

Recommended By: Jonathan Brown 11/3/2025
Department Director Date

Approved By: [Signature] 11/16/25
Deputy County Administrator Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2026	2027	2028	2029	2030
Grant Expenditures	\$1,494,786				
Operating Costs					
External Revenues	(\$1,494,786)				
Program Income (County)					
In-Kind Match (County)					
NET FISCAL IMPACT	-0-				
# ADDITIONAL FTE POSITIONS (Cumulative)	-0-				

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 1103 Dept 143 Unit 1434 Object 8201 Program Code/Period HM84 HM84A HM84B/Various

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

Funding source is HOME Investment Partnership Community Housing Development Organization (HOME-CHDO)

C. Departmental Fiscal Review:

Valerie Alleyne, Division Director II
Finance and Administrative Services, DHED

III. REVIEW COMMENTS

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

Lisa Marie Mislawer
OFMB DA 1115

Contract Development and Control

267 11.12.25
11-12-25 TW

B. Legal Sufficiency:


Chief Assistant County Attorney 11/13/25

C. Other Department Review:

Department Director

LOAN AGREEMENT

THIS IS A LOAN AGREEMENT (the “**Agreement**”), entered into on September 30, 2025, by and between **Palm Beach County**, a political subdivision of the State of Florida, (hereinafter referred to as the “County” or the “Lender”) for the use and benefit of its HOME Investment Partnerships Program (hereinafter “HOME”) Community Housing Development Organization (CHDO) funding, and **Villas of Solana, LLC**, a Florida limited liability company (the “Borrower”), whose principal office is at 1229 E. Blue Heron Boulevard, Riviera Beach, FL 33404..

1. RECITALS:

WHEREAS, the County has entered into agreements with the United States Department of Housing and Urban Development (HUD) for the use of HOME funds from Program Years GY2021 Grant No. HM37/CHDO-R, GY2020 Grant No. HM31/CHDO-O, GY2021, GY2022, GY2023, Grant No. HM37/CHDO-R; and GY2020, GY2021, Grant No. HM31/CHDO-O; and

WHEREAS, Riviera Beach Community Development Corporation, Inc., (“RBCDC”) applied to the County for HOME funding in connection with Request for Proposal HED.2024.1 (RFP); and

WHEREAS, on November 17, 2020, the County approved the award of a loan to RBCDC in the amount of \$469,286 in HOME CHDO Reserve (CHDO-R) funds and a grant in the amount of \$25,500 in HOME CHDO Operating funds (CHDO-O).

WHEREAS, on August 20, 2024, the County approved the award of a loan to RBCDC in the principal amount of \$750,000 in HOME CHDO-R funds and a grant in the amount of \$250,000 in HOME CHDO-O funds; and

WHEREAS, the County will make available a combined loan in the amount of \$1,219,286 in HOME CHDO-R funds (the “Loan”) and a combined grant in the amount of \$275,500 in HOME CHDO-O funds (the “Grant”) to the Villas of Solana, LLC, subject to the execution of this Agreement; and

WHEREAS, the Borrower is an affiliate of RBCDC and the owner of certain land, which is legally described in Exhibit A, attached hereto and made a part hereof (the “Premises”); and

WHEREAS, the Borrower proposes to construct twenty-eight (28) for-sale units on the Premises all of which are to be known as Villas of Solana; and

WHEREAS, the Borrower wishes to use the Loan to fund certain eligible HOME costs associated with constructing ten (10) of the twenty-eight for-sale units (hereinafter referred to as the “Improvements” and the “HOME-Assisted Units”) at Villas of Solana; and

WHEREAS, the Borrower proposes to sell the HOME-Assisted Units, upon completion of their construction, to Eligible Beneficiaries (as defined herein); and

WHEREAS, Borrower proposes to use the Grant for certain CHDO operating costs as more fully described herein; and

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

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

2. OVERVIEW OF THE PROJECT:

The Borrower shall construct twenty-eight new townhomes to provide housing for families, with preference for seniors and veterans. The townhomes will be constructed on the Premises which is a 2.0-acre parcel of land and will consist of a mix of two bedroom/2½ bathroom and three-bedroom/two or 2½ bathroom units. Upon completion of construction, there will be eleven (11) two-bedroom/2.5 bathroom units and seventeen (17) three-bedroom/two or 2 ½ bathroom units, of which the HOME-Assisted Units shall be sold in fee simple to County-approved Eligible Beneficiaries to be occupied as principal places of residence, and if not sold within the period specified herein, shall, as required herein, be rented to income eligible households whose incomes, adjusted by family size, do not exceed eighty percent (80%) of Area Median Income (hereinafter "AMI"). AMI shall mean the most current area median income published by HUD for the West Palm Beach-Boca Raton Metropolitan Statistical Area. The Non-HOME-Assisted Units shall not be affected by the requirements of this Agreement, and the Borrower shall not receive any HOME funds made available herein for those units.

At the closing for the sale of each HOME-Assisted Unit, the County shall provide a partial release of its mortgage for such unit, in a form attached hereto and made a part hereof as Exhibit G, and the homebuyer shall provide a Declaration of Restrictions (DOR) attached hereto as Exhibit D, restricting resale of said unit for a period of thirty (30) years (the "Affordability Period"), as defined herein, to Eligible Beneficiaries whose incomes adjusted by family size are at no more than eighty percent (80%) of AMI at time of purchase.

3. THE FUNDING AND RELATED EXPENDITURE REQUIREMENTS:

The following is provided in connection with the Borrower's receipt of Grant funds:

The County shall make the Grant to the Borrower in an amount not to exceed \$275,500 upon the terms and conditions set forth herein.

The Borrower shall take the Grant and expressly agrees to comply with and to perform all the terms and conditions of this Agreement, including all amendments thereto.

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

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

The Borrower recognizes and understands that by entering into this Agreement, the County wishes to further its provision of affordable housing to income qualified households in a timely manner. The Borrower also recognizes and understands that the Borrower's performance as established under this Agreement is critical to the County's efforts in the provision of affordable housing, compliance with HOME requirements, and requirements for the use of HOME funds. The Borrower agrees that **time is of the essence** in regard to the Borrower's construction and sale of the HOME-Assisted Units (also referred to herein as "Project").

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

- The Borrower shall have drawn **Grant funds comprising the entire Grant by August 15, 2027.**

The following is provided in connection with the Borrower's receipt of Loan funds:

The County shall make the Loan to the Borrower in an amount not to exceed the principal amount of \$1,219,286 upon the terms and conditions set forth herein, and at the rates and terms set forth in its Promissory Note (the "Promissory Note") and Mortgage and Security Agreement (the "Mortgage") which are attached hereto and made a part hereof as Exhibit B and Exhibit C, respectively.

The Borrower shall take the Loan comprised of HOME funds and expressly agrees to comply with and to perform all the terms and conditions of this Agreement, including all amendments thereto, the Promissory Note, the Mortgage, the Declaration of Restrictions and any other documents evidencing and securing this Loan (collectively hereinafter referred to as the "Loan Documents"). The closing of the Loan, including the execution of the Promissory Note and Mortgage, shall occur at the offices of the County's Department of Housing and Economic Development (DHED) or such other mutually agreed upon site no later than September 30, 2025, unless extended by the County in its sole discretion.

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

The County has completed environmental processing of Villas of Solana project in accordance with 24 CFR Part 58 and has secured an Authority to Use Grant Funds from the U.S. Department of Housing and Urban Development. The provision of any funds to the Villas of Solana project is conditioned on implementation of any required mitigation measures, as identified herein, that resulted from the environmental review.

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

The Borrower recognizes and understands that by entering into this Agreement, the County wishes to further its provision of affordable housing to income qualified households in a timely manner. The Borrower also recognizes and understands that the Borrower's performance as

established under this Agreement is critical to the County's efforts in the provision of affordable housing, compliance with HOME requirements, and requirements for the use of HOME funds. The Borrower agrees that **time is of the essence** in regard to the Borrower's construction and sale of HOME-Assisted Units, and the continued occupancy of said housing units as more fully specified herein.

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

- The Borrower shall have closed on the Loan as specified herein no later than **September 30, 2025**.
- The Borrower shall have drawn 100% of the Loan funds by **August 15, 2027**.
- The Borrower shall have completed the construction of all HOME-Assisted Units, received temporary certificates of occupancy, and have sold all HOME-Assisted Units to Eligible Beneficiaries (as more fully described herein) and placed such units into service by **October 31, 2027** (the "Completion Date")

If unforeseen circumstances occur that impact the Borrower's ability to meet the performance dates (excluding Completion Date) and require revisions thereto, the Borrower shall request, in writing, that the dates used as performance requirements listed above be revised/amended. The County administrator, or the County's DHED Director, may, at his/her sole discretion, revised/amend the performance dates via written notification to the Borrower. The Completion Date for all activities may be revised only by an amendment to this Agreement.

4. CONDITIONS PRECEDENT TO CLOSING:

(A) Conditions Precedent:

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

(i) Title Insurance:

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

(b) County shall have fifteen (15) days after receipt of the title insurance commitment in which to review the same. In the event the title insurance commitment shall show as an exception any matter unacceptable to County, County shall notify Borrower of its objections thereto and Borrower shall act to remove such exceptions, which exception shall be deemed to constitute title defects. The Borrower shall be entitled to thirty (30) days from the day of

notification within which to cure such defects or make arrangements with the title insurer for the removal of any such objections from the commitment. If the defect shall not have been so cured or removed from the commitment by endorsement thereto within said thirty (30) day period, the County shall have the option of accepting title as it then exists or terminating this Agreement, by giving written notice thereof to Borrower, in which event the parties shall be relieved of all further obligations hereunder.

(c) The title insurance commitment shall be endorsed at closing to remove any and all requirements or pre-conditions to the issuance of Lender's Title Insurance Policy without inclusion of any additional exceptions, and to delete any exceptions for: (1) any rights or claims or parties in possession not shown by the public records; (2) encroachments, overlaps, boundary line disputes, and any other matters which would be disclosed by an accurate survey and inspection of the Premises; (3) unrecorded easements and claims of liens; (4) taxes for the year 2024 and all prior years; (5) matters arising or attaching subsequent to the effective date of the commitment but before the Mortgage is recorded in the Public Records.

(ii) Survey: Borrower shall, concurrent with the submission of the above-mentioned title commitment, deliver to the County a current certified survey of the Premises, prepared by a surveyor acceptable to the County, showing the following:

(a) The location of the perimeter of the Premises by courses and distances and perimeter footings in place, and by reference to Township, Range, Section unless platted, in which case, reference shall be to Tract, or Lot and Block per Plat.

(b) The location of and the identification by reference to recording data of all easements, rights-of-way, conditions and restrictions on or appurtenant to the Premises.

(c) The location of all building setback lines.

(d) The lines of the streets abutting the Premises and the width thereof.

(e) All encroachments, and the extent thereof, in feet and inches upon the Premises.

(f) Flood zone certification.

(g) Any other notations required for the deletion of the survey exception from the Title Insurance Policy to be issued in accordance with Section 4(A)(i) above and any other requirements requested by the County.

(h) The survey shall be certified to: Palm Beach County, a political subdivision of the State of Florida.

(iii) Obtain and provide County land use approvals, including site plan and development order, from the appropriate governing authority.

(iv) Provide evidence of jurisdictional approval of project construction documents, including civil, utility and infrastructure plans

(v) Provide evidence of issuance of primary building permits from the appropriate permitting authority.

(vi) Promissory Note: The Promissory Note, attached hereto as Exhibit B, shall be duly authorized, executed and delivered to the County.

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

- (a) The Mortgage shall not be subject to any prepayment penalty.
- (b) The Mortgage shall become immediately due and payable upon an unpermitted sale, transfer, or refinancing of the Premises (excluding liens bonded off or insured over and excluding an immaterial condemnation of the Premises), or if fifty (50%) (aggregate) or more of the ownership changes to a non-affiliated entity, subject to the rights granted under the Mortgage.
- (c) The Mortgage shall be non-assumable, unless the County has otherwise consented, which consent shall not be unreasonably withheld, conditioned or delayed, as more particularly set forth in the Mortgage.

NOTE: The parties hereto acknowledge and understand that the Maturity Date referenced in the Mortgage and Promissory Note anticipates the Borrower's sale of all HOME-Assisted Units by such date in accordance with this Agreement. Should the Borrower be required to rent any of the HOME-Assisted Units as described in Section 13 herein, then the parties shall modify the Mortgage and Promissory Note to provide for a new Maturity Date reflective of the affordability period associated with the rental of HOME-Assisted Units.

(viii) Mortgagor's Affidavit: An affidavit of Borrower shall be executed and delivered to the County as required by the title insurer as noted in Section 4(A)(i) above, certifying to all such facts as are required to delete the Standard Exceptions from the Lender's Title Insurance Policy and certifying that no liens exist on the Premises (except for liens bonded over or insured to the County's and title insurer's satisfaction allowing the removal of such liens from the title policy or any subsequent endorsement) except for taxes not yet due and payable, the Senior Mortgages, and such other items as may be noted on the title commitment that the County does not object to, and that no other parties are entitled to possession.

(ix) Corporate Documents: The Borrower shall deliver to the County the following documents:

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

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

(x) Senior Mortgage(s): The Borrower shall obtain the consent of the holder of the following senior mortgage to encumber the Premises with the Mortgage:

Borrower has secured the following: [(i) a loan from BBIF Capital, Inc. (BBIF), in the original principal amount of \$2,000,000 and secured, by that certain Mortgage and Security Agreement from Borrower in favor of the BBIF (the "Senior Loan").

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

(a) This Agreement and all Loan Documents and any other documents required to be delivered hereunder have been duly authorized, executed and delivered and are valid, binding and enforceable in accordance with their terms subject to applicable bankruptcy, insolvency, and similar laws affecting rights of creditors.

(b) That Borrower is a Florida limited liability company in good standing under the laws of the State of Florida and has all the necessary power and authority to undertake its obligations hereunder.

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

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

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

(f) That the lien of the Mortgage is a valid second position lien on the

Premises and the security interest described in the Mortgage is a good and valid security interest.

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

(xii) Budget and Schedule: The current project budget and a production schedule are attached hereto as Exhibits Hand I, respectively.

(xiii) Designation of HOME-Assisted Units: The Borrower shall, at least five (5) working days prior to the date of the Loan closing, inform the County of the location and bedroom size of the HOME-Assisted Units within the Project.

Notwithstanding anything contained herein to the contrary, after The Borrower's initial identification of the HOME-Assisted Units, the Borrower has the flexibility to subsequently designate different units within the Project as HOME-Assisted Units, upon the prior consent of the County, which consent shall not be unreasonably withheld, conditioned or delayed.

(B) Expenses:

It shall be a condition to closing that the Borrower shall have paid, or shall pay, all those fees and charges due and payable or ordered paid by the County as provided herein under Section 5 of this Agreement entitled Expenses.

(C) Other Documents:

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

(D) Representations and Warranties:

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

(E) Inability to Close Loan:

Either party may terminate this Agreement upon written notice to the other party if the contingencies to close the Loan or conditions precedent to closing will not be met by the date set herein for the closing of the Loan and the County does not agree, in its sole discretion, to extend the closing deadline.

5. EXPENSES:

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

6. MAXIMUM AMOUNT PER HOME-ASSISTED UNIT:

The parties acknowledge that the HOME-Assisted Units to be constructed by the Borrower are substantially similar in the type of construction and features. As such the parties agree that the amount of HOME funds to be provided per home through this Agreement for eligible project costs identified herein shall be computed by dividing the total amount of HOME funds comprising the Loan as made available hereunder, being \$1,219,286, by the number of HOME-Assisted Units to be built by the Borrower and shall accordingly not exceed \$121,928.60 in HOME funds per HOME-Assisted Unit.

According to applicable HOME regulations at 24 CFR 92.250 which establish the maximum per-unit subsidy amount for affordable housing, the total amount of HOME funds that may be expended on a per-unit basis shall not exceed the per-unit dollar limitation of \$252,994 for a two-bedroom unit and \$327,293 for a three-bedroom unit. The parties accordingly recognize that the above established \$121,928.60 limit to be expended per HOME-Assisted Unit is within the established per-unit dollar limitations of \$252,994 and \$327,293 and is therefore in compliance with 24 CFR 92.250.

7. ELIGIBLE PROJECT EXPENSES:

Eligible uses of the County Loan / CHDO-R funds are limited to project development costs attributable to the HOME-Assisted Units, and shall include but not be limited to costs of the following:

Soft Cost

- Consultant and Professional Services, which includes Architectural, Engineering, Design, Project Management and Asbestos Survey.
- Demolition.
- Site improvement.
- Permits, Fees, etc.
- Utility Connection Fees and Utility Relocation.

Hard Cost

- Construction Materials.
- Labor.
- Utilities.
- HVAC.
- Painting.
- Paving sidewalks, parking lots, and driveways.
- Landscaping.

Eligible uses of the CHDO-O funds are limited to the following CHDO operating costs of Villas of Solana, LLC.

- CHDO staff salaries, wages, and employee compensation and benefits.
- Capacity-building for a future set aside project (hiring, training, etc.).
- Employee education, training, and travel.
- Overhead, such as rent and utilities.
- Taxes and insurance.
- Equipment, materials, and supplies.

For both types of funding (CHDO-R and CHDO-O) determination of cost eligibility and reasonableness shall be at the County's sole absolute discretion. Cost for off-site improvements, payment of delinquent taxes, legal fees and other fees, and costs related to other project financing are ineligible for payment with County funds.

8. DISBURSEMENT OF LOAN FUNDS FOR ELIGIBLE PROJECT COSTS:

The Borrower shall track the amount of HOME CHDO-R funds it receives for each HOME-Assisted Unit individually in order to clearly establish the level of HOME funding for each such unit. The Borrower shall accordingly provide a spreadsheet with each disbursement requests and its expenditures for each HOME-Assisted Unit individually including, but not limited to, contracts, invoices, receipts and bank statements, and where expenditures affect more than one HOME-Assisted Unit, or a mixture of HOME-Assisted Units and non-HOME-Assisted Units, a record of how the Borrower allocated its expenditures for each HOME-Assisted Unit. When requesting disbursement for its expenditures on the eligible costs outlined herein, the Borrower shall provide a spreadsheet to the County which identifies how it allocated its expenditures for each HOME-Assisted Unit taking into account any expenditures made in connection with non-HOME-Assisted Units. No duplications shall be permitted, and the County shall only allow documentation presented by the Borrower to establish proof of expenditures for each HOME-Assisted Unit that the County deems acceptable in its sole opinion. **No more than \$121,928.60 shall be requested for disbursement from the County for each HOME-Assisted Unit.**

The Borrower may receive disbursement or payment for the below enumerated eligible cost categories provided the Borrower has complied with the requirements of this Agreement in connection with such cost categories.

(A) Construction Costs:

The Borrower shall enter into one construction contract with a prime contractor covering all construction work associated with the Project (including site preparation, construction of on-site infrastructure, site improvements and amenities and the HOME-Assisted Units described herein). The construction contract may include the cost of general conditions, builder's profit and overhead, builder's risk insurance and bonding costs. The construction contract shall contain a schedule of values (G 703) or the equivalent and a detailed cost breakdown acceptable to the County for each HOME-Assisted Unit in this Project.

The construction contract shall include the construction contract requirements associated with the use of HOME funds for this Project as more fully delineated herein.

The Borrower may request disbursement from the County for payments made by the Borrower after August 20, 2024, under the construction contract provided that such construction contract was entered into after August 20, 2024, and provided that:

- (i) Disbursements made hereunder shall be limited to on-site construction improvements and shall **exclude** the cost of off-site improvements and work associated with Non-HOME-Assisted Units, if applicable.
- (ii) The County shall have received a copy of the executed construction contract (including all attachments such as plans/specifications). Subsequently, the Borrower

shall provide the County a copy of all executed change orders to the construction contract bearing the approval of the Consultant (as defined in this Agreement).

(iii) The County shall have received a copy of the Senior Mortgage lender's consultant's plan and cost review either addressed to or certified to the County or accompanied by a reliance letter in favor of the County, stating that the costs contained in the prime contractor's construction contract are reasonable. The Senior Mortgagee's consultant preparing the plan and cost review shall be an adequately credentialed consultant independently retained by the Senior Mortgagee and not a subcontractor of the prime contractor.

(iv) Borrower shall submit to County a schedule of values for the construction of the Project. The schedule of values shall be submitted prior to or with the first draw request.

(v) A letter from the Borrower on the Borrower's letterhead shall be provided for each disbursement request pertaining to construction costs. The letter shall reference the Project, this Agreement and its document reference number (if such number is available), and shall contain a statement requesting the payment of the amount needed for disbursement of construction costs, as well as the name and signature of a person authorized by the Borrower to make such a request.

(vi) Proof of payment made by the Borrower for construction costs shall accompany each disbursement request letter provided that such proof of payment demonstrates that the cost incurred and payment was made after August 20, 2024.

(vii) A copy of the prime contractor's request for payment prompting the Borrower's payment shall accompany each disbursement request letter. The contractor shall be required to use American Institute of Architects (AIA) form G702/703, or an equivalent form, to request payment, and the Consultant shall approve the contractor's payment request on each such form to certify that work has been inspected and determined to meet applicable codes and standards.

(viii) The Borrower shall withhold in accordance with Florida Statute 255.078, a maximum of five percent (5%) retainage on each payment requested by the prime contractor, which retainage shall only be released to the prime contractor with the final payment upon the prime contractor's (and subcontractors') full compliance with the terms and conditions of the construction contract including compliance with the requirements associated with the use of HOME funds for this Project. The Borrower shall obtain the County's written approval prior to release of the accumulated retainage, which approval shall not be withheld, provided the prime contractor has met the requirements set forth in the construction contract.

(ix) A cost allocation spreadsheet identifying the HOME-Assisted Units for which the Borrower wishes to receive disbursement, the amount attributable to each such unit and an explanation of how the cost distribution was determined. The Borrower shall take into account any expenditures made in connection with Non-HOME Assisted Units and off-site improvements.

(B) Architectural, Engineering, and Other Consulting Fees:

The Borrower shall enter into a contract with a professional engineer or an architectural

consultant, which may be Borrower's engineer or architect of record for the Project. The architectural consultant shall be a Florida Registered Architect. Borrower shall designate the professional engineer or the architectural consultant, as the "Consultant" for this Project. The Consultant shall provide architectural, landscape architecture, surveying, planning, and engineering consultant services for the design and construction supervision of the Project. The Consultant shall also review all applicable construction costs and change orders, coordinate any asbestos abatement work with the construction work, review and approve all applicable construction contractor payments, and provide DHED with written certification that the work has been completed acceptably in accordance with the plans and specifications.

The Borrower may request disbursement from the County for payments made by the Borrower in connection with services rendered under the aforesaid consultant contracts provided that:

- (i) The County shall have received a copy of a contract executed after August 20, 2024, for the consultant contract for which the Borrower wishes to receive disbursement. Subsequently, the Borrower shall provide the County with a copy of any consultant contract amendment(s).
- (ii) A letter from the Borrower on the Borrower's letterhead shall be provided for each disbursement request pertaining to consulting fees. The letter shall reference the Project, the date of this Agreement and its document reference number (if such number is available) and shall contain a statement requesting the payment of the amount needed for disbursement of consultant fees, as well as the name and signature of a person authorized by the Borrower to make such a request.
- (iii) Evidence of payment made by the Borrower for consultant services shall accompany each disbursement request letter provided that such evidence of payment demonstrate that payment was made after the effective date of this Agreement.
- (iv) A copy of the consultant's invoice prompting the Borrower's payment shall accompany each disbursement request letter.
- (v) A cost allocation spreadsheet identifying the HOME-Assisted Units for which the Borrower wishes to receive disbursement, the amount attributable to each such unit and an explanation of how the cost distribution was determined. The Borrower shall take into account any expenditures made in connection with non-HOME Assisted Units.

(C) Building Permits and Utility Connection Fees:

The Borrower may submit a request to the County for disbursement of eligible expenditures made by the Borrower after August 20, 2024, for building permits, and utility connection fees associated with the Project provided that:

- (i) A letter from the Borrower on Borrower's letterhead shall be provided for each disbursement request pertaining to the aforesaid fees. The letter shall reference the Project, this Agreement and its document reference number (if such number is available), and shall contain a statement requesting the payment of the amount needed for disbursement of said fees, as well as the name and signature of a person authorized by the Borrower to make such a request.
- (ii) Proof of payment made by the Borrower for said fees shall accompany each disbursement request letter provided that such proof of payment demonstrates that payment was made after August 20, 2024.

(iii) A copy of the permit application (or similar document) issued by the entity levying the fee and showing the amount of the fee owed shall accompany each disbursement request letter.

(iv) A cost allocation spreadsheet identifying the HOME-Assisted Units for which the Borrower wishes to receive disbursement, the amount attributable to each such unit and an explanation of how the cost distribution was determined. The Borrower shall take into account any expenditures made in connection with non-HOME Assisted Units.

(D) Other Costs Not Listed Above:

The Borrower may submit a request to the County for disbursement of payments made by the Borrower after August 20, 2024, in connection with the Project, and the County shall disburse the Borrower for such payments from the Loan funds, provided that:

(i) The County, in its sole discretion, shall have determined that the costs requested for disbursement are eligible costs under HOME.

(ii) The Borrower's payment for costs shall have been incurred and paid after August 20, 2024.

(iii) The Borrower shall have provided the County with a written disbursement request for costs deemed eligible by the County, along with proof of payment, and other supporting documentation as established by the County and communicated to the Borrower upon the County's determination that the costs requested for disbursement are eligible costs under HOME.

9. DISBURSEMENT OF GRANT FUNDS FOR ELIGIBLE OPERATING COSTS

The Borrower may submit to the County a request for the disbursement of HOME CHDO-O grant funds to pay for eligible CHDO operating costs as follows:

- \$68,875 upon County Loan closing
- \$68, 875 upon commencement of construction of the fourth (4th) HOME-Assisted Unit
- \$68,875 upon commencement of construction of the seventh (7th) HOME Assisted Unit
- \$68,875 upon presentation to the County of a Certificate of Occupancy for all the HOME Assisted Units.
-

Provided that:

- For each request, the Borrower shall submit a letter on the Borrower's letterhead requesting payment of the operating costs and identifying the HOME-Assisted Unit for which the request is made. The letter shall reference the Project, the date of the Agreement and its document reference number, a statement requesting the amount of the operating costs, and the name and signature of a persons authorized by the Borrower to make such a request; and
- In no event shall the total amount of all HOME CHDO-O disbursements in one (1) year exceed the greater of Fifty Thousand Dollars and Zero Cents (\$50,000.00) or an amount equal to Fifty Percent (50%) of Villas of Solana's LLC annual operating budget.

10. SPECIAL PROVISIONS:

The Borrower expressly agrees to the following terms and conditions:

(A) Development:

Borrower shall endeavor to develop the Premises substantially in accordance with the proposal submitted by Borrower in response to County's Request for Proposals RFP HED.2024.1 (RFP). In the event of a conflict between a HOME funding requirement, a specific term of this Agreement, and an element of Borrower's proposal, the more stringent requirement will prevail.

(B) Accessibility of Project Units:

The Borrower shall make a minimum of five percent (5%) of Project units, or at least one (1) unit, whichever is greater, accessible to persons with mobility impairments (where such units are on an accessible route and adaptable and otherwise in compliance with standards set forth in 24 CFR Part 8 and 28 CFR Parts 35 and 36, as applicable). Furthermore, the Borrower shall make an additional two percent (2%) of Project units, or at least one (1) unit, whichever is greater, accessible to persons with hearing or vision impairments. In addition, the Borrower shall assure that Project units meet the design and construction requirements at 24 CFR 100.205, which implement the Fair Housing Act (42 U.S.C. 3601-3619).

(C) Property Standards:

Borrower shall construct all HOME-Assisted Units in compliance with all applicable State and local codes, ordinances and zoning requirements. All construction must meet State or local residential and building codes, as applicable, or in the absence of a State or local building code, the International Residential Code or International Building Code (as applicable to the type of housing) of the International Code Council. All HOME-Assisted Units shall be constructed to mitigate the impact of potential disasters, such as hurricanes or flooding, in accordance with such governmental regulations. All HOME-Assisted Units must meet HUD's Uniform Physical Condition Standards and other applicable requirements upon completion of construction and shall be maintained in compliance with all such State and local codes, ordinances and zoning requirements for the duration of the Affordability Period required by the Loan Documents. This requirement shall survive the expiration or earlier termination of this Agreement for five (5) years after the Affordability Period terminates.

(D) Certificate of Occupancy:

Upon the completion of construction of each HOME-Assisted Unit and the Borrower's receipt of the final certificate of occupancy for each such unit from the building department with jurisdiction over this Project, the Borrower shall provide the County with a copy of the certificate of occupancy for each such unit or for the complete building.

(E) Prohibition Against the Use of Materials Containing Asbestos:

The Borrower shall ensure that its bid and construction contract documents contain a prohibition against the use of any materials containing asbestos in connection with the construction of all HOME-Assisted Units. Said documents must clearly state that all materials to be used in connection with the construction of these units shall be asbestos-free.

(F) Demolition, Asbestos Survey and Abatement:

The Borrower is responsible for compliance with any applicable Local, Federal, and State regulations and requirements in the demolition of the existing structure(s) on the site.

Requirements for Asbestos Survey and Abatement:

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

The Borrower shall provide the County with a copy of the comprehensive asbestos building survey report.

As an alternative, the Borrower may request from the County (DHED) to obtain the asbestos survey, in which instance, the County shall deduct the associated cost of such building survey from the funds made available through this Agreement and shall provide the Borrower with a copy of the comprehensive asbestos survey report.

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

All asbestos abatement work shall be performed by a Florida Licensed Asbestos Abatement Contractor, and when required by the County, shall be monitored by a Florida licensed asbestos consultant for project oversight. The Borrower shall act in accordance with the County's Risk Management Department's asbestos abatement specification requirements.

If feasible in the County's opinion, the Borrower shall include the asbestos abatement work in the construction contract. Otherwise, such work shall be procured separately by the Borrower, or by the County, in accordance with the requirements of Exhibit F and shall be performed prior to commencement of the construction work. If the County procures the asbestos abatement work, then the County shall deduct the cost of such abatement work from the funds made available through this Agreement.

(G) **Energy Efficiency:**

The Borrower shall design and construct all newly constructed single-family HOME-Assisted Housing Units to the 2021 International Energy Conservation Code (IECC).

(H) **Civil Rights and Section 504 Compliance:**

The Borrower shall ensure that no person shall on the ground of race, color, religion, disability, sex, age, national origin, ancestry, marital status, familial status, sexual orientation, or genetic information, be excluded from the benefits of, or be subjected to discrimination under any activity carried out in the performance of this Agreement. Upon receipt of evidence of such discrimination, the County shall have the right to terminate this Agreement.

The Borrower shall also comply with 24 CFR 5.105(a) regarding discrimination.

The Borrower shall comply with all Federal regulations issued pursuant to Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), which prohibits discrimination against individuals with disabilities or handicaps in any Federally assisted program.

(I) **Opportunities for Small Business Enterprises:**

In connection with the procurement of all contracts for supplies, equipment, construction, or services funded, in part or in whole, with funds made available through this Agreement, the Borrower shall make a positive effort to utilize small business enterprises and provide them

with the maximum feasible opportunity to compete for contracts to be performed pursuant to this Agreement.

The provisions of this Subparagraph (I) do not apply, however, to contracts for supplies, equipment, construction, or services not funded, in part or in whole, with funds made available through this Agreement, such as contracts entered into by the Borrower for the operation and maintenance of the Project.

(J) Prohibition on Use of Excluded Parties

The Borrower agrees to comply with the requirements of 2 CFR Part 180, as supplemented by 2 CFR Part 2424 Subpart C, as it relates to the prohibition of excluded parties, including Federally debarred, suspended, and disqualified parties, from participation in any contract funded through this Agreement, regardless of tier, that is awarded by a contractor, subcontractor, supplier, consultant, or its agent or representative in any transaction, if the amount of the contract is expected to equal or exceed \$25,000.

(K) Build America, Buy America Act:

The Borrower must comply with the requirements of the Build America, Buy America (BABA) Act, 41 USC 8301 note, and all applicable rules and notices, as may be amended, if applicable to the Project. Pursuant to HUD's Notice, "Public Interest Phased Implementation Waiver for FY 2022 and 2023 of Build America, Buy America Provisions as Applied to Recipients of HUD Federal Financial Assistance" (88 FR 17001), any funds obligated by HUD on or after the applicable listed effective dates, are subject to BABA requirements, unless excepted by a waiver.

(L) HUD Section 3 Clause:

The Borrower agrees to comply with the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended 12 U.S.C. 170 1u (Section 3) and 24 CFR Part 75, as they apply to Section 3 Covered Projects when funded, in part or in whole, through this Agreement and awarded for Section 3 Covered Projects. For the purposes of this Agreement, the requirements of Section 3 shall apply to the herein described construction contract with the prime contractor covering all construction work associated with the Project, all subcontracts arising from said construction contract, excluding licensed professional services contracts entered into on or after the execution of this Agreement.

Section 3 Reporting Requirements: All Labor hours for a Section 3 Covered Project; all labor hours for Section 3 Workers; and all labor hours for Section 3 Targeted Workers as defined in 24 CFR Part 75, shall be reported to the County by through the Labor Compliance Reporting System (LCRS) throughout the Section 3 Covered Project. See Section (O), Required Use of the Labor Compliance Reporting System (LCRS)

Additional Section 3 reporting requirements: In the event Section 3 benchmark goals identified in 24 CFR Part 75 are not met at completion of a Section 3 Covered Project, the Borrower must also submit a written report to the County on the qualitative nature of its activities and those of its contractors and subcontractors pursued per 24 CFR Part 75.

Section 3 Clause: The Borrower shall include the following, referred to as the Section 3 Clause, in every solicitation and every contract and subcontract issued after execution of this Agreement:

Section 3 Clause:

(i) The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended 12 U.S.C. 1701u (Section 3) and 24 CFR Part 75. The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3 are to the greatest extent feasible directed to low-and very low-income persons, particularly persons who are recipients of HUD assistance for housing. HUD's benchmark for Section 3 workers is twenty-five percent (25%) or more of the total number of all labor hours worked by all workers on the Project, and for Targeted Section 3 workers is five percent (5%) or more of the total number of labor hours worked by all workers on the Project. The Section 3 Clause provides that total labor hours for the project are reported; labor hours for Section 3 Workers are reported; and labor hours for Section 3 Targeted Workers as defined in 24 CFR Part 75 are reported by the Borrower to the County for submittal to the Department of Housing and Urban Development.

(ii) The contractor agrees to include this Section 3 Clause in every subcontract on a Section 3 Project subject to compliance with regulations in 24 CFR Part 75.

(iii) Non-compliance with HUD's regulations in 24 CFR Part 75 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted projects.

(M) Bonding Requirements:

Construction contracts exceeding \$200,000 shall require a performance bond and a separate payment bond each in the amount of one hundred percent (100%) of the construction contract price, executed by a corporate surety company of recognized standing, authorized to do business in the State of Florida, as security for the faithful performance and payment of all contractor's obligations under the construction contract. The County shall be added as an additional named obligee/beneficiary under each bond. During the construction periods the surety company shall hold a current certificate of authority as an acceptable surety on Federal Bonds, in accordance with U. S. Department of Treasury Circular 570, Current Revision. A performance bond and a separate payment bond shall not be required for (i) subcontracts between the prime contractor and subcontractors and (ii) subcontracts between subcontractors and sub-subcontractors.

(N) Requirements Applicable to Construction Contract and Consultant Contracts:

The Borrower shall, in connection with the award of the construction contract to be funded, in part or in whole, through this Agreement, request from the County a document containing the Federal requirements applicable to the construction contract and shall incorporate such document into its construction contract for the Project. Additionally, the Borrower shall impose the requirements contained therein on its prime contractor and all the prime contractor's subcontractors. The Borrower shall also, in connection with the award of each consultant contract, if funded in part or in whole through this Agreement, request the County for a document containing the federal requirements applicable to consultant contracts, and shall incorporate such document into each consultant contract for the Project and impose the requirements contained therein on all affected consultants and their sub-consultants.

(O) Advertising/Marketing:

Borrower shall incorporate the County logo in all Project-related marketing materials. Throughout the construction period, any signage displayed on the Premises shall identify the County as a financing partner of the Project. In addition, the Borrower shall coordinate all groundbreaking, ribbon-cutting, and similar ceremonial events with the Department of Housing and Economic Development (DHED). Borrower further agrees to notify and extend invitations to DHED for any such events.

(P) Required Use of the Labor Compliance Reporting System (LCRS), as applicable to Section 3 requirements (Davis-Bacon reporting requirements do not apply to Project):

As part of the County's commitment to assist the Borrower and its contractors/subcontractors to comply with legal and contractual requirements including Davis Bacon and Related Acts (DBRA) and Section 3 requirements at 24 CFR Part 75, the Department of Housing & Economic Development has established a Labor Compliance Reporting System ("LCRS") for this project. The LCRS is available for use 24 hours a day, 7 days a week, at no cost for reporting weekly certified payrolls, labor hours on Section 3 Covered Projects, and labor compliance related documents. Utilization of this system should also prove helpful in expediting the process of reviewing payrolls, approving progress payments to contractors and disbursement payments to Borrowers/developers.

User Responsibilities

1. Borrowers, and its contractors/subs shall NOT create internet links to the Service or Frame or mirror any content on any other server or wireless or internet-based device.
2. Borrower and its contractors/subs are responsible for all activity occurring under User account and shall abide by all applicable local, state, national laws, treaties and regulations in connection with the use of the service, including those related to data privacy, international communications and the transmission of technical data. The LCRS Web Address for contractors/subs use will be provided by DHED, along with Federal Requirements and Wage Decision(s).
3. Borrower shall require its contractor and subs to register through the Labor Compliance Reporting System. This language shall be contained in the Borrower's Bid and Construction documents.
4. Borrower shall require all fringe benefits statements, and weekly certified payroll reports to be submitted through the LCRS, and this language shall be contained in the Borrower's Bid and Construction documents.

Disclaimer of Warranties for LCRS

County makes no representation, warranty, or guaranty as to the reliability, timeliness, quality, suitability, truth, availability, accuracy or completeness of the service or any content. County does not represent or warrant that:

- A. The use of the service will be secure, timely, uninterrupted or error-free or operate in combination with any other hardware, software, system or data.
- B. The service will meet Borrower's Requirements or expectations.
- C. Any stored data will be accurate or reliable.
- D. The quality of any products, services, information or other material purchased or obtained by Borrower through the service will meet Borrower's requirements or expectations.
- E. Errors or defects will be corrected.

- F. The service or the servers that make the service available are free of viruses or other harmful components.

All content is provided to Borrower strictly on an "AS IS" basis. All conditions, representations and warranties, whether expressed or implied, statutory or otherwise, including, without limitation, any implied warranty of merchantability or fitness for a particular purpose are hereby disclaimed to the maximum extent permitted by applicable law by County.

(Q) Natural Disaster or Act of God:

In the event of a natural disaster or act of God, vacant Project units that have not been sold, or have a pending sale, will be made available to assist eligible individuals and families as determined by County, for a duration determined by County.

11. INCOME REQUIREMENTS FOR OCCUPANT HOUSEHOLDS:

(A) Requirements for HOME-Assisted Units that are sold by the Borrower:

The HOME-Assisted Units herein shall be sold by Borrower and may only be occupied by Eligible Beneficiaries whose income, adjusted by family size, are at no more than eighty percent (80%) of AMI at the time these units are first occupied. Subsequent households that occupy these units at any time, thereafter, shall also have household incomes, adjusted by family size, that are at no more than eighty percent (80%) of AMI at the time these households occupy these units.

Eligible Beneficiaries shall mean an individual or household who has not owned a home during the three-year period prior to application for HOME assistance to the Borrower. The term Eligible Beneficiaries also includes an individual who is a special needs individual, a displaced homemaker, or Single Parent.

Displaced Homemaker shall mean an individual who: 1) is an adult; 2) has not worked full-time in the labor force for a number of years but has, during such years, worked primarily without remuneration to care for the home and family; and 3) is unemployed or underemployed and is experiencing difficulty in obtaining or upgrading employment.

Single Parent shall mean an individual who: 1) is unmarried or legally separated from a spouse (living in another country or in documented instances of domestic violence); and 2) has one or more minor children of whom the individual has custody or joint custody, or pregnant.

All subsequent sales of the HOME-Assisted Units shall be subject to the requirements of the Declaration of Restrictions and shall be as described in Section 13 below.

THE REQUIREMENTS AND RESTRICTIONS SET FORTH IN THIS SECTION INCOME REQUIREMENTS FOR OCCUPANT HOUSEHOLDS, SHALL SURVIVE THE EXPIRATION OR EARLIER TERMINATION OF THIS AGREEMENT AND SHALL BE COVENANTS RUNNING WITH THE LAND FOR THE AFFORDABILITY PERIOD. THE RESTRICTIVE COVENANTS SHALL BE PRESERVED IN A SEPARATE DECLARATION OF RESTRICTIVE COVENANTS CONSISTENT WITH THE TERMS SET FORTH HEREIN, WHICH COVENANTS SHALL BE RECORDED IN THE PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA, AS PROVIDED IN SECTION 13 HEREIN. NOTWITHSTANDING THE FOREGOING, THESE COVENANTS SHALL TERMINATE UPON FORECLOSURE OF THE SENIOR MORTGAGE, IF APPLICABLE, OR INSTRUMENT IN LIEU OF FORECLOSURE OF SUCH SENIOR MORTGAGE.

12. AFFIRMATIVE MARKETING:

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

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

- (i) Use the Equal Opportunity logo or slogan in advertisements;
- (ii) Solicit applications from persons in the housing market area who are not likely to apply for housing without special outreach. The Borrower may satisfy this requirement by posting a notice of vacancies in any or all of the following:
 - Community Organizations
 - Fair Housing Groups
 - Housing Counseling Agencies
 - Commercial Media
 - Employment Centers
 - Local Public Housing Authorities (PHAs) or Other Similar Agencies
 - Mobile Home Communities
 - Agencies for the disabled
 - Churches and other related organizations
- (iii) Borrower shall keep records of its efforts to affirmatively market units and the Borrower shall provide DHED copies of its records, including advertisements, minutes of meetings, income documentation, and census tract information, as applicable, as evidence of the Borrower's efforts.

The requirements of this Section shall survive the expiration of this Agreement.

13. SALE OF HOME-ASSISTED UNITS FOR HOMEOWNERSHIP:

The following shall apply to all HOME-Assisted Units:

(A) Diligent Effort to Sell and Conversion to Rental Property:

The Borrower shall diligently undertake the Project such that all newly constructed HOME-Assisted Units are sold and occupied by income certified households according to these requirements, that is, placed into service, by **October 31, 2027**. For each HOME-Assisted Unit, pursuant to 24 CFR 92.254(a)(3), if the Borrower is not able to enter into a "ratified sales contract" for the HOME-Assisted Unit with a Eligible Beneficiaries within nine (9) months of the date of completion of construction of that unit, then the HOME-Assisted Unit shall be rented to an eligible tenant in accordance with 24 CFR 92.252. The date of completion of construction shall be the date of the certificate of completion or certificate of occupancy as issued by the building department with jurisdiction over the HOME-Assisted Unit. For the purposes of this clause, a "ratified sales contract" shall mean a legally binding and enforceable Agreement that has been agreed to by both the homebuyer and the Borrower and that specifies the price, proposed closing and occupancy dates, type of mortgage financing sought by the homebuyer and any contingencies.

(B) Duration of Applicability and Resale by Eligible Beneficiaries:

The County's HOME Resale Provisions shall apply to each HOME-Assisted Unit sold by the Borrower for the duration of the Affordability Period beginning with the date the initial Eligible Beneficiaries acquires fee simple title to the HOME-Assisted Unit. The Resale Provisions require that any sale, transfer, or conveyance of title to the property during the period of affordability be to Eligible Beneficiaries.

(C) Permanent Ownership Housing:

All HOME-Assisted Units sold by the Borrower shall be the principal place of residence of the Eligible Beneficiaries.

(D) Homebuyer Income Certification:

The Borrower shall, for each Eligible Beneficiary intending to purchase a HOME-Assisted Unit, submit, or cause to be submitted by a non-profit organization affiliated with the Borrower, the prospective homebuyer's household income information to DHED to enable DHED to income certify the homebuyer. The information submitted for each prospective homebuyer's household shall include income information for all persons intending to live in the HOME-Assisted Unit.

At such time, the Borrower, or said affiliated non-profit organization, shall also submit to DHED documentation showing that each homebuyer meets the definition of an Eligible Beneficiaries as provided herein.

DHED income certifications of homebuyers shall be valid for a period of six (6) months. The Borrower shall, for homebuyers who have been income certified by DHED and who have not completed their purchase of a HOME-Assisted Unit by acquiring title to such unit within the aforesaid six-month period, resubmit, or cause to be resubmitted by the affiliated non-profit organization, the prospective homebuyer's household income information to DHED to enable DHED to income certify the homebuyer for an additional period of six (6) months.

(E) Purchase Price:

The Purchase Price at which the Borrower shall sell each HOME-Assisted Unit shall be Three Hundred Twenty-Five Thousand Dollars (\$325,000). Prior to entering into a sales contract with a homebuyer, the Borrower shall obtain DHED written approval of the Purchase Price for each HOME-Assisted Unit.

(F) Homebuyer's Debt Capacity:

The Borrower shall cap the amount of debt that each homebuyer of a HOME-Assisted Unit may borrow towards the purchase of such a unit such that homebuyer's household does not expend more than thirty-five percent (35%) of the household's gross income, as calculated by DHED, on the sum of the mortgage principal and interest, land lease (if any), real estate taxes, property insurance, and homeowner association fees for the HOME-Assisted Unit at the time of occupancy. This cap shall apply to the combined debt to be serviced by the homebuyer in connection with the purchase of a HOME-Assisted Unit regardless of the source of financing of such debt, that is, regardless of whether the source of financing is from an institutional lender, a public agency, or a combination of the aforesaid.

(G) Guidance and First Mortgage Source and Amount:

The Borrower shall provide guidance and information to prospective homebuyers regarding the financial arrangements of the intended purchase transaction and shall assist prospective

homebuyers in seeking first mortgage financing for the purchase of HOME-Assisted Units. Prospective homebuyers may only obtain first mortgage financing for HOME-Assisted Units from an institutional lender or from a public agency. The amount of the first mortgage to be borrowed by prospective homebuyers shall be subject to DHED approval and shall be such that it maximizes the debt burden on the prospective homebuyer having taken into account the prospective purchaser's credit worthiness, the debt capacity described above, and the Subsidy Criteria provided in more detail below.

(H) Mandatory Counseling:

Prior to closing, each prospective homebuyer of a HOME-Assisted Unit shall attend and complete eight (8) hours of homeownership counseling including at least six (6) hours in a classroom setting and two (2) hours of one-on-one (individual) counseling sessions. Homeownership counseling must be conducted by a HUD-approved counseling agency identified by DHED. Each prospective homebuyer shall obtain and provide DHED a copy of a certificate issued by the counseling agency evidencing attendance and completion of the above-described counseling. The certificate shall be valid for a one (1) year period from its date of issuance and must show the name of the provider, the date(s) of counseling, the total number of hours of counseling and the signature of the authorized counselor.

The provision of the homebuyer's counseling certificate to DHED shall be a pre-condition for closing.

(I) Prohibited Fees

The Borrower shall not charge to the homebuyer any servicing, origination, processing, inspection, or other fees for the costs of providing homeownership assistance.

(J) Disposition of CHDO Sales Proceeds

Proceeds from the Borrower's sales of HOME-Assisted Units may fund the repayment of the Project's non-HOME development financing and costs associated with disposition of the HOME-Assisted Units, including but not limited to realtor fees, title attorney fees, inspection fees, and other costs. CHDO sales proceeds exceeding development and disposition costs may be retained by the Borrower. The County HOME investment in the HOME-Assisted Units is considered a development subsidy and does not require repayment from sales proceeds.

(K) Closing Statement:

In order to ensure that these requirements have been met, the Borrower shall, prior to the closing for the sale of each HOME-Assisted Unit, provide the closing statement to DHED for approval. The Borrower shall not proceed with closing unless DHED has approved the closing statement for each sale.

(L) Declaration of Restrictions:

The Borrower shall, at the closing of the sale for each unit, cause each DHED approved prospective homebuyer to execute a Declaration of Restrictions from the homebuyer in favor of the County, as provided in Exhibit D attached hereto and made a part hereof. **The Declaration of Restrictions shall impose the County's HOME Resale Provisions on the property for a period of affordability of thirty (30) years.** As delineated in the Declaration of Restrictions, the Resale Provisions require that during the Affordability Period the homebuyer shall occupy the property as principal residence, and that any sale, transfer, or conveyance of title to the property during the period of affordability be to a household with income no greater than eighty percent (80%) AMI at time of purchase.

The Declaration of Restrictions shall only be subordinate to the instrument securing the first mortgage financing from Borrower.

In exchange for the receipt upon closing of said Declaration of Restrictions for each HOME-Assisted Unit, the County shall provide a partial release of mortgage, attached hereto as Exhibit G, for the HOME-Assisted Unit being sold. The partial release of Mortgage shall remove the lien of the Mortgage from the HOME-Assisted Unit being sold. The execution and delivery of said partial release of mortgage is hereby delegated to the County Administrator, or designee, and shall not require any further action by the Palm Beach County Board of County Commissioners. Furthermore, the County shall, in connection with the Borrower's sale of the last HOME-Assisted Unit, provide the Borrower with satisfaction with the Mortgage in lieu of the above stated partial release of mortgage thereby evidencing the full satisfaction of the Mortgage. The execution and delivery of said Satisfaction of Mortgage is hereby delegated to the County Administrator, or designee, and shall not require any further action by the Palm Beach County Board of County Commissioners.

The Borrower shall cause the recording of the partial release of mortgage, the Satisfaction of Mortgage and the Declaration of Restrictions in the public records of Palm Beach County and thereafter cause the original Declaration of Restrictions to be provided to DHED.

THE REQUIREMENTS AND RESTRICTIONS SET FORTH IN THIS SECTION INCOME REQUIREMENTS FOR OCCUPANT HOUSEHOLDS, SHALL SURVIVE THE EXPIRATION OR EARLIER TERMINATION OF THIS AGREEMENT AND SHALL BE COVENANTS RUNNING WITH THE LAND FOR THE AFFORDABILITY PERIOD. THE RESTRICTIVE COVENANTS SHALL BE PRESERVED IN A SEPARATE DECLARATION OF RESTRICTIVE COVENANTS CONSISTENT WITH THE TERMS SET FORTH HEREIN, WHICH COVENANTS SHALL BE RECORDED IN THE PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA, AS PROVIDED IN SECTION 13(L) HEREIN. NOTWITHSTANDING THE FOREGOING, THESE COVENANTS SHALL TERMINATE UPON FORECLOSURE OF THE SENIOR MORTGAGE, IF APPLICABLE, OR INSTRUMENT IN LIEU OF FORECLOSURE OF SUCH SENIOR MORTGAGE.

14. REPORTING REQUIREMENTS:

(i) The Borrower shall submit to the County a **Project Report** in the form provided as Exhibit E to this Agreement. The Report shall be submitted to DHED upon request any time after the effective date of the Loan Agreement. After the Borrower provides a Report for the month during which the last certificate of occupancy is issued for the Project, the Borrower may cease submitting this Report.

(ii) The Borrower shall submit to the County a **Section 3 Report** to be provided on a monthly basis until Project Completion. The format and content of said report shall be determined by the County at a later date and promptly communicated to the Borrower.

(iii) The Borrower agrees to submit to DHED any other reports required by HUD and/or DHED in connection with activities undertaken through this Agreement.

15. REPRESENTATIONS AND WARRANTIES OF BORROWER:

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

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

The Borrower is a Florida limited liability company duly organized and validly existing in good standing under the laws of the State of Florida with full power and authority to consummate the transactions contemplated herein. The Borrower is duly authorized to borrow from the County the principal sum of \$1,219,286 and execute all the Loan Documents.

The Borrower has full power and authority to enter into the Loan Documents and consummate the transactions contemplated hereby, and the facts and matters expressed in the opinions of its legal counsel are true and correct.

(B) Validity of Loan Documents:

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

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

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

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

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

All utility services necessary for the construction of the Improvements and the operation thereof for their intended purpose are or will be available at the boundaries of the Premises, including water supply, storm and sanitary sewer facilities, and electric and telephone facilities, and Borrower has obtained or will obtain all necessary permits and permissions required from governmental authorities for unrestricted access to and use of such services in connection with the construction and use of the intended Improvements. The Premises are not now damaged or injured as a result of any fire, explosion, accident, flood or other casualty, and to Borrower's knowledge there are no soil conditions which would materially interfere with the construction of the Improvements.

All roads necessary for the full utilization of the intended Improvements for their intended purposes have either been completed or the necessary rights of way therefor have been acquired by the appropriate local authorities or have been dedicated to public use and accepted by such local authorities and all necessary steps have been taken by Borrower and such local authorities to assure the complete construction and installation thereof.

(E) No Default:

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

(F) Hazardous Waste:

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

(G) Filing and Payment of Taxes:

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

16. ADDITIONAL COVENANTS OF BORROWER:

The Borrower covenants and agrees with the County as follows:

(A) Construction Liens:

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

The Borrower agrees, at its sole cost and expense, to have any construction lien or equitable lien which may be filed against the Premises or undisbursed funds of this Loan released, bonded or insured over within sixty (60) days of the date of filing same, time being of the essence. The County shall be under no obligation to make further disbursements while any such lien remains outstanding against the Premises. If Borrower fails, after demand, to cause said lien or liens to be released, bonded or insured over within the foregoing 60-day period, the

County may take such steps as it deems necessary and any funds expended shall be charged to Borrower's Loan Account and shall bear interest as provided by the Loan Documents.

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

(B) No Transfer of Premises:

Except as specifically set forth herein, the Premises or any part thereof shall not be sold, leased (except for tenant leases), conveyed, mortgaged or encumbered in any way without the prior written consent of the County which consent shall not be unreasonably withheld or delayed, except as provided elsewhere herein or in the Mortgage. Notwithstanding the foregoing, Borrower may enter into utility easements or licenses or leases for tenant services, such as laundry or concessions, and refinancing of the Senior Mortgages with an independent institutional lender shall be permitted without the prior written consent of the County so long as the refinancing does not increase the amount of indebtedness originally secured by the applicable Senior Mortgage(s) plus applicable fees and costs associated with refinancing.

(C) Compliance with Laws:

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

(D) Brokerage Commissions:

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

(E) Financial Statements to be Furnished:

The Borrower shall furnish to the County:

- (i) Upon the County's request, a complete and current financial statement of all assets and liabilities, contingent or otherwise, prepared in accordance with generally accepted accounting principles and verified by affidavit of Borrower and, at the request of the County, certified (in form satisfactory to the County) by an independent certified public accountant acceptable to the County.
- (ii) Commencing with the report for the calendar year ending December 31, 2024 within ninety (90) days after the end of each fiscal year of Borrower, a balance sheet and statements of income, surplus, and cash flow, together with schedules, all compiled and presented by an independent accounting firm in accordance with standard and uniform accounting practices showing the financial condition of Borrower at the close of each year and the results of operations of Borrower during each year.

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

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

(F) Borrower to Maintain Bookkeeping System:

The Borrower shall, if required by the County, maintain a bookkeeping system for the Project in form and content sufficient for the County to conduct reviews, inspections, certifications and reports required by this Agreement. The County shall have full (but confidential) access, as allowed under the Public Records Law, at any reasonable time, subject to prior notice to the books, records and contracts pertaining to the Premises and Borrower; provided, however, that such information is not subject to any public records exemption asserted by Borrower.

(G) Insurance:

Borrower shall, at its sole expense, maintain in full force and effect at all times during the life of this Contract, insurance coverages and limits (including endorsements), as described herein. BORROWER shall provide the COUNTY with at least ten (10) days' prior notice of any cancellation, non-renewal or material change to the insurance coverages. The requirements contained herein, as well as the COUNTY's review or acceptance of insurance maintained by BORROWER are not intended to and shall not in any manner limit or qualify the abilities and obligations assumed by BORROWER under the Contract.

1) Commercial General Liability

BORROWER shall maintain Commercial General Liability at a limit of liability not less than \$1,000,000 each occurrence. Coverage shall not contain any endorsement excluding Contractual Liability or Cross Liability unless granted in writing by COUNTY's Risk Management Department. BORROWER shall provide this coverage on a primary basis.

2) Worker's Compensation Insurance & Employers Liability

BORROWER shall maintain Worker's Compensation in accordance with Florida Statute Chapter 440-. Policy shall include Employer's Liability with not less than \$1,000,000 each accident. BORROWER shall provide this coverage on a primary basis.

3) Additional Insured

BORROWER SHALL ENDORSE THE COUNTY AS AN ADDITIONAL INSURED WITH A GC 2026 Additional Insured – Designated Person or Organization endorsement, or its equivalent, to the Commercial General Liability. The Additional Insured endorsement shall read "Palm Beach County Board of County Commissioners, a Political Subdivision of the State of Florida, its Officers, Employees and Agents." BORROWER shall provide the Additional Insured Endorsements coverage on a primary basis.

4) Waiver of Subrogation

BORROWER hereby waives any and all rights of Subrogation against the COUNTY, its officers, employees and agents for each required policy. When required by the insurer, or should a policy condition not permits an insured to enter into a pre-loss agreement to waive subrogation without an endorsement to the policy, the BORROWER shall agree to notify the insurer and request the policy be endorsed with a Waiver of Transfer of Rights of Recovery Against Others or its equivalent This Waiver of Subrogation requirement shall not apply to any policy, which specifically prohibits such an endorsement, or which voids coverage should BORROWER enter into such an agreement on a pre-loss basis

5) Certificates of Insurance

Prior to execution of this Contract, BORROWER shall deliver to the COUNTY's representative a Certificate(s) of Insurance evidencing that all types and amounts of insurance coverages required by this Contract have been obtained and are in full force and effect. Such Certificate(s) of Insurance shall include a minimum of ten (10) day endeavor to notify due to cancellation or non-renewal of coverage. The Certificate of Insurance shall be issued to:

Palm Beach County Board of County Commissioners
C/O Department of Housing and Economic Development
100 Australian Avenue, Suite 500
West Palm Beach, FL 33406

6) Umbrella or Excess Liability

If necessary, BORROWER may satisfy the minimum limits required above for Commercial General Liability, Business Auto Liability, and Employer's Liability coverage under Umbrella or Excess Liability. The Umbrella or Excess Liability shall have an Aggregate limit not less than the highest "Each Occurrence" limit for either Commercial General Liability, Business Auto Liability, or Employer's Liability. The COUNTY shall be specifically endorsed as an "Additional Insured" on the Umbrella or Excess Liability, unless the Certificate of Insurance notes the Umbrella or Excess Liability provides coverage on a "Follow-Form" basis.

7) Right to Review, Revise or Reject

COUNTY, by and through its Risk Management Department, in cooperation with the Contracting/Monitoring Department, reserves the right to review, modify, reject or accept any required policies of insurance, including limits, coverages, or endorsements, herein from time to time throughout the term of this Contract. COUNTY reserves the right, but not the obligation, to review and reject any insurer providing coverage because of its poor financial condition or failure to operate legally.

8) Builder's Risk Insurance (During Construction)

a) With respect to any of the work involving the construction of real property (buildings and improvements other than buildings) during the construction project the BORROWER shall maintain Builder's Risk insurance providing coverage for the entire work at the project site, and will also cover portions of work located away from the site but intended for use at the site, and will also cover portions of the work in transit. Coverage shall be written on an all -risk, replacement cost, and completed value from basis in an amount at least equal to the projected

completed value of the Project as well as subsequent modifications of that sum. If a sublimit applies to the perils of wind or flood, the sublimit shall not be less than 25% of the projected completed value of the Project. The deductible shall not exceed \$50,000 without previous County approval, nor shall a wind percentage deductible, when applicable, exceed five percent (5%) of values at risk at time of loss subject to a \$250,000 minimum.

b) Partial occupancy or use of the work shall not commence until insurance company or companies providing insurance as required have consented to such partial occupancy or use. BORROWER shall take reasonable steps to notify and obtain consent of the insurance company or companies, and agree to take no action, other than upon mutual consent, with respect to occupancy or use of the work that could lead to cancellation, lapse, or reduction of insurance.

c) The coverage shall begin prior to the Notice to Proceed and shall be kept in force until Substantial Completion has been obtained, or until no one by the COUNTY has any property interest in the Project or until BORROWER and COUNTY mutually consent to the termination, whichever comes first. The BORROWER agrees and understands the COUNTY shall not provide any Builders Risk insurance on behalf of BORROWER for loss or damage to work, or to any other property owned or hired by the BORROWER. In the event of a claim, BORROWER shall be responsible for payment of the deductible amounts.

d) Should any of the Work hereunder involve the hauling and/or rigging of property in excess of \$500,000 or \$250,000 in transit, BORROWER shall procure and maintain all-risk transit or motor truck cargo insurance or a similar form of coverage insuring against physical damage or loss of property being transported, stored, moved, or hauled by BORROWER, OR ANY Subcontractors, pursuant to the terms of this Contract, subject to the limits, terms and conditions set forth herein.

e) The Contractor shall endorse the County as a Loss Payee on the Builder's Risk and Inland Marine/Transit insurance, when required to be maintained by the Contractor. The Loss-Payee endorsement shall read "Palm Beach County Board of County Commissioners." Endorsement shall be in accordance with all of the limits, terms, and conditions set forth herein. The Contractor shall agree the Loss/Payee endorsement provides coverage on a primary basis.

9) Property Insurance (Upon Completion of Construction)

In addition to the coverages mentioned as required earlier in the insurance provisions, upon completion of the initial project construction, the BORROWER shall maintain the following additional property insurance coverages:

a) Property Insurance – in an amount not less than 100% of the total replacement cost of any building, additions, betterments and improvements of the property, including those made by or on behalf of Tenant, as well as Tenant's personal property and contents located on the Premises. The settlement clause shall be on a Replacement Cost basis. Coverage shall be written with a Special

–Cause of Loss (All-Risk) form and include an endorsement for Ordinance & Law in an amount not less than 15% of the property insurance limit.

b) Flood Insurance – regardless of the flood zone, in an amount not less than 100% of the total replacement cost of any buildings, additions, betterments, or improvements, including those made by or on behalf of; or the maximum amount available from the National Flood Insurance Program, whichever is less.

c) Windstorm Insurance – unless included as a covered peril in the property insurance, in an amount not less than 100% of the total replacement cost of any buildings, additions, betterments or improvements, including those made by or on behalf of the BORROWER as well as Tenant's personal property and contents located on the Premises, or the maximum amount available under the Florida Windstorm Underwriting Association, whichever is less. BORROWER shall ensure such coverage is provided on a primary basis.

When the BORROWER delivers the signed Contract to the COUNTY, the BORROWER shall also deliver to the COUNTY such insurance certificates or other documents as the BORROWER may be required to furnish in accordance with the Contract documents.

(H) Insurance Proceeds:

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

(I) Indebtedness:

With respect to the Premises to be encumbered by the Borrower, the Borrower will not incur, create, assume or permit to exist any indebtedness superior to the Mortgage without the written approval of the County, which approval shall be granted by the County in its sole discretion, except indebtedness owed to the County and the aforementioned Senior Mortgages; provided however, that the Senior Mortgages shall not exceed the amounts contained in Section 4(A).

(J) Further Assurances and Preservation of Security:

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

(K) No Assignment:

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

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

All reports, plans, surveys, information, documents, maps, and other data produced, developed, prepared, assembled, or completed by the Borrower for the purpose of this Agreement shall be available to the County at any time upon request by the County.

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

In any event, the Borrower shall keep this Agreement, all amendments to this Agreement, and all documents and records in connection with this Agreement and make them available to the County for on-site monitoring for at least five (5) years after expiration of this Agreement, except that if any litigation, claim, negotiation, audit, monitoring, inspection or other action has been started before the expiration of the required retention period records in connection with the aforesaid shall be retained by the Borrower until completion of the action and resolution of all issues which arise from it, or until the end of the required period, whichever is later.

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

18. INSPECTIONS:

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

19. DEFAULT:

The following events, after expiration of any notice and cure period, shall be deemed Events of Default:

(A) Mortgage:

If there is a default or event of default under the Mortgage which is not cured within any applicable cure period.

(B) Bankruptcy:

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

(C) Breach of Covenants, Warranties and Representations:

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

(D) Failure to Close Loan:

If the Borrower fails to close on this Loan by the deadline set forth in Section 3 of this Agreement, the County may terminate this Agreement immediately upon written notice to Borrower. In such instance, all remaining HOME funds shall revert to the County and the County may reallocate such remaining funds for other projects, unless revised by written agreement between the parties, and the County shall not be obligated to replace the HOME funds with funds from another source. The County's right to reallocate remaining HOME funds shall not be subject to the rights of any other lender or the terms of any subordination agreement.

(E) Failure to Use Funds:

If the Borrower fails to use funds under this Agreement for costs eligible for disbursement by the County, as set forth in Section 7 above, by **August 15, 2027**, as established in Section 3 above, all remaining HOME funds shall revert to the County, and the County may reallocate such remaining funds for other projects, unless revised by written agreement between the parties, and the County shall not be obligated to replace the HOME funds with funds from another source. The County's right to reallocate remaining HOME funds shall not be subject to the rights of any other lender or the terms of any subordination agreement.

(F) Failure to Complete Construction and Place Units into Service:

If the Borrower fails to complete construction of the Improvements, secure a certificate of occupancy for the Improvements, and place all HOME-Assisted Units at Villas of Solana into service by **October 31, 2027**, unless revised by written agreement between the parties.

(G) Default Under the Senior Mortgage(s):

If the Borrower defaults under any of the Senior Mortgages which is not cured within applicable cure periods.

20. REMEDIES OF LENDER:

Upon the happening of an Event of Default, which default is not cured within any applicable cure or grace period, then the County may, at its option, upon thirty (30) days' written notice to Borrower, exercise any one or more of the following remedies:

(A) Cancellation of Agreement:

Cancel this Agreement.

(B) Commencement of Legal or Equitable Action:

Commence an appropriate legal or equitable action to enforce performance of this Agreement.

(C) Acceleration of Payment:

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

(D) Rights and Remedies:

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

21. GENERAL TERMS:

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

(A) Rights of Third Parties:

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

All conditions of the County hereunder are imposed solely and exclusively for the benefit of the County and its successors and assigns, and no other person shall have standing to require satisfaction of such conditions or be entitled to assume that the County will make disbursements in the absence of strict compliance with any or all thereof, and no other person shall, under any circumstances, be deemed to be a beneficiary of this Agreement or the Loan Documents, any provisions of which may be freely waived in whole or in part by the County at any time if, in its sole discretion, it deems it desirable to do so. In particular, the County makes

no representations and assumes no duties or obligations as to third parties concerning the quality of construction by Borrower of the improvements, or the absence thereof, of defects.

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

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

(C) Public Entity Crimes:

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

(D) Conflict of Interest:

The Borrower covenants that no person (an employee, agent, consultant, officer, or elected or appointed official of the Borrower, or, to Borrower's actual knowledge, the County) who exercises or has exercised any functions or responsibilities with respect to activities assisted under this Agreement, or who is in a position to participate in a decision-making process or gain inside information with regard to activities assisted under this Agreement, may obtain a financial interest or benefit from an assisted activity, or have a financial interest in any contract, subcontract, or agreement with respect to an assisted activity; or the proceeds derived from an assisted activity, either for him or herself or for those with whom he or she has immediate family or business ties, during his or her tenure or during the one-year period following his or her tenure.

Immediate family ties include (whether by blood, marriage, or adoption) the spouse, parent (including a stepparent), child (including a stepchild), brother, sister (including a stepbrother or stepsister), grandparent, grandchild, and in-laws of a covered person.

Any possible conflict of interest on the part of the Borrower, or any person as described above, shall be disclosed in writing to the County upon Borrower's knowledge thereof.

No owner, developer, or sponsor of the project assisted through this Agreement (or officer, employee, agent, elected or appointed official or consultant of the Borrower, owner, developer or sponsor or immediate family member or immediate family member of an officer, employee, agent, elected or appointed official or consultant of the Borrower, owner, developer or sponsor) whether private, for-profit or non-profit (including a community housing development organization (CHDO) when acting as an owner, developer or sponsor) may occupy a HOME-Assisted Unit (a HOME-assisted affordable housing unit) during the required period of affordability specified in 24 CFR 92.252(e) or 24 CFR 92.254(a)(4). This provision does not apply to an individual who receives HOME funds to acquire or rehabilitate his or her principal residence or to an employee or agent of the owner or developer of a rental housing project who occupies a housing unit as the project manager or maintenance worker. All written requests for exceptions to the above requirement regarding the occupancy of a HOME-Assisted Unit shall be submitted to the County.

(E) Nondiscrimination:

The County is committed to assuring equal opportunity in the award of contracts and complies with all laws prohibiting discrimination. Pursuant to Palm Beach County Resolution R2025-0748, as may be amended, the Consultant warrants and represents that throughout the term of the Contract, 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, or genetic information. Failure to meet this requirement shall be considered default of the Contract.

As a condition of entering into this Contract, the Consultant represents and warrants that it will comply with the County's Commercial Nondiscrimination Policy as described in Resolution R2025-0748, as amended. As part of such compliance, the Consultant shall not discriminate on the basis of race, color, national origin, religion, ancestry, sex, age, marital status, familial status, sexual orientation, disability, or genetic information in the solicitation, selection, hiring or commercial treatment of subcontractors, vendors, suppliers, or commercial customers, nor shall the Consultant retaliate against any person for reporting instances of such discrimination. The Consultant shall provide equal opportunity for subcontractors, vendors and suppliers to participate in all of its public sector and private sector subcontracting and supply opportunities, provided that nothing contained in this clause shall prohibit or limit otherwise lawful efforts to remedy the effects of marketplace discrimination that have occurred or are occurring in the County's relevant marketplace in Palm Beach County. The Consultant understands and agrees that a material violation of this clause shall be considered a material breach of this Contract and may result in termination of this Contract, disqualification or debarment of the company from participating in County contracts, or other sanctions. This clause is not enforceable by or for the benefit of, and creates no obligation to, any third party. Consultant shall include this language in its subcontracts.

(F) Public Records:

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

- (i) Keep and maintain public records required by the County to perform services as provided under this Agreement.
- (ii) Upon request from the County's Custodian of Public Records, provide the County with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119 or as otherwise provided by law. The Borrower further agrees that all fees, charges and expenses shall be determined in accordance with Palm Beach County PPM CW-F-002, Fees Associated with Public Records Requests, as it may be amended or replaced from time to time.
- (iii) Ensure that public records that are exempt, or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of the contract term and following completion of the Agreement, if the Borrower does not transfer the records to the public agency.
- (iv) Upon completion of the Agreement the Borrower shall transfer, at no cost to the County, all public records in possession of the Borrower, if any, unless notified by the County's representative/liaison, on behalf of the County's Custodian of Public Records, to keep and maintain public records required by the County to

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

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

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

(G) County Not Liable for Damage or Loss:

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

(H) County Not Obligated to Insure Proper Disbursement of Funds to Third Parties:

Nothing contained in this Agreement, or any Loan Documents, shall impose upon the County any obligation to oversee the proper use or application of any disbursements and disbursements of funds made hereunder so long as disbursements are made to Borrower.

(I) Indemnification from Third Party Claims:

The Borrower shall indemnify and hold County harmless from any liability, claims or losses resulting from the disbursement of the Loan proceeds to Borrower or from the condition of the Premises, whether related to the quality of construction or otherwise, and whether arising during or after the term of the Loan, except any liability due to the gross negligence or willful misconduct of County. This provision shall survive the repayment of the Loan and shall continue in full force and effect so long as the possibility of such liability, claims, or losses exists.

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

In no event shall this Agreement be construed to make the County, title company or agent of the County liable to Borrower's Contractor or any subcontractors, laborers, materialmen, craftsmen, or others for labor, materials, or services delivered to the Premises or goods specially fabricated for incorporation therein, or for debts or liens accruing or arising to such

persons or parties against Borrower or Borrower's Contractor. It is understood and agreed that there is no relation of any type whatsoever, contractual or otherwise, whether express or implied, between the County and Borrower's Contractor, any materialman, subcontractor, craftsman, laborer or any other person or entity supplying any labor, materials or services to the Premises or specially fabricating goods to be incorporated therein. Except as otherwise specifically provided herein, no such person or entities are intended to be third party beneficiaries of this Agreement or any document or instrument related to the Loan, or to have any claim or claims in or to any undisbursed or retained Loan proceeds.

(K) Evidence of Satisfaction of Conditions:

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

(L) Headings:

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

(M) Invalid Provisions to Affect No Others:

If performance of any provision hereof or any transaction related hereto is limited by law, then the obligation to be performed shall be reduced accordingly; and if any clause or provision herein contained operates or would prospectively operate to invalidate this Agreement in part, then the invalid part of said clause or provision only shall be held for naught, as though not contained herein, and the remainder of this Agreement shall remain operative and in full force and effect.

(N) Application of Interest to Reduce Principal Sums Due:

In the event that any charge, interest or fee is above the maximum rate provided by law, then any excess amount over the lawful rate shall be applied by the County to reduce the principal sum of the Loan or any other amounts due to the County hereunder.

(O) Governing Law and Remedies:

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

(P) Number and Gender:

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

(Q) Agreement:

The Borrower agrees to comply with all provisions of the following: (i) the Fair Credit Reporting Act, as amended, 15 U.S.C. §§ 1681-1681x; (ii) the Housing and Community Development Act of 1974, as amended; (iii) the HOME Investment Partnerships Program Regulations (24 CFR Part 92); (iv) 2 C.F.R. Part 184 which establishes the Administration of Federal financial assistance, Administrative practice and procedure, Federal assistance programs; and (v) 2 C.F.R Parts 200 which establishes the uniform administrative requirements, cost principals and

audit requirements for Federal awards, that are applicable to a recipient of funds through the HOME Program and that are required to be adhered to for this Loan, and such provisions are incorporated herein by reference and are made a part hereof.

The Loan Documents constitute the entire understanding and agreement between the parties with respect to the subject matter hereof, supersede all prior agreements, including commitment letters, and may not be modified or amended, except in writing and signed by all parties hereto.

(R) Waiver:

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

(S) Notices:

All notice from the Borrower to the County and the County to Borrower required or permitted by any provision of this Agreement shall be in writing and sent by registered or certified mail or overnight mail service (such as Federal Express) and addressed as follows:

TO LENDER:	Palm Beach County Department of Housing & Economic Development 100 Australian Avenue – Suite 500 West Palm Beach, FL 33406 Attn: Jonathan B. Brown, Director
WITH A COPY TO	Palm Beach County Attorney's Office 301 N. Olive Avenue, Suite 601 West Palm Beach, FL 33401 Attn: Howard J. Falcon III, Chief Assistant County Attorney
TO BORROWER:	Villas of Solana, LLC 1229 E. Blue Heron Blvd. Riviera Beach, FL 33404 Attn: Annetta Jenkins
WITH COPIES TO:	Riviera Beach Community Development Corporation, Inc. 1229 E. Blue Heron Blvd. Riviera Beach, FL 33404 Attn: Annetta Jenkins Michael J. Haygood, P.A. 701 Northpoint Pkwy, Suite 209 West Palm Beach, FL 33407 Attn: J. Michael Haygood

Notice given as hereinabove provided shall be deemed given on the date of its deposit in the United States Mail and, unless sooner received, shall be deemed received by the party to whom it is addressed on the third calendar day following the date on which said notice is deposited in

the mail, or if an overnight mail service is used, on the date of delivery of the notice.

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

(T) Submittals:

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

(U) Successors and Assigns:

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

(V) Counterparts:

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

(W) Incorporation by Reference:

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

(X) Waiver of Jury Trial:

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

22. SUBORDINATION:

Lender hereby approves the Senior Mortgage listed herein at Section 4(A)(x) and further agrees to subordinate to Senior Mortgage or any refinancing of the Senior Mortgage with an independent institutional lender permitted under Section 16(B) hereof. The Mayor of the Board of County Commissioners of Palm Beach County is hereby authorized to execute subordination agreements required herein in connection with a permitted refinancing of the Senior Mortgage without further approval of the Board of County Commissioners of Palm Beach County, Florida, provided such documents are in a form acceptable to the County's DHED and the County Attorney. In the event the County Administrator or designee has been delegated the authority to execute this Agreement, then such delegation shall also include the authority to execute Subordination Agreements in compliance with the terms of this Section 23 provided such documents are in a form acceptable to DHED and the County Attorney.

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

23. EFFECTIVE DATE OF AGREEMENT:

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

24. FORCE MAJEURE:

Notwithstanding anything contained in this Agreement or the other Loan Documents to the contrary, no conduct or act or failure to act on the part of either Borrower or Lender or failure to perform any covenant, condition or provision of this Agreement on the part of either Borrower or Lender to be performed will constitute a default hereunder if such conduct or act or failure to act or perform was due to causes beyond the reasonable control of Borrower or Lender, as the case may be, and including any conduct or act or failure to act or perform caused by or resulting from an act of God or the public enemy, labor or material shortage, strike, lockout, other labor disputes or disturbances, riot or civil commotion, government action or inaction (including but not limited to full or partial governmental shutdowns or moratoria), fire or other casualty, or such other similar event including but not limited to, any of the foregoing resulting from a pandemic, epidemic, or public health emergency, including but not limited to the coronavirus commonly known and referred to as "COVID-19" ("Force Majeure"). Events of Force Majeure shall extend the period for the performance of the obligations for the period equal to the period(s) of any such delay(s)

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

Signed, sealed and delivered
in the presence of:

BORROWER:

Villas of Solana LLC, a Florida limited liability
company

Witnesses:

Carolyn A Monroe

By: Riviera Beach Community Development
Corporation, Inc., a Florida not for profit

Carolyn A Monroe
Witness signature

By: Annetta Jenkins

36 Meadows Park Lane
Print witness name

Date: Executive Director 9/30/2025

Boynton Beach FL 33436
Print witness address

Espinoza
Witness signature

GEISY ESPINOSA
Print witness name

600 W. Blue Heron Blvd
Riviera Beach, FL 33404
Print witness address

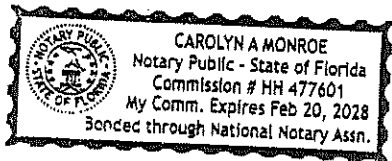
STATE OF FLORIDA
COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me by means of ☒ physical presence or
[] online notarization, on September 30, 2025, by Annetta Jenkins,
as Executive Director of Riviera Beach Community, who is personally
known to me, or who has produced Drva license as identification and
who did/did not take an oath. Development Corporation Pre

Signature: Carolyn A Monroe

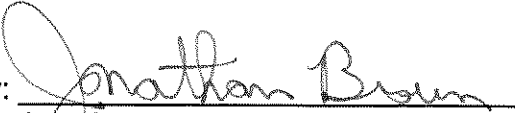
Notary Name: Carolyn A Monroe
Notary Public - State of Florida

(NOTARY SEAL ABOVE)



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

FOR ITS BOARD OF COUNTY COMMISSIONERS

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

Date: 9/30/2025

Approved as to Form and
Legal Sufficiency

By: Howard J. Falcon III

Howard J. Falcon III
Chief Assistant County Attorney

Digitally signed by Howard J. Falcon III
DN: cn=Howard J. Falcon III, o=Palm Beach County, ou=Enterprise
E=HJFalcon@pbc.gov
I am approving this document
Date: 2025.10.02 13:23:56-04'00'
Adobe PDF Editor Version: 12.1.0

Approved as to Terms and Conditions
Dept. of Housing and Economic Development

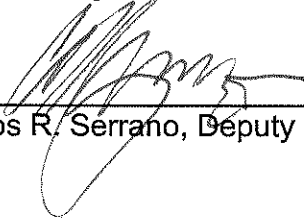
By: 
Carlos R. Serrano, Deputy Director

EXHIBIT A

LEGAL DESCRIPTION

THE PREMISES

Parcel 1

Lot 2, Villas of Solana, a Townhouse Project, according to the plat thereof as recorded in Plat Book 137, Page 84, Public Records of Palm Beach County, Florida.

Parcel 2

Lot 28, Villas of Solana, a Townhouse Project, according to the plat thereof as recorded in Plat Book 137, Page 84, Public Records of Palm Beach County, Florida.

Property addresses: 3201 and 3211 Avenue, J Riviera Beach, FL 33404

EXHIBIT B

PROMISSORY NOTE

SEE ATTACHED

PROMISSORY NOTE

\$1,219,286

Riviera Beach, Florida
Date: 9/30, 2025

FOR VALUE RECEIVED the undersigned **Villas of Solana, LLC**, a Florida limited liability company ("Maker"), promises to pay to the order of **PALM BEACH COUNTY**, a political subdivision of the State of Florida, together with any other holder hereof ("County or Holder"), at 301 North Olive Avenue, West Palm Beach, Florida 33401, or such other place as County may from time to time designate in writing, the principal sum of **One Million Two Hundred Nineteen Thousand Two Hundred Eighty-Six and 00/100 Dollars (\$1,219,286)** (the "Loan"), plus accrued interest, to be paid in lawful money of the United States of America, as follows:

1. The entire Loan is non-amortizing, and this Note shall bear interest at a rate of **zero percent (0%) per annum** computed on the outstanding principal balance remaining unpaid from time to time on a basis of a 360-day year and the actual number of days elapsed.
2. Unless acceleration is made by County pursuant to the provisions hereof, the outstanding principal balance from time to time remaining unpaid from the date of each disbursement, plus accrued interest thereon, plus any amounts due under this Note or any other Loan Document shall be paid in full no later than September 30, 2028 (Maturity Date), however, County shall, prior to the Maturity Date, upon the sale of each HOME-Assisted Unit in accordance with the Loan Agreement, forgive the portion of the principal amount of this Note disbursed by the County in connection with the sold HOME-Assisted Unit and thereupon deliver to the Maker a partial release of the Mortgage in exchange for the receipt of a separate mortgage from the buyer of the HOME-Assisted Unit as more fully described in the Loan Agreement.
3. Upon acceleration, this Note shall bear interest at the maximum interest rate allowed by applicable law until paid in full.
4. This Note may be prepaid in whole or in part at any time, without penalty or premium. Any prepayment hereunder shall be applied first to unpaid costs of collection, servicing fees, and late charges, if any, and the balance, if any, to the principal balance. The restrictive covenants contained in the Mortgage shall survive if this Note is wholly prepaid prior to the expiration of the term of such covenants.

This Note is executed pursuant to the terms and conditions of that certain Loan Agreement dated September 30, 2025, between Maker, as Borrower, and County, as Lender, and is secured by a Mortgage and Security Agreement (the "Mortgage"), encumbering certain real property located in Palm Beach County, Florida. The foregoing and all other agreements, instruments and documents delivered in connection therewith and herewith are collectively referred to as the "Loan Documents".

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

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

County shall have the right to declare the total unpaid balance hereof to be immediately due and payable in advance of the Maturity Date upon the failure of Maker to pay when due any payment 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. Notwithstanding the foregoing, County shall not exercise any remedies hereunder prior to the expiration of any notice and cure period in the Loan Documents.

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

Maker shall pay County a late charge of five percent (5%) of any required payment, which is not received by County when said payment is due pursuant to this Note. The parties agree that said charge is a fair and reasonable charge for the late payment and shall not be deemed a penalty. No late charge shall be due in the event County accelerates this note.

Time is of the essence hereunder. In the event that this Note is collected through attorneys at law, or under advice therefrom, Maker agrees to pay all costs of collection including reasonable attorneys' fees, whether or not suit is brought, and whether incurred in connection with collection, trial, appeal, bankruptcy or other creditors proceedings or otherwise.

Acceptance of partial payments or payments marked "payment in full" or "in satisfaction" or words to similar effect shall not affect the duty of Maker to pay all obligations due hereunder and shall not affect the right of County to pursue all remedies available to it under any Loan Documents.

The remedies of County shall be cumulative and concurrent, and may be pursued singularly, successively or together, at the sole discretion of County. Any failure to exercise or forbearance in the exercise of any remedy shall not be deemed to be a waiver or release of the same, such waiver or release to be effected only through a written document executed by County and then only to the extent specifically recited therein. A

waiver or release with reference to any one event shall not be construed as continuing or as constituting a course of dealing, nor shall it be construed as a bar to, or as a waiver or release of, any subsequent remedy as to a subsequent event.

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

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

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

Maker and any other person liable for the payment hereof respectively, hereby (a) expressly waive any valuation and appraisal, presentment, notice of dishonor, protest, and diligence in collection; (b) consent that County may, from time to time and without notice to any of them or demand, (i) extend, rearrange, renew or postpone any or all payments, (ii) release, exchange, add to or substitute all or any part of the collateral for this Note, and/or (iii) release Maker (or any co-maker) or any other person liable for payment hereof, without in any way modifying, altering, releasing, affecting or limiting their respective liability or the lien of any security instrument; and (c) agree that County, in order to enforce payment of this Note against any of them, shall not be required first to institute any suit or to exhaust any of its remedies against Maker (or any co-maker) or against any other person liable for payment hereof or to attempt to realize on any collateral for this Note.

MAKER AND COUNTY WAIVE THEIR RIGHTS 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 COUNTY'S EXTENDING CREDIT TO MAKER AND NO WAIVER OR LIMITATION OF COUNTY'S RIGHTS UNDER THIS PARAGRAPH SHALL BE EFFECTIVE UNLESS IN WRITING AND MANUALLY SIGNED ON COUNTY'S BEHALF.

(REMAINDER OF PAGE INTENTIONALLY LEFT BLANK)

Villas of Solana, LLC Promissory Note
Villas of Solana Project

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

Signed, sealed and delivered
in the presence of:

MAKER:

Witnesses:

Villas of Solana, LLC, a Florida limited
liability company

Carolyn A Monroe
Print witness name

Carolyn A Monroe

Witness signature
36 Meadows Park Lane
Boynton Beach FL 33436
Print witness address

Jeraldine Aguirre
Print witness name

LA [Signature]
Witness signature
600 W. Blue Heron
Blvd. Riviera Beach, FL 33404
Print witness address

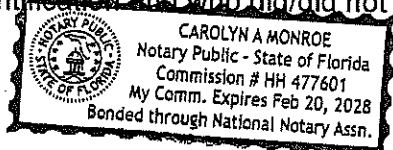
By: Riviera Beach Community
Development Corporation, Inc., a Florida
not for profit corporation, its sole member

By: Annette Jenkins

Date: 9/30/2025

STATE OF FLORIDA
COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me by means of ☒ physical
presence or ☐ online notarization, on 9/30/2025, by
Annette Jenkins, as Executive Director Riviera Beach Community
Development Corporation, Inc., member of Villas of Solana, LLC, who is personally
known to me, or who has produced driver license as
identification and who did/did not take an oath.



(NOTARY SEAL ABOVE)

Signature: Carolyn A Monroe

Notary Name: Carolyn A Monroe
Notary Public - State of Florida

EXHIBIT C

MORTGAGE AND SECURITY AGREEMENT

SEE ATTACHED

Prepared by and return to:
Department of Housing and Economic Development
Palm Beach County
100 Australian Avenue, Suite 500
West Palm Beach, FL 33406
Attn: Jeffrey Bolton, Division Director

NOTE TO CLERK OF CIRCUIT COURT: THIS MORTGAGE IS GIVEN TO SECURE THE FINANCING OF HOUSING UNDER PART V OF CHAPTER 420 OF THE FLORIDA STATUTES AND IS EXEMPT FROM TAXATION PURSUANT TO SECTION 420.513, FLORIDA STATUTES.

MORTGAGE AND SECURITY AGREEMENT

THIS IS A MORTGAGE AND SECURITY AGREEMENT (this "Mortgage"), granted and executed on September 30, 2025, by **VILLAS OF SOLANA, LLC**, a Florida limited liability company duly organized and existing by virtue of the laws of the State of Florida (the "Mortgagor"), in favor of **PALM BEACH COUNTY**, a political subdivision of the State of Florida (the "Mortgagee") (which term as used in every instance shall include the Mortgagee's successors and assigns).

WITNESSETH:

The Mortgagor is the fee-simple owner of the premises described in Exhibit A attached hereto (hereinafter the "Premises") and made a part hereof. Mortgagee has this date loaned **One Million Two Hundred Nineteen Thousand Two Hundred Eighty-Six Dollars and 00/100 (\$1,219,286)** to Mortgagor and in connection therewith Mortgagor has this date executed and delivered to Mortgagee a Promissory Note, in the amount of \$1,219,286, (the "Note"). A true copy of the Note is annexed hereto as Exhibit B which forms a part hereof.

This Mortgage is given in accordance with that certain Loan Agreement between Mortgagor and Mortgagee executed on September 30, 2025. This Mortgage and Security Agreement, the Note, and the Loan Agreement, including any amendments thereto, and any other documents evidencing and securing the loan evidenced by the Note shall hereinafter collectively be referred to as the "Loan Documents".

GRANTING CLAUSE

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

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

TO HAVE AND TO HOLD the Mortgaged Property and all parts, rights, and appurtenances thereof, to the use, benefit and behalf of the Mortgagee, its successors and assigns in fee simple forever, and the Mortgagor covenants that the Mortgagor is lawfully seized and possessed of the Mortgaged Property in fee simple and has good right to convey the same, that the same are unencumbered excepting taxes accruing subsequent to 2024, and those certain exceptions appearing on the Mortgagee's Title Insurance Policy given in connection herewith and specifically approved by Mortgagee, and that the Mortgagor will warrant and defend the title thereto against the claims of all persons whomsoever, except as hereinafter expressly provided.

Notwithstanding the foregoing, the indebtedness evidenced by this Mortgage is and shall be subordinate in right of payment to the prior payment of any amounts then due and payable in connection with the indebtedness evidenced by that certain Mortgage from Mortgagor to the BBIF Capital, Inc. (BBIF) to be recorded in the Public Records of Palm Beach County, Florida, to secure that certain Promissory Note dated as of September 30, 2025, in the original principal amount of \$ 2,000,000 (the "Senior Loan").

PROVIDED ALWAYS that if the Mortgagor shall pay unto the Mortgagee all sums required under the terms of the Note, which Note is in the original principal amount of \$1,219,286 and has a maturity date of September 30, 2028, unless such maturity is accelerated as set forth in the Note, or this Mortgage, and shall comply with and abide by each and every one of the stipulations, agreements, conditions and covenants of the Loan Documents, then in such event this Mortgage and Security Agreement and the estate hereby created shall cease and be null and void.

The Mortgagor covenants with the Mortgagee as follows:

ARTICLE 1

1.1 Payments of Indebtedness:

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

1.2 Taxes, Liens and Other Charges.

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

(b) The Mortgagor shall pay or cause to be bonded off or insured over, from time to time when the same shall become due, all lawful claims and demands of contractors, mechanics, materialmen, laborers, and other persons or entities which, if unpaid, might result in or permit the creation of, a lien on Mortgaged Property or any part hereof, or on the revenues, rents, issues, income and profits arising therefrom whether such lien is or may become prior or remain inferior to the Mortgage and also, irrespective of the priority of such other lien(s). Mortgagor in general will do or cause everything necessary to be done so that the lien hereof shall be fully preserved, at the cost of the Mortgagor, without expense to the Mortgagee.

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

1.3 Insurance:

At any time while the Mortgaged Property is in the possession of the Mortgagor, the Mortgagor shall comply with the following requirements:

The Mortgagor will keep the Mortgaged Property continuously insured in an amount no less than its full insurable value which coverage shall insure the Mortgaged Property against loss or damage by fire and by the perils covered by extended coverage and against such other hazards, including flood if applicable, as the Mortgagee, in its reasonable discretion, shall from time to time require, for the benefit of the Mortgagee. All such insurance at all times will be in an insurance company or companies in such amounts and with terms reasonably acceptable to the Mortgagee, with loss, if any, payable to the Mortgagee as its interest may appear, pursuant to a non-contributory mortgagee clause which shall be satisfactory to the Mortgagee; and forthwith upon the issuance of such policies they will deliver to the Mortgagee copies of receipts for the premiums paid thereon and certificates of insurance and copies of such policies. In the event of a foreclosure or other transfer of title to the Property in lieu of foreclosure, or by purchase at the foreclosure sale, all interest in any proceeds due in connection with any claims made under the policy(ies) (for events arising prior to the title transfer) shall pass to Mortgagee,

transferee or purchaser, as the case may be. The Mortgagee is hereby authorized and empowered, at its option, to adjust or compromise any loss under any insurance policies on the Mortgaged Property jointly with the Mortgagor. Each insurance company is hereby authorized and directed to make payment for all such losses to the Mortgagor and the Mortgagee jointly. Unless Mortgagor and Mortgagee otherwise agree in writing, insurance proceeds shall be applied to restoration or repair, provided such restoration or repair is economically feasible and the security of this Mortgage is not thereby materially impaired. In order to determine whether restoration is economically feasible, Mortgagor must provide evidence to the Mortgagee that the Mortgagor has sufficient funds to completely restore or repair the Mortgaged Property in accordance with the Loan Agreement and the requirements described therein. If such restoration or repair is not economically feasible or if the security of this Mortgage would be materially impaired, the insurance proceeds shall be applied to the sums secured by this Mortgage with the excess, if any, paid to Mortgagor.

1.4 Care of Premises:

At all times while the Premises are in the possession of the Mortgagor, the Mortgagor shall comply with the following requirements:

- (a) The Mortgagor will keep the improvements now or hereafter erected on the Premises in good condition and repair, will not commit or suffer any waste and will not do or suffer anything to be done which will increase the risk of fire or other hazard to the Premises or any part thereof.
- (b) If the Premises or any part thereof is damaged by fire or any other cause, which damage exceeds Two Hundred Thousand Dollars (\$200,000), the Mortgagor will give immediate written notice of the same to the Mortgagee.
- (c) The Mortgagee or its representative is hereby authorized to enter upon and inspect the Premises at any time during normal business hours upon reasonable advance notice to Mortgagor.
- (d) The Mortgagor will promptly comply with all present and future laws, ordinances, rules and regulations of any governmental authority affecting the Premises or any part thereof. Mortgagee shall have the right to monitor the project and enforce the terms of all present and future laws, ordinances, rules and regulations of any governmental authority affecting the Premises or any part thereof.
- (e) If all or any part of the Premises shall be damaged by fire or other casualty, the Mortgagor will, upon request of the Mortgagee, promptly restore the Premises to the substantial equivalent of its condition immediately prior to such damage, and if a part of the Premises shall be damaged through condemnation, Mortgagor will, upon request of Mortgagee, promptly restore, repair or alter the remaining part of the Premises in a manner reasonably satisfactory to the Mortgagee.

The Mortgagee recognizes that this mortgage will be subordinate to the Senior Mortgage, and to the extent this provision conflicts with the similar terms and conditions of the Senior Mortgage, the Senior Mortgage shall supersede and shall be controlling. Nothing contained herein shall, however, relieve the Mortgagor from its obligation to make payments under the Promissory Note in accordance with its terms.

1.5 Right to Enter Premises:

The Mortgagee, by any of its agents or representatives, shall have the right to inspect the Premises from time to time at any reasonable hour of the day. Should the Premises, or any part thereof, at any time require inspection, repair, care or attention of any kind or nature as determined by the Mortgagee in its sole discretion, the Mortgagee may, after written notice to the Mortgagor and Mortgagor's failure to remedy such issue within sixty (30) days, enter or cause entry to be made upon the Premises and inspect, repair, protect, care for or maintain such property, as the Mortgagee may in its sole discretion deem necessary, and may pay all amounts of money therefor, as the Mortgagee may in its sole discretion deem necessary, all of which amounts so paid by the Mortgagee, with interest thereon from the date of each such payment, at the rate, if any, provided in the Note, shall be payable by the Mortgagor to the Mortgagee on demand and shall be secured by this Mortgage.

1.6 Covenants Running With the Land:

The Mortgagor expressly agrees to the following terms and conditions:

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

The Mortgagor shall use the loan proceeds in the amount of **\$1,219,286** for eligible project costs specified in the Loan Agreement to construct ten (10) for-sale units (the "HOME-Assisted Units") located on the Premises.

The Mortgagor shall be required to have drawn 100% of the Loan up to \$1,219,286, by **August 15, 2027**.

The Mortgagor shall have completed construction of all HOME-Assisted Units, received temporary certificates of occupancy and have sold the HOME-Assisted Units Eligible Beneficiaries (as more fully described in the Loan Agreement) and placed such units into service by **October 31, 2027**.

(b) Sale of HOME-Assisted Units for Homeownership:

The Mortgagor expressly agrees to the following terms and conditions:

All HOME-Assisted Units shall be sold in accordance with the requirements set forth herein beginning with the date of execution of this Mortgage at the closing of the Loan.

The HOME-Assisted Units shall be sold to households whose annual gross incomes, adjusted for family size, are at no more than eighty percent (80%) of Area Median Income (hereinafter "AMI").

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

THE REQUIREMENTS AND RESTRICTIONS SET FORTH IN THIS SECTION 1.6(b) SHALL BE COVENANTS RUNNING WITH THE LAND FOR THIRTY YEARS AND SHALL SURVIVE THE SATISFACTION OR EARLIER TERMINATION OF THIS MORTGAGE AND SECURITY AGREEMENT. AS PART OF THE CLOSING ON THIS LOAN, BORROWER SHALL EXECUTE AND RECORD A DECLARATION OF RESTRICTIONS (DOR) ON THE MORTGAGED PROPERTY THAT RUNS WITH THE LAND FOR THIRTY YEARS. THE DEEDS TO THE HOMEBUYERS OF THE TEN (10) HOME-ASSISTED UNITS SHALL REFERENCE THE DOR.

1.7 Further Assurances; Modifications:

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

1.8 Expenses.

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

1.9 Estoppel Affidavits:

The Mortgagee, upon ten (10) days' prior written notice, shall furnish the Mortgagor a written statement, duly acknowledged, setting forth the unpaid principal of, and interest on, the indebtedness secured hereby and whether any off-sets or defenses exist against such principal and interest. The written statement as referenced herein shall be provided by the County's Department of Housing and Economic Development (DHED) Director or his designee.

1.10 Subrogation:

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

1.11 Performance by Mortgagee of Defaults by Mortgagor:

If the Mortgagor shall default in the payment of any tax, lien, assessment or charge levied or assessed against the Premises; in the payment of any utility charge, whether public or private; in the payment of any insurance premium; in the procurement of insurance coverage and the delivery of the insurance policies required hereunder; in the performance of any covenant, term or condition of any leases affecting all or any part of the Premises; or in the performance or observance of any covenant, condition or term of this Mortgage; then the Mortgagee, at its option, following written notice to Mortgagor and Mortgagor's failure to perform or observe the same within the time set forth in Section 2.2(b), may perform or observe the same, and all reasonable payments made or costs incurred by the Mortgagee in connection therewith, shall be secured hereby and shall be, upon demand, immediately repaid by the Mortgagor to the Mortgagee with interest thereon at the maximum rate provided by law. The Mortgagee is hereby empowered to enter and to authorize others to enter upon the Premises or any part thereof for the purpose of performing or observing any such defaulted covenant, condition or term, without thereby becoming liable to the Mortgagor or any other person in possession holding under the Mortgagor.

1.12 Condemnation:

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

1.13 Environmental Representations:

(a) The Mortgagor covenants with the Mortgagee that to the best of Mortgagor's knowledge the Premises have not been used and will not be used in whole or in part for the storage of hazardous waste other than typical cleaning and maintenance supplies kept in accordance with all laws and regulations.

(b) Mortgagor represents that no violation of any Federal, State or local environmental regulations now exists regarding the Mortgaged Property.

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

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

ARTICLE 2

2.1 Due on Sale of the Premises or Further Encumbrance Clause:

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

In accordance with the foregoing and for the purposes of (i) protecting Mortgagee's security both of repayment by Mortgagor and the value of the Mortgaged Property; (ii) giving Mortgagee the full benefit of its bargain and contract with Mortgagor; (iii) allowing Mortgagee to charge default rate interest in the case of an uncured Event of Default; and (iv) keeping the Mortgaged Property free of subordinate financing liens, Mortgagor agrees that any sale, conveyance, assignment, further encumbrance or other transfer of title to the Premises or any interest therein except as permitted under the Loan Agreement (whether voluntarily or by operation of law), and except as permitted under Section 2.3 herein, without the Mortgagee's prior written

consent, which consent may be granted or withheld by Mortgagee at its sole discretion, shall be an Event of Default hereunder. For the purpose of and without limiting the generality of the preceding sentence, the occurrence at any time of any of the following events shall be deemed to be an unpermitted transfer of title to the Premises and therefore an Event of Default hereunder:

(a) Unless otherwise permitted by the Mortgagee as provided herein, any sale, conveyance, assignment or other transfer of or the grant of a security interest in, all or any part of the title to the Premises, excluding the Senior Mortgage(s) or any refinancing of the Senior Mortgage(s) with an independent institutional lender, other than easements or licenses necessary for the development and use of the improvements on the Premises; or

(b) Any new or additional liabilities secured by the Premises without the prior written consent of Mortgagee.

Mortgagor agrees that if this Section 2.1 is deemed a restraint on alienation, that it is a reasonable one and that any consent by the Mortgagee, or any waiver of an Event of Default, under this Section 2.1 shall not constitute a consent to, or waiver of any right, remedy or power of the Mortgagee upon a subsequent Event of Default under this Section 2.1.

2.2 Events of Default:

An Event of Default ("Default") shall have occurred hereunder if:

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

(b) The Mortgagor shall fail to duly observe on time any other covenant, condition or agreement of this Mortgage, the Note, the Loan Documents or of any other instrument evidencing, securing or executed in connection with the indebtedness secured hereby, and such failure continues for a period of thirty (30) days following written notice by the Mortgagee or such additional time as may be required, provided a cure is timely commenced and diligently prosecuted; or

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

(d) Any lien for labor or material or otherwise shall be filed against the Mortgaged Property, and such lien is not canceled, removed, bonded over, insured against or transferred within sixty (60) days after notice of such lien; or

(e) A levy shall be made under any process on, or a receiver is appointed for, the

Mortgaged Property; or

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

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

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

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

(j) The Mortgagor breaches any covenant, representation, or warranty set forth in the Loan Agreement and the expiration of any applicable grace period, or an Event of Default occurs under the terms of the Loan Agreement or any of the other Loan Documents including, without limitation the Note and Mortgage and remains uncured after the expiration of any applicable cure or grace period; or

(k) The Mortgagor shall default under any mortgage encumbering the Premises which default remains uncured after expiration of any applicable cure or grace period.

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

2.3 Assumption of Note and Special Conditions:

(a) The Note can be assumed upon sale or transfer of the Premises, provided: (i) the Mortgagor has obtained the consent of Mortgagee to such sale or transfer (which Mortgagee agrees shall not be unreasonably withheld or delayed), (ii) all HOME-Assisted Units as defined under the Loan Agreement shall remain affordable to households whose incomes, adjusted for family size, are not more than eighty percent (80%) of AMI, for the remaining duration of the Affordability Period as also defined under the Loan Agreement (iii) and the sale or transfer is permitted under the terms of the Loan Agreement.

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

- (1) Expenses of the sale;
- (2) Senior Mortgage(s) debt in full, including fees;
- (3) All accrued but unpaid interest on the Note;
- (4) The outstanding principal under the Note;
- (5) This Mortgage debt in full, including fees.

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

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

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

A violation of any of the above stated Special Conditions related to any assumptions as contained in this Section 2.3 by Mortgagor shall constitute a default hereunder.

2.4 Acceleration of Maturity:

- (a) If a Default shall have occurred hereunder and is not cured within applicable cure periods, then the whole unpaid principal sum of the indebtedness secured hereby with interest accrued thereon shall, at the option of the Mortgagee, become due and payable without notice or demand, time being of the essence of this Mortgage and of the Note secured hereby; and no omission on the part of the Mortgagee to exercise such option when entitled to do so shall be considered as a waiver of such right.
- (b) If a Default shall have occurred hereunder and is not cured within applicable cure periods, then the whole unpaid debt secured by this Mortgage, with all interest thereon, and all other amounts hereby secured shall, at the option of Mortgagee, become immediately due and payable, and may forthwith or at any time thereafter be collected by suit at law, foreclosure of or other proceeding upon this Mortgage or by any other proper, real or equitable procedure without declaration of such option and without notice.

2.5 Right of Lender to Enter and Take Possession:

- (a) If any Default shall have occurred and be continuing beyond expiration of any applicable cure or grace period, the Mortgagor, upon demand of the Mortgagee, shall forthwith surrender to the Mortgagee the actual possession of the Premises and to the extent permitted by law, the Mortgagee may enter and take possession of the Premises

and may exclude the Mortgagor and the Mortgagor's agents and employees wholly therefrom. In the event Mortgagee exercises its rights pursuant to this Section 2.5(a), the Mortgagee shall be deemed to be acting as agent of Mortgagor and not as owner of the Premises.

(b) For the purpose of carrying out the provisions of this Section 2.5, if any Default shall have occurred and be continuing beyond expiration of any applicable cure or grace period, the Mortgagor hereby constitutes and appoints the Mortgagee the true and lawful attorney in fact of the Mortgagor to do and perform, from time to time, any and all actions necessary and incidental to such purpose and does, by these presents, ratify and confirm any and all actions of said attorney in fact in the Premises.

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

(d) The provisions of this Section 2.5 are subject to the rights under the Senior Mortgage, to which the rights of the Mortgagee are subordinate.

2.6 Foreclosure and Appointment of a Receiver:

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

(b) Upon, or at any time after, the filing of a complaint to foreclose this Mortgage, the court in which such complaint is filed may appoint a receiver of the Premises. Such appointment, pursuant to applicable law, may be made either before or after sale, without notice, without regard to the solvency or insolvency of Mortgagor at the time of

application for such receiver and without regard to the then value of the Premises. Such receiver shall have power to collect the rents, issues and profits of the Premises during the pendency of such foreclosure suit, and in case of a sale and a deficiency, during the full statutory period of redemption, if any, whether there be redemption or not, as well as during any further times when Mortgagor except for the intervention of such receiver, would be entitled to collect such rents, issues and profits, and all other powers which may be necessary or are usual in such cases for the protection, possession, control, management and operation of the Premises during the whole of said period.

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

(d) The provisions of this Section 2.6 are subject to the rights under the Senior Mortgage, to which the rights of the Mortgagee are subordinate.

2.7 Discontinuance of Proceedings and Restoration of the Parties:

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

2.8 Remedies Cumulative:

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

2.9 Stamp and Excise Tax:

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

ARTICLE 3

3.1 Successors and Assigns Included in Parties:

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

Provided, however, that the Mortgagor shall have no right to assign its obligations hereunder without the prior written consent of the Mortgagee as provided herein and in the Loan Documents.

3.2 Headings:

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

3.3 Invalid Provisions to Affect No Others:

If fulfillment of any provision hereof or any transaction related hereto or to the Note, at the time performance of such provisions shall be due, shall involve transcending the limit of validity prescribed by law, then ipso facto, the obligation to be fulfilled shall be reduced to the limit of such validity; and if any clause or provision herein contained operates or would prospectively operate to invalidate this Mortgage in whole or in part, then such clause or provision only shall be held for naught, as though not herein contained, and the remainder of this Mortgage shall remain operative and in full force and effect. Notwithstanding any provision contained herein, the total liability of Mortgagor for payment of interest, including service charges, penalties or any other fees shall not exceed the maximum amount of such interest permitted by applicable law to be charged, and if any payments by Mortgagor include interest in excess of the maximum amount permitted by applicable law to be charged, all excess amounts so paid shall be used to reduce the unpaid principal amount due pursuant hereto.

3.4 Number and Gender:

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

ARTICLE 4

4.1 Notices to Mortgagor and Mortgagee:

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

TO MORTGAGOR: Villas of Solana, LLC
1229 E. Blue Heron Blvd.
Riviera Beach, FL 33404
Attn: Annetta Jenkins

With copy to:
Riviera Beach Community Development Corporation, Inc.
1229 E. Blue Heron Boulevard
Riviera Beach, FL 33404
Attn: Annetta Jenkins

J. Michael Haygood, P.A.
701 Northpoint Parkway Suite 209
West Palm Beach, FL 33407
Attn: J. Michael Haygood

TO MORTGAGEE: Department of Housing and Economic Development
Palm Beach County
100 Australian Avenue, Suite 500
West Palm Beach, FL 33406
Attn: Jonathan B. Brown, Director

With copy to:
County Attorney's Office
Palm Beach County
301 North Olive Avenue, Suite 601
West Palm Beach, FL 33401
Attn: Howard J. Falcon, III, Chief Assistant County Attorney

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

ARTICLE 5

5.1 Future Advances:

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

increase from time to time, but the total unpaid balance so secured at any one time shall not exceed twice the principal amount of the Note, plus interest, and any disbursements made for the payment of taxes, levies or insurance on the Mortgaged Property with interest on those disbursements.

If, pursuant to Florida Statutes Section 697.04, Mortgagor files a notice specifying the dollar limit beyond which future advances made pursuant to this Mortgage will not be secured by this Mortgage, then Mortgagor shall, within fifteen (15) days of day of filing such notice, notify Mortgagee and its counsel by certified mail pursuant to Section 4.1 of this Mortgage. In addition, such a filing shall constitute a default hereunder.

5.2 Subordination:

Mortgagee has approved a Senior Mortgage in favor of BBIF provided that it does not exceed \$ 2,000,000 plus any protective advances made in accordance with applicable law, and further has agreed to subordinate to such Senior Mortgage or any refinancing of the Senior Mortgage with an independent institutional lender so long as the refinancing does not increase the amount of indebtedness then secured by the Senior Mortgage.

The Mayor of the Board of County Commissioners of Palm Beach County is hereby authorized to execute subordination agreements required herein without further approval of the Board of County Commissioners of Palm Beach County, Florida, provided such documents are in a form acceptable to DHED and the County Attorney. In the event the County Administrator or designee has been delegated the authority to execute the Loan Agreement, then such delegation shall also include the authority to execute Subordination Agreements in compliance with the terms of this Section provided such documents are in a form acceptable to DHED and the County Attorney.

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

5.3 Lien Priority:

The lien priority of this Mortgage shall not be affected by any changes in the Note or other Loan Documents including, but not limited to, an increase in the interest rate charged pursuant to the Note. Any parties acquiring an interest in the Premises subsequent to the date this

Mortgage is recorded shall acquire such interest in the Premises with notice that Mortgagee may charge a default rate of interest in the event of an uncured Default, or with the consent of the Mortgagor, otherwise modify the Loan Documents and the Loan Documents, as modified, shall remain superior to the interest of any party in the Mortgaged Property acquired subsequent to the date this Mortgage is recorded.

5.4 Security Agreement:

This instrument also creates a security interest in any and all equipment and furnishings as are considered or determined to be personal property located at the Premises and owned by

Mortgagor, together with all replacements, substitutions, additions, products and proceeds thereof, in favor of the Mortgagee under the Florida Uniform Commercial Code to secure payment of principal, interest and other amounts due Mortgagee now or hereafter secured hereby, and Mortgagee shall also have all the rights and remedies of a secured party under the Florida Uniform Commercial Code which shall be cumulative and in addition to all other rights and remedies of Mortgagee arising under the common law or any other laws of the State of Florida or any other jurisdiction.

5.5 Choice of Law:

This Mortgage is to be construed in all respects and enforced according to the laws of the State of Florida and venue shall be in a state court of competent jurisdiction in Palm Beach County, Florida.

5.6 Binding Effect:

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

(REMAINDER OF PAGE INTENTIONALLY LEFT BLANK)

Villas of Solana, LLC Mortgage & Security Agreement
Villas of Solana Project

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

Signed, sealed and delivered
in the presence of:

MORTGAGOR:

Witnesses:

Villas of Solana, LLC, a Florida limited
liability company

Jeraldine Argueme
Print witness name

By: **Riviera Beach Community Development
Corporation, Inc.**, a Florida not for profit,
its sole member

[Signature]
Witness signature

By: Annetta Jenkins

600 W. Blue Heron Blvd.
Riviera Beach, FL 33404
Print witness address

Date: 9/30/2025

Carolyn A Monroe
Print witness name

Carolyn A Monroe
Witness Signature
36 Macombs Park Lane
Riviera Beach FL 33436
Print witness address

STATE OF FLORIDA
COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me by means of ☒ physical presence or
[] online notarization, on 9/30/2025, by Annetta Jenkins
Executive Director of Riviera Beach Community Development
Corporation, Inc., member of Villas of Solana, LLC, who is personally known to me, or who
has produced Driver License as identification and who did/did not
take an oath.

Signature: Carolyn A Monroe

Notary Name: Carolyn A Monroe
Notary Public - State of Florida

(NOTARY SEAL ABOVE)

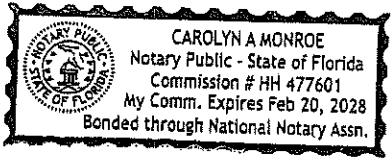


EXHIBIT A

THE PREMISES

LEGAL DESCRIPTION

Parcel 1
Lot 2, Villas of Solana, a Townhouse Project, according to the plat thereof as recorded in Plat Book 137, Page 84, Public Records of Palm Beach County, Florida.

Parcel 2
Lot 28, Villas of Solana, a Townhouse Project, according to the plat thereof as recorded in Plat Book 137, Page 84, Public Records of Palm Beach County, Florida.

Property addresses: 3201 and 3211 Avenue J, Riviera Beach, FL 33404

EXHIBIT D

DECLARATION OF RESTRICTIONS

SEE ATTACHED

Prepared By:

Return to:
Palm Beach County
Department of Economic Development
100 Australian Avenue, Suite 500
West Palm Beach, Florida 33406
Attn:

DECLARATION OF RESTRICTIONS

The undersigned, _____, (hereinafter referred to as "Declarant"), (which term as used in every instance herein shall include Declarant's successors and assigns), and whose mailing address is _____, in consideration of a reduced purchase price of the HOME-Assisted Unit in the amount of \$ 325,000 resulting from funding provided by the Palm Beach County, a political subdivision of the State of Florida (the "County"), does hereby grant to the County and impose the following restrictions upon the real property legally described on Exhibit A attached hereto and incorporated by reference, together with any existing or hereinafter constructed improvements (the "HOME-Assisted Unit"):

1. In consideration for the receipt of a reduced purchase price of the HOME-Assisted Unit in the amount of \$325,000 resulting from funding provided by the County to the developer of the HOME-Assisted Unit for the purpose of preserving the affordability of the HOME-Assisted Unit, the Declarant hereby covenants and agrees that the HOME-Assisted Unit shall be subject to the terms, conditions, and restrictions contained in this Declaration as follows:
 - (a) Declarant shall, for a period of thirty (30) years from the date the Declarant acquires title to the HOME-Assisted Unit (the "Compliance Period"), occupy the HOME-Assisted Unit as their primary place of residence as evidenced by a local homestead exemption. In the event of resale or other conveyance of the HOME-Assisted Unit on or before the expiration of the Compliance Period without written approval from the County's Department of Housing and Economic Development (DHED), a new thirty (30) year Compliance Period shall commence on the date of resale of the HOME-Assisted Unit and during such period the unit must be occupied by such purchaser as such purchaser's primary residence.
 - (b) These restrictions shall run with the land and shall remain in full force and effect for the Compliance Period, regardless of any transfer, sale, or conveyance of the HOME-Assisted Unit during that time.
 - (c) The HOME-Assisted Unit and the improvements on this property may only be sold, conveyed or transferred to a successor owner, certified by DHED as an individual or household who has not owned a home during the three-year period prior to application for HOME assistance to the Borrower or an individual who is a displaced homemaker or single parent ("First-Time Homebuyer"), whose gross household income, at the time of sale, conveyance or transfer, adjusted for family size, is no more than eighty percent (80%) of Area Median Income as determined by the Palm Beach County Department of Housing and Economic Development. Area Median

Income shall be the most recent area median income published by the U. S. Department of Housing and Urban Development for the West Palm Beach-Boca Raton Metropolitan Statistical Area.

- (d) The HOME-Assisted Unit may only be sold, conveyed or transferred to a successor owner such that the successor owner's total cost of the mortgage principal plus interest, real estate taxes, property insurance, and homeowner association fees, calculated on a monthly basis, does not exceed thirty five percent (35%) of the gross monthly household income of the successor owner as determined by the Palm Beach County Department of Housing and Economic Development.
- (e) Declarant shall include, or cause to be included, the following restrictions and conditions in the deed or other instrument or document used for conveying the HOME-Assisted Unit:
 - i. This HOME-Assisted Unit shall only be sold to, and occupied by, a homeowner in accordance with the Declaration of Restrictions recorded in ORB ____ Page ____ of the Public Records of Palm Beach County, Florida (the "Original DOR").
 - ii. These restrictions shall be deemed covenants running with the land described herein and shall be binding upon the title holder of such land, and the owner of the HOME-Assisted Unit and improvements thereon, for the Compliance Period, as defined in the Original DOR.
 - iii. This HOME-Assisted Unit may only be used for residential purposes as the housing unit owner's principal place of residence as evidenced by a local homestead exemption.
 - iv. These restrictions may not be transferred to another property and these restrictions can only be terminated or released by the Palm Beach County Board of County Commissioners, and/or those persons to whom such authority is formally delegated, and executed with the same formalities as this document.
 - v. These restrictions, unless released by Palm Beach County as provided above, shall be included in every subsequent deed or other instrument or document used for conveying title to this property as well as every subsequent deed or other conveyance instrument or document used for future conveyances of the HOME-Assisted Unit and shall encumber the Home-Assisted Unit for the Compliance Period as defined in the Original DOR as the same may be extended.
 - vi. The HOME-Assisted Unit and the improvements on this property may only be sold, conveyed or transferred to a successor owner, certified by the County's Department of Housing and Economic Development (DHED) as an individual or household who has not owned a home during the three-

year period prior to application for HOME assistance to the Borrower or an individual who is a displaced homemaker or single parent ("First-Time Homebuyer"), whose gross household income, at the time of sale, conveyance or transfer, adjusted for family size, is no more than eighty percent (80%) of Area Median Income as determined by the Palm Beach County Department of Housing and Economic Development. Area Median Income shall be the most recent area median income published by the U. S. Department of Housing and Urban Development for the West Palm Beach-Boca Raton Metropolitan Statistical Area.

- vii. First-Time Homebuyer shall mean an individual or household who have not owned a home during the three-year period prior to application for HOME assistance to the Borrower. The term First-Time Homebuyer also includes an individual who is a Displaced Homemaker or Single Parent
 - viii. The housing unit and the improvements on this property may only be sold, conveyed or transferred to a successor owner such that the successor owner's total cost of the mortgage principal plus interest, real estate taxes, property insurance, homeowner association fees and the land lease, calculated on a monthly basis, does not exceed thirty five percent (35%) of the gross monthly household income of the successor owner as determined by the Palm Beach County Department of Housing and Economic Development
 - ix. In the event of resale or other conveyance of the HOME-Assisted Unit on or before the expiration of the Compliance Period without written approval from DHED, a new thirty (30) year Compliance Period shall commence on the date of resale of the HOME-Assisted Unit.
2. The Declarant shall pay, or cause to be paid, all taxes due relating to the HOME-Assisted Unit, and the Declarant shall not voluntarily create, or permit or suffer to be created or to exist, on or against the HOME-Assisted Unit, or any part thereof, any lien superior to the lien of this Declaration, except for any liens expressly approved by the County in writing. The Declarant shall keep and maintain the HOME-Assisted Unit free from the claims of all parties supplying labor or materials unto the same. The Declarant agrees to notify the County of any liens, judgments or pending foreclosure within five (5) working days of the receipt of said notice by Declarant.
3. Should Declarant change the use or planned use, or discontinue use, of the HOME-Assisted Unit as their primary residence, or in the event of any sale, conveyance or transfer of the HOME-Assisted Unit prior to the end of the Compliance Period, the Declarant must obtain written approval from the County. The restrictions set forth herein shall run with the land and be binding on the subsequent owner(s) for the remaining duration of the Compliance Period.

4. The Declarant acknowledges and covenants that the Declarant's failure to perform any covenant, agreement, term, or condition contained herein, shall constitute a default under this Declaration. The Declarant shall then have thirty (30) calendar days from the date notice is given to cure or correct any such default to the County's satisfaction.

Notwithstanding the foregoing, and at the sole discretion of the County, upon providing notice to the Declarant of its determination that the Declarant is in default of the terms of this Declaration, and upon the Declarant's failure to cure the default to the County's satisfaction, the County may, from time to time, (but shall not be obligated to) cure, to the extent so curable by County, each default under any covenant in this Declaration, or in any instrument creating a lien upon the HOME-Assisted Unit, or any part thereof, to such extent that the County determines, and each amount paid, if any, by the County to cure any such default shall be paid by the Declarant to the County, together with interest at the highest rate permissible by law from the time of expenditure.

In addition to any remedy set forth herein, the County shall have such other remedies as are available at law or equity. The exercise or attempted exercise by the County of any right or remedy available under this Declaration shall not preclude the County from exercising any other right or remedy so available, nor shall any such exercise or attempted exercise constitute or be construed as an election of remedies. The Declarant shall pay any reasonable expenses, including reasonable attorney's fees and costs incurred by the County, under this Declaration and for the preparation and delivery of notices required hereunder. The failure or omission by the County to enforce any of its rights or remedies of any of the covenants, terms or conditions of this Declaration shall not bar or waive any of the County's rights or remedies relating to any subsequent default.

5. All notices from the Declarant to the County and the County to the Declarant, and as otherwise required or permitted by any provision of this Declaration shall be in writing and sent by certified mail and addressed as follows:

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

 With copy to:
 County Attorney's Office
 Palm Beach County
 301 N. Olive Avenue, Suite 601
 West Palm Beach, FL 33401
 Attn: Howard J. Falcon III, Chief Assistant County Attorney

To Declarant: _____

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

6. The Declarant shall cause this Declaration to be recorded in the Public Records of Palm Beach County, Florida, and thereafter the Declarant shall deliver this Declaration to the Director of the Department of Housing and Economic Development, at 100 Australian Avenue, Suite 500, West Palm Beach, Florida 33406.
7. The term of this agreement, the obligations contained herein and the restrictions contained in this Declaration shall be binding upon the undersigned, their heirs, executors, successors, and assigns and deemed covenants running with the land for the duration of the Compliance Period. These restrictions can only be terminated or released by the Palm Beach County Board of County Commissioners, and/or those persons to whom such authority is formally delegated.
8. No provision herein is intended to, or shall be construed to, create any third party beneficiary or to provide any rights to any person or entity not a party named herein, including but not limited to any citizen or employees of the County and/or the Declarant.
9. The laws of the State of Florida shall govern the interpretation and enforcement of the terms contained herein and the venue shall be in a State court of competent jurisdiction in Palm Beach County.

REMAINDER OF THIS PAGE LEFT BLANK INTENTIONALLY

Executed this ____ day of _____, 2025__

Signed, sealed and delivered
in the presence of: **DECLARANT**

WITNESSES: By: _____

Print witness name

Witness signature

Print witness address

Print witness name

Witness signature

Print witness address

STATE OF FLORIDA
COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me by means of [] physical presence or [] online notarization, on _____, by _____, as _____ of _____ a _____, who is personally known to me, or who has produced _____ as identification.

Signature: _____

(NOTARY SEAL ABOVE) Notary Name: _____
Notary Public - State of Florida

**EXHIBIT “A”
to Declaration of Restrictions**

Legal Description

Parcel 1
Lot 2, Villas of Solana, a Townhouse Project, according to the plat thereof as recorded in Plat Book 137, Page 84, Public Records of Palm Beach County, Florida.

Parcel 2
Lot 28, Villas of Solana, a Townhouse Project, according to the plat thereof as recorded in Plat Book 137, Page 84, Public Records of Palm Beach County, Florida.

Property addresses: 3201 and 3211 Avenue J, Riviera Beach, FL 33404

EXHIBIT E
PROJECT REPORT
SEE ATTACHED

PROJECT REPORT

Reporting Period:	Month		Year	
Subrecipient Name:				
Agreement/ MOU include Start Date, End Date				
Project Name:				

A. Agreement Requirements (Cumulative)	
target date to draw funds	\$0.00
target date to draw funds	\$0.00 <i>Total Funding Amount</i>

B. Disbursement/ Reimbursement Requests					
1. Enter information in the BLUE cells only. In Column C, enter the <u>monthly</u> Projected Request amounts for each month. The projections should meet the target dates in your agreement.					
2. In Column D, enter the amount of Actual Requests, if any, for the reporting period.					
3. Column F tracks the Actual Request vs. the full funding amount.					
A	B	C	D	E	F
Reporting Period	Cumulative Requirement per Agreement	Reimb Request per month (Projected)	Reimb Request per month (Actual)	Cumulative Reimb Request (Actual)	Difference to Total Funding Amount
Dec-23				0.00	★ 0.00
Jan-24				0.00	★ 0.00
Feb-24				0.00	★ 0.00
Mar-24				0.00	★ 0.00
Apr-24				0.00	★ 0.00
May-24				0.00	★ 0.00
Jun-24				0.00	★ 0.00
Jul-24				0.00	★ 0.00
Aug-24				0.00	★ 0.00
Sep-24				0.00	★ 0.00
Oct-24				0.00	★ 0.00
Nov-24				0.00	★ 0.00
Dec-24				0.00	★ 0.00
Jan-25				0.00	★ 0.00
Feb-25				0.00	★ 0.00
Mar-25				0.00	★ 0.00
Apr-25				0.00	★ 0.00
May-25				0.00	★ 0.00
Jun-25				0.00	★ 0.00
Jul-25				0.00	★ 0.00

Aug-25				0.00	★	0.00
Sep-25				0.00	★	0.00
Oct-25				0.00	★	0.00
Nov-25				0.00	★	0.00
Dec-25				0.00	★	0.00
Jan-26				0.00	★	0.00
Feb-26				0.00	★	0.00
Mar-26				0.00	★	0.00
Apr-26				0.00	★	0.00
May-26				0.00	★	0.00
Jun-26				0.00	★	0.00
Jul-26				0.00	★	0.00
Aug-26				0.00	★	0.00
Sep-26				0.00	★	0.00
Oct-26				0.00	★	0.00
Nov-26				0.00	★	0.00
TOTAL FUNDING			0.00	0.00		
difference to total funding			\$0.00	\$0.00		

C. Amounts Budgeted/ Expended to date:				
Enter all the sources of funds and the amount of the funds expended/ requested in this period.				
Funding Source	Budgeted	Expended	Percentage Expended	Requested
Funding Source 1				
Funding Source 2				
Funding Source 3				
Total	\$0.00	\$0.00		

D. Describe any changes in budgeted amounts during this reporting period, and the source of funds.

E. Project Performance				
Enter the required, projected and actual dates for each Performance Benchmark. Enter Y or N in the "Benchmark Met" column to indicate whether the required date was met.				
Performance Benchmark	Required Date	Projected Date	Actual Date	Benchmark Met Enter Y/N
Loan Close				
Start Construction				
Loan Draw				
Complete Construction				
Loan Draw				
Certificate of Occupancy				
Lease By Date				

F. Describe your project progress during this reporting period.

G. Report prepared by:

Enter the name of the person completing this report, contact number and the date of signing. Double-click on the X line to save a copy of this file and digitally sign this report.

Name		Signature	X
Phone/ Contact No.			
Date			

EXHIBIT F

ASBESTOS REQUIREMENTS

SPECIAL CONDITIONS FOR DEMOLITION AND RENOVATION OF BUILDINGS

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

I. DEFINITIONS

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

II. ASBESTOS SURVEYS

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

For Renovation Projects (Projects that will be reoccupied):

- Point counting should be conducted on all RACM, indicating 1% - 10% asbestos by PLM analysis. If the asbestos content by PLM is less than 10%, the building owner/operator can elect to:
 1. Assume the material is greater than 1% and treat it as RACM, or
 2. Require verification by point counting
- Samples of resilient vinyl floor tile indicating asbestos not detected must be confirmed by transmission electron microscopy (TEM).
- Drywall and the associated Joint compound shall be analyzed as separate layers.
- Roofing material shall be sampled only if a renovation requires the roof to be disturbed. In lieu of sampling the roof, it will be presumed to contain asbestos

For Demolition Projects:

- Point counting should be conducted on all RACM, indicating 1% - 10% asbestos by PLM analysis. If the asbestos content by PLM is less than 10%, the building owner/operator can elect to:

1. Assume the material is greater than 1% and treat it as RACM, or
2. Require verification by point counting

- Composite sample analysis is permitted for drywall systems (combining the drywall and joint compound constituents).
- All Category I and II non-friable materials, as defined in EPA/NESHAP, shall be sampled to determine asbestos content.

If the Borrower has a recent asbestos survey report prepared by a Florida Licensed Asbestos Consultant, a copy may be provided to DHED for review by the Palm Beach County Asbestos Coordinator (PBCAC) to determine if the survey is adequate to proceed with renovation/demolition work. If no survey is available, a comprehensive survey may be initiated by the Borrower or requested by DHED. If the survey is through DHED, a copy of the completed survey will be forwarded to the Borrower.

III. ASBESTOS ABATEMENT

A. RENOVATION

- (a) Prior to any renovation activity, all identified asbestos containing materials that are scheduled to be disturbed during the renovation activities, must be removed by a Florida Licensed Asbestos Contractor under the direction of a Florida Licensed Asbestos Consultant (FLAC). Exceptions may be granted by DHED prior to the removal. The Borrower must obtain approval for all exceptions from DHED. DHED will request the PBCAC to review and approve all exceptions.
- (b) Asbestos abatement work may be contracted by the Borrower or by DHED upon request.
- (c) If the Borrower contracts the asbestos abatement, the following documents are required to be provided to the DHED.
 1. An Asbestos Abatement Specification (Work Plan)
 2. Post Job submittals, reviewed and signed by the FLAC
- (d) If the Borrower requests DHED to contract the asbestos abatement, DHED will initiate the request through the PBCAC who will contract the asbestos abatement. DHED will provide a copy of all contractor and consultant documents to the Borrower.
- (e) Materials containing less than <1% asbestos are not regulated by EPA/NESHAPS. However, OSHA compliance is mandatory. OSHA requirements include training, wet methods, prompt cleanup in leak tight containers, etc.

The renovation contractor must comply with US Dept. of Labor, OSHA Standard Interpretation, "Compliance requirements for renovation work involving material containing <1% asbestos", dated 11/24/2003. The renovation contractor must submit a work plan to DHED prior to removal of the materials.

B. DEMOLITION

All RACM must be removed by a Florida Licensed Asbestos Contractor as per specification plan and under the direction of an FLAC prior to any demolition activities. Examples of RACM include popcorn ceiling finish, drywall systems, felt or paper-backed linoleum, resilient floor tile which is not intact, asbestos cement panels/pipes/shingles ("transite").

NESHAP Category I non-friable materials, such as intact resilient floor tile & mastic and intact roofing materials, may be demolished with the structure by implementing the proper engineering controls. The demolition contractor shall be familiarized with the work plan and made aware of the asbestos-containing materials and shall exercise adequate control techniques (wet methods, etc.). Any exceptions to these guidelines shall be requested through and approved by DHED prior to the disturbance and/or removal of regulated asbestos materials. Demolition work should be monitored by a FLAC to ensure proper engineer control measures and waste disposal practices are in place. This is the responsibility of the Borrower.

- (a) Asbestos Abatement work may be contracted by the Borrower or by DHED upon request.
- (b) If the Borrower contracts the asbestos abatement, the following documents must be provided to DHED and reviewed by the PBCAC.
 - 1. An Asbestos Abatement Specification Plan (Work Plan).
 - 2. Post Job submittals, reviewed and signed by the FLAC.
- (c) If the Borrower requests DHED to contract the asbestos abatement, DHED will initiate the request through the PBCAC who will contract the asbestos abatement. DHED will provide a copy of all contractor and consultant documents to the Borrower.
- (d) Recycling, salvage or compacting of any asbestos containing materials or the substrate are strictly prohibited.
- (e) In all cases, compliance with OSHA Regulation "Requirements for demolition operations involving material containing less than <1% asbestos" is mandatory.
- (f) If any suspect materials are discovered that were not previously sampled and/or identified in the survey report, stop all the renovation/demolition activity that will have the potential to disturb the suspect materials and immediately notify DHED.

IV. NESHAP NOTIFICATION

A. RENOVATION

A NESHAP notification form must be prepared by the Borrower or its Contractor and submitted to the Palm Beach County Health Department at least ten (10) working days prior to any asbestos activity that involves removal of regulated asbestos containing

material, including linoleum, greater than 160 square feet or 260 linear feet or 35 cubic feet. For floor tile removal greater than 160 square feet, the Borrower or its Contractor shall provide a courtesy NESHAP notification to the Palm Beach County Health Department at least three (3) working days prior to removal.

The Borrower shall provide a copy of the asbestos survey report to the renovation contractor to keep onsite during the work activity.

B. DEMOLITION

A NESHAP notification form must be prepared by the Borrower or its Contractor and submitted to the Palm Beach County Health Department at least ten (10) working days prior to any projects scheduled to be demolished by the Borrower.

C. NESHAP FORM

The NESHAP notification form is available online through the Florida Department of Environmental Regulations. The notification shall be sent to the address shown below. A copy shall be included in the Borrower post job documentation submitted to DHED. The Borrower shall pay all the fees.

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

V. APPLICABLE ASBESTOS REGULATIONS/GUIDELINES

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

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

- (g) Resilient Floor Covering Institute (RFCI), Updated Recommended Work Practices and Asbestos Regulatory Requirements, current version.
- (h) Florida Roofing Sheet Metal and Air Conditioning Contractors Association, NRCA, June 1995, or current version.
- (i) US Department of Labor, OSHA Standard Interpretation
 - 1. Application of the asbestos standard to demolition of buildings with ACM in Place, dated 8/26/2002.
 - 2. Requirements for demolition operations involving material containing <1% asbestos, dated 8/13/1999.
 - 3. Compliance requirements for renovation work involving material containing <1% asbestos, dated 11/24/2003.

EXHIBIT G

PARTIAL RELEASE OF MORTGAGE

Prepared by and return to:

Palm Beach County
Department of Housing
& Economic Development
100 Australian Avenue, Suite 500
West Palm Beach, Florida 33406

**PARTIAL RELEASE OF MORTGAGE
AND SECURITY AGREEMENT**

KNOW ALL MEN BY THESE PRESENTS: That **Palm Beach County**, a political subdivision of the State of Florida (the "Mortgagee"), is the owner and holder of that certain Mortgage and Security Agreement dated _____ and recorded on _____, in Official Records **Book** _____, **Page** _____, in the Public Records of **Palm Beach County**, (the "Mortgage"), securing that certain Promissory Note (the "Note") in the original principal sum of **[AMT] Dollars (\$,000)**, executed by _____, a Florida [TYPE OF ENTITY] (the "Mortgagor"), and certain promises and obligations set forth in said Mortgage; and

WHEREAS, the Mortgagor has requested, and the Mortgagee has agreed, to release from the lien of the Mortgage the portion of the mortgaged property described in *Schedule A* attached hereto (the "Released Property"); and

WHEREAS, the Mortgage shall remain in full force and effect and shall continue to be a lien on all mortgaged property other than the Released Property and the portions of property previously released (the "Encumbered Premises").

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Mortgagee does hereby remise, release, quit claim, and discharge from the lien and operation of the Mortgage the Released Property, as legally described in *Schedule A*.

This Partial Release of Mortgage affects only the Released Property and shall not be deemed to release or otherwise affect the lien of the Mortgage on the Encumbered Premises, which shall remain subject to all terms, conditions, and remedies provided in the Mortgage. All prior partial releases of portions of the mortgaged property, if any, are hereby ratified and confirmed and shall remain in full force and effect.

TO HAVE AND TO HOLD the Released Property, with all appurtenances thereunto belonging, unto the Mortgagor, its successors and assigns forever, free and discharged of the lien of the Mortgage, without prejudice to the lien on the Encumbered Premises.

WITNESS the hand and seal of a duly authorized officer of the Mortgagee as of this ____ day of _____, 202____.

Signed, Sealed and Delivered in Presence of:

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

FOR ITS BOARD OF COUNTY COMMISSIONERS

WITNESSES:

Name: _____

Address: _____

Name: _____

Address: _____

By: _____

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

Approved as to Form and
Legal Sufficiency

Approved as to Terms and Conditions
Dept. of Housing and Economic Development

By: _____

Howard J. Falcon III
Chief Assistant County Attorney

By: _____

Carlos R. Serrano, Deputy Director

**STATE OF FLORIDA
COUNTY OF PALM BEACH**

The foregoing instrument was acknowledged before me by means of [] physical presence or [] online notarization, on _____, by Jonathan B. Brown, Director Dept. of Housing & Economic Development of Palm Beach County, Florida, who is personally known to me, or who has produced _____ as identification.

Signature: _____

Notary Name: _____

(NOTARY SEAL ABOVE)

Notary Public - State of Florida

SCHEDULE A

RELEASED PROPERTY

LEGAL DESCRIPTION

EXHIBIT H

BUDGET

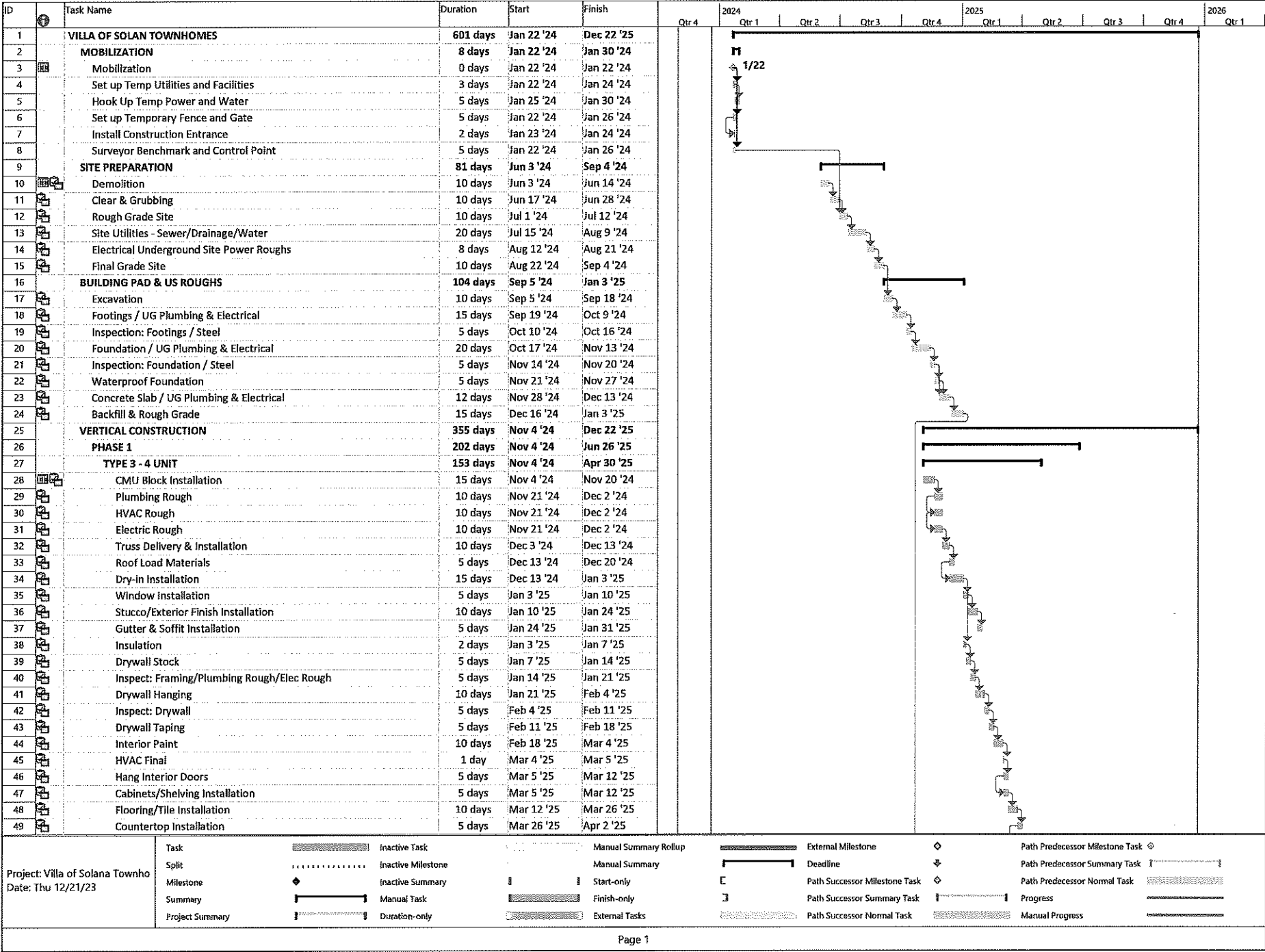
SEE ATTACHED

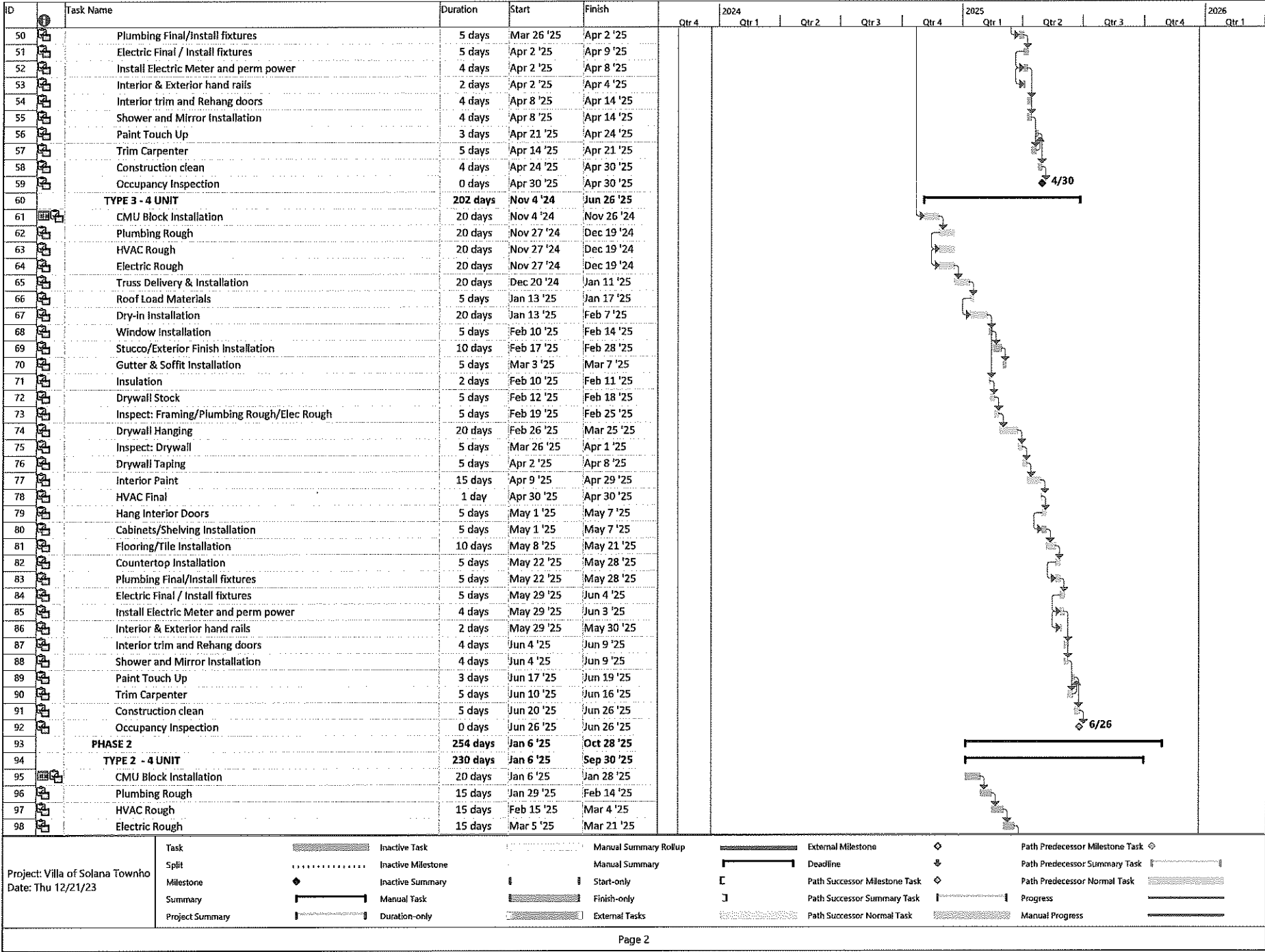
MASTER BUDGET	DISBURSED AT CLOSING
BUDGET LINE ITEMS	9/15/2025
Architect-Constr Drawings - Appraisal- Cost Analysis, Inspections, Draw fees	7,291.67
Builders Risk Insurance	3,523.81
BBIF Origination Fee	40,000.00
Closing Costs	0.00
Legal Fees	0.00
Finance Consulting AP	113,000.00
Total	163,815.48

EXHIBIT “I

SCHEDULE

SEE ATTACHED





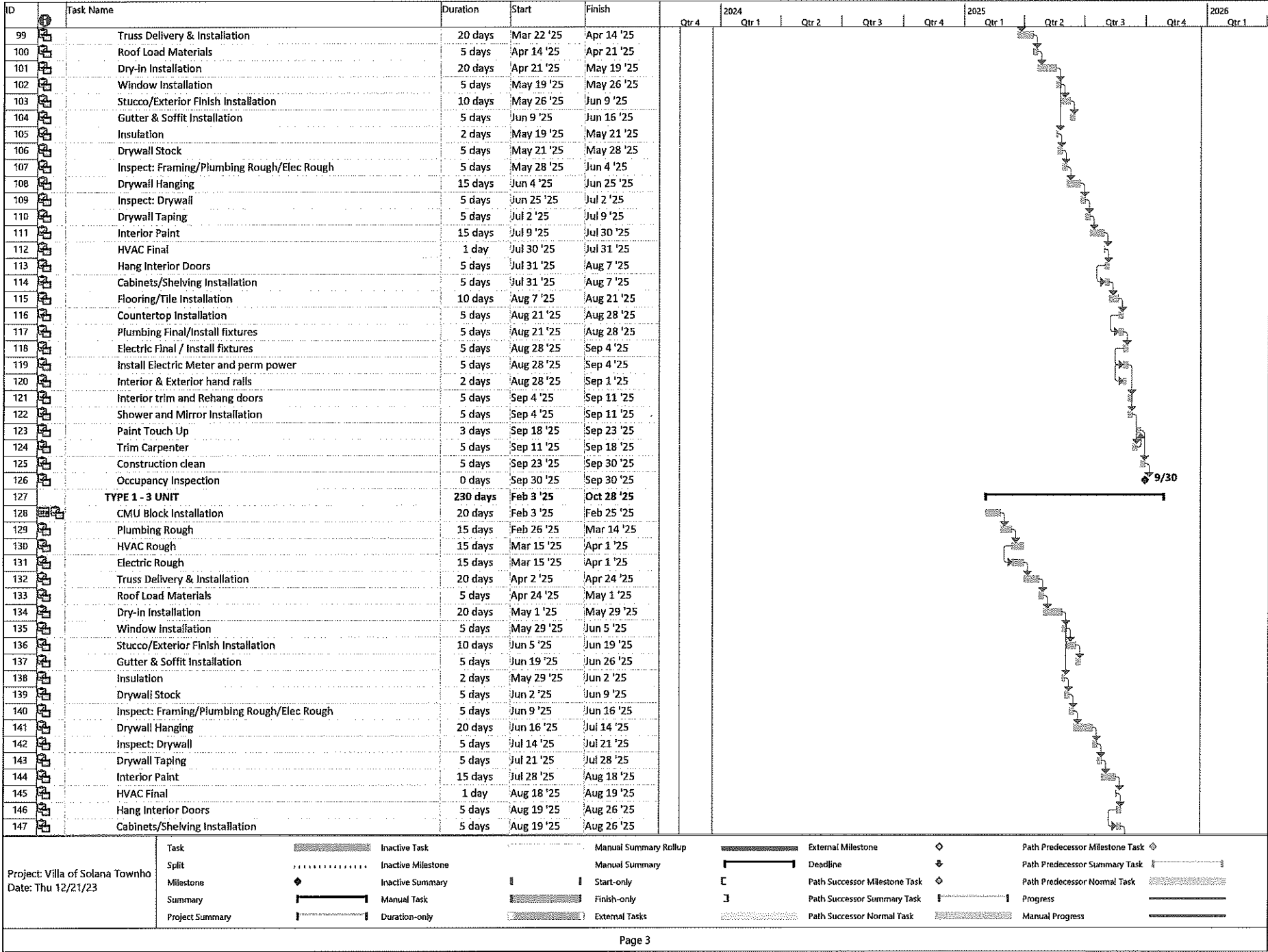


EXHIBIT J

NONGOVERNMENTAL HUMAN TRAFFICKING AFFIDAVIT

SEE ATTACHED

**NONGOVERNMENTAL ENTITY HUMAN
TRAFFICKING AFFIDAVIT (§ 787.06(13), Fla. Stat.)
THIS AFFIDAVIT MUST BE SIGNED AND NOTARIZED**

I, the undersigned, am an officer or representative of Villas of Solana LLC
(BORROWER) and attest that BORROWER does not use coercion for labor or services as
defined in section 787.06, Florida Statutes.

Under penalty of perjury, I hereby declare and affirm that the above stated facts are true
and correct.

Annette Jenkins
(signature of officer or representative)

Annette Jenkins
(printed name of officer or representative)

State of Florida, County of Palm Beach

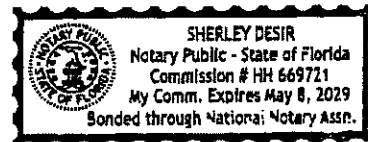
Sworn to and subscribed before me by means of ☒ physical presence or ☐ online notarization
this, 3rd day of November 2025, by Annette Jenkins

Personally known ☒ OR produced identification ☐.

Type of identification produced known

[Signature]

NOTARY PUBLIC
My Commission Expires:
State of Florida at large



(Notary Seal)



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
09/29/2025

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER

NSI Insurance Group LLC

5875 NW 163 Street

Suite 207

Miami Lakes FL 33014

CONTACT NAME: Renee Stone

PHONE (A/C, No, Ext): (305) 556-1488

FAX (A/C, No): (305) 556-3680

E-MAIL ADDRESS: renees@nsigroup.org

INSURER(S) AFFORDING COVERAGE

INSURER A : Mt. Hawley Insurance Company

INSURER B :

INSURER C :

INSURER D :

INSURER E :

INSURER F :

NAIC # 37974

INSURED

Villas of Solana; Riviera Beach Community Development Corp., Inc.

1229 E Blue Heron Blvd

Riviera Beach FL 33404

COVERAGES

CERTIFICATE NUMBER: 25/27 - COI

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	COMMERCIAL GENERAL LIABILITY	Y		CL2592648588	10/17/2025	12/16/2027	EACH OCCURRENCE \$ 1,000,000
	☐ CLAIMS-MADE ☒ OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 50,000
	☒ Owner's Interest						MED EXP (Any one person) \$ Excluded
	GEN'L AGGREGATE LIMIT APPLIES PER:						PERSONAL & ADV INJURY \$ 1,000,000
	☐ POLICY ☒ PRO-JECT ☐ LOC						GENERAL AGGREGATE \$ 2,000,000
	OTHER:						PRODUCTS - COMP/OP AGG \$ 2,000,000
	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident) \$
	☐ ANY AUTO						BODILY INJURY (Per person) \$
	☐ OWNED AUTOS ONLY						BODILY INJURY (Per accident) \$
	☐ HIRED AUTOS ONLY						PROPERTY DAMAGE (Per accident) \$
	☐ SCHEDULED AUTOS NON-OWNED AUTOS ONLY						\$
	UMBRELLA LIAB						EACH OCCURRENCE \$
	EXCESS LIAB						AGGREGATE \$
	☐ DED ☐ RETENTION \$						\$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY						PER STATUTE ☐ OTH-ER ☐
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	☐ Y ☐ N	N/A				E.L. EACH ACCIDENT \$
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE \$
							E.L. DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Insured Project Location: 3201 Avenue J, Riviera Beach, FL 33404

Insured Project Description: Villas of Solana - Construction of an apartment complex of 8, 2-story masonry non-combustible buildings

Certificate Holder is recognized as Additional Insured as contractually required.

CERTIFICATE HOLDER

CANCELLATION

Palm Beach County Board of County Commissioners c/o Department of Housing & Economic Development

100 Australian Avenue, Ste 500

West Palm Beach FL 33406

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Oscar Suen



October 27, 2025

Department of Housing and Economic Development
Attention: Fanny M. Amini, J.M.
100 Australian Avenue, 5th Floor
West Palm Beach, Florida 33406.

Re: Riviera Beach CDC/ Villas of Solana Project

Dear Ms. Amini:

RBCDC does not have any employees and, therefore, is not required to maintain workers' comp coverage. Additionally, RBCDC does not lease employees.

Sincerely,

A handwritten signature in black ink, appearing to read 'Darryl L. Leonard', is written over a horizontal line.

Darryl L. Leonard,
Chairperson

Cc: Board of Directors

RIVIERA BEACH COMMUNITY DEVELOPMENT CORPORATION

1229 E. Blue Heron Blvd.

Riviera Beach, FL 33404

561.844.3408

855.300.7611 Toll Free

561.881.8043

www.riviera-beachcdc.org • www.riviera-beachcommunitygardens.org

Palm Beach County Department of Housing and Economic Development
2025 Income Limits, Palm Beach County

2025 Median Income : \$111,800

Income Category	Income Limit by Number of Persons in Household									
	1	2	3	4	5	6	7	8	9	10
30%	\$ 24,570	\$ 28,080	\$ 31,560	\$ 35,070	\$ 37,890	\$ 40,710	\$ 43,500	\$ 46,320	\$ 49,098	\$ 51,904
40%	\$ 32,760	\$ 37,440	\$ 42,080	\$ 46,760	\$ 50,520	\$ 54,280	\$ 58,000	\$ 61,760	\$ 65,464	\$ 69,205
50%	\$ 40,950	\$ 46,800	\$ 52,600	\$ 58,450	\$ 63,150	\$ 67,850	\$ 72,500	\$ 77,200	\$ 81,830	\$ 86,506
60%	\$ 49,140	\$ 56,160	\$ 63,120	\$ 70,140	\$ 75,780	\$ 81,420	\$ 87,000	\$ 92,640	\$ 98,196	\$ 103,807
70%	\$ 57,330	\$ 65,520	\$ 73,640	\$ 81,830	\$ 88,410	\$ 94,990	\$ 101,500	\$ 108,080	\$ 114,562	\$ 121,108
80%	\$ 65,520	\$ 74,880	\$ 84,160	\$ 93,520	\$ 101,040	\$ 108,560	\$ 116,000	\$ 123,520	\$ 130,928	\$ 138,410
90%	\$ 73,710	\$ 84,240	\$ 94,680	\$ 105,210	\$ 113,670	\$ 122,130	\$ 130,500	\$ 138,960	\$ 147,294	\$ 155,711
100%	\$ 81,900	\$ 93,600	\$ 105,200	\$ 116,900	\$ 126,300	\$ 135,700	\$ 145,000	\$ 154,400	\$ 163,660	\$ 173,012
110%	\$ 90,090	\$ 102,960	\$ 115,720	\$ 128,590	\$ 138,930	\$ 149,270	\$ 159,500	\$ 169,840	\$ 180,026	\$ 190,313
120%	\$ 98,280	\$ 112,320	\$ 126,240	\$ 140,280	\$ 151,560	\$ 162,840	\$ 174,000	\$ 185,280	\$ 196,392	\$ 207,614
130%	\$ 106,470	\$ 121,680	\$ 136,760	\$ 151,970	\$ 164,190	\$ 176,410	\$ 188,500	\$ 200,720	\$ 212,758	\$ 224,916
140%	\$ 114,660	\$ 131,040	\$ 147,280	\$ 163,660	\$ 176,820	\$ 189,980	\$ 203,000	\$ 216,160	\$ 229,124	\$ 242,217

- Notes:
1. Income category is an income level expressed as a percentage of Area Median Income (AMI).
 2. Income limit amounts represent the maximum income for a household of a certain size in the identified income category.
 3. Limits are based on Florida Housing Finance Corporation(FHFC) Multifamily Rental Programs.
 4. 130% AMI limits imputed by Palm Beach County based on FHFC rent limits.

