako
Assistant County Attorney

Approved as to Terms and Conditions
Department of Economic Sustainability

By: *Sherry Howard*
Sherry Howard
Deputy Director

AMENDMENT 005 TO THE AGREEMENT

WITH

RIVIERA BEACH COMMUNITY DEVELOPMENT CORPORATION, INC.

AMENDMENT 005 entered into on SEP 09 2016, by and between **Palm Beach County ("County")** and **Riviera Beach Community Development Corporation, Inc. ("Agency")**.

WITNESSETH:

WHEREAS, Palm Beach County entered into an Agreement (R2013-1809) with Riviera Beach Community Development Corporation, Inc., on October 28, 2013, as amended by Amendment 001 (R2014-1046) on May 19, 2014, Amendment 002 (R2014-1923) on November 5, 2014, Amendment 003 (R2015-0624) on April 2, 2015, and Amendment 004 (R2015-1710) on September 29, 2015, for the provision of \$1,014,442.70 in HOME funds; and

WHEREAS, the parties wish to amend the Agreement to extend certain expenditure and reimbursement dates; and

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth below, and various other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

A. INCORPORATION OF RECITALS AND DEFINITION OF TERMS

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 Agreement.

B. ARTICLE 4 - MAXIMUM COMPENSATION

Revise the date for the Agency to expend the HOME Program funds and/or request reimbursement from the County for eligible expenses: Delete "September 30, 2016" and replace it with "November 30, 2016".

C. ARTICLE 5 - TIME OF PERFORMANCE

Revise the deadline for full draw down of the \$1,014,442.70 in HOME funds from "September 30, 2016" to "November 30, 2016".

D. ARTICLE 6 - METHOD OF PAYMENT

Revise the deadline from "September 30, 2016" to "November 30, 2016" for the Agency to make payments for eligible expenses for which it will request reimbursement from the County.

Except as modified by this Amendment 005 and previously, the Agreement remains unmodified and in full force and effect in accordance with the terms thereof. This Amendment is expressly contingent upon the approval of the County and shall become effective only when signed by all parties.

IN WITNESS WHEREOF, Agency and County have caused this Amendment 005 to be executed on the date first above written.

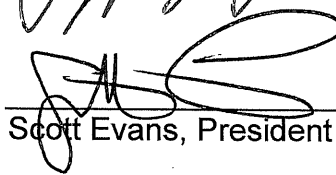
(AGENCY SEAL BELOW)

Corporation not-for-profit

**RIVIERA BEACH COMMUNITY
DEVELOPMENT CORPORATION, INC.**

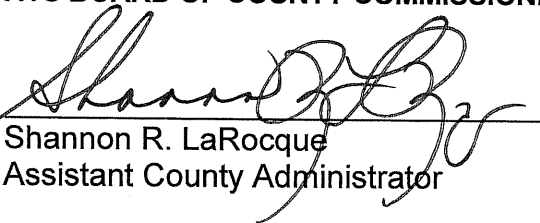
By: 
Elizabeth Robinson, Chair

By: 
Jeffery Jackson, Secretary

By: 
Scott Evans, President

Date: 8/29/16

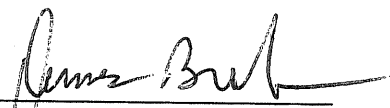
**PALM BEACH COUNTY, FLORIDA, a
Political Subdivision of the State of Florida
FOR ITS BOARD OF COUNTY COMMISSIONERS**

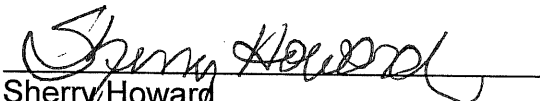
By: 
Shannon R. LaRocque
Assistant County Administrator

Date: 9-8-16

Approved as to Form and
Legal Sufficiency

Approved as to Terms and Conditions
Department of Economic Sustainability

By: 
James Brako
Assistant County Attorney III

By: 
Sherry Howard
Deputy Director