

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY

Meeting Date:	August 25, 2026	☒ Consent	☐ Regular
		☐ Ordinance	☐ Public Hearing
Department:	Housing and Economic Development		

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to receive and file: Amendment 003 to Loan Agreement R2024-0698 with Harper Court Housing, LLC modifying the Loan, the Loan Disbursement Requirements, the Occupancy and Affordability Requirements and the Construction Draw Schedule.

Summary: Harpers Court Housing, LLC was awarded \$1,611,797 in Community Development Block Grant – Coronavirus (CDBG-CV) funds for the acquisition and rehabilitation of an unoccupied motel located at 308 N. Main Street, Belle Glade, Florida. The project will convert the motel into 18 affordable studio units for households earning no more than 80% of Area Median Income (AMI) (\$82,250 for a two [2]-person household). Following acquisition of the property, the Borrower experienced construction delays resulting from changes in the scope of rehabilitation work. These delays affected the Loan Disbursement Requirements, Occupancy and Affordability Requirements, and Construction Draw Schedule established in the Loan Agreement.

Amendment 001 (R2024-1211), executed on July 31, 2024, revised the Construction Draw Schedule to accommodate delays resulting from changes in the rehabilitation scope of work. Amendment 002 (R2026-0646), executed on February 6, 2026, modified the Loan Disbursement Requirements and Construction Draw Schedule to permit periodic draw submissions, with the final draw required on or before May 30, 2026.

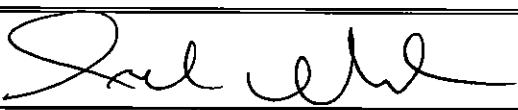
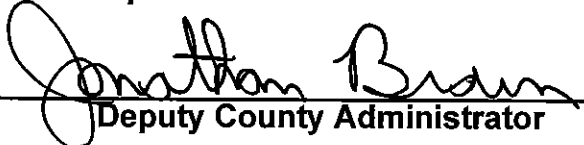
Amendment 003 further modifies the Loan Agreement by: (1) extended the deadline for 100% disbursement of the \$1,611,797 loan and submission of the final draw request from May 30, 2026, to June 30, 2026; (2) extended the deadline to obtain temporary certificates of occupancy from June 30, 2026, to September 30, 2026; and (3) extended the deadline to lease all 18 County-assisted units to within 60 days following receipt of a temporary certificate of occupancy, but no later than November 30, 2026.

Amendment 003 was executed on May 20, 2026, on behalf of the Board of County Commissioners (BCC) by Deputy County Administrator, Jonathan B. Brown pursuant to delegated authority approved under Agenda Item 6C-2 on January 23, 2024. County PPM CW-O-051 provides that all contracts, agreements and grants signed with delegated authority must be submitted by the initiating department as a receive and file agenda item. **These are Federal CDBG-CV funds that do not require a local match.** District 6 (TJC)

Background and Justification: (Continued on Page 3)

Attachments:

- 1. Amendment 003 to Loan Agreement with Harper Court Housing, LLC (2 originals)
- 2. Amendment 002 R2026-0646
- 3. Amendment 001 R2024-1211
- 4. Loan Agreement R2024-0698
- 5. 2026 Income/Rent Limits Chart
- 6. Location Map

Recommended By:		7-13-26
	Department Director	Date
Approved By:		7/23/2026
	Deputy County Administrator	Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2026	2027	2028	2029	2030
Grant Expenditures	-0-				
Operating Costs					
External Revenues					
Program Income (County)					
In-Kind Match (County)					
NET FISCAL IMPACT	-0-				

# ADDITIONAL FTE POSITIONS (Cumulative)					
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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 1160 Dept. 143 Unit 1446 Object 8201 Program Code/Period BGCV50/GY19

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

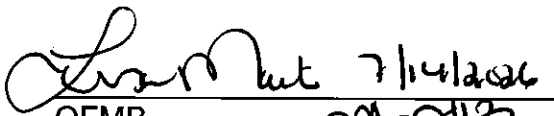
No additional fiscal impact

C. Departmental Fiscal Review:


Valerie Alleyne, Division Director III
Finance and Administrative Services, HED

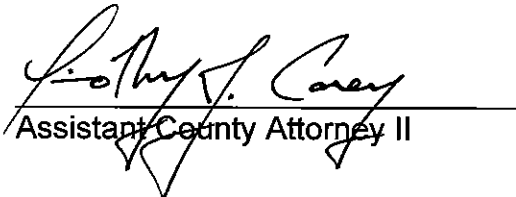
III. REVIEW COMMENTS

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


OFMB
JA 7/13
VS 7/14


Contract Development and Control
26 7.16.26

B. Legal Sufficiency:


Assistant County Attorney II

C. Other Department Review:

Department Director

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

August 18, 2026

Amendment 003 w/Harper Court Housing, LLC

Page 3 – Continued from Page 1

Background and Justification:

Congress provided \$5 billion in the Coronavirus Aid, Relief, and Economic Security (CARES) Act for the CDBG program to States and local government to prevent, prepare for, and respond to the COVID-19 pandemic. A percentage of every grant must be expended for activities that benefit low- and moderate-income persons by providing housing, a permanent job, a public service, or access to new or significantly improved infrastructure. The United States Department of Housing and Urban Development provided an allocation of CDBG-CV grant award to Palm Beach County.

AMENDMENT 003 TO THE LOAN AGREEMENT
WITH
HARPERS COURT HOUSING, LLC

THIS IS AN AMENDMENT 003, to the Loan Agreement with an effective date of May 29, 2026, by and between **Palm Beach County**, a political subdivision of the State of Florida ("Lender") and **Harpers Court Housing, LLC.**, a Florida limited liability company ("Borrower").

WITNESSETH:

WHEREAS, the Palm Beach County (County) entered into a Loan Agreement (R2024-0698) with Harpers Court Housing, LLC (Borrower) on March 18, 2024, to provide \$1,611,797 of Community Development Block Grant Coronavirus (CDBG-CV) funds, for the purpose of acquisition and rehabilitation of an unoccupied motel located at 308 N. Main Street, Belle Glade (the "Premises"); and

WHEREAS, on July 31, 2024, the County and the Borrower amended the Loan Agreement through Amendment 001 to allow for a modified Construction Draw Schedule as a result of delays caused by changes in the scope of work of the rehabilitation; and as amended through Amendment 002 on February 6, 2026 to allow Borrower to modify the Loan Disbursement Requirements and the Construction Draw Schedule to allow for periodic draws leading up to a final draw on or before May 30, 2026; and

WHEREAS, the Borrower has requested to further amend the Loan Agreement through this Amendment 003, to extend the performance requirements for: 1) 100% draw of total CDBG-CV funds from May 30, 2026 to June 30, 2026, 2) extend the receipt of Temporary Certificate of Occupancy (TCO) from June 30, 2026 to September 30, 2026, 3) extend the Lease-up date of eighteen (18) units within sixty (60) days after receipt of TCO, but no later than November 30, 2026.

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

SECTION 2: THE LOAN AND LOAN DISBURSEMENT REQUIREMENTS

The second and third bullets of the sixth paragraph shall be deleted in their entirety and replaced with the following:

- The Borrower shall have drawn 100% of the Loan up to \$1,611,797 by June 30, 2026, shall have received temporary certificates of occupancy and shall have placed all CDBG-CV Assisted Units into service no later than November 30, 2026 (the "Completion Date")

SECTION 6(D)(v): USE OF LOAN FUNDS FOR ELIGIBLE REHABILITATION COSTS

Shall be deleted in its entirety and replaced with the following:

Disbursement from the Escrow shall be made to the Borrower periodically, and the last draw must be submitted by or before June 30, 2026.

SECTION 7(A): OCCUPANCY AND AFFORDABILITY REQUIREMENTS

Shall be deleted in its entirety and replaced with the following:

All CDBG-CV Assisted Units shall be leased for a period of fifty (50) years (the "Affordability Period"), which shall commence upon sixty (60) days of Borrower's receipt of a Temporary Certificate of Occupancy (TCO), but no later than **November 30, 2026**.

Borrower's ability to meet the Loan and Loan disbursement requirements and the revised draw schedule Final Date of June 30, 2026 is critical as the CDBG-CV Program fund ends July, 2026. Should Borrower require revisions of other Agreement performance dates, the Borrower shall request, in writing, that such dates be revised/amended. The County administrator, or HED Director, may, at his sole discretion, revise/amend the Loan and Loan Agreement documents via written notification to the Borrower.

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK

IN WITNESS WHEREOF, Borrower and the County have caused this Amendment 003 to be executed on the date first above written.

Signed, sealed and delivered
in the presence of:

BORROWER:

WITNESSES:

Harpers Court Housing, LLC,
a Florida limited liability company

D. Brown
Witness Signature

Deonea Brown
Print Witness Name

901 S. Olive # 405
West Palm Beach FL 33401
Witness Address

[Signature]
Witness Signature

David Harland
Print Witness Name

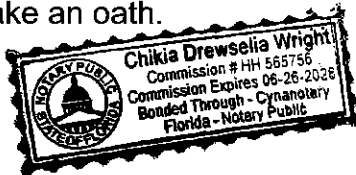
901 S. Olive # 1016
West Palm Beach, FL 33401
Witness Address

By: [Signature]
Terry C. Booty, Manager

Date: 5/20/2026

STATE OF FLORIDA
COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me by means of ☒ physical presence or ☐ online notarization, on May 20, 2026, by Terry C. Booty, as Manager of Harper Court Housing, LLC, who is personally known to me, or who has produced _____ as identification and who did/did not take an oath.



(NOTARY SEAL ABOVE)

Signature: [Signature]

Notary Name: Chikie Wright
Notary Public - State of Florida

**PALM BEACH COUNTY, FLORIDA, A
POLITICAL SUBDIVISION OF THE STATE
OF FLORIDA, FOR ITS BOARD OF COUNTY
COMMISSIONERS**

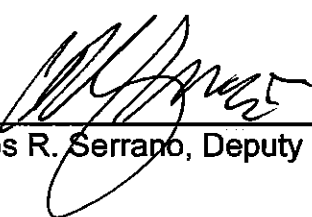
By 
Jonathan B. Brown,
Deputy County Administrator
Housing and Economic Development

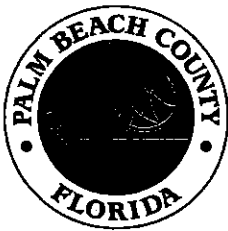
Date: May 29, 2026

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
IT, email=E-HFalcon@pbc.gov, c=US
I am approving this document
Date: 2026.05.22 14:12:21-04'00'
PDF Editor Version: 12.1.0

Approved as to Terms and Conditions
Housing and Economic Development

By: 
Carlos R. Serrano, Deputy Director



AGREEMENT / MOU REVISION REQUEST
AGREEMENT BETWEEN PALM BEACH COUNTY
AND
HARPERS COURT HOUSING, LLC

PROJECT AND FUNDING DESCRIPTION (R2024-0698) <i>Provide Project Name, Funding Amount and brief Project description.</i> Harpers Court - \$1,611,797 in CDBG-CV funding to carry out Project deliverables. Funding is for the acquisition and rehabilitation of an unoccupied motel located at 308 N. Main Street in Belle Glade, FL 33430. The property was acquired and \$587,543.75 of funds were expended. Rehabilitation is in progress.

REQUESTED REVISION: <i>Provide name of Subrecipient (Town/City) and requested revision.</i> Harpers Court Housing, LLC (Borrower) is requesting extension of the following performance timelines: 1) Extend 100% draw of 1,611,797 CDBG-CV funds from May 30, 2026 per Amendment 002, to June 30, 2026 . 2) Extend the receipt of Temporary Certificate of Occupancy (TCO) from June 30, 2026 per Amendment 002, to September 30, 2026 . 3) Extend the Lease-up date of eighteen (18) units within sixty (60) days after receipt of TCO, but no later than November 30, 2026 .
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JUSTIFICATION <i>Provide description of activities to be undertaken and reason to justify the revision.</i> Due to unforeseen changes in scope of work the project schedule has been extended and therefore need additional time to expend 100% of CDBG-CV funds, acquire TCO and lease all the eighteen (18) units per the requirements of the Loan Agreement.  Terry C. Booty - Manager - Harper Court Housing LLC Authorized Signatory (Name & Title) <u>05/19/2026</u> Date
--

REVISION ACTION	AMENDMENT REQUIRED X YES ☐ NO
IN ACCORDANCE WITH: SECTION 2. LOAN AND LOAN DISBURSEMENT REQUIREMENTS, SECTION 6(D)(v). USE OF LOAN FUNDS FOR ELIGIBLE REHABILITATION COSTS and SECTION 7(A). OCCUPANCY AND AFFORDABILITY REQUIREMENTS, the performance requirements as outlined under the Loan Agreement and Amendment 002, are hereby extended to allow the Borrower to expend 100% of the CDBG-CV funds, obtain TCO and lease all CDBG-CV Assisted Units within sixty (60) days of Borrower's receipt of TCO, as outlined herein.	

ACCEPTANCE OF WRITTEN REQUEST AND APPROVAL OF PROPOSED REVISION	
Except as revised by this request, the Agreement remains in full force and effect in accordance with the terms thereof.	
 By: _____ Axel Miranda, Director Department of Housing & Economic Development	 Date: <u>5/19/26</u>

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
6/12/2026

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
Acrisure South Insurance Services, LLC
1317 Citizens Blvd
Leesburg FL 34748

License#: L122365
EMERCON-10

CONTACT
NAME:
PHONE (A/C No. Ext): 800-845-8437
FAX (A/C No):
E-MAIL:
ADDRESS:

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : Liberty Mutual Fire Insurance Company	23035
INSURER B : Liberty Insurance Corporation	42404
INSURER C : Employers Insurance Company of Wausau	21458
INSURER D : Unknown Lloyd's	
INSURER E :	
INSURER F :	

INSURED
Emerald Construction Corp DbA Neucor Construction
1086 Nw 1st Ct
Hallandale Beach FL 33009

COVERAGES

CERTIFICATE NUMBER: 1770198382

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. LIMITS SHOWN ARE INCLUSIVE OF AMOUNTS REQUESTED BY THE CERTIFICATE HOLDER AND MAY NOT REFLECT POLICY LIMIT AMOUNTS IN EXCESS OF THOSE REQUESTED. *Not Applicable in WY

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 ☐ CLAIMS-MADE ☒ OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: ☐ POLICY ☒ PROJECT ☐ LOC ☐ OTHER	Y		TB2-Z51-292445-026	6/12/2026	6/12/2027	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 \$
B	☒ AUTOMOBILE LIABILITY ☒ ANY AUTO ☐ OWNED AUTOS ONLY ☒ SCHEDULED AUTOS NON-OWNED AUTOS ONLY ☒ HIRED AUTOS ONLY			AS7-Z51-292445-016	6/12/2026	6/12/2027	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
B	☒ UMBRELLA LIAB ☒ OCCUR ☐ EXCESS LIAB ☐ CLAIMS-MADE ☐ DED ☒ RETENTION \$ 0			TH7-Z51-292445-036	6/12/2026	6/12/2027	EACH OCCURRENCE \$ 4,000,000 AGGREGATE \$ 4,000,000 \$
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below Y/N ☒ N		N/A	WCC-Z51-292445-066	6/12/2026	6/12/2027	☒ PER STATUTE ☐ OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
D	Pollution			CPLI01379001	11/3/2025	11/3/2026	Aggregate Each Occ. Deductible \$2,000,000 \$1,000,000 \$10,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Project: Harpers Court Acquisition & Rehab Address/ Location: 308 N. Main Street, Belle Glade, FL 33430 PCN: 04-37-43-31-01-018-0090 Agenda Item 6C-2 January 23, 2024 Palm Beach County Board of County Commissioners, a Political Subdivision of the State of Florida, its Officers, Employees, and Agents are included as additional insureds for General Liability as required by written contract.

CERTIFICATE HOLDER

CANCELLATION

Palm Beach County Board of County Commissioners c/o
Department of Housing & Economic Development
100 Australian Ave, 5th Floor
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


Jimmy Irwin

AMENDMENT 002 TO THE LOAN AGREEMENT
WITH
HARPER COURT HOUSING, LLC

Amendment 002 to the Loan Agreement is made and entered into on February 6, 2026, by and between **Palm Beach County**, a political subdivision of the State of Florida ("Lender") and **Harper Court Housing, LLC**, a Florida limited liability company ("Borrower").

WITNESSETH:

WHEREAS, the County entered into a Loan Agreement (R2024-0698) with Borrower on March 18, 2024, to provide \$1,611,797 in CDBG-CV funds for the purpose of acquisition and rehabilitation of an unoccupied motel located at 308 N. Main Street, Belle Glade (the "Premises"); and

WHEREAS, on July 31, 2024, the County and the Borrower amended the Loan Agreement to allow for a modified Construction Draw Schedule as a result of delays caused by changes in the scope of work of the rehabilitation; and

WHEREAS, the Borrower has requested to further amend the Loan Agreement to modify the Loan and Loan Disbursement Requirements and the Construction Draw Schedule to allow for periodic draws leading up to a final draw on or before March 29, 2026.

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

SECTION 2: THE LOAN AND LOAN DISBURSEMENT REQUIREMENTS

The second and third bullets of the sixth paragraph shall be deleted in their entirety and replaced with the following:

- The Borrower shall have drawn 100% of the Loan up to \$1,611,797 by **May 30, 2026**, shall have received temporary certificates of occupancy and shall have placed all CDBG-CV Assisted Units into service by **June 30, 2026** (the "Completion Date")

SECTION 6(D): USE OF LOAN FUNDS FOR ELIGIBLE REHABILITATION COSTS

Shall be deleted in its entirety and replaced with the following:

Disbursement from the Escrow shall be made to the Borrower periodically, and the last draw must be submitted by or before **May 30, 2026**.

If unforeseen circumstances occur that impact the Borrower's ability to meet the Loan and Loan disbursement requirements and the draw schedule dates, and require revisions thereof, the Borrower shall request, in writing, that the above Loan and Loan disbursement requirements and draw schedule dates be revised/amended. The County administrator, or DHED Director, may, at his/her sole discretion, revise/amend the Loan and Loan disbursement requirements and draw schedule dates via written notification to the Borrower.

IN WITNESS WHEREOF, Borrower and the County have caused this Amendment 002 to be executed on the date first above written.

Signed, sealed and delivered
in the presence of:

Witnesses:

Witness Signature

Blair Williams

Print Witness Name

816 NW 1st Ave, Hallandale Bch, FL 33009

Witness Address

Witness Signature

Deonca Brown

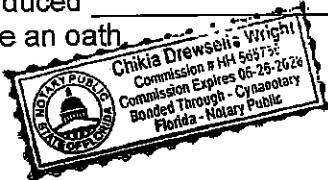
Print Witness Name

701 S. Olive, West Palm Beach, FL 33401

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 December 19, 2025, by Terry C. Booty, as Manager of Harper Court Housing, LLC, who is personally known to me, or who has produced _____ as identification and who did/did not take an oath.



(NOTARY SEAL ABOVE)

BORROWER:

Harper Court Housing, LLC,
a Florida limited liability company

By:

Terry C. Booty, Manager

Date: 12/19/2025

Signature:

Notary Name:

Notary Public - State of Florida

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

R 2026 0646 JUN 02 2026
By Jonathan B. Brown
Jonathan B. Brown, Director
Dept. of Housing & Economic Development

Date: 2/6/2026

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: c=org, DC=plcgov, OU=Enterprise
Government, CN=Howard J. Falcon III
E=HJFalcon@plc.gov
I am approving this document
2026.02.06 08:26:09-0500
Post PDF Editor Version: 12.1.0

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

By: Carlos R. Serrano
Carlos R. Serrano, Deputy Director

**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 Harper Court Housing 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.

T. Booty
(signature of officer or representative)

Terry C. Booty
(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, 17th day of February, 2020, by Terry Booty.

Personally known, ☒ OR produced identification ☐.

Type of identification produced _____.

[Signature]
NOTARY PUBLIC

My Commission Expires:
State of Florida at large

(Notary Seal)



**AMENDMENT 1
TO THE LOAN AGREEMENT WITH HARPER COURT HOUSING, LLC**

SEP 17 2024
R2024 1211

This Amendment 1 to the Loan Agreement with Harper Court Housing, LLC is made and entered into on JULY 31, 2024 by and between **Palm Beach County**, a political subdivision of the State of Florida ("Lender"), and **Harper Court Housing, LLC**, a Florida limited liability company ("Borrower").

WITNESSETH:

WHEREAS, the County entered into that Loan Agreement (R2024-0698) with Borrower on March 18, 2024, to provide \$1,611,797 in CDBG-CV funds for the purpose of acquisition and rehabilitation of an unoccupied motel located at 308 N. Main Street, Belle Glade (the "Premises"); and

WHEREAS, the Borrower has acquired the premises and experienced delays due to changes in the scope of work required for the rehabilitation; and

WHEREAS, the Borrower has requested the Loan Agreement be revised to allow for a modified Construction Draw Schedule resulting from delays caused by the changes in the scope of work of the rehabilitation.

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

1. Section 6(D) of the Loan Agreement titled: **USE OF LOAN FUNDS FOR ELIGIBLE REHABILITATION COSTS; (D) Construction Draw Schedule**, shall be deleted in its entirety and replaced with the following:

(D) Construction Draw Schedule:

Disbursements from the Escrow shall be made to Borrower on a five (5) draw schedule as outlined below, provided accumulated expenses equal to or greater than the dollar amounts listed herein have been incurred for each draw period:

- (i) No less than \$160,000 payment for eligible Project expenses that have occurred on or before August 30, 2024, but no sooner than January 23, 2024.
- (ii) No less than \$150,000 payment for eligible Project expenses that have not been previously reimbursed and have occurred on or before October 18, 2024, but no sooner than January 23, 2024.
- (iii) No less than \$150,000 payment for eligible Project expenses that have not been previously reimbursed and have occurred on or before December 13, 2024, but no sooner than January 23, 2024.

Page 1

- (iv) No less than \$150,000 payment for eligible Project expenses that have not been previously reimbursed and have occurred on or before February 1, 2025, but no sooner than January 23, 2024
- (v) The final remaining amount available for payment of eligible Project expenses that have not been previously reimbursed and have occurred on or before March 26, 2025, but no sooner than January 23, 2024.

If unforeseen circumstances occur that impact the Borrower's ability to meet the draw schedule dates and require revisions thereof, the Borrower shall request, in writing, that the above draw schedule dates be revised/amended. The County administrator, or DHED Director, may, at his/her sole discretion, revise/amend the draw schedule dates via written notification to the Borrower.

2. Except as modified herein, the Loan Agreement remains unmodified and in full force and effect.

Remainder of page intentionally left blank

IN WITNESS WHEREOF, Borrower and the County have caused this Amendment 001 to be executed on the date first above written.

Signed, sealed and delivered
in the presence of:

BORROWER:

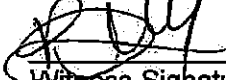
Witnesses:

Harper Court Housing, LLC,
a Florida limited liability company


Witness Signature

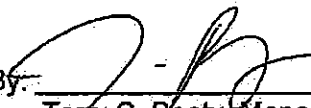
Beth Davis McPherson
Print Witness Name

907 Island Street, Ft. Lauderdale FL 33413
Witness Address


Witness Signature

Brenda Tatiana Montoya
Print Witness Name

4444 Saratoga Rd, West Palm Beach
Witness Address FL 33415

By: 
Terry C. Booty, Manager

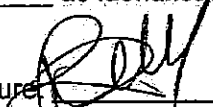
Date: 7/31/24

STATE OF FLORIDA
COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me by means of [☒] physical presence or [☐] online notarization, on July 31, 2024, by Terry C. Booty, as Manager of Harper Court Housing, LLC, who is personally known to me, or who has produced _____ as identification and who did/did not take an oath.



(NOTARY SEAL ABOVE)

Signature: 

Notary Name: Brenda Tatiana Montoya
Notary Public - State of Florida

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

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

R2024 1211

SEP 17 2024

Date: 7/31/2024

Approved as to Form and
Legal Sufficiency

By Howard J. Falcon III
Howard J. Falcon III
Chief Assistant County Attorney

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

By Sherry Howard
Sherry Howard
Deputy Director

THIS LOAN AGREEMENT (the "Agreement"), entered into on March 18, 2024, by and between **Palm Beach County**, a political subdivision of the State of Florida, (hereinafter referred to as the "County" or the "Lender") and **Harper Court Housing, LLC**, a Florida limited liability company, (the "Borrower").

WHEREAS, the County has received Community Development Block Grant Coronavirus (CDBG-CV) funding through the Federal Coronavirus Aid, Relief, and Economic Security Act (CARES Act); and

WHEREAS, the County made \$1,611,797 in CDBG-CV funds available to the Borrower to participate in the funding of the acquisition and rehabilitation of an unoccupied motel located at 308 N. Main Street, Belle Glade (the Premises); and

WHEREAS, on January 23, 2024, the County approved the award of a loan in the principal amount of up to \$1,611,797 (the "Loan") in CDBG-CV funds to be made available to the Borrower subject to the execution of this Agreement; and

WHEREAS, the Borrower has entered into an Agreement for Purchase and Sale to acquire title to the Premises, which is more particularly described in Exhibit A, attached hereto and made a part hereof; and

WHEREAS, the Borrower wishes to use the Loan to fund certain costs associated with the acquisition and the rehabilitation of the Premises, in order to continue to provide housing for low income renters, including homeless, those at risk of homelessness or experiencing housing instability; and

WHEREAS, the Borrower proposes to convert the existing motel into 18 studio apartments (hereinafter referred to as the "Improvements" and "CDBG-CV Assisted Units") to be rented to persons/households having certain income levels as more particularly described herein; and

WHEREAS, the Borrower will use up to \$587,543.75 of the Loan for the acquisition of the Premises, and the remaining amount up to \$1,024,253.30 for the rehabilitation/conversion of the existing motel; and

WHEREAS, at closing the Loan will be disbursed to Zimmerman, Kiser & Sutcliffe, P.A., ("Escrow Agent") to be held in an escrow account (the "Escrow") for disbursement in accordance with the terms and conditions set forth herein, and as further set forth in that escrow agreement between County, Borrower and Escrow Agent which is more particularly described in Exhibit J, attached hereto and made a part hereof;

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

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

1. OVERVIEW OF THE PROJECT AND GENERAL COMPLIANCE:

The CDBG-CV funds allocated herein shall be used to acquire and rehabilitate the Premises. During rehabilitation of the Premises, the existing unoccupied motel will be converted into 18 studio apartments, which are referenced herein as the CDBG-CV Assisted Units. Upon completion of the Project, the Borrower shall restrict the occupancy of all CDBG-CV Assisted Units for affordable rental to tenants with income no greater than 80% of the Area Median Income (hereinafter "AMI") for Palm Beach County as defined by the United States Department of Housing and Urban Development, or any successor agency responsible for such definition (the "Moderate Income Household") for a period of no less than fifty (50) years.

2. THE LOAN AND LOAN DISBURSEMENT REQUIREMENTS:

The County shall make the Loan to the Borrower in an amount not to exceed the principal amount of **\$1,611,797** 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 CDBG-CV funds and expressly agrees to comply with and to perform all of the terms and conditions of this Agreement, including all amendments thereto, the Promissory Note, the Mortgage and any other documents evidencing and securing 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 & Economic Development (DHED) or such other mutually agreed upon site no later than March 29, 2024, unless extended by the County in its sole discretion.

At closing, the entire Loan amount will be disbursed to the Escrow Agent, to be held in Escrow for disbursement in accordance with the terms and conditions set forth herein. It is expressly understood that The Escrow Agent will disburse funds from the Escrow to the Borrower only upon written notification from the DHED's Director, or designee, approving eligible Project cost for disbursement. The Escrow Agent is to provide the County evidence of all disbursements made to Borrower from the Escrow.

Any CDBG-CV funds not disbursed from the Escrow to the Borrower by the date provided below shall be returned to the County and not be eligible for disbursement 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 CDBG-CV funds with funds from another source, and the County's right to reallocate such CDBG-CV 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.

This Agreement does not constitute a commitment of funds or site approval, and the commitment of funds or approval may occur only upon satisfactory completion of environmental

review and receipt by Palm Beach County of an approval of the request for release of funds and certification from the U.S. Department of Housing and Urban Development under 24 CFR Part 58. The provision of any funds to the Project is conditioned on Palm Beach County's determination to proceed with, modify or cancel the Project based on the results of the environmental review. The Borrower recognizes and understands that by entering into this Agreement, the County wishes to further its provision of affordable rental housing to income-qualified renters in a timely manner. The Borrower also recognizes and understands that the Borrower's performance as established under this Agreement is critical to the County's efforts in the provision of affordable housing, compliance with CDBG-CV requirements, and requirements for the use of CDBG-CV funds. The Borrower agrees that **time is of the essence** in regard to the acquisition and rehabilitation of the Premises (also referred to herein as "Project"). In recognition of the above, the Borrower shall implement the Project as follows:

- **The Borrower shall have closed on the Loan as specified herein no later than March 29, 2024.**
- **The Borrower shall have drawn up to \$587,543.75 of the Loan to acquire the Premises by March 29, 2024.**
- **The Borrower shall have drawn the remaining amount up to \$1,024,253.30 of the Loan to complete rehabilitation of the Premises, received temporary certificates of occupancy, and place all CDBG-CV Assisted Units into service by March 29, 2026 (the "Completion Date").**

If unforeseen circumstances occur that impact the Borrower's ability to meet the performance dates and require revisions thereof, the Borrower shall request, in writing, that the dates used as performance requirements listed above be revised/amended. The County Administrator, or DHED Director, may, at his/her sole discretion, revise/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.

3. CONDITIONS PRECEDENT TO CLOSING:

(A) Conditions Precedent:

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

1) 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, subject only to the Permitted Exceptions listed on Exhibit F attached hereto and made a part hereof. Said commitment shall have attached to it copies of all exceptions referred to in the title commitment. The cost of said title commitment and policy and any premium therefor shall be borne by Borrower.

- (b) County shall have fifteen (15) days after receipt of the title insurance commitment in which to review the same. In the event the title insurance commitment shall show as an exception any matter other than the Permitted Exceptions, County shall notify Borrower of its objections thereto and Borrower shall act to remove such exceptions, which exception shall be deemed to constitute title defects. The Borrower shall be entitled to thirty (30) days from the day of notification within which to cure such defects or make arrangements with the title insurer for the removal of any such objections from the commitment. If the defect shall not have been so cured or removed from the commitment by endorsement thereto within said thirty (30) day period, the County shall have the option of accepting title as it then exists or terminating this Agreement, by giving written notice thereof to Borrower, in which event the parties shall be relieved of all further obligations hereunder.
 - (c) The title insurance commitment shall be endorsed at closing to remove any and all requirements or pre-conditions to the issuance of a 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 2023 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.
- 2) Survey: Borrower shall, concurrent with the submission of the above mentioned title commitment, deliver to the County a current certified survey of the Premises, prepared by a surveyor acceptable to the County, showing the following:
- (a) The location of the perimeter of the Premises by courses and distances and perimeter footings in place, and by reference to Township, Range, Section unless platted, in which case, reference shall be to Tract, or Lot and Block per Plat.
 - (b) The location of and the identification by reference to recording data of all easements, rights-of-way, conditions and restrictions on or appurtenant to the Premises.
 - (c) The location of all building setback lines.
 - (d) The lines of the streets abutting the Premises and the width thereof.
 - (e) All encroachments, and the extent thereof, in feet and inches upon the Premises.
 - (f) Flood zone certification.
 - (g) Any other notations required for the deletion of the survey exception from the Title Insurance Policy to be issued in accordance with Section 3(A)(i) above and any other requirements requested by the County.

- (h) The survey shall be certified to: Palm Beach County, a political subdivision of the State of Florida.
- 3) Promissory Note: The Promissory Note, attached hereto as Exhibit B, shall be duly authorized, executed and delivered to the County;
- 4) 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 first mortgage lien on the Premises and on all fixtures and personal property owned by Borrower used in connection with the rehabilitation of the Premises. 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, 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.
- 5) 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 and that no other parties are entitled to possession.
- 6) Company 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, Promissory Note and all other documents necessary or desirable, for the consummation of the transactions contemplated by this Agreement.
- 7) Flood Insurance: The Borrower shall deliver to the County evidence satisfactory to the County either that the Improvements are not within a hazardous flood area as designated by the Department of Housing and Urban Development and any other governmental authority, or if the Improvements are within such a hazardous area,

that the Premises are covered by flood insurance supplied by the Federal Insurance Administration to the maximum amount available, all as provided in the Flood Disaster Protection Act of 1973, as amended, together with appropriate endorsements thereto providing for the County's interests in the same manner as the Builder's Risk Insurance, including without limitation that such insurance will not be canceled without 30 days' notice to the County. Borrower agrees that the County shall have the right to take any action necessary to continue said insurance in full force and effect including, but not limited to, paying premiums if Borrower fails to do so in accordance with the terms of the Agreement. Any funds disbursed to continue said policies in full force and effect shall be considered as disbursements hereunder and shall bear interest from the date of disbursement at the same rate as other disbursements and payment of said funds and interest shall be secured by the Mortgage. Satisfactory evidence of flood area designation shall be a certification from the Surveyor appearing on the survey drawing.

- 8) Opinion of Borrower's Counsel: The Borrower shall deliver to the County an opinion of counsel for Borrower and addressed to the County, such counsel to be reasonably satisfactory to the County, to the effect that:
- (a) This Agreement and all Loan Documents and any other documents required to be delivered hereunder have been duly authorized, executed and delivered and are valid, binding and enforceable in accordance with their terms subject to applicable bankruptcy, insolvency, and similar laws affecting rights of creditors.
 - (b) That Borrower is a Florida 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 Incorporation, 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 first priority 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.

(B) Expenses:

The Borrower shall have paid, or shall pay, all those fees and charges due and payable or ordered paid by the County as provided herein under Section 5 of this Agreement entitled Expenses.

(C) Other Documents:

The Borrower shall deliver to the County a copy of the Purchase and Sale Agreement for the Premises, and 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.

(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.

4. EXPENSES:

The Borrower shall pay fees and charges incurred in the procuring and making of this Loan, if applicable, and other reasonable expenses incurred by the County related to the administration of the Loan, including but not limited to, taxes, assessments, water rates, sewer rates and other charges, liens and encumbrances upon the Premises, annual loan servicing, rental compliance monitoring fee, and administrative fee as applicable, and any other amounts necessary for the payment of the costs associated with the Project, or as otherwise enumerated in any other Loan Document; provided however, the aggregate loan servicing, rental compliance monitoring and administrative fees of the County shall not exceed \$2,500, annually.

5. USE OF LOAN FUNDS FOR ELIGIBLE ACQUISITION COSTS:

Eligible property acquisition expenses funded through this Agreement, subject to DHED approval, are those consistent with property acquisitions using Federal CDBG-CV funds. They include, but are not limited to: land costs, closing costs associated with this loan as they appear on the Settlement Statement, title insurance, settlement fees, real estate taxes, state documentary stamps, intangible taxes, wire and courier fees, appraisal costs, survey costs and environmental studies. The acquisition shall be undertaken pursuant to the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA). The Borrower's Attorney shall certify that the acquisition is in compliance with URA.

At the real estate closing on the Premises, the Borrower, upon the County's approval, may receive disbursement from the Escrow for eligible acquisition costs provided the Borrower has complied with the requirements of this Agreement in connection with such costs. Disbursement to, or on behalf of the Borrower, shall be made by wire transfer and coordinated with those persons associated with the real estate closing. The Borrower agrees that the County shall, in its sole discretion, determine the acceptability of the Borrower's costs for Escrow disbursement under this Agreement.

The requirements of this Section shall survive the early termination or expiration of the Agreement.

6. USE OF LOAN FUNDS FOR ELIGIBLE REHABILITATION COSTS:

Any disbursement of funds from the Escrow is subject to the satisfactory completion of an environmental review and County's receipt of approval from HUD to release funds.

The Borrower acknowledges and understands the importance of tracking its expenditures associated with the Project in order to clearly establish the development cost.

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 (1) construction contract with a prime contractor covering all construction expenses. 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 the Project.

The construction contract shall include the construction contract requirements associated with the use of CDBG-CV funds for rehabilitation work on the Premises.

The Borrower may request approval from the County for Escrow disbursement for payments made by the Borrower after January 23, 2024, under the construction contract provided that such construction contract was entered into after January 23, 2024 and provided that:

- 1) Escrow disbursements made hereunder shall be limited to the Project and shall **exclude** the cost of off-site improvements and work not associated with the Project.
- 2) 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).
- 3) Borrower shall submit to County a schedule of values for the rehabilitation work at the Premises. The schedule of values shall be submitted prior to or with the first Escrow disbursement approval request.

- 4) A letter from the Borrower, on the Borrower's letterhead, shall be provided for each Escrow disbursement approval request pertaining to Project 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 Escrow disbursement of Project costs, as well as the name and signature of a person authorized by the Borrower to make such a request.
- 5) Proof of payment made by the Borrower for Project costs shall accompany each Escrow disbursement approval request letter provided that such proof of payment demonstrates that payment was made after January 23, 2024.
- 6) A copy of the prime contractor's request for payment prompting the Borrower's payment shall accompany each Escrow disbursement approval 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.
- 7) 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 of this Agreement. 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. The Borrower shall provide the County a copy of the certificate of completion when issued by the building department with jurisdiction.
- 8) The Borrower shall track the amount of CDBG-CV funds it receives for each CDBG-CV Assisted Unit individually in order to clearly establish the level of CDBG-CV funding for each such unit. The Borrower shall accordingly provide a spreadsheet with each disbursement requests and its expenditures for each CDBG-CV Assisted Unit individually including, but not limited to, contracts, invoices, receipts and bank statements, and where expenditures affect more than one CDBG-CV Assisted Unit, or a mixture of CDBG-CV Assisted Units and non-CDBG-CV Assisted Units (if any), a record of how the Borrower allocated its expenditures for each CDBG-CV 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 CDBG-CV Assisted Unit, taking into account any expenditures made in connection with non-CDBG-CV 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 CDBG-CV Assisted Unit that the County deems acceptable in its sole opinion.

(B) Consultant's Fees:

The Borrower may submit a request to the County for approval of Escrow disbursement for payments made by the Borrower after January 23, 2024, for the consultant's fees such as the completion of construction documentation, plan check review comments, and the review of rehabilitation costs and change orders, coordination of any asbestos

and/or lead based paint abatement work with the rehabilitation work, supervision of the rehabilitation work, and the review and approval of construction contractor payments, and upon completion provide DHES with written certification that the work has been completed acceptably in accordance with the plans and specifications. The request shall include the following:

- 1) A letter from the Borrower, on the Borrower's letterhead, shall be provided for each Escrow disbursement approval request pertaining to the consultant's fees. The letter shall reference the Project, this Agreement and its document reference number (if such number is available), shall include a certification that the Project and the Borrower are in compliance with all applicable Federal requirements as they pertain to the entire Project, and shall contain a statement requesting approval for Escrow disbursement 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.
- 2) Proof of payment made by the Borrower for said fees shall accompany each Escrow disbursement approval request letter provided that such evidence of payment demonstrate that payment was made after January 23, 2024.
- 3) The County shall have received a copy of the executed Consultant's contract and a copy of any executed amendments/change orders thereto.
- 4) A copy of the Consultant's invoice for the services being requested for approval of Escrow disbursement by the Borrower.

(C) Rehabilitation Standards:

The rehabilitation of any CDBG-CV Assisted Unit shall comply with the applicable County's housing rehabilitation standards attached hereto and made a part hereof as Exhibit H. All other repairs shall be completed as required to provide a functional facility. The Project contractor is required to obtain all required permits.

(D) Construction Draw Schedule:

Disbursements from the Escrow shall be made to Borrower on a five (5) draw schedule as outlined below, provided accumulated expenses equal to or greater than the dollar amounts listed herein have been incurred for each draw period:

- (i) No less than \$250,000 payment for eligible Project expenses that have occurred on or before May 1, 2024, but no sooner than January 23, 2024.
- (ii) No less than \$200,000 payment for eligible Project expenses that have occurred on or before July 1, 2024, but no sooner than January 23, 2024.
- (iii) No less than \$200,000 payment for eligible Project expenses that have occurred on or before August 30, 2024, but no sooner than January 23, 2024.
- (iv) No less than \$150,000 payment for eligible Project expenses that have occurred on or before October 18, 2024, but no sooner than January 23, 2024.

- (v) The remaining \$218,638.80 payment for eligible Project expenses that have occurred on or before March 26, 2026, but no sooner than January 23, 2024.

If unforeseen circumstances occur that impact the Borrower's ability to meet the draw schedule dates and require revisions thereof, the Borrower shall request, in writing, that the above draw schedule dates be revised/amended. The County administrator, or DHED Director, may, at his/her sole discretion, revise/amend the draw schedule dates via written notification to the Borrower.

7. OCCUPANCY AND AFFORDABILITY REQUIREMENTS:

The Borrower expressly agrees to the following terms and conditions:

(A) Occupancy

All CDBG-CV Assisted Units shall be leased for a period of fifty (50) years (the "Affordability Period"), which shall commence upon sixty (60) days of Borrower's receipt of a temporary certificate of occupancy from the building department with jurisdiction over this Project.

(B) Affordability

All CDBG-CV Assisted Units shall be leased during the Affordability Period to Moderate Income Households.

THE REQUIREMENTS AND RESTRICTIONS SET FORTH IN THIS SECTION 7, OCCUPANCY AND AFFORDABILITY REQUIREMENTS, SHALL SURVIVE THE EXPIRATION OR EARLIER TERMINATION OF THIS AGREEMENT AND SHALL BE COVENANTS RUNNING WITH THE LAND FOR THE FIFTY (50) YEAR AFFORDABILITY PERIOD SET FORTH HEREIN, PURSUANT TO A RECORDED DECLARATION OF RESTRICTIONS ATTACHED HERETO AS EXHIBIT G, WHICH SHALL BE DULY AUTHORIZED BY BORROWER, EXECUTED, RECORDED IN THE PUBLIC RECORDS OF PALM BEACH COUNTY, AND A COPY DELIVERED TO THE COUNTY.

8. SPECIAL PROVISIONS:

The Borrower expressly agrees to the following terms and conditions:

(A) Property Standards:

Borrower shall ensure that the Project is 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 Project units shall be constructed to mitigate the impact of potential disasters, such as hurricanes or flooding, in accordance with such governmental regulations. All Project units must meet the 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.

- (B) Certificate of Occupancy:
Upon the completion of the Project and the Borrower's receipt of the final Certificate of Occupancy from the building department with jurisdiction over this Project, the Borrower shall provide the County a copy of said Certificate of Occupancy.
- (C) 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 work associated with the Project. Said documents must clearly state that all materials to be used in connection with the Project shall be asbestos-free.
- (D) Asbestos Survey and Abatement:
The Borrower shall comply with the following:
- (i) Asbestos Survey: The Borrower shall obtain a comprehensive asbestos survey of all building components and materials that will be disturbed during the rehabilitation work. The survey shall be performed by a Florida licensed asbestos consultant and shall comply with the requirements shown in Exhibit I attached hereto and made a part hereof.

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

As an alternative, the Borrower may request the County to obtain the aforementioned 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 above mentioned 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 I and shall be performed prior to commencement of the rehabilitation 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.

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

(E) Energy Efficiency:

The Borrower is encouraged to have all Project related work completed in a manner such that they meet the current edition of the Model Energy Code published by the Council of American Building Officials, and, to the greatest extent possible, shall meet the standards established by the United States Environmental Protection Agency, in the publication titled *A Green Home Begins with ENERGY STAR Blue* or in the Version 6.0 Standard of the Florida Green Building Coalition (www.floridagreenbuilding.org).

The Borrower is encouraged to incorporate the following elements into its development plan:

- 1) Energy-efficient Construction Techniques and Products.
- 2) Improved Indoor Environments:
- 3) Increased Water Efficiency:

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

(G) Opportunities for Small and Minority/Women-owned 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 and minority/women-owned business enterprises, and provide these sources with the maximum feasible opportunity in order to compete for contracts to be performed pursuant to this Agreement.

The provisions of this Subparagraph (F) 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.

(H) Davis-Bacon and Related Acts (DBRA):

The Subrecipient shall request from the County a copy of the Requirements for Federally Funded Projects and the applicable DBRA Wage Decision for the Project PRIOR to advertising the construction work. The Subrecipient shall incorporate a copy of the

DBRA Wage Decision and the Requirements for Federally Funded Projects in its bid documents and shall include these documents as part of the construction contract. The Subrecipient shall require the contractor to include these in all subcontracts for the work performed under the construction contract.

The Subrecipient shall perform all tasks required for DBRA compliance, including, but not limited to the following:

- Contractor and sub-contractor debarment clearance
- Obtaining contractor and subcontractor certified payrolls
- Review of certified payrolls and documentation related thereto
- Compliance actions for payroll related issues
- Employee/worker interviews and follow-up review of certified payrolls
- Ensure restitution due underpaid workers has been paid prior to Project completion

The Subrecipient shall certify, at the time they request an Escrow disbursement from DHED that payrolls from the contractor and sub-contractors are current, have been reviewed and approved by Subrecipient staff, and that any DBRA compliance issues have been or are in the process of being resolved. The Subrecipient shall review and approve payrolls through the Labor Compliance Reporting System prior to submitting an Escrow disbursement request to DHED.

The Subrecipient shall certify, at the time they request final Escrow disbursement from DHED that payrolls from the contractor and sub-contractors are current, have been reviewed and approved by Subrecipient staff, and shall certify to DHED that the Project meets DBRA compliance and all workers have been paid in accordance with DBRA requirements. DHED may monitor the Subrecipient, its contractors, and subcontractors for DBRA compliance at any time per Section 13. EVALUATION AND MONITORING of this Agreement.

(I) 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. 1701u (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 to be reported to the County by through the Labor Compliance Reporting System (LCRS) throughout the Section 3 Covered Project. See Section (K) 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,

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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 pursuant to 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, for every Section 3 Covered Project:

Section 3 Clause:

- 1) 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. 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.
- 2) (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.
- 3) (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.

(J) Required Use of the Labor Compliance Reporting System (LCRS), as applicable to Section 3 requirements:

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

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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, 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:

1. 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.
2. The service will meet Borrower's Requirements or expectations.
3. Any stored data will be accurate or reliable.
4. 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.
5. Errors or defects will be corrected.
6. 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 by County to the maximum extent permitted by applicable law.

(K) **Bonding Requirements:**

Construction contracts exceeding \$250,000 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.

(L) **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 of 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, shall incorporate such document into each consultant contract for the Project, and shall impose the requirements contained therein on all affected consultants and their sub-consultants.

(M) Advertising/Marketing:

Borrower shall include the County logo in all marketing materials for the Project. During the period of the construction work contemplated herein, the County shall be identified on any signage present on the property as one of the institutions financing the Premises. Additionally, Borrower agrees to ensure that HED is notified and invited to any ceremonies regarding the Project including, but not limited to, ribbon cutting, or grand opening ceremonies.

(N) Nondiscrimination:

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

The Borrower has submitted to County a copy of its non-discrimination policy which is consistent with the above paragraph, as contained in Resolution R2014-1421, as amended, or in the alternative, if the Borrower does not have a written non-discrimination policy or one that conforms to the County's policy, it has acknowledged through a signed statement provided to County that the Borrower will conform to the County's non-discrimination policy as provided in Resolution R2014-1421, as amended.

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

(O) Tenant Records to be Maintained:

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

(i) An application for lease, signed and dated by the applicant(s), identifying the household members that intend to occupy the apartment, the household characteristics, and the household income they have disclosed.

(ii) Source documentation evidencing the Borrower's verification of tenant's household income and a computation sheet demonstrating the Borrower's determination of the tenant's income eligibility to occupy the unit. Household income computation shall follow the HUD Section 8 method (24 CFR 5.609).

(iii) Documentation evidencing the Borrower's recertification of the tenant's household income at the time of all lease renewals to ensure continued income eligibility.

(iv) A copy of the HUD income levels in effect at the time the initial lease is signed and at the time of all lease renewals.

(v) A copy of each tenant's initial lease and all lease renewals and a computation sheet and supporting documentation for each demonstrating that the rent charged by the Borrower is an affordable rental rate as defined at s. 420.9071, Florida Statutes.

(vi) Should the Borrower elect to utilize criminal background information in the screening of prospective tenants or the retention/termination of tenants, the Borrower must develop and implement tenant selection policies, which comply with HUD guidance on the use of criminal background information.

Tenant selection/retention/termination shall not:

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

Tenant selection/retention/termination shall:

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

The Borrower shall adopt and submit to the County its written tenant selection/retention/termination policies and criteria, which shall:

- Limit the housing to very low and low income families;
- Be reasonably related to program eligibility and the applicant's ability to perform the obligations of the lease;
- Provide for the selection of tenants from a written waiting list in the chronological order of their application, insofar as is practicable; and
- Give prompt written notification to any rejected applicant of the grounds for any rejection.

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

(P) Reporting Requirements:

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

(ii) The Borrower shall submit to the County an **Annual Rent Roll** for all CDBG-CV Assisted Units in the form provided as Exhibit E to this Agreement. The Borrower shall first submit the Annual Rent Roll on the first anniversary of the date of execution of the Mortgage at the closing of the Loan, and annually thereafter for the duration of the Affordability Period.

Exhibits D and E are attached hereto and made a part hereof.

(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 leased, or have a pending lease, will be made available to assist eligible individuals and families as determined by County, for a duration determined by County.

(R) Accessibility of CDBG-CV Assisted Units:

The Borrower shall make a minimum of five percent (5%) of all CDBG-CV Assisted Units, or at least one (1) unit, whichever is greater, to be 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 all CDBG-CV Assisted Units, or at least one (1) unit, whichever is greater, to be accessible to persons with hearing or vision impairments. In addition, the Borrower shall assure that CDBG-CV Assisted Units meet the design and construction requirements at 24 CFR 100.205, which implement the Fair Housing Act (42 U.S.C. 3601-3619).

9. 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:

- (A) Use the Equal Opportunity logo or slogan in advertisements;
1. Solicit applications from persons in the housing market area who are not likely to apply for housing without special outreach. The Borrower may satisfy this requirement by posting a notice of vacancies in any or all of the following:
 - Community Organizations
 - Fair Housing Groups
 - Housing Counseling Agencies
 - Commercial Media
 - Employment Centers
 - Local Public Housing Authorities (PHA's) or Other Similar Agencies
 - Mobile Home Communities
 - Agencies for the disabled
 - Churches and other related organizations
 2. 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.

10. REPORTING REQUIREMENTS:

- (A) The Borrower shall submit to the County a Monthly Performance Report in the form provided as Exhibit D to this Agreement. The Borrower shall first submit this Report on the last day of the month during which this Agreement is executed, and thereafter, on the last day of each subsequent month. After the Borrower provides a Report for the month during which the last Certificate of Occupancy is issued for the Project, the Borrower may cease submitting this Report.
- (B) The Borrower shall submit to the County a Section 3 Report 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.

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

11. 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 County the principal sum of \$1,611,797 and execute all the Loan Documents. The Borrower has full power and authority to enter into the Loan Documents and consummate the transactions contemplated hereby, and the facts and matters expressed or implied in the opinions of its legal counsel are true and correct.

(B) Validity of Loan Documents:

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

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

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

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 completion and operation of the Improvements for its intended purpose are or will be at the completion of the rehabilitation, available at 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 use of the Improvements.

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

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 and 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:
Borrower is in compliance with all provisions of the federal Water Pollution Control Act, Comprehensive Environmental Response, Compensation and Liability ("Superfund") Act of 1980 and Solid Waste Disposal Act, Florida Statutes, Chapter 376, and other similar federal, state and local 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.

12. 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

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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 in the Mortgage, or 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.

(C) Compliance with Laws:

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

1. 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.

2. Commencing with the report for the calendar year ending December 31, 2024, within one hundred eighty (180) days after the end of each fiscal year of Borrower, a balance sheet and statements of income, 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.
3. 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.
4. 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, to the extent allowed under the Public Records Law, at any reasonable time 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 Proceeds:

The Borrower shall keep the Premises continually insured in an amount not less than the full insurable value of the Premises, which coverage shall insure the Premises against loss or damage by fire and by the perils covered by extended coverage and against such other hazards as the County, in its 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. 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 County funding.

(H) Indebtedness:

With respect to the Premises, Borrower will not incur, create, assume or permit to exist any indebtedness superior to this Mortgage, except in the ordinary course of business constituting the deferred purchase price of any property or assets, or any indebtedness or liability evidenced by notes, bonds, debentures or similar obligations without the written approval of the County, which approval shall not be unreasonably withheld or delayed.

(I) Further Assurances and Preservation of Security:

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

(J) No Assignment:

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

13. **MONITORING, 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, if any, for the purpose of this Agreement shall be made available to the County by the Borrower at any time upon request by the County or DHED.

The Borrower agrees that DHED will carry out periodic monitoring and evaluation activities as determined necessary by DHED and that payment, disbursement, or the continuation of this Agreement is dependent upon satisfactory evaluation conclusions based on the terms of this Agreement. The Borrower agrees to furnish upon request to DHED, or the County's designees copies of transcriptions of such records and information as is determined necessary by DHED. The Borrower shall submit status reports required under this Agreement on forms approved by DHED to enable DHED to evaluate progress. The Borrower shall provide information as requested by DHED to enable DHED to complete reports required by the County or HUD. The Borrower shall allow DHED, or HUD to monitor the Borrower on site. Such visits may be scheduled or unscheduled as determined by DHED or HUD

The Borrower shall maintain adequate records to justify all charges, expenses, and costs incurred for the acquisition and rehabilitation of the Premises for at least five (5) years after completion.

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.

The Borrower shall comply with the audit requirements at 2 CFR Part 200, Subpart F.

14. INSPECTIONS:

The Borrower will permit the County, or its representatives, to enter upon the Premises during normal business hours for purpose of inspecting the Premises upon consent of the Borrower which consent will not be unreasonably denied or delayed.

15. 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 adjudicated 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 the development of the Improvements, 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).

(D) Monetary Default:

If the Borrower shall default in the payment of any tax, lien, assessment or charge levied or assessed against the Premise; 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 delivery of the insurance policies required hereunder; then 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).

(E) Failure to Close:

If the Borrowers fail to close on the Loan by April 30, 2024, unless extended as provided under Section 2.

(F) Failure to Use Loan Funds:

If the Borrower fails to draw up to \$587,543.75 of the Loan for acquisition of the Premises by March 29, 2024, or to draw the balance of the Loan up to \$1,024,253.30 for rehabilitation of the Premises by March 29, 2026, unless extended as provided under Section 3 of the Agreement.

16. 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 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 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.

17. GENERAL TERMS:

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

(A) Rights of Third Parties:

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

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

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

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

(C) Public Entity Crimes:

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

(D) Conflict of Interest:

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

The Borrower shall promptly notify the County's representative, in writing, by certified mail, of all potential conflicts of interest of any prospective business association, interest or other circumstance, which may influence or appear to influence the Borrower's

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

(E) Nondiscrimination:

Pursuant to Palm Beach County Resolution R-2014-1421, as may be amended, it is the policy of the County that the County **"shall not conduct business with nor appropriate any funds for any organization or entity that practices discrimination on the basis of race, color, national origin, religion, ancestry, sex, age, familial status, marital status, sexual orientation, gender identity and expression, disability, or genetic information."**

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

The Borrower has submitted to County a copy of its non-discrimination policy which is consistent with the above paragraph, as contained in Resolution R2014-1421, as amended, or in the alternative, if the Borrower does not have a written non-discrimination policy or one that conforms to the County's policy, it has acknowledged through a signed statement provided to County that the Borrower will conform to the County's non-discrimination policy as provided in Resolution R2014-1421, as amended.

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

(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:

1. Keep and maintain public records required by the County to perform services as provided under this Agreement.
2. 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.
3. 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.
4. All records required to be provided by Borrower pursuant to this Agreement stored electronically by the Borrower must be provided to the County, upon request of the County's Custodian of Public Records, in a format that is compatible with the information technology systems of the County, at no cost to the County.

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

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

(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 rehabilitation work or otherwise, and whether arising during or after the term of the Loan, except any liability due to the gross negligence or willful misconduct of County.

This provision shall survive the repayment of the Loan and shall continue in a full force and effect so long as the possibility of such liability, claims, or losses exists.

(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 to its 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 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 State 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 Housing and Community Development Act of 1974, as amended; (ii) 2 C.F.R. Part 184 which establishes the Administration of Federal financial assistance, Administrative practice and procedure, Federal assistance programs; and (iii) 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 CDBG-CV 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 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 to Borrower and County:

All notice from the Borrower to the County and the County to Borrower required or permitted by any provision of this Agreement shall be in writing and sent by registered or certified mail 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: Harper Court Housing, LLC
816 NW 1st Ave G
Hallendale FL 33009
Attn: Terry Booty

WITH COPIES TO: Zimmerman, Kiser & Sutcliffe, P.A.
315 East Robinson Street
Suite 600
Orlando FL 32801
Attn: John P. Grygiel

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 & Economic Development, Attn: Jonathan Brown, 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.

18. 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).

19. EFFECTIVE DATE OF AGREEMENT:

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

(REMAINDER OF PAGE INTENTIONALLY LEFT BLANK)

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

Signed, sealed and delivered in the presence of:

Witnesses:

Raymond Wells
Witness Signature

Raymond Wells
Print Witness Name

[Signature]
Witness Signature

Jordan McIntosh
Print Witness Name

BORROWER:

Harper Court Housing, LLC,
a Florida limited liability company

By: [Signature]
Terry C. Booty, Manager

Date: 3/18/24

STATE OF FLORIDA
COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me by means of ☒ physical presence or ☐ online notarization, on March 18, 2024, by Terry C. Booty, as Manager of Harper Court Housing, LLC, who is personally known to me, or who has produced _____ as identification and who did/did not take an oath.



GINA CELENTANO
Commission # HH 474598
Expires December 19, 2027

(NOTARY SEAL ABOVE)

Signature: [Signature]

Notary Name: Gina Celentano
Notary Public - State of Florida

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

FOR ITS BOARD OF COUNTY COMMISSIONERS

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

Date: 3/18/2024

Approved as to Form and
Legal Sufficiency

By: Howard J. Falcon III
Howard J. Falcon III
Chief Assistant County Attorney

Approved as to Terms and Conditions
Department of Housing and Economic
Development

By: Sherry Howard
Sherry Howard, Deputy Director

EXHIBIT A

LEGAL DESCRIPTION

Parcel 1:

Starting at the Northeast corner of Lot 18, by State Survey, in Section 31, Township 43 South, Range 37 East; thence South 25 feet; thence North 89 degrees, 54 minutes West a distance of 50 feet to the POINT OF BEGINNING; thence continue North 89 degrees, 54 minutes West a distance of 100 feet; thence South 75 feet; thence North 89 degrees, 54 minutes East a distance of 100 feet, then North 75 feet to the POINT OF BEGINNING. (Also known as Lots 10, 11 and 12 Walker-Evans Proposed Addition.)

LESS AND EXCEPT that portion conveyed to the State of Florida for State Road No. 15 recorded in Official Records Book 2289 Page 499, of the Public Records of Palm Beach County, Florida

AND Parcel 2:

Starting at the Northeast corner of Lot 18, by the State Survey, Section 31, Township 43 South, Range 37 East, go South 100 feet; then go West 50 feet to the POINT OF BEGINNING; then go South along a line parallel to the East line of Lot 18, a distance of 75 feet, then go West 100 feet; then go North along a line parallel to the East line of Lot 18, a distance of 75 feet, then go East 100 feet to the point of beginning. (Also known as Lots 13, 14 and 15 of Walker-Evans Proposed Addition.)

LESS AND EXCEPT that portion conveyed to the State of Florida for State Road No. 15 recorded in Official Records Book 2289, Page 499, of the Public Records of Palm Beach County, Florida

Address: 308 N. Main Street, Belle Glade, FL 33414
PCN: 04-37-43-31-01-018-0090

EXHIBIT B

PROMISSORY NOTE

PROMISSORY NOTE

\$1,611,797

Belle Glade, Florida
Date: March 18, 2024

FOR VALUE RECEIVED the undersigned **HARPER COURT HOUSING, LLC**, a Florida limited liability company ("Maker"), promises to pay to the order of **PALM BEACH COUNTY**, a political subdivision of the State of Florida, together with any other holder hereof ("Holder"), at 301 North Olive Avenue, West Palm Beach, Florida 33401, or such other place as Holder may from time to time designate in writing, the principal sum of **One Million Six Hundred Eleven Thousand, Seven Hundred Ninety Seven and 00/100 Dollars (\$1,611,797)** (the "Loan"), plus accrued interest, to be paid in lawful money of the United States of America, as follows:

- 1) This Note shall bear interest at a rate of **one percent (1%) simple interest per annum** amortized over a period of fifty (50) years, computed on the outstanding principal balance remaining unpaid from time to time.
- 2) During the term of repayment, payments of both the principal of and interest on this Note are payable in 600 equal monthly installments of \$3,414.74 in lawful money of the States at the principal office of **PALM BEACH COUNTY, DEPARTMENT OF HOUSING AND ECONOMIC DEVELOPMENT** in West Palm Beach, Florida, or at such other places as shall be designated by the County.
- 3) Maker shall commence such payments on the earlier of (i) the first day of the month following sixty (60) days of Makers receipt of a temporary certificate of occupancy from the building department with jurisdiction over this project, or (ii) December 31, 2026 and continue payments on the same day of each month for the fifty (50) year term of the Loan. Upon payment in full at the end of the fifty (50) year Loan term ("**Maturity Date**"), this Note shall be marked "cancelled" and returned to Maker.
- 4) Upon acceleration, this Note shall bear interest at the maximum interest rate allowed by applicable law until paid in full.
- 5) 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. The restrictive covenants may, with the approval of Holder, be transferred to a separate Declaration of Restrictive Covenants, which shall be recorded in the public records of Palm Beach County.
- 6) Maker shall also pay Holder an annual Monitoring Fee. The Fee shall be in the amount of \$2,500 and shall be due commencing on January 1, 2026, and on or prior to every January 1 annually thereafter through the Maturity Date.

This Note is executed pursuant to the terms and conditions of that certain Loan Agreement dated March 18, 2024, between Maker, as Borrower, and Holder, 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 Holder, 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 Holder to the Maker.

Holder shall have the right to declare the total unpaid balance hereof to be immediately due and payable in advance of the Maturity Date upon the failure of 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 guarantying payment of this Note. Notwithstanding the foregoing, Holder shall not exercise any remedies hereunder prior to the expiration of any notice and cure period in the Loan 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 holder a late charge of five percent (5%) of any required payment, which is not received by Holder 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.

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 Holder to pursue all remedies available to it under any Loan Documents.

The remedies of Holder shall be cumulative and concurrent, and may be pursued singularly, successively or together, at the sole discretion of Holder. Any failure to exercise or forbearance in the exercise of any remedy shall not be deemed to be a waiver or release of the same, such waiver or release to be effected only through a written document executed by Holder and then only to the extent specifically recited therein. A waiver or release with reference to any one event shall not be construed as continuing or as constituting a course of dealing, nor shall it be construed as a bar to, or as a waiver or release of, any subsequent remedy as to a subsequent event.

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

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

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

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

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

(REMAINDER OF PAGE INTENTIONALLY LEFT BLANK)

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:

[Signature]
Witness Signature
Jessica McIntosh
Print Witness Name

Harper Court Housing, LLC,
a Florida limited liability company

By: [Signature]
Terry C. Booty, Manager

Date: 3/18/24

Address: 433 SW 129 Ter
Newberry FL, 32669
[Signature]
Witness Signature
Ronald Wells
Print Witness Name

Address: 4794 Foxtail Palm Ct
Green Acres Fl. 33463

STATE OF FLORIDA
COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me by means of ☒ physical presence or ☐ online notarization, on March 18, 2024, by Terry C. Booty, as Manager of Harper Court Housing, LLC, who is personally known to me, or who has produced Drivers license as identification and who did/did not take an oath.

 GINACELENTANO
Commission # HH 474598
Expires December 19, 2027

(NOTARY SEAL ABOVE)

Signature: [Signature]
Notary Name: Gina Celestano
Notary Public - State of Florida

EXHIBIT C

MORTGAGE AND SECURITY AGREEMENT

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 March 18, 2024, by **HARPER COURT HOUSING, LLC**, a Florida limited liability company (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 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 Six Hundred Eleven Thousand, Seven Hundred Ninety Seven and 00/100 Dollars (\$1,611,797)** to Mortgagor and in connection therewith Mortgagor has this date executed and delivered to Mortgagee a Promissory Note, in the amount of \$1,611,797, (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 March 18, 2024. 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 2023, and those certain exceptions appearing on the Mortgagee's Title Insurance Policy given in connection herewith and specifically approved by Mortgagee, and that the Mortgagor will warrant and defend the title thereto against the claims of all persons whomsoever, except as hereinafter expressly provided.

PROVIDED ALWAYS that if the Mortgagor shall pay unto the Mortgagee all sums required under the terms of the Note, which Note is in the original principal amount of **\$1,611,797** and has a maturity date upon payment in full at the end of the fifty (50) year loan term, 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 to be done everything necessary so that the lien hereof shall be fully preserved, at the cost of the Mortgagor, without expense to the Mortgagee.

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

1.3 Insurance:

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 to be done anything which will increase the risk of fire or other hazard to the Premises or any part thereof.

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

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

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

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

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

1.5 Right to Enter Premises:

The Mortgagee, by any of its agents or representatives, shall have the right to inspect the Premises from time to time at any reasonable hour of the day. Should the Premises, or any part thereof, at any time require inspection, repair, care or attention of any kind or nature as determined by the Mortgagee in its reasonable discretion, the Mortgagee may, after written notice to the Mortgagor and Mortgagor's failure to remedy such issue within a reasonable period of time, 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 reasonable discretion deem

necessary, and may pay all amounts of money therefor, as the Mortgagee may in its reasonable discretion deem necessary, all of which amounts so paid by the Mortgagee, with interest thereon from the date of each such payment, at the rate, if any, provided in the Note, shall be payable by the Mortgagor to the Mortgagee on demand and shall be secured by this Mortgage.

1.6 Covenants Running With the Land:

The Mortgagor expressly agrees to the following terms and conditions:

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

The Mortgagor shall use the loan proceeds in the amount of **\$1,611,797** for eligible rehabilitation costs specified in the Loan Agreement in order to convert the existing motel into 18 studio apartments (the "CDBG-CV Assisted Units") located on the Premises as is more fully described in the Loan Agreement.

The Mortgagor shall be required to have drawn up to \$593,158.20 of the Loan for acquisition of the Premises by March 29, 2024.

The Mortgagor shall be required to have drawn up to \$1,018,638.80 of the Loan to complete rehabilitation of the Premises by March 29, 2026.

(b) Occupancy and Affordability Requirements:

The Mortgagor shall cause all CDBG-CV Assisted Units to be occupied for a period of fifty (50) years commencing upon sixty (60) days of Borrowers receipt of a temporary certificate of occupancy from the building department with jurisdiction over this Project (the "Affordability Period") in accordance with the requirements set forth in the Loan Agreement. All CDBG-CV Assisted Units shall be occupied by households whose annual gross income, adjusted by family size, are at no more than eighty percent (80%) of the applicable area median income published by the U.S. Department of Housing and Urban Development for the West Palm Beach-Boca Raton Metropolitan Statistical Area (AMI).

THE REQUIREMENTS AND RESTRICTIONS SET FORTH IN THIS SECTION 1.6(b) SHALL BE COVENANTS RUNNING WITH THE LAND FOR THE TERM OF THIS MORTGAGE AND SECURITY AGREEMENT AND SHALL SURVIVE THE SATISFACTION OR EARLIER TERMINATION OF THIS MORTGAGE AND SECURITY AGREEMENT FOR THE DURATION OF THE AFFORDABILITY PERIOD (AS DEFINED ABOVE). IN THE EVENT THE MORTGAGE IS SATISFIED PRIOR TO THE MATURITY DATE, THE RESTRICTIVE COVENANTS SHALL, IF REQUIRED BY THE MORTGAGEE, BE TRANSFERRED TO A SEPARATE DECLARATION OF RESTRICTIVE COVENANTS CONSISTENT WITH THE TERMS SET FORTH HEREIN, WHICH COVENANTS SHALL BE RECORDED IN THE PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA.

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 or not 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. Notwithstanding the foregoing, any condemnation for less than twenty percent (20%) of value of the Premises or any condemnation that will not render the Premises unusable shall not be affected by this section.

1.13 Environmental Representations:

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

(b) Mortgagor acknowledge 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 rehabilitation 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

credit-worthiness of Mortgagor, found it acceptable and continues to rely upon the same as the means of repayment of the loan. Mortgagee also evaluated the background and experience of Mortgagor in owning and operating property such as the 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 if this Section is deemed a restraint on alienation, that it is a reasonable one and that any sale, conveyance, assignment, further encumbrance or other transfer of title to the Premises or any interest therein except as permitted under the Loan Agreement (whether voluntarily or by operation of law), and except as permitted under Section 2.3 herein, without the Mortgagee's prior written consent, which consent shall be granted by the County 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, 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.

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

2.2 Events of Default:

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 instalment 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 not timely commenced and diligently prosecuted; or

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

(d) Any lien for labor or material or otherwise shall be filed against the 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 of the rents, revenues, issues, earnings, profits or income thereof; or

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

(i) In any legal proceeding the Mortgagor shall be alleged to be insolvent or unable to pay the Mortgagor's debts as they become due and 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 pertaining to 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 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 CDBG-CV 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) All accrued but unpaid interest on the Note;
- (3) The outstanding principal under the Note;
- (4) 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.

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 Mortgaged Property 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.

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: Harper Court Housing, LLC
816 NW 1st Ave G
Hallendale FL 33009
Attn: Terry Booty

With copy to:
Zimmerman, Kiser & Sutcliffe, P.A.
315 East Robinson Street
Suite 600
Orlando FL 32801
Attn: John P. Grygiel

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 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.

5.3 Security Agreement:

This instrument also creates a security interest in any and all equipment and furnishings as are considered or determined to be personal property 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.

5.4 Choice of Law:

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

5.5 Binding Effect:

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

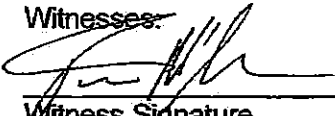
(REMAINDER OF PAGE INTENTIONALLY LEFT BLANK)

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:

Harper Court Housing, LLC,
a Florida limited liability company

Witnesses:


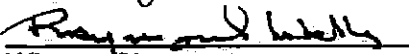
Witness Signature
Jay-Don McIntosh

Print Witness Name

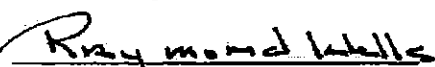
By: 

Terry C. Booty, Manager

Date: 3/18/24

Address: 433 SW 129 Ter
Newberry FL, 32669


Witness Signature



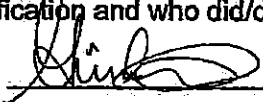
Print Witness Name

Address: 4394 Foxtail Palm Ct
Green Acres FL 33463

STATE OF FLORIDA
COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me by means of ☒ physical presence or
☐ online notarization, on MARCH 18, 2024, by Terry C. Booty, as Manager of
Harper Court Housing, LLC, who is personally known to me, or who has produced
Drivers license as identification and who did/did not take an oath.


GINA CELENTANO
Commission # HH 474598
Expires December 19, 2027
(NOTARY SEAL ABOVE)

Signature: 

Notary Name: Gina Celetano
Notary Public - State of Florida

**EXHIBIT A
THE PREMISES**

LEGAL DESCRIPTION

Parcel 1:

Starting at the Northeast corner of Lot 18, by State Survey, in Section 31, Township 43 South, Range 37 East; thence South 25 feet; thence North 89 degrees, 54 minutes West a distance of 50 feet to the POINT OF BEGINNING; thence continue North 89 degrees, 54 minutes West a distance of 100 feet; thence South 75 feet; thence North 89 degrees, 54 minutes East a distance of 100 feet, then North 75 feet to the POINT OF BEGINNING. (Also known as Lots 10, 11 and 12 Walker-Evans Proposed Addition.)

LESS AND EXCEPT that portion conveyed to the State of Florida for State Road No. 15 recorded in Official Records Book 2289 Page 499, of the Public Records of Palm Beach County, Florida

AND Parcel 2:

Starting at the Northeast corner of Lot 18, by the State Survey, Section 31, Township 43 South, Range 37 East, go South 100 feet; then go West 50 feet to the POINT OF BEGINNING; then go South along a line parallel to the East line of Lot 18, a distance of 75 feet, then go West 100 feet; then go North along a line parallel to the East line of Lot 18, a distance of 75 feet, then go East 100 feet to the point of beginning. (Also known as Lots 13, 14 and 15 of Walker-Evans Proposed Addition.)

LESS AND EXCEPT that portion conveyed to the State of Florida for State Road No. 15 recorded in Official Records Book 2289, Page 499, of the Public Records of Palm Beach County, Florida

Address: 308 N. Main Street, Belle Glade, FL 33414
PCN: 04-37-43-31-01-018-0090

EXHIBIT "D"
MONTHLY PERFORMANCE 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 Total Funding Amount

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
Jan-23				0.00	★ 0.00
Feb-23				0.00	★ 0.00
Mar-23				0.00	★ 0.00
Apr-23				0.00	★ 0.00
May-23				0.00	★ 0.00
Jun-23				0.00	★ 0.00
Jul-23				0.00	★ 0.00
Aug-23				0.00	★ 0.00
Sep-23				0.00	★ 0.00
Oct-23				0.00	★ 0.00
Nov-23				0.00	★ 0.00
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
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 <u> X </u>
Phone/ Contact No.		
Date		

Send report to: Project Coordinator or Bud Cheney,
Department of Housing & Economic Development
100 Australian Avenue, Suite 500
West Palm Beach, FL 33406

EXHIBIT E

PALM BEACH COUNTY DEPARTMENT OF ECONOMIC SUSTAINABILITY
ANNUAL RENT ROLL

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

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

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

EXHIBIT F
PERMITTED EXCEPTIONS

- Notice of Lien Rights by Glades Utility Authority recorded in O.R. Book 25279, Page 1068, Public Records of Palm Beach County, Florida.
- Unity of Title recorded in O.R. Book 31883, Page 1936, Public Records of Palm Beach County, Florida.

EXHIBIT G

Prepared By and Return to:

Palm Beach County
Dept. of Housing & Economic Development
Contracts & Quality Control Section
100 Australian Avenue, Suite 500
West Palm Beach, Florida 33406
Attn: Jeffrey Bolton, Division Director

PCN: 04-37-43-31-01-018-0090

DECLARATION OF RESTRICTIONS

The undersigned, Harper Court Housing, LLC, a Florida limited liability company, (hereinafter referred to as "Declarant", which term as used in every instance herein shall include Declarant's successors and assigns), for the property described below, in consideration of funding received from Palm Beach County, a political subdivision of the State of Florida (the "County"), does hereby grant to the County and impose the following restrictions against the subject property and any improvements thereon, hereinafter referred to as the "Property", and described as:

Legal Description (See attached Exhibit "A")

1. These restrictions (the "Declaration") shall be deemed a covenant running with the land for a period of fifty (50) years commencing on March 20, 2024 (the "Declaration Period") and are binding upon the undersigned, their heirs, executors, successors, and assigns. These restrictions apply to both the Property and to all improvements built upon Property. 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.
2. In connection with the acquisition and rehabilitation of 18 housing units (the "CDBG-CV Assisted Units"), Declarant received a loan in the amount of One Million Six Hundred Eleven Thousand Seven Hundred Ninety-Seven and 00/100 Dollars (\$1,611,797) from the County, which is evidenced by that certain Promissory Note date March 18, 2024, and secured by that certain Mortgage and Security Agreement dated March 18, 2024, and which mortgage is recorded on _____, 2024, in Official Records Book _____, Page _____, of the Public Records of Palm Beach County, Florida
3. The CDBG-CV Assisted Units are hereby restricted and may only be rented to households whose annual gross incomes, adjusted for family size, are at not more than eighty percent (80%) of the "Area Median Income" for Palm Beach County as defined by the United States Department of Housing and Urban Development, or any successor agency responsible for such definition (the "Moderate Income Household").

4. The determination of any intended renter's qualification as a Moderate Income Household shall be undertaken by the Declarant.
5. The CDBG-CV Assisted Units shall be maintained in a state of repair which complies with all applicable housing and building codes, laws, rules and regulation, and all property taxes and assessments shall be paid prior to becoming delinquent.
6. The renting of CDBG-CV Assisted Units on the Property shall comply with all federal, state and local Fair Housing laws.
7. No lien superior to this Declaration of Restrictions, shall be voluntarily created by the owner of record except with County's written prior consent, which may be granted or withheld in the County's sole discretion.
8. The County, as an intended beneficiary of this Declaration, may enforce the provisions of this Declaration by any remedy available by law or equity. The failure or omission by the County to enforce any of its rights or remedies upon breach of any of the covenants, terms or conditions of this Declaration of Restrictions shall not bar or breach any of the County's rights or remedies on any subsequent default.
9. The conditions and restrictions imposed by this Declaration shall constitute covenants running with the land for the Declaration Period and shall be binding upon and burden the Declarant and any party having or hereafter acquiring any right, title, or interest in or to all or any portions of the Property.
10. The Declarant shall cause this Declaration of Restrictions to be recorded in the Public Records of Palm Beach County, Florida, and thereafter the Declarant shall provide it to the Director of Department of Housing and Economic Development, 100 Australian Avenue, Suite 500, West Palm Beach, Florida, 33406.

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Executed this 18 day of March, 2024.

SIGNED, SEALED, AND DELIVERED IN
THE PRESENCE OF:

Witnesses:

[Signature]
Witness Signature
Darlene McIntosh
Print Witness Name

HARPER COURT HOUSING, LLC,
a Florida limited liability company

By [Signature]
Terry C. Booty, Manager

Address: 4133 SW 129th Ter.

Newberry, FL 32669

[Signature]
Witness Signature

Raymond Wells
Print Witness Name

Address: 4794 Foxtail Palm Ct.

Green Acres FL 33463

STATE OF FLORIDA
COUNTY OF Dalm Beach

The foregoing instrument was acknowledged before me by ☒ physical presence or ☐ on-line notarization on this 18th day of March, 2024, by Terry C. Booty, as Manager of Harper Court Housing, LLC, who is personally known to me, or who has produced Drivers license as identification.



GINA CELESTANO
Commission # HH 474598
Expires December 19, 2027

Signature: [Signature]

Notary Name: Gina Celestano
Notary Public - State of Florida

(NOTARY SEAL ABOVE)

EXHIBIT "A"
To
Declaration of Restrictions
Legal Description

Parcel 1:

Starting at the Northeast corner of Lot 18, by State Survey, in Section 31, Township 43 South, Range 37 East; thence South 25 feet; thence North 89 degrees, 54 minutes West a distance of 50 feet to the POINT OF BEGINNING; thence continue North 89 degrees, 54 minutes West a distance of 100 feet; thence South 75 feet; thence North 89 degrees, 54 minutes East a distance of 100 feet, then North 75 feet to the POINT OF BEGINNING. (Also known as Lots 10, 11 and 12 Walker-Evans Proposed Addition.)

LESS AND EXCEPT that portion conveyed to the State of Florida for State Road No. 15 recorded in Official Records Book 2289 Page 499, of the Public Records of Palm Beach County, Florida

AND Parcel 2:

Starting at the Northeast corner of Lot 18, by the State Survey, Section 31, Township 43 South, Range 37 East, go South 100 feet; then go West 50 feet to the POINT OF BEGINNING; then go South along a line parallel to the East line of Lot 18, a distance of 75 feet, then go West 100 feet; then go North along a line parallel to the East line of Lot 18, a distance of 75 feet, then go East 100 feet to the point of beginning. (Also known as Lots 13, 14 and 15 of Walker-Evans Proposed Addition.)

LESS AND EXCEPT that portion conveyed to the State of Florida for State Road No. 15 recorded in Official Records Book 2289, Page 499, of the Public Records of Palm Beach County, Florida

Address: 308 N. Main Street, Belle Glade, FL 33414
PCN: 04-37-43-31-01-018-0090

EXHIBIT H
REHABILITATION STANDARDS

1 Health & Safety

Contaminants [GREEN STANDARD]	
Repair Standard	Minimum Life Five (5) Years
NA	
Replacement Standard	
All materials installed will meet the following standards to minimize the presence of Volatile Organic Compounds (VOC) and Formaldehyde: All paints and primers must meet the most recent Green Seal G-11 Environmental Standard. http://www.greenseal.org/GreenBusiness/Standards.aspx Adhesives must comply with Rule 1168 of the South Coast Air Quality Management District. http://www.aqmd.gov/home/regulations/rules/scaqmd-rule-book • All caulks and sealants, including floor finishes, must comply with regulation 8, rule 51, of the Bay Area Air Quality Management District. http://www.baaqmd.gov/rules-and-compliance/current-rules • All particleboard components will meet ANSI A208.1 for formaldehyde emission limits, or all exposed particleboard edges will be sealed with a low-VOC sealant or have a factory-applied, low-VOC sealant prior to installation. All MDF edges will meet ANSI A208.2 for formaldehyde emission limits, or all exposed MDF edges will be sealed with a low-VOC sealant or have a factory-applied, low-VOC sealant prior to installation.	

Fire Safety - Egress	
Repair Standard	Minimum Life NA
NA	
Replacement Standard	Minimum Life NA
Egress windows are required in all sleeping and living areas unless other secondary means of escape requirements are met. The minimum dimensions for egress window clear openings are 20" inches wide by 24" inches tall, with a clear opening of 5.7 square feet and sill height shall be not more than 44" inches from the floor. No bedrooms should be created in attics or basements unless Life Safety Code egress requirements are met.	

Smoke and Carbon Monoxide Detector Alarms [GREEN STANDARD]	
Replacement Standard	Minimum Life Five (5) years
Wired with an "Arc Fault" protected circuit to energize all detectors. Smoke detectors shall be placed in each bedroom and a combination carbon monoxide/smoke detector in each end of hallway or corridors and/or a minimum of 10 feet from all sleeping areas.	

2 - Site

Grading [GREEN STANDARD]	
Repair Standard	Minimum Life Five (5) yrs.
All grading adjacent to the building and for a distance of at least 10 feet away from the building or up to property line whichever is closest will slope away from the structure at a pitch of at least 1 inch per foot. All bare earth will be covered with new sod and or mulch. Sod shall not be planted until sufficient irrigation is in place.	
Replacement Standard	
NA	

Outbuildings	
Repair Standard	Minimum Life Five (5) yrs.
Unsafe and blighted structures including outbuildings will be demolished and removed if it is not financially feasible to complete the repairs required to make them structurally sound, leak-free, with lead hazards stabilized. Detached garages should have operable and lockable doors and windows.	
Replacement Standard	
No outbuilding replacement is permitted in this program.	

Paving And Walks [GREEN STANDARD]	
Repair Standard	Minimum Life Five (5) yrs.
Essential paving, such as front sidewalks and driveways with minor defects, will be repaired to match. Tripping hazards greater than ¼" must be addressed. Non-essential, highly deteriorated paving, such as sidewalks that are unnecessary, will be removed and appropriately landscaped.	
Replacement Standard	
Un-repairable essential walks and driveways will be replaced with permeable paving when financially feasible or concrete per City Ordinance. Wood-framed, handicapped-accessible ramps are an eligible expense.	

Fencing	
Repair Standard	Minimum Life Three (3) yrs.
Fencing on property lines is preferred. If repairs are needed, replacing sections in kind is permissible if the budget permits. When an existing pool is on the property it is mandatory.	
Replacement Standard	
Wholesale replacement of deteriorated fencing is discouraged and should only be undertaken if the budget permits. If the fence is replaced, it shall be in accordance with the building code of jurisdiction	

Pool Standards	
Repair Standard	Minimum Life Ten (10) yrs.
In-ground pools shall be free of defects. Pool surfaces shall be patched or in cases of severe deterioration, they may be refinished. When there is no existing pool monitoring/alarm system inside of the home, a "Child Mesh Barrier" shall be installed around the perimeter of the pool. The child barrier and or fence surrounding the perimeter of the pool shall be in accordance with the building code of jurisdiction and shall be in addition to any property fencing.	
Replacement Standard	
Pool replacement is not an allowable activity. Pools deemed not feasible to repair shall have all Electrical, plumbing components and equipment terminated and abandoned. The pool shall be demolished in accordance with the building code of jurisdiction. Soil shall be placed and compacted in two foot lifts to attain the average finish grade, and then grass sod shall be laid to match existing grass.	

Trees and Shrubbery [GREEN STANDARD]	
Repair Standard	Minimum Life Five (5) yrs
Trees that are dead, dying, or hazardous will be removed. Removal will include cutting close to the ground, grinding of the stump to 12 inches below the finished grade, installation of topsoil and re-seeding.	
Replacement Standard	
Replacement trees and shrubs are permitted if economically feasible and must be selected from the State Extension Service list of local, drought-resistant and non-invasive plant materials. In placement of trees, attention should be paid to shading the house to reduce air conditioning costs. Also, trees should be located a sufficient distance from foundations, sidewalls, walkways, driveways, patios and sidewalks in order to avoid future damage from root growth and branches brushing against the structure. Setbacks from structures should typically exceed half of the canopy diameter of a full-grown example of the species. Shrubs, hedges, and trees shall carry a one year guarantee from date of planting and shall not be planted until sufficient irrigation is in place.	

Lawn [GREEN STANDARD]	
Repair Standard	Minimum Life One (1) yrs.
Bare sections of lawn will be sodded.	
Replacement Standard	
Wholesale replacement of lawn grasses of a drought resistant sod is allowed. There shall be an irrigation system supplying water to grass, hedges and trees, as engineered by a certified irrigation design professional.	

Irrigation Standard	
Repair Standard	Minimum Life Three (3) yrs.
All existing equipment and components shall be repaired with similar types and brands of irrigation components to ensure proper area of surface to be irrigated and shall be in working order before any new installation of sod and or shrubbery. All water connections are to be connected per Local Building Code.	
Replacement Standard	Minimum Life Ten (10) yrs.
All irrigation equipment and components shall be installed according to layout from Landscape Design Professional and in accordance with Building Code of Jurisdiction.	

3 - Exterior Building Surfaces

Exterior Cladding [GREEN STANDARD]	
Repair Standard	Minimum Life Ten (10) years
Siding and trim will be intact and weatherproof. All exterior wood components will have a minimum of two continuous coats of paint, and no exterior painted surface will have any deteriorated paint. Buildings designated as historic will have existing wood siding repaired in kind. New exterior wood will blend with existing and will be spot-primed and top-coated in a lead-safe manner.	
Replacement Standard	
Buildings not designated as historic may have siding replaced with cementitious siding to match the existing configuration. If replaced, soffit material shall be of wood, cementious material or stucco and shall be vented. New wood components will be FSC certified. http://www.fsc.org/	

Exterior Porches	
Repair Standard	Minimum Life Five (5) years
Deteriorated concrete porches will be repaired when possible. All unsafe wood porch components will be repaired with readily available materials to conform closely to historically accurate porches in the neighborhood. Porch repairs will be structurally sound, with smooth and even decking surfaces. Deteriorated wood structural components will be replaced with preservative-treated wood.	
Replacement Standard	
Porches on building designated as historic will be rebuilt to conform closely to historically accurate porches in the neighborhood. Decks on non-historic porches will be replaced with 5/4" preservative-treated decking. Replaced railings will meet code. Replaced wood structural components will be preservative-treated. Damaged concrete slabs are to be completely removed, the soil compacted, formed for positive drainage, poured with concrete reinforced with fibertite or wire 6-6-10-10 wire mesh and floated with broom finish.	

Exterior Railings	
Repair Standard	Minimum Life Five (5) years
Existing handrails will be structurally sound. Guard rails are required on any accessible area with a walking surface over 30" above the adjacent ground level. Sound railings may be repaired if it is possible to maintain the existing style. On historic structures railing repairs will be historically sensitive and installed to Building Code.	
Replacement Standard	
Handrails will be present on one side of all interior and exterior steps or stairways with more than two risers and around porches or platforms over 30" above the adjacent ground level, and will meet local codes. Handrails and guard rails will conform to the style of similar components in the neighborhood. On historic structures new railings will be historically sensitive and installed according to Building Code of Jurisdiction.	

Exterior Steps and Decks	
Repair Standard	Minimum Life Five (5) years
Steps, stairways, landings, and porch decks will be structurally sound, reasonably level, with smooth and even surfaces. Repairs will match existing materials,	
Replacement Standard	
In non-historic structures wood decking may be replaced with 5/4" X 6" preservative-treated material and new steps will be constructed from nominal 2" preservative-treated wood. On historic structures new wood decking will be 3/4" clear T & G fir, primed on all 6 sides before installation.	

Exterior House Numbers and Mailboxes	
Repair & Replacement Standard	Minimum Life Five (5) years
All houses will have 4" house numbers clearly displayed near the front door, and a standard size mailbox, where applicable wall-hung at the entrance or the mailbox placed on a post at the street in accordance with any HOA requirements if applicable.	

4 - Foundations & Structure

Firewalls	
Repair Standard	Minimum Life Five (5) years
Party walls will be maintained without cracks and plaster deterioration and covered with 5/8" type X gypsum, glued and screwed to structure Per Code and any UL Assembly	
Replacement Standard	
When frame walls and floors adjoining other dwellings are gutted, new wall finish installations will conform to local requirements for fire ratings Per Code and any UL Assembly	

Foundations	
Repair Standard	Minimum Life (15) years
Foundations will be repaired to be sound, reasonably level, and free from movement.	
Replacement Standard	
Foundation replacements shall be in accordance with the building code of jurisdiction.	

Structural Walls	
Repair Standard	Minimum Life (15) years
Structural framing and masonry will be free from visible deterioration, rot, or serious termite damage, and be adequately sized for current loads. Prior to rehab, all sagging floor joists or rafters will be visually inspected, and significant structural damage and its cause will be corrected.	
Replacement Standard	
New structural walls will be minimum 2" x 4", 16" O.C. or installed per Building Code, All exterior walls that are part of the building envelope (the air barrier and thermal barrier separating the conditioned space from the non-conditioned space) will be insulated with a minimum R-19 insulation and sheathed to code.	

Additions	
Repair Standard	Minimum Life NA
NA	
Replacement Standard	Minimum Life Sixty (60) years
New additions are acceptable only when – for marketing and livability reasons – it is necessary to add additional bedroom space. Stamped plans must be submitted to the local Building Official for review and approval prior to bidding. All standards for Exterior Building Surfaces, Roofing, Windows and Doors, Insulation and Ventilation, Plumbing, Electrical, HVAC apply.	

5 - Windows and Doors

Interior Doors	
Repair Standard	Minimum Life Five (5) years
Baths and occupied bedrooms will have operating doors and privacy lever lock sets. (Exception allowed for pocket doors)	
Replacement Standard	
Pre-Hung hollow-core wood product consistent with the style of existing doors including a lever lock set.	

Windows & Sliding Glass Doors[GREEN STANDARD]	
Repair Standard	Minimum Life (10) Years
All windows shall have screens, will operate, and remain in an open position when placed there, lock when closed and released when opened. Sliding glass doors along with a box screen shall roll freely and have locking mechanisms.	
Replacement Standard	
Windows and sliding glass doors that are not repairable may be replaced and will meet the ENERGY STAR standard for this geographic region. http://www.energystar.gov/ Windows on key façades of historically sensitive properties will be wood of the style original to the building. New windows on other properties may be aluminum with DSB glazing.	

Exterior Doors	
Repair Standard	Minimum Life Five (5) years
Exterior doors will be solid, weather-stripped and will operate smoothly. They will include a peep site, a dead bolt, wind crash chain, and an entrance lever lock set with dead bolt all keyed alike.	
Replacement Standard	
Replacement doors at the front of the property for historically significant buildings will be historically sensitive. Hurricane impact resistant steel, six-panel doors shall be installed at entrances for buildings that are not historically significant. Lever locksets and dead bolt locks keyed alike will be installed on all exterior doors. All new doors will be weather-stripped to be air tight.	

Garage Door(s)	
Repair Standard	Minimum Life Five (5) years
Garage door(s) will be solid and operate smoothly.	
Replacement Standard	
Garage door(s) shall be hurricane impact resistant with insulated panels.	

if there is both evidence of deterioration or failed roof coverings, and there is less than 3 years left in the life cycle, then the roof shall be replaced.

[illegible]

Fenestration Hurricane Protection	
Protection Standard	Minimum Life Five (5) years
All existing shutters shall be impact resistant and be Miami-Dade County or Florida Building Code Certification when installed by manufacturer's recommendations. Missing parts and panels shall be replaced to meet the impact certification. The shutters shall be numbered; miscellaneous hardware shall be placed in a sealed container, and stored in a safe and easily accessed location.	
Replacement Standard	
All exterior doors and windows shall have either a hurricane impact rating or shall be protected by hurricane impact rated protection devices with either Miami-Dade County or Florida Building Code Certification.	

6 - Roofing

Flat and Low-Slope Roofing	
Repair Standard	Minimum Life: Five (5) Years
Built-up roofing that is leak-free will be re-coated and flashing and accessories repaired if their minimum life is questionable.	
Replacement Standard	Minimum Life: Fifteen (15) Years
Four Ply Built-Up Roof Finishing in a Mineral Surfaces Cap Sheet. Peel and stick final roof covering products are not acceptable. Tapered insulation may be used to overcome ponding and also to introduce positive drainage.	
Replacement Criteria	Maximum Life Cycle: Ten (10) Years
Roof leaks with evidence of severe deterioration making repairs infeasible to be warrantied for Five (5) Years. Using Ten (10) years as a maximum life cycle for a roof permitted prior to 2002, if there is both evidence of deterioration or failed roof coverings, and there is less than 3 years left in the life cycle, then the roof shall be replaced.	
Pitched Roofs	
Repair Standard	Minimum Life: Five (5) Years
Missing and leaking shingles and flashing will be repaired on otherwise functional roofs. Cement or clay tile and metal roofs will be repaired when possible.	
Replacement Standard	Minimum Life: Fifteen (15) Years
All existing shingle roofs shall be stripped and all wood substrates shall be re nailed and brought up to current codes. Fiberglass Laminated Dimensional/Architectural class "A" Shingle, with a minimum prorated 40 year warranty with a continuous ridge vent will be installed over 30lb. felt with new 3" galvanized steel, aluminum, or copper drip edge, valleys, flashings, and transitions. Plumbing stacks shall have lead boots. Secondary waterproofing where specified shall be installed according to Manufactures installation recommendations.	
Replacement Criteria	Maximum Life Cycle: Ten (10) Years
Roof leaks with evidence of severe deterioration making repairs infeasible to be warrantied for Five (5) Years. Using Ten (10) years as a maximum life cycle for a roof permitted prior to 2002,	

7- Insulation and Ventilation

Kitchen Ventilation [GREEN STANDARD]	
Repair Standard	Minimum Life Two (2) years
All kitchens must have functional mechanical ventilation operating at a minimum 120 CFM.	
Replacement Standard	
All kitchens must have mechanical ventilation operating at a maximum of 20 SONS and producing a minimum of 150 CFM after accounting for ducting losses. All ductwork will be heavy gauge galvanized metal, air tight with mastic-sealed seams (no duct tape). It is preferred that mechanical ventilation exits through the roof or through the soffit.	

Roof Ventilation [GREEN STANDARD]	
Repair Standard	Minimum Life Five (5) years
1 S.F. of free venting must be supplied for every S.F. of area directly under the roof if there is no soffit venting. 1 S.F. of free venting must be supplied for every 300 SF of area directly under the roof if 20% of the venting is soffit vent and if the living space ceiling directly below the roof has a rating of one perm or less or to local building code when permissible.	
Replacement Standard	
The venting requirement is the same as with the Repair Standard above with a strong preference for a combination of ridge vents and soffit vents.	

Bath Ventilation [GREEN STANDARD]	
Repair Standard	Minimum Life NA
NA	
Replacement Standard	Minimum Life Ten (10) years
Each bathroom must have a bath fan that has a ≥ 80 CFM boost function switched one of three ways: by a switch at the entrance, with an adjustable time-delay function that runs the fan for an additional period after the switch is turned off; or a motion detector with an adjustable time-delay function that runs the fan for an additional period after the motion detector ceases to see motion; or by a humidistat all installed per local building code.	

8 - Interior Standards

Interior Walls and Ceilings	
Repair Standard	Minimum Life Three (3) years
Holes, cracks, deteriorated drywall and un-keyed plaster will be repaired to match the average finish of surrounding surfaces. <u>Homes with suspected and confirmed Chinese Defective Drywall are not eligible for any HCD programs</u>	
Replacement Standard	
When necessary, plaster will be replaced by ½” gypsum board on walls and 5/8” on ceilings. Fire-rated assemblies will be specified on a project-by-project basis as required by local codes.	

Closets	
Repair Standard	Minimum Life Five (5) years
Existing closets with a minimum depth of 2 feet will be maintained in good repair and have a shelf, clothes rod, and door.	
Replacement Standard	
New closets may be created if there is a significant lack of storage space and the budget permits. New closets will have a depth of 2 feet and include a shelf, clothes rod, and door.	

Flooring [GREEN STANDARD]	
Repair Standard	Minimum Life Three (3) years
Bathroom, kitchen and other water-susceptible floor areas will be covered with water-resistant flooring that is free from tears or tripping hazards. Damaged wood floor will be repaired. When existing deteriorated carpet is discovered over hardwood floors, the hardwood will be refinished whenever possible.	
Replacement Standard	
Baths will receive a minimum 6"X6" ceramic tile, general floors may have a Minimum 12" X 12" ceramic floor tiles, laid in thin set with grout. Grout shall be sealed. Ceramic tile flooring on wood framed floors shall have a cementitious tile backer substrate. Whenever possible rooms other than kitchens and baths with existing wood flooring will be maintained as wood floors and refinished when appropriate. Rooms other than kitchens or bath floors may be finished with tile or carpet and associated products that are Carpet and Rug Institute's Green Label certified.	

Kitchen Cabinets and Countertop	
Repair Standard	Minimum Life Five (5) years
Kitchens where practicable will have a minimum of 10 lineal feet of countertop with base and wall cabinets (or dishwasher) to match. Existing cabinets with hardwood doors and face frames may be repaired if in good condition. All cabinets will be sound and cleanable. .	
Replacement Standard	
Where practicable there will be a minimum of 10 lineal feet of countertop with corresponding base cabinets and wall cabinets, and a dishwasher. A drawer base (12" or 15") will be included in new cabinetry.	
New cabinets shall be constructed with a solid wood frame on the doors and cabinet face. The box, including the floor, ceiling, ends, and back panels, shall be comprised of minimum ½" plywood. Shelves <u>ONLY</u> may be of composite material, and finish covering may be "manufacturer pre-finished" wood veneer or plastic laminate at option of the owner. Cabinets shall include a plastic laminate counter top and also door and drawer pulls. Backsplash shall extend from the counter top up to the bottom of the wall cabinets. Counter top and back splash shall be made of minimum of 3/4" plywood..	

9 - Electric

Ground Fault Interrupter Circuits	
Repair Standard	Minimum Life Five (5) years
Non-functioning GFCIs will be replaced. Kitchen counter, bath and laundry receptacles within 6' of a sink will be replaced with a GFCI-protected receptacle or protected by a GFCI device.	
Replacement Standard	
All kitchen counter, bath, laundry, garage, and exterior receptacles shall be replaced with a GFCI-protected receptacle or protected by a GFCI circuit device. Exterior receptacles shall have weatherproof enclosure boxes.	

Carbon Monoxide/Smoke Detectors	
Repair Standard	Minimum Life Five (5) years
Non-functioning Smoke Detectors will be replaced with Combination Carbon Monoxide/Smoke Detectors.	
Replacement Standard	
Combination Carbon Monoxide/Smoke Detectors shall be installed in each bedroom, adjacent hall or living area, and if applicable, in the garage. They shall be interconnected in an "Arc Fault" circuit	

Passage Lighting [GREEN STANDARD]	
Repair Standard	Minimum Life Seven (7) years
All lights and switches in hallways, stairs and other passages will be operable and safe. Existing fixtures with incandescent lamp fittings will have minimum 7W CFL replacement lamps installed.	
Replacement Standard	
All halls, stairs and rooms necessary to cross to other rooms and stairways must be well lit and controlled by a 3-way switch using concealed wiring. All new light fixtures will be ENERGY STAR labeled.	

Lighting [GREEN STANDARD]	
Repair Standard	Minimum Life Seven (7) years
All lights and switches shall be functional, operable, and safe. Existing fixtures with incandescent lamp fittings will have minimum 7W CFL replacement lamps installed.	
Replacement Standard	
All new light fixtures will be ENERGY STAR labeled and properly sized to match the fixture and switched appropriately.	

Kitchen Electric Distribution	
Repair Standard	Minimum Life Five (5) years
Existing receptacles, fixtures and switches will be functioning, safe, and grounded.	
Replacement Standard	
Permanently installed or proposed stoves, refrigerators, freezers, dishwashers and disposals, washers and dryers will have separate circuits sized to N.E.C. Two separate GFCI protected 20-amp counter circuits are required with each kitchen area.	

Interior Electric Distribution	
Repair Standard	Minimum Life Seven (7) years
All switches, receptacles, and junction boxes will have appropriate cover plates. Wiring will be free from hazard, and all circuits will be properly protected at the panel. Exposed "wire mold" conduit is allowed. Bedrooms receptacles will be protected by an Arc Fault breaker. There must be one electrical receptacle at the service panel.	
Replacement Standard	
When a room's wall finishes are removed, the affected walls will be rewired to meet the latest version of the National Electric Code.	

Service and Panel	
Repair Standard	Minimum Life Ten (10) years
Distribution panels will have a main disconnect, at least 10 circuit-breaker-protected circuits, a 100-amp minimum capacity and be adequate to safely supply existing and proposed devices.	
Replacement Standard	
150-amp service with a main disconnect panel containing at least 30 circuit breaker positions.	

10 - Plumbing System

Drain, Waste, Vent Lines	
Repair Standard	Minimum Life One (1) year
Waste and vent lines must function and flow freely.	
Replacement Standard	
When walls are removed exposing vent and waste lines those lines will be reworked to the current mechanical code.	

Plumbing Fixtures [GREEN STANDARD]	
Repair Standard	Minimum Life Three (3) years
All fixtures and faucets will have working, drip-free components. Toilets with greater than a 1.6 GPF rating will be replaced with a maximum 1.3 GPF model.	
Replacement Standard	
Single lever, metal faucets and shower diverters with 15-year, drip-free warranty and maximum 2.0 GPM flow. White or bone colored American Standard "Renaissance", or approved equal, elongated toilet, low-flow toilets (1.3 Gal), double bowl stainless steel sinks, and minimum 17 ½" deep cast iron bath tubs with ceramic tile tub wraps over Dura Rock type cementitious boards, Homes with 2 or more baths shall have 1 with a walk in shower and 1 with a tub/shower combo.	

Plumbing Minimum Equipment [GREEN STANDARD]	
Repair Standard	Minimum Life Three (3) years
Existing equipment will be repaired to conform to the Housing Quality Standards.	
Replacement Standard	
Every dwelling unit will have a minimum of one single bowl sink with hot and cold running water in the kitchen and at least one bathroom containing a vanity with a sink, and a shower/tub unit, both with hot and cold running water, and a toilet. Redesigned kitchens will include an ENERGY STAR-labeled dishwasher.	

Water Heaters	
Repair Standard	Minimum Life: Seven (7) Years
Each housing unit will have a working water heater less than 3 years old with a minimum capacity of 40 gallons. Water heaters more than 3 years old may be repaired if it is clear that a repair will make it operable.	
Replacement Standard	Minimum Life: Ten (10) Years
All units will have a minimum 40-gallon water heater with a 10-year warranty installed to the mechanical code. Water heaters in excess of five years old may be replaced with a new ENERGY STAR rated water heater.	
Replacement Criteria	Maximum Life Cycle: Ten (10) Years
Using ten (10) years as a maximum life cycle for a water heater, an existing water heater shall be replaced if it is within three (3) years of the end of its life cycle.	

Water Supply	
Repair Standard	Minimum Life Ten 10 years
The main shut off valve must be operable and completely stop the flow of water to the house. All fixtures must be leak-free and deliver sufficient cold water and, where applicable, hot water.	
Replacement Standard	
The main shut off valve must be operable and completely stop the flow of water to the house, and should be replaced if it does not. Lead and galvanized pipe that is part of the water service or the distribution system will be replaced with copper, or cpvc installed according to building code. All fixtures will have brass shut off valves.	

Septic System	
Repair Standard	Minimum Life: Five (5) Years
The septic tank and drain field shall be functioning as designed. The tank shall be pumped out and a visual inspection and drain field evaluation performed by a licensed waste water removal company.	
Replacement Standard	Minimum Life: Ten (10) Years

Portions of the septic system shall be replaced in accordance with the Health Department and the Building Code of Jurisdiction.	
Replacement Criteria	Maximum Life Cycle: Ten (10) Years
Using ten (10) years as a maximum life cycle for a drain field, an existing drain field may be replaced if it is within three (3) years of the end of its life cycle.	

11 - HVAC

Air Conditioning Heating [GREEN STANDARD]	
Repair Standard	Minimum Life: Five (5) Years
Non-functioning, non-repairable air conditioners will be removed and drained of all CFCs. Existing central air conditioning will be inspected, serviced and refurbished to operate safely	
Replacement Standard	Minimum Life: Fifteen (15) Years
Furnish and install a sufficient tonnage high efficiency minimum 16 SEER rated split unit. Installation shall include but not be limited to a condensing unit, air handler, 10kw heat strip, secondary drain pan when installed inside the attic, seven (7) day programmable thermostat, and repair and sealing of existing A/C duct, registers, and air return. If there exists a duct system in good condition whose design will accommodate the replacement air handler, then it may remain and be reused. If no ducts exist, then install new Owens Corning or equal fiberglass ducts. All installation is to be according to local building codes.	
Replacement Criteria	Maximum Life Cycle: Ten (10) Years
Using ten (10) years as a maximum life cycle for a pre- 2006 central air conditioning system, an existing central air conditioning system manufactured prior to 2006, shall be replaced if it is within three (3) years of the end of its life cycle.	

Distribution System	
Repair Standard	Minimum Life Five (5) years
Duct work will be well supported, insulated in unconditioned space and adequate to maintain 68°F measured 36" off the floor when the outside temperature is the average yearly minimum, in all habitable and essential rooms. All duct work will be insulated to R-7, sealed at all seams with mastic (not tape) and pressure tested to eliminate leakage.	
Replacement Standard	Minimum Life Twenty Five (25) years
All duct work will be insulated to R-7, sealed at all seams with mastic (not tape), pressure tested to eliminate leakage and run in concealed space.	

Chimney Repair	
Repair Standard	Minimum Life NA
Unused chimneys will be removed to below the roof line wherever roofing is replaced. Unsound chimneys will be repaired or removed. When chimneys must be used for combustion ventilation, they will be relined.	
Replacement Standard	Minimum Life NA

The creation of new flues is not recommended in this program. The use of high efficiency closed combustion appliances is recommended to avoid the need for new flues. Replacement furnace flues, when required, will be metal double- or triple-walled as recommended by the furnace manufacturer.	
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12 – Appliances

Kitchen Appliances [GREEN STANDARD]	
Repair Standard	Minimum Remaining Life Three (3) years
All units will have a working and cleanable range. If there is an existing dishwasher in working and cleanable condition, it may be retained with minor repairs.	
Replacement Standard	Minimum Life: Ten (10) Years
Replacement kitchen appliances shall be ENERGY STAR RATED and labeled appliances where applicable. New cooking ranges may be electric or gas. Also replaceable are washers, dryers, cabinet hung microwaves, wall ovens and range hoods.	
Replacement Criteria	Maximum Life Cycle: Ten (10) Years
Using Ten (10) years as a maximum life cycle for ranges, refrigerators, dishwashers, disposals, Washers, Dryers, Microwaves and Wall Ovens, an existing appliance may be replaced if it is within Three (3) years of the end of its life cycle.	

EXHIBIT I
ASBESTOS REQUIREMENTS
SPECIAL CONDITIONS FOR DEMOLITION AND RENOVATION OF BUILDINGS

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

I. DEFINITIONS

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

II. ASBESTOS SURVEYS

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

For Renovation Projects (projects which will be reoccupied):

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

For Demolition Projects:

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

If the Agency has a recent asbestos survey report prepared by a licensed asbestos consultant, a copy may be provided to DHES and PBCAC for review to determine if the survey is adequate

to proceed with renovation/demolition work. If no survey is available, a survey may be initiated by the Agency or requested by DHES. A copy of the completed survey will be forwarded to the Agency. All asbestos survey's shall be forwarded to the PBCAC.

III. ASBESTOS ABATEMENT

A. RENOVATION

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

(b) Asbestos Abatement work may be contracted by the Agency or by DHES upon request.

(c) If the Agency contracts the asbestos abatement, the following documents are required to be provided to the DHES and the PBCAC.

1. An Asbestos Abatement Specification (Work Plan), sealed by a FLAC.
2. Pre and Post Job submittals, reviewed and signed by the FLAC.

(d) If the Agency requests DHES to contract the asbestos abatement, DHES will initiate the request through the PBCAC who will contract the asbestos abatement. DHES will provide a copy of all contractor and consultant documents to the Agency.

(e) Materials containing <1% asbestos are not regulated by EPA/NESHAPS. However, OSHA compliance is mandatory. OSHA requirements including training, wet methods, prompt cleanup in leak tight containers, etc. The renovation contractor must comply with US Department of Labor, Standard Interpretation (OSHA), Compliance requirements for renovation work involving material containing <1% asbestos, 11/24/2003. The renovation contractor must submit a work plan to DHES and the PBCAC prior to removal of the materials.

B. DEMOLITION

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

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

obtain approval for all exceptions from DHES and the PBCAC.

(a) Asbestos Abatement work may be contracted by the Agency or by DHES upon request.

(b) If the Agency contracts the asbestos abatement, the following documents must be provided to the PBC/DHES and reviewed by the PBCAC.

1. An Asbestos Abatement Specification (Work Plan), sealed by a FLAC.
2. Pre and Post Job submittals, reviewed and signed by the FLAC.

(c) If the Agency requests DHES to contract the asbestos abatement, DHES will initiate the request through the PBCAC who will contract the asbestos abatement. DHES will provide a copy of all contractor and consultant documents to the Agency.

(d) Recycling, salvage or compacting of any asbestos containing materials or the substrate is strictly prohibited.

(e) In all cases, compliance with OSHA "Requirements for demolition operations involving material containing <1% asbestos is mandatory.

(f) For all demolitions involving asbestos containing floor tile, asbestos containing roofing material and materials containing <1%, the Demolition Contractor shall submit the following documents to DHES. DHES will provide a copy of these documents to PBCAC.

1. Signed statement that the demolition contractor has read and understood the requirements for complying with EPA, OSHA and the State of Florida Licensing regulations for demolition of structures with asbestos materials.
2. Submit a plan for the demolition of asbestos containing roofing and floor tile. State if these materials are likely to remain intact. Include in the plan what shall occur if materials become "not intact".
3. Submit a plan for compliance with OSHA requirements such as but not limited to: competent person, establishing a regulated area, asbestos training of workers, respiratory protection, use of disposable suits, air monitoring, segregation of waste, containerizing asbestos waste, waste disposal.

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

IV. NESHAPS NOTIFICATION

A. RENOVATION

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

vinyl asbestos floor tile and linoleum shall be considered regulated. Asbestos roof removal requires a notification at least 3 working days prior to the removal.

B. DEMOLITION

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

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

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

V. APPLICABLE ASBESTOS REGULATIONS/GUIDELINES

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

- (a) Environmental Protection Agency (EPA) NESHAP, 40 CFR Parts 61 Subpart M National Emission standard for Asbestos, revised July 1991
- (b) Occupational Health and Safety Administration (OSHA) Construction Industry Standard, 29 CFR 1926.1101
- (c) EPA: A Guide to Normal Demolition Practices Under the Asbestos NESHAP, September 1992
- (d) Demolition practices under the Asbestos NESHAP, EPA Region IV
- (e) Asbestos NESHAP Adequately Wet Guidance
- (f) Florida State Licensing and Asbestos Laws
 - 1. Title XVIII, Chapter 255, Public property and publicly owned buildings.
 - 2. Department of Business and Professional Regulations, Chapter 469 Florida Statute, Licensure of Asbestos Consultants and Contractors
- (g) Resilient Floor Covering Institute, NRCI, Updated Recommended Work Practices and Asbestos Regulatory Requirements, September 1998.
- (h) Florida Roofing Sheet Metal and Air Conditioning Contractors Association, NRCA, June 1995

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

1. Application of the asbestos standard to demolition of buildings with ACM in Place, 8/26/2002.
2. Requirements for demolition operations involving material containing <1% asbestos, 8/13/1999.
3. Compliance requirements for renovation work involving material containing <1% asbestos, 11/24/2003.

EXHIBIT J
ESCROW AGREEMENT

ESCROW AGREEMENT

THIS ESCROW AGREEMENT ("Escrow Agreement") made and entered into by Harper Court Housing, LLC, a Florida limited liability company ("Borrower") and PALM BEACH COUNTY, a political subdivision of the State of Florida ("County"), (hereinafter Borrower and County are collectively referred to as the "Principals") and Zimmerman, Kiser & Sutcliffe, P.A., ("Escrow Agent").

WHEREAS, on March 18, 2024, Principals entered into a Loan Agreement (the "Agreement"), whereby Borrower received a loan in the amount of One Million Six Hundred Eleven Thousand Seven Hundred Ninety-Seven and 00/100 Dollars (\$1,611,797), (the "Loan Funds") from the County, a copy of which is attached hereto and made a part of as Exhibit "A"; and

WHEREAS, Principals desire that Escrow Agent act as escrow agent relating to the Agreement and hold the Loan Funds in escrow for disbursement in accordance with and upon its receipt of written authorization from the County in a form that is substantially similar to the form described on Exhibit "B", attached hereto and made a part hereof, (the "Escrow Disbursement Authorization Form"); and

WHEREAS, Escrow Agent is serving as legal counsel to the Borrower with respect to the closing of the Loan, but Escrow Agent has agreed to provide the services hereunder provided the Principals hereto execute and deliver this Escrow Agreement with the conflict waiver set forth in Article XI below; and

WHEREAS, Escrow Agent has agreed to act as Escrow Agent for the Loan Funds on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the covenants and agreements herein set forth and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto, intending to be legally bound, agree as follows:

I. Escrow.

A. Escrow Agent agrees to hold the Loan Funds in escrow subject to the terms and conditions contained in this Escrow Agreement and to disburse Loan Funds in accordance with the instructions as outlined in the Escrow Disbursement Authorization Form when provided by County with each disbursement request.

B. Unless otherwise provided in this Escrow Agreement, Escrow Agent shall disburse the Loan Funds without interest or other accumulation in value.

C. Escrow Agent shall not be deemed to have knowledge of any matter

or thing unless and until Escrow Agent has actually received written notice of such matter or thing. Escrow Agent shall not be charged with any constructive notice whatsoever.

D. In the event instructions outlined in the Escrow Disbursement Authorization Form from County would require Escrow Agent to spend any monies or incur any costs, Escrow Agent shall be entitled to refrain from taking any action until Escrow Agent has notified Principals that payment for such costs is required and Escrow Agent receives payment for such costs from Borrower.

E. Principals acknowledge and agree that nothing in this Escrow Agreement shall prohibit Escrow Agent from serving in a similar capacity on behalf of others.

II. Release of Loan Funds.

A. Escrow Agent agrees to release portions of the Loan Funds in accordance with the terms and conditions set forth in the Escrow Disbursement Authorization Form in this Escrow Agreement.

B. If all or any portion of the Loan Funds delivered to Escrow Agent is in the form of a check or in any form other than a wire transfer, Escrow Agent shall deposit same in an escrow or trust account but shall not be liable for the non-payment thereof nor responsible to enforce collection thereof. In the event such check or other instrument is returned to Escrow Agent unpaid, Escrow Agent shall notify the Principals for further instructions.

III. Liability of Escrow Agent.

A. It is agreed that the duties of the Escrow Agent are purely ministerial in nature and shall be expressly limited to the safe keeping of the Loan Funds and for the disbursement of the same in accordance with the instructions contained in the Escrow Disbursement Authorization Form delivered to Escrow Agent by County. Borrower hereby agrees to indemnify Escrow Agent and holds it harmless from and against any and all claims, liabilities, damages, costs, reasonable attorney's fees and court costs at all trial and appellate levels, penalties, losses, actions, suits or proceedings at law or in equity, or any other expenses, fees, or charges of any character or nature which it may incur or with which it may be threatened directly or indirectly, arising from, or in any way connected with this Escrow Agreement or which may result from Escrow Agent's following of instructions as outlined in the Escrow Disbursement Authorization Form from County for each disbursement request, and in connection therewith agrees to indemnify Escrow Agent against any and all expenses, including attorney's fees and the costs of defending any action, suit, or proceeding or resisting any claim, whether or not litigation is instituted. This Article III shall not apply in the event Escrow Agent breaches the terms of this Agreement or fails to follow the instructions contained herein or given in any Escrow Disbursement Authorization Form delivered to Escrow Agent by County.

IV. Disputes.

A. In the event Escrow Agent is joined as a party to a lawsuit by virtue of the fact that it is holding the Loan Funds, Escrow Agent shall, at its option, either (1) tender the Loan Funds into the registry of the appropriate court or (2) disburse the Loan Funds in accordance with the court's ultimate disposition of the case, and Borrower hereby agrees to indemnify and hold Escrow Agent harmless from and against any damages or losses in connection therewith including, but not limited to, reasonable attorney's fees and court costs at all trial and appellate levels.

B. In the event Escrow Agent tenders the Loan Funds into the registry of the appropriate court and files an action of interpleader naming the Principals and any affected third parties of whom Escrow Agent has received actual notice, Escrow Agent shall be released and relieved from any and all further obligation and liability hereunder or in connection herewith and Borrower hereby agrees to indemnify and hold Escrow Agent harmless from and against any damages or losses arising in connection therewith including, but not limited to, all costs and expenses incurred by Escrow Agent in connection with the filing of such action including, but not limited to, reasonable attorney's fees and court costs at all trial and appellate levels.

V. Term of Agreement.

A. This Escrow Agreement shall remain in effect unless and until it is canceled in any of the following manners:

1. Upon written notice given by all Principals of cancellation of designation of Escrow Agent to act and serve in said capacity, in which event, cancellation shall take effect no earlier than thirty (30) days after notice to Escrow Agent of such cancellation; or

2. Upon Escrow Agent's resignation as Escrow Agent, which Escrow Agent may do at anytime upon giving notice to Principals of its desire to so resign; provided, however, that resignation of Escrow Agent shall take effect no earlier than forty-five (45) days after the giving of notice of resignation; or

3. Upon compliance with all escrow provisions as set forth in this Escrow Agreement and the full disbursement of the entire Loan Funds. In the event all Loan Funds have not been disbursed by March 29, 2026 (the "Disbursement Deadline"), Escrow Agent shall return all remaining Loan Fund to the County within fifteen (15) days of Disbursement Deadline.

B. In the event Principals fail to agree to a successor escrow agent within the time period described herein above, Escrow Agent shall, upon receipt of written notification by Principals, return the entire remaining amount of the Loan Funds held hereunder to the County, who will handle disbursements accordingly, provided Disbursement Deadline has

not occurred.

C. Upon termination of the duties of Escrow Agent in either manner set forth in subparagraphs 1. and 2. of Paragraph A. of this Article V., Escrow Agent shall deliver the entire remaining amount of the Loan Funds to the newly appointed Escrow Agent designated by the Principals, or to the County.

D. Escrow Agent shall not be bound by any modification, cancellation or rescission of this Escrow Agreement unless in writing and signed by Escrow Agent and Principals. In no event shall any modification of this Escrow Agreement, which shall affect the rights or duties of Escrow Agent, be binding on Escrow Agent unless it shall have given it prior written consent.

VI. Notices.

All notices, certificates, requests, demands, materials and other communications hereunder shall be in writing and deemed to have been duly given (1) upon delivery by hand to the appropriate address of each Principal or Escrow Agent as set forth in this Escrow Agreement, or (2) on the third business day after mailing by United States registered or certified mail, return receipt requested, postage prepaid to such address or (3) upon delivery by an overnight courier service at the following addresses:

Borrower:
Harper Court Housing, LLC
816 NW 1st Ave G
Hallandale FL 33009
Attention: Terry Booty

Copy to:
Zimmerman, Kiser & Sutcliffe, P.A.,
315 East Robinson Street
Suite 600
Orlando FL 32801
Attention: John P. Grygiel, Esq.

COUNTY:
PALM BEACH COUNTY, a political subdivision of the State of Florida
100 Australian Avenue – Suite 500
West Palm Beach, FL 33406
Attn: Jonathan B. Brown, Director

Copy to:
Palm Beach County Attorney's Office

performance hereunder may require Escrow Agent to take a position adverse to Borrower's interests or instructions with respect to matters under this Escrow Agreement. In the event Escrow Agent determines that an unwaivable conflict of interest has arisen as set forth in the rules governing members of the Florida bar, Escrow Agent shall, within five business days after such determination, notify the parties in writing and Escrow Agent shall terminate its obligations under this Escrow Agreement and shall promptly return the Loan Funds to the County, and Escrow Agent shall have no further liability under this Escrow Agreement; provided, however, if a dispute has arisen under this Escrow Agreement before the Loan Funds are returned to the County, the Escrow Agent shall follow the requirements set forth in Article XI above.

(Remainder of page is left blank intentionally)

IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed as of March 15, 2024.

SIGNED, SEALED AND DELIVERED
IN THE PRESENCE OF:

ESCROW AGENT:
ZIMMERMAN, KISER & SUTCLIFFE,
P.A.

By:

John P. Grygiel
John P. Grygiel

Kimberly LaPorte
Witness Signature

Kimberly LaPorte
Print Witness Name PO BOX 3000
Orlando, FL 32801

Matthew Petra
Witness Signature

Matthew Petra
Print Witness Name 315 E. Robinson St., 600
Orlando, FL 32801

STATE OF FLORIDA
COUNTY OF Orange

The foregoing instrument was acknowledged before me by ☒ physical presence or ☐ on-line notarization on this 15th day of March, 2024, by JACK ANGELO, as _____ of Zimmerman, Kiser & Sutcliffe, P.A., who is personally known to me, or who has produced _____ as identification.

Signature: Kimberly LaPorte

Notary Name: _____

(NOTARY SEAL ABOVE)

Notary Public - State of Florida



KIMBERLY LAPORTE
Commission # HH 050740
Expires October 5, 2024
Bonded Third Budget Notary Services

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

FOR ITS BOARD OF COUNTY
COMMISSIONERS

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

Date: 3/18/2024

Approved as to Form and
Legal Sufficiency

Howard J. Falcon III
By: Falcon III
Howard J. Falcon III
Chief Assistant County Attorney

Approved as to Terms and Conditions
Department of Economic Development

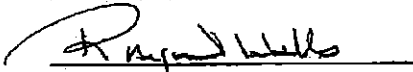
By: Sherry Howard
Sherry Howard
Deputy Director

Signed, sealed and delivered
in the presence of:

Witnesses:


Witness Signature

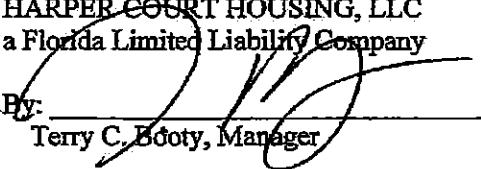
Jordan McIntosh
Print Witness Name


Witness Signature

Raymond Wells
Print Witness Name

BORROWER:

HARPER COURT HOUSING, LLC
a Florida Limited Liability Company

By: 
Terry C. Booty, Manager

STATE OF FLORIDA
COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me by ☒ physical presence or ☐ on-line
notarization on this 18th day of March, 2024, by Terry C. Booty, as Manager of Harper
Court Housing, LLC, who is personally known to me, or who has produced
Drivers license as identification.



GINA CELENTANO
Commission #HH474598
Expires December 19, 2027

Signature: 

Notary Name: Gina Celetano
Notary Public - State of Florida

(NOTARY SEAL ABOVE)

EXHIBIT “A”

AGREEMENT

EXHIBIT "B"

ESCROW DISBURSEMENT AUTHORIZATION FORM

PALM BEACH COUNTY DEPARMENT OF HOUSING & ECONOMIC DEVELOPMENT
Capital Improvements, Real Estate and Inspections Division Attn: Project Coordinator
100 Australian Ave. Suite 500, West Palm Beach, FL 33406 (561) 233-3600

ESCROW DISBURSEMENT AUTHORIZATION

The below identified Borrower/ Developer has submitted an escrow disbursement request to HED. This escrow disbursement authorization form is provided in connection with a funding agreement approved by the Palm Beach County Board of County Commissioners.

BORROWER/ DEVELOPER INFORMATION:

Project Name:			
Borrower/ Developer Name:			
Address:			
Contact Name:			
Phone:		Email:	
Document No. and Date:	Loan Agreement R2024-xxxx, date		

The following Disbursement Amount is authorized to be released from Escrow:

Funding Amount Disbursed at Closing	\$	Funding Account Number(s):	
Escrow Agent Name:			
Escrow Agent Address:			
Phone:		Email:	
Disbursement No.:		Disbursement Amount	\$

This disbursement is recommended for release by the Capital Improvements Division

Name Project Coordinator	Initials: _____	Date: _____
Bud Cheney, Manager	Initials: _____	Date: _____

This disbursement is authorized for release by the Department of Housing & Economic Development.

Jonathan Brown, Director Department of Housing & Economic Development	Date: _____
--	-------------

Escrow Agent: The following Disbursed Amount has been released to the Borrower (attach proof of disbursement and return to CIREIS Division Manager).

Disbursed Amount:	\$ _____	
(Insert Name), Escrow Agent	Signature: _____	Date: _____

Palm Beach County 2026 Multifamily Income Limits and Rents

Income Category	2026 Income Limit by Number of Persons in Household									
	1	2	3	4	5	6	7	8	9	10
30%	\$ 27,000	\$ 30,850	\$ 34,700	\$ 38,550	\$ 41,650	\$ 44,750	\$ 47,800	\$ 50,900	\$ 53,970	\$ 57,054
40%	\$ 36,000	\$ 41,100	\$ 46,250	\$ 51,400	\$ 55,500	\$ 59,650	\$ 63,750	\$ 67,900	\$ 71,960	\$ 76,072
50%	\$ 45,000	\$ 51,400	\$ 57,850	\$ 64,250	\$ 69,400	\$ 74,550	\$ 79,700	\$ 84,850	\$ 89,950	\$ 95,090
60%	\$ 54,000	\$ 61,680	\$ 69,420	\$ 77,100	\$ 83,280	\$ 89,460	\$ 95,640	\$ 101,820	\$ 107,940	\$ 114,108
70%	\$ 63,000	\$ 71,950	\$ 81,000	\$ 89,950	\$ 97,150	\$ 104,350	\$ 111,600	\$ 118,800	\$ 125,930	\$ 133,126
80%	\$ 72,000	\$ 82,250	\$ 92,550	\$ 102,800	\$ 111,050	\$ 119,300	\$ 127,500	\$ 135,750	\$ 143,920	\$ 152,144
90%	\$ 81,000	\$ 92,520	\$ 104,130	\$ 115,650	\$ 124,920	\$ 134,190	\$ 143,460	\$ 152,730	\$ 161,910	\$ 171,162
100%	\$ 90,000	\$ 102,800	\$ 115,700	\$ 128,500	\$ 138,800	\$ 149,100	\$ 159,400	\$ 169,700	\$ 179,900	\$ 190,180
110%	\$ 99,000	\$ 113,080	\$ 127,270	\$ 141,350	\$ 152,680	\$ 164,010	\$ 175,340	\$ 186,670	\$ 197,890	\$ 209,198
120%	\$ 108,000	\$ 123,360	\$ 138,840	\$ 154,200	\$ 166,560	\$ 178,920	\$ 191,280	\$ 203,640	\$ 215,880	\$ 228,216
140%	\$ 126,000	\$ 143,920	\$ 161,980	\$ 179,900	\$ 194,320	\$ 208,740	\$ 223,160	\$ 237,580	\$ 251,860	\$ 266,252

2026 Median Income: \$107,600
Based on Florida Housing Finance Corporation *Multifamily Rental Programs and CWHIP Homeownership Program*
130% AMI limits imputed by Palm Beach County based on FHFC rent limits.

Income Category	2026 Rent Limit by Number of Bedrooms in Unit					
	0	1	2	3	4	5
30%	\$ 675	\$ 723	\$ 867	\$ 1,002	\$ 1,118	\$ 1,233
40%	\$ 900	\$ 963	\$ 1,156	\$ 1,336	\$ 1,491	\$ 1,645
50%	\$ 1,125	\$ 1,205	\$ 1,446	\$ 1,670	\$ 1,863	\$ 2,056
60%	\$ 1,350	\$ 1,446	\$ 1,735	\$ 2,004	\$ 2,236	\$ 2,468
70%	\$ 1,575	\$ 1,686	\$ 2,025	\$ 2,338	\$ 2,608	\$ 2,880
80%	\$ 1,800	\$ 1,928	\$ 2,313	\$ 2,673	\$ 2,982	\$ 3,290
90%	\$ 2,025	\$ 2,169	\$ 2,603	\$ 3,007	\$ 3,354	\$ 3,702
100%	\$ 2,250	\$ 2,410	\$ 2,892	\$ 3,341	\$ 3,727	\$ 4,113
110%	\$ 2,475	\$ 2,651	\$ 3,181	\$ 3,675	\$ 4,100	\$ 4,525
120%	\$ 2,700	\$ 2,892	\$ 3,471	\$ 4,009	\$ 4,473	\$ 4,936
140%	\$ 3,150	\$ 3,374	\$ 4,049	\$ 4,677	\$ 5,218	\$ 5,759

