

**PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS**

AGENDA ITEM SUMMARY

Meeting Date:	May 1, 2018	<input checked="" type="checkbox"/> Consent	<input type="checkbox"/> Regular
		<input type="checkbox"/> Ordinance	<input type="checkbox"/> Public Hearing

Department:	Department of Housing and Economic Sustainability
--------------------	--

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to Receive and File: the following documents:

- A) Amendment 004 to a Subgrant Agreement (R2015-0745) with the City of South Bay under the Brownfields Revolving Loan Fund (BRLF) Program; and
- B) Loan Agreement with Housing Partnership, Inc., under the State Housing Initiatives Partnership Program (SHIP)

Summary: In accordance with County PPM CW-0-051, all delegated contracts, agreements and grants must be submitted by the initiating Department as a receive and file agenda item. The attached documents have been executed on behalf of the Board of County Commissioners (BCC) by the Mayor or the County Administrator in accordance with Agenda Items 31-10 and 5B-2 as approved by the BCC on October 16, 2012, and April 4, 2017, respectively. Amendment 004 with the City of South Bay provides 12 additional months to the term of the U.S. Environmental Protection Agency (EPA) funded Subgrant Agreement to enable completion of the site monitoring requirements as established by the Florida Department of Environmental Protection (FDEP). The Loan Agreement with Housing Partnership, Inc., provides \$160,000 in SHIP funds for the rehabilitation of four (4) apartments. This executed documents is now being submitted to the BCC to receive and file. **BRLF Program funds are Federal EPA funds which require a 20% local match which will be provided by the City of South Bay. SHIP grant funds are State funds that do not require a local match. Districts 3 & 6 (JB)**

Background and Justification: A) On June 2, 2015, the County entered into a Subgrant Agreement (R2015-0745) with the City of South Bay to provide \$200,000 in EPA funds under the BRLF Program. The funds were provided to clean up a site located at 480 U.S. Highway 27 North in South Bay. Site cleanup has been completed and the project is in the post cleanup site monitoring phase. The City has requested an additional 12 months to meet FDEP's monitoring requirements. Amendment 004, entered into on March 27, 2018, extended the expiration date of the Subgrant Agreement from June 1, 2018 to June 1, 2019.

B) On March 30, 2018, the County entered into a Loan Agreement with Housing Partnership, Inc., to provide a loan of \$160,000 in SHIP funds to rehabilitate four (4) out of eight (8) rental units at Celtic Apartments which are located at 4694 Davis Road in unincorporated Palm Beach County. The rehabilitated units will be occupied by households whose incomes are at or below 50% of Area Median Income for a period of 30 years.

Attachment(s):

- 1. Amendment 004 to the Subgrant Agreement with the City of South Bay
- 2. Loan Agreement with Housing Partnership, Inc.

Recommended By:


Department Director

4/9/18
Date

Approved By:


Assistant County Administrator

4/11/18
Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2018	2019	2020	2021	2022
Capital Expenditures					
Operating Costs	\$160,000				
External Revenues	(\$160,000)				
Program Income					
In-Kind Match (County)					
NET FISCAL IMPACT	-0-				

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


Is Item Included In Current Budget? Yes X No
Does this Item include the use of Federal funds? Yes No X

Fund 1100 Dept 143 Unit 7176 Object 8201 Program Code/Period SH102D/GY16

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

The Loan Agreement with Housing Partnership, Inc., allocated \$160,000 in SHIP funds.

C. Departmental Fiscal Review:


Shairette Major, Fiscal Manager II

III. REVIEW COMMENTS

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

 4/11/18
OFMB  4/19/18
Contract Development and Control
4/19/18

B. Legal Sufficiency:

 4/11/18
Assistant County Attorney

C. Other Department Review:

Department Director

(THIS SUMMARY IS NOT TO BE USED AS A BASIS FOR PAYMENT)

**AMENDMENT 004 TO SUBGRANT AGREEMENT
PALM BEACH COUNTY
BROWNFIELDS CLEANUP REVOLVING LOAN FUND PROGRAM**

THIS AMENDMENT 004 TO SUBGRANT AGREEMENT (the "Fourth Amendment") is made and entered into on MAR 27 2018 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 parties entered into Amendment No. 1 to Subgrant Agreement on July 30, 2015 ("Amendment No. 1") (R2016-1362), wherein the County assumed certain of the Subgrantee's responsibilities with regard to the contractor; and

WHEREAS, the parties entered into a second amendment to the Subgrant Agreement on August 10, 2016, (R2016-1514), but the amendment was misnumbered and was approved and executed by both parties as Amendment 001 to and Reinstatement of Subgrant Agreement ("Amendment 001/Reinstatement"); and

WHEREAS, Amendment 001/Reinstatement provided for extension of the Term of the Agreement to December 1, 2016, which extension was requested by Subgrantee pursuant to the six month extension option set forth in Article 1, Section 1.02 of the Agreement; and

WHEREAS, Amendment 003, dated November 2, 2016 (R2016-1686), provided an additional eighteen (18) month extension to the Term of the Agreement in order to provide for adequate monitoring of the site; and

WHEREAS, the Subgrantee has requested an additional twelve (12) month extension to the Term of the Agreement in order to comply with the requirements of the Florida Department of Environmental Protection to monitor, document and track any cleanup target level exceedances in the source area where active remedial action was performed which will track contaminant attenuation and allow for closure of the site; and

WHEREAS, the County and the Subgrantee desire to extend the Term of the Agreement for twelve (12) months.

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 June 1, 2019, unless further extended by written amendment to this Agreement.

Except as modified by this Fourth Amendment and previously, 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 Fourth 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 Fourth Amendment").

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

WITNESSES:

Jessica Figueroa
Witness Signature

Jessica Figueroa
Print Witness Name

Titiana Weatherpoon
Witness Signature

Titiana Weatherpoon
Print Witness Name

CITY OF SOUTH BAY

By: Joe Kiles

Print name: Joe Kiles

Title: Mayor

(SEAL)

(COUNTY SEAL BELOW)

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

For its **BOARD OF COUNTY COMMISSIONERS**

By: Jonathan Brown
Jonathan B. Brown, Director
Dept. of Housing & Economic Sustainability

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

LOAN AGREEMENT

MAR 30 2018

THIS AGREEMENT, entered into on _____, by and between **Palm Beach County**, a political subdivision of the State of Florida, (hereinafter referred to as the "County" and the "Lender") and **Housing Partnership, Inc.**, a Florida not-for-profit corporation, (the "Borrower"), whose Federal I.D. number is 59-2704597.

1. RECITALS:

WHEREAS, the County secured State Housing Initiatives Partnership (SHIP) Program funds from the State of Florida;

WHEREAS, the County wishes to make such SHIP funds available for affordable housing projects;

WHEREAS, the County, on April 4, 2017, allocated \$160,000 in SHIP funds for rehabilitation of a portion of the Borrower's rental housing project known as Celtic Apartments which is located on property owned by the Borrower and which is more particularly described in Exhibit A, attached hereto and made a part hereof (the "Premises");

WHEREAS, the Borrower wishes to expend certain of its own funds and to borrow the aforesaid SHIP funds for the purpose of making the repairs described herein which will rehabilitate four (4) of the eight (8) rental housing units (the "Improvements") on the Premises;

WHEREAS, the Borrower has agreed that the herein identified four (4) units to be rehabilitated through the use of allocated SHIP funds (the "SHIP Assisted Units") shall be affected by the occupancy and affordability requirements as more fully set forth herein;

WHEREAS, the County wishes to assist in the provision of affordable housing by making a loan in the principal amount of \$160,000 (the "Loan") in SHIP funds to the Borrower;

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

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

2. THE LOAN AND LOAN EXPENDITURE REQUIREMENTS:

The County shall make the Loan to the Borrower in an amount not to exceed the principal amount of **\$160,000** upon the terms and conditions set forth herein, and at the rates and terms set forth in its Promissory Note and Mortgage and Security Agreement (the "Mortgage") which are attached hereto and made a part hereof as Exhibit B and Exhibit C, respectively.

The Borrower shall take the Loan comprised of SHIP Program funds and expressly agrees to comply with and to perform all of the terms and conditions of this Agreement, including all amendments thereto, the Promissory Note, the Mortgage and any other documents evidencing and securing this Loan (collectively hereinafter referred to as the "Loan Documents"). The closing of the Loan, including the execution of the Promissory Note and Mortgage, shall occur at the offices of the County Attorney or such other mutually agreed upon site no later than March 31, 2018, unless extended by the County in its sole discretion.

Any SHIP Program funds not drawn or expended by the date provided below shall remain with the County and not be eligible for payment to the Borrower and the County may reallocate such funds for other projects or needs, unless such date is extended by written amendment to this Agreement. Furthermore, the County shall not be obligated to replace unused or reallocated SHIP Program funds with funds from another source, and the County's right to reallocate such SHIP Program funds shall not be subject to the rights of any other lender or the terms of any subordination agreement.

Nothing in this Agreement shall obligate the Palm Beach County Board of County Commissioners to provide funding from the County's annual budget and appropriations, or from any other funding source, for any reason.

The Borrower recognizes and understands that by entering into this Agreement, the County wishes to further its provision of affordable rental housing to income qualified renters in a timely manner. The Borrower also recognizes and understands that the Borrower's performance as established under this Agreement is critical to the County's efforts in the provision of affordable housing, compliance with SHIP requirements, and requirements for the use of SHIP funds. The Borrower agrees that **time is of the essence** in regard to the Borrower's completion of the Celtic Apartments project which consists of the rehabilitation of the four (4) SHIP Assisted Units (also referred to herein as "Project") and the continued occupancy of said housing units as more fully specified in Section 5 and Section 6 herein.

In recognition of the above, the Borrower shall implement the Project as follows:

- **The Borrower shall have closed on the Loan as specified herein no later than March 31, 2018, unless extended by the County in its sole discretion.**
- **The Borrower shall have begun the herein described rehabilitation construction of the SHIP Assisted Units under a construction contract, as more fully described in Section 7 herein, no later than ninety (90) calendar days after the date of closing on the Loan.**
- **The Borrower shall have drawn the entire amount of the Loan up to \$160,000, that is 100% of the Loan, shall have completed all rehabilitation construction work on the SHIP Assisted Units and shall have leased all four (4) SHIP Assisted Units to income eligible households as specified herein by June 30, 2019 (or by such earlier date as specified herein).**

3. CONDITIONS PRECEDENT TO CLOSING:

(A) Conditions Precedent:

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

(i) Title Insurance:

(a) Within thirty (30) days of the effective date hereof, Borrower shall deliver to County a title commitment issued by a title insurance company qualified to do business in the State of Florida and acceptable to County, agreeing to issue to County upon recording of the Mortgage a Lender's Title Insurance Policy in the amount of said Mortgage, subject only to the permitted exceptions. Said commitment shall have attached to it copies of all exceptions referred to in the title commitment. The cost of said title commitment and policy and any premium therefore shall be borne by Borrower.

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

- (c) The title insurance commitment shall be endorsed at closing to remove any and all requirements of pre-conditions to the issuance of a Lender's Title Insurance Policy, and to delete any exceptions for: (1) any rights or claims or parties in possession not shown by the public records; (2) encroachments, overlaps, boundary line disputes, and any other matters which would be disclosed by an accurate survey and inspection of the Premises; (3) unrecorded easements and claims of liens; (4) taxes for the year 2017 and all prior years; (5) matters arising or attaching subsequent to the effective date of the commitment but before the Mortgage becomes recorded in the Public Records, except those matters necessary for the construction work on the Improvements as contemplated herein.
- (ii) Survey: Borrower shall, concurrent with the submission of the above mentioned title commitment, deliver to the County a current certified survey of the Premises, prepared by a surveyor acceptable to the County, showing the following:
- (a) The location of the perimeter of the Premises by courses and distances and perimeter footings in place, and by reference to Township, Range, Section unless platted, in which case, reference shall be to Tract, or Lot and Block per Plat.
- (b) The location of and the identification by reference to recording data of all easements, rights-of-way, conditions and restrictions on or appurtenant to the Premises.
- (c) The location of all building setback lines.
- (d) The lines of the streets abutting the Premises and the width thereof.
- (e) All encroachments, and the extent thereof, in feet and inches upon the Premises.
- (f) Flood zone certification.
- (g) Any other notations required for the deletion of the survey exception from the Title Insurance Policy to be issued in accordance with Section 3(A)(i) above and any other requirements requested by the County.
- (h) The survey shall be certified to: Palm Beach County, a political subdivision of the State of Florida.
- (iii) Public Requirements: The Borrower shall deliver to the County:
- (a) For all projects:
- (1) An original hardcopy and a pdf version on a CD/DVD of a complete Phase I Environmental Site Assessment (ESA) report for the property(s) which must comply with the recommendations and requirements in ASTM Standard Practice for the Environmental Site Assessments: Phase I ESA process (ASTM E1527-13). The report must have been completed within 180 days prior to closing on this Loan. The consultant preparing the report shall, in the Reliance Section of the ESA report, state that the report has been prepared for the use and reliance of Palm Beach County, a political subdivision of the State of Florida. The report shall contain recommendations regarding the necessity for further evaluation.
- (2) When recommended in the Phase I ESA report, an original hardcopy and a pdf version on a CD/DVD of a complete Phase II Environmental Site Assessment (ESA) report for the property(s) which must comply with the recommendations and requirements in ASTM Standard Practice for the Environmental Site Assessments: Phase I ESA process (ASTM E1903-11). The consultant preparing the report shall, in the Reliance

Section of the ESA report, state that the report has been prepared for the use and reliance of Palm Beach County, a political subdivision of the State of Florida.

(b) For all new construction projects: a satisfactory subsurface exploration and geotechnical engineering evaluation of the Project site shall be required.

(c) For new construction projects where this Loan is a first mortgage loan provide:

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

(2) A copy of an approved site plan or site plan waiver for the Project or a letter from the appropriate Zoning Department certifying that no government approvals are required except for building permits.

(3) Evidence satisfactory to the County that there is legal access to the project and that such legal access is sufficient for the Project.

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

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

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

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

(b) The Mortgage shall become immediately due and payable upon an unpermitted sale, transfer, or refinancing of the Premises.

(c) The Mortgage shall be non-assumable, unless the County has otherwise consented.

(v) Mortgagor's Affidavit: An affidavit of Borrower shall be executed and delivered to the County as required by the title insurer as noted in Section 3(A)(i) above, certifying to all such facts as are required to delete the Standard Exceptions from the Lender's Title Insurance Policy and certifying that no liens exist on the Premises for taxes not yet due and payable and that no other parties are entitled to possession except as otherwise provided therein.

(vi) Company Documents: The Borrower shall deliver to the County the following documents:

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

(b) Certified resolutions of the Borrower authorizing the execution and delivery of this Agreement, the Mortgage, Promissory Note and all other documents necessary or desirable, for the consummation of the transactions contemplated by this Agreement.

(vii) Flood Insurance: The Borrower shall deliver to the County evidence satisfactory to the County either that the Premises are not within a hazardous flood area as designated by the Department of Housing and Urban Development and any other governmental authority, or if the Premises are within such a hazardous area, that the Premises are covered by flood insurance supplied by the federal Insurance Administration to the maximum amount available, all as provided in the Flood Disaster Protection Act of 1973, as amended, together with appropriate endorsements thereto providing for the County's interests in the same manner as the Builder's Risk Insurance, including without limitation that such insurance will not be canceled without 30 days' notice to the County. Borrower agrees that the County shall have the right to take any action necessary to continue said insurance in full force and effect including, but not limited to, paying premiums. Any funds disbursed to continue said policies in full force and effect shall be considered as Disbursements hereunder and shall bear interest from the date of disbursement at the same rate as other Disbursements and payment of said funds and interest shall be secured by the Mortgage. Satisfactory evidence of flood area designation shall be a certification from the Surveyor appearing on the survey drawing.

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

(a) This 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 applicable bankruptcy, insolvency, and similar laws affecting rights of creditors.

(b) That Borrower is a Florida not for profit corporation in good standing under the laws of the State of Florida and has all the necessary power and authority to undertake its obligations hereunder.

(c) That to the best of counsel's knowledge, the execution and delivery of the Loan Documents, the performance by the Borrower of its obligations under the Loan Documents, and the exercise by the Borrower of the rights created by the Loan Documents do not violate any Federal, Florida, or local law, rule or regulation.

(d) That the execution and delivery of the Loan Documents, the performance by the Borrower of its obligations under the Loan Documents, and the exercise by the Borrower of the rights created by the Loan Documents do not (1) violate the Borrower's Certificate of Limited Partnership, or (2) to Counsel's knowledge, constitute a breach of or a default under any agreement or instrument to which the Borrower is a party or by which it or its assets are bound or result in the creation of a mortgage, security interest or other encumbrance upon the assets of the Borrower (except as set forth in the Loan Documents), or (3) to Counsel's knowledge, violation a judgment, decree or order of any court or administrative tribunal, which judgment, decree or order is binding on the Borrower or its assets.

(e) That to counsel's knowledge, and based on a certificate to be provided by Borrower, there are no proceedings pending or threatened before any court or administrative agency which will materially adversely affect the financial condition or operation of Borrower or the Premises, including but not limited to bankruptcy, reorganization or insolvency proceeding or any other debtor-creditor proceedings under the Bankruptcy Code or any similar statute.

(f) That the lien of the Mortgage is a valid lien on the Premises and the security interest described in the Mortgage is a good and valid security interest.

(g) Such other matters as the County may reasonably require.

(ix) Loan Fee: The Borrower shall deliver to the County a payment equivalent to 150 basis points of the Loan amount.

(B) Expenses:

The Borrower shall have paid, or shall pay, all those fees and charges due and payable or ordered paid by the County as provided herein under Section 4 of this Agreement entitled Expenses.

(C) Other Documents:

The Borrower shall deliver to the County such other documents and information as the County may reasonably require.

(D) Representations and Warranties:

The representations and warranties of Borrower as set forth in this Agreement and the Loan Documents are true and correct.

4. EXPENSES:

The Borrower shall pay fees and charges incurred in the procuring and making of this Loan, if applicable, and other reasonable expenses incurred by the County related to the administration of the Loan, including but not limited to, Title Insurance Company's fees and premiums, charges for examination of title to the Premises, expenses of surveys, recording expenses, any and all insurance premiums, taxes, assessments, water rates, sewer rates and other charges, liens and encumbrances upon the Premises, annual loan servicing, rental compliance monitoring fee, and administrative fee as applicable, and any other amounts necessary for the payment of the costs of Improvements, or as otherwise enumerated in any other Loan Document.

5. USE OF LOAN FUNDS, UNITS TO BE REHABILITATED AND RELATED DATES:

Borrower shall, in addition to its own funds, use the Loan in the amount of \$160,000 for construction costs pertaining to the rehabilitation of the following four (4) SHIP Assisted Units:

- 4686 Davis Road, Lake Worth, FL 33461
- 4690 Davis Road, Lake Worth, FL 33461
- 4692 Davis Road, Lake Worth, FL 33461
- 4694 Davis Road, Lake Worth, FL 33461

The rehabilitation work to be undertaken at the Project shall include, but not be limited to, replacement of exterior doors and windows, replacement of ceiling drywall, replacement of floor tile, replacement of kitchen cabinets, sinks and appliances, replacement of washer/dryer and water heater, replacement of bathroom fixtures, replacement of light fixtures, switches and receptacles, replacement of interior doors, replacement of HVAC system, and painting, carpentry, plumbing and electrical work to accomplish the foregoing.

The above specified units shall be occupied at affordable rental rates by households as specified in Section 6 herein. Construction work under a construction contract, as more fully described in Section 7 herein, shall commence no later than ninety (90) calendar days after the date of closing on the Loan, and shall be completed, with all Certificates of Occupancy or Certificates of Completion issued and all SHIP Assisted Units leased by June 30, 2019. Notwithstanding the preceding, all SHIP Assisted Units at the Project shall be leased, within six (6) months after issuance of all Certificates of Occupancy or Certificates of Completion for the Project if such date is earlier than June 30, 2019.

THE REQUIREMENTS AND RESTRICTIONS SET FORTH IN THIS SECTION 5, USE OF LOAN FUNDS, UNITS TO BE REHABILITATED AND RELATED DATES, SHALL SURVIVE THE EXPIRATION OR EARLIER TERMINATION OF THIS AGREEMENT AND SHALL BE COVENANTS RUNNING WITH THE LAND FOR THE THIRTY (30) YEAR AFFORDABILITY PERIOD SET FORTH HEREIN.

6. OCCUPANCY AND AFFORDABILITY REQUIREMENTS:

The Borrower expressly agrees to the following terms and conditions:

(A) Occupancy:

All SHIP Assisted Units shall, for a period of thirty (30) years after issuance of all Certificates of Occupancy or Certificates of Completion for the Project be leased to households whose annual gross incomes, adjusted for family size, are at no more than fifty percent (50%) of Area Median Income (hereinafter "AMI").

AMI shall mean the most current area median income published by HUD for the West Palm Beach-Boca Raton Metropolitan Statistical Area and annual gross income shall be as defined at s. 420.9071, Florida Statutes. Limitations, if any, on the increase of tenants' annual gross incomes while in occupancy of these units shall be as established by the Florida Housing Finance Corporation.

(B) Affordability:

All SHIP Assisted Units shall, for the aforesaid thirty (30) year period, be rented at rates which do not exceed thirty percent (30%) of the amount that represents the median annual gross income for households whose annual gross incomes, adjusted for family size, are at no more than fifty percent (50%) of AMI. The rent limits to be utilized for SHIP Assisted Units shall be as published annually by the Florida Housing Finance Corporation.

THE REQUIREMENTS AND RESTRICTIONS SET FORTH IN THIS SECTION 6, OCCUPANCY AND AFFORDABILITY REQUIREMENTS, SHALL SURVIVE THE EXPIRATION OR EARLIER TERMINATION OF THIS AGREEMENT AND SHALL BE COVENANTS RUNNING WITH THE LAND FOR THE THIRTY (30) YEAR AFFORDABILITY PERIOD SET FORTH HEREIN.

7. SPECIAL PROVISIONS:

The Borrower expressly agrees to the following terms and conditions:

(A) Project Consultant:

The Borrower shall enter into a contract with an architectural consultant, who shall be a Florida Registered Architect, and designate the architectural consultant as the "Consultant" for this Project. The Consultant shall prepare construction specifications for the Project, review all construction costs and change orders, coordinate any asbestos abatement work with the construction work, supervise the construction of the Project, review and approve all construction contractor payments, and provide DES with written certification that the work has been completed acceptably in accordance with the plans and specifications.

(B) Asbestos Survey and Abatement:

The Borrower shall comply with the following:

- (i) Asbestos Survey: The Borrower shall obtain an asbestos survey of all building components and materials at the Project that will be disturbed in the course of the construction work. The survey shall be performed by a Florida licensed asbestos consultant and shall comply with the requirements shown in Exhibit D attached hereto.

The Borrower shall provide the County a copy of the asbestos survey. The Consultant shall use the results of the survey in preparing the construction specifications such that they incorporate specifications that address the findings of the survey as described in more detail below.

In the alternative, the Borrower may request the County to obtain the aforementioned asbestos survey, in which instance, the County shall deduct the cost of such survey from the funds made available through this Agreement and provide the Borrower a copy of the asbestos survey. The Borrower shall then transmit such copy to the Consultant who shall use the results of the survey in preparing the construction specifications such that they incorporate specifications that address the findings of the survey as described in more detail below.

- (ii) Asbestos Abatement: Should the above mentioned asbestos survey of the property reveal the presence of any asbestos containing materials that require abatement in the opinion of the County, then the Borrower shall include such abatement in the construction contract documents and shall comply with the directives from the County regarding such abatement. All asbestos abatement work shall be

performed by a Florida licensed asbestos abatement contractor, and when required by the County, shall be monitored by a Florida licensed asbestos consultant. The Borrower shall comply with the requirements of the County's Risk Management Department in connection with all asbestos abatement work. If feasible in the County's opinion, the Borrower shall include the asbestos abatement work in the construction contract, otherwise such work shall be procured separately by the Borrower, or by the County, in accord with the requirements of this Agreement and Exhibit D and shall be performed prior to the construction work. If the County procures the asbestos abatement work, then the County shall deduct the cost of such work from the funds made available through this Agreement.

NOTE: The Borrower shall in connection with the construction work to be performed at the Project, and according to applicable laws and regulations, disclose to Project occupants whose apartments are being rehabilitated the presence of any asbestos containing materials present in their apartments.

(C) Construction Contract:

The Borrower shall enter into one construction contract with a prime contractor covering all the herein described rehabilitation work. The construction contract shall contain a schedule of values for this Project providing a detailed cost breakdown. In addition to the requirements shown in the Asbestos Survey and Abatement clause above, the construction contract shall comply with the following requirements:

(i) Green Building and Wind Load Requirement: The County encourages all new construction or substantial rehabilitation to incorporate green building, also known as a sustainable building that is a structure designed, built, renovated, operated, or reused in an ecological and resource-efficient manner.

(ii) Asbestos-Containing Materials Prohibited: The Borrower shall ensure that its construction contract documents contain a prohibition against the use of any materials containing asbestos in connection with the construction work on the Improvements as contemplated herein.

The Borrower shall obtain the County's approval prior to executing the construction contract and all change orders.

The Borrower shall provide the County with a copy of its executed construction contract and copies of all signed change orders as approved by the Consultant.

(D) Disbursement of Loan Funds and Order of Disbursement of Funds:

The Borrower shall prior to requesting the disbursement of Loan funds first expend its own funds in an amount equivalent to the total construction contract amount less \$160,000. In order to demonstrate the Borrower's compliance with the preceding, the Borrower shall provide the County the following: 1) copies of the contractor's signed draw requests in the form specified below which have been approved by the Consultant, 2) copies of checks or wire transfers evidencing the Borrower's payment to the contractor, and 3) copies of partial or final releases of liens (as applicable).

The Borrower may then request reimbursement from the County for construction payments made by the Borrower for the construction work contemplated herein. The Borrower shall withhold a minimum of five percent (5%) retainage on each payment requested by the prime contractor, which retainage shall only be released to the prime contractor with the final payment upon the prime contractor's (and subcontractors') full compliance with the terms and conditions of the construction contract including compliance with the requirements of this Agreement. The Borrower shall obtain the County's approval prior to releasing the accumulated retainage with the final payment.

Note: Reimbursements made hereunder shall be limited to construction improvements undertaken on the Premises and shall exclude the cost of off-site improvements.

When requesting reimbursement, the Borrower shall submit the following to the County:

(i) A letter from the Borrower, on the Borrower's letterhead, shall be provided for each reimbursement request pertaining to construction costs. The letter shall reference the Project, the date of this Agreement and its document reference number

(if such number is available), and shall contain a statement requesting the payment of the amount needed for reimbursement of construction costs, as well as the name and signature of a person authorized by the Borrower to make such a request.

(ii) Evidence of payment made by the Borrower for construction costs shall accompany each reimbursement request letter provided that such evidence of payment demonstrate that payment was made after the effective date of this Agreement.

(iii) A copy of the prime contractor's signed request for payment (as approved by the Consultant) prompting the Borrower's payment shall accompany each reimbursement request letter. The contractor shall be required to use American Institute of Architects (AIA) form G702/703, or an equivalent form, to request payment.

(iv) A copy of any of the following as requested by the County: contractor's roof nailing affidavit or roof inspection approval, contractor's warranty, contractor's release of lien, subcontractors' releases of lien, product approvals, manufacturers' warranties, building permits with building department final approval of permits, and Certificates of Completion or Certificates of Occupancy.

(E) Certificate of Occupancy:

Upon the completion of construction and the Borrower's receipt of a Certificate of Occupancy or Certificate of Completion for the Project from the building department with jurisdiction over the Project, the Borrower shall provide the County a copy of such Certificate of Occupancy or Certificate of Completion.

(F) Affirmative Marketing:

In furtherance of the County's commitment to non-discrimination and equal opportunity in housing, the County's Department of Economic Sustainability (DES) has established policies and procedures to affirmatively market housing units produced through the use of these funds. These affirmative marketing procedures are implemented comprehensively for all housing programs through DES and aim to effect greater participation of eligible persons without regard to race, color, religion, disability, sex, age, national origin, ancestry, marital status, familial status, sexual orientation, gender identity or expression or genetic information.

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

(i) Use the Equal Opportunity logo or slogan in advertisements;

(ii) Solicit applications from persons in the housing market area who are not likely to apply for housing without special outreach. The Borrower may satisfy this requirement by posting a notice of vacancies in any or all of the following:

- Community Organizations
- Fair Housing Groups
- Housing Counseling Agencies
- Commercial Media
- Employment Centers
- Local Public Housing Authorities (PHA's) or Other Similar Agencies
- Mobile Home Communities
- Agencies for the disabled
- Churches and other related organizations

(iii) Borrower shall keep records of its efforts to affirmatively market units and the Borrower shall provide DES copies of its records, including advertisements, minutes of meetings, income documentation, and census tract information, as applicable, as evidence of the Borrower's efforts.

(G) Nondiscrimination:

The Borrower warrants and represents that all of its employees are treated equally during employment without regard to race, color, religion, disability, sex, age, national origin, ancestry, marital status, familial status, sexual orientation, gender identity and expression, or genetic information.

Furthermore, Borrower shall not discriminate on the basis of race, color, religion, disability, sex, age, national origin, ancestry, marital status, familial status, sexual orientation, gender identity or expression, or genetic information, in the use, or occupancy of any housing unit constructed on the Premises, nor shall any person on the basis of race, color, religion, disability, sex, age, national origin, ancestry, marital status, familial status, sexual orientation, gender identity or expression, or genetic information, be excluded from the benefits of, or be subjected to discrimination under any activity carried out by the performance of the terms contained herein.

(H) Tenant Records to be Maintained:

The Borrower shall, for each household that is rented a SHIP Assisted Unit at the Project, comply with the below requirements and maintain a file that, at minimum, contains the following:

- (i) An application for lease, signed and dated by the applicant(s), identifying the household members that intend to occupy the apartment, the household characteristics, and the household income they have disclosed.
- (ii) Source documentation evidencing the Borrower's verification of the Tenant's household income and a computation sheet demonstrating the Borrower's determination of the tenant's income eligibility to occupy the unit. Household income computation shall follow the HUD Section 8 method (24 CFR 5.609).
- (iii) Documentation evidencing the Borrower's recertification of the tenant's household income at the time of the first lease renewal to ensure continued income eligibility.
- (iv) A copy of the HUD income levels in effect at the time the initial lease is signed and at the time of the first lease renewal.
- (v) A copy of each tenant's initial lease and all lease renewals and a computation sheet and supporting documentation for each demonstrating that the rent charged by the Borrower is an affordable rental rate as defined at s. 420.9071, Florida Statutes.
- (vi) The Borrower shall conduct background checks on adult members of households prior to occupancy and maintain a copy of the of such background check. Should the Borrower elect to utilize criminal background information in the screening of prospective tenants or the retention/termination of tenants, the Borrower must develop and implement tenant selection policies which comply with HUD guidance on the use of criminal background information.

Tenant selection/retention/termination shall not:

- Exclude persons from housing based on records of arrests not resulting in conviction;
- Exclude persons from housing based solely on conviction of any type, with the exception of those identified by HUD (methamphetamine production and registered sex offender); and
- Be utilized to intentionally discriminate against protected classes of persons.

Tenant selection/retention/termination shall:

- Serve a substantial, legitimate, and non-discriminatory interest of the housing provider;

- Distinguish between criminal conduct which indicates a demonstrable risk to resident safety and/or property and that which does not;
- Consider the nature, severity, and recency of the criminal offense;
- Consider relevant individualized evidence such as: circumstances surrounding the criminal conduct; the age of the individual at the time of the conduct; tenant history before and/or after the criminal conduct; and rehabilitation efforts; and
- Be applied equally among all classes of protected persons.

The Borrower shall submit its written tenant selection/retention/termination to DES for review.

(vii) Any other documentation evidencing the Borrower's compliance with this Agreement.

(I) Reporting Requirements:

(i) The Borrower shall submit to the County a **Monthly Performance Report** in the form provided as Exhibit E to this Agreement. The Borrower shall first submit this Report on the last day of the month during which this Agreement is executed, and thereafter, on the last day of each subsequent month. After the Borrower provides a Report for the month during which the Certificate of Occupancy or Certificate of Completion for the Project is issued, the Borrower may cease submitting this Report.

(ii) The Borrower shall submit to the County a **Tenant Information Report** for all SHIP Assisted Units in the form provided as Exhibit F to this Agreement. The Borrower shall first submit this Report on the last day of the month during which the first Certificate of Occupancy or Certificate of Completion for Project is issued, and thereafter, on the last day of each month. After the Borrower provides this Report for all SHIP Assisted Units, the Borrower may cease submitting this Report.

(iii) The Borrower shall submit to the County an **Annual Rent Roll** for all SHIP Assisted Units in the form provided as Exhibit G to this Agreement. The Borrower shall first submit the Annual Rent Roll on the first anniversary of its submission of the first Tenant Information Report identified above, and annually thereafter for the duration of the Mortgage.

Exhibits E, F, and G are all attached hereto and made a part hereof.

8. REPRESENTATIONS AND WARRANTIES OF BORROWER:

The Borrower represents and warrants (which representations and warranties shall be deemed continuing) as follows:

(A) Organization Status and Authority to Enter into Loan Documents:

The Borrower is a Florida not-for-profit corporation duly organized and validly existing in good standing under the laws of the State of Florida with full power and authority to consummate the transactions contemplated herein. The Borrower is duly authorized to borrow from County the principal sum of \$160,000 and execute all the Loan Documents. The Borrower has full power and authority to enter into the Loan Documents and consummate the transactions contemplated hereby, and the facts and matters expressed or implied in the opinions of its legal counsel are true and correct.

(B) Validity of Loan Documents:

The Loan Documents have been approved by those persons having proper authority, and to the best of Borrower's knowledge are in all respects legal, valid, and binding according to their terms subject to applicable bankruptcy, insolvency and similar laws affecting rights of creditors.

(C) No Conflicting Transactions or Pending Litigation of Borrower:

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

To Borrower's knowledge there are no actions, suits or proceedings pending before any court of law or equity, or any Administrative Board, or, to the knowledge of the Borrower, threatened against or affecting it or the Premises, or, involving the validity or enforceability of the Mortgage, or of any of the Loan Documents.

(D) Availability of Utilities, Condition of Premises, and Availability of Roads:

All utility services necessary for the operation of the Improvements for their intended purpose are available at the Premises, including water supply, storm and sanitary sewer facilities, and electric and telephone facilities, and Borrower has obtained all necessary permits and permissions required from governmental authorities for unrestricted access to and use of such services in connection with the use of the Improvements.

The Premises are not now damaged or injured as a result of any fire, explosion, accident, flood or other casualty.

All roads necessary for the full utilization of the Improvements for their intended purposes have been completed and the necessary rights of way therefore have been acquired by the appropriate local authorities and have been dedicated to public use and accepted by such local authorities.

(E) No Default:

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

(F) Advertising/Marketing:

Borrower shall include the County logo in all marketing materials for the Project. During the period of the construction work contemplated herein, the County shall have the right to install and maintain on the Premises one or more signs identifying the County, or to be identified on such signs installed by others, as one of the institutions financing the Premises. Sign or signs will be provided by the County and erected at Borrower's expense.

(G) Hazardous Waste:

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

(H) Filing and Payment of Taxes:

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

9. ADDITIONAL COVENANTS OF BORROWER:

The Borrower covenants and agrees with the County as follows:

(A) Mechanics' Liens:

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

The Borrower agrees, at its sole cost and expense, to have any mechanics' lien or equitable lien which may be filed against the Premises or undisbursed funds of this Loan released, bonded or insured over within sixty (60) days of the date of filing same, time being of the essence. The County shall be under no obligation to make further disbursements while any such lien remains outstanding against the Premises. If Borrower fails, after demand, to cause said lien or liens to be released, bonded or insured over, the County may take such steps as it deems necessary and any funds expended shall be charged to Borrower's Loan Account and shall bear interest as provided by the Loan Documents.

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

(B) No Transfer of Premises:

Except as specifically set forth in the Mortgage or herein, including in the Permitted Exceptions, the Premises or any part thereof shall not be sold, leased (except for tenant leases), conveyed, mortgaged or encumbered in any way without the prior written consent of the County, which consent shall not be unreasonably withheld or delayed, except as provided elsewhere herein or in the Mortgage, it being understood and agreed that part of the consideration for the Loan is the obligation of Borrower. Notwithstanding the foregoing, Borrower may enter into utility easements or licenses or leases for tenant services, such as laundry or concessions.

(C) Compliance with Laws:

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

(D) Brokerage Commissions:

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

(E) Financial Statements to be Furnished:

The Borrower shall furnish to the County:

- (i) Upon the County's request, a complete and current financial statement of all assets and liabilities, contingent or otherwise, prepared in accordance with generally accepted accounting principles and verified by affidavit of Borrower and, at the request

of the County, certified (in form satisfactory to the County) by an independent certified public accountant acceptable to the County.

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

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

(iv) Other information regarding the operations, business, affairs, and financial condition of Borrower as the County may reasonably request.

(F) Borrower to Maintain Bookkeeping System:

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

(G) Insurance Proceeds:

The Borrower shall keep the Premises continually insured in an amount not less than full insurable value of the Premises, which coverage shall insure the Premises against loss or damage by fire and by the perils covered by extended coverage and against such other hazards as the County, in its sole discretion, shall from time to time reasonably require, for the benefit of the County. All such insurance at all times will be with an insurance company or companies in such amounts and with terms acceptable to the County, with loss in excess of \$200,000, if any, payable to the County, as its interest may appear, pursuant to a non-contributory mortgagee clause which shall be reasonably satisfactory to the County. Upon the issuance of such policies, Borrower will deliver to the County copies of receipts for the premiums paid thereon, certificates of insurance, and copies of such policies. In the event of a foreclosure or other transfer of title to the 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 Lender, transferee or purchaser, as the case may be. Should a loss be incurred, equal to or in excess of fifty percent (50%) of the full insurable value of the Premises, then in such event, County and Borrower may jointly elect to use the proceeds for the reconstruction and repair of the Premises or, in the alternative, to apply the net proceeds to the payment of the indebtedness hereby secured, whether then due or not. Notwithstanding anything to the contrary contained herein, if there is no Event of Default that is continuing, Borrower shall have the right to use the insurance proceeds for the reconstruction of the Premises provided the Borrower can provide evidence to the County of sufficient funds from other sources available to effectively rebuild the Project in compliance with the terms of this Agreement and the herein described SHIP funding.

(H) Indebtedness:

With respect to the Premises, Borrower will not incur, create, assume or permit to exist any indebtedness superior to this Mortgage, except in the ordinary course of business 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, which approval shall not be unreasonably withheld or delayed.

(I) Further Assurances and Preservation of Security:

The Borrower will do all acts and execute all documents for the better and more effective carrying out of the intent and purposes of this 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 Promissory Note, as the County may reasonably require.

(J) No Assignment:

The Borrower shall not assign this Agreement or any interest therein and any such assignment is void and of no effect.

10. RIGHT TO AUDIT, ACCESS TO RECORDS, AND INSPECTOR GENERAL:

The Borrower shall maintain adequate records to justify all charges, expenses, and costs incurred for the construction work contemplated herein for at least five (5) years after completion. Furthermore, the Borrower shall maintain ongoing records related to its tenants (such as their incomes, their household composition, their household characteristics, and their leases) for at least five (5) years after the end of each tenancy to enable the County to verify the Borrower's compliance with the occupancy, affordability, and all other requirements in this Agreement.

The County shall have access to such books, records, and documents as required in this Section for the purpose of inspection or audit during normal business hours, at the Borrower's place of business.

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

11. INSPECTIONS:

The Borrower will permit the County, or its representatives, to enter upon the Premises during normal business hours, to inspect the Improvements and all materials to be used in the herein described construction work, and to examine all details, plans and shop drawings which are kept at the construction site. Additionally, the Borrower shall cooperate and cause Borrower's general contractor and subcontractors to cooperate with the County's representative.

12. DEFAULT:

The following events, after expiration of any notice and cure period, and subject to the provision of any additional time periods due to force majeure events as specified below, shall be deemed Events of Default:

(A) Bankruptcy:

If there is filed by or against Borrower a petition in bankruptcy or a petition for the appointment of a receiver or trustee of the property of Borrower, and any such petition not filed by Borrower is not dismissed within ninety (90) days of the date of filing, or if Borrower files a petition for reorganization under any of the provisions of the Bankruptcy Code or of any assignment for the benefit of creditors or makes any insolvency assignment or is adjusted insolvent by any court of competent jurisdiction.

(B) Breach of Covenants, Warranties and Representations:

If any warranty or representation made by Borrower in this Agreement or in any other Loan Document shall at any time be false or misleading in any material respect when made, or if Borrower shall fail to keep, observe or perform any of the material terms, covenants, representations or warranties contained in this Agreement, the Promissory Note, the Mortgage, the Loan Documents, and any other document given in connection with the Loan or development of the Improvement (provided, that with respect to non-monetary defaults, the County shall give written notice to Borrower, who shall have thirty (30) days to cure, with additional time as may be required if the cure is diligently commenced but cannot be completed within said thirty (30) days and the County concurs, and provided that, with respect to monetary defaults, the County shall give written notice to Borrower, who shall have fifteen (15) days to cure), or is unwilling to meet its obligations.

(C) Failure to Close:

The Borrower shall fail to close on the Loan by March 31, 2018, unless extended by the County in its sole discretion.

(D) Failure to Use Funds:

The Borrower shall fail to use Loan funds for the costs specified herein.

(E) Failure to Commence Construction:

The Borrower shall fail to commence the herein described construction work under a construction contract, as more fully described in Section 7 herein, no later than ninety (90) calendar days after the date of closing on the Loan, unless revised by written agreement between the parties.

(F) Failure to Draw Loan Funds:

The Borrower shall fail to draw the entire the Loan of \$160,00 by June 30, 2019.

(G) Failure to Comply with Lease Deadlines:

The Borrower shall fail to comply with the deadline to complete all construction work on the Improvements, to lease all four (4) SHIP Assisted Units to income eligible households as specified herein by June 30, 2019, or within six (6) months after issuance of all Certificates of Occupancy or Certificates of Completion for the Project, whichever date occurs first.

(H) Time to Cure and Time Extensions Due to Force Majeure:

Borrower shall have thirty (30) days to cure an Event of Default upon receipt of written notice from the County. If, at the sole discretion of the County, the Borrower is making reasonable efforts to cure the Event of Default, the County may extend the thirty (30) day cure period. Additionally, concerning all key dates shown above requiring the Borrower's performance, the Borrower shall have additional time to perform same for events related to "force majeure", which shall include delays caused by strikes, lockouts, flood, fire, acts of war, weather, acts of God and any other event beyond the control of Borrower. Such additional time periods to perform shall be subject to the Lender's written consent that a delay is appropriate based on a force majeure event, which consent shall not be unreasonably withheld and shall further be subject to limitations imposed on the County by the State of Florida in connection with the (SHIP) Program.

13. REMEDIES OF LENDER:

Upon the happening of an Event of Default, which default is not cured within any applicable cure or grace period as provided for herein or under any other applicable loan document, then the County may, at its option, subject to compliance with applicable laws, upon written notice to Borrower:

(A) Cancellation of Agreement:

Cancel this Agreement.

(B) Commencement of Legal or Equitable Action:

Commence an appropriate legal or equitable action to enforce performance of this Agreement. Legal or equitable action shall be limited to foreclosure without right to seek deficiency or any additional damages.

(C) Acceleration of Payment:

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

(D) Rights and Remedies:

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

14. GENERAL TERMS:

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

(A) Rights of Third Parties:

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

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 Agreement or the Loan Documents, any provisions of which may be freely waived in whole or in part by the County at any time if, in its sole discretion, it deems it desirable to do so. In particular, the County makes no representations and assumes no duties or obligations as to third parties concerning the quality of the construction by Borrower of the Improvements, or the absence therefrom, of defects.

(B) Borrower is not the County's Agent:

Nothing in this Agreement, the Promissory Note, the Mortgage or any other Loan Document shall be construed to make the Borrower the County's agent for any purpose whatsoever, or the Borrower and the County partners, or joint or co-venturers, and the relationship of the parties shall, at all times, be that of debtor and creditor.

(C) Public Entity Crimes:

As provided in F.S. 287.133, by entering into this Agreement or performing any work in furtherance hereof, the Borrower certifies that it, its affiliates, suppliers, subcontractors and consultants who will perform hereunder, have not been placed on the convicted vendor list maintained by the State of Florida Department of Management Services within the thirty-six (36) months immediately preceding the date hereof. This notice is required by F.S. 287.133 (3)(a).

(D) Conflict of Interest:

The Borrower represents that it presently has no interest and shall acquire no interest, either direct or indirect, which would conflict in any manner with the performance of services required hereunder, as provided for in Chapter 112, Part III, Florida Statutes, and the Palm Beach County Code of Ethics. The Borrower further represents that no person having any such conflict of interest shall be employed for said performance of services.

The Borrower shall promptly notify the County's representative, in writing, by certified mail, of all potential conflicts of interest of any prospective business association, interest or other circumstance which may influence or appear to influence the Borrower's judgment or quality of services being provided hereunder. Such written notification shall identify the prospective business association, interest or circumstance, the nature of work that the Borrower may undertake and request an opinion of the County as to whether the association, interest or circumstance would, in the opinion of the County, constitute a conflict of interest if entered into by the Borrower. The County agrees to notify the Borrower of its opinion by certified mail within thirty (30) days of receipt of notification by the Borrower. If, in the opinion of the County, the prospective business association, interest or circumstance would not constitute a conflict of interest by the Borrower, the County shall so state in the notification and the Borrower shall, at its option, enter into said association, interest or circumstance and it shall be deemed not in conflict of interest with respect to services provided to the County by the Borrower under the terms of this Agreement.

(E) 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:

- (i) Keep and maintain public records required by the County to perform services as provided under this Agreement.
- (ii) 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.
- (iii) 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 contract term and following completion of the Agreement, if the Borrower does not transfer the records to the public agency.
- (iv) 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 the 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 the County, upon request of the County's Custodian of Public Records, in a format that is compatible with the information technology systems of the County, at no cost to the County.

Failure of the Borrower to comply with the requirements of this article shall be a material breach of this Agreement. The 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. The 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 NORTH OLIVE AVENUE, WEST PALM BEACH, FL 33401, BY E-MAIL AT RECORDSREQUEST@PBCGOV.ORG OR BY TELEPHONE AT (561) 355-6680.

(F) County Not Liable for Damage or Loss:

All inspections and other services rendered by or on behalf of the County pursuant to this Agreement shall be rendered solely for the protection and benefit of the County. Neither Borrower nor other third persons shall be entitled to claim any loss or damage against the County or against its agents or employees for failure to properly conduct inspections and other such services contemplated by this Agreement.

(G) 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 so long as disbursements are made to Borrower.

(H) Indemnification from Third Party Claims:

The Borrower shall indemnify and hold County harmless from any liability, claims or losses resulting from the disbursement of the Loan proceeds to Borrower or from the condition of the Premises, whether related to the quality of construction or otherwise, and whether arising during or after the term of the Loan, except any liability due to the gross negligence or willful misconduct of County. 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.

(I) Rights of Subcontractors, Laborers, and Materialmen:

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

(J) 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.

(K) 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.

(L) 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.

(M) 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.

(N) Governing Law and Remedies:

This Agreement shall be governed by the laws of the State of Florida. Any legal action necessary to enforce the Agreement will be held in a court of competent jurisdiction located in Palm Beach County, Florida. No remedy herein conferred upon any party is intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity, by statute or otherwise. No single or partial exercise by any party of any right, power, or remedy hereunder shall preclude any other or further exercise thereof.

(O) 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.

(P) Agreement:

The Borrower agrees to comply with all provisions of the State Housing Initiatives Partnership Act (Chapter 420, Part VII, Florida Statutes) and of Chapter 67-37, Florida Administrative Code that are applicable to a recipient of SHIP funds and that are required to be adhered to for this Loan, and such provisions are incorporated herein by reference and are made a part hereof. The Loan Documents constitute the entire understanding and agreement between the parties with respect the subject matter hereof, supersede all prior agreements, including commitment letters, and may not be modified or amended, except in writing and signed by all parties hereto.

(Q) 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 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.

(R) Notices to Borrower and County:

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

TO LENDER: Board of County Commissioners
c/o Palm Beach County Attorney's Office
Attn: James Brako, Esq.
301 N. Olive Avenue, Suite 601
West Palm Beach, FL 33401

TO BORROWER: Housing Partnership, Inc.
2001 Blue Herron Blvd. West
Riviera Beach, FL 33404
Attention: Executive Director

If either Party changes its mailing address, such change shall be communicated in writing to the other party within ten (10) days of such change.

(S) Submittals:

All information required to be submitted to the County shall be submitted to the County's Department of Economic Sustainability, Attn: Director, 100 Australian Avenue, Suite 500, West Palm Beach, FL 33406.

(T) Successors and Assigns:

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

(U) Counterparts:

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

(V) Incorporation by Reference:

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

(X) Waiver of Jury Trial:

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

15. EFFECTIVE DATE OF AGREEMENT:

This Agreement shall become effective only when signed by all parties and approved by the Palm Beach County Board of County Commissioners or its designee. The Effective Date shall be the date on which this Agreement is executed by Palm Beach County.

(REMAINDER OF PAGE INTENTIONALLY LEFT BLANK)

IN WITNESS WHEREOF, Borrower and the County have caused this Agreement to be executed on the dates set forth herein.

Signed, sealed and delivered
in the presence of:

Witnesses:

Laura Rosenkranz
Print Witness Name

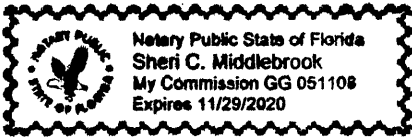
[Signature]
Witness Signature

ELIZABETH A. SLOYER
Print Witness Name

[Signature]
Witness Signature

STATE OF FLORIDA
COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me this 22nd day of March, 2018, by Scott Hansel, as Chief Executive Officer of Housing Partnership, Inc., who is personally known to me, or who has produced N/A as identification and who did/did not take an oath.



(NOTARY SEAL ABOVE)

BORROWER:

HOUSING PARTNERSHIP, INC.
a Florida not-for-profit corporation

By: [Signature]
Scott Hansel,
Chief Executive Officer

Date: 3/22/18

Signature: [Signature]

Notary Name: Sheri C. Middlebrook
Notary Public - State of Florida

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

FOR ITS BOARD OF COUNTY COMMISSIONERS

By: [Signature]
Verdenia C. Baker,
County Administrator

Approved as to Form and
Legal Sufficiency

By: [Signature]
James Brako
Assistant County Attorney

Approved as to Terms and Conditions
Department of Economic Sustainability

By: [Signature]
Sherry Howard, Deputy Director

EXHIBIT A

LEGAL DESCRIPTION

Lot C, Block 89, Less the West 10 feet for Road Right-of-Way, The Palm Beach Farms Company, Plat No. 7, according to the map or plat thereof as recorded in Plat Book 5, page 72, of the public records of Palm Beach County, Florida.

EXHIBIT B

PROMISSORY NOTE

\$160,000.00

West Palm Beach, Florida
_____, 20____

FOR VALUE RECEIVED the undersigned **Housing Partnership, Inc.**, a Florida not-for-profit corporation ("Maker"), promises to pay to the order of **PALM BEACH COUNTY**, a political subdivision of the State of Florida, together with any other holder hereof ("Holder"), at 301 North Olive Avenue, West Palm Beach, Florida 33401, or such other place as Holder may from time to time designate in writing, the principal sum of **One Hundred Sixty Thousand Dollars (\$160,000.00)** (the "Loan"), plus accrued interest, to be paid in lawful money of the United States of America, as follows:

- 1) The entire Loan and this Note shall bear no interest (0%) on the outstanding principal balance remaining unpaid from time to time. The outstanding principal balance shall be amortized as provided below.
- 2) Repayment hereunder shall occur as follows: Annual payments of principal shall be made out of the available Net Cash Flow (as defined below) of the Project (as defined below), which Net Cash Flow shall be determined annually on a calendar year basis commencing with the Net Cash Flow for the calendar year 20____. The amount of Net Cash Flow available shall be certified annually by an independent Certified Public Accountant as provided below. The first annual principal payment due date shall be on _____. Subsequent annual payments shall be due on _____ of each year for each preceding calendar year thereafter through _____ (**Maturity Date**), at which time all outstanding principal indebtedness shall be due and payable, unless acceleration is made by Holder pursuant to the provisions hereof.
- 2) Maker shall also pay Holder an annual Administrative Fee. The Fee shall be in the amount of \$1,500.00 and shall be due commencing on _____, and on or prior to every _____ thereafter through the Maturity Date.
- 4) 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 Net Cash Flow and the payments due hereunder. Said certification shall be provided at least thirty (30) days prior to each annual payment due date commencing on _____.
- 5) Commencing _____, payments from Net Cash Flow as determined by Holder shall be applied to pay the following items in order of priority:
 - (a) An annual payment of \$5,333.33 on the principal balance hereof; and
 - (b) Any repayment of principal hereunder deferred from previous years.

Net Cash Flow means the Project cash flow from rental income and other income generated by the Project, less 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) insurance proceeds, and (ii) 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 replacement reserves, and completion/repair reserves and any other expenses

associated with maintaining, managing and operating the underlying real property and improvements thereon.. The term Project Expenses shall also include Maker's expenses for management of 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.

- 6) Any payments of current or deferred principal 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 (5) above and as determined by Maker.
- 7) 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 principal and the balance, if any, to the principal balance. The restrictive covenants contained in the Mortgage shall survive if this Note is wholly prepaid prior to the expiration of the term of such covenants. The restrictive covenants may, with the approval of Holder, be transferred to a separate Declaration of Restrictive Covenants which shall be recorded in the public records of Palm Beach County.
- 5) After maturity or 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.
- 6) All terms hereunder shall be as construed and defined in Florida Law.

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

This Note is executed pursuant to the terms and conditions of that certain Loan Agreement dated _____, between Maker, as Borrower, and Holder, as Lender, is secured by a Mortgage and Security Agreement (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". For the purposes of this Note, Project is the eight (8) rental housing units known as **Celtic Apartments** located on the Premises as more fully described in the Loan Documents.

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

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

Holder shall have the right, upon thirty (30) days prior written notice, to declare the total unpaid balance hereof to be immediately due and payable in advance of the Maturity Date upon the failure of Maker to pay when due any payment of interest or other

amount due hereunder; or upon the occurrence of an Event of Default pursuant to any other Loan Documents now or hereafter evidencing, securing or guarantying payment of this Note. If the Event of Default is cured within the thirty (30) day notice period, then this Promissory Note, along with all the terms and conditions contained herein shall be deemed reinstated and not subject to acceleration. Notwithstanding the foregoing, Holder shall not exercise any remedies hereunder prior to the expiration of any notice and cure period in the Loan Agreement between Maker and Holder, as executed on _____, incorporated herein by reference.

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

Provided Holder has not accelerated this Note, Maker shall pay holder a late charge of five percent (5%) of any required payment which is not received by Holder within five (5) 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 be deemed to be a waiver or release of the same, such waiver or release to be effected only through a written document executed by Holder and then only to the extent specifically recited therein. A waiver or release with reference to any one event shall not be construed as continuing or as constituting a course of dealing, nor shall it be construed as a bar to, or as a waiver or release of, any subsequent remedy as to a subsequent event.

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

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

Whenever the context so requires, the 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.

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

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

Signed, sealed and delivered
in the presence of:

MAKER:

Witnesses:

HOUSING PARTNERSHIP, INC.
a Florida not-for-profit corporation

Print Witness Name

By: _____
Scott Hansel,
Chief Executive Officer

Witness Signature

Date: _____

Print Witness Name

Witness Signature

STATE OF FLORIDA
COUNTY OF PALM BEACH

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

Signature: _____

(NOTARY SEAL ABOVE)

Notary Name: _____
Notary Public - State of Florida

EXHIBIT C

Return to:

Prepared by:
James Brako, Esq.
Palm Beach County Attorney's Office
P.O. Box 1989
West Palm Beach, FL 33402

PNC: 00-43-44-30-01-089-0030

NOTE TO CLERK OF CIRCUIT COURT: This Mortgage is given to secure a loan made in relation to the financing of housing under Part V of Chapter 420 of the Florida statutes and is exempt from taxation pursuant to Section 420.513, Florida Statutes.

MORTGAGE AND SECURITY AGREEMENT

THIS MORTGAGE AND SECURITY AGREEMENT (this "Mortgage"), executed on _____, by **Housing Partnership, Inc.**, a Florida not-for-profit corporation (the "Mortgagor") and **Palm Beach County**, a political subdivision of the State of Florida (the "Mortgagee" or "County") (which term as used in every instance shall include the Mortgagee's successors and assigns);

WITNESSETH:

The Mortgagor is the owner of the premises described in Exhibit A attached hereto (hereinafter the "Premises") and made a part hereof. Mortgagee has this date loaned **One Hundred Sixty Thousand Dollars (\$160,000)** to Mortgagor and in connection therewith Mortgagor has this date executed and delivered to Mortgagee its Promissory Note in that amount (the "Note"). A true copy of the Note is annexed hereto as Exhibit B and forms a part hereof.

This Mortgage is given in accordance with that certain Loan Agreement between Mortgagor and Mortgagee as executed on _____. This Mortgage and Security Agreement, the Note, and the Loan Agreement, including any amendments thereto, and any other documents evidencing and securing the Loan, shall hereinafter collectively be referred to as the "Loan Documents".

GRANTING CLAUSE

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

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

TO HAVE AND TO HOLD the Premises and all parts, rights, members and appurtenances thereof, to the use, benefit and behalf of the Mortgagee, its successors and assigns in fee simple forever, and the Mortgagor covenants that the Mortgagor is lawfully seized and possessed of the Premises in fee simple and has good right to convey the same, that the same are unencumbered excepting taxes accruing subsequent to 20 17, and those certain exceptions appearing on the Mortgagee's Title Insurance Policy given in connection herewith and specifically approved by Mortgagee, and that the Mortgagor will warrant and defend the title thereto against the claims of all persons whomsoever, except as hereinafter expressly provided.

PROVIDED ALWAYS that if the Mortgagor shall pay unto the Mortgagee all sums required under the terms of the Note, which Note is in the original principal amount of \$160,000 and has a maturity date of _____, unless such maturity is accelerated as set forth in the Note, and shall comply with and abide by each and every one of the stipulations, agreements, conditions and covenants of the Loan Documents, then in such event this Mortgage and Security Agreement and the estate hereby created shall cease and be null and void.

The Mortgagor covenants with the Mortgagee as follows:
Heartfelt condolences

ARTICLE 1

1.1 Payments of Indebtedness:

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

1.2 Taxes, Liens and Other Charges.

(a) The Mortgagor, from time to time when the same shall become due and payable but in any event prior to delinquency, will pay and discharge all taxes of every kind and nature, all general and special assessments, levies, permits, inspection and license fees, all water and sewer rents and charges and all other public charges, whether of a like or different nature, imposed upon or assessed against the Mortgaged Property or any part thereof or upon the revenues, rents, issues, income and profits of the Mortgaged Property or arising in respect of the occupancy, use or possession thereof. This requirement does not in any way preclude Mortgagor from contesting real or personal property taxes when appropriate. The Mortgagor will, upon the request of the Mortgagee, deliver to the Mortgagee copies of receipts evidencing the payment of all such taxes, assessments, levies, fees, rents and other public charges imposed upon or assessed against the Mortgaged Property or the revenues, rents, issues, income or profits thereof.

(b) The Mortgagor shall pay or cause to be bonded off or insured over, from time to time when the same shall become due, all lawful claims and demands of mechanics, materialmen, laborers, and other persons or entities which, if unpaid, might result in or permit the creation of, a lien on Mortgaged Property or any part hereof, or on the revenues, rents, issues, income and profits arising therefrom whether such lien is or may become prior or remain inferior to the Mortgage and also, irrespective of the priority of such other lien(s). Mortgagor in general will do or cause to be done

everything necessary so that the lien hereof shall be fully preserved, at the cost of the Mortgagor, without expense to the Mortgagee.

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

1.3 Insurance:

The Mortgagor will keep the Mortgaged Property continuously insured in an amount no less than full insurable value which coverage shall insure the Mortgaged Property against loss or damage by fire and by the perils covered by extended coverage and against such other hazards, 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 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. The Mortgagee is hereby authorized and empowered, at its option, to adjust or compromise any loss under any insurance policies on the Mortgaged Property jointly with the Mortgagor. 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 to completely restore or repair the Mortgaged Property to a multi-family affordable housing complex in accord with the Loan Agreement and the SHIP 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.

1.4 Care of Premises:

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

(b) If the Premises or any part thereof is damaged by fire or any other cause, which damage exceeds Two Hundred Thousand Dollars (\$200,000), the Mortgagor will give immediate written notice of the same to the Mortgagee.

(c) The Mortgagee or its representative, subject to the rights of the tenants and occupants of the Premises, is hereby authorized to enter upon and inspect the Premises at any time during normal business hours upon reasonable advance notice to Mortgagor.

(d) The Mortgagor will promptly comply with all present and future laws, ordinances, rules and regulations of any governmental authority affecting the Premises or any part thereof. Mortgagee shall have the right to monitor the project and enforce the terms of all present and future laws, ordinances, rules and regulations of any governmental authority affecting the Premises or any part thereof.

(e) If all or any part of the Premises shall be damaged by fire or other casualty, the Mortgagor will, upon request of the Mortgagee, promptly restore the Premises to the substantial equivalent of its condition immediately prior to such damage, and if a part of the Premises shall be damaged through condemnation, the Mortgagor will, upon request of Mortgagee, promptly restore, repair or alter the remaining part of the Premises in a manner reasonably satisfactory to the Mortgagee.

Nothing contained herein shall, however, relieve the Mortgagor from its obligation to make payments under the Promissory Note in accordance with its terms.

1.5 Right to Enter Premises:

The Mortgagee, by any of its agents or representatives, shall have the right to inspect the Premises from time to time at any reasonable hour of the day. Should the Premises, or any part thereof, at any time require inspection, repair, care or attention of any kind or nature not provided by this Mortgage as determined by the Mortgagee in its sole discretion, applying commercially reasonable practices, the Mortgagee may, after notice to the Mortgagor, subject to the rights of the tenants and occupants of the Premises, enter or cause entry to be made upon the Premises and inspect, repair, protect, care for or maintain such property, as the Mortgagee may in its sole, but reasonable discretion deem necessary, and may pay all amounts of money therefore, as the Mortgagee may in its sole, but reasonable discretion deem necessary, all of which amounts so paid by the Mortgagee, with interest thereon from the date of each such payment, at the rate, if any, provided in the Note, shall be payable by the Mortgagor to the Mortgagee on demand and shall be secured by this Mortgage.

1.6 Covenants Running With the Land:

The Mortgagor expressly agrees to the following terms and conditions:

(a) Use of Loan Funds, Units to be Constructed and Related Dates:

The Mortgagor shall use the loan in the amount of \$160,000 for rehabilitation construction costs of the Celtic Apartments Project described in the Loan Documents and the Mortgagor shall rehabilitate four (4) rental housing units on the Premises which shall be occupied at affordable rental rates by households as specified in Section 1.5(b) below. The construction work under a construction contract, as more fully described in the Loan Documents, shall commence no later than ninety (90) calendar days after the date of closing on the Loan, and shall be completed, with all Certificates of Occupancy or Certificates of Completion issued and all aforesaid four (4) units leased by June 30, 2019. Notwithstanding the preceding, all aforesaid four (4) units at said Project shall be leased, within six (6) months after issuance of all Certificates of Occupancy or Certificates of Completion for the Project if such date is earlier than June 30, 2019.

(b) Occupancy and Affordability Requirements:

(1) Occupancy: All aforesaid four (4) rental housing units, the SHIP Assisted Units, at said Project shall, for a period of thirty (30) years commencing from the date of the Certificate of Occupancy or Certificates of Completion for the Project be leased to households whose annual gross incomes, adjusted for family size, are at no more than fifty percent (50%) of Area Median Income (hereinafter "AMI").

AMI shall mean the most current area median income published by HUD for the West Palm Beach-Boca Raton Metropolitan Statistical Area and annual gross income shall be as defined at s. 420.9071, Florida Statutes. Limitations, if any, on the increase of tenants' annual gross incomes while in occupancy of these units shall be as established by the Florida Housing Finance Corporation.

(2) Affordability: All SHIP Assisted Units at said Project shall, for the aforesaid thirty (30) year period, be rented at rates which do not exceed thirty percent (30%) of the amount that represents the median annual gross income for households whose annual gross incomes, adjusted for family size, are at no more than fifty percent (50%) of AMI. The rent limits to be utilized for SHIP Assisted Units shall be as published annually by the Florida Housing Finance Corporation.

THE REQUIREMENTS AND RESTRICTIONS SET FORTH IN THIS SECTION 1.6 SHALL BE COVENANTS RUNNING WITH THE LAND FOR THE THIRTY (30) YEAR AFFORDABILITY PERIOD SET FORTH HEREIN, AND SHALL SURVIVE ANY FORECLOSURE OR DEED-IN-LIEU OF

FORECLOSURE. IN THE EVENT THE MORTGAGE IS SATISFIED PRIOR TO THE EXPIRATION OF THE AFFORDABILITY PERIOD, THE RESTRICTIVE COVENANTS MAY, WITH THE APPROVAL OF THE COUNTY, BE TRANSFERRED TO A SEPARATE DECLARATION OF RESTRICTIVE COVENANTS CONSISTENT WITH THE TERMS SET FORTH HEREIN, WHICH COVENANTS SHALL BE RECORDED IN THE PUBLIC RECORDS OF PALM BEACH COUNTY.

1.7 Further Assurances; Modifications:

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

1.8 Expenses.

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

1.9 Estoppel Affidavits:

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

1.10 Subrogation:

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

1.11 Performance by Mortgagee of Defaults by Mortgagor:

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

1.12 Condemnation:

In the event of a condemnation (which term when used in the Mortgage shall include any damage or taking by any governmental authority and any transfer by private sale in lieu thereof), unless Mortgagor and Mortgagee otherwise agree in writing, condemnation awards shall be applied to restoration or repair of the Premises, provided such restoration or repair is economically feasible and the security of this Mortgage is not thereby materially impaired. If such restoration or repair is not economically feasible or if the security of this Mortgage would be materially impaired, the condemnation award shall be applied to the sums secured by this Mortgage with the excess, if any, paid to Mortgagor. In the event of a condemnation, if an Event of Default shall exist hereunder, the Mortgagee shall be entitled to all compensation, awards, and other payments or relief thereof, and is hereby authorized at its option, to commence, appear in, and prosecute, in its own, or the Mortgagor's name, any action or proceeding relating to any condemnation, either to settle or compromise any claim in connection therewith; and all such compensation, awards, damages, claims, rights of action and proceeds, and the right thereto from any condemnation are hereby assigned by the Mortgagor to the Mortgagee. The Mortgagor agrees to execute such further assignment of any compensation, awards, damages, claims, rights of action and proceeds from a condemnation as the Mortgagee may require. Notwithstanding the foregoing, any condemnation for less than twenty percent (20%) of value of the Premises or any condemnation that will not render the Premises unusable shall not be affected by this section.

1.13 Environmental Representations:

- (a) The Mortgagor covenants with the Mortgagee that to the best of Mortgagor's knowledge the Premises have not been used and will not be used in whole or in part for the storage of hazardous waste other than typical cleaning and maintenance supplies kept in accordance with all laws and regulations.
- (b) To the best of Mortgagor's knowledge, no violation of any Federal, State or local environmental regulations now exists regarding the Mortgage Property.
- (c) Mortgagor shall comply with all Federal, State and local environmental regulations during the construction of the improvements on the Premises.
- (d) Mortgagor shall give written notice to Mortgagee immediately upon Mortgagor's acquiring knowledge of the presence of any hazardous substances on the Mortgaged Property or of any hazardous substances contamination thereon, or of any notices received by Mortgagor that are violations or potential violations of any environmental regulation laws, ordinances, rules or regulations exists on the Mortgage Property.

ARTICLE 2

2.1 Due on Sale or Further Encumbrance Clause:

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

In accordance with the foregoing and for the purposes of (i) protecting Mortgagee's security both of repayment by Mortgagor and of value of the Premises; (ii) giving Mortgagee the full benefit of its bargain and contract with Mortgagor; (iii) allowing Mortgagee to charge default rate interest in the case of an uncured Event of Default; and (iv) keeping the Premises free of subordinate financing liens, Mortgagor agrees that if this Section be deemed a restraint on alienation, that it is a reasonable one and that any sale, conveyance, assignment, further encumbrance or other transfer of title to the Premises or any interest therein except as permitted under the Loan Agreement (whether voluntarily or by operation of law) without the Mortgagee's prior written consent, which consent shall not be unreasonably withheld, or delayed, shall be an Event of Default hereunder. For the purpose of and without limiting the generality of, the preceding sentence, the occurrence at any time of any of the following events shall be deemed to be an unpermitted transfer of title to the Premises and therefore an Event of Default hereunder:

- (a) any sale, conveyance, assignment or other transfer of or the grant of a security interest in, all or any part of the title to the Premises, other than easements or licenses necessary for the development and use of the improvements on the Premises, which shall include tenant services or benefits; or
- (b) any new or additional liabilities secured by the Premises without the prior written consent of Mortgagee.

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

2.2 Events of Default:

Except as otherwise noted, Mortgagor shall have thirty (30) days to cure an Event of Default upon receipt of written notice from Mortgagee. If, at the sole, but reasonable discretion of the Mortgagee, the Mortgagor is making reasonable efforts to cure the Event of Default, the Mortgagee may extend the thirty (30) day cure period. An Event of Default ("Default") shall have occurred hereunder if:

- (a) The Mortgagor shall fail to pay in full within fifteen (15) days from the date due and payable any installment of principal, interest, loan servicing and administrative fee, compliance monitoring fee, late charges or escrow deposits as required by the Note, this Mortgage and otherwise; or
- (b) The Mortgagor shall fail to duly observe on time any other covenant, condition or agreement of this Mortgage, the Note, the Loan Documents or of any other instrument evidencing, security or executed in connection with the indebtedness secured hereby, and such failure continues for a period of thirty (30) days following written notice by the Mortgagee or such additional time as may be required, provided a cure is timely commenced and diligently prosecuted; or
- (c) Any warranties or representations made or agreed to be made in any of the Loan Documents shall be breached in any material manner by the Mortgagor or shall prove to be false or misleading in any material manner when made, and such breach is not cured within thirty (30) days following notice from Mortgagee; or
- (d) Any lien for labor or material or otherwise shall be filed against the Premises, and such lien is not canceled, removed, bonded over, insured against or transferred within sixty (60) days after notice of such lien; or
- (e) A levy shall be made under any process on, or a receiver be appointed for, the Premises; or
- (f) The Mortgagor shall file a voluntary petition in bankruptcy, or any other petition or answer seeking or acquiescing in any reorganization, arrangement, composition, readjustment, liquidation or similar relief for the Mortgagor under any present or future federal, state or other statute, law or regulation relating to bankruptcy, insolvency or other relief for debtor; or

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

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

(i) In any legal proceeding the Mortgagor shall be alleged to be insolvent or unable to pay the Mortgagor's debts as they become due and is not dismissed within ninety (90) days of Filing; or

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

(k) The Mortgagor shall, during the thirty (30) year period described in Section 1.6 above, cease to lease all SHIP Assisted Units to the households specified in the Loan Agreement and at the affordable rates specified therein; or

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

2.3 Special Conditions:

(a) The Note can be assumed upon sale, transfer, or refinancing of the Premises, provided the Mortgagor has obtained the consent of Mortgagee to such sale, transfer or refinancing, or the sale, transfer or refinancing is otherwise permitted under the terms of the Loan Agreement.

In the event the Note will not be assumed upon sale, transfer or refinancing of the Premises, all available proceeds of the sale or refinancing shall be applied to pay the following items in order of priority:

(1) Expenses of the sale;

(2) All accrued but unpaid interest on the Note;

(3) This Mortgage debt in full, including fees.

(b) Except as set forth in Section 2.3(a) above, all of the principal and interest of the indebtedness secured hereby shall be due and payable upon sale, transfer, or refinancing.

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

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

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

2.4 Acceleration of Maturity:

If a default shall have occurred hereunder and is not cured within applicable cure periods, as provided in Paragraph 2.2 herein, then the whole unpaid principal sum of the indebtedness secured hereby with interest accrued thereon shall, at the option of the Mortgagee, become due and payable without notice or demand, time being of the essence of this Mortgage and of the Note secured hereby; and no omission on the part of the Mortgagee to exercise such option when entitled to do so shall be considered as a waiver of such right.

2.5 Right of Lender to Enter and Take Possession:

(a) Subject to applicable law and court order, if any Default shall have occurred and be continuing beyond expiration of any applicable cure or grace period, the Mortgagor, upon demand of the Mortgagee, shall forthwith surrender to the Mortgagee the actual possession of the Premises and to the extent permitted by law, the Mortgagee may enter and take possession of the Premises and may exclude the Mortgagor and the Mortgagor's agents and employees wholly therefrom. In the event Mortgagee exercises its rights pursuant to this Section 2.5(a), the Mortgagee shall be deemed to be acting as agent of Mortgagor and not as owner of the Premises.

(b) For the purpose of carrying out the provisions of this Section 2.5, the Mortgagor hereby constitutes and appoints the Mortgagee the true and lawful attorney in fact of the Mortgagor to do and perform, from time to time, any and all actions necessary and incidental to such purpose and does, by these presents, ratify and confirm any and all actions of said attorney in fact in the Premises.

(c) Whenever all such Defaults have been cured and satisfied, the Mortgagee shall surrender possession of the Premises to the Mortgagor, provided that the right of the Mortgagee to take possession, from time to time, pursuant to Section 2.5(a) shall exist if any subsequent default shall occur and be continuing.

2.6 Appointment of a Receiver and Foreclosure:

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

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

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

are usual in such cases for the protection, possession, control, management and operation of the Premises during the whole of said period.

(d) If a Default shall have occurred hereunder and is not cured within applicable cure periods, Mortgagor shall deliver to Mortgagee at any time on its request, all agreements for deed, contracts, leases, abstracts, title insurance policies, muniments of title, surveys and other papers relating to the Premises, and in case of foreclosure thereof and failure to redeem, the same shall be delivered to and become the property of the person obtaining a deed to the Premises by reason of such foreclosure.

2.7 Discontinuance of Proceedings and Restoration of the Parties:

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

2.8 Remedies Cumulative:

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

2.9 Stamp and Excise Tax:

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

ARTICLE 3

3.1 Successors and Assigns Included in Parties:

Whenever in this Mortgage one of the parties hereto is named or referred to, the heirs, legal representatives, successors and assigns of such parties shall be included and all covenants and agreements contained in this indenture by or on behalf of the Mortgagor and by or on behalf of the Mortgagee shall bind and inure to the benefit of their respective heirs, legal representatives, successors and assigns, whether so expressed or not.

Provided, however, that the Mortgagor shall have no right to assign its obligations hereunder without the prior written consent of the Mortgagee, which consent shall not be unreasonably withheld.

3.2 Headings:

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

3.3 Invalid Provisions to Affect No Others:

If fulfillment of any provision hereof or any transaction related hereto or to the Note, at the time performance of such provisions shall be due, shall involve transcending the limit of validity prescribed by law, then ipso facto, the obligation to be fulfilled shall be reduced to the limit of such validity; and if any clause or provision herein contained operates or would prospectively operate to invalidate this Mortgage in whole or in part, then such clause or provision only shall be held for naught, as though not herein contained, and the remainder of this Mortgage shall remain operative and in full force and effect. Notwithstanding any

provision contained herein, the total liability of Mortgagor for payment of interest, including service charges, penalties or any other fees shall not exceed the maximum amount of such interest permitted by applicable law to be charged, and if any payments by Mortgagor include interest in excess to the reduction of the unpaid principal amount due and pursuant hereto.

3.4 Number and Gender:

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

ARTICLE 4

4.1 Notices to Mortgagor and Mortgagee:

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

TO MORTGAGOR: Housing Partnership, Inc.
 2001 Blue Herron Blvd. West
 Riviera Beach, FL 33404
 Attention: Executive Director

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

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

ARTICLE 5

5.1 Future Advances:

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

If, pursuant to Florida Statutes Section 697.04, Mortgagor files a notice specifying the dollar limit beyond which future advances made pursuant to this Mortgage will not be secured by this Mortgage, then Mortgagor shall, within one (1) year of day of filing such notice, notify Mortgagee and its counsel by certified mail pursuant to Section 4.1 of this Mortgage. In addition, such a filing shall constitute a default hereunder.

5.2 Lien Priority:

The lien priority of this Mortgage shall not be affected by any changes in the Note including, but not limited to, an increase in the interest rate charged pursuant to the Note. Any parties acquiring an interest in the Premises subsequent to the date of this Mortgage is recorded shall acquire such interest in the Premises with notice that Mortgagee may charge a default rate of interest in the event of an uncured Event of Default, or with the consent of the

Mortgagor, otherwise modify the Note and the Note, as modified, and the Mortgage shall remain superior to the interest of any Party in the Premises acquired subsequent to the date of this Mortgage is recorded.

5.3 Security Agreement:

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

5.4 Choice of Law:

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

5.5 Binding Effect:

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

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

Signed, sealed and delivered
in the presence of:

MORTGAGOR:

Witnesses:

HOUSING PARTNERSHIP, INC.
a Florida not-for-profit corporation

Print Witness Name

By: _____
Scott Hansel,
Chief Executive Officer

Witness Signature

Date: _____

Print Witness Name

Witness Signature

STATE OF FLORIDA
COUNTY OF PALM BEACH

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

Signature: _____

(NOTARY SEAL ABOVE)

Notary Name: _____
Notary Public - State of Florida

EXHIBIT A
The Premises

LEGAL DESCRIPTION

Lot C, Block 89, Less the West 10 feet for Road Right-of-Way, The Palm Beach Farms Company, Plat No. 7, according to the map or plat thereof as recorded in Plat Book 5, page 72, of the public records of Palm Beach County, Florida.

EXHIBIT D

ASBESTOS REQUIREMENTS **SPECIAL CONDITIONS FOR DEMOLITION AND RENOVATION OF BUILDINGS**

The provisions of this part apply to all demolition and renovation work contemplated in this Agreement.

I. DEFINITIONS

ACBM:	Asbestos Containing Building Materials
AHERA:	Asbestos Hazard Emergency Response Act
EPA:	Environmental Protection Agency
FLAC:	Florida Licensed Asbestos Consultant
DES:	Palm Beach County Department of Economic Sustainability
NESHAP:	National Emission Standards for Hazardous Air Pollutants
NRCA:	National Roofing Contractors Association
NVLAP:	National Voluntary Laboratory Accreditation Program
OSHA:	Occupational Health and Safety Administration
PBCAC:	Palm Beach County Asbestos Coordinator (in Risk Management)
TEM:	Transmission Electron Microscopy

II. ASBESTOS SURVEYS

All properties scheduled for renovation or demolition are required to have a comprehensive asbestos survey conducted by a Florida Licensed Asbestos Consultant, (FLAC). The survey shall be conducted in accordance with AHERA guidelines. Analysis must be performed by a NVLAP accredited laboratory.

For Renovation Projects (projects which will be reoccupied):

- Point counting must be done for all asbestos containing building materials (ACBM) indicating less than 1% asbestos (to determine if any asbestos is present).
- Samples of vinyl floor tile indicating asbestos not detected must be confirmed by transmission electron microscopy (TEM).
- Joint compound shall be analyzed as a separate layer.
- Roofing material shall be sampled only if a renovation requires the roof to be disturbed (in lieu of sampling the roof, it may be presumed to contain asbestos).

For Demolition Projects:

- Point counting must be done for all "friable" asbestos containing building materials (ACBM), indicating less than 1% asbestos. This includes joint compounds (to be analyzed as a separate layer), and vinyl asbestos tile.
- Roof materials shall be presumed to be asbestos containing.

If the Agency has a recent asbestos survey report prepared by a licensed asbestos consultant, a copy may be provided to DES and PBCAC for review to determine if the survey is adequate to proceed with renovation/demolition work. If no survey is available, a survey may be initiated by the Agency or requested by DES. A copy of the completed survey will be forwarded to the Agency. All asbestos survey's shall be forwarded to the PBCAC.

III. ASBESTOS ABATEMENT

A. RENOVATION

- (a) Prior to a renovation, all asbestos containing materials that will be disturbed during the renovation, must be removed by a Florida Licensed Asbestos Contractor under the direction of a FLAC. Exceptions may be granted by DES prior to the removal, (such as asbestos containing roofs, transite pipe). The Agency must obtain approval for all exceptions from DES. DES will request the PBCAC to review and approve all exceptions.
- (b) Asbestos Abatement work may be contracted by the Agency or by DES upon request.

- (c) If the Agency contracts the asbestos abatement, the following documents are required to be provided to the DES and the PBCAC.
 - 1. An Asbestos Abatement Specification (Work Plan), sealed by a FLAC.
 - 2. Pre and Post Job submittals, reviewed and signed by the FLAC.
- (d) If the Agency requests DES to contract the asbestos abatement, DES will initiate the request through the PBCAC who will contract the asbestos abatement. DES will provide a copy of all contractor and consultant documents to the Agency.
- (e) Materials containing <1% asbestos are not regulated by EPA/NESHAPS. However, OSHA compliance is mandatory. OSHA requirements including training, wet methods, prompt cleanup in leak tight containers, etc. The renovation contractor must comply with US Dept of Labor, Standard Interpretation (OSHA), Compliance requirements for renovation work involving material containing <1% asbestos, 11/24/2003. The renovation contractor must submit a work plan to DES and the PBCAC prior to removal of the materials.

B. DEMOLITION

All "friable" ACBM must be removed by a Florida Licensed Asbestos Contractor under the direction of a FLAC prior to demolition. Friable materials include: resilient asbestos tile and mastic which is not intact, linoleum, asbestos containing joint compound, asbestos containing cement panels (e.g. transite), etc.

Intact resilient tile and asbestos roof materials may be demolished with adequate controls (e.g. wet method) by a demolition contractor provided the contractor is aware of the asbestos containing materials present and exercises adequate control techniques (wet methods, etc.). In all cases, demolition work should be monitored by a FLAC to insure proper control measures and waste disposal. Any exceptions to these guidelines may be requested through DES prior to the removal, (such as asbestos containing roofs, transite pipe). Exceptions may be granted by DES prior to the removal, (i.e. asbestos containing roofs, transite pipe). The Agency must obtain approval for all exceptions from DES and the PBCAC.

- (a) Asbestos Abatement work may be contracted by the Agency or by DES upon request.
- (b) If the Agency contracts the asbestos abatement, the following documents must be provided to the PBC/DES and reviewed by the PBCAC.
 - 1. An Asbestos Abatement Specification (Work Plan), sealed by a FLAC.
 - 2. Pre and Post Job submittals, reviewed and signed by the FLAC.
- (c) If the Agency requests DES to contract the asbestos abatement, DES will initiate the request through the PBCAC who will contract the asbestos abatement. DES will provide a copy of all contractor and consultant documents to the Agency.
- (d) Recycling, salvage or compacting of any asbestos containing materials or the substrate is strictly prohibited.
- (e) In all cases, compliance with OSHA "Requirements for demolition operations involving material containing <1% asbestos is mandatory.
- (f) For all demolitions involving asbestos containing floor tile, asbestos containing roofing material and materials containing <1%, the Demolition Contractor shall submit the following documents to DES. DES will provide a copy of these documents to PBCAC.
 - 1. Signed statement that the demolition contractor has read and understood the requirements for complying with EPA, OSHA and the State of Florida Licensing regulations for demolition of structures with asbestos materials.
 - 2. Submit a plan for the demolition of asbestos containing roofing and floor tile. State if these materials are likely to remain intact. Include in the plan what shall occur if materials become "not intact".

3. Submit a plan for compliance with OSHA requirements such as but not limited to: competent person, establishing a regulated area, asbestos training of workers, respiratory protection, use of disposable suits, air monitoring, segregation of waste, containerizing asbestos waste, waste disposal.

- (g) If materials are discovered that are suspect asbestos materials that were not previously sampled, stop all work that will disturb these materials and immediately notify DES.

IV. NESHAPS NOTIFICATION

A. RENOVATION

A NESHAP form must be received by the Palm Beach County Health Department at least ten working days prior to an asbestos renovation that includes regulated asbestos containing material greater than 160 square feet or 260 linear feet or 35 cubic feet. For lesser quantities, the Agency (or its contractor) shall provide a courtesy notification to the Palm Beach County Health Department at least ten working days prior to an asbestos renovation. The removal of vinyl asbestos floor tile and linoleum shall be considered regulated. Asbestos roof removal requires a notification at least 3 working days prior to the removal.

B. DEMOLITION

A NESHAP form must be received by the Palm Beach County Health Department at least ten working days prior to the demolition.

- C. The NESHAP notification shall be sent return receipt requested to the address shown below with a copy to DES. DES shall provide a copy to the PBCAC. All fees shall be paid by the Agency.

Palm Beach County Department of Health
Asbestos Coordinator
800 Clematis Street
Post Office Box 29
West Palm Beach, Florida 33402

V. APPLICABLE ASBESTOS REGULATIONS/GUIDELINES

The Agency, through its demolition or renovation contractor, shall comply with the following asbestos regulations/guidelines. This list is *not* all inclusive:

- (a) Environmental Protection Agency (EPA) NESHAP, 40 CFR Parts 61 Subpart M National Emission standard for Asbestos, revised July 1991
- (b) Occupational Health and Safety Administration (OSHA) Construction Industry Standard, 29 CFR 1926.1101
- (c) EPA: A Guide to Normal Demolition Practices Under the Asbestos NESHAP, September 1992
- (d) Demolition practices under the Asbestos NESHAP, EPA Region IV
- (e) Asbestos NESHAP Adequately Wet Guidance
- (f) Florida State Licensing and Asbestos Laws
 - 1. Title XVIII, Chapter 255, Public property and publicly owned buildings.
 - 2. Department of Business and Professional Regulations, Chapter 469 Florida Statute, Licensure of Asbestos Consultants and Contractors
- (g) Resilient Floor Covering Institute, NRCI, Updated Recommended Work Practices and Asbestos Regulatory Requirements, September 1998.

(h) Florida Roofing Sheet Metal and Air Conditioning Contractors Association, NRCA, June 1995

(i) US Dept of Labor, Standard Interpretation (OSHA)

1. Application of the asbestos standard to demolition of buildings with ACM in Place, 8/26/2002.

2. Requirements for demolition operations involving material containing <1% asbestos, 8/13/1999.

3. Compliance requirements for renovation work involving material containing <1% asbestos, 11/24/2003.

EXHIBIT E

PALM BEACH COUNTY DEPARTMENT OF ECONOMIC SUSTAINABILITY

MONTHLY PERFORMANCE REPORT

Report For:	Month: _____ Year: 20____
Project Name:	Celtic Apartments
Report Prepared By:	<div><div>_____</div><div>Name</div><div>_____</div><div>Signature</div><div>_____</div><div>Date</div></div>

FINANCING ACTIVITIES

Describe your accomplishments during the reporting period: _____

DESIGN AND LAND PLANNING ACTIVITIES

Describe your accomplishments during the reporting period: _____

CONSTRUCTION ACTIVITIES

Describe your accomplishments during the reporting period: _____

MARKETING AND LEASEUP ACTIVITIES

Describe your accomplishments during the reporting period: _____

I, _____, do hereby certify that the Celtic Apartments Project has met all of its performance requirements during this reporting period as referenced in the Loan Agreement.

Name & Title of Certifying Representative

EXHIBIT F

PALM BEACH COUNTY DEPARTMENT OF ECONOMIC SUSTAINABILITY

TENANT INFORMATION REPORT

Project Name:	Celtic Apartments		
Report Period:	From _____, 20__ to _____, 20__		
Prepared By:			
Report Date:	_____, 20__	Page ____ of ____ Pages	

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

Building Address:							
	Apt. No. ____	Apt. No. ____	Apt. No. ____	Apt. No. ____	Apt. No. ____	Apt. No. ____	Apt. No. ____
Tenant Name:							
Lease start date:							
No. of bedrooms:							
Household Income at 50% of AMI or less	[]	[]	[]	[]	[]	[]	[]
Household Income at 80% of AMI or less	[]	[]	[]	[]	[]	[]	[]
Female Head of Household	[]	[]	[]	[]	[]	[]	[]
Disabled Head of Household	[]	[]	[]	[]	[]	[]	[]
Hispanic Ethnicity	[]	[]	[]	[]	[]	[]	[]
White	[]	[]	[]	[]	[]	[]	[]
African American	[]	[]	[]	[]	[]	[]	[]
Asian	[]	[]	[]	[]	[]	[]	[]
American Indian or Alaskan Native	[]	[]	[]	[]	[]	[]	[]
Native Hawaiian Pacific Islander	[]	[]	[]	[]	[]	[]	[]
American Indian or Alaskan Native and White	[]	[]	[]	[]	[]	[]	[]
Asian and White	[]	[]	[]	[]	[]	[]	[]
African American and White	[]	[]	[]	[]	[]	[]	[]
American Indian/Alaskan Native and African American	[]	[]	[]	[]	[]	[]	[]
Other Multi-racial	[]	[]	[]	[]	[]	[]	[]

EXHIBIT G

PALM BEACH COUNTY DEPARTMENT OF ECONOMIC SUSTAINABILITY

ANNUAL RENT ROLL

Project Name:	Celtic Apartments		
Report Period:	From _____, 20__ to _____, 20__		
Prepared By:			
Report Date:	_____, 20__	Page ____ of ____ Pages	

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

Building Address:				
	Apt. No. ____	Apt. No. ____	Apt. No. ____	Apt. No. ____
Tenant Name:				
Lease start date:	/ /	/ /	/ /	/ /
Contract Rent:	\$	\$	\$	\$
Tenant Rent:	\$	\$	\$	\$
No. of bedrooms:				
No. of occupants:				
Date last income certified:	/ /	/ /	/ /	/ /
Annual income:	\$	\$	\$	\$
Household Income at 50% of AMI or less	[]	[]	[]	[]
Household Income at 80% of AMI or less	[]	[]	[]	[]
	Apt. No. ____	Apt. No. ____	Apt. No. ____	Apt. No. ____
Tenant Name:				
Lease start date:	/ /	/ /	/ /	/ /
Contract Rent:	\$	\$	\$	\$
Tenant Rent:	\$	\$	\$	\$
No. of bedrooms:				
No. of occupants:				
Date last income certified:	/ /	/ /	/ /	/ /
Annual income:	\$	\$	\$	\$
Household Income at 50% of AMI or less	[]	[]	[]	[]
Household Income at 80% of AMI or less	[]	[]	[]	[]