

Meeting Date: June 10, 2025 ☒ Consent ☐ Regular
☐ Ordinance ☐ Public Hearing

Department: Housing and Economic Development

Motion and Title: Staff recommends motion to receive and file: Documents executed in connection with a loan made to Michel Invest LLC, in the amount of \$200,000 under the Housing and Urban Development (HUD) Section 108 Loan Program as follows:

- Summary:** In accordance with Palm Beach County (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 County Administrator or designee in accordance with Resolution R2009-0725, and are now being submitted to the BCC. This Section 108 Loan in the amount of \$200,000 is to Michel Invest LLC, which operates the Twiggs Academy with approximately 90 students and a staff of 20 employees. The Twiggs Academy located at 101 10th Street, Lake Park, FL, will redevelop their current 1.6-acre site and will construct a 6,775 square foot addition, a playground, a parking area, and renovate the current daycare facility. The total cost of the project is \$7,327,000. The County's Section 108 loan funds are for working capital. The funds will be leveraged with a loan from the Small Business Administration (SBA), a bank loan, and borrower's equity. The project will create ten (10) new full-time equivalent jobs over five (5) years. District 7 (DB)

Background and Justification: The County's Section 108 Loan Program, which is administered by the Department of Housing & Economic Development, was developed to create a source of loan funding for use by businesses and investors to implement business ventures that will create new jobs and help revitalize communities. Funding for the Program is received from HUD.

Attachment(s): Documents as listed in A through I above.

Recommended By: Jonathan Brown 5/8/2025
Department Director Date

Approved By:  Assistant County Administrator 5/16/25 Date

II. FISCAL IMPACT ANALYSIS

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

Fiscal Years	2025	2026	2027	2028	2029
Grant Expenditures	200,000				
Operating Costs					
External Revenues	(200,000)				
Program Income					
In-Kind Match					
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 X No
Does this Item include the use of State funds? Yes No X

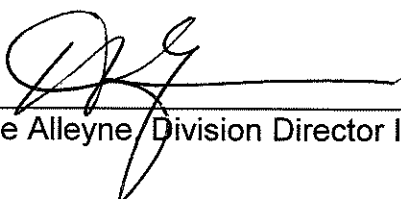
Budget Account No.:

Fund 1540 Dept. 143 Unit 2303 Sub Unit H040 Object 8201

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

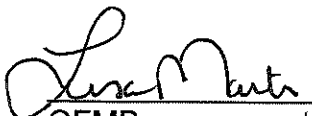
The agreement allocates \$200,000 in Section 108 Loan funds to Michel Invest LLC.

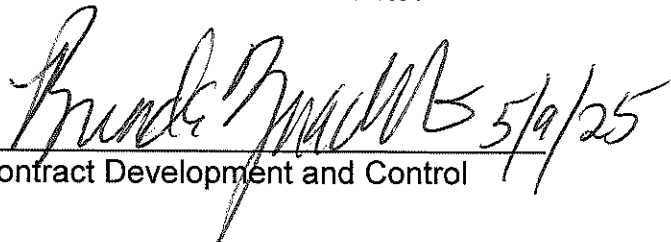
C. **Departmental Fiscal Review:**


Valerie Alleyne / Division Director II

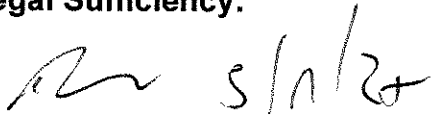
III. REVIEW COMMENTS

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


OFMB 5/9/2025
DA 5/9 OA 5/8


Contract Development and Control 5/9/25

B. **Legal Sufficiency:**


5/11/25

Assistant County Attorney

C. **Other Department Review:**

Department Director

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

PALM BEACH COUNTY - SECTION 108 PROMISSORY NOTE

Principal: \$200,000.00

Date: March 1st, 2025

Re: Michel Invest LLC a Florida limited liability company

FOR VALUE RECEIVED, the undersigned, **MICHEL INVEST LLC**, a Florida limited liability company, whose mailing address is 101 10TH Street, Lake Park, Florida 33403 ("**Borrower**"), in connection with a certain U.S. Department of Housing and Urban Development ("**HUD**") Section 108 bridge loan (the "**Loan**") in the principal amount of **TWO HUNDRED THOUSAND AND 00/100 DOLLARS (\$200,000.00)** (the "**Principal Amount**"), promise(s) to pay to the order of **PALM BEACH COUNTY**, a political subdivision of the State of Florida, together with any other holder hereof (hereinafter referred to "**Holder**" or "**County**") with a mailing address of Palm Beach County Department of Housing and Economic Development, 100 Australian Avenue, Suite 500, West Palm Beach, Florida 33406, or such other place as Holder may from time to time designate in writing, the principal sum of the Principal Amount together with interest and fees thereon, to be paid in lawful money of the United States of America, as follows:

1. The "Interest Rate" under the Note shall be a variable rate of the thirteen-week treasury rate, ("13 Week T-Bill Rate") as published in the U.S. Department of Treasury – Daily Treasury Bill Rates (treasury.gov) plus 120 basis points (approximately 5.65%). The Borrower will pay interest only for a year or until the Section 108 Loan is paid in full at the closing of the loan from Bank Five Nine.

HUD Conversion: At the sole discretion of and at various dates selected by HUD during the Loan Term (as defined herein), HUD may elect to conduct a public offering of its Section 108 loans, which may include this Loan. In such event, the HUD Floating Rate specified above shall be subject to a conversion to a fixed HUD Interest Rate as solely determined by HUD (the "**HUD Fixed Rate**"). If HUD elects to convert this Loan and other Section 108 loans, the Borrower will be given the option of selecting the HUD Fixed Rate or maintaining the then current HUD Floating Rate. If the Borrower elects to convert to the HUD Fixed Rate, the Borrower shall pay to HUD the cost of the conversion. Should the Borrower elect to continue floating, the Borrower shall pay HUD One Hundred and No/100 Dollars (\$100.00) per quarter.

The Borrower expressly acknowledges and agrees that the Interest Rate shall be subject to change if HUD elects to convert the HUD Floating Rate to the HUD Fixed Rate as described above, in the sole and absolute discretion of HUD.

2. Commencing on the Tenth (10th) day of the month following the date the loan advance is made pursuant to the Loan Agreement as defined herein (the "**Commencement Date**"), and continuing on the Tenth (10th) day of each month thereafter, Borrower shall make payments of interest at the Interest Rate until the closing of the loan from Bank Five Nine at which time all principal, accrued interest, late fees and advances (if any) shall be due and payable (the "**Maturity Date**").

3. Borrower shall have the right of prepayment of all or any portion of the Loan without penalty or premium, unless the Borrower converts to the HUD Fixed Rate. Any prepayment after such conversion is subject to any penalties or premiums as determined by HUD, in its sole and absolute discretion.

4. After maturity or acceleration, this Note shall bear interest at the Interest Rate plus four percent (4%) but in no event more than the maximum rate of interest permitted by law (the “**Default Rate**”) until paid in full.

THIS NOTE is executed pursuant to the terms and conditions of that certain Loan Agreement dated of even date herewith between Borrower and Holder (the “**Loan Agreement**”), and is secured by this Note, the Loan Agreement, the Mortgage Agreement with Assignment of Leases and Rents, the Collateral Security Mortgage Agreement, the Environmental Indemnity Agreement, the Guaranty Agreement, and all other documents required under the Loan Agreement. The foregoing and all other agreements, instruments and documents delivered in connection therewith and herewith are collectively referred to as the “**Loan Documents**”.

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

Nothing contained herein, nor any transaction related hereto, shall be construed or so operate as to require the Borrower 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 law. Should any interest or other charges paid by the Borrower, 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 Borrower.

Holder shall have the right to declare the total unpaid balance hereof to be immediately due and payable in advance of the Maturity Date upon the failure of the Borrower to pay when due or within the applicable grace period (5 days after notice) any payment of principal or 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 guaranteeing payment of this Note. Exercise of this right shall be with notice to Borrower and to any other person liable for payment hereof.

Any payment hereunder not paid when due or within the applicable grace period (at maturity, upon acceleration or otherwise) shall bear interest at the Default Rate from the due date until paid.

Provided Holder has not accelerated this Note as provided herein, Borrower shall pay Holder a late charge of five (5%) percent of any required installment payment (“**Late Fee**”) which is not received by Holder within fifteen (15) calendar days of when said payment is due. The parties agree that said charge is a fair and reasonable charge for the late payment and shall not be deemed a penalty. Notwithstanding any contradictory term contained herein, the interest rate applied hereunder shall not exceed the maximum interest rate provided by law.

In the event that this Note is collected by law or through attorneys at law, or under advice therefrom, Borrower 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 Borrower to pay all obligations due hereunder and shall not affect the right of Holder to pursue the remedies available to it under any Loan Documents.

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 UNDERSIGNED jointly and severally waive(s) presentment, protest and demand, notice of protest, demand and dishonor and nonpayment of this Note and agree(s) to perform and comply with each of the covenants, conditions, provisions and agreements of any of the undersigned as contained in every instrument now evidencing or securing said indebtedness. No extension of the time for the payment of this Note shall operate to release, discharge, modify, change or affect the original liability under this Note, either in whole or in part of any of the undersigned not a party to such agreement.

THE UNDERSIGNED further jointly and severally hereby waive(s), to the extent authorized by law, any and all homestead and other exemption rights which otherwise would apply to the debt evidenced by this Note.

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

[INTENTIONALLY LEFT BLANK SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, this Section 108 Promissory Note has been duly executed by the undersigned, as of the date set forth above.

WITNESSES:

BORROWER:

MICHEL INVEST LLC, a Florida limited liability company

Maria G. Vidal

By: 

Pierre Michel, as Manager

Print name:

Maria Vidal

Amanda Hughes

Print name:

Amanda Hughes

STATE OF FLORIDA)

COUNTY OF PALM BEACH)

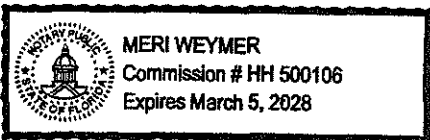
The foregoing instrument was acknowledged before me by means of ☒ physical presence or ☐ online notarization this 11th day of March, 2025 by Pierre Michel, as Manager of Michel Invest LLC, a Florida limited liability company, on behalf of the company, ☒ who is personally known to me or ☐ who has produced n/a as identification.

My Commission Expires:


Notary Public

Print name:

Meri Weymer



Section 108 Promissory Note

4 of 4

PALM BEACH COUNTY SECTION 108 LOAN AGREEMENT

THIS LOAN AGREEMENT (the "Agreement") is made effective as of the 11th day of March, 2025, by and between **PALM BEACH COUNTY**, a political subdivision of the State of Florida, with an office at **Department of Housing and Economic Development**, 100 Australian Avenue, Suite 500, West Palm Beach, Florida 33406 (the "Lender"); and **MICHEL INVEST LLC.**, a Florida limited liability company (the "Borrower") with a business address of 101 10TH Street, Lake Park, Florida 33403, and FEIN of 83-1849647.

RECITALS:

A. The Borrower has requested the Lender to extend credit to the Borrower in the form of a U.S. Department of Housing and Urban Development ("HUD") Section 108 loan (the "Loan") in the principal amount of **TWO HUNDRED THOUSAND AND 00/100 DOLLARS (\$200,000.00)** (the "Loan Amount"), to be used for working capital and to pay architectural and engineering fees in connection with a certain project located at 101 10th Street, Lake Park, Florida 33403 (the "Project"), which real property is more fully described in *Exhibit "A"* attached hereto and made a part hereof (the "Project Property"); and the Lender has agreed to extend such credit.

B. The Borrower and the Lender desire to set forth herein the mutually agreed upon terms and conditions of such credit extension and the advancement of the proceeds of the Loan.

C. All capitalized terms not otherwise defined within this Agreement or the other Loan Documents (as defined herein), are as defined in *Exhibit "C"*, attached hereto and made a part hereof.

NOW THEREFORE, in consideration of the matters set forth in the above Recitals, the mutual covenants contained herein, and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Loan Terms.

(a) Loan Amount. On the terms and subject to the conditions set forth herein, and relying on the representations and warranties made to the Lender herein and in all other documents referenced hereunder, including this Agreement, the Section 108 Loan Program Agreement, the Section 108 Promissory Note, the Mortgage Agreements with Assignment of Leases and Rents, the Collateral Security Mortgage Agreements, the Environmental Indemnity Agreement, the Guaranty Agreements, and all other documents required hereunder (collectively the "Loan Documents"), the Lender agrees that it shall make the Loan to the Borrower in an aggregate amount equal to and not to exceed the Loan Amount, which Loan shall be evidenced by the Note and which shall be advanced by the Lender as hereinafter provided, and the Borrower agrees to borrow such sum from the Lender.

(b) Security. The Loan, the Note and the performance by the Borrower of the terms, provisions and obligations hereof and under any other of the Loan Documents shall be secured by the liens, security interests and such other undertakings created therein, by or described in the following instruments of even date herewith from the Borrower to the Lender (collectively, the "Collateral"):

(i) That certain Section 108 Promissory Note from Borrower to Lender regarding the Loan (the "Note");

(ii) This Agreement;

(iii) That certain Mortgage Agreement with Assignment and Leases and Rents of Borrower in favor of Lender regarding the property located at 110 10th Street, Lake Park, Florida

33463; 829 Silver Beach Road, Lake Park, Florida 33463; and 823 Silver Beach Road, Lake Park, Florida 33463 (Collateral Property");

(iv) That certain Collateral Mortgage Agreement in favor of Lender regarding the Collateral Property;

(v) Those certain individual Guaranty Agreements (the "Guaranty Agreements") from (i) PIERRE MICHEL and (ii) MELLISA MICHEL (each an "Individual Guarantor", together the "Personal Guarantors" and collectively with the Corporate Guarantors, the "Guarantors");

(vi) That certain corporate Guaranty Agreements (the "Corporate Guaranty Agreements") from MICHEL INVEST LLC a Florida limited liability company ("Corporate Guarantor");

(vii) That certain Environmental Indemnity Agreement by Borrower and the Guarantors in favor of Lender with regard to the Project Property (the "Environmental Indemnity Agreement");

(viii) Any and all amendments and modifications to any of the foregoing documents; and

(ix) Any other of the Loan Documents pursuant to or required by this Agreement or any other of the aforementioned documents and instruments.

2. General Loan Provisions.

(a) Use of Proceeds. The proceeds of the Loan shall be used for those purposes stated in Article A of the Recitals.

(b) Nature and Place of Payments. All payments made on account of the Obligations shall be made by the Borrower, without setoff or counterclaim, in lawful money of the United States in immediately available funds, free and clear of and without deduction for any taxes, fees, or other charges of any nature whatsoever imposed by any taxing authority and must be received by the Lender by its due date pursuant to the terms of the Note. All payments on account of the Obligations shall be made to the Lender. If any payment required to be made by the Borrower hereunder becomes due and payable on a day other than a Business Day, the due date thereof shall be extended to the next succeeding Business Day and interest thereon shall be payable at the then applicable contract rate during such extension.

(c) Fees. The Borrower shall have paid to Lender a non-refundable application fee of \$1,000.00, payable upon acceptance of Lender's commitment. The Borrower shall also pay to Lender at Closing: (i) a Closing fee of \$6,000.00 equivalent to 3% of the Loan Amount; and (ii) a Master Document Fee in the amount of \$1,000.00. The Borrower shall be responsible for payment of all reasonable, out-of-pocket costs of closing of any kind or nature, including due diligence costs incurred by Lender, the reasonable attorneys' fees and costs of Lender's counsel and all reasonable, out-of-pocket costs or fees incurred by Lender in connection with the Closing. Such fees shall be paid at Closing from the proceeds of the Loan, and the net proceeds of the Loan will be distributed to Borrower as provided hereunder.

3. Loan Advance.

(a) Subject to the provisions of this Agreement, and also subject to the terms and conditions of the other Loan Documents, the Lender shall make, and the Borrower shall accept, the Loan in the form of a single advance of the Loan Amount (the "Loan Advance").

4. Conditions to Making the Loan Advance.

(a) Execution of this Loan Agreement. Borrower agrees that, for and on its own behalf and for the purposes set forth herein, that the Loan Advance to be made on or about the Closing Date is subject to the prior satisfaction of each of the following conditions precedent with proof thereof to be furnished to

Lender, and agrees that such proof shall be in form, content and sufficiency acceptable to Lender and its counsel:

- (b) Execution of each of the Loan Documents.
- (c) Satisfaction and compliance with any requirements as may be imposed by HUD in connection with the closing of the Loan, as applicable.
- (d) Borrower shall have provided to Lender in a form, amount, and content satisfactory to Lender, UCC, judgment, tax, lien, bankruptcy and related searches (as applicable), insuring or agreeing to insure that Lender's Mortgage Agreement with Assignment of Leases and Rents, and Financing Statements securing Lender's interest in the Project Property of Borrower, and the Additional Collateral Properties of Borrower and Guarantors is, or will be upon filing, a valid lien on the Project Property and the Additional Collateral Properties, free and clear of all defects, liens, encumbrances and exceptions, except for the Permitted Liens and those as specifically accepted by Lender in writing.
- (e) Financial statements of Borrower and Guarantors in form reasonably acceptable to Lender.
- (f) Satisfaction of any financial covenants contained herein, as applicable.
- (g) Such other information concerning the Borrower and its business, operations and condition (financial and otherwise) as Lender may reasonably request.
- (h) Acceptable resolutions of the Borrower approving the execution and delivery of the Loan Documents and such other certificates as Lender may require, as applicable.
- (i) A certificate of the Borrower certifying the incumbency, the names and true signatures of the person or persons authorized to execute and deliver the Loan Documents.
- (j) A copy of the Borrower's Articles of Organization, Operating Agreement, and other organizational documents evidencing the valid formation and existence of the Borrower in good standing (as applicable), all existing amendments thereto, certified as of the date of this Agreement as being accurate and complete, together with good standing certificate.
- (k) Policies or certificates of insurance reasonably acceptable to Lender and its counsel evidencing all insurance required under this Loan Agreement.
- (l) All fees and costs due at the Loan Advance pursuant to this Agreement shall have been paid in full.
- (m) All acts and conditions (including, if applicable, the obtaining of any necessary governmental and regulatory approvals and consents including, without limitation, all necessary building and construction permits and the making of any required filings, recording, or registrations) required to be done and performed and to have happened prior to the execution, delivery, and performance of the Loan Documents and to constitute the same as legal, valid, and binding obligations, enforceable in accordance with their respective terms, shall have been done and performed and shall have happened in due and strict compliance with all applicable laws.
- (n) Such other documents, certificates, affidavits and other documents as are reasonably required of Lender consistent with the terms of this Loan Agreement, as applicable.
- (o) Evidence of a \$726,000.00 equity investment into the Project and/or business operations for the borrower (the "Borrower's Equity Injections").

5. Special Conditions regarding Other Loans.

In addition to the Loan, Borrower has requested additional financing for the Project in the form of a loan from Bank Five Nine in the aggregate principal amount of THREE MILLION SIX HUNDRED THIRTY THOUSAND AND NO/100 (\$3,630,000.00) (the "Bank Five Nine Loan") and a loan in the aggregate principal amount of TWO MILLION NINE HUNDRED SEVENTY ONE THOUSAND AND NO/100 (\$2,971,000.00) from the U.S. Small Business Administration (the "SBA Loan"), which the Bank Five Nine Loan and SBA Loan together with the Loan, are collectively referred to herein as the "Project Loans").

6. Job Goals. The Borrower shall make a good faith effort to create and hire ten (10) full-time equivalent ("FTE") jobs within the five (5) year period after the issuance of the occupancy permit for the Project. The Borrower shall make a good faith effort to hire fifty-one percent (51%) or more low and moderate-income residents of Palm Beach County for the FTE job positions pursuant to HUD guidelines and the certain Section 108 Loan Program Agreement by and between the Borrower and Lender dated on even date herewith. For this purpose, an FTE shall mean employment of a minimum of 2,080 hours per calendar year. The Borrower shall work closely with the Lender and the State of Florida Department of Commerce in meeting this goal. The Borrower shall make available to Lender its hiring records and shall make such records available to the Lender for audit, within ten (10) days following written demand by the Lender for the duration of the Loan. Notwithstanding the foregoing, the Borrower shall no longer be required to report to Lender its hiring records after the Borrower has met the job creation criteria set forth in this Section 6. Should the Borrower not cooperate with the Lender with its job creation and reporting requirements set forth herein, such an event shall be considered an event of default under the Loan.

7. Representations and Warranties of the Borrower. As an inducement to the Lender to enter into this Agreement and to make the Loan as provided herein, the Borrower represents and warrants to the Lender, both as of the Closing Date and as of the date of the Loan Advance, that:

(a) Financial Condition. The Borrower's, Guarantors' and Corporate Guarantors' Financial Statements, copies of which have heretofore been furnished to the Lender and will be delivered to the Lender pursuant to Section 8(a) of this Agreement, are and will be complete, timely and correct in all respects, have been and will be prepared in accordance with GAAP and consistently followed, and do and will completely and accurately represent the financial condition of the subjects thereof as of the dates thereof, and neither the Borrower nor the Guarantors have received any notice of any amendment or audit thereof or any inquiry or investigation related thereto from any Governmental Authority.

(b) No Change. Since the date of the Financial Statements heretofore delivered to the Lender, there has been no material adverse change in the business, operations, assets, or other financial condition of the Borrower and Guarantors. Since the date of the Financial Statements heretofore delivered to the Lender, the Borrower has not entered into, incurred, or assumed any long-term debt, mortgages, material leases or oral or written commitments, nor commenced any significant project, nor made any purchase or acquisition of any significant property outside the normal course of business.

(c) Existence; Compliance with Laws. The Borrower: (i) is duly organized and validly existing in good standing as an entity under the laws of the state of its formation and is qualified to do business in each jurisdiction (including in the State of Florida) where its ownership of property or the conduct of its business requires such qualification and where failure to qualify would have a material adverse effect on the Borrower or its operations, assets, business, or on the ability of the Borrower to pay or perform the Obligations; (ii) has the power and authority and the legal right to own and operate its assets, and to conduct its business in the manner in which it proposes so to do; and (iii) is in compliance with all Requirements of Law.

(d) Power; Authorization; Enforceability of Obligations. The Borrower and the Guarantors have the power and authority and the legal right to execute, deliver, and perform the Loan Documents to

which each is a party and the Borrower and the Guarantors, respectively, have taken all necessary limited liability company and corporate action, respectively, to authorize the execution, delivery, and performance of the Loan Documents. The Loan Documents have been duly executed and delivered on behalf of the Borrower, the Guarantors and the Corporate Guarantors and constitute legal, valid, and binding obligations of the Borrower, the Guarantors, and the Corporate Guarantors enforceable against the Borrower and the Guarantors and Corporate Guarantors in accordance with their respective terms, subject to the effect of applicable bankruptcy and other similar laws affecting the rights of creditors generally, and the effect of equitable principles whether applied in an action at law or a suit in equity.

(e) Conflict with Other Instruments. The execution and delivery of the Loan Documents will not violate any provision of law or any order of any court or Governmental Authority, the organizational documents of the Borrower or the Guarantors, and Corporate Guarantors or any provision of any indenture, agreement or other instrument binding upon the Borrower or the Guarantors and Corporate Guarantors or any of its properties or assets, and will not result in the creation or imposition of any Lien, charge or encumbrance of any nature whatsoever upon any of the properties or assets of the Borrower or the Guarantors and Corporate Guarantors, except for those provided for in the Loan Documents.

(f) No Legal Bar. The execution, delivery, and performance of the Loan Documents, the borrowing hereunder and the use of the proceeds of the Loan, will not violate any Requirement of Law or any Contractual Obligation of the Borrower or the Guarantors and Corporate Guarantors or create or result in the creation of any Lien on any assets of the Borrower or the Guarantors and Corporate Guarantors (except for the Lien created by the Loan Documents).

(g) No Material Litigation. No suit, action, litigation, investigation, or proceeding (including, without limitation, Hazardous Substances Claims) of or before any court, arbitrator or Governmental Authority is pending or, to Borrower's knowledge, threatened by, against or affecting the Borrower or any Guarantor or against any of its properties or revenues which is likely to be adversely determined and which, if adversely determined, is likely to have a material adverse effect on the business, operations, property, or financial or other condition of the Borrower or the Guarantors and Corporate Guarantors.

(h) Taxes. To the best of the Borrower's and the Guarantors' and Corporate Guarantors' knowledge after inquiry with the Borrower's and the Guarantors' and Corporate Guarantors' accountants, the Borrower and the Guarantors and Corporate Guarantors have filed or caused to be filed all tax returns that are required to be filed and have paid all taxes shown to be due and payable on said returns or on any assessments made against their or any of their property other than taxes that are being contested in good faith by appropriate proceedings and as to which the Borrower or the Guarantors and Corporate Guarantors have established adequate reserves in conformity with GAAP. No tax liens have been filed against any real property owned by Borrower, or any other assets of the Borrower or the Guarantors and Corporate Guarantors, and no claims are being asserted with respect to such taxes which could have a material adverse effect upon the financial condition, business, property or operations of the Borrower or the Guarantors and Corporate Guarantors. The Borrower and the Guarantors and Corporate Guarantors have established adequate reserves for the payment of taxes contested in good faith in conformity with GAAP.

(i) Investment Company Act. The Borrower is not an "investment company" or a company "controlled" by an "investment company" within the respective meanings of such terms under the Investment Company Act of 1940, as amended.

(j) Federal Reserve Board Regulations. The Borrower is not engaged, and it will not engage, principally or as one of its important activities, in the business of extending credit for the purpose of "purchasing" or "carrying" any "margin stock" within the respective meanings of such terms under Regulation U of the Board of Governors of the Federal Reserve System. No part of the proceeds of the Loan will be used for "purchasing" or "carrying" "margin stock" as so defined or for any purpose that

violates, or that would be inconsistent with, the provisions of the Regulations of the Board of Governors of the Federal Reserve System.

(k) ERISA. (i) No Prohibited Transactions, Accumulated Funding Deficiencies, withdrawals from Multiemployer Plans, or Reportable Events have occurred with respect to any Plans or Multiemployer Plans that, in the aggregate, could subject the Borrower to any tax, penalty, or other liability where such tax, penalty, or liability is not covered in full, for the benefit of the Borrower, by insurance; (ii) no notice of intent to terminate a Plan has been filed, nor has any plan been terminated under Section 4041 of ERISA, nor has the Pension Benefit Guaranty Corporation (and any successor thereto, the "PBGC") instituted proceedings to terminate, or appoint a trustee to administer a Plan, and no event has occurred or condition exists that might constitute grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Plan; (iii) the present value of all benefit liabilities (as defined in Section 4001(a)(16) of ERISA) under all Plans (based on the actuarial assumptions used to fund the Plans) does not exceed the assets of the Plans; and (iv) the execution, delivery, and performance by the Borrower of this Agreement and the making of the Loan hereunder and the use of the proceeds thereof will not involve any Prohibited Transactions.

(l) Assets. The Borrower and the Guarantors and Corporate Guarantors have good and marketable title to all of their assets. Except in connection with the Permitted Debt (as applicable), the Borrower has no outstanding Liens on any of the Collateral or its other assets nor are there any security agreements to which the Borrower is a party, nor any title retention agreements, whether in the form of leases or otherwise, of any personal property except as otherwise permitted hereunder.

(m) Securities Acts. The Borrower has not issued any unregistered securities in violation of the registration requirements of the Securities Act of 1933, as amended, or any other law, and is not violating any rule, regulation or requirement under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended. The Borrower is not required to qualify an indenture under the Trust Indenture Act of 1939, as amended, in connection with its execution and delivery of the Note.

(n) Consents, etc. No consent, approval, authorization of, or registration, declaration or filing with, any Governmental Authority is required on the part of the Borrower in connection with the execution and delivery of this Agreement or any of the other Loan Documents or the performance of or compliance with the terms, provisions, and conditions hereof or thereof, except for such consents, approvals, authorizations, registrations, declarations or filings as have been previously obtained or made by the Borrower.

(o) No Default. No Event of Default or, to the best of Borrower's knowledge, Potential Default has occurred or is continuing under any material existing Agreement of Borrower.

(p) Use of Proceeds. The proceeds of the Loan shall be used for the purposes set forth in Section 2(a) of this Agreement.

(q) No Notices; No Violations. The Borrower has not received any notice from any Governmental Authority or any insurance or inspection body to the effect that any of the Collateral, or any of the Borrower's facilities, equipment or business procedures or practices fail to comply with any applicable law, ordinance, regulation, building or zoning law, judicial or administrative determination, or any other requirements of any such authority or body, and the Borrower's facilities, equipment, procedures and practices, are in compliance with all such laws, ordinances, determinations, regulations and requirements.

(r) Liens on Collateral. Other than the Permitted Debt, neither the Borrower nor the Guarantors or Corporate Guarantor have made any verbal or written contract or arrangement of any kind,

the performance of which by any other party thereto would give rise to a Lien on the Collateral or any other restriction upon the assignment, pledge or other encumbrance upon the Collateral, or any portion thereof, except for those arising pursuant to this Agreement.

(s) No Material Omission. No representation or warranty made herein contains or will contain any untrue statement of material fact, or omits, or will omit, to state a material fact necessary to make the statements contained herein not misleading. If during any time the Loan remains outstanding, the Borrower becomes aware of any facts, occurrences, information, statements, or events that render any of the foregoing representations or warranties herein made untrue or materially misleading or incomplete, Borrower shall notify the Lender in writing of such facts, occurrences, information, statements or events within ten (10) days of obtaining such knowledge and in any case prior to any Advance made pursuant to this Agreement subsequent to obtaining such knowledge.

(t) Chief Office Location. The chief executive office of the Borrower is located at 101 10th Street, Lake Park, Florida 33403. Except as otherwise disclosed to Lender, none of the Borrower's books or records are maintained at any other location. The Borrower shall notify the Lender in writing of any change in the location of the Borrower's chief executive office.

(u) No Reliance. Borrower represents to the Lender that it has at all times pertinent to this Agreement been represented by advisors of its own selection, including, but not limited to, attorneys-at-law and/or certified public accountants; that it has not relied upon any statement, representation, warranty, agreement or information provided by the Lender, its employees, agents or attorneys; that it acknowledges that it is informed by its advisors of its respective rights, duties, and obligations with respect to the Loan under all applicable laws; that to Borrower's actual knowledge, it has no set-offs, defenses or counterclaims against the Lender with respect to the Loan; and that it is indebted to the Lender for the amounts stated in this Agreement.

(v) No Inducement. Borrower further acknowledges and agrees that the Lender has not made any statements, representations, warranties, agreements or provided information to it in order to induce the execution of this Agreement. Borrower further acknowledges and agrees that all agreements of the parties are set forth in this Agreement or in the other Loan Documents executed by Borrower prior to or on even date hereof.

8. Affirmative Covenants. The Borrower, the Guarantors and the Corporate Guarantor hereby covenant and agree with the Lender that, as long as any Obligations remain unpaid, the Borrower (and the Guarantors and Corporate Guarantor, as the case may be) shall:

(a) Financial Statements.

(i) Borrower and the Guarantors and Corporate Guarantor shall provide Lender with annual financial statements to be delivered within one hundred and twenty (120) days of the end of the applicable fiscal year.

(ii) Borrower and the Guarantors and the Corporate Guarantor shall provide Lender with any such balance sheet and/or profit & loss report as requested by Lender, in forms reasonably acceptable to Lender, on or before the first (1st) day of each month.

(iii) Any such financial statements as are requested shall be certified as true and correct by Borrower and/or the Guarantors and Corporate Guarantor, shall be in accordance with GAAP, fairly present their financial condition as of the date provided, and shall be in form reasonably satisfactory to Lender.

(b) Tax Returns. Furnish or cause to be furnished to the Lender annual federal tax returns of Borrower, the Guarantors and the Corporate Guarantor within thirty (30) days of filing. In addition, furnish

or cause to be furnished to the Lender any state income tax returns of Borrower, the Guarantors and the Corporate Guarantor no later than thirty (30) days after the due date for filing same, including extensions.

(c) Operating Budget. Upon request of Lender, furnish or cause to be furnished to the Lender on an annual basis within ninety (90) days after the last day of each fiscal year of the Borrower an operating budget for the next immediately succeeding fiscal year of Borrower, in such form and content as is reasonably satisfactory to Lender.

(d) Certificates; Reports; Other Information. Furnish or cause to be furnished to the Lender such additional financial and other information as the Lender may from time-to-time reasonably request, including, without limitation, the delivery within thirty (30) days after the last day of each fiscal year of the Borrower, a certified report showing the number and classification of employees employed by Borrower.

(e) Payment of Indebtedness. Pay, discharge, or otherwise satisfy at or before maturity or before it becomes delinquent, defaulted, or accelerated, as the case may be, all of its Indebtedness (including taxes), except Indebtedness being contested in good faith and if such amounts exceed \$5,000.00, for which provision is made to the satisfaction of the Lender for the payment thereof in the event the Borrower is found to be obligated to pay such Indebtedness and which Indebtedness is thereupon promptly paid by the Borrower.

(f) Maintenance of Assets; Compliance. Maintain its entity existence in good standing, and maintain all rights, privileges, licenses, approvals, franchises, properties, and assets necessary or desirable in the normal conduct of its business and comply with all Requirements of Law.

(g) Inspection of Collateral; Books and Records; Discussions. Keep proper books of record and account in which full, true, and correct entries in conformity with GAAP and all Requirements of Law shall be made of all dealings and transactions in relation to its business and activities. Upon reasonable prior written notice, the Borrower shall permit representatives of the Lender to visit and inspect any of the Collateral and at Lender's cost examine and make abstracts from and copies of any of the Borrower's books and records at any reasonable time and as often as may reasonably be desired by the Lender, and to discuss the business, operations, properties, and financial and other condition of the Borrower with officers and employees of such parties, and with their independent certified public accountants.

(h) Notices. Promptly give written notice to the Lender of:

(i) The occurrence of any Event of Default or upon obtaining knowledge of a Potential Default;

(ii) Any litigation or any proceeding before a Governmental Authority affecting the Borrower that is reasonably likely to have a material adverse effect on any of the Collateral, or on the business, operations, assets or financial or other condition of the Borrower; and

(iii) A material adverse change in the Collateral, or in the business, operations, assets or financial or other condition of the Borrower.

(i) Expenses. Pay all reasonable, out-of-pocket expenses: (i) of the Lender incident to the origination of the Loan, the preparation, negotiation, and administration of this Agreement and the other Loan Documents; and (ii) of the Lender incident to the enforcement of payment of the Obligations, whether by judicial proceedings or otherwise, and before as well as after judgment including, without limitation, in connection with bankruptcy, insolvency, liquidation, reorganization, moratorium, or other similar proceedings involving the Borrower or a "workout" of the Obligations. The obligations of the Borrower under this subsection (i) shall be effective and enforceable whether or not the Loan is made hereunder and shall survive payment of all other Obligations.

(j) Loan Documents. Comply with and observe all terms and conditions of this Agreement and the other Loan Documents.

(k) Insurance. Obtain and maintain or cause to be obtained and maintained in full force and effect at all times policies of insurance covering (i) workers' compensation meeting the Borrower's statutory obligations; (ii) contingent liability and public liability, protecting the Borrower against any liability for loss or damage to persons or property in amounts of \$250,000 per individual and \$500,000 per occurrence; (iii) flood, if needed; and (iv) property insurance for collateral properties; as well as such other policies of insurance or evidence with respect thereto as may be reasonably required by the Lender, all of which shall be in such form and amount as is reasonably satisfactory to the Lender, and each of which shall insure the interest of the Borrower, and lender's loss payable (as to personal property) clause in favor of the Lender; and with the agreement of the insurers issuing such policies of insurance that such policies will not be canceled without at least ten (10) days' prior written notice to the Lender. All insurance policies required hereunder shall be obtained from companies qualified to do business in the State of Florida, New York and Connecticut, as applicable.

(l) ERISA. Furnish to the Lender:

(i) Promptly and in any event within ten (10) days after the Borrower knows or has reason to know of the occurrence of a Reportable Event with respect to a Plan with regard to which notice must be provided to the PBGC, a copy of such materials required to be filed with the PBGC with respect to such Reportable Event and in each such case a statement of the chief financial officer or other representative of the Borrower approved by the Lender setting forth details as to such Reportable Event and the action that the Borrower proposes to take with respect thereto;

(ii) Promptly and in any event within ten (10) days after the Borrower knows or has reason to know of any condition existing with respect to a Plan that presents a material risk of termination of the Plan, imposition of an excise tax, requirement to provide security to the Plan or incurrence of other liability by the Borrower or any ERISA Affiliate, a statement of the chief financial officer of the Borrower describing such condition;

(iii) At least ten (10) days prior to the filing by any plan administrator of a Plan of a notice of intent to terminate such Plan, a copy of such notice;

(iv) Promptly and in no event more than ten (10) days after the filing thereof with the Secretary of the Treasury, a copy of any application by the Borrower or an ERISA Affiliate for a waiver of the minimum funding standard under Section 412 of the Code;

(v) Promptly and in no event more than ten (10) days after the filing thereof with the Internal Revenue Service, copies of each annual report that is filed on Form 5500, together with certified financial statements for the Plan (if any) as of the end of such year and actuarial statements on Schedule B to such Form 5500;

(vi) Promptly and in any event within ten (10) days after it knows or has reason to know of any event or condition that might constitute grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Plan, a statement of the Borrower describing such event or condition;

(vii) Promptly and in no event more than ten (10) days after receipt thereof by the Borrower or any ERISA Affiliate, a copy of each notice received by the Borrower or an ERISA Affiliate concerning the imposition of any withdrawal liability under Section 4202 of ERISA; and

(viii) Promptly after receipt thereof a copy of any notice the Borrower or any ERISA Affiliate may receive from the PBGC or the Internal Revenue Service with respect to any Plan or Multiemployer Plan;

provided, however, that this subsection (l) shall not apply to notices of general application promulgated by the PBGC or the Internal Revenue Service.

(m) No Conveyance or Lien. Other than Permitted Debt, neither the Borrower nor the Guarantors will convey or encumber the Collateral, without the prior written consent of the Lender. The Borrower will promptly discharge any Lien (by bonding or otherwise), assignment or encumbrance not permitted by this Agreement on any part of the Collateral or affecting any rights intended to be covered by any of the Loan Documents.

(n) Claims and Losses. The Borrower will comply in all material respects with and will furnish the Lender with any official notice or claim made by any Governmental Authority pertaining to all or any part of the Premises or the Improvements. The Borrower will also promptly notify the Lender of any substantial fire, casualty or notice of any taking by eminent domain, affecting all or any part of the Premises or the Improvements.

(o) Inspector General. Pursuant to Palm Beach County, Florida (the "County") Ordinance No. 2009-049, the County has established the Office of the Inspector General, which is authorized and empowered to review past, present and proposed County contracts, transactions, accounts and records. All contractors and parties doing business with the Lender and receiving funds from Lender shall fully cooperate with the Inspector General. The Inspector General has the power to audit, investigate, monitor, and inspect the activities of the contractor, its officers, agents, employees, and lobbyists in order to ensure compliance with contract specifications and to detect waste, corruption and fraud. By entering into this Agreement, Borrower covenants and agrees to fully cooperate (and will use its commercially reasonable efforts to cause any contractors, officers, agents, employees and lobbyists to cooperate) with the Inspector General, and take all such actions as reasonably requested by the Inspector General to ensure compliance with any contract specifications to which Borrower is, or may be a party, and to detect waste, corruption and fraud.

(p) Further Assurances. The Borrower, the Guarantors and the Corporate Guarantor shall comply with all conditions of this Agreement and will execute all documents necessary to be executed by the Borrower, the Guarantors and Corporate Guarantor to consummate the transactions contemplated herein and under any other of the Loan Documents. Notwithstanding the foregoing, Borrower shall in no event be required to take any action under this section as and to the extent the same would materially and adversely change any material obligation or material right of Borrower contained in this Agreement or in any of the other Loan Documents.

(q) Compliance with Laws. The Borrower will comply in all material respects with all applicable laws, rules, regulations and orders of any Governmental Authority including, without limitation, ERISA and Hazardous Substances Laws, the noncompliance with which could materially and adversely affect its operations or condition or the Collateral, except for such laws, rules, regulations and orders as the Borrower is contesting in good faith by appropriate proceedings and the noncompliance with which during such contest would not materially and adversely affect the Borrower's operations or financial condition or the Collateral if the result of such contest were adverse to the Borrower.

(r) County Review Statements. Borrower shall provide County Review Statements to Lender in a form provided by Lender no later than February 1st of each calendar year.

9. Negative Covenants. The Borrower, the Guarantors and Corporate Guarantor hereby covenants and agrees with the Lender that, as long as any Obligations remain unpaid, the Borrower, the Guarantors and the Corporate Guarantor shall not, directly or indirectly:

(a) Liens. Create, incur, assume or suffer to exist, any Lien upon any of the Collateral except:

(i) Liens or charges for current taxes, assessments, or other governmental charges that are not delinquent or that remain payable without penalty, or the validity of which are contested in good faith by appropriate proceedings upon stay of execution of the enforcement thereof, provided the Borrower shall have set aside on its books and shall maintain on deposit with the Lender adequate reserves for the payment of same in conformity with GAAP if such contested amount exceeds \$5,000.00;

(ii) Liens, deposits, or pledges made to secure statutory obligations, surety, or appeal bonds, or bonds for the release of attachments or for stay of execution, or to secure the performance of bids, tenders, contracts (other than for the payment of borrowed money), leases, or for purposes of like general nature in the ordinary course of the Borrower's business;

(iii) Purchase money security interests for property hereafter acquired, conditional sale agreements, or other title retention agreements, with respect to property hereafter acquired; provided, however, that no such security interest or agreement shall extend to any property other than the property acquired; and

(iv) Liens securing Permitted Debt.

(b) Indebtedness. Create, incur, assume, or suffer to exist, or otherwise become or be liable, in respect of any Indebtedness except:

(i) The Obligations;

(ii) Indebtedness reflected in the financial statements referred to herein;

(iii) Trade debt and equipment leases incurred in the ordinary course of business and outstanding less than thirty (30) days after the same has become due and payable or which is being contested in good faith, provided if such amounts exceed \$25,000.00 that provision is made to the satisfaction of the Lender for the eventual payment thereof in the event it is found that such contested trade debt is payable by the Borrower;

(iv) Indebtedness secured by Liens permitted under Section 9(a) of this Agreement; and

(v) Permitted Debt.

(c) Consolidation and Merger. Liquidate or dissolve or enter into any consolidation, merger, partnership, joint venture, syndicate, or other combination.

(d) Acquisitions. Purchase or acquire or incur liability for the purchase or acquisition of any or all of the assets or business of any Person other than in the ordinary course of business as presently conducted and to the extent such purchase or acquisition shall, in Lender's sole discretion, have a material adverse effect on Borrower's ability to perform under the obligations.

(e) Distributions. Make any distribution of assets to its members, whether in cash, property, or securities, which would cause an Event of Default or while there exists an uncured Event of Default.

(f) Investments; Loans; Advances. Make or commit to make any advance, loan, or extension of credit or capital contribution to, or purchase any stock, bonds, notes, debentures, or other securities of, or make any other investment in, any Person, including to Borrower's members or managers, unless the prior written consent of Lender is first provided.

(g) Sale of Assets. Sell, lease, assign, transfer, or otherwise dispose of any of its assets (other than obsolete or worn-out property), whether now owned or hereafter acquired, other than in the ordinary course of business as presently conducted and at fair market value.

(h) ERISA.

- (i) Terminate or withdraw from any Plan so as to result in any material liability to the PBGC;
- (ii) Engage in or permit any person to engage in any Prohibited Transaction involving any Plan that would subject the Borrower to any material tax, penalty, or other liability;
- (iii) Incur or suffer to exist any material Accumulated Funding Deficiency, whether or not waived, involving any Plan;
- (iv) Allow or suffer to exist any event or condition that presents a risk of incurring a material liability to the PBGC;
- (v) Amend any Plan so as to require the posting of security under Section 401(a)(29) of the Code; or
- (vi) Fail to make payments required under Section 412(m) of the Code and Section 302(e) of ERISA that would subject the Borrower to any material tax, penalty, or other liability.

(i) Amendment to Organizational Documents. Permit any amendment, modification, supplement, revocation or termination to occur with respect to Borrower's articles of organization, operating agreement, corporate existence, authority to do business, or other organizational document relating to the Borrower, without in each instance obtaining the prior written consent of the Lender (such consent not to be unreasonably withheld, conditioned or delayed).

(j) Utility Rights. Without the prior written consent of the Lender (such consent not to be unreasonably withheld, conditioned or delayed), sell, assign, convey, transfer or otherwise pledge or hypothecate any contract respecting the use of utilities (the "Utility Contracts") or any of the rights contained therein including, without limitation, the rights to sewer capacity reserved thereunder.

(k) Management and Ownership Control. Neither Borrower nor any Guarantor or the Corporate Guarantor shall, without the prior written consent of Lender, create, effect, consent to, attempt, contract for, agree to make, suffer or permit any conveyance, sale, assignments, transfer, lien, pledge, encumbrance, mortgage, security interest or alienation of all or any portion of, or any ownership or beneficial interest in the Borrower, or in the Collateral, except in the normal course of business, whether effected directly, indirectly, voluntarily, involuntarily, by operation of law or otherwise. If any of the foregoing shall occur without Lender's prior written consent, then the same shall conclusively be deemed to increase the risk to Lender and immediately constitute an Event of Default hereunder.

(l) Issuances, Redemptions. Borrower shall not redeem its membership units, nor issue additional membership units without prior consent of Lender.

10. **Survival.** The representations, warranties and covenants of Borrower and Lender set forth in this Agreement are accurate as of the date hereof, will continue to be accurate during the entire term of this Agreement and shall survive closing under this Agreement.

11. **Events of Default.** Each of the following shall constitute an event of default hereunder (and each shall hereinafter be individually referred to as an "Event of Default"):

(a) The Borrower shall fail to pay in full within five (5) days following Lender's notice to Borrower of nonpayment on the date due and payable any installment of principal or interest on the Loan or any other of the Obligations;

(b) Any representation, warranty or covenant made by the Borrower or Guarantors herein or in any of the other Loan Documents or in connection herewith shall be false, materially inaccurate or materially incomplete in any material respect on or as of the date made, provided that in the event of an

unintentional breach that is capable of being cured, no Event of Default shall occur unless such breach is not so cured within thirty (30) days following written notice from Lender;

(c) The Borrower or Guarantors shall fail to timely observe, comply with or perform any covenant or other term or provision contained herein or in any of the other Loan Documents, and such failure shall continue for thirty (30) days following notice from Lender; provided, however, if such default cannot reasonably be cured within the thirty (30) day period, and Borrower or Guarantors promptly commences such cure within the thirty (30) day period, then within such additional period as is deemed reasonable by Lender under such circumstances during which Borrower or Guarantors and Corporate Guarantor are diligently pursuing such cure to completion and provided the value of the Project is not impaired by the granting of such additional time;

(d) The Borrower or any Guarantor or Corporate Guarantor shall commence any case, proceeding or other action: (A) under any existing or future law of any jurisdiction, domestic or foreign, relating to bankruptcy, insolvency, reorganization, or relief of debtors, seeking to have an order for relief entered with respect to it, or seeking to adjudicate it as bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, winding-up, liquidation, dissolution, composition, or other relief with respect to it or its debts; or (B)(i) seeking appointment of a receiver, trustee, custodian, or other similar official for it or for all or any substantial part of its assets, or the Borrower or any Guarantor or Corporate Guarantor shall make a general assignment for the benefit of its creditors; or (ii) there shall be commenced against the Borrower or any Guarantor or Corporate Guarantor any case, proceeding or other action of a nature referred to previously in clause (i) that: (a) results in the entry of an order for relief or any such adjudication or appointment; (b) remains undismissed, undischarged, or unbonded for a period of one hundred (120) days or more; or (iii) there shall be commenced against the Borrower or any Guarantor or Corporate Guarantor, any case, proceeding or other action seeking issuance of a warrant of attachment, execution, distraint, or similar process against all or substantially all of its assets that results in the entry of an order for such relief that shall not have been vacated, discharged, stayed, satisfied, or bonded pending appeal within ninety (90) days from the entry thereof; or (iv) the Borrower or any Guarantor or Corporate Guarantor shall take any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts set forth in clause (i), (ii), or (iii) above; or (v) the Borrower or any Guarantor or Corporate Guarantor shall generally not, or shall be unable to, or shall admit in writing its inability to, pay its debts as they become due;

(e) The death of any Guarantor, unless Borrower provides a reasonably acceptable replacement Guarantor within thirty (30) days following the death of any Guarantor;

(f) Any Reportable Event or a Prohibited Transaction shall occur with respect to any Plan; (i) a notice of intent to terminate a Plan under Section 4041 of ERISA shall be filed; (ii) a notice shall be received by the plan administrator of a Plan that the PBGC has instituted proceedings to terminate a Plan or appoint a trustee to administer a Plan; (iii) any other event or condition shall exist that might, in the opinion of the Lender, constitute grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Plan; or (iv) the Borrower or any ERISA Affiliate shall withdraw from a Multiemployer Plan under circumstances that the Lender determines could have a material adverse effect on the financial condition of the Borrower;

(g) One or more judgments or decrees in excess of \$5,000.00 shall be entered against the Borrower or any Guarantor or Corporate Guarantor, or against any of its assets or properties, and all such judgments or decrees shall not have been vacated, discharged, stayed, satisfied, or bonded within one hundred twenty (120) days from the entry or actual notice thereof or in any event later than five (5) days prior to the date of any proposed execution or sale thereunder;

(h) The Borrower shall voluntarily suspend the transaction of business for five (5) consecutive days in any calendar year or ten (10) days in any calendar year;

(i) Any Guarantor or Corporate Guarantor shall fail to observe or comply with any term or condition of any Guarantee or shall attempt to rescind or revoke any Guarantee, with respect to future transactions or otherwise;

(j) The Lender shall in good faith determine (which determination shall be conclusive) that a material adverse change has occurred in the financial or business condition of the Borrower or any Guarantor, to the extent that such change has a material adverse effect on Borrower's ability to operate its business or to perform under the Obligations;

(k) The Borrower or any Guarantor or Corporate Guarantor shall fail to perform under any other of the Obligations following the expiration of any applicable notice, grace or cure periods;

(l) The dissolution or other cessation of business of Borrower;

(m) The merger, consolidation, reorganization, change of control (other than permitted in 9(k)) or sale of all or substantially all of the assets of Borrower;

(n) The Borrower fails to meet the requirements of the Borrower's Equity Injection as stated in this Agreement;

(o) The default, after any and all applicable cure periods, by Borrower or any Guarantor or Corporate Guarantor under the Loan Documents; or

(p) The default, after any and all applicable cure periods, under the Permitted Debt (if applicable) by Borrower or any Guarantor or Corporate Guarantor.

12. Rights and Remedies of Lender upon an Event of Default. Automatically upon the occurrence of an uncured Event of Default under Section 11 above, and at the option of the Lender upon the occurrence of any other Event of Default, the Obligations shall become immediately due and payable, without demand upon or presentment to the Borrower or any Guarantor or Corporate Guarantor, which are expressly waived by the Borrower and any Guarantor or Corporate Guarantor, and the Lender may immediately exercise all rights, powers, and remedies available to it at law, in equity or otherwise including, without limitation, any one or more of the following:

(a) Exercise any remedy available to Lender under the Loan Documents and any amendments thereto;

(b) Apply to the payment of the principal and interest or either outstanding under the Loan, as the Lender may elect, all or any part of any funds it receives upon exercise of its remedies available to Lender under any of the Loan Documents;

(c) Declare the entire principal amount of the Note to be due and payable forthwith, whereupon the Note shall become forthwith, due and payable, both as to principal and interest, without presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived, anything contained herein or in the Note to the contrary notwithstanding;

(d) Take any action at law or in equity to collect the payments then due and thereafter to become due under the Note or to enforce performance and observance of any obligation, agreement or covenant of the Borrower under any of the Loan Documents;

(e) Take possession of the Borrower's interest in the Collateral under the Loan Documents without terminating this Loan Agreement, and pursue remedies of a creditor and assign, sell or lease, or otherwise dispose of the Borrower's interest in the Collateral for the account of the Borrower, and the Borrower shall then be liable for any difference between the loan payments and other amounts due under

this Loan Agreement and the Note and amounts received pursuant to such assignment or contract of sale or lease or other disposition of the Borrower's interest in the Collateral and the amount of such difference shall then be immediately due and payable. The Borrower hereby agrees that in the event the Lender does take possession of the Collateral as provided herein, the obligation of the Borrower to pay such loan payments due or to become due under this Loan Agreement and Note shall survive such repossession;

(f) Without further notice or demand or legal process, enter upon the property of the Borrower and take possession of the Collateral, all records and items relating to the Collateral and, at the Lender's request, the Borrower will assemble the Collateral and such records and deliver them to the Lender;

(g) Sell the Collateral, but the Lender shall give the Borrower reasonable notice of the time and place of any public sale of such Collateral or of the time after which any private sale or other intended disposition thereof is to be made. The requirement of reasonable notice shall be met if notice of the sale or other intended disposition is (1) mailed (by certified mail, postage paid) to the Borrower at least ten (10) days prior to the time of such sale or disposition, or (2) delivered to the Borrower at least five (5) days prior to the time of such sale or disposition. At such sale, the Lender may sell the Collateral for cash or upon credit or otherwise, at such prices and upon such terms as it deems advisable and the Lender may bid or become purchaser at such sale. The Lender may adjourn such sales at the time and place fixed therefor without further notice or advertisement and may sell such Collateral as an entirety or in separate lots as it deems advisable, but the Lender shall not be obligated to sell all or any part of such Collateral at the time and place fixed for such sale if it determines not to do so. Upon the institution of any such action hereunder by the Lender, the Lender shall be entitled to the appointment of a receiver for the Collateral without proof of the depreciation of the value of same.

(h) If the Lender shall have proceeded to enforce its rights under this Loan Agreement and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Lender, then the Borrower and the Lender shall be restored respectively to their several positions and rights hereunder, and all rights, remedies and powers of the Borrower and the Lender shall continue as though no such proceedings had taken place.

(i) Without limiting the generality of the foregoing, upon the happening of an Event of Default by the Borrower hereunder, all of the Borrower's right, title and interest in the Collateral hereunder or in equity and the Borrower's rights to possession thereof may be terminated by an action for foreclosure or repossession in accordance with the statutes of the State of Florida.

(j) Upon the institution of any such action by the Lender, the Lender shall be entitled to the appointment of a receiver for the Collateral.

(k) No remedy herein conferred or reserved to the Lender is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Loan Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Lender to exercise any remedy reserved to it in this Section, it shall not be necessary to give notice other than such notice as may be required in this Section.

(l) In addition to the above remedies, if an Event of Default occurs and is continuing, the Lender shall have the right and remedy, without posting bond or other security, to have the provisions of this Loan Agreement specifically enforced by any court having equity jurisdiction, it being acknowledged and agreed that any such Event of Default will cause irreparable injury to the Lender and that money damages will not provide an adequate remedy therefor.

(m) In the event the Borrower should default under any of the provisions of this Agreement and the Lender shall require and employ attorneys or incur other expenses for the collection of payments due or to become due for the enforcement or performance or observance of any obligation or agreement on the part of the Borrower herein contained, the Borrower shall on demand therefor pay to the Lender the reasonable fees of such attorneys and other expenses so incurred by the Lender.

13. Miscellaneous Provisions.

(a) Disbursement of Proceeds. The Borrower and Lender acknowledge that the advancement of the proceeds of the Loan shall be contingent upon funding of Section 108 loan proceeds to the Lender from HUD pursuant to the terms and conditions of that certain Contract for Loan Guarantee Assistance under Section 108 of the Housing and Community Development Act of 1974, as amended.

(b) No Assignment by Borrower; Parties in Interest. The Borrower may not assign its rights or delegate its duties under this Agreement without the prior written consent of the Lender. Subject to the foregoing, all provisions contained in this Agreement or any document or agreement referred to herein or relating hereto shall inure to the benefit of the Lender, its successors and assigns, and shall be binding upon the Borrower, its successors, trustees and assigns.

(c) Amendment; No Waiver. This Agreement may not be amended, or the terms or provisions hereof waived, unless such amendment or waiver is in writing and signed by the Lender and the Borrower. It is expressly agreed and understood that any failure by the Lender to exercise its right to elect to accelerate amounts outstanding hereunder and/or to terminate the obligation of the Lender to make the Loan hereunder shall not constitute an amendment or waiver of any term or provision of this Agreement. No delay or failure by the Lender to exercise any right, power, or remedy shall constitute a waiver thereof by the Lender, and no single or partial exercise by the Lender of any right, power, or remedy shall preclude other or further exercise thereof or any exercise of any other rights, powers, or remedies.

(d) Cumulative Rights. The rights, powers, and remedies of the Lender hereunder are cumulative and in addition to all rights, powers, and remedies provided under any and all agreements between the Borrower and the Lender relating hereto, at law, in equity or otherwise.

(e) Entire Agreement. This Agreement and the documents and agreements referred to herein embody the entire agreement and understanding between the parties hereto and supersede all prior agreements and understandings, whether written or oral, relating to the subject matter hereof and thereof.

(f) Notices. All notices, consents, requests, and demands to or upon the respective parties hereto shall be in writing, and shall be deemed to have been given or made when delivered in person to those Persons listed on the signature pages hereof or when sent certified mail, return receipt requested, in each case addressed to the addresses of those Persons as set forth in the preamble to this Agreement, or such other address as any party may designate by notice to the other parties in accordance with the terms of this subsection (f). All notices to Lender shall be copied to Palm Beach County Attorney's Office, 301 N. Olive Ave, 6th Floor, West Palm Beach, FL 33401, Attn.: David Bahar, Assistant County Attorney. All notices to Borrower and any Guarantor or Corporate Guarantor shall be delivered to 101 10th Street, Lake Park, Florida 33403.

(g) Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida without giving effect to choice of law rules. Any action based on this Agreement shall be filed in the state courts of Palm Beach County, Florida.

(h) Transfers. If Lender determines or elects to sell, assign, and otherwise transfer to other persons all or portions of, or participations in, the Lender's interest in the Loan hereunder, Borrower expressly agrees to attorn to the Transferee as the Lender hereunder. For purposes of this subsection (h), the Lender may disclose to any potential or actual Transferee any and all information supplied to Lender by or on behalf of the Borrower. The Borrower agrees to execute and deliver to the Lender such documents, instruments, and agreements, including, without limitation, amendments to the Loan Documents, deemed necessary or desirable by the Lender to effect such transfers.

(i) Counterparts. This Agreement and the other Loan Documents may be executed in any number of counterparts, all of which together shall constitute one agreement.

(j) Accounting Terms. All accounting terms not otherwise defined herein are used with the meanings given such terms under GAAP.

(k) Authorization to Disclose. The Borrower hereby authorizes the Lender to disclose to any Guarantor or Corporate Guarantor any and all information concerning the Borrower, its business, properties, and condition (financial or otherwise) now or hereafter in the Lender's possession or within its control to the extent deemed necessary or desirable by the Lender.

(l) Severability. If any provision contained in this Agreement is for any reason held invalid or unenforceable, no other provision shall be affected thereby, and this Agreement shall be construed as if the invalid or unenforceable provision had never been a part of it.

(m) Indemnity. The Borrower and any Guarantor or Corporate Guarantor hereby agree, to pay, assume liability for, and indemnify, protect, defend, save and keep harmless the Lender and its officers, directors and agents, from and against any and all liabilities, obligations, losses, damages, settlements, claims, actions, suits, penalties, reasonable, out-of-pocket costs and expenses (including, without limitation, reasonable legal and investigative fees and expenses) of whatsoever kind and nature (unless caused by the Lender's illegal act, gross negligence or willful misconduct), including, without limitation, (i) claims based upon negligence, strict or absolute liability, liability in tort, latent and other defects (whether or not discoverable), in any way relating to or resulting from this Agreement, any Loan Document, or any of the transactions contemplated herein or therein; (ii) any loss, damage or injury to, or death of, any person occurring at or about or resulting from any defect in the Collateral; (iii) any damage or injury to the persons or property of the Borrower, or its officers, agents, servants or employees, or any other person caused by any act of negligence of any other person, other than if caused by the Lender, or its directors, officers, agents, servants or employees; or (iv) any costs, expenses or damages incurred as a result of any lawsuit commenced because of action taken in good faith by the Lender in connection with the Collateral. The provisions of this subsection (m) shall survive the payoff, release, foreclosure or other disposition, as applicable, of this Agreement or the obligations. The Borrower and Guarantors and Corporate Guarantors shall further indemnify, protect, defend and hold the Lender and its directors, agents, servants, officers and employees harmless from and against any and all such losses, damages, injuries, reasonable, out-of-pocket costs or expenses and (except for claims, demands, suits, actions or other proceedings resulting from illegal acts, gross negligence or willful or wanton misconduct of Lender or its agents, servants, officers and employees) arising out of any and all claims, demands, suits, actions or other proceedings whatsoever, brought by any person or entity whatsoever (except the Borrower) and arising or purportedly arising from this Agreement, the Loan or any transaction contemplated in any of the Loan Documents.

(n) Further Actions. The Borrower shall execute and deliver such documents and instruments and shall take such other actions as the Lender deems necessary to consummate the

transactions described in this Agreement, as applicable. Notwithstanding the foregoing, Borrower shall in no event be required to take any action under this section as and to the extent the same would materially and adversely change the material obligation or material right of Borrower contained in this Agreement or in any of the other Loan Documents.

(o) Lender's Liability to Third Parties. The rights and benefits of this Agreement shall not inure to the benefit of any third party, except for the Lender's successor and assigns. Notwithstanding anything to the contrary contained in this Agreement or in any other of the Loan Documents, or any conduct or course of conduct by the Borrower or the Lender or their respective affiliates, agents or employees, neither this Agreement nor any such Loan Documents shall be construed to create any rights, claims or causes of action against the Lender in favor of any contractor, subcontractor, consultant, architect or any other persons or entities furnishing services or materials to or for the construction of the Improvements, or their respective creditors or any other person or entity other than the Borrower. Notwithstanding any contrary term or provision contained hereunder, no recourse under or upon any obligation, covenant, or agreement contained in this Agreement or any of the Loan Documents, or for any claim based thereon, or under any judgment obtained against the Lender, or by the enforcement of any assessment or penalty by any legal or equitable proceeding by virtue of any constitution, rule of law or equity, statute, or under this Agreement or any of the Loan Documents, shall be had against Lender or its directors or officers, past, present or future, for the payment by the Lender of any sum that may be due by the Lender hereunder or under the Loan. Any and all liability of every nature, whether at common law or in equity, or by statute or by constitution or otherwise, of any such member, director or officer of Lender to respond by reason of any act or omission on his part or otherwise, for the payment for or by the Lender of any sum that may be due hereunder or under the Loan is hereby expressly waived and released as a condition of and in consideration for the execution of this Agreement and the making of the Loan.

(p) Force Majeure. In the event of an act of God or other circumstances beyond the control of the Lender or the Borrower including, without limitation, war, national emergency, embargo, labor difficulties or strikes (each a "Force Majeure Event"), which will prohibit performance or compliance with this Agreement, such noncompliance for a reasonable amount of time after which such act of God or other such event has occurred shall not be construed as a breach of this Agreement.

(q) Power of Attorney

(i) During the continuance of an Event of Default; Borrower hereby makes, constitutes and appoints the Lender as its irrevocable, true and lawful attorney(s)-in-fact, and each of its present and future officers with full power of substitution in Borrower's name, place and stead for the purpose of perfecting, further perfecting, acknowledging, continuing, filing, recording, endorsing and/or making technical corrections in, any security interest, Lien, encumbrance or mortgage required to be granted or conveyed by Borrower to the Lender under the terms of the Loan, including, without limitation, the filing of financing and continuation statements.

(ii) The attorney(s)-in-fact is/are hereby authorized to file or record this Loan Agreement in the appropriate governmental filing or recording office if such filing or recording of a power of attorney is required by law in order to effectuate or validate same.

(iii) Borrower shall cooperate fully with the Lender with respect to the filing or recordation of the Loan Documents and such documents referenced in subparagraph (1) in the appropriate filing or recordation offices and it shall bear, on demand, all costs of such filing or recordation.

(iv) Notwithstanding the foregoing, Borrower shall execute or endorse any documents that are reasonably necessary in the sole judgment of the Lender to perfect, secure, continue or correct any

security interest, mortgage, Lien or encumbrance that Borrower is required under the terms of the Loan to grant to the Lender as security for same. Notwithstanding the foregoing, Borrower shall in no event be required to take any action under this section as and to the extent the same would materially and adversely change the material obligation or material right of Borrower contained in this Agreement or in any of the other Loan Documents.

(r) Waiver of Trial by Jury. Borrower, the Guarantors and Corporate Guarantors waive any right to trial by jury on any claim, demand, action or cause of action arising under this Agreement or the transactions related hereto, in each case whether sounding in contract or tort or otherwise. Borrower, Guarantors and Corporate Guarantors agree and consent that any such claim, demand, action or cause of action shall be decided by court trial without a jury, and that any party to this Agreement may file an original counterpart or a copy of this section with any court as written evidence of the consent of Borrower to the waiver of its right to trial by jury. Borrower acknowledges that it has had the opportunity to consult with counsel regarding this section; it fully understands its terms, content and effect, and that it voluntarily and knowingly agrees to the terms of this section.

(s) Non-Discrimination.

The Borrower acknowledges that it is the express policy of the Board of County Commissioners of Palm Beach County, Florida that the Lender shall not conduct business with nor appropriate any funds to any organization that practices discrimination 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. Pursuant to Palm Beach County Resolution R2017-1770, as may be amended, the Borrower warrants and represents that throughout the term of the Loan, including any renewals thereof, if applicable, 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 or expression, or genetic information. Any failure of the Borrower to meet this requirement shall constitute an Event of Default, and the Lender shall have the right to terminate this Agreement upon receipt of evidence of such discrimination.

[INTENTIONALLY LEFT BLANK *SIGNATURES PAGE FOLLOWS*]

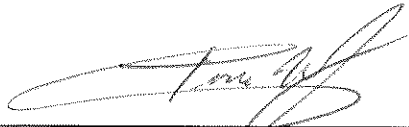
IN WITNESS WHEREOF, the parties hereto caused this Loan Agreement to be executed as of the day and year first above written.

WITNESSES:

BORROWER:

MICHEL INVEST LLC, a Florida limited liability company

Amanda Hughes
Print name: Amanda Hughes

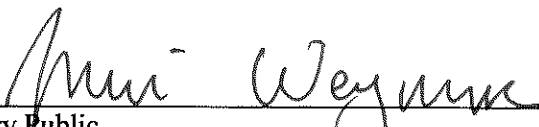
By: 
Pierre Michel, as Manager

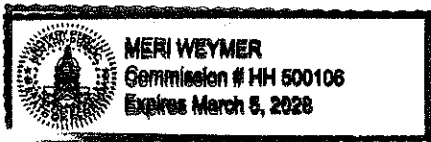
Maria E. Vidal
Print name: Maria Vidal

STATE OF FLORIDA)
)
COUNTY OF PALM BEACH)

The foregoing instrument was acknowledged before me by means of ☒ physical presence or ☐ online notarization this 17th day of March, 2025 by Pierre Michel, as Manager of Michel Invest LLC, a Florida limited liability company, on behalf of the company, ☒ who is personally known to me or ☐ who has produced FLDL as identification.

My Commission Expires:


Notary Public
Print name: Meri Weymer



IN WITNESS WHEREOF, the parties hereto caused this Loan Agreement to be executed as of the day and year first above written.

LENDER:

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

By: Its Board of County Commissioners

By: Jonathan B. Brown
Jonathan B. Brown, Director
Department of Housing and Economic Development

Approved as to Form and Legal Sufficiency:

By: /s/ David Behar
David Behar
Assistant County Attorney

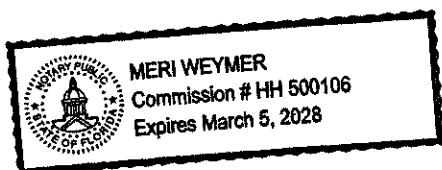
Approved as to Terms and Conditions:

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

STATE OF FLORIDA)
)
COUNTY OF PALM BEACH)

The foregoing instrument was acknowledged before me by means of ☒ physical presence or ☐ online notarization this 11th day of March, 2025 by Jonathan B. Brown, as Director of the Department of Housing and Economic Development of Palm Beach County, Florida, a political subdivision of the State of Florida, ☒ who is personally known to me or ☐ who has produced DIA as identification.

My Commission Expires:

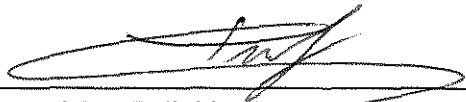


Notary Public
Print name: Meri Weymer

GUARANTOR ADHERENCE

The undersigned Guarantor caused this Loan Agreement to be executed as of the day and year first above written for purposes of evidencing his adherence to this Loan Agreement as it applies to the undersigned as a Guarantor of the Loan in accordance with the terms and conditions of this Loan Agreement.

GUARANTOR:




Pierre Michel, Individually

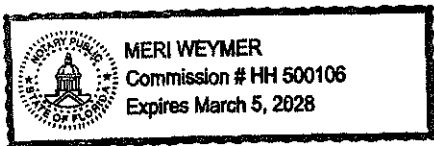
STATE OF FLORIDA)
)
COUNTY OF PALM BEACH)

The foregoing instrument was acknowledged before me by means of ☒ physical presence or ☐ online notarization this 11th day of March, 2025 by Pierre Michel, Individually, ☒ who is personally known to me or ☐ who has produced n/a as identification.

My Commission Expires:




Notary Public
Print name: Meri Weymer



GUARANTOR ADHERENCE

The undersigned Guarantor caused this Loan Agreement to be executed as of the day and year first above written for purposes of evidencing his adherence to this Loan Agreement as it applies to the undersigned as a Guarantor of the Loan in accordance with the terms and conditions of this Loan Agreement.

GUARANTOR:

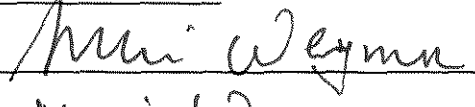


Mellisa Michel, Individually

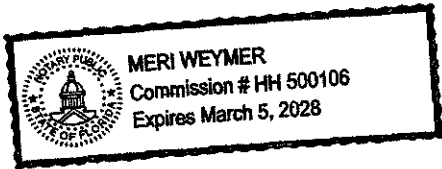
STATE OF FLORIDA)
)
COUNTY OF PALM BEACH)

The foregoing instrument was acknowledged before me by means of ☒ physical presence or ☐ online notarization this 11th day of March, 2025 by Mellisa Michel, Individually, ☒ who is personally known to me or ☐ who has produced blu as identification.

My Commission Expires:



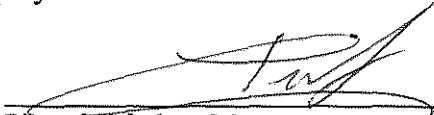
Notary Public
Print name: Meri Weymer



CORPORATE GUARANTOR ADHERENCE

The undersigned Corporate Guarantor caused this Loan Agreement to be executed as of this day and year first-above written for purposes of evidencing its adherence to this Loan Agreement as it applies to the undersigned as a Guarantor of the Loan in accordance with the terms and conditions of this Loan Agreement.

MICHEL INVEST LLC, a Florida limited liability company

By: 
Pierre Michel, as Manager

STATE OF FLORIDA)
)
COUNTY OF PALM BEACH)

The foregoing instrument was acknowledged before me by means of ☒ physical presence or ☐ online notarization this 11th day of March, 2025 by Pierre Michel as Manager of Michel Invest LLC, a Florida limited liability company, on behalf of the company, ☒ who is personally known to me or ☐ who has produced WFO as identification.

My Commission Expires:



Notary Public
Print name: Meri Weymer



EXHIBIT “A”

Legal Description of Project Property

Parcel 1

Lots 17, 18, 19, 20, 21, 22, 23, 24, 25 and 26, Block 48, KELSEY CITY (n/k/a Lake Park), according to the Plat thereof, as recorded in Plat Book 8, Page 27, Public Records of Palm Beach County, Florida.

Parcel 2

Lots 27, 28, and 29, Block 48, KELSEY CITY (n/k/a Lake Park), according to the Plat thereof, as recorded in Plat Book 8, Page 27, Public Records of Palm Beach County, Florida.

Parcel 3

Lots 30, 31, and 32, Block 48, KELSEY CITY (n/k/a Lake Park), according to the Plat thereof, as recorded in Plat Book 8, Page 27, Public Records of Palm Beach County, Florida.

EXHIBIT “B”

Legal Description of Additional Collateral Properties

Parcel 1

Lots 17, 18, 19, 20, 21, 22, 23, 24, 25 and 26, Block 48, KELSEY CITY (n/k/a Lake Park), according to the Plat thereof, as recorded in Plat Book 8, Page 27, Public Records of Palm Beach County, Florida.

Parcel 2

Lots 27, 28, and 29, Block 48, KELSEY CITY (n/k/a Lake Park), according to the Plat thereof, as recorded in Plat Book 8, Page 27, Public Records of Palm Beach County, Florida.

Parcel 3

Lots 30, 31, and 32, Block 48, KELSEY CITY (n/k/a Lake Park), according to the Plat thereof, as recorded in Plat Book 8, Page 27, Public Records of Palm Beach County, Florida.

EXHIBIT “C”

Definitions

For purposes of this Agreement, the capitalized terms contained in this Agreement and set forth below shall have the following meanings. All other capitalized terms have the meanings ascribed as otherwise set forth in this Agreement:

“Accounts” means all rights to the payment of a monetary obligation, whether or not earned by performance, (i) for property that has been or is to be sold, leased, licensed, assigned or otherwise disposed of, (ii) for services rendered or to be rendered, (iii) for a policy of insurance issued or to be issued, (iv) for a secondary obligation incurred or to be incurred, (v) for energy provided or to be provided, (vi) for use or hire of a vessel under a charter or other contract, (vii) arising out of the use of a credit card or charge card or information contained on or for use with the card, or (viii) as winnings in a lottery or other game of chance; in each case whether in the form of accounts receivable, contract rights, chattel paper, instruments, notes, bills, acceptances, general intangibles and other forms of obligations relating to such rights, together with any property evidencing or relating to such rights, including without limitation all books, records, invoices, magnetic tapes, processing software, processing contracts (such as contracts for computer time and services), and any other rights or property of the Borrower that is an “account” within the meaning of the UCC solely related to the business of Borrower.

“Additional Collateral Properties” shall mean those certain real properties situated in Palm Beach County in the State of Florida as more fully described in Exhibit “B” attached hereto and made a part hereof, together with the buildings and improvements thereon erected or to be erected.

“Agreement” shall mean this Agreement, as the same may be amended, extended, or replaced from time to time.

“Closing or “Closing Date”” shall mean the date the proceeds of the Loan are disbursed in accordance with this Agreement after Lender receives certain loan proceeds from HUD pursuant to a certain Contract for Loan Guarantee Assistance Under Section 108 of the Housing and Community Development Act of 1974, as amended, 42 U.S.C. § 5308, by and between Lender and HUD.

“Code” shall mean the Internal Revenue Code of 1986, as amended, and the rules and regulations issued thereunder as from time to time in effect.

“Collateral” shall mean the Project Property of Borrower, and the Additional Collateral Properties of the Borrower and Guarantors, and as further described in the Loan Documents.

“Commitment Letter” shall mean the commitment letter issued by Lender and accepted by Borrower and Guarantors dated January 23, 2025, setting forth the terms of Lender’s commitment to provide the Loan to Borrower.

“Corporate Guarantor” shall mean Michel Invest LLC (jointly referred to as “Corporate Guarantor”).

“Control” as used herein means the power in fact to direct the management and policies of such legal entity, whether through ownership or direct management control.

“ERISA” shall mean the Employee Retirement Income Security Act of 1974, as amended, and the rules and regulations issued thereunder as from time to time in effect.

“ERISA Affiliate” shall mean each trade or business, including the Borrower, whether or not incorporated, which together with the Borrower would be treated as a single employer under Section 4001 of ERISA.

“GAAP” shall mean generally accepted accounting principles in the United States in effect from time to time.

“Governmental Authority” shall mean any court, agency, authority, board (including without limitation environmental protection, planning and zoning), bureau, commission, department, office or instrumentality of any nature whatsoever of any government or quasi-governmental unit, whether Federal, state, county, district, municipality, city, political subdivision or otherwise, whether now or hereafter in existence, or any officer or official of any thereof, having jurisdiction over the Borrower and/or the Guarantors.

“Guarantors” means, jointly and severally, Pierre Michel and Mellisa Michel (each an “Individual Guarantor”, together, the “Personal Guarantors”).

“Hazardous Substances Claims” shall mean any enforcement, cleanup, removal, or other governmental or regulatory action, directive or order, or any governmental claim for alleged damages or other compensation, with respect to any of the Property including, without limitation, the Premises, made under or pursuant to any Hazardous Substances Laws, and/or any claim asserted in writing by any third party relating to alleged damages, contribution, cost recovery, or other compensation, loss, or injury resulting from any Hazardous Substances.

“Hazardous Substances Laws” shall mean any applicable federal, state, county, regional, or municipal laws, ordinances, regulations, directives or guidelines relating to Hazardous Substances.

“HUD” means the U.S. Department of Housing and Urban Development.

“Indebtedness” of any Person shall mean all items of indebtedness which, in accordance with GAAP and other applicable accounting practices, would be included in determining liabilities as shown on the liability side of a statement of condition of such Person as of the date as of which indebtedness is to be determined, including, without limitation, all obligations of money borrowed, capitalized lease obligations, and all interest rate management or “swap” agreements evidenced on ISDA forms, and shall also include all indebtedness and liabilities of others assumed or guaranteed by such Person or in respect of which such Person is secondarily or contingently liable (other than by endorsement of instruments in the course of collection) whether by reason of any agreement to acquire such indebtedness or to supply or advance sums or otherwise.

“Lien” shall mean any security interest, mortgage, pledge, lien, claim on property, charge, or encumbrance (including any conditional sale or other title retention agreement), any lease in the nature thereof, or preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever and the filing of or agreement to give any financial statement under the Uniform Commercial Code of any jurisdiction.

“Obligations” shall mean any and all debts, obligations, and liabilities of the Borrower to the Lender under the Loan Documents (whether principal, interest, fees, or otherwise, whether or not jointly owed with others, whether direct or indirect, absolute or contingent, contractual or tortious, liquidated or unliquidated, arising by operation of law or otherwise, whether or not from time to time decreased or extinguished and later increased, created, or incurred and whether or not extended, modified, rearranged, restructured, refinanced, or replaced including, without limitation, modifications to interest rates or other payment terms of such debts, obligations, or liabilities).

“PBGC” shall mean the Pension Benefit Guaranty Corporation established pursuant to Subtitle A of Title IV of ERISA and any successor thereto.

“Permitted Debt” shall mean any debt of Borrower hereafter specifically permitted by Lender in a writing.

“Permitted Liens” shall mean those Liens specifically consented to by Lender in a separate writing.

“Person” shall mean any natural person, limited liability company, corporation, firm, joint venture, partnership, trust, unincorporated organization, government, or any department or agency of any government.

“Plan” shall mean any plan (other than a Multiemployer Plan) subject to Title IV of ERISA maintained for employees of the Borrower or any ERISA Affiliate (and any such plan no longer maintained by the Borrower or any of its ERISA Affiliates to which the Borrower or any of its ERISA Affiliates has made or was required to make any contributions during the five (5) years preceding the date on which such plan ceased to be maintained).

“Potential Default” shall mean an event that but for the lapse of time or the giving of notice, or both, would constitute an Event of Default.

“Prohibited Transaction” shall mean any transaction described in Section 406 of ERISA that is not exempt by reason of Section 408 of ERISA or the transitional rules set forth in Section 414(c) of ERISA and any transaction described in Section 4975(c)(1) of the Code, which is not exempt by reason of Section 4975(c)(2) or Section 4975(d) of the Code, or the transitional rules of Section 2003(c) of ERISA.

“Project Property” shall mean that certain real property situated in the County of Palm Beach, State of Florida, more fully described in Exhibit “A” attached hereto and made a part hereof, together with the buildings and improvements thereon erected or to be erected.

“Reportable Event” shall mean any of the events set forth in Section 4043(b) of ERISA or the regulations thereunder, a withdrawal from a Plan described in Section 4063 of ERISA, a cessation of operations described in Section 4068(f) of ERISA, an amendment to a Plan necessitating the posting of security under Section 401(m) of the Code and Section 302(e) of ERISA when due.

“Requirements of Law” shall mean as to any Person the Articles of organization, Certificate of Limited Partnership, Operating Agreement, Bylaws, partnership agreement or other organizational or governing documents of such Person, and any law, treaty, rule or regulation, or a final binding determination of an arbitrator or a determination of a court or other Governmental Authority, in each case applicable to or binding upon such Person or any of its assets or to which such Person or any of its assets are subject.

“Working Capital” shall mean current assets minus current liabilities as such terms are defined under GAAP.

**SECTION 108 LOAN PROGRAM AGREEMENT
BETWEEN
PALM BEACH COUNTY, FLORIDA
AND
MICHEL INVEST LLC**

THIS AGREEMENT is made as of the 11th day of March, 2025 by and between **PALM BEACH COUNTY, a political subdivision of the State of Florida**, by and through its Board of County Commissioners, herein referred to as **COUNTY**, and **MICHEL INVEST LLC, a Florida limited liability company** duly authorized to transact business within the State of Florida, hereinafter referred to as **COMPANY**, whose physical address is 101 10TH Street, Lake Park, Florida 33403, and whose FEIN is 83-1849647.

WITNESSETH:

WHEREAS, the COUNTY is administering various Section 108 Loan Programs under the Rules and Regulations of the U.S. Department of Housing and Urban Development (hereinafter referred to as "HUD"); and

WHEREAS, the COUNTY and the COMPANY are required to follow such Rules and Regulations of HUD and the national purpose of the program which is to eliminate slums or blight or provide job opportunities to persons of low and moderate income or provide for an urgent need as defined by HUD; and

WHEREAS, the COUNTY has determined that the Section 108 loan is an eligible loan to the COMPANY under CFR 570.201, 570.203(b) and 570.703 (i)(1); and

WHEREAS, COUNTY intends to grant financing to COMPANY in the amount OF TWO HUNDRED THOUSAND AND 00/100 DOLLARS (\$200,000.00) subject to the terms and conditions outlined in the loan commitment, as well as the Loan Documents which include, but are not limited to the Note, the Loan Agreement, the Mortgage Agreement with Assignment of Leases and Rents, the Environmental Indemnity Agreement, the Guaranty Agreements and all other documents required under the Loan Agreement. Capitalized terms used but not defined herein shall have the meaning assigned to them in the Section 108 Loan Agreement of even date herewith between COUNTY and COMPANY (the "Loan Agreement").

NOW, THEREFORE, in consideration of the promises and mutual covenants hereinafter contained, the parties agree as follows:

1. **Anti-Piracy Provisions**: The COMPANY hereby certifies that it is in compliance with Section 105H of U.S.C. 5305 and 24 CFR 570.210 and 570.482 and 507.506 in that the Section 108 Loan will not cause the COMPANY to locate a facility, plant or operation, including the expansion of a business that will result in the loss of jobs from one Labor Market Area to another.

2. **Benefit to Persons of Low and Moderate Income**: The Borrower has agreed that it will hire 51% of its new employees from the low and moderate-income labor pool and it has agreed to work with the State of Florida Department of Commerce to achieve this goal. After the Borrower has hired (10) new full-time equivalent employees, the Borrower shall have satisfied this requirement.

3. **Job Creation**: In compliance with 24 CFR 570.209(b)(1) the COMPANY agrees to make a good faith effort to create ten (10) Full Time Employee ("FTE") jobs within the five (5) year period after

the later to occur of final disbursement of the Section 108 Loan funds and the issuance of the occupancy permit for the Project (as such term is defined in the Loan Agreement). A new FTE job shall be a position that requires employment for a minimum of 40 hours per week or 2,080 hours annually. An FTE job may include any combination of permanent, salaried, part-time employees whose hours total 2,080 hours annually. This requirement may be met by measuring jobs in the aggregate for all the businesses which locate on the Premises. Borrower shall make a good faith effort to hire fifty-one percent (51%) or more low and moderate-income residents of Palm Beach County, Florida for the FTE job positions pursuant to HUD regulations.

As the project is using COUNTY HUD 108 funds in a Community Development Block Grant ("CDBG") eligible City, 51% of the 10 jobs must be made available to persons who are from the low and moderate-income labor pool.

Should the COMPANY not cooperate with the COUNTY with its reporting requirements, such an event shall be considered an event of default under the Loan.

4. **Job Audit:** The COMPANY shall report its compliance with the job creation requirement by submitting an Annual Report certified by the Payroll Officer or Lead Accountant as shown in *Exhibit "A"* of this Agreement attached hereto and made a part hereof. The Annual Report shall be submitted to the COUNTY (attn: Palm Beach County Department of Housing and Economic Development). COMPANY will be informed by the COUNTY when the COUNTY has made the determination that there are deficiencies with the audit. Under these circumstances, the COMPANY shall resolve the identified deficiencies. Upon receipt by the COUNTY from COMPANY of the appropriate documentation, processing of the audit may proceed. Further, the COMPANY shall permit the COUNTY to investigate its books and records and interview employees to ensure compliance with this provision, in each case, upon reasonable prior written notice to the COMPANY. When the COMPANY has achieved its job goals, it shall have satisfied this requirement.

5. **Inspection:** Upon ten (10) business days' notice and at any time during normal business hours and as often as the COUNTY deems reasonably necessary to maintain compliance with HUD regulations, there shall be made available by COMPANY to the COUNTY for examination, all its records with respect to all matters covered by this Agreement. The COUNTY reserves the right to require copies of such records and/or to conduct an inspection of COMPANY'S records regarding performance measures at any time for any period covered by this Agreement.

GENERAL CONDITIONS

6. **Employee: Bona Fide:** COMPANY warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for COMPANY, to solicit or secure this Agreement and that it has not paid or agreed to pay any person, company, corporation, individual, or firm, other than a bona fide employee working solely for COMPANY, any fee, commission, percentage, gift, or any other consideration contingent upon or resulting from the award or making of this Agreement.

7. **Non-discrimination:** COMPANY agrees that no person shall on the grounds of race, color, disability, national origin, religion, age, marital status, familial status, sex or sexual orientation,

gender identity, expression, or genetic information be excluded from the benefits of, or be subjected to discrimination under, any activity carried out by the performance of this Agreement.

8. **Worker's Compensation & Employer's Liability:** COMPANY shall agree to maintain Worker's Compensation Insurance & Employers Liability in accordance with Florida Statute Chapter 440.

9. **Convicted Vendor List:** As provided in F.S. 287.132-133, by entering into this Agreement or performing any work in furtherance hereof, COMPANY certifies that it, and its affiliates who will perform hereunder, have not been placed on the Convicted Vendor List maintained by the State of Florida Department of Management Services within thirty-six (36) months immediately preceding the date of execution of this Agreement by the COUNTY. This notice is required by F.S. 287.133(3)(a).

Florida Department of Management Services, Division of Purchasing
4050 Esplanade Way, Tallahassee, FL 32399-0950
(850) 488-8440
http://dms.myflorida.com/dms/purchasing/convicted_suspended_discriminatory_vendor_lists/convicted_vendor_list

10. **Inspector General:** Palm Beach County, Florida has established the Office of the Inspector General in Ordinance 2009-049, 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, and to audit, investigate, monitor, and inspect the activities of the COMPANY, its officers, agents, employees, and lobbyists in order to ensure compliance with contract requirements and detect corruption and fraud.

Failure to cooperate with the Inspector General or interfering with or impeding any investigation shall be in violation of Ordinance 2009-049, and punished pursuant to Section 125.69, Florida Statutes, in the same manner as a second (2nd) degree misdemeanor.

11. **Compliance with HUD Regulations:** The COMPANY shall be responsible for complying with all HUD Regulations, including the Davis-Bacon Act of 1931 and Section 3 of the U.S. Housing and Urban Development Act of 1968 Regulations.

12. **Successors & Assigns:** The COUNTY and COMPANY each binds itself and its partners, successors, executors, administrators and assigns to the other party and to the partners, successors, executors, administrators and assigns of such other party, in respect to all covenants of this Agreement. Except as above, neither the COUNTY nor COMPANY shall assign, sublet, convey or transfer its interest in this Agreement without the prior written consent of the other. Nothing herein shall be construed as creating any personal liability on the part of any officer or agent of the COUNTY, nor shall it be construed as giving any rights or benefits hereunder to anyone other than the COUNTY and COMPANY.

13. **Material Change of Circumstances:** COMPANY shall immediately notify the COUNTY of any material adverse change of circumstances of COMPANY'S business operations in Palm Beach County. For the purposes hereof, material adverse change of circumstance shall include, but not be limited to, the failure of COMPANY to diligently and actively pursue fulfillment of the terms hereof, the sale or transfer of COMPANY's assets for the benefit of creditors, the suspension, closing or cessation of operation of COMPANY, voluntary or involuntary (which is not dismissed within 60 days after commencement) bankruptcy or an assignment for the benefit of COMPANY'S creditors. In the event of a material adverse change of circumstances, the COUNTY shall have the right to terminate this Agreement, whereupon the

COUNTY shall have no further obligation to COMPANY under this Agreement.

14. **Entire Agreement Between Parties:** The COUNTY and COMPANY agree that this Agreement and all attachments hereto including but not limited to the Loan Documents, sets forth the entire agreement between the parties, and that there are no promises or understandings other than those stated herein. None of the provisions, terms and conditions contained in this Agreement may be added to, modified, superseded or otherwise altered, except by written instrument executed by the parties hereto.

15. **Invalid or Unenforceable Terms:** If any term or provision of this Agreement, or the application thereof to any person or circumstances shall, to any extent, be held invalid or unenforceable, the remainder of this Agreement, or the application of such terms or provision, to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected, and every other term and provision of this Agreement shall be deemed valid and enforceable to the extent permitted by law.

16. **Remedies:** In the event of a material Default by the COMPANY under this Agreement that is not cured within thirty (30) days after notice from COUNTY, the COUNTY shall consult with HUD as to the appropriate remedy, including acceleration of the principal balance due under the Section 108 loan, including defeasance provisions if applicable. The COMPANY recognizes the authority of HUD in this matter.

17. **Law and Remedy:** This Agreement shall be governed by the laws of the State of Florida and the laws of the United States and the Rules and Regulations of HUD. Any and all legal action necessary to enforce the Agreement shall be held in the state courts of Palm Beach County or such jurisdiction as is established by HUD. 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 or 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.

18. **Indemnification and Hold Harmless:** The COMPANY agrees to protect, defend, reimburse, indemnify and hold the COUNTY and HUD, its agents, its employees and elected officers and each of them (collectively the "Indemnified Parties"), free and harmless at all times from and against any and all claims, liability, expenses, losses, costs, fines and damages, including reasonable attorney's fees, and causes of action of every kind and character (collectively the "Claims") against and from the COUNTY and HUD, which arise out of this Agreement, except to the extent such Claims are caused by the illegal act, gross negligence or willful misconduct of an Indemnified Party. COMPANY recognizes the broad nature of this indemnification and hold harmless clause, and voluntarily makes this covenant and expressly acknowledges the receipt of good and valuable consideration provided by the COUNTY in support of this clause in accordance with the laws of the State of Florida. COMPANY shall be entitled to reasonably prompt notice of, and the right to control and defense and settlement of, any claim for which indemnity may be sought hereunder. This Paragraph shall survive the termination of the Agreement.

19. **Assignability:** It is recognized by the COUNTY and the COMPANY that this Agreement is part of the closing documents of a Section 108 Loan and the Loan Documents and this Agreement are held in trust for the benefit of HUD, and HUD has the final discretion as to its enforcement.

20. **Notice:** All notices required in this Agreement shall be sent by certified mail, return receipt requested, and if sent to the COUNTY, shall be mailed to:

Jonathan B. Brown, Director
Palm Beach County Department of Housing and
Economic Development
100 Australian Avenue, Suite 500
West Palm Beach, Florida 33406

With a copy to:

Palm Beach County Attorney's Office
301 N. Olive Ave, 6th Floor
West Palm Beach, Florida 33401
Attn. David Bahar, Assistant County Attorney

And if sent to the COMPANY, shall be mailed to:

Michel Invest LLC
101 10th Street
Lake Park, FL 33403
Attention: Pierre Michel as Manager

[SIGNATURE PAGE IMMEDIATELY FOLLOWS]

IN WITNESS WHEREOF, the Board of County Commissioners of Palm Beach County, Florida made and executed this Loan Program Agreement on behalf of COUNTY and hereunto set its hand the day and year first above written.

COUNTY:

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

By: Its Board of County Commissioners

By: Jonathan B. Brown
Jonathan B. Brown, Director
Department of Housing and Economic Development

Approved as to Form and Legal Sufficiency:

Approved as to Terms and Conditions:

By: /s/ David Behar
David Behar
Assistant County Attorney

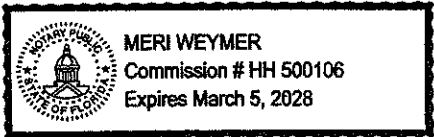
By: Sherry Howard
Sherry Howard, Deputy Director
Department of Housing and Economic Development

STATE OF FLORIDA)
COUNTY OF PALM BEACH) ss:

The foregoing instrument was acknowledged before me by means of ☒ physical presence or ☐ online notarization this 11th day of March, 2025 by Jonathan B. Brown, as Director of the Department of Housing and Economic Development of Palm Beach County, Florida, a political subdivision of the State of Florida, on behalf of the corporation, ☒ who is personally known to me or ☐ who has produced WIA as identification.

My Commission Expires:

Meri Weymer
Notary Public
Print name: Meri Weymer



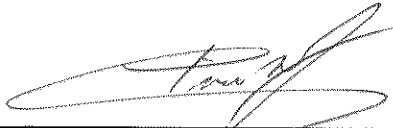
IN WITNESS WHEREOF, COMPANY made and executed this Loan Program Agreement has hereunto set its hand the day and year first above written.

WITNESSES:

COMPANY:

MICHEL INVEST LLC, a Florida limited liability company

Maria E. Vidal
Print name: Maria Vidal

By: 
Pierre Michel, as Manager

Amanda Hughes
Print name: Amanda Hughes

STATE OF FLORIDA)
COUNTY OF PALM BEACH) ss:

The foregoing instrument was acknowledged before me by means of ☒ physical presence or ☐ online notarization this 11th day of March, 2025 by Pierre Michel, as Manger, of Michel Invest LLC, a Florida limited liability company, on behalf of the company, ☒ who is personally known to me or ☐ who has produced n/a as identification.

My Commission Expires:

Meri Weymer
Notary Public
Print name: Meri Weymer

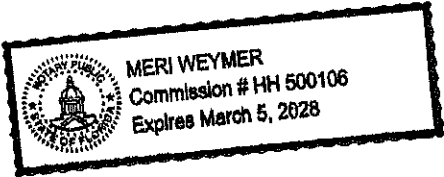


EXHIBIT “A”

JOB CREATION REPORT

DATE: _____, 20__
COMPANY: MICHEL INVEST LLC, a Florida limited liability company
LOAN AMOUNT: \$200,000.00
NUMBER OF NEW FTE JOBS TO BE CREATED: 10
LOAN CLOSING DATE: _____, 2025
START DATE: _____, 20__
EXPECTED COMPLETION DATE: _____, 20__

Hiring Date	Job Position	# Hours per Year	Salary

Total New Jobs: _____
Certified by:
Title:
Signature:

CFN 20250107722
OR BK 35637 PG 1119
RECORDED 3/28/2025 9:23 AM
AMT\$200,000.00
MTG DOC \$700.00
Palm Beach County, Florida
Joseph Abruzzo, Clerk
Pgs: 1119 - 1142; (24pgs)

WHEN RECORDED MAIL TO:
Palm Beach County, Florida
Department of Housing and Economic Development
100 Australian Avenue, Suite 500
West Palm Beach, Florida 33406
Attn: Business Division
(561) 355-3624

MORTGAGE AGREEMENT

(With Assignment of Leases and Rents – 101 10th Street, Lake Park, Florida 33463, 829 Silver Beach Road, Lake Park, Florida 33463, 823 Silver Beach Road, Lake Park, Florida 33463)
Maximum Principal Indebtedness Not To Exceed \$200,000.00

THIS MORTGAGE AGREEMENT WITH ASSIGNMENT OF LEASES AND RENTS (hereinafter referred to as the “Agreement” or the “Mortgage”) made as of this 11th day of March 2025 by Michel Invest LLC, a Florida limited liability company (the “Mortgagor” or the “Assignor” as the context so requires) having a business address of 101 10th Street, Lake Park, Florida 33463; in favor of PALM BEACH COUNTY, a political subdivision of the State of Florida, with an office at Department of Housing and Economic Development, 100 Australian Avenue, Suite 500, West Palm Beach, Florida 33406 (the “Mortgagee” or the “Assignee” as the context so requires).

WITNESSETH:

WHEREAS, Mortgagor is the owner in fee simple of certain real property located in the County of Palm Beach, State of Florida, as further described in Exhibit “A” attached hereto and made a part hereof (the “Premises”);

WHEREAS, MORTGAGOR has applied to Mortgagee for a certain U.S. Department of Housing and Urban Development (“HUD”) Section 108 loan (the “Loan”) in the principal amount of **TWO HUNDRED THOUSAND AND 00/100 DOLLARS (\$200,000.00)** (the “Loan Amount”) and, in accordance with a Loan Agreement dated of even date herewith (the “Loan Agreement”), Mortgagor has executed and delivered a certain Section 108 Promissory Note of even date herewith, in the principal sum of the Loan Amount made payable to the order of Mortgagee (the “Note”);

WHEREAS, Mortgagor is required to execute and deliver this Mortgage as a covenant and condition to MORTGAGOR obtaining the Loan, and Mortgagor agrees that it is in the best interests of Mortgagee to execute and deliver this Mortgage.

NOW, THEREFORE, in order to secure the payment of an indebtedness secured by the Loan, together with all interest thereon, and all other sums, advances, expenses and charges that may or shall become due hereunder or under the Note or any of the other agreements between the Mortgagor and the Mortgagee relating to the Loan (the “Debt”), Mortgagor does hereby grant, assign, convey, mortgage, pledge and grant a security interest to Mortgagee, its successors and assigns, the Premises, and all of Mortgagor's estate, right, title and interest therein and Mortgagor hereby waives all right of homestead exemption (if any) in the Mortgaged Property.

Mortgage Agreement
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TOGETHER with all right, title and interest of Mortgagor, including any after-acquired title or reversion, in and to the ways, easements, streets, alleys, passages, water, water courses, riparian rights, oil, gas and other mineral rights, gaps, gores, rights, hereditaments, liberties and privileges thereof, if any, and in any way appertaining to the Premises;

TOGETHER with any and all warranty claims, maintenance contracts and other contract rights, instruments, documents, chattel papers and general intangibles with respect to or arising from the Premises, and all cash and non-cash proceeds and products thereof; and

TOGETHER with all proceeds of and any unearned premiums on any insurance policies covering the Premises, including without limitation the right to receive and apply the proceeds of any insurance, judgments or settlements made in lieu thereof, for damage to the Premises; and

TOGETHER with all awards and other compensation heretofore or hereafter to be made to the present and all subsequent owners of the Premises for any taking by eminent domain, either permanent or temporary (a "Taking"), of all or any part of the Premises or any easement or other appurtenance thereof, including severance and consequential damage and change in grade of streets (collectively, "Taking Proceeds"), and any and all refunds of impositions or other charges relating to the Premises or the indebtedness secured by this Mortgage.

TO HAVE AND TO HOLD, all and singular, the Premises, whether now owned or held or hereafter acquired by Mortgagor, with the appurtenances thereunto belonging, unto Mortgagee, its successors and assigns, forever. Mortgagor does hereby warrant to Mortgagee, its successors and assigns, that Mortgagor has good and indefeasible estate in fee simple, and has good right to mortgage, assign and grant a security interest in the Premises in manner and form as above written; that title to the Premises is free and clear of all defects, liens and encumbrances except for real estate taxes and assessments and rights of way, easements, and other instruments of record and all existing leases approved by the Mortgagee in writing (the "Permitted Exceptions") and that Mortgagor will warrant and defend the Premises, with the appurtenances thereunto belonging to Mortgagee, its successors and assigns, forever, against all liens, security interests, encumbrances, defects, claims and demands whatsoever.

Mortgagor has executed and delivered this Mortgage to secure the following:

- A. Payment of principal, interest and all other charges under the Note, as the same may be amended, extended, supplemented, modified and/or renewed, and all replacements and substitutions therefor, together with interest thereon at a rate or rates which may vary from time to time as specified in the Note, with principal and interest payable in accordance with the terms of the Note, and all accrued but unpaid interest and the entire unpaid principal amount being due and payable, in accordance with the terms of the Note;
- B. Payment of any and all amounts or charges required to be paid pursuant to this Mortgage or any of the other Loan Documents (as hereinafter defined);
- C. Payment to Mortgagee of all sums expended or advanced by Mortgagee pursuant to this Mortgage or any of the other Loan Documents;
- D. Payment of any and all amounts advanced by Mortgagee with respect to the Premises for the payment of taxes, assessments, insurance premiums or costs incurred in the protection of the Premises;
- E. Performance and observance of each covenant and agreement of Mortgagor contained herein or in any of the other Loan Documents; and
- F. Payment to Mortgagee of any and all other liabilities and indebtedness of Mortgagor to Mortgagee in connection with the Loan, direct or contingent, now or hereafter owing to Mortgagee, other than as provided in subparagraphs (a) through (e) above.

Mortgage Agreement (Michel Invest, LLC)
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PROVIDED, HOWEVER, that if Mortgagor shall pay or cause to be paid to Mortgagee the principal, interest and all other charges under the Note on or before the date on which the outstanding principal balance of the Note is due and payable in full in accordance with the terms of the Note, and in the manner stipulated therein and herein, all without deduction or credit for taxes or other charges paid by Mortgagor, and if Mortgagor shall have kept, performed and observed all of the covenants and conditions contained in this Mortgage and all of the other Loan Documents, then this Mortgage shall cease, determine and be void, but otherwise shall remain in full force and effect.

Mortgagor further covenants and agrees as follows:

1. **Payment of Indebtedness.** Mortgagor shall pay promptly the indebtedness evidenced by the Note at the time and in the manner provided herein and in the Note, and all other sums and charges payable when due by Mortgagor pursuant to the Note, this Mortgage and any of the other Loan Documents.

2. **Tax and Insurance Escrows.** Mortgagor shall timely pay all real estate taxes, general and special assessments and premiums for insurance required hereunder. Upon a default hereunder or under any of the Loan Documents, Mortgagee may require a deposit by Mortgagor of the sums described herein by notice to Mortgagor (i) for so long as a default in the obligations of Mortgagor or any other person under this Mortgage or any of the Loan Documents continues, or (ii) if Mortgagor fails to deliver to Mortgagee upon request therefor proof of payment of the sums described herein no later than five (5) days prior to the last day for payment of such sums without penalty or interest, such proof being in form satisfactory to Mortgagee in Mortgagee's sole and absolute discretion.

3. **Protection Against Charges.** Except for the Permitted Exceptions, Mortgagor shall keep the Premises free from liens of every kind, except only for real estate taxes and general and special assessments which are not yet due and payable, and special taxes, if any, as provided in Paragraph 7 hereof, and shall pay, before delinquency and before any penalty for non-payment attaches thereto, all taxes, assessments, and other governmental or municipal or public dues, charges, fines or impositions which are or hereafter may be levied against the Premises or any part thereof.

4. **Insurance and Casualty Damage.**

a. Mortgagor shall keep, or cause to be kept, all of the following insurance policies with respect to the Premises in companies, forms, amounts and coverage reasonably satisfactory to Mortgagee satisfactory in its reasonable discretion, containing waiver of subrogation and standard Florida mortgagee endorsements in favor of Mortgagee and providing for thirty (30) days' written notice to Mortgagee in advance of cancellation of said policies for non-payment of premiums or any other reason or for material modification of said policies, and ten (10) days' written notice to Mortgagee in advance of payment of any insurance claims under said policies to any person:

(i) Insurance against loss or damage by fire and such other hazards, casualties and contingencies (including, without, limitation, so-called all risk coverages) as Mortgagee reasonably may require, in an amount equal to the greater of (1) the Loan Amount, or (2) the replacement cost of the Premises, with a replacement cost endorsement and in such amounts so as to avoid the operation of any coinsurance clause, for such periods and otherwise as Mortgagee reasonably may require from time to time.

(ii) Commercial general liability insurance, including, without limitation, so-called assumed and contractual liability coverage and claims for bodily injury, death or property damage, naming Mortgagee as an additional insured, in such amounts as Mortgagee reasonably may from time to time require.

(iii) Following completion of any Improvements, insurance against business interruption, rent loss or abatement of rent, covering payment of rent and like charges from the Premises

Mortgage Agreement (Michel Invest, LLC)
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over a term of not less than twelve (12) months, in an amount at least equal to the aggregate annual amount payable from time to time under the Note.

(iv) If the Premises is located in a flood hazard zone as designated pursuant to the Flood Disaster Protection Act of 1973, the Mortgagor will maintain flood insurance for the Loan Amount or the maximum amount of flood insurance satisfactory to Mortgagee.

Mortgagor shall deliver renewal certificates of all insurance required above, together with written evidence of full payment of the annual premiums therefor at least thirty (30) days prior to the expiration of the existing insurance. Any such insurance may be provided under so-called "blanket" policies, so long as the amounts and coverages thereunder will, in Mortgagee's sole judgment, provide protection equivalent to that provided under a single policy meeting the requirements hereinabove. All policies of insurance shall be issued by a financially sound and generally recognized insurer lawfully doing business in the State of Florida and acceptable to Mortgagee having an A.M. Best Company rating of A-VIII or better. If at any time, Mortgagee is not in receipt of written evidence that all insurance required hereunder is in full force and effect, Mortgagee shall have the right with reasonable notice to Mortgagor to take such action as Mortgagee deems reasonably necessary to protect its interest in the Premises, including without limitation, the obtaining of such insurance coverage as Mortgagee in Mortgagee's reasonable discretion deems appropriate, and all reasonable expenses incurred by Mortgagee in connection with such action or in obtaining such insurance and keeping it in effect shall be paid by Mortgagor to Mortgagee upon demand.

b. Notice. In case of any material damage or destruction of the Premises, or any part thereof, or any interest therein or right accruing thereto, Mortgagor shall promptly give to Mortgagee written notice generally describing the nature and extent of such damage or destruction which has resulted or which may result therefrom. Mortgagee may appear in any such proceedings and negotiations and Mortgagor shall promptly deliver to Mortgagee copies of all notices and pleadings in any such proceedings. Mortgagor will in good faith, file and prosecute all claims necessary for any award or payment resulting from such damage or destruction. All reasonable costs and expenses incurred by Mortgagee in exercising its rights under this section shall constitute indebtedness secured by this Mortgage.

c. Application of Insurance Proceeds. Upon occurrence of any loss or damage to all or any portion of the Premises resulting from fire, vandalism, malicious mischief or any other casualty or physical harm (a "Casualty") in excess of \$50,000.00, Mortgagee may elect, subject to the provisions set forth below, to collect, retain and apply as a Loan prepayment all proceeds (the "Proceeds") of any insurance policies collected or claimed as a result of such Casualty after deduction of all expenses of collection and settlement, including attorney's and adjusters' fees and charges. Mortgagor hereby authorizes, Mortgagee, at Mortgagee's option, to collect, adjust and compromise any losses in excess of \$50,000.00 under any insurance with respect to the Premises which is kept, or caused to be kept, by Mortgagor, and hereby irrevocably appoints Mortgagee as its attorney-in-fact, coupled with an interest, for such purposes. Any Proceeds remaining after payment in full of the Loan and all other sums due Mortgagee hereunder shall be paid by Mortgagee to Mortgagor without any allowance for interest thereon.

In the event such Proceeds as applied above, would not fully discharge the Loan, then Mortgagor shall deposit with Mortgagee cash, letters of credit, surety bonds or equivalent assurances of the availability of funds with which to pay for the restoration or rebuilding of the Premises. Such letters of credit, surety bonds or equivalent assurances shall in all respects be in form, substance, execution and sufficiency acceptable to Mortgagee in its reasonable discretion. Mortgagor shall promptly proceed with restoration of the Premises resulting from any such Casualty.

If the Mortgagee shall receive and retain insurance proceeds, the lien of this Mortgage shall be reduced only by the amount thereof received and retained by Mortgagee and actually applied by Mortgagee in reduction of the Loan.

5. Maintenance of Improvements.

a. Except for the construction or replacement of existing Improvements, none of the Improvements shall be structurally or otherwise materially altered, removed or demolished, nor on, in or about the Premises be severed, removed, sold, mortgaged or otherwise encumbered, without the prior written consent of Mortgagee in each case, which is not to be unreasonably withheld, conditioned or delayed; except, however, that Mortgagor shall have the right, without such consent, to remove and dispose of, free from the lien of this Mortgage such Improvements as from time to time may become worn out or obsolete, provided that simultaneously with or prior to such removal, such Improvements shall be replaced with other new Improvements of like kind and quality, and by such removal, the Mortgagor shall be deemed to have subjected the replacement Improvements to the lien of this Mortgage. Any Improvements which are demolished or destroyed in whole or in part shall be replaced promptly by similar Improvements of comparable quality, condition and value as those demolished or destroyed, thereupon becoming part of the Premises free from any other lien or security interest or encumbrance on or reservation of title to such property. Mortgagor shall not permit, commit or suffer any waste or impairment of the Premises or any part thereof, deterioration of the Premises or any part thereof (reasonable wear and tear excepted), and shall keep and maintain (or cause to be kept and maintained) the same in good repair and condition. Mortgagor shall make (or cause to be made) all necessary and proper repairs and replacements so that all components of the Premises will, at all times, be in good condition, fit and proper for the respective purposes for which they were erected or installed, other than for matters of health and safety prior to the demolition thereof.

b. Mortgagor hereby grants to Mortgagee and its agents the right in their reasonable discretion and upon reasonable prior notice, but Mortgagee shall have no obligation, to enter upon the Premises at any time for the purpose of inspecting and appraising the Premises and conducting tests and surveys thereof. In the event that Mortgagor shall fail fully to comply with any of the requirements of this Paragraph 5, without prejudice to any other right or remedy that may be available to Mortgagee in such event, Mortgagee shall have the right to recover, as damages for such failure, an amount equivalent to the cost required to restore the Premises to the condition hereby required.

c. Mortgagor hereby covenants and agrees to comply with, and to cause all occupants of all or any portion of the Premises to comply with, all applicable zoning, building, use and environmental restrictions and all laws, rules, statutes, ordinances, regulations, orders and requirements, including, without limitation, environmental matters and notices of violation of all governmental authorities having jurisdiction over the Premises or the maintenance, use and operation thereof, and all applicable restrictions, agreements and requirements, whether or not of record (collectively, "Laws"). Mortgagor will deliver to Mortgagee within ten (10) days after receipt thereof any additional permits or renewals, issued and approved or disapproved with respect to the Premises. Except to the extent resulting from Mortgagee's acts or omissions after taking possession of the Premises, Mortgagor hereby indemnifies Mortgagee and its officers, directors, shareholders, employees, agents and partners and their respective heirs, successors and assigns (collectively, "Indemnified Parties") and agrees to defend and hold the Indemnified Parties harmless from and against any and all claims, demands, loss, cost, damage, liability or expense incurred or suffered by the Indemnified Parties arising from any failure of the Premises to comply with Laws, or from any failure of Mortgagor to obtain, maintain or renew, or to have obtained, maintained or renewed, any permit or approval required with respect to the Premises, unless such failure results from the illegal act, gross negligence, or willful misconduct of an Indemnified Party. The foregoing indemnification and agreement shall survive the release of this Mortgage and the payment or other satisfaction of the indebtedness secured hereby.

Upon any default by the Mortgagor in satisfying its obligations under this paragraph 5 after thirty (30) days prior written notice from Mortgagee, Mortgagee at its option may put the Premises into reasonable condition and repair, and all sums paid by Mortgagee for such purposes shall, together with interest thereon, be added to the amount secured hereunder and be payable on demand, provided, however,

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if such default cannot reasonably be cured within said 30 day period, and Mortgagor promptly commences such cure within the 30 day period, then within such additional period during which Mortgagor diligently pursues and prosecutes such cure to completion, such default shall not be deemed to be an Event of Default and Mortgagee shall not have the option to put the Premises into reasonable repair and condition. Mortgagor will not, without obtaining the prior written consent of the Mortgagee (not to be unreasonably withheld, conditioned, or delayed), initiate, join in or consent to any private restrictive covenant, zoning ordinance, or other public or private restrictions, limiting or defining the uses that may be made of the Premises or any part thereof, except that Mortgagor may grant to tenants of the Premises exclusive use clauses in their respective leases.

6. Hazardous Materials and Wetlands.

a. Without limiting the generality of any provision herein or in any of the Loan Documents, Mortgagor hereby represents and warrants to Mortgagee that neither Mortgagor nor, to the best knowledge and belief of Mortgagor, any previous owner or user of the Premises, has used, generated, stored or disposed of in violation of Environmental Law (as defined below) in, on, under, around or above the Premises, any Regulated Material (defined herein as flammable explosives, radioactive materials, solid waste, hazardous substances, hazardous waste, hazardous materials, asbestos containing materials, petroleum or any fraction thereof, pollutants, irritants, contaminants, toxic substances, or any other materials respectively defined as such in, or regulated by, any applicable Environmental Law (as hereinafter defined), that, to the best knowledge and belief of Mortgagor, the Premises is not currently in violation of any Environmental Law (defined herein as any federal, state or local law, regulation or ordinance, as each may be validly interpreted and applied by the appropriate governmental entity, governing any Regulated Material for the protection of human health, safety or the environment, including but not limited to the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986 and the Emergency Planning and Community Right-to-Know Act of 1986, the Resource Conservation and Recovery Act, the Toxic Substances Control Act, the Clean Air Act, the Federal Water Pollution Control Act, the Safe Drinking Water Act and the Oil Pollution Act of 1990). Mortgagor shall keep and maintain, and shall cause all tenants and any other persons present on or occupying the Premises ("Tenants"), employees, agents, contractors and subcontractors of Mortgagor and Tenants, to keep and maintain the Premises, including, without limitation, the soil and ground water thereof, in compliance with, and not cause or knowingly permit the Premises, including the soil and ground water thereof, to be in violation of any federal, state or local laws, ordinances or regulations relating to industrial hygiene or to the environmental conditions thereon (including but not limited to any Environmental Law). Neither Mortgagor nor Tenants nor any employees, agents, contractors and subcontractors of Mortgagor or Tenants or any other persons occupying or present on the Premises shall (i) use, generate, manufacture, store or dispose of in violation of Environmental Law on, under or about the Premises or transport to or from the Premises any Regulated Material, except as such may be required to be used, stored, or transported in connection with the permitted uses of the Premises and then only to the extent permitted by law after obtaining all necessary permits and licenses therefor; or (ii) perform, cause to be performed or permit any fill activities or other acts which would in any way destroy, eliminate, alter, obstruct, interfere with, or otherwise affect any Wetlands, as defined in 33 C.F.R. Section 328.3 and in any comparable state and local law, statute, ordinances, rule or regulation ("Wetlands"), in violation of any federal, state or local laws, statutes, ordinances, rules or regulations pertaining to such Wetlands ("Wetlands Law").

b. Mortgagor further represents and warrants to Mortgagee that to the best of its knowledge, except as otherwise stated in the environmental report delivered to Lender in connection with the Loan:

(i) Underground storage tanks are not and have not been located on the Premises.

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(ii) All permits required under any applicable Environmental Law applicable to the Premises have been obtained and are in full force and effect.

(iii) No event has occurred with respect to the Premises which, with the passage of time or the giving of notice, or both, would constitute a violation of any applicable Environmental Law or non-compliance with any Environmental Permit.

(iv) There are no agreements, consent orders, decrees, judgments, license or permit conditions or other orders or directives of any federal, state or local court, governmental agency or authority relating to the past, present or future ownership, use, operation, sale, transfer or conveyance of the Premises which require any change in the present condition of the Premises or any work, repairs, construction, containment, clean up, investigations, studies, removal or other remedial action or capital expenditures with respect to the Premises.

(v) There are no actions, suits, claims or proceedings, pending or threatened, which could cause the incurrence of expenses or costs of any name or description or which seek money damages, injunctive relief, remedial action or any other remedy that arise out of, relate to or result from (i) a violation or alleged violation with respect to the Premises or Mortgagor of any applicable Environmental Law or non-compliance or alleged non-compliance with any Environmental Permit, (ii) the presence of any Regulated Material or a Release or the threat of a Release of any Regulated Material on, at or from the Premises or any property adjacent to or within the immediate vicinity of the Premises or (iii) human exposure to any Regulated Material, noises, vibrations or nuisances of whatever kind to the extent the same arise from the condition of the Premises or the ownership, use, operation, sale, transfer or conveyance thereof.

c. Mortgagor shall immediately advise Mortgagee in writing of: (i) any notices (whether such notices are received from the Environmental Protection Agency, or any other federal, state or local governmental agency or regional office thereof) of violation or potential violation which are received by Mortgagor of any applicable federal, state or local laws, ordinances, or regulations relating to any Environmental Law or any Wetlands Law; (ii) any and all enforcement, cleanup, removal or other governmental or regulatory actions instituted, completed or threatened against the Mortgagor or the Mortgage Property pursuant to any Environmental Law or Wetlands Law; (iii) all claims made or threatened by any third party against Mortgagor or the Premises relating to damage, contribution, cost recovery compensation, loss or injury resulting from any Environmental Law or Wetlands Law (the matters set forth in clauses (i), (ii) and (iii) above are hereinafter referred to as "Environmental or Wetlands Claims"); and (iv) discovery by Mortgagor of any occurrence or condition on any real property adjoining or in the vicinity of the Premises that could cause the Premises or any part thereof to be classified as in violation of any Environmental Law or Wetlands Law or any regulation adopted in accordance therewith, or to be otherwise subject to any restrictions on the ownership, occupancy, transferability or use of the Premises under any Environmental Law or Wetlands Law.

d. Mortgagee shall have the right but not the obligation to join and participate in, as a party if it so elects, any legal proceedings or actions initiated in connection with any Environmental or Wetlands Claims, and to have its reasonable attorneys' and consultants' fees in connection therewith paid by Mortgagor upon demand.

e. Except to the extent resulting from Mortgagee's acts or omissions after taking possession of the Premises, Mortgagor shall be solely responsible for, and each hereby jointly and severally indemnifies and agrees to defend and hold harmless Mortgagee, its directors, officers, employees, agents, successors and assigns and any other person or entity claiming by, through, or under Mortgagee, from and against, any loss, damage, cost, expense or liability directly or indirectly arising out of or attributable to the use, generation, storage, release, threatened release, discharge, disposal, or presence (whether prior to or

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during the term of the loan secured by this Mortgage) of Regulated Materials on, under or about the Premises (whether by Mortgagor or a predecessor in title or any Tenants, employees, agents, contractors or subcontractors of Mortgagor or any predecessor in title or any third persons at any time occupying or present on the Premises), including, without limitation: (i) the cost of any required or necessary repair, cleanup or detoxification of the Premises, including the soil and ground water thereof, and the preparation and implementation of any closure, remedial or other required plans; (ii) damage to any Wetlands or natural resources; and (iii) all reasonable costs and expenses incurred by Mortgagee in connection with clauses (i) and (ii) including but not limited to reasonable attorneys' and consultants' fees; provided, however, that nothing contained in this paragraph shall be deemed to create or give any rights to any person other than Mortgagee and its successors and assigns, it being intended that there shall be no third party beneficiary of such provisions, or preclude Mortgagor from seeking indemnification from, or otherwise proceeding against, any third party including, without limitation, any tenant or predecessor in title to the Premises.

f. Any reasonable costs or expenses reasonably incurred by Mortgagee for which Mortgagor is responsible or for which Mortgagor has indemnified Mortgagee shall be paid to Mortgagee on demand, and failing prompt reimbursement, shall earn interest at the Default Interest Rate set forth in the Loan Documents.

g. Mortgagor shall take any and all remedial action in response to the presence of any Regulated Materials or Wetlands on, under, or about the Premises, required pursuant to any settlement agreement, consent decree or other governmental proceeding; furthermore, Mortgagor shall take such additional steps as may be necessary to preserve the value of Mortgagee's security under the Loan Documents.

h. Upon Mortgagee's request, based upon a reasonable belief by Mortgagee of a change in the status of the Premises concerning Regulated Material, Mortgagor shall retain, at Mortgagor's sole cost and expense, a licensed geologist, industrial hygienist or an environmental consultant (referred to hereinafter as the "Consultant") acceptable to Mortgagee to conduct a baseline investigation of the Premises for the presence of Regulated Materials or Wetlands ("Environmental Audit"). The Environmental Audit shall be performed in a manner reasonably calculated to discover the presence of Regulated Materials contamination or Wetlands; provided, however, such investigation shall be of a scope and intensity no greater than a baseline investigation conducted in accordance with the general standards of persons providing such services taking into consideration the known uses of the Premises and Premises in the vicinity of the Premises and any factors unique to the Premises. The Consultant shall concurrently deliver the results of its investigation in writing directly to Mortgagor and Mortgagee. Such results shall be kept confidential by both Mortgagor and Mortgagee unless legally compelled or required to disclose such results or disclosure is reasonably required in order to pursue rights or remedies provided herein or at law.

i. If Mortgagor fails to pay for or obtain an Environmental Audit as provided for herein, Mortgagee may, but shall not be obligated to, obtain the Environmental Audit, whereupon Mortgagor shall immediately reimburse Mortgagee all its reasonable costs and expenses in so doing, together with interest on such sums at the Default Interest Rate.

j. Mortgagor covenants to reasonably cooperate with the Consultant and to allow entry and reasonable access to all portions of the Premises for the purpose of Consultant's investigation upon no less than forty-eight (48) hours prior written notice. Mortgagor covenants to comply, at its sole cost and expense, with all recommendations contained in the Environmental Audit reasonably required to bring the Premises into compliance with all Environmental Laws and Wetlands Laws, including any recommendation for additional testing and studies to detect the quantity and types of Regulated Materials or Wetlands present, if Mortgagee requires the implementation of the same.

7. Changes in Tax Laws. If at any time any governmental authority, whether federal, state or municipal, or any agency or subdivision of any of them, shall require Internal Revenue or other

documentary stamps on the Note, this Mortgage or any of the other Loan Documents, or upon the passage of any law of the State of Florida deducting from the value of land for the purposes of real estate taxation the amount of any lien thereon, or changing in any way the laws for the taxation of mortgages or debts secured by mortgages for federal, state or local purposes, or the manner of the collection of any such taxes so as to impose, in any such event, a tax (other than a franchise or an income tax) upon or otherwise to substantially and adversely affect the value of this Mortgage, then all indebtedness secured hereby shall become due and payable at the election of Mortgagee thirty (30) days after the mailing of notice of such election to Mortgagor; provided, however, this Mortgage, the Note and the other Loan Documents shall be and remain in effect if Mortgagor lawfully may pay, and does in fact pay, when payable, for such stamps and taxes, including interest and penalties thereon, to or for Mortgagee. Mortgagor further agrees to deliver to Mortgagee, at any time, upon demand, such evidence as may be required by any government agency having jurisdiction in order to determine whether the obligation secured hereby is subject to or exempt from any such tax.

8. Indemnification for Costs. Mortgagor hereby indemnifies Mortgagee and agrees to defend and hold Mortgagee harmless from and against all reasonable costs, liabilities and expenses, including but not limited to reasonable attorneys' fees and expenses to the fullest extent not then prohibited by applicable law, and, subject to Section 6 above, costs of any Environmental Audit, title search, continuation of abstract and preparation of survey, incurred by reason of any action, suit, proceeding, hearing, motion or application before any court or administrative body, including an action to foreclose or to collect any indebtedness or obligation secured hereby, or incurred in connection with any extra-judicial collection procedure, in and to which Mortgagee may be or become a party by reason hereof, including, without limitation, any Taking, bankruptcy, probate and administration proceedings, as well as any other proceeding wherein proof of claims required to be filed by law or in which it becomes necessary to defend or uphold the terms of and the lien created by this Mortgage.

9. Taking.

a. In the event all or any part of the Premises shall be damaged or taken as a result of a Taking, either temporarily or permanently, Mortgagor shall assign, transfer and set over unto Mortgagee the Taking Proceeds or any claim for damages for any of the Premises taken or damaged under the power of eminent domain, and agrees that in the event the whole or any part of the Premises is taken by eminent domain proceedings, then all sums awarded as damages for the Taking shall be applied in reduction of the indebtedness secured by this Mortgage, but without imposition of the prepayment premium to such application. Any and all reasonable costs and expenses, including, without limitation, reasonable attorneys' fees and expenses to the fullest extent not then prohibited by applicable law, incurred by Mortgagee by reason of any condemnation, threatened condemnation or proceedings thereunder shall be secured hereby and Mortgagor shall reimburse Mortgagee therefor immediately, or Mortgagee shall have the right, at its option, to deduct such costs and expenses from any Taking Proceeds paid to Mortgagee hereunder. In the event that the Premises is wholly condemned, Mortgagee shall receive from Mortgagor and/or from the Taking Proceeds payment of the entire amount of the then outstanding indebtedness secured by this Mortgage.

b. Subject to paragraph (a) of this Section, Mortgagor will immediately notify Mortgagee of the actual or threatened commencement of any Taking proceedings affecting all or any part of the Premises, including any easement therein or appurtenance thereof, including severance and consequential damage and change in grade of streets, and will deliver to Mortgagee copies of any and all papers served in connection with any such proceedings. Mortgagor further covenants and agrees to make, execute and deliver to Mortgagee, from time to time upon request, free, clear and discharged of any encumbrances of any kind whatsoever, any and all further assignments or other instruments deemed necessary by Mortgagee for the purpose of validly and sufficiently assigning the Taking Proceeds and all other awards and compensation heretofore and hereafter to be made to Mortgagor, including the assignment

of any award from the United States Government at any time after the allowance of the claim therefor, the ascertainment of the amount thereof and the issuance of the warrant for payment thereof, for any Taking, either permanent or temporary, under any such proceedings. In the event of a Taking, Mortgagee shall not be limited to the rate of interest paid on the award by the condemning authority but shall be entitled to receive out of the Taking Proceeds interest on the entire unpaid principal sum under the Note and the other Loan Documents at the applicable rate(s) provided therein. Mortgagor hereby assigns to Mortgagee so much of the balance of the Taking Proceeds payable by the condemning authority as is required to pay such interest.

c. Subject to paragraph (a) of this Section, Mortgagor hereby irrevocably authorizes and appoints Mortgagee its attorney-in-fact, coupled with an interest, to collect and receive any such Taking Proceeds from the authorities making the same, to appear in any proceeding therefor, to give receipts and acquittances therefor, and to apply the same to payment on account of the indebtedness secured hereby whether then matured or not. Mortgagor shall execute and deliver to Mortgagee on demand such assignments and other instruments as Mortgagee may require for such purposes.

10. Estoppel Certificate. Within ten (10) days after request by Mortgagee, Mortgagor shall furnish to Mortgagee a written statement, duly acknowledged, of the aggregate amount of indebtedness secured by this Mortgage, confirming (to the extent true) that no right of offset exists under the Loan Documents or otherwise, and stating either that no defenses exist against the indebtedness secured hereby, or, if such defenses are alleged to exist, the nature thereof, and any other information which Mortgagee may reasonably request.

11. Title Warranty; Title Evidence. Mortgagor hereby confirms the warranties and representations as to title to the Premises made in the granting clause of this Mortgage and agrees to pay the costs of title evidence satisfactory to Mortgagee showing title to the Premises to be as herein warranted. In the event of any subsequent change in title to the Premises, other than a change expressly permitted by the Loan Documents, Mortgagor agrees to pay the cost of (i) an extension or endorsement to such title evidence showing such change in title, and (ii) changing any and all insurance and other records in connection with the servicing of the loan secured hereby made necessary by such change in title.

12. Mortgagee's Reliance. Mortgagee, in advancing any payment relating to taxes, assessments and other governmental or municipal charges, fines, impositions or liens asserted against the Premises, shall have the right to do so according to any bill, statement or estimate procured from the appropriate public office without inquiry into the accuracy or validity thereof. Mortgagee shall have the right to make any such payment whenever Mortgagee, in its sole discretion, shall deem such payment to be necessary or desirable to protect the security intended to be created by this Mortgage upon ten (10) days' notice to Mortgagor. In connection with any such advance, Mortgagee, at its option, shall have the right to and is hereby authorized to obtain, at Mortgagor's sole cost and expense, a continuation report of title prepared by a title insurance company of Mortgagor's choice.

13. Default. Each of the following events shall be deemed to be an "Event of Default" hereunder:

a. Mortgagor shall fail to make payment of any sum of money due and payable under this Mortgage of the indebtedness evidenced by the Note, or any sum of money due and payable under any of the other Loan Documents within five (5) days of notice of nonpayment; or

b. Mortgagor or any guarantor of the Loan (each an "Obligor", collectively the "Obligors"), shall file a voluntary petition in bankruptcy or under any bankruptcy act or similar law, state or federal, whether now or hereafter existing, or make an assignment for the benefit of creditors or file an answer admitting insolvency or inability to pay its or their debts generally as they become due, or shall fail to obtain a vacation or stay of any such proceedings which are involuntary within ninety (90) days after the institution of such proceedings, as hereinafter provided; or

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- c. Any plan of liquidation or reorganization is filed by or on behalf of an Obligor, or either in any bankruptcy, insolvency or other judicial proceeding, or a trustee or a receiver shall be appointed for the Premises in any involuntary proceeding and such trustee or receiver shall not be discharged or such jurisdiction relinquished, vacated or stayed on appeal or otherwise within ninety (90) days after the appointment thereof; or
- d. Failure of Mortgagor to commence, diligently pursue and/or complete actions as and when provided in Paragraphs 5 or 6 above; or
- e. Any sale or transfer of the Premises in violation of Paragraph 21 of this Mortgage; or
- f. The occurrence of an involuntary transfer in violation of this Mortgage; or
- g. Any violation of the representations and warranties, or the filing of formal charges or commencement of proceedings as contemplated by Paragraph 34 of this Mortgage; or
- h. Default shall be made in the due observance or performance of any of the other covenants, agreements or conditions required to be kept, performed or observed by Mortgagor under this Mortgage, and such default is not cured within thirty (30) days after written notice thereof has been delivered to Mortgagor by Mortgagee; provided, however if such default cannot reasonably be cured within the thirty (30) day period, and Mortgagor promptly commences such cure within the thirty (30) day period, then within such additional period during which Mortgagor diligently pursues and prosecutes such cure to completion and so long as the value of the Premises is not impaired; or
- i. Mortgagor ceases to exist, whether by merger, dissolution, or other reason;
- j. The default with respect to any mortgage, security agreement or other agreement or document representing a lien upon the Premises or any loan or obligation relating thereto, including, but not limited to, any Permitted Exception, or
- (j) the occurrence of any Event of Default by any Obligor under the Loan Documents.

If Default shall be made in the due observance or performance of any of the covenants, agreements or conditions required to be kept, performed or observed by Mortgagor or any other party under the Note, or any of the other Loan Documents, and such default is not cured within the applicable grace period, if any, expressly provided for therein; then and upon any such Event of Default, the entire amount of the indebtedness hereby secured, shall, at the option of Mortgagee, become immediately due and payable, without execution or other process and without further notice or demand, all of which are hereby expressly waived. Thereafter, the indebtedness hereby secured shall, at the option of Mortgagee, bear interest at the Default Interest Rate payable on demand. Acceleration of maturity, once claimed hereunder by Mortgagee, may, at the option of Mortgagee, be rescinded by written acknowledgment to that effect by Mortgagee, but the tender and acceptance of partial payments alone shall not in any way affect or rescind such acceleration of maturity, nor extend or affect the grace period, if any.

14. Rights and Remedies Upon Default: Upon the occurrence of any Event of Default hereunder, the Mortgagee may, at its option, exercise any one or more of the following rights and remedies:

- a. Right to Take Possession of Premises. The Mortgagor agrees to surrender possession of the Premises to the Mortgagee within ten (10) days of written demand, and the Mortgagee shall thereupon have the right to enter and take possession of the Premises, to lease the Premises, the Improvements, or any part thereof, to collect all Rents, rental insurance proceeds and business interruption insurance proceeds (if any) and to apply the same on account of the Loan, whether then matured or not, after payment of all proper costs, charges and expenses, including, but not limited to, (1) Taxes and other impositions, (2) any premiums for fire, public liability and other insurance coverage affecting the Premises,

the Improvements, or any part thereof and (3) any and all other reasonable costs, charges and expenses which it may be necessary or advisable for the Mortgagee to pay in the management, operation and maintenance of the Premises, the Improvements, or any part thereof, including, but not limited to, the cost of making repairs, alterations, and tenant improvements, commissions for renting the Premises, the Improvements, or any part thereof and reasonable legal expenses incurred in enforcing claims, preparing papers or any other services that may be required, or otherwise as a court of competent jurisdiction may direct. After taking possession of the Premises, the Mortgagee may dispossess, by summary proceedings or otherwise, any tenants, subtenants or occupants of the Land, the Improvements or any part thereof then or thereafter in default in the payment of any Rent, and the Mortgagor hereby irrevocably appoints the Mortgagee as the Mortgagee's agent and attorney-in-fact (which agency shall be deemed to be coupled with an interest), with full power of substitution, for such purpose. In the event that the Mortgagor is then an occupant of the Premises, the Improvements or any part thereof, Mortgagor agrees to surrender possession thereof to the Mortgagee within ten (10) days following written demand, and if the Mortgagor remains in possession thereof after such demand, such possession shall be as tenant of the Mortgagee, and the Mortgagor agrees to pay monthly in advance to the Mortgagee such rent for the Premises, the Improvements or any part thereof so occupied as the Mortgagee may reasonably demand, and in default of so doing, the Mortgagor may also be dispossessed by summary proceedings or otherwise.

b. Right to Foreclose Mortgage. The Mortgagee may foreclose this Mortgage and sell, if permitted by law, or petition to be sold, the Premises in one parcel or in such parcels, manner or order as a court of competent jurisdiction may direct. If permitted by law, Mortgagee may foreclose this Mortgage for any portion of the Debt or any other sums secured hereby which are then due and payable, subject to the continuing lien of this Mortgage for the balance of the Debt not then due. If any real property transfer tax or real property transfer gains tax shall be due and payable upon the conveyance of the Premises pursuant to a judicial sale in any action, suit or proceeding brought to foreclose this Mortgage or by deed in lieu of foreclosure, the Mortgagor will pay or cause the same to be paid. In the event that the Mortgagor fails to pay any such tax within twenty (20) days after notice and demand for payment is given by the Mortgagee, the Mortgagee is hereby authorized to pay the same, and any amount thereof so paid by the Mortgagee, together with all reasonable costs and expenses incurred by the Mortgagee in connection with such payment, including, but not limited to, reasonable attorneys' fees and disbursements, and interest on all such amounts, costs and expenses at the Default Interest Rate shall be paid by the Mortgagor to the Mortgagee on demand. Until paid by the Mortgagor, all such amounts, reasonable costs and expenses, together with interest thereon, shall be secured by this Mortgage and may be added to the judgment in any suit brought by the Mortgagee against the Mortgagor hereon.

c. Right to Appointment of Receiver. In any action to foreclose this Mortgage, the Mortgagee shall be entitled, without notice, without regard to the adequacy of any security for the indebtedness secured hereby and without regard to the solvency of any person, firm or company who is or may become liable for the payment of all or any part of the Debt secured hereby, to have a receiver appointed with all the rights and powers permitted under the laws of the State of Florida. In addition, the receiver shall be entitled to take any and all action necessary or deemed advisable to lease the Premises, including, without limitation, making reasonable improvements or tenant improvements and adding the cost of same to the Debt secured hereby. In the event that a receiver of the Premises is appointed hereunder, such receiver shall also have and may enforce all of the rights and remedies of the Mortgagee under subparagraph (a) hereof.

d. Additional Rights and Remedies. The rights and remedies of the Mortgagee hereunder shall be in addition to Mortgagee's rights and remedies under the laws of the State of Florida. Nothing contained in this Mortgage shall be construed as requiring the Mortgagee to pursue any particular right or remedy for the purpose of procuring the satisfaction of the obligations and Debt secured hereby, and the Mortgagee may exercise any or all of Mortgagee's rights and remedies under this Mortgage, the instruments evidencing the Debt, or otherwise provided by law, in Mortgagee's sole discretion. No failure

of the Mortgagee to insist upon strict performance by the Mortgagor of any of Mortgagor's covenants or obligations under this Mortgage, the Note, the Loan Documents, and no delay by the Mortgagee in exercising any of Mortgagee's rights or remedies hereunder, thereunder or otherwise provided by law, shall be deemed to be a waiver of such covenants or obligations or to preclude the exercise of such rights or remedies, and the Mortgagee, notwithstanding any such failure or delay, shall have the right thereafter to insist upon the strict performance by the Mortgagor of any and all of its covenants and obligations under this Mortgage and the instruments evidencing the Debt, and to exercise any and all of its rights and remedies hereunder, thereunder or otherwise provided by law.

15. Right to Cure Defaults/Costs of Collection. If an Event of Default occurs and is continuing, the Mortgagee may, at its discretion, remedy the same and for such purpose shall have the right to enter upon the Premises or any portion thereof without thereby becoming liable to Mortgagor, any tenant or any other person in possession thereof holding under Mortgagor. If Mortgagee shall remedy such a default or appear in, defend, or bring any action or proceeding to protect Mortgagee's interest in the Premises or to foreclose this Mortgage or collect the Debt, or take any other action of any kind to protect its interest in the Premises or collect the Debt (including without limitation taking possession, monitoring, appointing a receiver, or collecting rents), the reasonable costs and expenses thereof (including reasonable attorneys' fees to the extent permitted by law) with interest at the Default Interest Rate, shall be paid by Mortgagor to Mortgagee upon demand. All such reasonable costs and expenses incurred by Mortgagee in remedying such default or in appearing in, defending, or bringing any such action or proceeding, or in taking any other action shall be paid by Mortgagor to Mortgagee upon demand, with interest at the Default Interest Rate for the period after notice from Mortgagee that such costs or expenses were incurred to the date of payment to Mortgagee. All such costs and expenses incurred by Mortgagee pursuant to the terms of this Mortgage, with interest, shall be secured by this Mortgage.

16. Future Advances. This Mortgage shall secure any and all advances (however evidenced and whether or not obligatory and including those made on a revolving basis) made by Mortgagee to Mortgagor within 20 years after the date hereof to the same extent as though those advances were made on the date hereof even though there may be no indebtedness outstanding at the time any such advance is made; provided that, while the total amount of indebtedness secured hereby may increase or decrease from time to time, the total amount at any one time secured hereby shall not exceed a maximum principal amount of Nine Hundred Fifty Thousand Dollars and No/100 Dollars (\$950,000.00) plus interest thereon and advances made hereunder for the payment of taxes, liens and insurance with respect to any part of the Premises. This Section shall not, however, obligate Mortgagee to make any such advances.

17. Non-Waiver. The failure of Mortgagee to insist upon strict performance of any term of this Mortgage shall not be deemed to be a waiver of any term of this Mortgage. Mortgagor shall not be relieved of Mortgagor's obligation to pay the Debt at the time and in the manner required by reason of (a) failure of Mortgagee to comply with any request of Mortgagor to take any action to foreclose this Mortgage or otherwise enforce any of the provisions hereof or of the Note, this Mortgage or any other Loan Documents, (b) the release, regardless of consideration, of the whole or any part of the Premises or any other security for the Debt, or (c) any agreement or stipulation between Mortgagee and any subsequent owner or owners of the Premises or other person extending the time of payment or otherwise modifying or supplementing the Note, this Mortgage or any other Loan Documents, without first having obtained the consent of Mortgagor; and in the latter event, Mortgagor shall continue to be obligated to pay the Debt at the time and in the manner provided in the Note, this Mortgage or any other Loan Documents, as so extended, modified and supplemented, unless expressly released and discharged by Mortgagee. Regardless of consideration, and without the necessity for any notice to or consent by the holder of any subordinate lien, encumbrance, right, title or interest in or to the Premises, Mortgagee may release any person at any time liable for the payment of the Debt or any portion thereof or any part of the security held for the Debt and may extend the time of payment or otherwise modify the terms of any instrument evidencing the Debt and/or this Mortgage, including, without limitation, a modification of the interest rate payable on the

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principal balance on the Note without in any manner impairing or affecting this Mortgage or the lien thereof or the priority of this Mortgage, as so extended and modified, as security for the Debt over any such subordinate lien, encumbrance, right, title or interest. Mortgagee may resort for the payment of the Debt to any of the other Loan Documents in such order and manner as Mortgagee, in its discretion, may elect. Mortgagor's obligations shall not be impaired or altered by the taking of any other or additional security for or guarantee of the Debt or any part thereof, or by the failure to hold, protect, or realize upon any other additional security or guarantee, or by the release of same. Mortgagee may take action to recover the Debt, or any portion thereof, or to enforce any covenant hereof without prejudice to the right of Mortgagee thereafter to foreclose this Mortgage. Mortgagee shall not be limited exclusively to the rights and remedies herein stated but shall be entitled to every additional right and remedy now or hereafter afforded by law. The rights of Mortgagee under this Mortgage shall be separate, distinct and cumulative and none shall be given effect to the exclusion of the others. No act of Mortgagee shall be construed as an election to proceed under any one provision herein to the exclusion of any other provision.

18. Waiver. Mortgagor shall not, and anyone claiming through or under Mortgagor shall not, set up, claim or seek to take advantage of any appraisal, valuation, stay, extension or redemption laws now or hereafter in force, in order to prevent or hinder the enforcement or foreclosure of this Mortgage, or the final and absolute sale of the Premises, or the final and absolute placing into possession thereof, immediately after such sale, of the purchaser or purchasers thereof, and Mortgagor, for itself and all who may claim through or under it, waive, if and to the fullest extent not prohibited by applicable law, all benefits and protections under such appraisal, valuation, stay, extension and redemption laws.

19. Marshalling of Assets. Mortgagor hereby waives for itself and, to the fullest extent not prohibited by applicable law, for any subsequent lienor, any right to apply for an order, decree, judgment, or ruling requiring or providing for a marshalling of assets which would require Mortgagee to proceed against certain of the Premises before proceeding against any of the other Premises. Mortgagee shall have the right to proceed, in its sole discretion, against the Premises in such order and in such portions as Mortgagee may determine, without regard to the adequacy of value or other liens on any such Premises. No such action shall in any way be considered as a waiver of any of the rights, benefits, liens or security interests created hereby or by any of the Loan Documents.

20. Subrogation. If the indebtedness hereby secured or any part thereof, including any amounts advanced by Mortgagee, are used directly or indirectly to pay off, discharge or satisfy, in whole or in part, any prior lien or encumbrance upon the Premises or any part thereof, then Mortgagee shall be subrogated to such other liens or encumbrances and to any additional security held by the holder thereof and shall have the benefit of the priority of all of the same, whether or not any such lien, encumbrance or additional security is canceled of record upon such payment or advancement or otherwise, and in addition to the security afforded by this Mortgage and the other Loan Documents.

21. Sale or Transfer. Except as otherwise set forth in the Loan Agreement, Mortgagor, without the prior written consent of Mortgagee, shall not create, effect, consent to, attempt, contract for, agree to make, suffer or permit any conveyance, sale, assignments, transfer, lien, pledge, encumbrance, mortgage, security interest or alienation of all or any portion of, or any ownership or beneficial interest in, the Premises or the Mortgagor, whether effected directly, indirectly, voluntarily, involuntarily, by operation of law or otherwise. If any of the foregoing shall occur without Mortgagee's prior written consent, unless such consent is not otherwise specifically required by the terms of the Loan Agreement, then the same shall conclusively be deemed to increase the risk to Mortgagee and immediately constitute an Event of Default hereunder.

22. Mortgagee's Cost of Collection or Performance. If any action or proceeding is commenced by or against Mortgagee, including, without limitation, condemnation proceedings, proceedings involving the foreclosure of this Mortgage or of any other liens or encumbrances, the enforcement or interpretation of contracts, leases or other documents relating to the Premises, or any other proceeding of any nature,

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legal or otherwise, affecting the Premises or any part thereof, or the title thereto, or the validity or priority of the lien of this Mortgage, Mortgagee shall have the right to appear, defend, prosecute, retain counsel, and take such action as Mortgagee shall determine. In addition, upon an Event of Default hereunder, Mortgagee is authorized, but not obligated, to discharge Mortgagor's obligations hereunder. Mortgagor shall pay to Mortgagee, promptly upon demand, all costs, including, without limitation, "late charges" payable under the Note, out-of-pocket expenses and reasonable attorneys' fees and expenses, to the fullest extent not prohibited by applicable law, and the costs of any environmental examination and analysis, title examination, supplemental examination of title or title insurance, that may be incurred by Mortgagee in connection with any proceedings affecting the Premises, or any part thereof, to cause the enforcement of the covenants or agreements of Mortgagor contained herein or in any of the other Loan Documents, or with or without the institution of an action or proceeding, or that may otherwise be incurred by Mortgagee in the performance of any other action by Mortgagee authorized by this Mortgage. All such costs, expenses and attorneys' fees and expenses, and any other moneys advanced by Mortgagee to protect the Premises shall, to the fullest extent not prohibited by applicable law, bear interest from the date of payment thereof at the Default Interest Rate until repaid by Mortgagor and shall be repaid by Mortgagor to Mortgagee immediately upon demand. Notwithstanding that the indebtedness secured hereby shall not have been declared due and payable upon any Event of Default, Mortgagor hereby agrees that if an Event of Default has occurred, pursuant to the terms hereof, Mortgagee shall be entitled to receive interest thereon at the Default Interest Rate, to be computed from the due date through actual receipt and collection of the amount then in default. The preceding sentence shall not be construed as an agreement or privilege to extend the time for performance of any obligation under the Mortgage or any of the other Loan Documents, nor as a waiver of any other right or remedy accruing to Mortgagee by reason of any such default.

23. Partial Release. Mortgagee, without notice, and without regard to any consideration paid therefor, and notwithstanding the existence at the time of any inferior liens thereon, shall have the right to release (a) any part of the security for the indebtedness secured hereby, including, without limitation, the interest under this Mortgage in and to any of the Premises, or (b) any person liable for any indebtedness secured hereby, without affecting the priority of any part of the security and the obligations of any person not expressly released, and shall have the right to agree with any party remaining liable for such indebtedness or having any interest therein to extend the time for payment of any part or all of the indebtedness secured hereby. Such agreement shall not in any way release or impair the lien hereof, but shall extend the lien hereof as against all parties having any interest in such security.

24. Non-Waiver. In the event Mortgagee (a) releases, as aforesaid, any part of such security or any person liable for any indebtedness secured hereby; (b) grants an extension of time for any payments of the indebtedness secured hereby; (c) takes other or additional security for the payment thereof; (d) accepts partial payments; or (e) otherwise exercises or waives or fails to exercise any right granted herein or in any of the other Loan Documents, no such act or omission shall constitute a waiver of any default, or extend or affect the grace period, if any, release Mortgagor, subsequent owners of the Premises or any part thereof, or makers or guarantors of the Note, this Mortgage, or any of the other Loan Documents, or preclude Mortgagee from exercising any right, power or privilege herein granted or intended to be granted for any Event of Default.

25. No Merger of Estates. There shall be no merger of the lien, security interest or other estate or interest created by this Mortgage with the fee estate in the Premises by reason that any such interest created by this Mortgage may be held, directly or indirectly, by or for the account of any person who shall own the fee estate or any other interest in the Premises. No such merger shall occur unless and until all persons at the time having such concurrent interests shall join in a written instrument effecting such merger, and such instrument shall be duly recorded.

26. Further Assurances. Upon request of Mortgagee, Mortgagor shall execute, acknowledge and deliver to Mortgagee, in form reasonably satisfactory to Mortgagee any supplemental mortgage,

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security agreement, financing statement, assignment of leases, rents, income and profits from the Premises, affidavit, continuation statement or certification as Mortgagee may request in order to protect, preserve, maintain, continue and extend the lien and security interest hereunder or the priority hereof. Mortgagor hereby irrevocably appoints Mortgagee its attorney-in-fact, coupled with an interest, and authorizes, directs and empowers such attorney, at its option, to execute, acknowledge and deliver on behalf of Mortgagor, its successors and assigns, any such documents if Mortgagor shall fail so to do within ten (10) days after request by Mortgagee. Notwithstanding the foregoing, Mortgagor shall in no event be required to take any action under this section as and to the extent the same would materially and adversely change any material obligation or material right of Mortgagor contained in this Agreement or in any of the other Loan Documents. Mortgagor shall pay to Mortgagee on demand all reasonable costs and expenses incurred by Mortgagee in connection with the preparation, execution, recording and filing of any such documents.

27. Application of Proceeds. Prior to the last scheduled payment under the Note which includes the payment of all outstanding principal, all payments made by Mortgagor under the Note, this Mortgage or any of the other Loan Documents and received by Mortgagee shall be applied by Mortgagee against interest on the indebtedness secured hereby until the occurrence of an Event of Default after which such payments shall be applied by Mortgagee to the following items and in such order as Mortgagee may determine in its sole discretion: (a) advances by Mortgagee for payment of taxes, assessments, insurance premiums and other costs and expenses, as set forth in this Mortgage, the Note or any of the other Loan Documents; (b) any amounts which may be overdue under the Note, this Mortgage or any of the other Loan Documents; (c) interest on the indebtedness secured hereby; and (d) outstanding principal under the Note.

28. Intentionally deleted.

29. Intentionally deleted.

30. Notices. Any notice, demand, request or other communication which any party hereto may be required or may desire to give hereunder shall be in writing and shall be deemed to have been properly given (i) if hand delivered, effective upon receipt, or (ii) if delivered by overnight courier service, effective on the day of receipt or refusal to accept receipt, as the case may be, (iii) if mailed by United States registered or certified mail, postage prepaid, return receipt requested, effective two (2) business days after deposit in the United States mails addressed, if to Mortgagor, to Mortgagor's address listed above, or if to Mortgagee, to Mortgagee's address listed above with copy to Palm Beach County, Florida, c/o County Attorney's Office, 301 N. Olive Avenue, Suite 601, West Palm Beach, FL 33401, Attn: Howard J. Falcon III, Chief Assistant County Attorney; or at such other address or to such other addressee as the party to be served with notice may have furnished in writing to the party seeking or desiring to serve notice as a place for the service of notice.

31. Loan Documents. The term "Loan Documents" as used herein collectively refers to (a) the Note, (b) this Mortgage, (c) the Loan Agreement, (d) the Guaranty Agreements, (e) Section 108 Loan Program Agreement; (f) any and all other documents and/or agreements evidencing, securing or relating to the Loan; and (g) any and all other documents and/or agreements evidencing, securing or relating to any other obligation of an Obligor or Obligors to the Mortgagee.

32. Survival and Conflicts. In the event of any inconsistency or conflict between any provisions of the Loan Documents and the U.S. Department of Housing and Urban Development documents evidencing the source of funds to Mortgagee (the "HUD Documents"), the provisions of the HUD Documents shall prevail and apply.

33. Anti-Forfeiture. Mortgagor hereby further expressly represents and warrants to Mortgagee that to the best of Mortgagor's knowledge there has not been committed by Mortgagor or any other person involved with the Premises or the Mortgagor any act or omission affording the federal government or any state or local government the right and/or remedy of forfeiture as against the Premises or any part thereof

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or any monies paid in performance of its obligations under the Note or under any of the other Loan Documents, and Mortgagor hereby covenants and agrees not to commit, permit or suffer to exist any act or omission affording such right and/or remedy of forfeiture. In furtherance thereof, Mortgagor hereby indemnifies Mortgagee and agrees to defend and hold Mortgagee harmless from and against any loss, damage or other injury, including without limitation, attorneys' fees and expenses, to the fullest extent not prohibited by applicable law, and all other costs and expenses incurred by Mortgagee in preserving its lien, security interest and other rights and interests in the Premises and any additional collateral under any of the Loan Documents in any proceeding or other governmental action asserting forfeiture thereof, by reason of, or in any manner resulting from, the breach of the covenants and agreements or the warranties and representations set forth in the preceding sentence. Without limiting the generality of the foregoing, the filing of formal charges or the commencement of proceedings against Mortgagor, Mortgagee, any guarantor, any additional collateral under any of the Loan Documents or all or any part of the Premises under any federal or state law in respect of which forfeiture of the Premises or any part thereof or of any monies paid in performance of Mortgagor's obligations under the Loan Documents is a potential result shall, at the election of the Mortgagee in its absolute discretion, constitute an Event of Default hereunder without notice or opportunity to cure.

34. Assignment of Leases and Rents.

a. Waiver Until Default. Unless and until an Event of Default shall have occurred and shall continue, or unless otherwise expressly agreed in writing, Assignor shall be entitled to receive, collect and enjoy the rents, issues and profits of the Premises and to exercise all of the rights of landlord, provided, however, that from and after the time of such an Event of Default and during the continuation thereof, Assignee shall, without application for the appointment of a receiver or other process of law, become immediately entitled to enter upon the Premises, to receive, collect and enjoy the rents, issues and profits due or to become due from the Premises and to exercise the rights hereinafter granted.

b. Collection of Rents. Subject to paragraph 34(a) above, the Assignee shall have the power and authority:

(i) to enter upon and take possession of the Premises and to demand, collect and receive from the tenants or other occupants now or at any time hereafter in possession of the Premises or of any part thereof, rents now due or to become due;

(ii) to endorse the name of the Assignor or of any subsequent owner of the Premises on any checks, notes or other instruments for the payment of money, to deposit the same in bank accounts, and to give any and all acquittances or any other instrument in relation thereto in the name of the Assignor or in the name of the Assignee;

(iii) to institute, prosecute, settle, or compromise any summary or legal proceedings for the recovery of such rents, profits, or for the recovery, in whole or in part of the Premises, either in its name or in the name of the Assignor;

(iv) to institute, prosecute, settle or compromise any other proceedings for the protection of the Premises, for the recovery of any damage to the Premises, or for the abatement of any nuisance thereon, either in its name or in the name of the Assignor; and

(v) to defend against any legal proceedings brought against the Assignor or against the then owners of the Premises arising out of the operation of the Premises.

c. Authority to Lease and Manage. Subject to paragraph 34(a) above, the Assignee shall have the power and authority:

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- (i) to lease, rent, and manage the Premises, or any part thereof;
- (ii) to employ an agent to lease, rent and manage the Premises whose compensation shall be paid out of the gross rents collected;
- (iii) to make any changes or improvements deemed necessary or expedient for the leasing or the renting of the Premises;
- (iv) to keep and maintain the Premises in good condition;
- (v) to purchase all equipment or supplies necessary or desirable in the operation and maintenance of the Premises;
- (vi) to pay for all utilities, maintenance, repairs, and other items relating to operating the Premises;
- (vii) to pay taxes, assessments, water and sewer rates, and meter charges due and unpaid or which may be due and payable;
- (viii) to pay the indebtedness herein described;
- (ix) to pay the premiums on all policies of insurance covering the Premises;
- (x) to comply with orders of any governmental departments having jurisdiction over the Premises;
- (xi) to remove any mechanics' liens, security interest, or other liens against the Premises; and
- (xii) in general, to pay all charges and expenses in the operation of the Premises.

d. Appointment of Attorney in Fact. Subject to paragraph 34(a) above, the Assignor shall execute such documents as Assignee may require Assignor to execute in order to effectuate the purposes of this Agreement, including, but not limited to, the execution of letters to all tenants advising them to forward all rents and income payments to Assignee (or the Assignee's designee), and Assignor further appoints Assignee as its attorney-in-fact, and authorizes it to execute, issue and deliver any notices or documents on behalf of Assignor to the tenants or occupants of the Premises or otherwise in order to effectuate the purposes of the assignment hereinabove set forth.

e. Payment of Expenses. Subject to paragraph 34(a) above, the Assignee shall have the authority to pay the cost of all the matters herein mentioned out of the rents and other revenues received from the Premises and the cost of any such expenditures and of any payment which may be made by the Assignee under any of the provisions of this Agreement, shall be deemed secured by the Mortgage herein made and provided or other mortgages held by Assignee against the Premises and/or other real property of the Mortgagor and such costs may be retained by the Assignee out of the rents of the Premises.

f. Liability of Assignee. The Assignee shall in no way be liable for any act done or anything omitted by it in furtherance of or arising under this Agreement except to the extent caused by the gross negligence, willful misconduct, or illegal act of Assignee. Nothing herein contained shall be construed to prejudice any right the Assignee may now have, or which may arise in the future by reason of the default of the Assignor:

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(i) to institute or to prosecute any proceedings to foreclose the Mortgage herein made and provided, or any other mortgages held by Assignee against the Premises and/or other real property of the Mortgagor; or

(ii) to enforce any lien of the Assignee on any other collateral given by the Assignor to secure repayment of the Debt or given by the Assignor to secure any other obligation of the Assignor with the Assignee.

g. Transfer of Leases: Subject to paragraph 34(a) above, the Assignor hereby assigns, transfers, and sets over to the Assignee all leases and sub-leases made to the various tenants in the Improvements, and all of Assignor's right, title and interest therein as collateral for the Debt. In connection with such assignment Assignor hereby authorizes and empowers Assignee to continue present leases, or to lease any one or more apartments, offices or rental space therein upon such terms and conditions as the Assignee may deem just and proper, and, if necessary, to execute, acknowledge and deliver any and all instruments in writing necessary to effectuate the purpose of this Agreement. The Assignee shall have full power and authority to do and perform all acts or things necessary to be done in and about the Premises, as fully and to all intents and purposes as the Assignor might or could do if present, with full power of substitution and revocation, hereby ratifying and confirming all that the Assignee shall lawfully do or cause to be done by virtue hereof.

h. Modification of Leases: The Assignor hereby agrees that it will not cancel, modify or surrender any lease with a term in excess of one year now existing in respect to any portion of the Real Estate, nor reduce any rents, or change, modify or waive any existing lease, nor accept any prepayment of rent in excess of one month without providing Assignee with written notice thereof.

i. Failure to Repair: It is understood and agreed that the Assignee shall in no way be responsible or liable for any failure or refusal to make repairs to the Premises. The Assignee shall in no way be responsible personally for any debt incurred in respect to the Premises.

j. Rights of Assignee in Collateral: It is understood and agreed by the parties that this Assignment shall in no manner prejudice the Assignee or estop the Assignee in any way in the exercise of its rights as Mortgagee under the Mortgage herein made and provided, as the plaintiff in any foreclosure action, or in connection with the exercise of its rights in any other collateral which may now or hereafter be held by the Assignee to secure the Debt or which may otherwise be held by the Assignee. This Assignment shall at all times be subject to the exercise of any of such rights which the Assignee may have through any proceedings which the Assignee may be entitled to take in connection with the Premises or other collateral.

35. Miscellaneous. The Premises is located in the State of Florida, and this Mortgage and the rights and indebtedness secured hereby shall, without regard to the place of contract or payment, be construed and enforced according to the laws of Florida. Nothing herein contained nor any transaction related hereto shall be construed or so operate as to require Mortgagor to do any act contrary to law, and if any clauses or provisions herein contained operate or would prospectively operate to invalidate this Mortgage, in whole or in part, or any of the Mortgagor's obligations hereunder, such clauses and provisions only shall be held void and of no force or effect as though not herein contained, and the remainder of this Mortgage shall remain operative and in full force and effect. All of the obligations, rights and covenants herein contained shall run with the land, and shall bind and inure to the benefit of Mortgagor, its successors and permitted assigns, and Mortgagee and any subsequent holder of the Note. Whenever used, the singular number shall include the plural and the plural numbers shall include the singular, and the use of any gender shall include all genders, all as the context may reasonably require.

MORTGAGOR HEREBY, AND MORTGAGEE BY ITS ACCEPTANCE HEREOF, EACH WAIVES THE RIGHT OF A JURY TRIAL IN EACH AND EVERY ACTION ON THIS

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MORTGAGE OR ANY OF THE OTHER LOAN DOCUMENTS, IT BEING ACKNOWLEDGED AND AGREED THAT ANY ISSUES OF FACT IN ANY SUCH ACTION ARE MORE APPROPRIATELY DETERMINED BY A JUDGE SITTING WITHOUT A JURY.

36. Offsets, Counterclaims and Defenses. Any assignee of this Mortgage, the Note or any other Loan Document shall take the same free and clear of all offsets, counterclaims or defenses of any nature whatsoever which Mortgagor may have against any assignor of this Mortgage, the Note or any other Loan Document and the Debt, other than as required by law, and no such offset, counterclaim or defense shall be interposed or asserted by Mortgagor in any action or proceeding brought by any such assignee upon this Mortgage, the Note or any other Loan Document and/or the Debt and any such right to interpose or assert any such offset, counterclaim or defense in any such action or proceeding is hereby expressly waived by Mortgagor to the extent Mortgagor may bring a separate action for such offset, counter claim or defense.

37. Prepayment After Event of Default. If an Event of Default shall occur under this Mortgage and if by reason thereof Mortgagee elects to declare the entire principal balance hereof to be immediately due and payable, or if an action is commenced for the foreclosure of this Mortgage, then in such event the prepayment consideration in the Note provided for shall become due and payable on the date of such election in the same manner as though Mortgagor had exercised such right of prepayment as herein set forth. If any such event occurs prior to the earliest date upon which Mortgagor has a right of prepayment, then in such event the prepayment consideration applicable upon the earliest date on which Mortgagor had such right of prepayment shall apply and Mortgagor also shall pay to Mortgagee a sum equal to interest which would have accrued on the principal balance of the Debt at the rate specified in the Note from the date of payment to the end of the period during which prepayment is prohibited. The amount of such prepayment consideration computed on the principal balance as of the date aforesaid, shall be added to and secured by this Mortgage and shall be recoverable by the Mortgagee in the same manner as the principal balance hereof and in addition thereto, in any action brought for the foreclosure of this Mortgage.

PROVIDED, THAT THE CONDITION OF THIS MORTGAGE IS SUCH that if Mortgagor shall pay all of the indebtedness secured hereby, then thereupon this Mortgage shall be released of record by Mortgagee, at the cost and expense of Mortgagor, and thereafter the Mortgage shall be void. The foregoing shall not affect the covenants, agreements, indemnifications and warranties in this Mortgage which expressly survive the release hereof, which shall remain in full force and effect.

38. Patriot Act. Mortgagor hereby represents and warrants to Mortgagee that neither Mortgagor nor any of its officers, directors, shareholders, partners, members or affiliates (including the indirect holders of equity interests in Mortgagor) is or will be an entity or person: (1) that is listed in the Annex to, or is otherwise subject to the provisions of Executive Order 13224 issued on September 24, 2001 ("EO13224"); (ii) whose name appears on the United States Treasury Department's Office of Foreign Assets Control ("OFAC") most current list of "Specifically Designated National and Blocked Persons (which list may be published from time to time in various mediums including, but not limited to, the OFAC website); (iii) who commits, threatens to commit or supports "terrorism", as is defined in EO 13223; or (iv) who is otherwise affiliated with any entity or person listed above (any and all parties or persons described in clauses (i)-(iv) above are herein referred to as "Prohibited Persons"). Mortgagor covenants and agrees that neither Mortgagor nor any of its officers, directors, shareholders, partners, members or affiliates (including the indirect holders of equity interests in Mortgagor) will: (i) conduct any business, nor engage in any transaction or dealing, with any Prohibited Person, including, but not limited to, the making or receiving of any contribution of funds, goods, or services, to or for the benefit of a Prohibited Person; or (ii) engage in or conspire to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in EO 13224. Mortgagor further covenants and agrees to deliver (from time to time) to Mortgagee any such certification or other evidence as may be requested by Mortgagee in its sole and absolute discretion, confirming that: (i) neither Mortgagor nor its officers, directors, shareholders, partners, members or affiliates (including the indirect holders of

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equity interests in Mortgagor) is a Prohibited Person; and (ii) neither Mortgagor nor its officers, directors, shareholders, partners, members or affiliates (including the indirect holders of equity interests in Mortgagor) has engaged in any business, transaction or dealings with a Prohibited Person, including, but not limited to, the making or receiving of any contribution of funds, goods, or services, to or for the benefit of a Prohibited Person.

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IN WITNESS WHEREOF, the parties hereto have caused this Mortgage Agreement with Assignment of Leases and Rents to be duly executed and delivered as of the date first above written.

WITNESSES:

MORTGAGOR:

Maria E. Vidal
Print name: Maria Vidal
Address: 100 Australian Ave, 5th Floor
West Palm Beach, FL 33406

MICHEL INVEST LLC, a Florida limited liability company

Amanda Hughes
Print name: Amanda Hughes
Address: 100 Australian Ave, 5th Floor
West Palm Beach, FL 33406

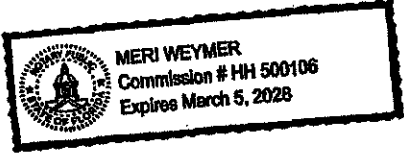
Pierre Michel, as Manager

STATE OF FLORIDA)
COUNTY OF PALM BEACH) ss:

The foregoing instrument was acknowledged before me by means of ☒ physical presence or ☐ online notarization this 11th day of March, 2025 by Pierre Michel, as Manager of Michel Invest LLC, a Florida limited liability company, ☒ who is personally known to me or ☐ who has produced n/a as identification.

My Commission Expires:

Meri Weymer
Notary Public
Print name: Meri Weymer



MORTGAGEE:

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

By: Its Board of County Commissioners

By: Jonathan B. Brown
Jonathan B. Brown, Director
Department of Housing and Economic Development

Approved as to Form and Legal Sufficiency:

By: /s/ David Behar
David Behar
Assistant County Attorney

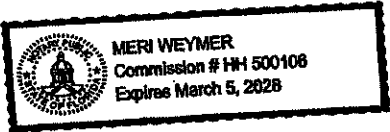
Approved as to Terms and Conditions:

By: Sherry Howard
Sherry Howard, Deputy Director
Department of Housing and Economic Development

STATE OF FLORIDA)
COUNTY OF PALM BEACH) ss:

The foregoing instrument was acknowledged before me by means of ☒ physical presence or ☐ online notarization this 11th day of March, 2025 by Jonathan B. Brown, as Director of the Department of Housing and Economic Development of Palm Beach County, Florida a political subdivision, ☒ who is personally known to me or ☐ who has produced N/A as identification.

My Commission Expires:



Notary Public Meri Weymer
Print name: Meri Weymer

EXHIBIT "A"

Legal Description

Parcel 1

Lots 17, 18, 19, 20, 21, 22, 23, 24, 25 and 26, Block 48, KELSEY CITY (n/k/a Lake Park), according to the Plat thereof, as recorded in Plat Book 8, Page 27, Public Records of Palm Beach County, Florida.

Parcel 2

Lots 27, 28, and 29, Block 48, KELSEY CITY (n/k/a Lake Park), according to the Plat thereof, as recorded in Plat Book 8, Page 27, Public Records of Palm Beach County, Florida.

Parcel 3

Lots 30, 31, and 32, Block 48, KELSEY CITY (n/k/a Lake Park), according to the Plat thereof, as recorded in Plat Book 8, Page 27, Public Records of Palm Beach County, Florida.

WHEN RECORDED MAIL TO:
Palm Beach County, Florida
Department of Housing and Economic Development
100 Australian Avenue, Suite 500
West Palm Beach, Florida 33406
Attn: Business Division
(561) 355-3624

MORTGAGE AGREEMENT

(With Assignment of Leases and Rents – 101 10th Street, Lake Park, Florida 33463, 829 Silver Beach Road, Lake Park, Florida 33463, 823 Silver Beach Road, Lake Park, Florida 33463)
Maximum Principal Indebtedness Not To Exceed \$200,000.00

THIS MORTGAGE AGREEMENT WITH ASSIGNMENT OF LEASES AND RENTS (hereinafter referred to as the “Agreement” or the “Mortgage”) made as of this 11th day of March 2025 by **Michel Invest LLC, a Florida limited liability company** (the “Mortgagor” or the “Assignor” as the context so requires) having a business address of 101 10th Street, Lake Park, Florida 33463; in favor of **PALM BEACH COUNTY**, a political subdivision of the State of Florida, with an office at Department of Housing and Economic Development, 100 Australian Avenue, Suite 500, West Palm Beach, Florida 33406 (the “Mortgagee” or the “Assignee” as the context so requires).

WITNESSETH:

WHEREAS, Mortgagor is the owner in fee simple of certain real property located in the County of Palm Beach, State of Florida, as further described in Exhibit “A” attached hereto and made a part hereof (the “Premises”);

WHEREAS, MORTGAGOR has applied to Mortgagee for a certain U.S. Department of Housing and Urban Development (“HUD”) Section 108 loan (the “Loan”) in the principal amount of **TWO HUNDRED THOUSAND AND 00/100 DOLLARS (\$200,000.00)** (the “Loan Amount”) and, in accordance with a Loan Agreement dated of even date herewith (the “Loan Agreement”), Mortgagor has executed and delivered a certain Section 108 Promissory Note of even date herewith, in the principal sum of the Loan Amount made payable to the order of Mortgagee (the “Note”);

WHEREAS, Mortgagor is required to execute and deliver this Mortgage as a covenant and condition to **MORTGAGOR** obtaining the Loan, and Mortgagor agrees that it is in the best interests of Mortgagee to execute and deliver this Mortgage.

NOW, THEREFORE, in order to secure the payment of an indebtedness secured by the Loan, together with all interest thereon, and all other sums, advances, expenses and charges that may or shall become due hereunder or under the Note or any of the other agreements between the Mortgagor and the Mortgagee relating to the Loan (the “Debt”), Mortgagor does hereby grant, assign, convey, mortgage, pledge and grant a security interest to Mortgagee, its successors and assigns, the Premises, and all of Mortgagor's estate, right, title and interest therein and Mortgagor hereby waives all right of homestead exemption (if any) in the Mortgaged Property.

;

TOGETHER with all right, title and interest of Mortgagor, including any after-acquired title or reversion, in and to the ways, easements, streets, alleys, passages, water, water courses, riparian rights, oil, gas and other mineral rights, gaps, gores, rights, hereditaments, liberties and privileges thereof, if any, and in any way appertaining to the Premises;

TOGETHER with any and all warranty claims, maintenance contracts and other contract rights, instruments, documents, chattel papers and general intangibles with respect to or arising from the Premises, and all cash and non-cash proceeds and products thereof; and

TOGETHER with all proceeds of and any unearned premiums on any insurance policies covering the Premises, including without limitation the right to receive and apply the proceeds of any insurance, judgments or settlements made in lieu thereof, for damage to the Premises; and

TOGETHER with all awards and other compensation heretofore or hereafter to be made to the present and all subsequent owners of the Premises for any taking by eminent domain, either permanent or temporary (a "Taking"), of all or any part of the Premises or any easement or other appurtenance thereof, including severance and consequential damage and change in grade of streets (collectively, "Taking Proceeds"), and any and all refunds of impositions or other charges relating to the Premises or the indebtedness secured by this Mortgage.

TO HAVE AND TO HOLD, all and singular, the Premises, whether now owned or held or hereafter acquired by Mortgagor, with the appurtenances thereunto belonging, unto Mortgagee, its successors and assigns, forever. Mortgagor does hereby warrant to Mortgagee, its successors and assigns, that Mortgagor has good and indefeasible estate in fee simple, and has good right to mortgage, assign and grant a security interest in the Premises in manner and form as above written; that title to the Premises is free and clear of all defects, liens and encumbrances except for real estate taxes and assessments and rights of way, easements, and other instruments of record and all existing leases approved by the Mortgagee in writing (the "Permitted Exceptions") and that Mortgagor will warrant and defend the Premises, with the appurtenances thereunto belonging to Mortgagee, its successors and assigns, forever, against all liens, security interests, encumbrances, defects, claims and demands whatsoever.

Mortgagor has executed and delivered this Mortgage to secure the following:

A. Payment of principal, interest and all other charges under the Note, as the same may be amended, extended, supplemented, modified and/or renewed, and all replacements and substitutions therefor, together with interest thereon at a rate or rates which may vary from time to time as specified in the Note, with principal and interest payable in accordance with the terms of the Note, and all accrued but unpaid interest and the entire unpaid principal amount being due and payable, in accordance with the terms of the Note;

B. Payment of any and all amounts or charges required to be paid pursuant to this Mortgage or any of the other Loan Documents (as hereinafter defined);

C. Payment to Mortgagee of all sums expended or advanced by Mortgagee pursuant to this Mortgage or any of the other Loan Documents;

D. Payment of any and all amounts advanced by Mortgagee with respect to the Premises for the payment of taxes, assessments, insurance premiums or costs incurred in the protection of the Premises;

E. Performance and observance of each covenant and agreement of Mortgagor contained herein or in any of the other Loan Documents; and

F. Payment to Mortgagee of any and all other liabilities and indebtedness of Mortgagor to Mortgagee in connection with the Loan, direct or contingent, now or hereafter owing to Mortgagee, other than as provided in subparagraphs (a) through (e) above.

PROVIDED, HOWEVER, that if Mortgagor shall pay or cause to be paid to Mortgagee the principal, interest and all other charges under the Note on or before the date on which the outstanding principal balance of the Note is due and payable in full in accordance with the terms of the Note, and in the manner stipulated therein and herein, all without deduction or credit for taxes or other charges paid by Mortgagor, and if Mortgagor shall have kept, performed and observed all of the covenants and conditions contained in this Mortgage and all of the other Loan Documents, then this Mortgage shall cease, determine and be void, but otherwise shall remain in full force and effect.

Mortgagor further covenants and agrees as follows:

1. Payment of Indebtedness. Mortgagor shall pay promptly the indebtedness evidenced by the Note at the time and in the manner provided herein and in the Note, and all other sums and charges payable when due by Mortgagor pursuant to the Note, this Mortgage and any of the other Loan Documents.

2. Tax and Insurance Escrows. Mortgagor shall timely pay all real estate taxes, general and special assessments and premiums for insurance required hereunder. Upon a default hereunder or under any of the Loan Documents, Mortgagee may require a deposit by Mortgagor of the sums described herein by notice to Mortgagor (i) for so long as a default in the obligations of Mortgagor or any other person under this Mortgage or any of the Loan Documents continues, or (ii) if Mortgagor fails to deliver to Mortgagee upon request therefor proof of payment of the sums described herein no later than five (5) days prior to the last day for payment of such sums without penalty or interest, such proof being in form satisfactory to Mortgagee in Mortgagee's sole and absolute discretion.

3. Protection Against Charges. Except for the Permitted Exceptions, Mortgagor shall keep the Premises free from liens of every kind, except only for real estate taxes and general and special assessments which are not yet due and payable, and special taxes, if any, as provided in Paragraph 7 hereof, and shall pay, before delinquency and before any penalty for non-payment attaches thereto, all taxes, assessments, and other governmental or municipal or public dues, charges, fines or impositions which are or hereafter may be levied against the Premises or any part thereof.

4. Insurance and Casualty Damage.

a. Mortgagor shall keep, or cause to be kept, all of the following insurance policies with respect to the Premises in companies, forms, amounts and coverage reasonably satisfactory to Mortgagee satisfactory in its reasonable discretion, containing waiver of subrogation and standard Florida mortgagee endorsements in favor of Mortgagee and providing for thirty (30) days' written notice to Mortgagee in advance of cancellation of said policies for non-payment of premiums or any other reason or for material modification of said policies, and ten (10) days' written notice to Mortgagee in advance of payment of any insurance claims under said policies to any person:

(i) Insurance against loss or damage by fire and such other hazards, casualties and contingencies (including, without, limitation, so-called all risk coverages) as Mortgagee reasonably may require, in an amount equal to the greater of (1) the Loan Amount, or (2) the replacement cost of the Premises, with a replacement cost endorsement and in such amounts so as to avoid the operation of any coinsurance clause, for such periods and otherwise as Mortgagee reasonably may require from time to time.

(ii) Commercial general liability insurance, including, without limitation, so-called assumed and contractual liability coverage and claims for bodily injury, death or property damage, naming Mortgagee as an additional insured, in such amounts as Mortgagee reasonably may from time to time require.

(iii) Following completion of any Improvements, insurance against business interruption, rent loss or abatement of rent, covering payment of rent and like charges from the Premises

over a term of not less than twelve (12) months, in an amount at least equal to the aggregate annual amount payable from time to time under the Note.

(iv) If the Premises is located in a flood hazard zone as designated pursuant to the Flood Disaster Protection Act of 1973, the Mortgagor will maintain flood insurance for the Loan Amount or the maximum amount of flood insurance satisfactory to Mortgagee.

Mortgagor shall deliver renewal certificates of all insurance required above, together with written evidence of full payment of the annual premiums therefor at least thirty (30) days prior to the expiration of the existing insurance. Any such insurance may be provided under so-called "blanket" policies, so long as the amounts and coverages thereunder will, in Mortgagee's sole judgment, provide protection equivalent to that provided under a single policy meeting the requirements hereinabove. All policies of insurance shall be issued by a financially sound and generally recognized insurer lawfully doing business in the State of Florida and acceptable to Mortgagee having an A.M. Best Company rating of A-VIII or better. If at any time, Mortgagee is not in receipt of written evidence that all insurance required hereunder is in full force and effect, Mortgagee shall have the right with reasonable notice to Mortgagor to take such action as Mortgagee deems reasonably necessary to protect its interest in the Premises, including without limitation, the obtaining of such insurance coverage as Mortgagee in Mortgagee's reasonable discretion deems appropriate, and all reasonable expenses incurred by Mortgagee in connection with such action or in obtaining such insurance and keeping it in effect shall be paid by Mortgagor to Mortgagee upon demand.

b. Notice. In case of any material damage or destruction of the Premises, or any part thereof, or any interest therein or right accruing thereto, Mortgagor shall promptly give to Mortgagee written notice generally describing the nature and extent of such damage or destruction which has resulted or which may result therefrom. Mortgagee may appear in any such proceedings and negotiations and Mortgagor shall promptly deliver to Mortgagee copies of all notices and pleadings in any such proceedings. Mortgagor will in good faith, file and prosecute all claims necessary for any award or payment resulting from such damage or destruction. All reasonable costs and expenses incurred by Mortgagee in exercising its rights under this section shall constitute indebtedness secured by this Mortgage.

c. Application of Insurance Proceeds. Upon occurrence of any loss or damage to all or any portion of the Premises resulting from fire, vandalism, malicious mischief or any other casualty or physical harm (a "Casualty") in excess of \$50,000.00, Mortgagee may elect, subject to the provisions set forth below, to collect, retain and apply as a Loan prepayment all proceeds (the "Proceeds") of any insurance policies collected or claimed as a result of such Casualty after deduction of all expenses of collection and settlement, including attorney's and adjusters' fees and charges. Mortgagor hereby authorizes, Mortgagee, at Mortgagee's option, to collect, adjust and compromise any losses in excess of \$50,000.00 under any insurance with respect to the Premises which is kept, or caused to be kept, by Mortgagor, and hereby irrevocably appoints Mortgagee as its attorney-in-fact, coupled with an interest, for such purposes. Any Proceeds remaining after payment in full of the Loan and all other sums due Mortgagee hereunder shall be paid by Mortgagee to Mortgagor without any allowance for interest thereon.

In the event such Proceeds as applied above, would not fully discharge the Loan, then Mortgagor shall deposit with Mortgagee cash, letters of credit, surety bonds or equivalent assurances of the availability of funds with which to pay for the restoration or rebuilding of the Premises. Such letters of credit, surety bonds or equivalent assurances shall in all respects be in form, substance, execution and sufficiency acceptable to Mortgagee in its reasonable discretion. Mortgagor shall promptly proceed with restoration of the Premises resulting from any such Casualty.

If the Mortgagee shall receive and retain insurance proceeds, the lien of this Mortgage shall be reduced only by the amount thereof received and retained by Mortgagee and actually applied by Mortgagee in reduction of the Loan.

5. Maintenance of Improvements.

a. Except for the construction or replacement of existing Improvements, none of the Improvements shall be structurally or otherwise materially altered, removed or demolished, nor on, in or about the Premises be severed, removed, sold, mortgaged or otherwise encumbered, without the prior written consent of Mortgagee in each case, which is not to be unreasonably withheld, conditioned or delayed; except, however, that Mortgagor shall have the right, without such consent, to remove and dispose of, free from the lien of this Mortgage such Improvements as from time to time may become worn out or obsolete, provided that simultaneously with or prior to such removal, such Improvements shall be replaced with other new Improvements of like kind and quality, and by such removal, the Mortgagor shall be deemed to have subjected the replacement Improvements to the lien of this Mortgage. Any Improvements which are demolished or destroyed in whole or in part shall be replaced promptly by similar Improvements of comparable quality, condition and value as those demolished or destroyed, thereupon becoming part of the Premises free from any other lien or security interest or encumbrance on or reservation of title to such property. Mortgagor shall not permit, commit or suffer any waste or impairment of the Premises or any part thereof, deterioration of the Premises or any part thereof (reasonable wear and tear excepted), and shall keep and maintain (or cause to be kept and maintained) the same in good repair and condition. Mortgagor shall make (or cause to be made) all necessary and proper repairs and replacements so that all components of the Premises will, at all times, be in good condition, fit and proper for the respective purposes for which they were erected or installed, other than for matters of health and safety prior to the demolition thereof.

b. Mortgagor hereby grants to Mortgagee and its agents the right in their reasonable discretion and upon reasonable prior notice, but Mortgagee shall have no obligation, to enter upon the Premises at any time for the purpose of inspecting and appraising the Premises and conducting tests and surveys thereof. In the event that Mortgagor shall fail fully to comply with any of the requirements of this Paragraph 5, without prejudice to any other right or remedy that may be available to Mortgagee in such event, Mortgagee shall have the right to recover, as damages for such failure, an amount equivalent to the cost required to restore the Premises to the condition hereby required.

c. Mortgagor hereby covenants and agrees to comply with, and to cause all occupants of all or any portion of the Premises to comply with, all applicable zoning, building, use and environmental restrictions and all laws, rules, statutes, ordinances, regulations, orders and requirements, including, without limitation, environmental matters and notices of violation of all governmental authorities having jurisdiction over the Premises or the maintenance, use and operation thereof, and all applicable restrictions, agreements and requirements, whether or not of record (collectively, "Laws"). Mortgagor will deliver to Mortgagee within ten (10) days after receipt thereof any additional permits or renewals, issued and approved or disapproved with respect to the Premises. Except to the extent resulting from Mortgagee's acts or omissions after taking possession of the Premises, Mortgagor hereby indemnifies Mortgagee and its officers, directors, shareholders, employees, agents and partners and their respective heirs, successors and assigns (collectively, "Indemnified Parties") and agrees to defend and hold the Indemnified Parties harmless from and against any and all claims, demands, loss, cost, damage, liability or expense incurred or suffered by the Indemnified Parties arising from any failure of the Premises to comply with Laws, or from any failure of Mortgagor to obtain, maintain or renew, or to have obtained, maintained or renewed, any permit or approval required with respect to the Premises, unless such failure results from the illegal act, gross negligence, or willful misconduct of an Indemnified Party. The foregoing indemnification and agreement shall survive the release of this Mortgage and the payment or other satisfaction of the indebtedness secured hereby.

Upon any default by the Mortgagor in satisfying its obligations under this paragraph 5 after thirty (30) days prior written notice from Mortgagee, Mortgagee at its option may put the Premises into reasonable condition and repair, and all sums paid by Mortgagee for such purposes shall, together with interest thereon, be added to the amount secured hereunder and be payable on demand, provided, however,

if such default cannot reasonably be cured within said 30 day period, and Mortgagor promptly commences such cure within the 30 day period, then within such additional period during which Mortgagor diligently pursues and prosecutes such cure to completion, such default shall not be deemed to be an Event of Default and Mortgagee shall not have the option to put the Premises into reasonable repair and condition. Mortgagor will not, without obtaining the prior written consent of the Mortgagee (not to be unreasonably withheld, conditioned, or delayed), initiate, join in or consent to any private restrictive covenant, zoning ordinance, or other public or private restrictions, limiting or defining the uses that may be made of the Premises or any part thereof, except that Mortgagor may grant to tenants of the Premises exclusive use clauses in their respective leases.

6. Hazardous Materials and Wetlands.

a. Without limiting the generality of any provision herein or in any of the Loan Documents, Mortgagor hereby represents and warrants to Mortgagee that neither Mortgagor nor, to the best knowledge and belief of Mortgagor, any previous owner or user of the Premises, has used, generated, stored or disposed of in violation of Environmental Law (as defined below) in, on, under, around or above the Premises, any Regulated Material (defined herein as flammable explosives, radioactive materials, solid waste, hazardous substances, hazardous waste, hazardous materials, asbestos containing materials, petroleum or any fraction thereof, pollutants, irritants, contaminants, toxic substances, or any other materials respectively defined as such in, or regulated by, any applicable Environmental Law (as hereinafter defined), that, to the best knowledge and belief of Mortgagor, the Premises is not currently in violation of any Environmental Law (defined herein as any federal, state or local law, regulation or ordinance, as each may be validly interpreted and applied by the appropriate governmental entity, governing any Regulated Material for the protection of human health, safety or the environment, including but not limited to the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986 and the Emergency Planning and Community Right-to-Know Act of 1986, the Resource Conservation and Recovery Act, the Toxic Substances Control Act, the Clean Air Act, the Federal Water Pollution Control Act, the Safe Drinking Water Act and the Oil Pollution Act of 1990). Mortgagor shall keep and maintain, and shall cause all tenants and any other persons present on or occupying the Premises ("Tenants"), employees, agents, contractors and subcontractors of Mortgagor and Tenants, to keep and maintain the Premises, including, without limitation, the soil and ground water thereof, in compliance with, and not cause or knowingly permit the Premises, including the soil and ground water thereof, to be in violation of any federal, state or local laws, ordinances or regulations relating to industrial hygiene or to the environmental conditions thereon (including but not limited to any Environmental Law). Neither Mortgagor nor Tenants nor any employees, agents, contractors and subcontractors of Mortgagor or Tenants or any other persons occupying or present on the Premises shall (i) use, generate, manufacture, store or dispose of in violation of Environmental Law on, under or about the Premises or transport to or from the Premises any Regulated Material, except as such may be required to be used, stored, or transported in connection with the permitted uses of the Premises and then only to the extent permitted by law after obtaining all necessary permits and licenses therefor; or (ii) perform, cause to be performed or permit any fill activities or other acts which would in any way destroy, eliminate, alter, obstruct, interfere with, or otherwise affect any Wetlands, as defined in 33 C.F.R. Section 328.3 and in any comparable state and local law, statute, ordinances, rule or regulation ("Wetlands"), in violation of any federal, state or local laws, statutes, ordinances, rules or regulations pertaining to such Wetlands ("Wetlands Law").

b. Mortgagor further represents and warrants to Mortgagee that to the best of its knowledge, except as otherwise stated in the environmental report delivered to Lender in connection with the Loan:

(i) Underground storage tanks are not and have not been located on the Premises.

(ii) All permits required under any applicable Environmental Law applicable to the Premises have been obtained and are in full force and effect.

(iii) No event has occurred with respect to the Premises which, with the passage of time or the giving of notice, or both, would constitute a violation of any applicable Environmental Law or non-compliance with any Environmental Permit.

(iv) There are no agreements, consent orders, decrees, judgments, license or permit conditions or other orders or directives of any federal, state or local court, governmental agency or authority relating to the past, present or future ownership, use, operation, sale, transfer or conveyance of the Premises which require any change in the present condition of the Premises or any work, repairs, construction, containment, clean up, investigations, studies, removal or other remedial action or capital expenditures with respect to the Premises.

(v) There are no actions, suits, claims or proceedings, pending or threatened, which could cause the incurrence of expenses or costs of any name or description or which seek money damages, injunctive relief, remedial action or any other remedy that arise out of, relate to or result from (i) a violation or alleged violation with respect to the Premises or Mortgagor of any applicable Environmental Law or non-compliance or alleged non-compliance with any Environmental Permit, (ii) the presence of any Regulated Material or a Release or the threat of a Release of any Regulated Material on, at or from the Premises or any property adjacent to or within the immediate vicinity of the Premises or (iii) human exposure to any Regulated Material, noises, vibrations or nuisances of whatever kind to the extent the same arise from the condition of the Premises or the ownership, use, operation, sale, transfer or conveyance thereof.

c. Mortgagor shall immediately advise Mortgagee in writing of: (i) any notices (whether such notices are received from the Environmental Protection Agency, or any other federal, state or local governmental agency or regional office thereof) of violation or potential violation which are received by Mortgagor of any applicable federal, state or local laws, ordinances, or regulations relating to any Environmental Law or any Wetlands Law; (ii) any and all enforcement, cleanup, removal or other governmental or regulatory actions instituted, completed or threatened against the Mortgagor or the Mortgage Property pursuant to any Environmental Law or Wetlands Law; (iii) all claims made or threatened by any third party against Mortgagor or the Premises relating to damage, contribution, cost recovery compensation, loss or injury resulting from any Environmental Law or Wetlands Law (the matters set forth in clauses (i), (ii) and (iii) above are hereinafter referred to as “Environmental or Wetlands Claims”); and (iv) discovery by Mortgagor of any occurrence or condition on any real property adjoining or in the vicinity of the Premises that could cause the Premises or any part thereof to be classified as in violation of any Environmental Law or Wetlands Law or any regulation adopted in accordance therewith, or to be otherwise subject to any restrictions on the ownership, occupancy, transferability or use of the Premises under any Environmental Law or Wetlands Law.

d. Mortgagee shall have the right but not the obligation to join and participate in, as a party if it so elects, any legal proceedings or actions initiated in connection with any Environmental or Wetlands Claims, and to have its reasonable attorneys’ and consultants’ fees in connection therewith paid by Mortgagor upon demand.

e. Except to the extent resulting from Mortgagee’s acts or omissions after taking possession of the Premises, Mortgagor shall be solely responsible for, and each hereby jointly and severally indemnifies and agrees to defend and hold harmless Mortgagee, its directors, officers, employees, agents, successors and assigns and any other person or entity claiming by, through, or under Mortgagee, from and against, any loss, damage, cost, expense or liability directly or indirectly arising out of or attributable to the use, generation, storage, release, threatened release, discharge, disposal, or presence (whether prior to or

during the term of the loan secured by this Mortgage) of Regulated Materials on, under or about the Premises (whether by Mortgagor or a predecessor in title or any Tenants, employees, agents, contractors or subcontractors of Mortgagor or any predecessor in title or any third persons at any time occupying or present on the Premises), including, without limitation: (i) the cost of any required or necessary repair, cleanup or detoxification of the Premises, including the soil and ground water thereof, and the preparation and implementation of any closure, remedial or other required plans; (ii) damage to any Wetlands or natural resources; and (iii) all reasonable costs and expenses incurred by Mortgagee in connection with clauses (i) and (ii) including but not limited to reasonable attorneys' and consultants' fees; provided, however, that nothing contained in this paragraph shall be deemed to create or give any rights to any person other than Mortgagee and its successors and assigns, it being intended that there shall be no third party beneficiary of such provisions, or preclude Mortgagor from seeking indemnification from, or otherwise proceeding against, any third party including, without limitation, any tenant or predecessor in title to the Premises.

f. Any reasonable costs or expenses reasonably incurred by Mortgagee for which Mortgagor is responsible or for which Mortgagor has indemnified Mortgagee shall be paid to Mortgagee on demand, and failing prompt reimbursement, shall earn interest at the Default Interest Rate set forth in the Loan Documents.

g. Mortgagor shall take any and all remedial action in response to the presence of any Regulated Materials or Wetlands on, under, or about the Premises, required pursuant to any settlement agreement, consent decree or other governmental proceeding; furthermore, Mortgagor shall take such additional steps as may be necessary to preserve the value of Mortgagee's security under the Loan Documents.

h. Upon Mortgagee's request, based upon a reasonable belief by Mortgagee of a change in the status of the Premises concerning Regulated Material, Mortgagor shall retain, at Mortgagor's sole cost and expense, a licensed geologist, industrial hygienist or an environmental consultant (referred to hereinafter as the "Consultant") acceptable to Mortgagee to conduct a baseline investigation of the Premises for the presence of Regulated Materials or Wetlands ("Environmental Audit"). The Environmental Audit shall be performed in a manner reasonably calculated to discover the presence of Regulated Materials contamination or Wetlands; provided, however, such investigation shall be of a scope and intensity no greater than a baseline investigation conducted in accordance with the general standards of persons providing such services taking into consideration the known uses of the Premises and Premises in the vicinity of the Premises and any factors unique to the Premises. The Consultant shall concurrently deliver the results of its investigation in writing directly to Mortgagor and Mortgagee. Such results shall be kept confidential by both Mortgagor and Mortgagee unless legally compelled or required to disclose such results or disclosure is reasonably required in order to pursue rights or remedies provided herein or at law.

i. If Mortgagor fails to pay for or obtain an Environmental Audit as provided for herein, Mortgagee may, but shall not be obligated to, obtain the Environmental Audit, whereupon Mortgagor shall immediately reimburse Mortgagee all its reasonable costs and expenses in so doing, together with interest on such sums at the Default Interest Rate.

j. Mortgagor covenants to reasonably cooperate with the Consultant and to allow entry and reasonable access to all portions of the Premises for the purpose of Consultant's investigation upon no less than forty-eight (48) hours prior written notice. Mortgagor covenants to comply, at its sole cost and expense, with all recommendations contained in the Environmental Audit reasonably required to bring the Premises into compliance with all Environmental Laws and Wetlands Laws, including any recommendation for additional testing and studies to detect the quantity and types of Regulated Materials or Wetlands present, if Mortgagee requires the implementation of the same.

7. Changes in Tax Laws. If at any time any governmental authority, whether federal, state or municipal, or any agency or subdivision of any of them, shall require Internal Revenue or other

documentary stamps on the Note, this Mortgage or any of the other Loan Documents, or upon the passage of any law of the State of Florida deducting from the value of land for the purposes of real estate taxation the amount of any lien thereon, or changing in any way the laws for the taxation of mortgages or debts secured by mortgages for federal, state or local purposes, or the manner of the collection of any such taxes so as to impose, in any such event, a tax (other than a franchise or an income tax) upon or otherwise to substantially and adversely affect the value of this Mortgage, then all indebtedness secured hereby shall become due and payable at the election of Mortgagee thirty (30) days after the mailing of notice of such election to Mortgagor; provided, however, this Mortgage, the Note and the other Loan Documents shall be and remain in effect if Mortgagor lawfully may pay, and does in fact pay, when payable, for such stamps and taxes, including interest and penalties thereon, to or for Mortgagee. Mortgagor further agrees to deliver to Mortgagee, at any time, upon demand, such evidence as may be required by any government agency having jurisdiction in order to determine whether the obligation secured hereby is subject to or exempt from any such tax.

8. Indemnification for Costs. Mortgagor hereby indemnifies Mortgagee and agrees to defend and hold Mortgagee harmless from and against all reasonable costs, liabilities and expenses, including but not limited to reasonable attorneys' fees and expenses to the fullest extent not then prohibited by applicable law, and, subject to Section 6 above, costs of any Environmental Audit, title search, continuation of abstract and preparation of survey, incurred by reason of any action, suit, proceeding, hearing, motion or application before any court or administrative body, including an action to foreclose or to collect any indebtedness or obligation secured hereby, or incurred in connection with any extra-judicial collection procedure, in and to which Mortgagee may be or become a party by reason hereof, including, without limitation, any Taking, bankruptcy, probate and administration proceedings, as well as any other proceeding wherein proof of claims required to be filed by law or in which it becomes necessary to defend or uphold the terms of and the lien created by this Mortgage.

9. Taking.

a. In the event all or any part of the Premises shall be damaged or taken as a result of a Taking, either temporarily or permanently, Mortgagor shall assign, transfer and set over unto Mortgagee the Taking Proceeds or any claim for damages for any of the Premises taken or damaged under the power of eminent domain, and agrees that in the event the whole or any part of the Premises is taken by eminent domain proceedings, then all sums awarded as damages for the Taking shall be applied in reduction of the indebtedness secured by this Mortgage, but without imposition of the prepayment premium to such application. Any and all reasonable costs and expenses, including, without limitation, reasonable attorneys' fees and expenses to the fullest extent not then prohibited by applicable law, incurred by Mortgagee by reason of any condemnation, threatened condemnation or proceedings thereunder shall be secured hereby and Mortgagor shall reimburse Mortgagee therefor immediately, or Mortgagee shall have the right, at its option, to deduct such costs and expenses from any Taking Proceeds paid to Mortgagee hereunder. In the event that the Premises is wholly condemned, Mortgagee shall receive from Mortgagor and/or from the Taking Proceeds payment of the entire amount of the then outstanding indebtedness secured by this Mortgage.

b. Subject to paragraph (a) of this Section, Mortgagor will immediately notify Mortgagee of the actual or threatened commencement of any Taking proceedings affecting all or any part of the Premises, including any easement therein or appurtenance thereof, including severance and consequential damage and change in grade of streets, and will deliver to Mortgagee copies of any and all papers served in connection with any such proceedings. Mortgagor further covenants and agrees to make, execute and deliver to Mortgagee, from time to time upon request, free, clear and discharged of any encumbrances of any kind whatsoever, any and all further assignments or other instruments deemed necessary by Mortgagee for the purpose of validly and sufficiently assigning the Taking Proceeds and all other awards and compensation heretofore and hereafter to be made to Mortgagor, including the assignment

of any award from the United States Government at any time after the allowance of the claim therefor, the ascertainment of the amount thereof and the issuance of the warrant for payment thereof, for any Taking, either permanent or temporary, under any such proceedings. In the event of a Taking, Mortgagee shall not be limited to the rate of interest paid on the award by the condemning authority but shall be entitled to receive out of the Taking Proceeds interest on the entire unpaid principal sum under the Note and the other Loan Documents at the applicable rate(s) provided therein. Mortgagor hereby assigns to Mortgagee so much of the balance of the Taking Proceeds payable by the condemning authority as is required to pay such interest.

c. Subject to paragraph (a) of this Section, Mortgagor hereby irrevocably authorizes and appoints Mortgagee its attorney-in-fact, coupled with an interest, to collect and receive any such Taking Proceeds from the authorities making the same, to appear in any proceeding therefor, to give receipts and acquittances therefor, and to apply the same to payment on account of the indebtedness secured hereby whether then matured or not. Mortgagor shall execute and deliver to Mortgagee on demand such assignments and other instruments as Mortgagee may require for such purposes.

10. Estoppel Certificate. Within ten (10) days after request by Mortgagee, Mortgagor shall furnish to Mortgagee a written statement, duly acknowledged, of the aggregate amount of indebtedness secured by this Mortgage, confirming (to the extent true) that no right of offset exists under the Loan Documents or otherwise, and stating either that no defenses exist against the indebtedness secured hereby, or, if such defenses are alleged to exist, the nature thereof, and any other information which Mortgagee may reasonably request.

11. Title Warranty; Title Evidence. Mortgagor hereby confirms the warranties and representations as to title to the Premises made in the granting clause of this Mortgage and agrees to pay the costs of title evidence satisfactory to Mortgagee showing title to the Premises to be as herein warranted. In the event of any subsequent change in title to the Premises, other than a change expressly permitted by the Loan Documents, Mortgagor agrees to pay the cost of (i) an extension or endorsement to such title evidence showing such change in title, and (ii) changing any and all insurance and other records in connection with the servicing of the loan secured hereby made necessary by such change in title.

12. Mortgagee's Reliance. Mortgagee, in advancing any payment relating to taxes, assessments and other governmental or municipal charges, fines, impositions or liens asserted against the Premises, shall have the right to do so according to any bill, statement or estimate procured from the appropriate public office without inquiry into the accuracy or validity thereof. Mortgagee shall have the right to make any such payment whenever Mortgagee, in its sole discretion, shall deem such payment to be necessary or desirable to protect the security intended to be created by this Mortgage upon ten (10) days' notice to Mortgagor. In connection with any such advance, Mortgagee, at its option, shall have the right to and is hereby authorized to obtain, at Mortgagor's sole cost and expense, a continuation report of title prepared by a title insurance company of Mortgagor's choice.

13. Default. Each of the following events shall be deemed to be an "Event of Default" hereunder:

a. Mortgagor shall fail to make payment of any sum of money due and payable under this Mortgage of the indebtedness evidenced by the Note, or any sum of money due and payable under any of the other Loan Documents within five (5) days of notice of nonpayment; or

b. Mortgagor or any guarantor of the Loan (each an "Obligor", collectively the "Obligors"), shall file a voluntary petition in bankruptcy or under any bankruptcy act or similar law, state or federal, whether now or hereafter existing, or make an assignment for the benefit of creditors or file an answer admitting insolvency or inability to pay its or their debts generally as they become due, or shall fail to obtain a vacation or stay of any such proceedings which are involuntary within ninety (90) days after the institution of such proceedings, as hereinafter provided; or

c. Any plan of liquidation or reorganization is filed by or on behalf of an Obligor, or either in any bankruptcy, insolvency or other judicial proceeding, or a trustee or a receiver shall be appointed for the Premises in any involuntary proceeding and such trustee or receiver shall not be discharged or such jurisdiction relinquished, vacated or stayed on appeal or otherwise within ninety (90) days after the appointment thereof; or

d. Failure of Mortgagor to commence, diligently pursue and/or complete actions as and when provided in Paragraphs 5 or 6 above; or

e. Any sale or transfer of the Premises in violation of Paragraph 21 of this Mortgage;
or

f. The occurrence of an involuntary transfer in violation of this Mortgage; or

g. Any violation of the representations and warranties, or the filing of formal charges or commencement of proceedings as contemplated by Paragraph 34 of this Mortgage; or

h. Default shall be made in the due observance or performance of any of the other covenants, agreements or conditions required to be kept, performed or observed by Mortgagor under this Mortgage, and such default is not cured within thirty (30) days after written notice thereof has been delivered to Mortgagor by Mortgagee; provided, however if such default cannot reasonably be cured within the thirty (30) day period, and Mortgagor promptly commences such cure within the thirty (30) day period, then within such additional period during which Mortgagor diligently pursues and prosecutes such cure to completion and so long as the value of the Premises is not impaired; or

i. Mortgagor ceases to exist, whether by merger, dissolution, or other reason;

j. The default with respect to any mortgage, security agreement or other agreement or document representing a lien upon the Premises or any loan or obligation relating thereto, including, but not limited to, any Permitted Exception, or

(j) the occurrence of any Event of Default by any Obligor under the Loan Documents.

If Default shall be made in the due observance or performance of any of the covenants, agreements or conditions required to be kept, performed or observed by Mortgagor or any other party under the Note, or any of the other Loan Documents, and such default is not cured within the applicable grace period, if any, expressly provided for therein; then and upon any such Event of Default, the entire amount of the indebtedness hereby secured, shall, at the option of Mortgagee, become immediately due and payable, without execution or other process and without further notice or demand, all of which are hereby expressly waived. Thereafter, the indebtedness hereby secured shall, at the option of Mortgagee, bear interest at the Default Interest Rate payable on demand. Acceleration of maturity, once claimed hereunder by Mortgagee, may, at the option of Mortgagee, be rescinded by written acknowledgment to that effect by Mortgagee, but the tender and acceptance of partial payments alone shall not in any way affect or rescind such acceleration of maturity, nor extend or affect the grace period, if any.

14. Rights and Remedies Upon Default: Upon the occurrence of any Event of Default hereunder, the Mortgagee may, at its option, exercise any one or more of the following rights and remedies:

a. Right to Take Possession of Premises. The Mortgagor agrees to surrender possession of the Premises to the Mortgagee within ten (10) days of written demand, and the Mortgagee shall thereupon have the right to enter and take possession of the Premises, to lease the Premises, the Improvements, or any part thereof, to collect all Rents, rental insurance proceeds and business interruption insurance proceeds (if any) and to apply the same on account of the Loan, whether then matured or not, after payment of all proper costs, charges and expenses, including, but not limited to, (1) Taxes and other impositions, (2) any premiums for fire, public liability and other insurance coverage affecting the Premises,

the Improvements, or any part thereof and (3) any and all other reasonable costs, charges and expenses which it may be necessary or advisable for the Mortgagee to pay in the management, operation and maintenance of the Premises, the Improvements, or any part thereof, including, but not limited to, the cost of making repairs, alterations, and tenant improvements, commissions for renting the Premises, the Improvements, or any part thereof and reasonable legal expenses incurred in enforcing claims, preparing papers or any other services that may be required, or otherwise as a court of competent jurisdiction may direct. After taking possession of the Premises, the Mortgagee may dispossess, by summary proceedings or otherwise, any tenants, subtenants or occupants of the Land, the Improvements or any part thereof then or thereafter in default in the payment of any Rent, and the Mortgagor hereby irrevocably appoints the Mortgagee as the Mortgagee's agent and attorney-in-fact (which agency shall be deemed to be coupled with an interest), with full power of substitution, for such purpose. In the event that the Mortgagor is then an occupant of the Premises, the Improvements or any part thereof, Mortgagor agrees to surrender possession thereof to the Mortgagee within ten (10) days following written demand, and if the Mortgagor remains in possession thereof after such demand, such possession shall be as tenant of the Mortgagee, and the Mortgagor agrees to pay monthly in advance to the Mortgagee such rent for the Premises, the Improvements or any part thereof so occupied as the Mortgagee may reasonably demand, and in default of so doing, the Mortgagee may also be dispossessed by summary proceedings or otherwise.

b. Right to Foreclose Mortgage. The Mortgagee may foreclose this Mortgage and sell, if permitted by law, or petition to be sold, the Premises in one parcel or in such parcels, manner or order as a court of competent jurisdiction may direct. If permitted by law, Mortgagee may foreclose this Mortgage for any portion of the Debt or any other sums secured hereby which are then due and payable, subject to the continuing lien of this Mortgage for the balance of the Debt not then due. If any real property transfer tax or real property transfer gains tax shall be due and payable upon the conveyance of the Premises pursuant to a judicial sale in any action, suit or proceeding brought to foreclose this Mortgage or by deed in lieu of foreclosure, the Mortgagor will pay or cause the same to be paid. In the event that the Mortgagor fails to pay any such tax within twenty (20) days after notice and demand for payment is given by the Mortgagee, the Mortgagee is hereby authorized to pay the same, and any amount thereof so paid by the Mortgagee, together with all reasonable costs and expenses incurred by the Mortgagee in connection with such payment, including, but not limited to, reasonable attorneys' fees and disbursements, and interest on all such amounts, costs and expenses at the Default Interest Rate shall be paid by the Mortgagor to the Mortgagee on demand. Until paid by the Mortgagor, all such amounts, reasonable costs and expenses, together with interest thereon, shall be secured by this Mortgage and may be added to the judgment in any suit brought by the Mortgagee against the Mortgagor hereon.

c. Right to Appointment of Receiver. In any action to foreclose this Mortgage, the Mortgagee shall be entitled, without notice, without regard to the adequacy of any security for the indebtedness secured hereby and without regard to the solvency of any person, firm or company who is or may become liable for the payment of all or any part of the Debt secured hereby, to have a receiver appointed with all the rights and powers permitted under the laws of the State of Florida. In addition, the receiver shall be entitled to take any and all action necessary or deemed advisable to lease the Premises, including, without limitation, making reasonable improvements or tenant improvements and adding the cost of same to the Debt secured hereby. In the event that a receiver of the Premises is appointed hereunder, such receiver shall also have and may enforce all of the rights and remedies of the Mortgagee under subparagraph (a) hereof.

d. Additional Rights and Remedies. The rights and remedies of the Mortgagee hereunder shall be in addition to Mortgagee's rights and remedies under the laws of the State of Florida. Nothing contained in this Mortgage shall be construed as requiring the Mortgagee to pursue any particular right or remedy for the purpose of procuring the satisfaction of the obligations and Debt secured hereby, and the Mortgagee may exercise any or all of Mortgagee's rights and remedies under this Mortgage, the instruments evidencing the Debt, or otherwise provided by law, in Mortgagee's sole discretion. No failure

of the Mortgagee to insist upon strict performance by the Mortgagor of any of Mortgagor's covenants or obligations under this Mortgage, the Note, the Loan Documents, and no delay by the Mortgagee in exercising any of Mortgagee's rights or remedies hereunder, thereunder or otherwise provided by law, shall be deemed to be a waiver of such covenants or obligations or to preclude the exercise of such rights or remedies, and the Mortgagee, notwithstanding any such failure or delay, shall have the right thereafter to insist upon the strict performance by the Mortgagor of any and all of its covenants and obligations under this Mortgage and the instruments evidencing the Debt, and to exercise any and all of its rights and remedies hereunder, thereunder or otherwise provided by law.

15. Right to Cure Defaults/Costs of Collection. If an Event of Default occurs and is continuing, the Mortgagee may, at its discretion, remedy the same and for such purpose shall have the right to enter upon the Premises or any portion thereof without thereby becoming liable to Mortgagor, any tenant or any other person in possession thereof holding under Mortgagor. If Mortgagee shall remedy such a default or appear in, defend, or bring any action or proceeding to protect Mortgagee's interest in the Premises or to foreclose this Mortgage or collect the Debt, or take any other action of any kind to protect its interest in the Premises or collect the Debt (including without limitation taking possession, monitoring, appointing a receiver, or collecting rents), the reasonable costs and expenses thereof (including reasonable attorneys' fees to the extent permitted by law) with interest at the Default Interest Rate, shall be paid by Mortgagor to Mortgagee upon demand. All such reasonable costs and expenses incurred by Mortgagee in remedying such default or in appearing in, defending, or bringing any such action or proceeding, or in taking any other action shall be paid by Mortgagor to Mortgagee upon demand, with interest at the Default Interest Rate for the period after notice from Mortgagee that such costs or expenses were incurred to the date of payment to Mortgagee. All such costs and expenses incurred by Mortgagee pursuant to the terms of this Mortgage, with interest, shall be secured by this Mortgage.

16. Future Advances. This Mortgage shall secure any and all advances (however evidenced and whether or not obligatory and including those made on a revolving basis) made by Mortgagee to Mortgagor within 20 years after the date hereof to the same extent as though those advances were made on the date hereof even though there may be no indebtedness outstanding at the time any such advance is made; provided that, while the total amount of indebtedness secured hereby may increase or decrease from time to time, the total amount at any one time secured hereby shall not exceed a maximum principal amount of Nine Hundred Fifty Thousand Dollars and No/100 Dollars (\$950,000.00) plus interest thereon and advances made hereunder for the payment of taxes, liens and insurance with respect to any part of the Premises. This Section shall not, however, obligate Mortgagee to make any such advances.

17. Non-Waiver. The failure of Mortgagee to insist upon strict performance of any term of this Mortgage shall not be deemed to be a waiver of any term of this Mortgage. Mortgagor shall not be relieved of Mortgagor's obligation to pay the Debt at the time and in the manner required by reason of (a) failure of Mortgagee to comply with any request of Mortgagor to take any action to foreclose this Mortgage or otherwise enforce any of the provisions hereof or of the Note, this Mortgage or any other Loan Documents, (b) the release, regardless of consideration, of the whole or any part of the Premises or any other security for the Debt, or (c) any agreement or stipulation between Mortgagee and any subsequent owner or owners of the Premises or other person extending the time of payment or otherwise modifying or supplementing the Note, this Mortgage or any other Loan Documents, without first having obtained the consent of Mortgagor; and in the latter event, Mortgagor shall continue to be obligated to pay the Debt at the time and in the manner provided in the Note, this Mortgage or any other Loan Documents, as so extended, modified and supplemented, unless expressly released and discharged by Mortgagee. Regardless of consideration, and without the necessity for any notice to or consent by the holder of any subordinate lien, encumbrance, right, title or interest in or to the Premises, Mortgagee may release any person at any time liable for the payment of the Debt or any portion thereof or any part of the security held for the Debt and may extend the time of payment or otherwise modify the terms of any instrument evidencing the Debt and/or this Mortgage, including, without limitation, a modification of the interest rate payable on the

principal balance on the Note without in any manner impairing or affecting this Mortgage or the lien thereof or the priority of this Mortgage, as so extended and modified, as security for the Debt over any such subordinate lien, encumbrance, right, title or interest. Mortgagee may resort for the payment of the Debt to any of the other Loan Documents in such order and manner as Mortgagee, in its discretion, may elect. Mortgagor's obligations shall not be impaired or altered by the taking of any other or additional security for or guarantee of the Debt or any part thereof, or by the failure to hold, protect, or realize upon any other additional security or guarantee, or by the release of same. Mortgagee may take action to recover the Debt, or any portion thereof, or to enforce any covenant hereof without prejudice to the right of Mortgagee thereafter to foreclose this Mortgage. Mortgagee shall not be limited exclusively to the rights and remedies herein stated but shall be entitled to every additional right and remedy now or hereafter afforded by law. The rights of Mortgagee under this Mortgage shall be separate, distinct and cumulative and none shall be given effect to the exclusion of the others. No act of Mortgagee shall be construed as an election to proceed under any one provision herein to the exclusion of any other provision.

18. Waiver. Mortgagor shall not, and anyone claiming through or under Mortgagor shall not, set up, claim or seek to take advantage of any appraisalment, valuation, stay, extension or redemption laws now or hereafter in force, in order to prevent or hinder the enforcement or foreclosure of this Mortgage, or the final and absolute sale of the Premises, or the final and absolute placing into possession thereof, immediately after such sale, of the purchaser or purchasers thereof, and Mortgagor, for itself and all who may claim through or under it, waive, if and to the fullest extent not prohibited by applicable law, all benefits and protections under such appraisalment, valuation, stay, extension and redemption laws.

19. Marshalling of Assets. Mortgagor hereby waives for itself and, to the fullest extent not prohibited by applicable law, for any subsequent lienor, any right to apply for an order, decree, judgment, or ruling requiring or providing for a marshalling of assets which would require Mortgagee to proceed against certain of the Premises before proceeding against any of the other Premises. Mortgagee shall have the right to proceed, in its sole discretion, against the Premises in such order and in such portions as Mortgagee may determine, without regard to the adequacy of value or other liens on any such Premises. No such action shall in any way be considered as a waiver of any of the rights, benefits, liens or security interests created hereby or by any of the Loan Documents.

20. Subrogation. If the indebtedness hereby secured or any part thereof, including any amounts advanced by Mortgagee, are used directly or indirectly to pay off, discharge or satisfy, in whole or in part, any prior lien or encumbrance upon the Premises or any part thereof, then Mortgagee shall be subrogated to such other liens or encumbrances and to any additional security held by the holder thereof and shall have the benefit of the priority of all of the same, whether or not any such lien, encumbrance or additional security is canceled of record upon such payment or advancement or otherwise, and in addition to the security afforded by this Mortgage and the other Loan Documents.

21. Sale or Transfer. Except as otherwise set forth in the Loan Agreement, Mortgagor, without the prior written consent of Mortgagee, shall not create, effect, consent to, attempt, contract for, agree to make, suffer or permit any conveyance, sale, assignments, transfer, lien, pledge, encumbrance, mortgage, security interest or alienation of all or any portion of, or any ownership or beneficial interest in, the Premises or the Mortgagor, whether effected directly, indirectly, voluntarily, involuntarily, by operation of law or otherwise. If any of the foregoing shall occur without Mortgagee's prior written consent, unless such consent is not otherwise specifically required by the terms of the Loan Agreement, then the same shall conclusively be deemed to increase the risk to Mortgagee and immediately constitute an Event of Default hereunder.

22. Mortgagee's Cost of Collection or Performance. If any action or proceeding is commenced by or against Mortgagee, including, without limitation, condemnation proceedings, proceedings involving the foreclosure of this Mortgage or of any other liens or encumbrances, the enforcement or interpretation of contracts, leases or other documents relating to the Premises, or any other proceeding of any nature,

legal or otherwise, affecting the Premises or any part thereof, or the title thereto, or the validity or priority of the lien of this Mortgage, Mortgagee shall have the right to appear, defend, prosecute, retain counsel, and take such action as Mortgagee shall determine. In addition, upon an Event of Default hereunder, Mortgagee is authorized, but not obligated, to discharge Mortgagor's obligations hereunder. Mortgagor shall pay to Mortgagee, promptly upon demand, all costs, including, without limitation, "late charges" payable under the Note, out-of-pocket expenses and reasonable attorneys' fees and expenses, to the fullest extent not prohibited by applicable law, and the costs of any environmental examination and analysis, title examination, supplemental examination of title or title insurance, that may be incurred by Mortgagee in connection with any proceedings affecting the Premises, or any part thereof, to cause the enforcement of the covenants or agreements of Mortgagor contained herein or in any of the other Loan Documents, or with or without the institution of an action or proceeding, or that may otherwise be incurred by Mortgagee in the performance of any other action by Mortgagee authorized by this Mortgage. All such costs, expenses and attorneys' fees and expenses, and any other moneys advanced by Mortgagee to protect the Premises shall, to the fullest extent not prohibited by applicable law, bear interest from the date of payment thereof at the Default Interest Rate until repaid by Mortgagor and shall be repaid by Mortgagor to Mortgagee immediately upon demand. Notwithstanding that the indebtedness secured hereby shall not have been declared due and payable upon any Event of Default, Mortgagor hereby agrees that if an Event of Default has occurred, pursuant to the terms hereof, Mortgagee shall be entitled to receive interest thereon at the Default Interest Rate, to be computed from the due date through actual receipt and collection of the amount then in default. The preceding sentence shall not be construed as an agreement or privilege to extend the time for performance of any obligation under the Mortgage or any of the other Loan Documents, nor as a waiver of any other right or remedy accruing to Mortgagee by reason of any such default.

23. Partial Release. Mortgagee, without notice, and without regard to any consideration paid therefor, and notwithstanding the existence at the time of any inferior liens thereon, shall have the right to release (a) any part of the security for the indebtedness secured hereby, including, without limitation, the interest under this Mortgage in and to any of the Premises, or (b) any person liable for any indebtedness secured hereby, without affecting the priority of any part of the security and the obligations of any person not expressly released, and shall have the right to agree with any party remaining liable for such indebtedness or having any interest therein to extend the time for payment of any part or all of the indebtedness secured hereby. Such agreement shall not in any way release or impair the lien hereof, but shall extend the lien hereof as against all parties having any interest in such security.

24. Non-Waiver. In the event Mortgagee (a) releases, as aforesaid, any part of such security or any person liable for any indebtedness secured hereby; (b) grants an extension of time for any payments of the indebtedness secured hereby; (c) takes other or additional security for the payment thereof; (d) accepts partial payments; or (e) otherwise exercises or waives or fails to exercise any right granted herein or in any of the other Loan Documents, no such act or omission shall constitute a waiver of any default, or extend or affect the grace period, if any, release Mortgagor, subsequent owners of the Premises or any part thereof, or makers or guarantors of the Note, this Mortgage, or any of the other Loan Documents, or preclude Mortgagee from exercising any right, power or privilege herein granted or intended to be granted for any Event of Default.

25. No Merger of Estates. There shall be no merger of the lien, security interest or other estate or interest created by this Mortgage with the fee estate in the Premises by reason that any such interest created by this Mortgage may be held, directly or indirectly, by or for the account of any person who shall own the fee estate or any other interest in the Premises. No such merger shall occur unless and until all persons at the time having such concurrent interests shall join in a written instrument effecting such merger, and such instrument shall be duly recorded.

26. Further Assurances. Upon request of Mortgagee, Mortgagor shall execute, acknowledge and deliver to Mortgagee, in form reasonably satisfactory to Mortgagee any supplemental mortgage,

security agreement, financing statement, assignment of leases, rents, income and profits from the Premises, affidavit, continuation statement or certification as Mortgagee may request in order to protect, preserve, maintain, continue and extend the lien and security interest hereunder or the priority hereof. Mortgagor hereby irrevocably appoints Mortgagee its attorney-in-fact, coupled with an interest, and authorizes, directs and empowers such attorney, at its option, to execute, acknowledge and deliver on behalf of Mortgagor, its successors and assigns, any such documents if Mortgagor shall fail so to do within ten (10) days after request by Mortgagee. Notwithstanding the foregoing, Mortgagor shall in no event be required to take any action under this section as and to the extent the same would materially and adversely change any material obligation or material right of Mortgagor contained in this Agreement or in any of the other Loan Documents. Mortgagor shall pay to Mortgagee on demand all reasonable costs and expenses incurred by Mortgagee in connection with the preparation, execution, recording and filing of any such documents.

27. Application of Proceeds. Prior to the last scheduled payment under the Note which includes the payment of all outstanding principal, all payments made by Mortgagor under the Note, this Mortgage or any of the other Loan Documents and received by Mortgagee shall be applied by Mortgagee against interest on the indebtedness secured hereby until the occurrence of an Event of Default after which such payments shall be applied by Mortgagee to the following items and in such order as Mortgagee may determine in its sole discretion: (a) advances by Mortgagee for payment of taxes, assessments, insurance premiums and other costs and expenses, as set forth in this Mortgage, the Note or any of the other Loan Documents; (b) any amounts which may be overdue under the Note, this Mortgage or any of the other Loan Documents; (c) interest on the indebtedness secured hereby; and (d) outstanding principal under the Note.

28. Intentionally deleted.

29. Intentionally deleted.

30. Notices. Any notice, demand, request or other communication which any party hereto may be required or may desire to give hereunder shall be in writing and shall be deemed to have been properly given (i) if hand delivered, effective upon receipt, or (ii) if delivered by overnight courier service, effective on the day of receipt or refusal to accept receipt, as the case may be, (iii) if mailed by United States registered or certified mail, postage prepaid, return receipt requested, effective two (2) business days after deposit in the United States mails addressed, if to Mortgagor, to Mortgagor's address listed above, or if to Mortgagee, to Mortgagee's address listed above with copy to Palm Beach County, Florida, c/o County Attorney's Office, 301 N. Olive Avenue, Suite 601, West Palm Beach, FL 33401, Attn: Howard J. Falcon III, Chief Assistant County Attorney; or at such other address or to such other addressee as the party to be served with notice may have furnished in writing to the party seeking or desiring to serve notice as a place for the service of notice.

31. Loan Documents. The term "Loan Documents" as used herein collectively refers to (a) the Note, (b) this Mortgage, (c) the Loan Agreement, (d) the Guaranty Agreements, (e) Section 108 Loan Program Agreement; (f) any and all other documents and/or agreements evidencing, securing or relating to the Loan; and (g) any and all other documents and/or agreements evidencing, securing or relating to any other obligation of an Obligor or Obligors to the Mortgagee.

32. Survival and Conflicts. In the event of any inconsistency or conflict between any provisions of the Loan Documents and the U.S. Department of Housing and Urban Development documents evidencing the source of funds to Mortgagee (the "HUD Documents"), the provisions of the HUD Documents shall prevail and apply.

33. Anti-Forfeiture. Mortgagor hereby further expressly represents and warrants to Mortgagee that to the best of Mortgagor's knowledge there has not been committed by Mortgagor or any other person involved with the Premises or the Mortgagor any act or omission affording the federal government or any state or local government the right and/or remedy of forfeiture as against the Premises or any part thereof

or any monies paid in performance of its obligations under the Note or under any of the other Loan Documents, and Mortgagor hereby covenants and agrees not to commit, permit or suffer to exist any act or omission affording such right and/or remedy of forfeiture. In furtherance thereof, Mortgagor hereby indemnifies Mortgagee and agrees to defend and hold Mortgagee harmless from and against any loss, damage or other injury, including without limitation, attorneys' fees and expenses, to the fullest extent not prohibited by applicable law, and all other costs and expenses incurred by Mortgagee in preserving its lien, security interest and other rights and interests in the Premises and any additional collateral under any of the Loan Documents in any proceeding or other governmental action asserting forfeiture thereof, by reason of, or in any manner resulting from, the breach of the covenants and agreements or the warranties and representations set forth in the preceding sentence. Without limiting the generality of the foregoing, the filing of formal charges or the commencement of proceedings against Mortgagor, Mortgagee, any guarantor, any additional collateral under any of the Loan Documents or all or any part of the Premises under any federal or state law in respect of which forfeiture of the Premises or any part thereof or of any monies paid in performance of Mortgagor's obligations under the Loan Documents is a potential result shall, at the election of the Mortgagee in its absolute discretion, constitute an Event of Default hereunder without notice or opportunity to cure.

34. Assignment of Leases and Rents.

a. Waiver Until Default. Unless and until an Event of Default shall have occurred and shall continue, or unless otherwise expressly agreed in writing, Assignor shall be entitled to receive, collect and enjoy the rents, issues and profits of the Premises and to exercise all of the rights of landlord, provided, however, that from and after the time of such an Event of Default and during the continuation thereof, Assignee shall, without application for the appointment of a receiver or other process of law, become immediately entitled to enter upon the Premises, to receive, collect and enjoy the rents, issues and profits due or to become due from the Premises and to exercise the rights hereinafter granted.

b. Collection of Rents. Subject to paragraph 34(a) above, the Assignee shall have the power and authority:

(i) to enter upon and take possession of the Premises and to demand, collect and receive from the tenants or other occupants now or at any time hereafter in possession of the Premises or of any part thereof, rents now due or to become due;

(ii) to endorse the name of the Assignor or of any subsequent owner of the Premises on any checks, notes or other instruments for the payment of money, to deposit the same in bank accounts, and to give any and all acquittances or any other instrument in relation thereto in the name of the Assignor or in the name of the Assignee;

(iii) to institute, prosecute, settle, or compromise any summary or legal proceedings for the recovery of such rents, profits, or for the recovery, in whole or in part of the Premises, either in its name or in the name of the Assignor;

(iv) to institute, prosecute, settle or compromise any other proceedings for the protection of the Premises, for the recovery of any damage to the Premises, or for the abatement of any nuisance thereon, either in its name or in the name of the Assignor; and

(v) to defend against any legal proceedings brought against the Assignor or against the then owners of the Premises arising out of the operation of the Premises.

c. Authority to Lease and Manage. Subject to paragraph 34(a) above, the Assignee shall have the power and authority:

- (i) to lease, rent, and manage the Premises, or any part thereof;
- (ii) to employ an agent to lease, rent and manage the Premises whose compensation shall be paid out of the gross rents collected;
- (iii) to make any changes or improvements deemed necessary or expedient for the leasing or the renting of the Premises;
- (iv) to keep and maintain the Premises in good condition;
- (v) to purchase all equipment or supplies necessary or desirable in the operation and maintenance of the Premises;
- (vi) to pay for all utilities, maintenance, repairs, and other items relating to operating the Premises;
- (vii) to pay taxes, assessments, water and sewer rates, and meter charges due and unpaid or which may be due and payable;
- (viii) to pay the indebtedness herein described;
- (ix) to pay the premiums on all policies of insurance covering the Premises;
- (x) to comply with orders of any governmental departments having jurisdiction over the Premises;
- (xi) to remove any mechanics' liens, security interest, or other liens against the Premises; and
- (xii) in general, to pay all charges and expenses in the operation of the Premises.

d. Appointment of Attorney in Fact. Subject to paragraph 34(a) above, the Assignor shall execute such documents as Assignee may require Assignor to execute in order to effectuate the purposes of this Agreement, including, but not limited to, the execution of letters to all tenants advising them to forward all rents and income payments to Assignee (or the Assignee's designee), and Assignor further appoints Assignee as its attorney-in-fact, and authorizes it to execute, issue and deliver any notices or documents on behalf of Assignor to the tenants or occupants of the Premises or otherwise in order to effectuate the purposes of the assignment hereinabove set forth.

e. Payment of Expenses. Subject to paragraph 34(a) above, the Assignee shall have the authority to pay the cost of all the matters herein mentioned out of the rents and other revenues received from the Premises and the cost of any such expenditures and of any payment which may be made by the Assignee under any of the provisions of this Agreement, shall be deemed secured by the Mortgage herein made and provided or other mortgages held by Assignee against the Premises and/or other real property of the Mortgagor and such costs may be retained by the Assignee out of the rents of the Premises.

f. Liability of Assignee. The Assignee shall in no way be liable for any act done or anything omitted by it in furtherance of or arising under this Agreement except to the extent caused by the gross negligence, willful misconduct, or illegal act of Assignee. Nothing herein contained shall be construed to prejudice any right the Assignee may now have, or which may arise in the future by reason of the default of the Assignor:

(i) to institute or to prosecute any proceedings to foreclose the Mortgage herein made and provided, or any other mortgages held by Assignee against the Premises and/or other real property of the Mortgagor; or

(ii) to enforce any lien of the Assignee on any other collateral given by the Assignor to secure repayment of the Debt or given by the Assignor to secure any other obligation of the Assignor with the Assignee.

g. Transfer of Leases: Subject to paragraph 34(a) above, the Assignor hereby assigns, transfers, and sets over to the Assignee all leases and sub-leases made to the various tenants in the Improvements, and all of Assignor's right, title and interest therein as collateral for the Debt. In connection with such assignment Assignor hereby authorizes and empowers Assignee to continue present leases, or to lease any one or more apartments, offices or rental space therein upon such terms and conditions as the Assignee may deem just and proper, and, if necessary, to execute, acknowledge and deliver any and all instruments in writing necessary to effectuate the purpose of this Agreement. The Assignee shall have full power and authority to do and perform all acts or things necessary to be done in and about the Premises, as fully and to all intents and purposes as the Assignor might or could do if present, with full power of substitution and revocation, hereby ratifying and confirming all that the Assignee shall lawfully do or cause to be done by virtue hereof.

h. Modification of Leases: The Assignor hereby agrees that it will not cancel, modify or surrender any lease with a term in excess of one year now existing in respect to any portion of the Real Estate, nor reduce any rents, or change, modify or waive any existing lease, nor accept any prepayment of rent in excess of one month without providing Assignee with written notice thereof.

i. Failure to Repair: It is understood and agreed that the Assignee shall in no way be responsible or liable for any failure or refusal to make repairs to the Premises. The Assignee shall in no way be responsible personally for any debt incurred in respect to the Premises.

j. Rights of Assignee in Collateral: It is understood and agreed by the parties that this Assignment shall in no manner prejudice the Assignee or estop the Assignee in any way in the exercise of its rights as Mortgagee under the Mortgage herein made and provided, as the plaintiff in any foreclosure action, or in connection with the exercise of its rights in any other collateral which may now or hereafter be held by the Assignee to secure the Debt or which may otherwise be held by the Assignee. This Assignment shall at all times be subject to the exercise of any of such rights which the Assignee may have through any proceedings which the Assignee may be entitled to take in connection with the Premises or other collateral.

35. Miscellaneous. The Premises is located in the State of Florida, and this Mortgage and the rights and indebtedness secured hereby shall, without regard to the place of contract or payment, be construed and enforced according to the laws of Florida. Nothing herein contained nor any transaction related hereto shall be construed or so operate as to require Mortgagor to do any act contrary to law, and if any clauses or provisions herein contained operate or would prospectively operate to invalidate this Mortgage, in whole or in part, or any of the Mortgagor's obligations hereunder, such clauses and provisions only shall be held void and of no force or effect as though not herein contained, and the remainder of this Mortgage shall remain operative and in full force and effect. All of the obligations, rights and covenants herein contained shall run with the land, and shall bind and inure to the benefit of Mortgagor, its successors and permitted assigns, and Mortgagee and any subsequent holder of the Note. Whenever used, the singular number shall include the plural and the plural numbers shall include the singular, and the use of any gender shall include all genders, all as the context may reasonably require.

MORTGAGOR HEREBY, AND MORTGAGEE BY ITS ACCEPTANCE HEREOF, EACH WAIVES THE RIGHT OF A JURY TRIAL IN EACH AND EVERY ACTION ON THIS

Mortgage Agreement (Michel Invest, LLC)

MORTGAGE OR ANY OF THE OTHER LOAN DOCUMENTS, IT BEING ACKNOWLEDGED AND AGREED THAT ANY ISSUES OF FACT IN ANY SUCH ACTION ARE MORE APPROPRIATELY DETERMINED BY A JUDGE SITTING WITHOUT A JURY.

36. Offsets, Counterclaims and Defenses. Any assignee of this Mortgage, the Note or any other Loan Document shall take the same free and clear of all offsets, counterclaims or defenses of any nature whatsoever which Mortgagor may have against any assignor of this Mortgage, the Note or any other Loan Document and the Debt, other than as required by law, and no such offset, counterclaim or defense shall be interposed or asserted by Mortgagor in any action or proceeding brought by any such assignee upon this Mortgage, the Note or any other Loan Document and/or the Debt and any such right to interpose or assert any such offset, counterclaim or defense in any such action or proceeding is hereby expressly waived by Mortgagor to the extent Mortgagor may bring a separate action for such offset, counter claim or defense.

37. Prepayment After Event of Default. If an Event of Default shall occur under this Mortgage and if by reason thereof Mortgagee elects to declare the entire principal balance hereof to be immediately due and payable, or if an action is commenced for the foreclosure of this Mortgage, then in such event the prepayment consideration in the Note provided for shall become due and payable on the date of such election in the same manner as though Mortgagor had exercised such right of prepayment as herein set forth. If any such event occurs prior to the earliest date upon which Mortgagor has a right of prepayment, then in such event the prepayment consideration applicable upon the earliest date on which Mortgagor had such right of prepayment shall apply and Mortgagor also shall pay to Mortgagee a sum equal to interest which would have accrued on the principal balance of the Debt at the rate specified in the Note from the date of payment to the end of the period during which prepayment is prohibited. The amount of such prepayment consideration computed on the principal balance as of the date aforesaid, shall be added to and secured by this Mortgage and shall be recoverable by the Mortgagee in the same manner as the principal balance hereof and in addition thereto, in any action brought for the foreclosure of this Mortgage.

PROVIDED, THAT THE CONDITION OF THIS MORTGAGE IS SUCH that if Mortgagor shall pay all of the indebtedness secured hereby, then thereupon this Mortgage shall be released of record by Mortgagee, at the cost and expense of Mortgagor, and thereafter the Mortgage shall be void. The foregoing shall not affect the covenants, agreements, indemnifications and warranties in this Mortgage which expressly survive the release hereof, which shall remain in full force and effect.

38. Patriot Act. Mortgagor hereby represents and warrants to Mortgagee that neither Mortgagor nor any of its officers, directors, shareholders, partners, members or affiliates (including the indirect holders of equity interests in Mortgagor) is or will be an entity or person: (1) that is listed in the Annex to, or is otherwise subject to the provisions of Executive Order 13224 issued on September 24, 2001 ("EO13224"); (ii) whose name appears on the United States Treasury Department's Office of Foreign Assets Control ("OFAC") most current list of "Specifically Designated National and Blocked Persons (which list may be published from time to time in various mediums including, but not limited to, the OFAC website); (iii) who commits, threatens to commit or supports "terrorism", as is defined in EO 13223; or (iv) who is otherwise affiliated with any entity or person listed above (any and all parties or persons described in clauses (i)-(iv) above are herein referred to as "Prohibited Persons"). Mortgagor covenants and agrees that neither Mortgagor nor any of its officers, directors, shareholders, partners, members or affiliates (including the indirect holders of equity interests in Mortgagor) will: (i) conduct any business, nor engage in any transaction or dealing, with any Prohibited Person, including, but not limited to, the making or receiving of any contribution of funds, goods, or services, to or for the benefit of a Prohibited Person; or (ii) engage in or conspire to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in EO 13224. Mortgagor further covenants and agrees to deliver (from time to time) to Mortgagee any such certification or other evidence as may be requested by Mortgagee in its sole and absolute discretion, confirming that: (i) neither Mortgagor nor its officers, directors, shareholders, partners, members or affiliates (including the indirect holders of

equity interests in Mortgagor) is a Prohibited Person; and (ii) neither Mortgagor nor its officers, directors, shareholders, partners, members or affiliates (including the indirect holders of equity interests in Mortgagor) has engaged in any business, transaction or dealings with a Prohibited Person, including, but not limited to, the making or receiving of any contribution of funds, goods, or services, to or for the benefit of a Prohibited Person.

[INTENTIONALLY LEFT BLANK SIGNATURE PAGES IMMEDIATELY FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have caused this Mortgage Agreement with Assignment of Leases and Rents to be duly executed and delivered as of the date first above written.

WITNESSES:

MORTGAGOR:

Maria E. Vidal
Print name: Maria Vidal

MICHEL INVEST LLC, a Florida limited liability company

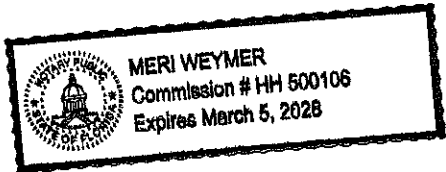
Amanda Hughes
Print name: Amanda Hughes

Pierre Michel, as Manager

STATE OF FLORIDA)
COUNTY OF PALM BEACH) ss:

The foregoing instrument was acknowledged before me by means of ☒ physical presence or ☐ online notarization this 11th day of March, 2025 by Pierre Michel, as Manager of Michel Invest LLC, a Florida limited liability company, ☒ who is personally known to me or ☐ who has produced n/a as identification.

My Commission Expires:



Meri Weymer
Notary Public
Print name: Meri Weymer

MORTGAGEE:

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

By: Its Board of County Commissioners

By: Jonathan B. Brown
Jonathan B. Brown, Director
Department of Housing and Economic Development

Approved as to Form and Legal Sufficiency:

Approved as to Terms and Conditions:

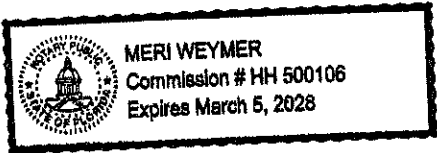
By: /s/ David Behar
David Behar
Assistant County Attorney

By: Sherry Howard
Sherry Howard, Deputy Director
Department of Housing and Economic Development

STATE OF FLORIDA)
COUNTY OF PALM BEACH) ss:

The foregoing instrument was acknowledged before me by means of ☒ physical presence or ☐ online notarization this 11th day of March, 2025 by Jonathan B. Brown, as Director of the Department of Housing and Economic Development of Palm Beach County, Florida a political subdivision, ☒ who is personally known to me or ☐ who has produced nila as identification.

My Commission Expires:



Meri Weymer
Notary Public
Print name: Meri Weymer

EXHIBIT “A”

Legal Description

Parcel 1

Lots 17, 18, 19, 20, 21, 22, 23, 24, 25 and 26, Block 48, KELSEY CITY (n/k/a Lake Park), according to the Plat thereof, as recorded in Plat Book 8, Page 27, Public Records of Palm Beach County, Florida.

Parcel 2

Lots 27, 28, and 29, Block 48, KELSEY CITY (n/k/a Lake Park), according to the Plat thereof, as recorded in Plat Book 8, Page 27, Public Records of Palm Beach County, Florida.

Parcel 3

Lots 30, 31, and 32, Block 48, KELSEY CITY (n/k/a Lake Park), according to the Plat thereof, as recorded in Plat Book 8, Page 27, Public Records of Palm Beach County, Florida.

GUARANTY AGREEMENT

FOR VALUE RECEIVED and to induce **PALM BEACH COUNTY, FLORIDA**, a political subdivision of the State of Florida, with an address of Department of Housing and Economic Development, 100 Australian Avenue, Suite 500, West Palm Beach, Florida 33406 (the "Lender") to make a certain U.S. Department of Housing and Urban Development ("HUD") Section 108 loan to **MICHEL INVSET LLC, a Florida limited liability company** with an address of 101 10TH Street, Lake Park, Florida 33403 (the "Borrower"), pursuant to that certain Section 108 Loan Agreement dated March 11TH, 2025 (the "Loan Agreement"), in the aggregate principal amount of **Two Hundred THOUSAND AND 00/100 DOLLARS (\$200,000.00)** (the "Loan") evidenced by that certain Promissory Note dated March 11TH, 2025, executed by Borrower and held by Lender (the Note"); the undersigned, **MICHEL INVEST LLC, a limited liability company** ("Guarantor", collectively with the Borrower, the "Obligors"), with an address for correspondence of 5030 Sabreline Terrace, Greenacres, Florida 33463, jointly and severally hereby agree as follows:

A. To jointly and severally, irrevocably and unconditionally guarantee to Lender, its successors and assigns the due performance and prompt payment, whether at maturity or by acceleration or otherwise, of all of the present and future debts, liabilities and/or obligations of the Borrower to Lender under the Loan Agreement, the Note and all other documents executed in connection therewith (collectively the "Guaranteed Obligations"), together with interest on the Guaranteed Obligations, and all legal and other costs or expenses paid or incurred by Lender in the enforcement thereof against the Borrower or the undersigned. The Guaranteed Obligations shall include, without limitation, (i) full payment of all sums due under the Note, as and when the same shall be due thereunder, (ii) the obligations of Borrower as set forth in the Loan Agreement, (iii) the obligations of Borrower as set forth in the Mortgage dated the date hereof, and (iv) the Borrower's due and punctual performance and observation of all other terms, covenants and conditions of the Guaranteed Obligations, whether according to the present terms thereof, at any earlier or accelerated date or dates as provided therein, or pursuant to any extension of time or to any change or changes in the terms, covenants, or conditions thereof now or hereafter made or granted.

B. To jointly and severally, irrevocably and unconditionally indemnify Lender against loss, cost or expense caused by the assertion by the Borrower of any defense to the Guaranteed Obligations or other obligations or the assertion by the undersigned of any defense to the undersigned's obligations hereunder.

1. This is a guaranty of payment and performance, and not of collection, and as such Guarantor waives any right or claim of right to cause a marshaling of the Borrower's assets or to cause Lender to proceed against any of the security for the Guaranteed Obligations or for the obligations guaranteed thereby before proceeding against Guarantor. To the extent that this guaranty is a guaranty of payment, this Guaranty shall be of the Guarantor's full faith and credit.

2. The undersigned Guarantor agrees that any payments required to be made by the Borrower hereunder shall become due on demand immediately upon the happening of any Event of Default under the Guaranteed Obligations, and without presentment to the Borrower, demand for payment or protest thereof, or notice of nonpayment or protest thereof.

3. The undersigned Guarantor agrees that liability hereunder shall be unaffected by (i) any amendment or modification of the provisions of the Loan Agreement, the Note, the Guaranteed Obligations, or any instrument made to or with the undersigned by the Borrower or other persons, including but not limited to the extension of the time of any payment; (ii) any sale, assignment or foreclosure of any of the property securing the Guaranteed Obligations; (iii) any exculpatory provision in

Guaranty Agreement (Michel Invest)

any instruments limiting Lender's recourse to property encumbered by the Guaranteed Obligations or to any other security, or limiting Lender's rights to a deficiency judgment against the Borrower; (iv) the release of the Borrower or any other persons from performance or observance of any of the agreements, covenants, terms or conditions contained in any of said instruments by operation of law or otherwise; (v) the release in whole or in part of any security for the Guaranteed Obligations; or (vi) Lender's failure to file any UCC financing statements (or Lender's improper recording or filing of any thereof) or to otherwise perfect, protect, secure or insure any security interest or lien given as security for the Guaranteed Obligations; and in any such case, whether with or without notice to the undersigned and with or without consideration.

4. The undersigned fully understands that this Guaranty is a continuing Guaranty; that it applies to all future debts, liabilities and obligations of the Borrower, as well as those now outstanding and to those made on or about the date of this Guaranty. The undersigned has the right to terminate the continuing nature of this Guaranty at any time upon written notification to Lender by certified or registered mail, return receipt requested. Termination shall apply only to debts incurred by the Borrower after written notice of termination is received by Lender and shall not apply to or affect the undersigned's responsibility under this Guaranty for all of the Guaranteed Obligations existing as of the date the notice is received.

5. Guarantor agrees that the Lender, in its sole and absolute discretion, without notice to or further assent of the Guarantors and without in any way releasing, affecting, or impairing the obligations and liabilities of the Guarantors hereunder, may deal with other parties as if this Guaranty were not in effect. Without limiting the generality of the foregoing, the Lender may: (i) waive compliance with, or any defaults under, or grant any other indulgences with respect to, the Guaranteed Obligations, (ii) modify, amend, or change any provisions of the Guaranteed Obligations, (iii) grant extensions or renewals of (or with respect to) the Guaranteed Obligations or effect any release, compromise, or settlement in connection with the Guaranteed Obligations, (iv) agree to the substitution, exchange, release, or other disposition of all or any part of any collateral, (v) make advances for the purpose of performing any term or covenant contained in the Guaranteed Obligations with respect to which other parties are in default, and (vi) assign or otherwise transfer the Guaranteed Obligations or this Guaranty or any interest therein or herein.

6. No delay on Lender's part in exercising any right, power or privilege under any instrument securing the Guaranteed Obligations or this Guaranty, or any other document made to or with Lender by the Borrower shall operate as a waiver of any such privilege, power or right.

7. Guarantor agrees that any payments required to be made by the Borrower hereunder shall become due on demand immediately upon the happening of any Event of Default under the Guaranteed Obligations, and Guarantor waives (i) presentment and demand for payment, notice of dishonor, and protest of non-payment, (ii) notice of acceptance of this Guaranty, (iii) notice of any default hereunder or under any Guaranteed Obligation and of all indulgences, (iv) demand for observance or performance of, or enforcement of, any terms of provisions of this Guaranty or any Guaranteed Obligation, and (v) all other notices and demands otherwise required by law which the Guarantor may lawfully waive.

8. Notwithstanding anything to the contrary contained in this Guaranty, until such time as the Guaranteed Obligations are satisfied in full, Guarantor hereby unconditionally and irrevocably waives, releases and abrogates (to the extent permitted by law) any and all rights they may now or hereafter have under any agreement, at law or in equity (including, without limitation, any law subrogating Guarantor to the rights of the Lender), to assert any claim against or seek contribution, indemnification or any other form of reimbursement from the Borrower or any other party liable for payment of any or all of the Guaranteed Obligations for any payment made by the Guarantor under or in connection with this

Guaranty or otherwise. Guarantor agrees it will not exercise, until such time as the Guaranteed Obligations are satisfied in full (a) any rights which such Guarantor either may acquire by way of subrogation under this Guaranty or any other guaranty, by any payment made hereunder or otherwise, (b) any right of contribution any Guarantor may have against any other Guarantor of the Guaranteed Obligations, (c) any right to enforce any remedy which any Guarantor now has or may hereafter have against the Borrower or (d) any benefit of, and any right to participate in, any security now or hereafter held by the Lender.

9. Guarantor further agrees that, to the extent the waiver of its rights of subrogation and contribution as set forth herein is found by a court of competent jurisdiction to be void or voidable for any reason, any rights of subrogation any Guarantor may have against the Borrower or against any collateral or security, and any rights of contribution any Guarantor may have against any other guarantor, shall be junior and subordinate to any rights the Lender may have in any such collateral or security, and to any right the Lender may have against such other Guarantor. The Lender may use, sell or dispose of any item of collateral or security as it sees fit without regard to any subrogation rights any Guarantor may have, and upon any such disposition or sale any rights of subrogation any Guarantor may have shall terminate. If any amount shall be paid to any Guarantor on account of such subrogation rights any time when the Loan shall not have been paid in full, such amount shall be held in trust for and shall forthwith be paid over to the Lender to be credited and applied against the Loan balance, whether matured or unmatured, in accordance with the terms of the Guaranteed Obligations.

10. No delay on Lender's part in exercising any right, power or privilege under any instrument securing the Guaranteed Obligations or this Guaranty, or any other document made to or with Lender by the Borrower shall operate as a waiver of any such privilege, power or right.

11. This Guaranty cannot be modified orally. This Guaranty is a personal obligation of Guarantor. Guarantor has been advised by counsel as to the nature and consequences of the liabilities undertaken pursuant to the terms hereof.

12. Guarantor represents, warrants and covenants:

(a) That (i) the Guarantor will derive substantial benefit, directly or indirectly, from the Loan and from the making of this Guaranty by the Guarantor; (ii) the Guarantor is familiar with, and has independently reviewed books and records regarding, the financial condition of the Borrower and is familiar with the value of any and all collateral intended to be created as a security for the Guaranteed Obligations; however, the Guarantor is not relying on such financial condition or the collateral as an inducement to enter this Guaranty; (iii) this Guaranty is duly authorized and valid, and is binding upon and enforceable against the Guarantor; (iv) the Guarantor is not, and the execution, delivery and performance by the Guarantor of this Guaranty will not cause the Guarantor to be, in violation of or in default with respect to any law or in default (or at risk of acceleration of indebtedness) under any agreement or restriction by which the Guarantor is bound or affected; (v) except as disclosed in writing to the Lender on or prior to the date of the Guaranty, there is no litigation pending or, to the knowledge of the Guarantor, threatened before or by any tribunal against or affecting the Guarantor; (vi) the Guarantor acknowledges and agrees that the Guarantor may be required to perform the Guaranteed Obligations in full without assistance or support from any other person or entity; (vii) the Guarantor fully understands the provisions contained in the Loan Documents; and (viii) the Guarantor will indemnify the Lender from any loss, cost or expense as a result of any representation or warranty of the Guarantor being false, incorrect, incomplete or misleading in any material respect;

(b) Neither the Lender nor any other party has made any representation, warranty or statement to the Guarantor in order to induce the Guarantor to execute this Guaranty; and

Guaranty Agreement (Michel Invest)

(c) All representations and warranties made by the Guarantor herein shall survive the execution hereof.

13. Legal Proceedings.

(a) Guarantor agrees that if this Guaranty is enforced by suit or otherwise, the Guarantor will reimburse the Lender for all reasonable expenses it incurs in that connection, including but not limited to attorneys' fees.

(b) If the Lender is required to rescind or refund any payment received on account of the Guaranteed Obligations as a result of a determination that such payment constituted a preference or a fraudulent conveyance under the bankruptcy laws or for any similar reason (a "Rescinded Payment"), then, to the extent permitted by law, the Guarantor's liability to the Lender shall continue in full force and effect, or the Guarantor's liability to the Lender shall be reinstated, as the case may be, as if the Rescinded Payment had not been received by the Lender.

(c) Service of Process. In any litigation, to the extent allowable by law, each Guarantor waives personal service of any summons, complaint, or other process, and agrees that service may be made by certified or registered mail directed to such Guarantor.

(d) **Waiver of Jury Trial.** Each Guarantor hereby (i) covenants and agrees not to elect a trial by jury of any issue triable of right by a jury, and (ii) waives any right to trial by jury fully to the extent that any such right shall now or hereafter exist. This waiver of right to trial by jury is separately given, knowingly and voluntarily, by each Guarantor, and this waiver is intended to encompass individually each instance and each issue as to which the right to a trial by jury would otherwise accrue. The Lender is hereby authorized and requested to submit this agreement to any court having jurisdiction over the subject matter and the parties hereto, so as to serve as conclusive evidence of the Guarantor's herein contained waiver of the right to trial by jury. Further, each Guarantor hereby certifies that no representative or agent of the Lender (including the Lender's counsel) has represented, expressly or otherwise, to Guarantor that the Lender will not seek to enforce this waiver of right to trial by jury provision.

(e) Guarantor, to the extent permitted by law, waives the right to interpose any setoff, recoupment, counterclaim, or cross-claim in connection with any action to enforce collection of this Guaranty. If each Guarantor claims any such rights, it shall assert them only in a separate action. The separate action shall not be consolidated with any action brought by the Lender to enforce its rights under any of the Loan Documents (as defined in the Loan Agreement). This provision shall not apply to counterclaims which are compulsory under the applicable rules of civil procedure.

(f) If any party defaults with respect to any Guaranteed Obligation, or if the Lender accelerates the Guaranteed Obligations, the Lender shall have the right, without prior notice to any Guarantor, to set off, appropriate, and apply against any or all Guaranteed Obligations, any moneys, securities, or other property of a Guarantor then held or received by the Lender or in transit to the Lender, all of the Guarantor's deposits, balances (general or special), sums, and credits with the Lender, and all claims of a Guarantor against the Lender.

14. Miscellaneous.

(a) The rights and duties of the parties under this Guaranty shall be governed by the laws of the State of Florida (without regard to its principles of conflicts of laws). Each Guarantor hereby

irrevocably consents to the jurisdiction of the courts of the County of Palm Beach, Florida in connection with any proceeding arising out of (or relating to) the Guaranty, or any document delivered pursuant to the Guaranty or any of the Loan Documents.

(b) Any agreement hereafter made shall be ineffective to change or modify this Guaranty, in whole or in part, unless such an agreement is in writing and signed by the party against whom enforcement of the change or modification is sought.

(c) No waiver by the Lender of any breach of any term or covenant contained in this Guaranty shall operate as a waiver of such term or covenant itself, or of any subsequent breach. No delay or omission by the Lender in exercising any such right or remedy shall operate as a waiver. No waiver of any rights and remedies shall be deemed made by the Lender unless in writing and duly signed by the Lender. Any such written waiver shall apply only to the particular instance involved and shall not impair the further exercise of such right or remedy or of any other right or remedy of the Lender and no single or partial exercise of any right or remedy shall preclude other or further exercise of such right or remedy or any other right or remedy.

(d) No right or remedy herein conferred upon the Lender is intended to be exclusive of any other right or remedy set forth in this Guaranty or in any instrument or document delivered in connection with or pursuant to this Guaranty, and every such right or remedy shall be cumulative and shall be in addition to every other such right or remedy contained herein and therein or now or hereafter existing at law, in equity, by statute, or otherwise.

(e) This Guaranty shall be binding upon each Guarantor and its heirs, successors and assigns, and shall inure to the benefit of the Lender and its successors and assigns. The Guarantor may not assign this Guaranty without the prior written consent of Lender.

(f) Any notice or other communication required or permitted to be given hereunder shall be in writing and shall be delivered to the parties at the addresses set forth above (or to such other addresses as the parties may specify by due notice to the others). Notices or other communications given by certified mail, return receipt requested, postage prepaid, shall be deemed given three (3) days after the date of mailing. Notices or other communications given by Federal Express or another nationally recognized overnight courier service shall be deemed to be given on the following Business Day. Notices or other communications sent in any other manner shall be deemed given only when actually received.

(g) The captions of the various sections and subsections of this Guaranty have been inserted only for the purposes of convenience; such captions are not a part of this Guaranty and shall not be deemed in any manner to modify, explain, enlarge or restrict any of the provisions of this Guaranty.

(h) The invalidity or unenforceability of any provision of this Guaranty shall not affect or impair the validity or enforceability of any other provision.

(i) If a Guarantor fails to perform timely any of their obligations under this Guaranty, the Lender shall have the right (but not the obligation) to perform them. The Lender's performance shall be for the account of the Guarantor and at the Guarantor's expense and risk.

(j) If the Lender incurs or spends any amounts to perform any of a Guarantor's obligations under this Guaranty, all such amounts (including reasonable attorneys' fees), together with interest from the date the amount is advanced until the date it is repaid, at the highest rate set forth in the Loan Documents, shall be added to the Guaranteed Obligations, and shall be repaid by the Guarantors to the Lender on demand.

(k) This Guaranty is continuing in nature and obligates the Guarantor with respect to Guaranteed Obligations presently in existence as well as Guaranteed Obligations that will first be created in the future. The Lender may rely on the continuing nature of this Guaranty.

(l) Capitalized terms used but not defined herein shall have the same meaning herein as in the Loan Agreement.

[SIGNATURE PAGE IMMEDIATELY FOLLOWS]


IN WITNESS WHEREOF, the Undersigned have caused this Guaranty Agreement to be duly executed and delivered as of the 11th day of March, 2025.

WITNESSES:

BORROWER:

MICHEL INVEST LLC, a Florida limited liability company

Maria E. Vidal
Print name: Maria Vidal

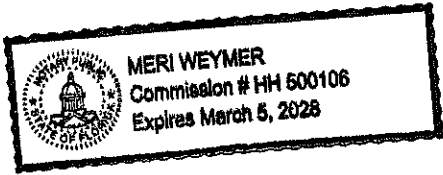
By: 
Pierre Michel, as Manager

Amanda Hughes
Print name: Amanda Hughes

STATE OF FLORIDA)
COUNTY OF PALM BEACH) ss:

The foregoing instrument was acknowledged before me by means of ☒ physical presence or ☐ online notarization this 11th day of March, 2025 by Pierre Michel, as Manager of MICHEL INVEST LLC, a Florida limited liability company, on behalf of the company, ☒ who is personally known to me or ☐ who has produced n/a as identification.

My Commission Expires:



Meri Weymer
Notary Public
Print name: Meri Weymer

IN WITNESS WHEREOF, the Undersigned have caused this Guaranty Agreement to be duly executed and delivered as of the ____ day of March, 2025.

WITNESSES:

GUARANTOR:

MICHEL INVEST LLC, a Florida limited liability company

Maria G. Vidal
Print name: Maria Vidal

By: [Signature]
Pierre Michel, as Manager

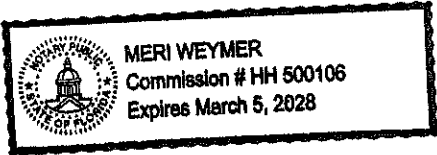
Amanda Hughes
Print name: Amanda Hughes

STATE OF FLORIDA)
COUNTY OF PALM BEACH) ss:

The foregoing instrument was acknowledged before me by means of ☒ physical presence or ☐ online notarization this 11th day of March, 2025 by Pierre Michel, as Manager of Michel Invest LLC, a Florida limited liability company, by and behalf of the corporation, ☒ who is personally known to me or ☐ who has produced n/a as identification.

My Commission Expires:

[Signature]
Notary Public
Print name: Meri Weymer



GUARANTY AGREEMENT

FOR VALUE RECEIVED and to induce **PALM BEACH COUNTY, FLORIDA**, a political subdivision of the State of Florida, with an address of Department of Housing and Economic Development, 100 Australian Avenue, Suite 500, West Palm Beach, Florida 33406 (the "**Lender**") to make a certain U.S. Department of Housing and Urban Development ("**HUD**") Section 108 loan to **MICHEL INVEST LLC**, a Florida limited liability company with an address of 101 10th Street, Lake Park, Florida 33403 (the "**Borrower**"), pursuant to that certain Section 108 Loan Agreement dated March 11th, 2025 (the "**Loan Agreement**"), in the aggregate principal amount of **TWO HUNDRED THOUSAND AND 00/100 DOLLARS (\$200,000.00)** (the "**Loan**") evidenced by that certain Promissory Note dated March 11th, 2025, executed by Borrower and held by Lender (the "**Note**"); the undersigned, **MELLISA MICHEL** ("**Guarantor**", collectively with the Borrower, the "**Obligors**"), with an address for correspondence of 5030 Sabreline Terrace, Greenacres, Florida 33463, jointly and severally hereby agree as follows:

A. To jointly and severally, irrevocably and unconditionally guarantee to Lender, its successors and assigns the due performance and prompt payment, whether at maturity or by acceleration or otherwise, of all of the present and future debts, liabilities and/or obligations of the Borrower to Lender under the Loan Agreement, the Note and all other documents executed in connection therewith (collectively the "**Guaranteed Obligations**"), together with interest on the Guaranteed Obligations, and all legal and other costs or expenses paid or incurred by Lender in the enforcement thereof against the Borrower or the undersigned. The Guaranteed Obligations shall include, without limitation, (i) full payment of all sums due under the Note, as and when the same shall be due thereunder, (ii) the obligations of Borrower as set forth in the Loan Agreement, (iii) the obligations of Borrower as set forth in the Mortgage dated the date hereof, and (iv) the Borrower's due and punctual performance and observation of all other terms, covenants and conditions of the Guaranteed Obligations, whether according to the present terms thereof, at any earlier or accelerated date or dates as provided therein, or pursuant to any extension of time or to any change or changes in the terms, covenants, or conditions thereof now or hereafter made or granted.

B. To jointly and severally, irrevocably and unconditionally indemnify Lender against loss, cost or expense caused by the assertion by the Borrower of any defense to the Guaranteed Obligations or other obligations or the assertion by the undersigned of any defense to the undersigned's obligations hereunder.

1. This is a guaranty of payment and performance, and not of collection, and as such Guarantor waives any right or claim of right to cause a marshaling of the Borrower's assets or to cause Lender to proceed against any of the security for the Guaranteed Obligations or for the obligations guaranteed thereby before proceeding against Guarantor. To the extent that this guaranty is a guaranty of payment, this Guaranty shall be of the Guarantor's full faith and credit.

2. The undersigned Guarantor agrees that any payments required to be made by the Borrower hereunder shall become due on demand immediately upon the happening of any Event of Default under the Guaranteed Obligations, and without presentment to the Borrower, demand for payment or protest thereof, or notice of nonpayment or protest thereof.

3. The undersigned Guarantor agrees that liability hereunder shall be unaffected by (i) any amendment or modification of the provisions of the Loan Agreement, the Note, the Guaranteed Obligations, or any instrument made to or with the undersigned by the Borrower or other persons, including but not limited to the extension of the time of any payment; (ii) any sale, assignment or foreclosure of any of the property securing the Guaranteed Obligations; (iii) any exculpatory provision in any instruments

Guaranty Agreement (MM)

limiting Lender's recourse to property encumbered by the Guaranteed Obligations or to any other security, or limiting Lender's rights to a deficiency judgment against the Borrower; (iv) the release of the Borrower or any other persons from performance or observance of any of the agreements, covenants, terms or conditions contained in any of said instruments by operation of law or otherwise; (v) the release in whole or in part of any security for the Guaranteed Obligations; or (vi) Lender's failure to file any UCC financing statements (or Lender's improper recording or filing of any thereof) or to otherwise perfect, protect, secure or insure any security interest or lien given as security for the Guaranteed Obligations; and in any such case, whether with or without notice to the undersigned and with or without consideration.

4. The undersigned fully understands that this Guaranty is a continuing Guaranty; that it applies to all future debts, liabilities and obligations of the Borrower, as well as those now outstanding and to those made on or about the date of this Guaranty. The undersigned has the right to terminate the continuing nature of this Guaranty at any time upon written notification to Lender by certified or registered mail, return receipt requested. Termination shall apply only to debts incurred by the Borrower after written notice of termination is received by Lender and shall not apply to or affect the undersigned's responsibility under this Guaranty for all of the Guaranteed Obligations existing as of the date the notice is received.

5. Guarantor agrees that the Lender, in its sole and absolute discretion, without notice to or further assent of the Guarantors and without in any way releasing, affecting, or impairing the obligations and liabilities of the Guarantors hereunder, may deal with other parties as if this Guaranty were not in effect. Without limiting the generality of the foregoing, the Lender may: (i) waive compliance with, or any defaults under, or grant any other indulgences with respect to, the Guaranteed Obligations, (ii) modify, amend, or change any provisions of the Guaranteed Obligations, (iii) grant extensions or renewals of (or with respect to) the Guaranteed Obligations or effect any release, compromise, or settlement in connection with the Guaranteed Obligations, (iv) agree to the substitution, exchange, release, or other disposition of all or any part of any collateral, (v) make advances for the purpose of performing any term or covenant contained in the Guaranteed Obligations with respect to which other parties are in default, and (vi) assign or otherwise transfer the Guaranteed Obligations or this Guaranty or any interest therein or herein.

6. No delay on Lender's part in exercising any right, power or privilege under any instrument securing the Guaranteed Obligations or this Guaranty, or any other document made to or with Lender by the Borrower shall operate as a waiver of any such privilege, power or right.

7. Guarantor agrees that any payments required to be made by the Borrower hereunder shall become due on demand immediately upon the happening of any Event of Default under the Guaranteed Obligations, and Guarantor waives (i) presentment and demand for payment, notice of dishonor, and protest of non-payment, (ii) notice of acceptance of this Guaranty, (iii) notice of any default hereunder or under any Guaranteed Obligation and of all indulgences, (iv) demand for observance or performance of, or enforcement of, any terms of provisions of this Guaranty or any Guaranteed Obligation, and (v) all other notices and demands otherwise required by law which the Guarantor may lawfully waive.

8. Notwithstanding anything to the contrary contained in this Guaranty, until such time as the Guaranteed Obligations are satisfied in full, Guarantor hereby unconditionally and irrevocably waives, releases and abrogates (to the extent permitted by law) any and all rights they may now or hereafter have under any agreement, at law or in equity (including, without limitation, any law subrogating Guarantor to the rights of the Lender), to assert any claim against or seek contribution, indemnification or any other form of reimbursement from the Borrower or any other party liable for payment of any or all of the Guaranteed Obligations for any payment made by the Guarantor under or in connection with this Guaranty or otherwise. Guarantor agrees it will not exercise, until such time as the Guaranteed Obligations are satisfied in full

(a) any rights which such Guarantor either may acquire by way of subrogation under this Guaranty or any other guaranty, by any payment made hereunder or otherwise, (b) any right of contribution any Guarantor may have against any other Guarantor of the Guaranteed Obligations, (c) any right to enforce any remedy which any Guarantor now has or may hereafter have against the Borrower or (d) any benefit of, and any right to participate in, any security now or hereafter held by the Lender.

9. Guarantor further agrees that, to the extent the waiver of its rights of subrogation and contribution as set forth herein is found by a court of competent jurisdiction to be void or voidable for any reason, any rights of subrogation any Guarantor may have against the Borrower or against any collateral or security, and any rights of contribution any Guarantor may have against any other guarantor, shall be junior and subordinate to any rights the Lender may have in any such collateral or security, and to any right the Lender may have against such other Guarantor. The Lender may use, sell or dispose of any item of collateral or security as it sees fit without regard to any subrogation rights any Guarantor may have, and upon any such disposition or sale any rights of subrogation any Guarantor may have shall terminate. If any amount shall be paid to any Guarantor on account of such subrogation rights any time when the Loan shall not have been paid in full, such amount shall be held in trust for and shall forthwith be paid over to the Lender to be credited and applied against the Loan balance, whether matured or unmatured, in accordance with the terms of the Guaranteed Obligations.

10. No delay on Lender's part in exercising any right, power or privilege under any instrument securing the Guaranteed Obligations or this Guaranty, or any other document made to or with Lender by the Borrower shall operate as a waiver of any such privilege, power or right.

11. This Guaranty cannot be modified orally. This Guaranty is a personal obligation of Guarantor. Guarantor has been advised by counsel as to the nature and consequences of the liabilities undertaken pursuant to the terms hereof.

12. Guarantor represents, warrants and covenants:

(a) That (i) the Guarantor will derive substantial benefit, directly or indirectly, from the Loan and from the making of this Guaranty by the Guarantor; (ii) the Guarantor is familiar with, and has independently reviewed books and records regarding, the financial condition of the Borrower and is familiar with the value of any and all collateral intended to be created as a security for the Guaranteed Obligations; however, the Guarantor is not relying on such financial condition or the collateral as an inducement to enter this Guaranty; (iii) this Guaranty is duly authorized and valid, and is binding upon and enforceable against the Guarantor; (iv) the Guarantor is not, and the execution, delivery and performance by the Guarantor of this Guaranty will not cause the Guarantor to be, in violation of or in default with respect to any law or in default (or at risk of acceleration of indebtedness) under any agreement or restriction by which the Guarantor is bound or affected; (v) except as disclosed in writing to the Lender on or prior to the date of the Guaranty, there is no litigation pending or, to the knowledge of the Guarantor, threatened before or by any tribunal against or affecting the Guarantor; (vi) the Guarantor acknowledges and agrees that the Guarantor may be required to perform the Guaranteed Obligations in full without assistance or support from any other person or entity; (vii) the Guarantor fully understands the provisions contained in the Loan Documents; and (viii) the Guarantor will indemnify the Lender from any loss, cost or expense as a result of any representation or warranty of the Guarantor being false, incorrect, incomplete or misleading in any material respect;

(b) Neither the Lender nor any other party has made any representation, warranty or statement to the Guarantor in order to induce the Guarantor to execute this Guaranty; and;

(c) All representations and warranties made by the Guarantor herein shall survive the execution hereof.

13. Legal Proceedings.

(a) Guarantor agrees that if this Guaranty is enforced by suit or otherwise, the Guarantor will reimburse the Lender for all reasonable expenses it incurs in that connection, including but not limited to attorneys' fees.

(b) If the Lender is required to rescind or refund any payment received on account of the Guaranteed Obligations as a result of a determination that such payment constituted a preference or a fraudulent conveyance under the bankruptcy laws or for any similar reason (a "Rescinded Payment"), then, to the extent permitted by law, the Guarantor's liability to the Lender shall continue in full force and effect, or the Guarantor's liability to the Lender shall be reinstated, as the case may be, as if the Rescinded Payment had not been received by the Lender.

(c) Service of Process. In any litigation, to the extent allowable by law, each Guarantor waives personal service of any summons, complaint, or other process, and agrees that service may be made by certified or registered mail directed to such Guarantor.

(d) Waiver of Jury Trial. Each Guarantor hereby (i) covenants and agrees not to elect a trial by jury of any issue triable of right by a jury, and (ii) waives any right to trial by jury fully to the extent that any such right shall now or hereafter exist. This waiver of right to trial by jury is separately given, knowingly and voluntarily, by each Guarantor, and this waiver is intended to encompass individually each instance and each issue as to which the right to a trial by jury would otherwise accrue. The Lender is hereby authorized and requested to submit this agreement to any court having jurisdiction over the subject matter and the parties hereto, so as to serve as conclusive evidence of the Guarantor's herein contained waiver of the right to trial by jury. Further, each Guarantor hereby certifies that no representative or agent of the Lender (including the Lender's counsel) has represented, expressly or otherwise, to Guarantor that the Lender will not seek to enforce this waiver of right to trial by jury provision.

(e) Guarantor, to the extent permitted by law, waives the right to interpose any setoff, recoupment, counterclaim, or cross-claim in connection with any action to enforce collection of this Guaranty. If each Guarantor claims any such rights, it shall assert them only in a separate action. The separate action shall not be consolidated with any action brought by the Lender to enforce its rights under any of the Loan Documents (as defined in the Loan Agreement). This provision shall not apply to counterclaims which are compulsory under the applicable rules of civil procedure.

(f) If any party defaults with respect to any Guaranteed Obligation, or if the Lender accelerates the Guaranteed Obligations, the Lender shall have the right, without prior notice to any Guarantor, to set off, appropriate, and apply against any or all Guaranteed Obligations, any moneys, securities, or other property of a Guarantor then held or received by the Lender or in transit to the Lender, all of the Guarantor's deposits, balances (general or special), sums, and credits with the Lender, and all claims of a Guarantor against the Lender.

14. Miscellaneous.

(a) The rights and duties of the parties under this Guaranty shall be governed by the laws of the State of Florida (without regard to its principles of conflicts of laws). Each Guarantor hereby

irrevocably consents to the jurisdiction of the courts of the County of Palm Beach, Florida in connection with any proceeding arising out of (or relating to) the Guaranty, or any document delivered pursuant to the Guaranty or any of the Loan Documents.

(b) Any agreement hereafter made shall be ineffective to change or modify this Guaranty, in whole or in part, unless such an agreement is in writing and signed by the party against whom enforcement of the change or modification is sought.

(c) No waiver by the Lender of any breach of any term or covenant contained in this Guaranty shall operate as a waiver of such term or covenant itself, or of any subsequent breach. No delay or omission by the Lender in exercising any such right or remedy shall operate as a waiver. No waiver of any rights and remedies shall be deemed made by the Lender unless in writing and duly signed by the Lender. Any such written waiver shall apply only to the particular instance involved and shall not impair the further exercise of such right or remedy or of any other right or remedy of the Lender and no single or partial exercise of any right or remedy shall preclude other or further exercise of such right or remedy or any other right or remedy.

(d) No right or remedy herein conferred upon the Lender is intended to be exclusive of any other right or remedy set forth in this Guaranty or in any instrument or document delivered in connection with or pursuant to this Guaranty, and every such right or remedy shall be cumulative and shall be in addition to every other such right or remedy contained herein and therein or now or hereafter existing at law, in equity, by statute, or otherwise.

(e) This Guaranty shall be binding upon each Guarantor and its heirs, successors and assigns, and shall inure to the benefit of the Lender and its successors and assigns. The Guarantor may not assign this Guaranty without the prior written consent of Lender.

(f) Any notice or other communication required or permitted to be given hereunder shall be in writing and shall be delivered to the parties at the addresses set forth above (or to such other addresses as the parties may specify by due notice to the others). Notices or other communications given by certified mail, return receipt requested, postage prepaid, shall be deemed given three (3) days after the date of mailing. Notices or other communications given by Federal Express or another nationally recognized overnight courier service shall be deemed to be given on the following Business Day. Notices or other communications sent in any other manner shall be deemed given only when actually received.

(g) The captions of the various sections and subsections of this Guaranty have been inserted only for the purposes of convenience; such captions are not a part of this Guaranty and shall not be deemed in any manner to modify, explain, enlarge or restrict any of the provisions of this Guaranty.

(h) The invalidity or unenforceability of any provision of this Guaranty shall not affect or impair the validity or enforceability of any other provision.

(i) If a Guarantor fails to perform timely any of their obligations under this Guaranty, the Lender shall have the right (but not the obligation) to perform them. The Lender's performance shall be for the account of the Guarantor and at the Guarantor's expense and risk.

(j) If the Lender incurs or spends any amounts to perform any of a Guarantor's obligations under this Guaranty, all such amounts (including reasonable attorneys' fees), together with interest from the date the amount is advanced until the date it is repaid, at the highest rate set forth in the Loan Documents, shall be added to the Guaranteed Obligations, and shall be repaid by the Guarantors to the

Lender on demand.

(k) This Guaranty is continuing in nature and obligates the Guarantor with respect to Guaranteed Obligations presently in existence as well as Guaranteed Obligations that will first be created in the future. The Lender may rely on the continuing nature of this Guaranty.

(l) Capitalized terms used but not defined herein shall have the same meaning herein as in the Loan Agreement.

/SIGNATURE PAGE IMMEDIATELY FOLLOWS/

IN WITNESS WHEREOF, the Undersigned have caused this Guaranty Agreement to be duly executed and delivered as of the 11th day of March 2025.

WITNESSES:

GUARANTOR:

Maria Vidal
Print name: Maria Vidal

Mellisa Michel
Mellisa Michel, Individually

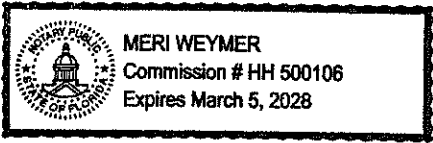
Amanda Hughes
Print name: Amanda Hughes

STATE OF FLORIDA)
COUNTY OF PALM BEACH) ss:

The foregoing instrument was acknowledged before me by means of ☒ physical presence or ☐ online notarization this 11th day of March, 2025 by Mellisa Michel, Individually, ☐ who is personally known to me or ☐ who has produced nil as identification.

My Commission Expires:

Meri Weymer
Notary Public
Print name: Meri Weymer



GUARANTY AGREEMENT

FOR VALUE RECEIVED and to induce **PALM BEACH COUNTY, FLORIDA**, a political subdivision of the State of Florida, with an address of Department of Housing and Economic Development, 100 Australian Avenue, Suite 500, West Palm Beach, Florida 33406 (the "Lender") to make a certain U.S. Department of Housing and Urban Development ("HUD") Section 108 loan to **MICHEL INVEST LLC**, a Florida limited liability company with an address of 101 10TH Street, Lake Park, Florida 33403 (the "Borrower"), pursuant to that certain Section 108 Loan Agreement dated March 11TH, 2025 (the "Loan Agreement"), in the aggregate principal amount of **TWO HUNDRED THOUSAND AND 00/100 DOLLARS (\$200,000.00)** (the "Loan") evidenced by that certain Promissory Note dated March 11TH, 2025, executed by Borrower and held by Lender (the "Note"); the undersigned, **PIERRE MICHEL** ("Guarantor", collectively with the Borrower, the "Obligors"), with an address for correspondence of 5030 Sabreline Terrace, Greenacres, Florida 33463, jointly and severally hereby agree as follows:

A. To jointly and severally, irrevocably and unconditionally guarantee to Lender, its successors and assigns the due performance and prompt payment, whether at maturity or by acceleration or otherwise, of all of the present and future debts, liabilities and/or obligations of the Borrower to Lender under the Loan Agreement, the Note and all other documents executed in connection therewith (collectively the "Guaranteed Obligations"), together with interest on the Guaranteed Obligations, and all legal and other costs or expenses paid or incurred by Lender in the enforcement thereof against the Borrower or the undersigned. The Guaranteed Obligations shall include, without limitation, (i) full payment of all sums due under the Note, as and when the same shall be due thereunder, (ii) the obligations of Borrower as set forth in the Loan Agreement, (iii) the obligations of Borrower as set forth in the Mortgage dated the date hereof, and (iv) the Borrower's due and punctual performance and observation of all other terms, covenants and conditions of the Guaranteed Obligations, whether according to the present terms thereof, at any earlier or accelerated date or dates as provided therein, or pursuant to any extension of time or to any change or changes in the terms, covenants, or conditions thereof now or hereafter made or granted.

B. To jointly and severally, irrevocably and unconditionally indemnify Lender against loss, cost or expense caused by the assertion by the Borrower of any defense to the Guaranteed Obligations or other obligations or the assertion by the undersigned of any defense to the undersigned's obligations hereunder.

1. This is a guaranty of payment and performance, and not of collection, and as such Guarantor waives any right or claim of right to cause a marshaling of the Borrower's assets or to cause Lender to proceed against any of the security for the Guaranteed Obligations or for the obligations guaranteed thereby before proceeding against Guarantor. To the extent that this guaranty is a guaranty of payment, this Guaranty shall be of the Guarantor's full faith and credit.

2. The undersigned Guarantor agrees that any payments required to be made by the Borrower hereunder shall become due on demand immediately upon the happening of any Event of Default under the Guaranteed Obligations, and without presentment to the Borrower, demand for payment or protest thereof, or notice of nonpayment or protest thereof.

3. The undersigned Guarantor agrees that liability hereunder shall be unaffected by (i) any amendment or modification of the provisions of the Loan Agreement, the Note, the Guaranteed Obligations, or any instrument made to or with the undersigned by the Borrower or other persons, including but not limited to the extension of the time of any payment; (ii) any sale, assignment or foreclosure of any of the property securing the Guaranteed Obligations; (iii) any exculpatory provision in any instruments

Guaranty Agreement (PM)

limiting Lender's recourse to property encumbered by the Guaranteed Obligations or to any other security, or limiting Lender's rights to a deficiency judgment against the Borrower; (iv) the release of the Borrower or any other persons from performance or observance of any of the agreements, covenants, terms or conditions contained in any of said instruments by operation of law or otherwise; (v) the release in whole or in part of any security for the Guaranteed Obligations; or (vi) Lender's failure to file any UCC financing statements (or Lender's improper recording or filing of any thereof) or to otherwise perfect, protect, secure or insure any security interest or lien given as security for the Guaranteed Obligations; and in any such case, whether with or without notice to the undersigned and with or without consideration.

4. The undersigned fully understands that this Guaranty is a continuing Guaranty; that it applies to all future debts, liabilities and obligations of the Borrower, as well as those now outstanding and to those made on or about the date of this Guaranty. The undersigned has the right to terminate the continuing nature of this Guaranty at any time upon written notification to Lender by certified or registered mail, return receipt requested. Termination shall apply only to debts incurred by the Borrower after written notice of termination is received by Lender and shall not apply to or affect the undersigned's responsibility under this Guaranty for all of the Guaranteed Obligations existing as of the date the notice is received.

5. Guarantor agrees that the Lender, in its sole and absolute discretion, without notice to or further assent of the Guarantors and without in any way releasing, affecting, or impairing the obligations and liabilities of the Guarantors hereunder, may deal with other parties as if this Guaranty were not in effect. Without limiting the generality of the foregoing, the Lender may: (i) waive compliance with, or any defaults under, or grant any other indulgences with respect to, the Guaranteed Obligations, (ii) modify, amend, or change any provisions of the Guaranteed Obligations, (iii) grant extensions or renewals of (or with respect to) the Guaranteed Obligations or effect any release, compromise, or settlement in connection with the Guaranteed Obligations, (iv) agree to the substitution, exchange, release, or other disposition of all or any part of any collateral, (v) make advances for the purpose of performing any term or covenant contained in the Guaranteed Obligations with respect to which other parties are in default, and (vi) assign or otherwise transfer the Guaranteed Obligations or this Guaranty or any interest therein or herein.

6. No delay on Lender's part in exercising any right, power or privilege under any instrument securing the Guaranteed Obligations or this Guaranty, or any other document made to or with Lender by the Borrower shall operate as a waiver of any such privilege, power or right.

7. Guarantor agrees that any payments required to be made by the Borrower hereunder shall become due on demand immediately upon the happening of any Event of Default under the Guaranteed Obligations, and Guarantor waives (i) presentment and demand for payment, notice of dishonor, and protest of non-payment, (ii) notice of acceptance of this Guaranty, (iii) notice of any default hereunder or under any Guaranteed Obligation and of all indulgences, (iv) demand for observance or performance of, or enforcement of, any terms of provisions of this Guaranty or any Guaranteed Obligation, and (v) all other notices and demands otherwise required by law which the Guarantor may lawfully waive.

8. Notwithstanding anything to the contrary contained in this Guaranty, until such time as the Guaranteed Obligations are satisfied in full, Guarantor hereby unconditionally and irrevocably waives, releases and abrogates (to the extent permitted by law) any and all rights they may now or hereafter have under any agreement, at law or in equity (including, without limitation, any law subrogating Guarantor to the rights of the Lender), to assert any claim against or seek contribution, indemnification or any other form of reimbursement from the Borrower or any other party liable for payment of any or all of the Guaranteed Obligations for any payment made by the Guarantor under or in connection with this Guaranty or otherwise. Guarantor agrees it will not exercise, until such time as the Guaranteed Obligations are satisfied in full

(a) any rights which such Guarantor either may acquire by way of subrogation under this Guaranty or any other guaranty, by any payment made hereunder or otherwise, (b) any right of contribution any Guarantor may have against any other Guarantor of the Guaranteed Obligations, (c) any right to enforce any remedy which any Guarantor now has or may hereafter have against the Borrower or (d) any benefit of, and any right to participate in, any security now or hereafter held by the Lender.

9. Guarantor further agrees that, to the extent the waiver of its rights of subrogation and contribution as set forth herein is found by a court of competent jurisdiction to be void or voidable for any reason, any rights of subrogation any Guarantor may have against the Borrower or against any collateral or security, and any rights of contribution any Guarantor may have against any other guarantor, shall be junior and subordinate to any rights the Lender may have in any such collateral or security, and to any right the Lender may have against such other Guarantor. The Lender may use, sell or dispose of any item of collateral or security as it sees fit without regard to any subrogation rights any Guarantor may have, and upon any such disposition or sale any rights of subrogation any Guarantor may have shall terminate. If any amount shall be paid to any Guarantor on account of such subrogation rights any time when the Loan shall not have been paid in full, such amount shall be held in trust for and shall forthwith be paid over to the Lender to be credited and applied against the Loan balance, whether matured or unmatured, in accordance with the terms of the Guaranteed Obligations.

10. No delay on Lender's part in exercising any right, power or privilege under any instrument securing the Guaranteed Obligations or this Guaranty, or any other document made to or with Lender by the Borrower shall operate as a waiver of any such privilege, power or right.

11. This Guaranty cannot be modified orally. This Guaranty is a personal obligation of Guarantor. Guarantor has been advised by counsel as to the nature and consequences of the liabilities undertaken pursuant to the terms hereof.

12. Guarantor represents, warrants and covenants:

(a) That (i) the Guarantor will derive substantial benefit, directly or indirectly, from the Loan and from the making of this Guaranty by the Guarantor; (ii) the Guarantor is familiar with, and has independently reviewed books and records regarding, the financial condition of the Borrower and is familiar with the value of any and all collateral intended to be created as a security for the Guaranteed Obligations; however, the Guarantor is not relying on such financial condition or the collateral as an inducement to enter this Guaranty; (iii) this Guaranty is duly authorized and valid, and is binding upon and enforceable against the Guarantor; (iv) the Guarantor is not, and the execution, delivery and performance by the Guarantor of this Guaranty will not cause the Guarantor to be, in violation of or in default with respect to any law or in default (or at risk of acceleration of indebtedness) under any agreement or restriction by which the Guarantor is bound or affected; (v) except as disclosed in writing to the Lender on or prior to the date of the Guaranty, there is no litigation pending or, to the knowledge of the Guarantor, threatened before or by any tribunal against or affecting the Guarantor; (vi) the Guarantor acknowledges and agrees that the Guarantor may be required to perform the Guaranteed Obligations in full without assistance or support from any other person or entity; (vii) the Guarantor fully understands the provisions contained in the Loan Documents; and (viii) the Guarantor will indemnify the Lender from any loss, cost or expense as a result of any representation or warranty of the Guarantor being false, incorrect, incomplete or misleading in any material respect;

(b) Neither the Lender nor any other party has made any representation, warranty or statement to the Guarantor in order to induce the Guarantor to execute this Guaranty; and;

(c) All representations and warranties made by the Guarantor herein shall survive the execution hereof.

13. Legal Proceedings.

(a) Guarantor agrees that if this Guaranty is enforced by suit or otherwise, the Guarantor will reimburse the Lender for all reasonable expenses it incurs in that connection, including but not limited to attorneys' fees.

(b) If the Lender is required to rescind or refund any payment received on account of the Guaranteed Obligations as a result of a determination that such payment constituted a preference or a fraudulent conveyance under the bankruptcy laws or for any similar reason (a "Rescinded Payment"), then, to the extent permitted by law, the Guarantor's liability to the Lender shall continue in full force and effect, or the Guarantor's liability to the Lender shall be reinstated, as the case may be, as if the Rescinded Payment had not been received by the Lender.

(c) Service of Process. In any litigation, to the extent allowable by law, each Guarantor waives personal service of any summons, complaint, or other process, and agrees that service may be made by certified or registered mail directed to such Guarantor.

(d) **Waiver of Jury Trial.** Guarantor hereby (i) covenants and agrees not to elect a trial by jury of any issue triable of right by a jury, and (ii) waives any right to trial by jury fully to the extent that any such right shall now or hereafter exist. This waiver of right to trial by jury is separately given, knowingly and voluntarily, by each Guarantor, and this waiver is intended to encompass individually each instance and each issue as to which the right to a trial by jury would otherwise accrue. The Lender is hereby authorized and requested to submit this agreement to any court having jurisdiction over the subject matter and the parties hereto, so as to serve as conclusive evidence of the Guarantor's herein contained waiver of the right to trial by jury. Further, each Guarantor hereby certifies that no representative or agent of the Lender (including the Lender's counsel) has represented, expressly or otherwise, to Guarantor that the Lender will not seek to enforce this waiver of right to trial by jury provision.

(e) Guarantor, to the extent permitted by law, waives the right to interpose any setoff, recoupment, counterclaim, or cross-claim in connection with any action to enforce collection of this Guaranty. If each Guarantor claims any such rights, it shall assert them only in a separate action. The separate action shall not be consolidated with any action brought by the Lender to enforce its rights under any of the Loan Documents (as defined in the Loan Agreement). This provision shall not apply to counterclaims which are compulsory under the applicable rules of civil procedure.

(f) If any party defaults with respect to any Guaranteed Obligation, or if the Lender accelerates the Guaranteed Obligations, the Lender shall have the right, without prior notice to any Guarantor, to set off, appropriate, and apply against any or all Guaranteed Obligations, any moneys, securities, or other property of a Guarantor then held or received by the Lender or in transit to the Lender, all of the Guarantor's deposits, balances (general or special), sums, and credits with the Lender, and all claims of a Guarantor against the Lender.

14. Miscellaneous.

(a) The rights and duties of the parties under this Guaranty shall be governed by the laws of the State of Florida (without regard to its principles of conflicts of laws). Each Guarantor hereby

irrevocably consents to the jurisdiction of the courts of the County of Palm Beach, Florida in connection with any proceeding arising out of (or relating to) the Guaranty, or any document delivered pursuant to the Guaranty or any of the Loan Documents.

(b) Any agreement hereafter made shall be ineffective to change or modify this Guaranty, in whole or in part, unless such an agreement is in writing and signed by the party against whom enforcement of the change or modification is sought.

(c) No waiver by the Lender of any breach of any term or covenant contained in this Guaranty shall operate as a waiver of such term or covenant itself, or of any subsequent breach. No delay or omission by the Lender in exercising any such right or remedy shall operate as a waiver. No waiver of any rights and remedies shall be deemed made by the Lender unless in writing and duly signed by the Lender. Any such written waiver shall apply only to the particular instance involved and shall not impair the further exercise of such right or remedy or of any other right or remedy of the Lender and no single or partial exercise of any right or remedy shall preclude other or further exercise of such right or remedy or any other right or remedy.

(d) No right or remedy herein conferred upon the Lender is intended to be exclusive of any other right or remedy set forth in this Guaranty or in any instrument or document delivered in connection with or pursuant to this Guaranty, and every such right or remedy shall be cumulative and shall be in addition to every other such right or remedy contained herein and therein or now or hereafter existing at law, in equity, by statute, or otherwise.

(e) This Guaranty shall be binding upon each Guarantor and its heirs, successors and assigns, and shall inure to the benefit of the Lender and its successors and assigns. The Guarantor may not assign this Guaranty without the prior written consent of Lender.

(f) Any notice or other communication required or permitted to be given hereunder shall be in writing and shall be delivered to the parties at the addresses set forth above (or to such other addresses as the parties may specify by due notice to the others). Notices or other communications given by certified mail, return receipt requested, postage prepaid, shall be deemed given three (3) days after the date of mailing. Notices or other communications given by Federal Express or another nationally recognized overnight courier service shall be deemed to be given on the following Business Day. Notices or other communications sent in any other manner shall be deemed given only when actually received.

(g) The captions of the various sections and subsections of this Guaranty have been inserted only for the purposes of convenience; such captions are not a part of this Guaranty and shall not be deemed in any manner to modify, explain, enlarge or restrict any of the provisions of this Guaranty.

(h) The invalidity or unenforceability of any provision of this Guaranty shall not affect or impair the validity or enforceability of any other provision.

(i) If a Guarantor fails to perform timely any of their obligations under this Guaranty, the Lender shall have the right (but not the obligation) to perform them. The Lender's performance shall be for the account of the Guarantor and at the Guarantor's expense and risk.

(j) If the Lender incurs or spends any amounts to perform any of a Guarantor's obligations under this Guaranty, all such amounts (including reasonable attorneys' fees), together with interest from the date the amount is advanced until the date it is repaid, at the highest rate set forth in the Loan Documents, shall be added to the Guaranteed Obligations, and shall be repaid by the Guarantors to the

Lender on demand.

(k) This Guaranty is continuing in nature and obligates the Guarantor with respect to Guaranteed Obligations presently in existence as well as Guaranteed Obligations that will first be created in the future. The Lender may rely on the continuing nature of this Guaranty.

(l) Capitalized terms used but not defined herein shall have the same meaning herein as in the Loan Agreement.

[SIGNATURE PAGE IMMEDIATELY FOLLOWS]

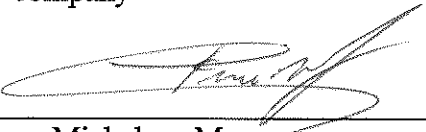
IN WITNESS WHEREOF, the Undersigned have caused this Guaranty Agreement to be duly executed and delivered as of the ____ day of March, 2025.

WITNESSES:

BORROWER:

MICHEL INVEST LLC, a Florida limited liability company

Maria G. Vidal
Print name: Maria Vidal

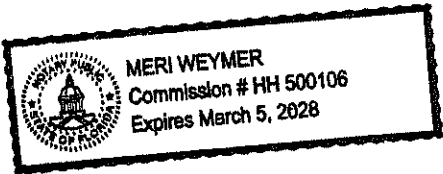
By: 
Pierre Michel, as Manager

Amanda Hughes
Print name: Amanda Hughes

STATE OF FLORIDA)
COUNTY OF PALM BEACH) ss:

The foregoing instrument was acknowledged before me by means of ☒ physical presence or ☐ online notarization this 11th day of March, 2025 by Pierre Michel, as Manager of MICHEL INVEST LLC, a Florida limited liability company, on behalf of the company, ☒ who is personally known to me or ☐ who has produced n/a as identification.

My Commission Expires:



Meri Weymer
Notary Public
Print name: Meri Weymer

IN WITNESS WHEREOF, the Undersigned have caused this Guaranty Agreement to be duly executed and delivered as of the ____ day of March, 2024.

WITNESSES:

GUARANTOR:

Maria E. Vidal
Print name: Maria Vidal

Pierre Michel
Pierre Michel, Individually

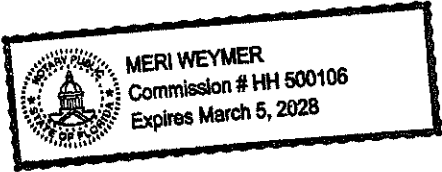
Amanda Hughes
Print name: Amanda Hughes

STATE OF FLORIDA)
COUNTY OF PALM BEACH) ss:

The foregoing instrument was acknowledged before me by means of ☒ physical presence or ☐ online notarization this 11th day of March, 2025 by PIERRE MICHEL, ☒ who is personally known to me or ☐ who has produced n/a as identification.

My Commission Expires:

Meri Weymer
Notary Public
Print name: Meri Weymer



ENVIRONMENTAL INDEMNITY AGREEMENT

THIS ENVIRONMENTAL INDEMNITY AGREEMENT (this "Indemnity Agreement") is made as of the 11th day of March 2025, by **MICHEL INVEST LLC**, a Florida limited liability company with an address of 5030 Sabreline Terrace, Greenacres, FL 33463, **PIERRE MICHEL**, individually with an address of 5030 Sabreline Terrace, Greenacres, FL 33463, and **MELLISA MICHEL**, individually, with an address of 5030 Sabreline Terrace, Greenacres, FL 33463 (each an "Indemnitor" and collectively, the "Indemnitors"), in favor of **PALM BEACH COUNTY**, a political subdivision of the State of Florida, with an office at Department of Housing and Economic Development, 100 Australian Avenue, Suite 500, West Palm Beach, Florida 33406 (the "Indemnatee").

RECITALS:

A. Indemnitors have requested the Indemnatee to extend credit to **MICHEL INVEST LLC**, a Florida limited liability company (the "Borrower"), in the form of a U.S. Department of Housing and Urban Development ("HUD") Section 108 loan in the principal amount of **TWO HUNDRED THOUSAND AND 00/100 DOLLARS (\$200,000.00)** (the "Loan"), to be used as working capital to pay architecture and engineering fees in connection with a certain project located at 101 10th St, Lake Park, FL 33403 (the "Project"), which real property is more fully described in *Exhibit "A"* attached hereto and made a part hereof (the "Land"), and certain buildings, structures and other improvements now or at any time hereafter located on the Land and all rights, privileges, easements, hereditaments and appurtenances thereunto relating or appertaining and all fixtures and equipment required for the operation thereof (collectively, the "Improvements"). The Improvements and the Land are hereinafter collectively called the "Premises".

B. Indemnatee is willing to provide the Loan in accordance with a certain Loan Agreement dated of even date herewith (the "108 Loan Agreement") on the condition, *inter alia*, that Indemnitors enter into this Indemnity Agreement to set forth certain representations, warranties and agreements made herein by Indemnitors in favor of and for the benefit of Indemnatee and to evidence and confirm the express intent, understanding and agreement of Indemnitors and Indemnatee that these representations, warranties and agreements survive the satisfaction, foreclosure, delivery of a deed in lieu of foreclosure, execution, termination or cancellation of the security agreements securing the Loan to the Premises as set forth in any of the Loan Documents (as defined in the Loan Agreement dated the date hereof) for whatever reason.

C. In order to induce Indemnatee to make the Loan, Indemnitors enter into this Indemnity Agreement.

NOW, THEREFORE, in consideration of the promises expressed above and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Indemnitors make the following representations, warranties and agreements in favor of and for the benefit of Indemnatee:

1. Covenants.

(a) Without limiting the generality of any provision herein or in any of the Loan Documents, Indemnitors hereby represent and warrant to Indemnatee that neither Indemnitors nor, to the best knowledge and belief of Indemnitors, any previous owner or user of the Premises, has used, generated, stored or disposed of in violation of Environmental Law (as defined below) in, on, under, around or above the Premises, any Regulated Material (defined herein as flammable explosives, radioactive materials, solid waste, hazardous substances, hazardous waste, hazardous materials, asbestos containing materials, petroleum or any fraction thereof, pollutants, irritants, contaminants, toxic

substances, or any other materials respectively defined as such in, or regulated by, any applicable Environmental Law (as hereinafter defined)) which have not been remedied, that, to the best knowledge and belief of Indemnitors, the Premises is not currently in violation of any Environmental Law (defined herein as any federal, state or local law, regulation or ordinance, as each may be validly interpreted and applied by the appropriate governmental entity, governing any Regulated Material for the protection of human health, safety or the environment, including but not limited to the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986 and the Emergency Planning and Community Right-to-Know Act of 1986, the Resource Conservation and Recovery Act, the Toxic Substances Control Act, the Clean Air Act, the Federal Water Pollution Control Act, the Safe Drinking Water Act and the Oil Pollution Act of 1990).

(b) Indemnitors shall keep and maintain, and shall cause all tenants and any other persons present on or occupying the Premises ("Tenants"), employees, agents, contractors and subcontractors of Indemnitors and Tenants, to keep and maintain the Premises, including, without limitation, the soil and ground water thereof, in compliance with, and not cause or knowingly permit the Premises, including the soil and ground water thereof, to be in violation of any federal, state or local laws, ordinances or regulations relating to industrial hygiene or to the environmental conditions thereon (including but not limited to any Environmental Law).

(c) Neither Indemnitors nor Tenants nor any employees, agents, contractors and subcontractors of Indemnitors or Tenants or any other persons occupying or present on the Premises shall (i) use, generate, manufacture, store or dispose of in violation of Environmental Law on, under or about the Premises or transport to or from the Premises any Regulated Material, except as such may be required to be used, stored, or transported in connection with the permitted uses of the Premises and then only to the extent permitted by law after obtaining all necessary permits and licenses therefor; or (ii) perform, cause to be performed or permit any fill activities or other acts which would in any way destroy, eliminate, alter, obstruct, interfere with, or otherwise affect any Wetlands, as defined in 33 C.F.R. Section 328.3 and in any comparable state and local law, statute, ordinances, rule or regulation ("Wetlands"), in violation of any federal, state or local laws, statutes, ordinances, rules or regulations pertaining to such Wetlands ("Wetlands Law").

(d) Indemnitors further represent and warrant to Indemnitee that to the best of its knowledge, that except as otherwise stated in the environmental reports delivered to Indemnitee in connection with the Loan (the "Environmental Reports"):

(1) All Environmental Permits (hereinafter defined) applicable to the Premises have been obtained and are in full force and effect. "Environmental Permits" mean all permits, licenses, permits, approvals, authorizations, consents or registrations required by any applicable Environmental Laws in connection with the ownership, lease, purchase, transfer, closure, use and/or operation of the Premises for the storage, treatment, generation, transportation, processing, handling, production or disposal of Hazardous Materials.

(2) No event has occurred with respect to the Premises which, with the passage of time or the giving of notice, or both, would constitute a violation of any applicable Environmental Law or non-compliance with any Environmental Permit, except as set forth in the Environmental Reports.

(3) There are no agreements, consent orders, decrees, judgments, license or permit conditions or other orders or directives of any federal, state or local court, governmental agency or authority relating to the past, present or future ownership, use, operation, sale, transfer or conveyance of the Premises which require any change in the present condition of the Premises or any work, repairs, construction, containment, clean up, investigations, studies, removal or other remedial action or capital expenditures with respect to the Premises.

(4) There are no actions, suits, claims or proceedings, pending or threatened, which could cause the incurrence of expenses or costs of any name or description or which seek money damages, injunctive relief, remedial action or any other remedy that arise out of, relate to or result from (i) a violation or alleged violation with respect to the Premises or Indemnitors of any applicable Environmental Law or non-compliance or alleged non-compliance with any Environmental Permit, (ii) the presence of any Regulated Material or a Release or the threat of a Release of any Regulated Material on, at or from the Premises or any property adjacent to or within the immediate vicinity of the Premises or (iii) human exposure to any Regulated Material, noises, vibrations or nuisances of whatever kind to the extent the same arise from the condition of the Premises or the ownership, use, operation, sale, transfer or conveyance thereof.

(e) Indemnitors shall immediately advise Indemnatee in writing of: (i) any notices (whether such notices are received from the Environmental Protection Agency, or any other federal, state or local governmental agency or regional office thereof) of violation or potential violation which are received by Indemnitors of any applicable federal, state or local laws, ordinances, or regulations relating to any Environmental Law or any Wetlands Law; (ii) any and all enforcement, cleanup, removal or other governmental or regulatory actions instituted, completed or threatened against the Indemnitors or the Premises pursuant to any Environmental Law or Wetlands Law; (iii) all claims made or threatened by any third party against Indemnitors or the Premises relating to damage, contribution, cost recovery compensation, loss or injury resulting from any Environmental Law or Wetlands Law (the matters set forth in clauses (i), (ii) and (iii) above are hereinafter referred to as "Environmental or Wetlands Claims"); and (iv) discovery by Indemnitors of any occurrence or condition on any real property adjoining or in the vicinity of the Premises that could cause the Premises or any part thereof to be classified as in violation of any Environmental Law or Wetlands Law or any regulation adopted in accordance therewith, or to be otherwise subject to any restrictions on the ownership, occupancy, transferability or use of the Premises under any Environmental Law or Wetlands Law.

(f) Indemnatee shall have the right but not the obligation to join and participate in, as a party if it so elects, any legal proceedings or actions initiated in connection with any Environmental or Wetlands Claims, and to have its reasonable attorneys' and consultants' fees in connection therewith paid by Indemnitors upon demand.

(g) Except to the extent resulting from Indemnatee's acts or omissions after taking possession of the Premises, Indemnitors shall be solely responsible for, and each hereby jointly and severally indemnifies and agrees to defend and hold harmless Indemnatee, its directors, officers, employees, agents, successors and assigns and any other person or entity claiming by, through, or under Indemnatee, from and against, any loss, damage, cost, expense or liability directly or indirectly arising out of or attributable to the use, generation, storage, release, threatened release, discharge, disposal, or presence (whether prior to or during the term of the Loan) of Regulated Materials on, under or about the Premises (whether by Indemnitors or a predecessor in title or any Tenants, employees, agents, contractors or subcontractors of Indemnitors or any predecessor in title or any third persons at any time occupying or present on the Premises), including, without limitation: (i) the cost of any required or necessary repair, cleanup or detoxification of the Premises, including the soil and ground water thereof, and the preparation and implementation of any closure, remedial or other required plans; (ii) damage to any Wetlands or natural resources; and (iii) all reasonable costs and expenses incurred by Indemnatee in connection with clauses (i) and (ii) including but not limited to reasonable attorneys' and consultants' fees; provided, however, that nothing contained in this paragraph shall be deemed to create or give any rights to any person other than Indemnatee and its successors and assigns, it being intended that there shall be no third party beneficiary of such provisions, or preclude Indemnitors from seeking indemnification from, or otherwise proceeding against, any third party including, without limitation, any tenant or predecessor in title to the Premises.

(h) Any costs or expenses reasonably incurred by Indemnitee for which Indemnitors are responsible or for which Indemnitors have indemnified Indemnitee shall be paid to Indemnitee on demand, and failing prompt reimbursement, shall earn interest at the default rate of interest set forth in the Loan Documents (the “Default Rate”).

(i) Indemnitors shall take or cause to be taken any and all remedial action in response to the presence of any Hazardous Materials or Wetlands on, under, or about the Premises, required pursuant to any settlement agreement, consent decree or other governmental proceeding; furthermore, Indemnitors shall take such additional steps as may be necessary to preserve the value of Indemnitee’s security under the Loan Documents.

(j) Upon Indemnitee’s request, based upon a reasonable belief by Indemnitee of a change in the status of the Premises, Indemnitors shall retain, at Indemnitors’ sole cost and expense, a licensed geologist, industrial hygienist or an environmental consultant (referred to hereinafter as the “Consultant”) acceptable to Indemnitee to conduct a baseline investigation of the Premises for the presence of Hazardous Materials or Wetlands (“Environmental Audit”). The Environmental Audit shall be performed in a manner reasonably calculated to discover the presence of Hazardous Materials or Wetlands contamination; provided, however, such investigation shall be of a scope and intensity no greater than a baseline investigation conducted in accordance with the general standards of persons providing such services taking into consideration the known uses of the Premises and Premises in the vicinity of the Premises and any factors unique to the Premises. The Consultant shall concurrently deliver the results of its investigation in writing directly to Indemnitors and Indemnitee. Such results shall be kept confidential by both Indemnitors and Indemnitee unless legally compelled or required to disclose such results or disclosure is reasonably required in order to pursue rights or remedies provided herein or at law.

(k) If Indemnitors fail to pay for or obtain an Environmental Audit as provided for herein, Indemnitee may, but shall not be obligated to, obtain the Environmental Audit, whereupon Indemnitors shall immediately reimburse Indemnitee all its costs and expenses in so doing, together with interest on such sums at the Default Rate.

(l) Indemnitors covenant to reasonably cooperate with the Consultant and to allow entry and reasonable access to all portions of the Premises for the purpose of Consultant’s investigation. Indemnitors covenants to comply, at its sole cost and expense, with all recommendations contained in the Environmental Audit reasonably required to bring the Premises into compliance with all Environmental Laws and Wetlands Law, including any recommendation for additional testing and studies to detect the quantity and types of Hazardous Materials or Wetlands present, if Indemnitee requires the implementation of the same.

2. Notices. Except for any notice required under applicable law to be given in another manner, any notice, demand, request or other communication which any party hereto may be required or may desire to give hereunder shall be in writing and shall be deemed to have been properly given (i) if hand delivered or if sent by telecopy or electronic means, effective upon receipt or (ii) if delivered by overnight courier service, effective on the first business day following delivery to such courier service, or (iii) if mailed by United States registered or certified mail, postage prepaid, return receipt requested, effective two (2) days after deposit in the United States mails, addressed in each case to a party hereto at the address set forth at the beginning of this agreement or at such other address or to such other addressee as the party to be served with notice may have furnished in writing to the party seeking or desiring to serve notice as a place for the service of notice.

3. Survival. Notwithstanding anything in this Indemnity Agreement, the Mortgage, the Collateral Security Agreement or any of the other Loan Documents to the contrary, the representations and undertakings of Indemnitors in this Indemnity Agreement shall survive the expiration, satisfaction, foreclosure, or other termination of the Mortgage, the Collateral Security Agreement and the other Loan Documents, and the repayment of the debt secured thereby, regardless of the means of such expiration,

termination or repayment provided, however, the indemnification and obligations herein shall not apply to events first occurring after Indemnitee forecloses or takes title to the Premises by deed in lieu of foreclosure. No release of the Mortgages, or any of the other Loan Documents shall be deemed to effect a release of this Indemnity Agreement, but rather, this Indemnity Agreement shall be released and canceled only by a separate, specific, written release of this Indemnity Agreement. The liability of the Indemnitors to the Indemnitee hereunder shall in no way be limited, abridged, impaired or otherwise affected by (i) any amendment or modification of the Loan Documents by or for the benefit of the Indemnitors or any subsequent owner of the Premises, (ii) any extensions of time for payment or performance required by any of the Loan Documents, (iii) the release of the Indemnitors of the Loan, or any other person from the performance or observance of any of the agreements, covenants, terms or conditions contained in any of the Loan Documents or this Agreement by operation of law, Indemnitee's voluntary act or otherwise, (iv) the invalidity or unenforceability of any of the terms or provisions of the Loan Documents, (v) any exculpatory provision contained in any of the Loan Documents limiting Indemnitee's recourse to Premises encumbered by the Mortgage, the Collateral Security Agreement or to any other security or limiting Indemnitee's rights to a deficiency judgment against Indemnitors, (vi) any applicable statute of limitations, (vii) any investigation or inquiry conducted by or on the behalf of Indemnitee or any information which Indemnitee may have or obtain with respect to the environmental or ecological condition of the Premises, (viii) the sale, assignment or foreclosure of the Note, the Mortgages or the evidencing and securing the Loan, respectively, (ix) the sale, transfer or conveyance of all or part of the Premises, (x) the dissolution and liquidation of the Indemnitors (xi) the release or discharge, in whole or in part, of the Indemnitors or Guarantor in any bankruptcy, insolvency, reorganization, arrangement, readjustment, composition, liquidation or similar proceeding or (xii) any other circumstances which might otherwise constitute a legal or equitable release or discharge, in whole or in part, of Indemnitors under the Loan Documents or this Agreement.

4. Successors and Assigns. The provisions contained herein shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

5. Governing Law. This agreement shall be governed by the laws of the State of Florida.

/SIGNATURE PAGE FOLLOWS/


IN WITNESS WHEREOF, Indemnitor caused this Environmental Indemnity Agreement to be duly executed and delivered as of the date set forth above.

WITNESSES:

INDEMNITOR:

MICHEL INVEST LLC, a Florida limited liability company

Maria G. Vidal

By: 
Pierre Michel, as Manager

Print name: Maria Vidal


Amanda Hughes

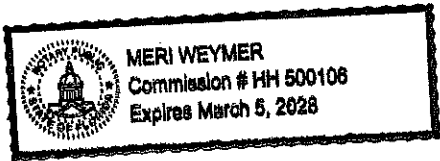
Print name: Amanda Hughes

STATE OF FLORIDA)
COUNTY OF PALM BEACH) ss:

The foregoing instrument was acknowledged before me by means of ☒ physical presence or ☐ online notarization this 11th day of March, 2025 by Pierre Michel, as Manager of MICHEL INVEST LLC, a Florida limited liability company, on behalf of the company, ☒ who is personally known to me or ☐ who has produced n/a as identification.


My Commission Expires:


Notary Public
Print name: Meri Weymer



INDEMNITOR:

STATE OF FLORIDA)
COUNTY OF PALM BEACH) ss:



MERI WEYMER
 Commission # HH 500106
 Expires March 5, 2028

Print name:

IN WITNESS WHEREOF, Indemnitor caused this Environmental Indemnity Agreement to be duly executed and delivered as of the date set forth above.

INDEMNITOR:

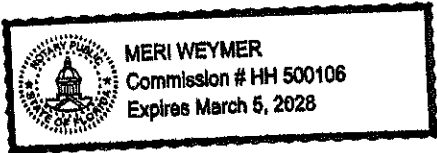
[Signature]

MELLISA MICHEL, Individually

STATE OF FLORIDA)
COUNTY OF PALM BEACH) ss:

The foregoing instrument was acknowledged before me by means of ☒ physical presence or ☐ online notarization this 11th day of March, 2025 by Mellisa Michel, Individually, ☒ who is personally known to me or ☐ who has produced WIA as identification.

My Commission Expires:



[Signature]
Notary Public
Print name: Meri Weymer

EXHIBIT "A"

Parcel 1:

Lots 17, 18, 19, 20, 21, 22, 23, 24, 25 and 26, Block 48, KELSEY CITY (n/k/a Lake Park), according to the Plat thereof, as recorded in Plat Book 8, Page 27, Public Records of Palm Beach County, Florida.

Parcel 2:

Lots 27, 27, and 29, Block 48, KELSEY CITY (n/k/a Lake Park), according to the Plat thereof, as recorded in Plat Book 8, Page 27, Public Records of Palm Beach County, Florida.

Parcel 3:

Lots 30, 31, and 32, Block 48, KELSEY CITY (n/k/a Lake Park), according to the Plat thereof, as recorded in Plat Book 8, Page 27, Public Records of Palm Beach County, Florida.

**FURTHER ASSURANCES
AND
ERRORS AND OMISSIONS STATEMENT**

WHEREAS, MICHEL INVEST LLC, a Florida limited liability company (the "Borrower") has applied to Palm Beach County, a political subdivision of the State of Florida (the "County") for a certain U.S. Department of Housing and Urban Development ("HUD") Section 108 loan (the "Loan") in the principal amount of \$200,000.00 (the "Loan Amount"), which Loan is jointly and severally guaranteed by PIERRE MICHEL, MELLISA MICHEL, AND MICHEL INVEST LLC (each a "Guarantor", and collectively, the "Guarantors"). In connection with the Loan and in accordance with a certain 108 Loan Agreement dated of even date herewith (the "Loan Agreement"), Borrower and the Guarantors, as applicable have executed and delivered other certain loan documents, including but not limited to, the Section 108 Loan Agreement, the Section 108 Loan Program Agreement, the Section 108 Promissory Note, the Mortgage Agreement with Assignment of Leases and Rents, the Collateral Mortgage, the Environmental Indemnity Agreement, the Guaranty Agreements and all other documents required under the Loan Agreement (collectively, the "Loan Documents").

NOW THEREFORE, in consideration of the matters set forth in the above Recital, the mutual covenants contained herein, and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto agree as follows:

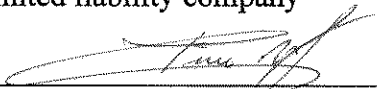
1. To execute such other documents and assurances as legal counsel to the County may require in order to ensure compliance with HUD requirements and procedures in connection with the closing of the Loan; and
2. To execute all document necessary to correct any errors or omissions in the Loan Documents executed this day in connection with the Loan.

[SIGNATURE PAGE FOLLOWS]

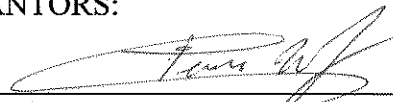
IN WITNESS WHEREOF, the undersigned have caused this Further Assurances and Errors and Omissions Statement to be duly executed and delivered as of the ____ day of March 2025.

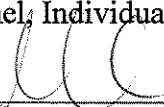
BORROWER:

MICHEL INVEST LLC, a
Florida limited liability company

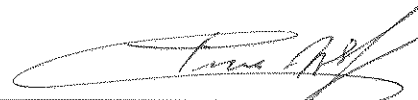
By: 
Pierre Michel, as Manager

GUARANTORS:


Pierre Michel, Individually


Mellisa Michel, Individually

MICHEL INVEST LLC, a Florida limited liability
company

By: 
Pierre Michel, as Manager