

**MARION COUNTY
STANDARD PROFESSIONAL SERVICES AGREEMENT
HOME DEVELOPER
COMMUNITY HOUSING DEVELOPMENT ORGANIZATION PROJECT**

THIS AGREEMENT, made and entered into by and between **Marion County, Florida**, a political subdivision of the State of Florida, hereinafter called the "**COUNTY**" and **Habitat for Humanity of Marion County, Inc.**, whose address is 1321 SE 25th Loop, Suite 103, Ocala, FL 34471, a not-for-profit corporation and COUNTY designated Community Housing Development Organization organized under the laws of the State of Florida, hereinafter called the "**DEVELOPER**".

W I T N E S S E T H:

WHEREAS, Marion County's long-term Community Development goal is to develop viable urban communities, by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low (50% of Area Median Income) and moderate income (80% of Area Median Income); and

WHEREAS, the Board of County Commissioners approved the Fiscal Year 2020-2021 Community Development Block Grant/Home Investment Partnerships Program Action Plan furthering the County's Community Development goal; and

WHEREAS, the Marion County Consortium is the recipient of HOME Investment Partnerships Program (HOME) grant funds from the U.S. Department of Housing and Urban Development (HUD), including funds that are reserved for the use of Community Housing Development Organizations (CHDO); and

WHEREAS, the Marion County Community Services Department (Department) is lead agency of the Marion County Consortium and administers the HOME program on behalf of the County; and

WHEREAS, DEVELOPER has been designated by the Marion County Consortium as a CHDO, and has submitted a proposal for use of HOME funds for a CHDO-eligible project under the HOME regulations governed by 24 CFR Part 92 and any applicable cross cutting federal regulations; and

WHEREAS, DEVELOPER has been selected to newly construct and sell single family homes to income eligible households as outlined in this agreement; and

WHEREAS, it is necessary for the COUNTY and the DEVELOPER to enter into an Agreement for the implementation of this activity; and

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WHEREAS, a total of four (4) properties are to be developed, identified by the Marion County Property Appraiser with the respective parcel identification numbers:

1. PID# 2301-005-033
2. PID# 2333-001-009
3. PID# 9016-0230-10
4. PID# 9025-0645-64

NOW, THEREFORE, IN CONSIDERATION of the mutual covenants and conditions contained herein, and other good and valuable consideration acknowledged by both parties, the parties hereto do covenant and agree as follows:

1. **STANDARD TERMS.** DEVELOPER and the COUNTY mutually agree to abide by the Standard Terms, Scope of Services, Budget, HUD 24 CFR Part 92, and any applicable cross cutting federal regulations which are attached to this agreement as set forth in Exhibit A, Exhibit B, Exhibit C, Exhibit D and Exhibit E.
2. **FUNDING.** COUNTY, through the Department, shall reimburse the DEVELOPER for allowable costs, determined by the COUNTY, in an amount not to exceed **Four Hundred Thousand Dollars and Zero Cents (\$400,000.00)** for services performed under the terms of this Agreement and detailed in Exhibit A and Exhibit B. In the event Project costs exceed the stated amount, the DEVELOPER shall be responsible for excess. The FAIN M-19-DC-12-0232, with the award date of: May 17, 2022 and a CFDA # ALN of: 14.239. The award is not R&D. No indirect costs are anticipated; however, the indirect cost rate for the Federal award shall be the de Minimis rate of 10% of modified total direct costs in accordance with 2 CFR 200.414.
3. **SERVICES AND PERFORMANCE.**
 - a. The parties agree this Agreement is intended to benefit income eligible households, more fully described in Exhibit D hereto. DEVELOPER shall newly construct and sell four (4) single family homes on the real properties more fully described in Exhibit E hereto, to income eligible households.
 - b. The COUNTY does hereby retain the DEVELOPER to furnish certain services as detailed in the attached exhibits, attached hereto and made a part hereof and in connection with the HOME program. DEVELOPER and COUNTY mutually agree to furnish, each to the other, the respective services, information and items as described in the attached exhibits.
4. **TERM.** Unless otherwise provided herein or by Supplemental Agreement or Amendment, the provisions of this Agreement will remain in full force and effect through completion of all services required of the DEVELOPER or a two-year term from the date of execution of this Agreement, whichever occurs first.
5. **INSURANCE.** The DEVELOPER will maintain comprehensive general liability

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insurance, property and casualty or builder's risk insurance, Workers' Compensation as set forth in Section XXI of the ***Exhibit A***.

6. **SUBAGREEMENTS.** Sub-Agreement(s) are authorized under this Agreement in accordance with provisions set forth in ***Exhibit A*** hereto.

7. **MISCELLANEOUS.**

- a) Reference in this Agreement to "Director" will mean the Department of Community Services Director.
- b) The following attachments are hereby incorporated into this Agreement as part hereof as though fully set forth herein.

Exhibit A – Standard Terms
Exhibit B – Scope of Services
Exhibit C – Pro Forma Construction Costs
Exhibit D – Income Limit Chart
Exhibit E – Property Description
Exhibit F – Mortgage and Note (4)

(Remainder of page intentionally left blank. Signature Page follows.)

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IN WITNESS WHEREOF, the parties have executed this Agreement by their duly authorized officers on the day, month and year set forth above.

**MARION COUNTY, A POLITICAL
SUBDIVISION OF THE STATE OF
FLORIDA**

ATTEST:

Gregory C. Harrell, Clerk

Date: _____

By: _____

Printed Name: Carl Zalak III

Its: Chairman

Date: _____

**Approved as to Form and Legal
Sufficiency**

Matthew G. Minter, County Attorney

WITNESSES:

Signature

Jonny L. Wenner
Printed Name

Signature

Im CUTTENBER
Printed Name

**HABITAT FOR HUMANITY OF MARION
COUNTY, INC.**

By: _____
David L. Layman

David L. Layman
President and CEO

Date: 5/6/2022

EXHIBIT A

**MARION COUNTY
HOME/CHDO DEVELOPER STANDARD TERMS FOR
CONSTRUCTION AND SALE**

Section I - DEFINITIONS

- A. AFFORDABILITY PERIOD – is hereby defined as the period the HOME-assisted Unit must meet the requirements for a qualified low-income family and the housing must be the principal residence of the family throughout the period. For purchase projects, the Affordability Period begins on the date of Homebuyer closing and is in effect for the appropriate minimum number of years based on HOME funding amount and at the direction of COUNTY.
- B. DEPARTMENT – is hereby defined as the Department of Community Services which is administering the HOME Program for COUNTY. For the purpose of this Agreement and all administration of HOME funds, Department shall act on behalf of COUNTY in the execution and fiscal and programmatic control of this Agreement. The term "approval by COUNTY" or like term used in this Agreement shall in no way relieve DEVELOPER from any duties or responsibilities under the terms of this Agreement, or obligation under State or local law or regulation.
- C. DEVELOPER'S FEE – is hereby defined as the amount of money COUNTY agrees to pay and DEVELOPER agrees to accept as payment in full for the professional, technical and construction services rendered pursuant to this Agreement.
- D. DIRECTOR – is hereby defined as the Director of the Community Services Department for COUNTY.
- E. HOME – is hereby defined as the Federal HOME Investment Partnerships Program as described in 24 CFR Part 92, under the authority of 42 U.S.C. 3535 (d) and 12701 - 12839.
- F. HOMEBUYER – is hereby defined as an eligible family based on gross income ($\leq 80\%$ of area median income based on family size); purchased property must be maintained as the primary residence; and ownership must be obtained by fee simple title; 99-year leasehold interest; or ownership, membership in a cooperative or mutual housing project.
- G. IDIS - is hereby defined as the Integrated Disbursement and Information System.
- H. PROJECT - is hereby defined as a site or an entire building or two or more buildings, together with the site or sites on which the building(s) is located, that are under common

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ownership, management, and financing and are to be assisted with HOME funds, under a commitment by the owner, as a single undertaking and is described at ***Exhibit B.***

- I. PROJECT COMPLETION – is hereby defined as the date all project completion data has been entered into IDIS.
- J. RECAPTURE – is hereby defined as the method COUNTY has chosen to recoup all of the HOME assistance if the housing does not continue to be the principal residence of the family for the duration of the period of affordability or is triggered by a sale (voluntary or involuntary) as described in 24 CFR 92.254 (5)(ii).
- K. SUBSTANTIAL CONSTRUCTION COMPLETION – is hereby defined as the date COUNTY is in receipt of Certificate of Occupancy or Certificate of Completion, final permits, all lien waivers and all Davis Bacon documentation (if required).
- L. UNIT – is hereby defined as each individual single family residence.
- M. WORK - is hereby defined as all the professional, technical and construction services to be rendered or provided by DEVELOPER as described herein at ***Exhibit B.***

Section II -TERM OF AGREEMENT

- A. The term of this Agreement, unless otherwise provided by Supplemental Agreement or Amendment, will remain in full force and effect through completion of all services required of the DEVELOPER or a two-year term from the date of execution of this Agreement, whichever comes first.
- B. DEVELOPER expressly agrees to complete all work required by this Agreement in accordance with the timetable set forth in ***Exhibit B.***
- C. Timely completion of the work specified in this Agreement is an integral and essential part of performance.
- D. The expenditure of HOME funds is subject to Federal deadlines and could result in the loss of the Federal funds. By the acceptance and execution of this Agreement, it is understood and agreed by DEVELOPER that the Project (more fully described in ***Exhibit B)*** will be completed as expeditiously as possible and that DEVELOPER will make every effort to ensure that the Project will proceed and will not be delayed.
- E. Failure to meet these deadlines can result in cancellation of this Agreement and the revocation of HOME funds.
- F. Since it is mutually agreed that time is of the essence in regards to this Agreement,

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DEVELOPER shall cause appropriate provisions to be inserted in all agreements or sub agreements relative to the work tasks required by this Agreement, in order to ensure that the Project will be completed according to the timetable set forth. It is intended that such provisions inserted in any sub agreement be, to the fullest extent permitted by law and equity, binding for the benefit of COUNTY and enforceable by COUNTY against DEVELOPER and its successors and assigns to the Project or any part thereof or any interest therein.

- G. In the event DEVELOPER is unable to meet the schedule set forth herein at *Exhibit B* or complete the services because of delays resulting from Acts of God, untimely review and approval by COUNTY and other governmental authorities having jurisdiction over the Project, or other delays beyond its control that are not caused by DEVELOPER, COUNTY shall grant a reasonable extension of time for completion of the Work. It shall be the responsibility of DEVELOPER to notify COUNTY promptly in writing whenever a delay is anticipated or experienced, and to inform COUNTY of all facts and details related to the delay.
- H. In addition, the Project is subject to ongoing compliance requirements of HOME for an Affordability Period of fifteen (15) years from the date of Homebuyer's closing. During this Affordability Period, DEVELOPER will assure continued compliance with HOME requirements, including but not limited to monitoring for use as principal residency and recapturing of funds at time of resale. In the event purchase assistance funds are loaned under this Agreement to Homebuyer, the Affordability Period with DEVELOPER will cease and be transferred to Homebuyer.

Section III – SCOPE OF WORK

- A. A detailed Scope of Work is attached as *Exhibit B*. DEVELOPER, in close coordination with COUNTY, shall perform all Work necessary to complete the development and occupancy of the Project in full compliance with the terms of this Agreement.
- B. It is understood that DEVELOPER will provide a specific working budget and realistic timetable in accordance with *Exhibit B* as relates to: acquisition, construction, rehabilitation, soft costs, development fees, and other allowable costs/activities prior to any fund usage. Said budget shall identify all sources and uses of funds, and allocate HOME and non-HOME funds to activities or line items.
- C. The Work shall be performed in essentially the manner proposed in DEVELOPER's proposal as received by COUNTY on June 28, 2021, as submitted with DEVELOPER'S application. The parties specifically agree that the aforementioned DEVELOPER's proposal shall be considered to be a part and portion of this Agreement and DEVELOPER acknowledges receipt of a copy of same.

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Section IV – BUDGET AND REIMBURSEMENT OF EXPENSES

- A. COUNTY shall provide HOME funds in an amount not to exceed Four Hundred Thousand Dollars and Zero Cents (\$400,000.00) (the “Funds”) in accordance with the budget hereby attached as *Exhibit B*.
- B. The Funds are comprised of Project expenses, each more fully described in *Exhibit C*.
- C. COUNTY reserves the right to inspect records and the Project site to determine that reimbursement and compensation requests are reasonable. COUNTY also reserves the right to hold payment until adequate documentation has been provided and reviewed.
- D. DEVELOPER may submit a final invoice upon occupancy of each home by an eligible low income household. Final payment shall be made after COUNTY has determined that all services have been rendered, files and documentation delivered, and the Unit has been placed in service in full compliance with HOME regulations, including submission of a completion report and documentation of eligible occupancy, property standards and long-term use restrictions.
- E. COUNTY shall have the right to review and audit all records of DEVELOPER pertaining to any payment by COUNTY. Said records shall be maintained for a period of five (5) years after the Affordability Period ends.

Section V - PROJECT REQUIREMENTS

DEVELOPER agrees to comply with all requirements of the HOME Program as stated in 24 CFR Part 92. In addition, DEVELOPER must comply with the following requirements specific to the Project including but not limited to the following:

- A. No Project funds will be advanced, and no costs can be incurred or committed until COUNTY has conducted an environmental review of the proposed Project site as required under 24 CFR Part 58. The environmental review may result in a decision to proceed with, modify or cancel the Project.
- B. Notwithstanding any provision of this Agreement, the parties hereto agree and acknowledge that this Agreement does not constitute a commitment of funds or site approval, and that such commitment of funds or approval may occur only upon satisfactory completion of environmental review and receipt by COUNTY of a release of funds from the U.S. Department of Housing and Urban Development under 24 CFR Part 58.
- C. Further, DEVELOPER will not undertake or commit any funds to physical or choice-limiting actions, including property acquisition, demolition, construction, rehabilitation, conversion, repair or construction prior to the environmental clearance. Violation of this

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provision may result in the denial of any funds under this Agreement.

- D. The HOME funds advanced to the Project will be secured by a note and mortgage, and in the case of a rental project, a deed covenant as required by 24 CFR Part 92.
- E. DEVELOPER is required to match twenty five (25%) percent of the total amount of HOME funds provided under this Agreement with non-federal resources. For a list of eligible forms of match refer to 24 CFR 92.220. DEVELOPER will provide documentation to support the availability of matching funds for the project prior to construction start.
- F. Once occupied by Homebuyer, DEVELOPER will ensure that all HOME assisted Units will be in compliance under 24 CFR 92.254, including documenting that the property is eligible under 24 CFR 92.254(a)(1) – (2), and will maintain compliance during the Affordability Period.
- G. DEVELOPER shall ensure and document that any contractor, subcontractor or participant awarded work under this Agreement is currently licensed and insured and has not been debarred, suspended or ineligible to perform work by HUD. To determine if a contractor, subcontractor or participant has been debarred, suspended or ineligible, go to: <https://www.epls.gov/>.
- H. DEVELOPER shall ensure and document that any expenditure of HOME funds will be in compliance with the requirements at 2 CFR 200, and acknowledges that HOME funds will only be provided as reimbursement for eligible costs incurred, including actual expenditures or invoices for Work completed.
- I. DEVELOPER will ensure that all HOME assisted must be single-family housing or condominiums. No manufactured housing is allowed to be purchased under this program.
- J. The property must be acquired in fee simple title by Homebuyer or through a ninety-nine (99) year lease.
- K. DEVELOPER will incorporate as appropriate accessibility features, universal design and green features to the Units that will be developed. All appliances must meet Energy Star requirements.
- L. Homebuyer must pay the lender's application fee if one is charged, (which will be credited at closing to the lender's appraisal), Flood Certification and Credit Report costs. In addition, Homebuyer will be required to pay the lender required escrows and the first year's homeowner's insurance. These contributions must come from Homebuyer's own funds. Homebuyer will provide proof of payment to DEVELOPER to support the payments by Homebuyer.

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- M. The maximum per Unit subsidy that may be invested on a per-Unit basis in affordable housing may not exceed the per-Unit dollar limitations established under section 221(d)(3)(ii) of the National Housing Act [12 U.S.C. 1715 l (d)(3)(ii)].
- N. Subsidy layering. Before committing funds to the Project, DEVELOPER shall evaluate the Project and will not invest any more HOME funds, in combination with other governmental assistance, than is necessary to provide affordable housing. The cost of this review will be borne by DEVELOPER and this expense may be eligible for reimbursement by HOME funds provided under this Agreement. DEVELOPER is responsible to ensure that the costs are reasonable.
- O. Affordability Period. The minimum number of years for the affordability period are listed below. At the discretion of COUNTY, the number of years may be increased.

HOME Homeownership assistance amount Per Unit	Minimum Period of Affordability (in years)
Under \$15,000	5
\$15,001 to \$40,000	10
\$40,001 up	15

The funds provided to eligible households under this program are subject to affordability requirements in accordance with 24 CFR 92.254. The HOME Affordability Period begins at closing with an eligible Homebuyer and will expire fifteen (15) years after that date. During this fifteen (15) year period, Homebuyer must maintain the home as his/her principal place of residence at all times. The interest rate on the loan is zero (0%) percent.

- P. In the event that Homebuyer sells the home, rents the home, or fails to keep the home as their primary residence or if the home is foreclosed during the Affordability Period, then the HOME assistance to the buyer will be recaptured by COUNTY. If the net proceeds are sufficient (amount of proceeds remaining after any superior loans plus any legal fees and closing costs are paid) the proceeds will be used to repay the HOME assistance.
- Q. The housing shall be acquired by Homebuyer whose family qualifies as a low-income family and the housing must be the principal residence of the family throughout the Affordability Period. The family shall be determined income eligible in accordance with the area median income limits for Marion County, Florida as published annually by HUD and adjusted for family size. DEVELOPER is responsible for qualifying the family as income eligible for assistance. Income documentation shall be in a form consistent with HOME requirements as stated in the HUD *Technical Guide for Determining Income and Allowances under the HOME Program* found at <http://www.hud.gov/offices/cpd/affordablehousing/library/modelguides/2005/1780.cfm>.

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- R. Once initial eligibility of Homebuyer is determined, DEVELOPER is required to:
1. Submit the income verification information to COUNTY for review. COUNTY will notify DEVELOPER that it concurs with the applicant's eligibility for the program. Written approval for DEVELOPER to issue an award letter to the applicant will be provided.
 2. Ensure that the property that is acquired with HOME funds under this Agreement closes no later than six (6) months from the date of income eligibility determination of the household by DEVELOPER after review and approval of income by COUNTY. If the property is not acquired within the six (6) month period, the applicant must be re-qualified as income eligible for assistance by DEVELOPER and a new Agreement executed if the applicant remains eligible for assistance.
 3. Collect and maintain Project beneficiary information pertaining to household size, income levels, racial characteristics, and the presence of Female Headed Households in order to determine low and moderate-income benefit in a cumulative and individual manner.
- S. In the event COUNTY furnishes funds directly to Homebuyer for purchase and closing cost assistance, upon receipt of the recorded deed COUNTY will file a satisfaction of DEVELOPER's mortgage with the Marion County Clerk of the Court cancelling the lien. A mortgage lien and promissory note will be executed with Homebuyer at closing, transferring the Affordability Period and attached requirements to Homebuyer.
- T. COUNTY retains the right to withhold payment if DEVELOPER fails to carry out the activities authorized under this Agreement in accordance with the timeline and schedule provided. Time is of the essence under this Agreement and the HOME program sets specific deadlines for reporting of expenditure of funds. DEVELOPER must comply with the timeframes stipulated under this Agreement and in the event that the Project cannot be completed on schedule, DEVELOPER shall immediately notify COUNTY. COUNTY shall pursue whatever legal actions are available to ensure compliance with the HOME program requirements up to and including taking title to the properties or transferring title of the properties to another developer.
- U. In the selection of occupants for Project Units, DEVELOPER shall comply with all nondiscrimination requirements of 24 CFR 92.350.
- V. DEVELOPER will comply with COUNTY's Affirmative Fair Housing Policy in marketing the homes for sale as follows:

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1. DEVELOPER will use the Fair Housing Logo in all of its advertising for properties built with HOME funds.



2. DEVELOPER will post a fair housing poster in its office in a location that is visible to the public being served under the HOME program. For a copy of the poster go to: http://portal.hud.gov/hudportal/documents/huddoc?id=DOC_7802.pdf
 3. All advertising, applications and marketing tools prepared by the DEVELOPER for the sale of HOME assisted Units shall include the following language "We comply with the Fair Housing Law. Our office does not discriminate on the basis of race, color, national origin, religion, sex, familial status or disability".
 4. DEVELOPER will provide all program participants with a copy of the "Fair Housing Equal Opportunity for All" brochure. A copy of the brochure can be found at: http://portal.hud.gov/hudportal/documents/huddoc?id=DOC_12146.pdf
- W. DEVELOPER shall assure compliance with COUNTY property, construction, and rehabilitation standards, local and state building codes, and with 24 CFR 92.251 if applicable, as it relates to Property Standards and Housing Quality Standards (HQS), Accessibility Standards under 24 CFR 92.251(a)(3), Model Energy Code standards, and Lead Based Paint Requirements as found in 24 CFR 92.355 and 24 CFR Part 35.
- X. Upon construction completion and sale to eligible Homebuyer, the designated HOME-assisted Units of the Project will meet affordability requirements as found in 24 CFR 92.254 as applicable.
- Y. Units will be monitored by DEVELOPER for principal residency. If Homebuyer is receiving purchase and closing cost assistance from COUNTY, Homebuyer is under the obligation to maintain the home as his or her principal residency.
- Z. DEVELOPER will be monitored by COUNTY for compliance with the regulations of 24 CFR 92 for the compliance period specified above. DEVELOPER will provide reports and access to Project files and this Project site as requested by COUNTY during Affordability Period.

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- AA. DEVELOPER agrees that any news release, article, public service announcement or advertisement or any other type of publicity pertaining to the Project (program literature, brochures, and letterhead, project signs) must recognize Marion County and the H.U.D. HOME Program as providing funds for the Project.
- BB. DEVELOPER will comply with 24 CFR Part 6 guidance to ensure the inclusion, to the maximum extent possible, of minorities and women, and entities owned by minorities and women, including, without limitation, real estate firms, construction firms, appraisal firms, management firms, financial institutions, investment banking firms, underwriters, accountants, and providers of legal services, in all Agreements entered into by DEVELOPER with such persons or entities, public and private, in order to facilitate the activities of COUNTY to provide affordable housing authorized under this Act or any other Federal housing law applicable to COUNTY.
- CC. COUNTY has the right to reject participation in the Project from any contractor that has had previous business with COUNTY and has failed to comply with the requirements of the program or who has been involved in litigation with COUNTY.

Section VI - FUNDING AND METHOD OF PAYMENT

- A. DEVELOPER is obtaining funding for the Project from various sources. The maximum amount payable by COUNTY under this Agreement shall be Four Hundred Thousand Dollars and Zero Cents (\$400,000.00). The HOME Funds provided by COUNTY to DEVELOPER shall be in the form of a deferred payment loan, zero (0%) percent interest. Upon execution of this Agreement, DEVELOPER shall execute and COUNTY shall record, at DEVELOPER's expense, in the Public Records of Marion County, Florida, a mortgage to ensure that the HOME assisted Units are sold to income eligible buyers. The security for the loan will be released upon completion of the fifteen (15) year Affordability Period.
- B. COUNTY shall pay on a monthly reimbursement schedule for eligible costs and expenses that are incurred.
1. Reimbursement will be made as follows: during construction upon COUNTY's receipt of eligible invoices, and at the closing with an eligible buyer (for purchase assistance funds).
 2. DEVELOPER shall submit a HOME Program Request for Payment Form, for reimbursement of Eligible Costs. Eligible Costs shall mean those costs provided for in *Exhibit C*, Pro-forma for the Project. COUNTY Construction Coordinator will perform a site visit to inspect the work and ensure that the costs have been incurred and the work is eligible for payment.

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3. Upon COUNTY's acceptance of a properly submitted Request for Payment form for Reimbursement of Eligible Costs and a determination by the Department that the Work has been properly completed, COUNTY will process the payment. COUNTY shall pay DEVELOPER within thirty (30) calendar days from receipt of the Request for Payment if there are no outstanding documents and all work has been completed.
- C. DEVELOPER shall provide COUNTY with Quarterly Progress Reports, or other reports required by the Department up through Project Completion.
- D. COUNTY retains the right to withhold payment for missing and incomplete progress reports.
- E. DEVELOPER shall have standards of financial accountability that conform to 2 CFR 200, "Standards for Financial Management Systems."
- F. HOME Funds shall not be reimbursed by COUNTY until the funds are needed for the payment of eligible costs. All HOME Funds not expended within the term of this Agreement shall remain in the custody and control of COUNTY. COUNTY may reallocate unexpended HOME Funds to other HOME Program projects if approved for funding by the governing body.
- G. DEVELOPER shall pay its subcontractors and suppliers within thirty (30) days following receipt of payment from COUNTY for such subcontracted work or supplies, if all required and supporting documentation is provided and the work is completed in accordance with the Agreement documents.
- H. For purposes of this section, requests for payment, reports and other documentation required under this Agreement, must be submitted within sixty (60) days after Project Completion. Reports submitted after that date may not be honored by COUNTY, at the sole discretion of COUNTY.
- I. DEVELOPER shall furnish to COUNTY all reports required by HUD and such additional reports as may be necessary to comply with all applicable laws, regulations, guidelines, and conditions specified in this Agreement and, further, DEVELOPER shall provide any other reports deemed reasonably necessary by COUNTY.
- J. COUNTY, HUD or the Comptroller General of the United States or any of their duly authorized representatives shall, at all times, have the right and option to monitor, inspect, audit and review DEVELOPER's performance and operation of the HOME program to be performed under this Agreement; and in connection therewith, all of the above mentioned entities shall have the right to inspect any and all records, books, documents, or papers of DEVELOPER, contractor and the subcontractors of contractor, for the purpose of making audit examination, excerpts and transcriptions.

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Section VII – REPAYMENT OF LOAN

- A. All HOME funds are subject to repayment in the event the Project does not meet the Project requirements as outlined in this Agreement.
- B. It is understood that upon the completion of the Project, any HOME funds reserved but not expended under this Agreement, will revert to COUNTY.
- C. Sale of the property by DEVELOPER to another developer may occur only with the approval of COUNTY. Provisions in those sale documents will provide for the extinguishment of the affordable housing requirements only in the event of a third-party foreclosure or deed in lieu of foreclosure.
- D. COUNTY may lend HOME funds to the individual homebuyer as a subsidy in an amount sufficient to make the purchase affordable. Any HOME funds that reduce the price of the Unit below the fair market value of the Unit shall be secured by a HOME note and mortgage as required in 24 CFR 92.254(a)(5)(ii), using the note and mortgage prescribed or approved by COUNTY (and consistent with the method identified in COUNTY's Consolidated Plan).
- E. All net sales proceeds from the sale of Units are considered to be Program Income and must be returned to COUNTY as repayment of DEVELOPER's HOME loan.
- F. Prior to closing of the sale of each unit, DEVELOPER shall provide to COUNTY the estimated settlement statement, along with a reconciliation statement and the draft note and mortgage, with notation and reference to the Recapture provision. The reconciliation statement shall account for the pro-ration of HOME project funds to the individual Unit, and identify those funds that are to be lent to Homebuyer as "Buyer subsidies" secured by the HOME note and mortgage, the pro-rated HOME development funds that are to be forgiven as "Development subsidies", and the amount of DEVELOPER's fee or CHDO sales proceeds to be retained from settlement funds.
- G. During the Affordability Period any resale proceeds that are received from Homebuyer as he or she resells the property to other buyers shall be considered "Recaptured Funds" under 24CFR 92.254(a)(5)(ii)(A)(5) and must be repaid to COUNTY for use in eligible HOME projects as required by 24 CFR 92.503.

Section VIII - DEVELOPER PROVISIONS

- A. The requirements in this section apply to DEVELOPER and DEVELOPER's sponsors and owners. It is understood that DEVELOPER has certified that it is and shall maintain CHDO developer status for the term of the Project/Agreement in accordance with 24 CFR 92.300A. DEVELOPER agrees to provide information as may be requested by COUNTY to document its continued compliance, including but not limited to an annual board roster

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and annual certification of continued compliance.

- B. This Agreement does not allow for pre-development funds as set forth in 24 CFR 92.301.
- C. This Agreement does not provide for CHDO Operating Expenses as set forth in 24 CFR 92.300(e) and (f).

Section IX – PROCUREMENT STANDARDS

- A. DEVELOPER shall establish procurement procedures to ensure that materials and services are obtained in a cost-effective manner. DEVELOPER's procurement procedures must be approved by COUNTY.
- B. In addition, it is understood that if DEVELOPER can be considered to be a religious organization, it shall abide by all portions of 24 CFR 92.257.

Section X – CONFLICT OF INTEREST PROVISIONS

- A. DEVELOPER warrants and covenants that it presently has no interest and shall not acquire any interest, directly or indirectly, which could conflict in any manner or degree with the performance of its services hereunder. DEVELOPER further warrants and covenants that in the performance of this Agreement, no person having such interest shall be employed.
- B. No persons who exercise or have exercised any functions or responsibilities with respect to activities assisted with HOME funds or who are in a position to participate in a decision making process or gain inside information with regard to these activities, may obtain a financial interest or benefit from a HOME-assisted activity, or have an interest in any Agreement, subcontract or Agreement with respect thereto, or the proceeds thereunder, either for themselves or those with whom they have family or business ties, during their tenure or for one (1) year thereafter.
- C. The conflict of interest provisions apply to any person, employee, agent, consultant, officer, or elected official or appointed official of COUNTY. If it is determined that a conflict of interest exists, COUNTY will be immediately notified. COUNTY will follow the process outlined in 24 CFR 570.611 and request an opinion from HUD to determine if a conflict of interest exists.
- D. No owner, developer or sponsor of a project assisted with HOME funds (or officer, employee, agent or consultant of the owner, DEVELOPER or sponsor) whether private, for profit or non-profit, including DEVELOPER when acting as an owner, developer or sponsor may occupy a HOME-assisted affordable housing Unit in the Project. This provision does not apply to an individual who receives HOME funds to acquire, construct, or rehabilitate his or her principal residence or to an employee or agent of the owner or

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developer of a rental housing project who occupies a housing Unit as the project manager or maintenance worker.

E. DEVELOPER will comply with COUNTY Conflict of Interest as follows:

No employee, agent, consultant, officer or elected official or appointed official of DEVELOPER who exercises or have exercised any function or responsibility with respect to HOME activities assisted under or who are in position to participate in a decision making process or gain inside information with regard to such activities, may obtain a financial interest or benefit from a HOME assisted activity, or have a financial interest in any Agreement, subcontract or Agreement with respect to a HOME assisted activity or with respect to the proceed of the HOME assisted activity, either for themselves or those with whom they have a family or business ties, during their tenure or for one year thereafter. This prohibition includes any Unit benefits or financial assistance associated with HOME projects or programs administered by DEVELOPER, including:

1. Occupancy of a Homebuyer Unit in a HOME assisted project;
2. Receipt of HOME Homebuyer acquisition assistance; or
3. Receipt of HOME owner-occupied rehabilitation assistance.

Section XI - COUNTY RESPONSIBILITIES

A. COUNTY shall furnish DEVELOPER with the following services and information from existing COUNTY records and COUNTY files:

1. COUNTY shall provide to DEVELOPER information regarding its requirements for the Project.
2. COUNTY will provide DEVELOPER with any changes in HOME regulations or program limits that affect the Project, including but not limited to income limits, property value limits and rent limits.
3. COUNTY will conduct progress inspections of Work completed to protect its interests as lender and regulatory authority for the Project, and will provide information to DEVELOPER regarding any progress inspections or monitoring to assist it in ensuring compliance.

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4. COUNTY's review and approval of the Work will relate only to overall compliance with the general requirements of this Agreement and HOME regulations, and all COUNTY regulations and ordinances.
5. COUNTY shall monitor, review, and evaluate the financial procedures of DEVELOPER through documents submitted to COUNTY and on-site monitoring. DEVELOPER shall provide to COUNTY such reports, and make available to COUNTY such records that will be necessary for a proper financial evaluation. With reasonable notice (generally ten [10] working days) being given to DEVELOPER, COUNTY shall schedule at least one (1) on-site visit during the term of this Agreement and other visits that may be needed.
6. COUNTY shall monitor, review, and evaluate DEVELOPER no less than annually. Fiscal reports will be reviewed and evaluated in terms of the total budget and accomplishments in relationship to expenditures. With reasonable notice [generally ten (10) working days] being given to DEVELOPER, the Department shall schedule at least one on-site visit and other visits that may be needed during the course of this Agreement. At such times and in such forms as COUNTY may require, there shall be furnished to COUNTY such statements, records, data, and information as may be necessary.
7. Within a reasonable period of time (generally forty five [45] days) after the monitoring visit, the Department shall furnish to DEVELOPER a letter and any necessary reports summarizing the monitoring visit. Such letters and reports will include any findings or concerns and recommendations for improvement.
8. DEVELOPER shall have thirty (30) days from the receipt of a financial or programmatic monitoring letter to address any findings or concerns. Should the concerns not be addressed in a manner acceptable to COUNTY, this Agreement shall be terminated in accordance with the provisions for termination outlined in this Agreement.
9. Nothing contained herein shall relieve DEVELOPER of any responsibility as provided under this Agreement.

Section XII -Equal Employment Opportunity

- A. During the performance of this Agreement, DEVELOPER agrees as follows:
 1. DEVELOPER will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. DEVELOPER will take affirmative action to ensure the applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer, recruitment or

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recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. DEVELOPER agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by COUNTY setting forth the provisions of this nondiscrimination clause.

2. DEVELOPER will, in all solicitations or advertisements for employees placed by or on behalf of DEVELOPER, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.
3. DEVELOPER will send to each labor union or representative of workers with which he has a Collective Bargaining Agreement or other Agreement or understanding, a notice to be provided by COUNTY's contracting officer, advising the labor union or worker's representative of DEVELOPER's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
4. DEVELOPER will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
5. DEVELOPER will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by HUD and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and order.
6. In the event DEVELOPER is found to be in noncompliance with the nondiscrimination clauses of this Agreement or with any of such rules, regulations or orders, this Agreement may be canceled, terminated or suspended in whole or in part and DEVELOPER may be declared ineligible for further Government Agreements in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965 or by rule, regulations, or order of the Secretary of Labor or as otherwise provided by law.
7. DEVELOPER will include the provisions of this Agreement in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontract or vendor. DEVELOPER will take such action with respect to any subcontract or purchase order as HUD may direct as a means of enforcing such provisions, including sanctions for noncompliance.

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Section XIII – LABOR, TRAINING AND BUSINESS OPPORTUNITY

- A. DEVELOPER agrees to comply with the federal regulations governing training, employment and business opportunities as follows:
1. It is agreed that the Work to be performed under this Agreement is on a project assisted under a program providing direct Federal assistance from HUD and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701(u) as well as any and all applicable amendments thereto. Section 3 of 12 U.S.C. 1701(u) requires that, to the greatest extent feasible, opportunities for training and employment be given to low- and moderate income residents of the Project area, and that agreements for work in connection with the Project be awarded to businesses which are located in, or owned in substantial part by persons residing in the Project area.
 2. DEVELOPER shall comply with the provisions of Section 3 of 12 U.S.C. 1701(u) and the regulations issued pursuant thereto by the Secretary of HUD set forth in 24 CFR and all applicable rules and orders of HUD issued thereunder as well as any and all applicable amendments thereto prior to the execution of this Agreement as well as during the term of this Agreement. DEVELOPER certifies and agrees that they are under no contractual or other impediment that would prevent them from complying with these requirements as well as any and all applicable amendments thereto.
 3. Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of this Agreement for default, and debarment or suspension from future HUD assisted agreements.

Section XIV – COMPLIANCE WITH FEDERAL, STATE & LOCAL LAWS

- A. DEVELOPER covenants and warrants that it will comply with all applicable laws, ordinances, codes, rules and regulations of the state local and federal governments, and all amendments thereto, including, but not limited to; Title 8 of the Civil Rights Act of 1968 PL.90-284; Executive Order 11063 on Equal Opportunity and Housing Section 3 of the Housing and Urban Development Act of 1968; Housing and Community Development Act of 1974, as well as all requirements set forth in 24 CFR 92 of the HOME Investment Partnership Program. DEVELOPER covenants and warrants that it will indemnify and hold COUNTY forever free and harmless with respect to any and all damages whether directly or indirectly arising out of the provisions and maintenance of this Agreement.
- B. DEVELOPER agrees to comply with all applicable standards, orders, or requirements issued under section 306 of the Clean Air Act [42 U.S.C. 1857(h)], Section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR Part 15).

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- C. DEVELOPER further warrants and agrees to include or cause to be included the criteria and requirements of this section in every non-exempt subcontract in excess of \$100,000. DEVELOPER also agrees to take such action as the federal, state or local government may direct to enforce aforesaid provisions.
- D. Public Records.
1. **IF DEVELOPER HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THEIR DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, CONTACT COUNTY'S CUSTODIAN OF PUBLIC RECORDS AT:**

Office of Public Relations

601 SE 25th Ave.

Ocala, FL 34471

Phone: 352-438-2300

Fax: 352-438-2309

Email: PublicRelations@MarionFL.org

2. If, under this Agreement DEVELOPER is providing services and is acting on behalf of COUNTY as provided under Section 119.011(2), under Florida Statutes, DEVELOPER shall:
 - a. Keep and maintain public records required by COUNTY to perform the Project;
 - b. Upon request from COUNTY's custodian of records, provide 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, Florida Statutes, or as otherwise provided by law;
 - c. Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of the term of this Agreement and following completion of this Agreement if DEVELOPER does not transfer the records to COUNTY; and,

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- d. Upon completion of this Agreement, transfer, at no cost, to COUNTY, all public records in possession of DEVELOPER or keep and maintain public records required by COUNTY to perform this Project. If DEVELOPER transfers all public records to COUNTY upon completion of this Agreement, DEVELOPER shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If DEVELOPER keeps and maintains public records upon completion of this Agreement, DEVELOPER shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to COUNTY upon request from COUNTY's custodian of public records in a format that is compatible with the information technology systems of COUNTY.
3. If DEVELOPER fails to provide requested public records to COUNTY within a reasonable time, COUNTY may immediately terminate this Agreement and DEVELOPER may be subject to penalties under Section 119.10, Florida Statutes.

Section XV – SUSPENSION & TERMINATION

- A. In accordance with 2 CFR 200.95, suspension or termination may occur if DEVELOPER materially fails to comply with any term of the award and, additionally, the award may be terminated for convenience.
- B. If, through any cause, DEVELOPER shall fail to fulfill in timely and proper manner its obligations under this Agreement, or if DEVELOPER shall violate any of the covenants, Agreements, or stipulations of this Agreement, COUNTY shall thereupon have the right to terminate this Agreement by giving written notice to DEVELOPER of such termination and specifying the effective date thereof, as least five (5) days before the effective date of such termination. In such event, DEVELOPER shall be entitled to receive just and equitable compensation for any Work satisfactorily completed thereunder to the date of said termination. Notwithstanding the above, DEVELOPER shall not be relieved of liability to COUNTY for damages sustained by COUNTY by virtue of any breach of this Agreement by DEVELOPER, and COUNTY may withhold any payments to DEVELOPER for the purpose of setoff until such time as the exact amount of damages due COUNTY from DEVELOPER is determined whether by court of competent jurisdiction or otherwise.

Section XVI - TERMINATION FOR CONVENIENCE OF COUNTY

In accordance with 2 CFR 200.95, COUNTY may terminate for its convenience this Agreement at any time by giving at least thirty (30) days written notice to DEVELOPER. If this Agreement is terminated by COUNTY, as provided herein, COUNTY will reimburse for

EXHIBIT A

any actual and approved expenses incurred, including those costs involved in terminating the contracts and shutting down the Work as of the date of notice, and DEVELOPER will be paid as a fee an amount which bears the same ratio to the total compensation as the services actually performed to the total service of DEVELOPER covered by this Agreement, less payments of compensation previously made. Claims and disputes between the parties will be submitted to the American Arbitration Association for resolution. Award or judgment may be entered in any court having jurisdiction thereof.

Section XVII - DEFAULT-LOSS OF GRANT FUNDS

- A. If DEVELOPER fails in any manner to fully perform and carry out any of the terms, covenants, and conditions of this Agreement, and more particularly if DEVELOPER refuses or fails to proceed with the Work with such diligence as will ensure its completion within the time fixed by the schedule set forth in *Exhibit B* of this Agreement, DEVELOPER shall be in default and notice in writing shall be given to DEVELOPER of such default by COUNTY or an agent of COUNTY. If DEVELOPER fails to cure such default within such time as may be required by such notice, COUNTY may, at its option, terminate and cancel this Agreement.
- B. In the event of such termination, all grant funds awarded to DEVELOPER pursuant to this Agreement shall be immediately revoked and any approvals related to the Project shall immediately be deemed revoked and canceled. In such event, DEVELOPER will no longer be entitled to receive any compensation for Work undertaken after the date of the termination of this Agreement, as the grant funds will no longer be available for the Project.
- C. Such termination shall not affect or terminate any of the rights of COUNTY as against DEVELOPER then existing, or which may thereafter accrue because of such default, and the foregoing provision shall be in addition to all other rights and remedies available to COUNTY under the law and the note, mortgage and Deed Restriction (if in effect), including but not limited to compelling DEVELOPER to complete the Project in accordance with the terms of this Agreement, in a court of equity.

Section XVIII - REPORTING RESPONSIBILITIES

- A. A. DEVELOPER agrees to submit quarterly to COUNTY on the progress of the Project. Reports are due on the fifteenth (15th) day of the month following the end of the quarter and will cover activities and performance benchmarks for the prior quarter. COUNTY retains the right to request additional documentation to comply with HUD's reporting requirements. If DEVELOPER fails to submit quarterly progress reports by the due date, no payments will be made to DEVELOPER under this Agreement until all outstanding reports have been submitted.
- B. COUNTY will send DEVELOPER one reminder notice if the report has not been received fourteen (14) days after the due date. If DEVELOPER has not submitted a

EXHIBIT A

report fourteen (14) days after the date on the reminder notice, COUNTY will have the option to terminate this Agreement as described herein. In addition, DEVELOPER agrees to provide COUNTY information as required to determine program eligibility, and financial records pertinent to the Project.

Section XIX -INSPECTION, MONITORING & ACCESS TO RECORDS

- A. All records will be maintained by DEVELOPER for five (5) years after the Affordability Period of Homebuyer ends.
- B. COUNTY reserves the right to inspect, monitor, and observe work and services performed by DEVELOPER at any and all reasonable times.
- C. COUNTY reserves the right to audit the records of DEVELOPER any time during the performance of this Agreement and for a period of five (5) years after final payment is made under this Agreement.
- E. DEVELOPER will provide COUNTY with a certified audit of DEVELOPER's records representing the Fiscal Year during which the Project becomes complete pursuant to the requirements of 2 CFR 200.500.
- F. Access shall be immediately granted to COUNTY, HUD, Comptroller General of the United States, or any of their duly authorized representatives to any books, documents, papers, project site access, and records of DEVELOPER or its contractors which are directly pertinent to this Agreement for the purpose of making audit, examination, excerpts, and transcription.
- G. DEVELOPER shall maintain all records required by the Federal regulations specified in 24 CFR 92.508 that are pertinent to the activities to be funded under this Agreement. Such records include but are not limited to:
 - 1. Records providing a full description of the Project undertaken.
 - 2. Records demonstrating that the Project meets the affordability requirements of 2 CFR 200.333 for the required period.
 - 3. Records demonstrating that the purchase price or estimated value after construction/rehabilitation for the Project does not exceed ninety-five (95%) percent of the median purchase price for the area in accordance with 2 CFR 200. The records must demonstrate how the estimated value was determined.
 - 4. Records demonstrating that the Project meets the property standards and the lead based paint requirements of 2 CFR 200.
 - 5. A full description of the Project assisted with HOME funds, including the

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location, form of HOME assistance, and the Units assisted with HOME funds.

6. The source and application of funds for the Project, including supporting documentation in accordance with 2 CFR 200 Subpart C.
7. Records demonstrating that Homebuyer is income eligible in accordance with 2 CFR 200.
8. Records documenting compliance with the fair housing and equal opportunity components of the HOME program.
9. Financial records as required by 2 CFR 200.

Section XX - GENERAL CONDITIONS

- A. DEVELOPER shall not assign any interest in this Agreement or otherwise transfer interest in this Agreement nor enter into any subcontract pursuant to this Agreement without submitting said proposed subcontract to COUNTY and without the prior written approval of COUNTY of the proposed subcontract. All requirements of this Agreement shall be applicable to any subcontracts entered into under this Agreement and it shall be DEVELOPER's responsibility to ensure that all requirements are included in said subcontracts and all subcontractors abide by said requirements.
- B. The waiver of a breach of any term, covenant or condition hereof shall not operate as a waiver of any subsequent breach of the same or any other term, covenant, or condition hereof. No forbearance on the part of either party shall constitute a waiver of any item requiring performance by the other party hereunder. A waiver by one party of the other party's performance shall not constitute a waiver of any subsequent performance required by such other party. No waiver shall be valid unless it is in writing and signed by authorized representatives of both parties.
- C. All notices or other communication which shall or may be given pursuant to this Agreement shall be in writing and shall be delivered by personal service, or by registered mail addressed to the other party at the address indicated herein or as the same may be changed from time to time. Such notice shall be deemed given on the day on which personally served; or, if by mail, on the fifth day after being posted or the date of actual receipt, whichever is earlier.
- D. DEVELOPER shall comply with the provisions of the Copeland Anti-Kick-Back Act (18 U.S.C. 874) as supplemented in the HUD Labor Regulations (29 CFR Part 3), as amended.
- E. DEVELOPER shall comply with the provisions of sections 103 and 107 of the Agreement Work Hours and Safety Standard Act (40 U.S.C. 327-330) as supplemented by HUD Labor regulations (29 CFR, Part 5), as amended.

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- F. DEVELOPER further warrants and agrees to include or cause to be included the criteria and requirements of this Agreement in every non-exempt subcontract. COUNTY also agrees to take such action as the federal, state or local government may direct to enforce aforesaid provisions.
- G. This Agreement shall be binding upon the parties hereto, their heirs, executors, legal representative, successors and assigns.
- H. DEVELOPER and its employees and agents shall be deemed to be independent contractors, and not agents or employees of COUNTY, and shall not attain any rights or benefits under the civil service or pension ordinances of COUNTY, or any rights generally afforded classified or unclassified employee; further, they shall not be deemed entitled to state Compensation benefits as an employee of COUNTY.
- I. Funding for this Agreement is contingent on the availability of funds and continued authorization for program activities and is subject to amendment or termination due to lack of funds, or authorization, reduction of funds, and/or change in regulations.

Section XXI - INSURANCE

- A. DEVELOPER, during the construction period, shall keep the property acquired under this Agreement insured against loss by fire, extended flood coverage, vandalism and malicious mischief, hazards, and in such amounts as COUNTY may require. The insurance requirements shall remain in effect until the property is sold to an income eligible buyer. "Marion County, Board of County Commissioners" shall be named as an Additional Insured.
- B. A Commercial General Liability Insurance Policy shall be provided which shall contain minimum limits of One Million Dollars (\$1,000,000.00) per occurrence and Two Million Dollars (\$2,000,000.00) in the annual aggregate combined single limit for bodily injury liability and property damage liability. The Certificate must show an appropriate endorsement (ISO CG2501) or greater with "Marion County, Board of County Commissioners" shown as an Additional Insured.
- C. DEVELOPER shall maintain Workers' Compensation insurance as required by law. Employers liability limits should be at least \$100,000 each accident and \$100,000 each employee with \$500,000 policy limit for disease. COUNTY need not be named as an Additional Insured, but a "subrogation waiver endorsement is required."
- D. DEVELOPER shall submit to COUNTY, prior to the distribution of any funds under this Agreement, a Certificate of Insurance as proof of insurance coverage and upon request a copy of all policies evidencing such coverage. The Certificate must be issued by a company authorized to do business in the State of Florida and with an A.M. Best Company rating of at least B+, showing the "Marion County Board of County Commissioners" as an Additional Insured. The Community Services Director should be shown as the Certificate Holder, and the Certificate should provide for a 30 day

EXHIBIT A

cancellation notice to that address. COUNTY reserves the right to request proof that the insurance premium for such policies effective during the term of this Agreement has been paid.

- E. These insurance requirements shall not relieve or limit the liability of DEVELOPER. COUNTY does not in any way represent that these types or amounts of insurance are sufficient or adequate to protect DEVELOPER interests or liabilities, but are merely minimums. No insurance is provided by COUNTY under this Agreement to cover the contractors and subcontractors.
- F. Insurance required of DEVELOPER or any other insurance of DEVELOPER shall be considered primary and insurance or self-insurance of COUNTY shall be considered excess, as may be applicable to claims against COUNTY which arise out of this Agreement. Insurance written on a "Claims Made" form is acceptable only at the option of COUNTY'S Contracting Officer upon recommendation of Risk Management.
- G. DEVELOPER shall require its General Contractor to provide Builder's Risk Insurance in the amount of one hundred (100%) percent of replacement value of the completed structure until Project Completion. Such Builder's Risk policy shall be an all risk form with a deductible not to exceed Ten Thousand Dollars (\$10,000.00) each claim and shall contain a loss payable clause to include COUNTY of Marion, Florida. DEVELOPER shall furnish to COUNTY Certificates of Insurance or endorsements evidencing the insurance coverage specified by this Article prior to beginning performance of Work under this Agreement. Coverage shall not cease and is to remain in force until all Work is completed.
- H. No Work shall be commenced under this Agreement until the required Certificate(s) have been provided. Work shall not continue after expiration (or cancellation) of the Certificate and shall not resume until new Certificate(s) have been provided.

XXII - INDEMNIFICATION

- A. DEVELOPER shall at all times hereafter indemnify, hold harmless and defend COUNTY, its officers, agents, servants, and employees against any and all claims, losses, liabilities, and expenditures of any kind, including attorney fees, court costs, and expenses, caused by any intentional, reckless, or negligent act or omission of DEVELOPER, its employees, agents, servants, or officers, or accruing, resulting from, or related to the subject matter of this Agreement including, without limitation, any and all claims, demands, or causes of action of any nature whatsoever resulting from injuries or damages sustained by any person or property. The provisions of this section shall survive the expiration or earlier termination of this Agreement. To the extent considered necessary by COUNTY, any sums due to DEVELOPER under this Agreement may be retained by COUNTY until all of COUNTY's claims for indemnification pursuant to this Agreement have been settled or otherwise resolved; and any amount withheld shall not be subject to payment of interest by COUNTY.

EXHIBIT A

- B. In the event that DEVELOPER contracts with a third party contractor to provide the construction related services set forth herein, any Agreement with such third party shall include the following provisions:
 - 1. Indemnification: To the fullest extent permitted by law, Contractor shall indemnify and hold harmless COUNTY, its officers and employees, from liabilities, damages, losses, and costs, including, but not limited to, reasonable attorney's fees, to the extent caused by the negligence, recklessness, or intentionally wrongful conduct of Contractor and persons employed or utilized by Contractor in the performance of this Agreement. These indemnifications shall survive the term of this Agreement.
- C. DEVELOPER shall comply with the anti-lobbying legislation set forth in 24 CFR 91.225 in COUNTY's Consolidated Plan submitted to HUD for the HOME Program; both incorporated herein by reference.

EXHIBIT B

**HOME PROGRAM
SCOPE OF SERVICES AND BUDGET
BETWEEN MARION COUNTY AND
HABITAT FOR HUMANITY OF MARION COUNTY**

A. ACQUISITION

1. Upon approval of a potential property, DEVELOPER will place a contract for purchase contingent upon inspections including, but not inclusive of, County Environmental Review, Soil Testing, Title, Survey, Appraisal, Termite Inspection and all other necessary inspections.
2. DEVELOPER will complete the required environmental review including a lead paint assessment if the unit was built before 1978.
3. DEVELOPER will facilitate the closing and purchase of the property.
4. DEVELOPER will submit a summary of acquisition and request reimbursement for eligible costs.
5. DEVELOPER will be responsible for keeping HOME properties insured, secured and maintained until all construction work has been completed and the property has been conveyed and occupied by an eligible homebuyer.
6. At approval, COUNTY will encumber the property with a Developer Lien to maintain the affordability restrictions as defined in 24 CFR 92.254(4).

B. CONSTRUCTION

1. All new construction work including quality of materials and installation will be completed in full compliance with Marion County written Standards as contained in its Construction Performance Manual or other applicable document, and all applicable local and state codes.
2. COUNTY will provide HOME funds for the new construction of the unit on a reimbursement basis at completion of construction and Certificate of Occupancy. ALL change orders must be submitted and approved by COUNTY prior to work starting.
3. DEVELOPER will manage the entire construction process including periodic site inspections, monitoring of progress, but work closely with the Community Services Project Coordinator during the process.
4. DEVELOPER will facilitate, certificates of occupancy, lien releases and will maintain documentation of all perm its and inspections.
5. COUNTY will inspect the unit prior to occupancy and document that it is in compliance

EXHIBIT B

with its locally adopted written property standards.

6. DEVELOPER will manage on-going maintenance of the property until sold/occupied and will coordinate and manage warranty-related repairs during the warranty period.
 7. DEVELOPER will submit a summary of new construction and request reimbursement for eligible costs.
- C. To the greatest extent possible, total allowable costs will be kept to a minimum, and within the estimated appraised after-construction value. Construction costs include materials, contractual labor, permits, utilities, and other costs as outlined in Budget.**
1. DEVELOPER shall price the properties. Pricing of the properties shall be the lesser of either the HUD provided purchase price limit for the area or ninety five percent (95%) of the median area purchase price.
 2. DEVELOPER is responsible for marketing and outreach necessary to sell each home and will complete the conveyance of the property to the eligible HOME participant household.
 3. DEVELOPER will identify, determine household and income eligibility of the Homebuyer for the unit.
 4. Homebuyer will be required to attend certified HUD Homebuyer Education offered through Marion County Extension Services or Neighborhood Housing Development Corporation.
 5. Homebuyer will obtain a first mortgage commitment from a lender through the Marion County Lender's Consortium or other approved lender.
 6. Homebuyer will meet the home equity requirements of the first mortgage lender and COUNTY.
 7. DEVELOPER will certify income eligibility of the Homebuyer in accordance with Part V of 4350.03 and recommend a Down Payment Assistance amount for review by the COUNTY. Upon approval by the COUNTY, DEVELOPER will issue an award letter defining the HOME investment terms and amount the Homebuyer will receive from the participating jurisdiction for down payment and closing cost assistance.
 8. DEVELOPER will provide the participating jurisdiction with a draft settlement statement that breaks down the acquisition and new construction related soft costs and provide the Homebuyer with a Good Faith Estimate outlining a clear projection of the settlement costs.
 9. The first mortgage lender, DEVELOPER and Homebuyer will close the acquisition using a local title company.

EXHIBIT B

10. Upon conveyance of the HOME property to an eligible household, the COUNTY will provide direct down payment and closing cost assistance to Homebuyer at close, discharge the existing affordability restrictions and place affordability recapture restrictions required by 24 CFR 92.254(4) on the property. Homebuyer will sign a HOME Homebuyer Written Mortgage and Note with the COUNTY for the specific unit.
11. DEVELOPER will assign sellers proceeds as they appear on the HUD 1 Closing Statement for the sale of each home to COUNTY at time of closing.
12. DEVELOPER will submit a request for reimbursement of all remaining unreimbursed eligible costs at transfer to an eligible household.
13. The described process will repeat until the allocation to the DEVELOPER reaches \$0 or until the Agreement expires, whichever comes first.

D. DEVELOPER'S FEE

1. DEVELOPER will receive a Developer's fee of \$7,500 per home.
2. Developer's fee will include all maintenance costs from date of completion of construction to date of closing with an eligible household, to include but not inclusive; utilities, insurance, lawn care, taxes and vandalism not covered by insurance.
3. COUNTY will disburse the Developer's fee as follows; 15% at close of acquisition, 25% at completion of construction or rehab and 60% at closing to eligible homebuyer. COUNTY will disburse the Developer's fee as follows:

a. 15% at close of Acquisition	\$1,125.00
b. 25% at completion of Construction or Rehab	\$1,875.00
c. Balance of fee at closing to eligible household	\$4,500.00

E. ELIGIBLE PROJECT COSTS AND BUDGET

1. DEVELOPER shall comply with *Exhibit C*, "Pro-Forma" attached, setting forth agreed upon costs.
2. The DEVELOPER agrees to spend HOME development funds only on eligible project costs as defined in 24 CFR 92.206. DEVELOPER also agrees to spend all HOME funds in accordance with the Pro-forma, *Exhibit C*. Changes to the budget must be approved by Marion County. Developer shall all matching funds and their sources, 25% of total HOME grant, in the Pro-forma.

EXHIBIT B

- COUNTY agrees to pay Four Hundred Thousand Dollars and Zero Cents (\$400,000) for the construction of four (4) units.

F. UNITS AND UNIT SIZES

- Four (4) units shall be single family home containing no more than a singles family residents and shall be newly constructed during the term of the Agreement.
- Units must have an new construction value that does not exceed ninety-five (95%) percent of the median purchase price for the PJ's service area as defined in the Single Family Mortgage Limits under Section 203(b) of the National Housing Act (12 U.S. Code 1709(b)).

G. PROPERTY STANDARDS (24 CFR 92.251 and 92.355)

- The participating jurisdiction has provided DEVELOPER with a set of Property Standards to which all assisted units must comply upon completion.
- The participating jurisdiction has provided DEVELOPER with a set of Construction Standards (e.g., its Construction Performance Manual) for governing the new construction, (including quality of materials and construction work) of units for resale.
- DEVELOPER agrees to follow the Property Standards and Construction Standards in the new construction of all units for sale and further agrees to meet all applicable Local and/or state Building Codes in force at the time of new construction.

H. SCHEDULE OF PERFORMANCE BENCHMARKS

- DEVELOPER shall meet the following performance benchmarks:

Construction Benchmark		Deadline
Project Start Date	Home 1	June 2022
	Home 2	June 2022
	Home 3	December 2022
	Home 4	January 2023
Project Completion Date	Home 1	February 2023
	Home 2	February 2023
	Home 3	August 2023
	Home 4	September 2023

Purchase Assistance Benchmark	Deadline
Closing	January 2024

EXHIBIT C

**Pro-forma Construction Costs for CHDO & HOME Funds
April 2022**

	Costs	
	Costs/ House	Total Project Costs
4 Homes		
Lot Purchase	\$35,000	\$140,000
Pre-Construction Costs		
Appraisal	\$450	\$1,800
Survey	\$825	\$3,300
Building Permits	\$453	\$1,812
Impact Fees	\$1,093	\$4,372
Septic Permit	\$350	\$1,400
Percolation Test	\$42	\$168
Total	\$3,213	\$12,852
Construction Costs		
Materials & Subs	\$83,428	\$333,712
Infrastructure	\$15,873	\$63,492
Contingency 5%	\$4,965	\$19,860
Total	\$104,266	\$417,064
Closing Costs		
Title Work	\$1,685	\$6,740
Developer/Activity Fees		
Developer Fee	\$7,500	\$30,000
Total Project Costs	\$151,664	\$606,656
Volunteer 1,300 \$8.25/Hr	\$10,725	\$42,900
Total House & Funding & Volunteer Contribution	\$162,389	\$649,556

EXHIBIT D

MARION COUNTY, FLORIDA			
INCOME LIMITS ADJUSTED TO FAMILY SIZE			
2022			
Median Income: \$65,200	30%	50%	80%
Household Size			
1 PERSON	\$13,590.00	\$21,800.00	\$34,850.00
2 PERSON	\$18,310.00	\$24,900.00	\$39,800.00
3 PERSON	\$23,030.00	\$28,000.00	\$44,800.00
4 PERSON	\$27,750.00	\$31,100.00	\$49,750.00
5 PERSON	\$32,470.00	\$33,600.00	\$53,750.00
6 PERSON	\$36,100.00	\$36,100.00	\$57,750.00
7 PERSON	\$38,600.00	\$38,600.00	\$61,700.00
8 PERSON	\$41,100.00	\$41,100.00	\$65,700.00
		Valid as of 4/21/22	

EXHIBIT E

Property Descriptions of Project for Habitat for Humanity of Marion County, Inc.

<u>P.I.D#</u>	2301-005-033
<u>Address:</u>	
<u>Legal description:</u>	SEC 16 TWP 15 RGE 21 PLAT BOOK G PAGE 051 OCALA RIDGE UNIT 1 BLK E LOT 33.34.35
<u>P.I.D#</u>	2333-001-009
<u>Address:</u>	3801 SW 22 nd Street
<u>Legal description:</u>	SEC 22 TWP 15 RGE 21 PLAT BOOK H PAGE 001 MEADOW OAKS UNIT 1 BLK A LOT 9
<u>P.I.D#</u>	9016-0230-10
<u>Address:</u>	32 Pine Run
<u>Legal description:</u>	SEC 17 TWP 16 RGE 23 PLAT BOOK J PAGE 128 SILVER SPRINGS SHORES UNIT 16 BLK 230 LOT 10
<u>P.I.D#</u>	9025-0645-64
<u>Address:</u>	48 Juniper Trail
<u>Legal description:</u>	SEC 13 TWP 16 RGE 22 PLAT BOOK J PAGE 202 SILVER SPRINGS SHORES UNIT 25 BLK 645 LOT 64

Record and Return to:

Marion County Community Services
2710 E, Silver Springs Blvd.
Ocala, FL 34470

Rec. Fees: \$95.00

DS: \$350.00

This Document Prepared By:

Marion County Community Services
Department 2710 E. Silver Springs Blvd.
Ocala, Florida 34470

Property Appraiser's Parcel ID No: 2301-005-033

Owner: Habitat for Humanity of Marion County, Inc.

MORTGAGE LIEN
FOR REAL PROPERTY ACQUIRED OR IMPROVED
IN WHOLE OR IN PART WITH HOME FUNDS

This mortgage made by and between Marion County, a political subdivision of the State of Florida, 601 SE 25th Ave., Ocala, FL 34471 ("Mortgagee") and Habitat for Humanity of Marion County, Inc., 1321 SE 25th Loop, Suite 103, Ocala FL 34471 ("Mortgagor").

WHEREAS, Mortgagee is the administrator of the U.S. Department of Housing and Urban Development ("HUD") HOME Investment Partnerships Program ("HOME"); and

WHEREAS, pursuant to law, HUD has made available to Mortgagor, through Mortgagee, certain funds to be used in the acquisition and/or development of certain real property described herein and the single family residential unit located thereon for sale to low- and moderate-income HOME eligible people and families; and

WHEREAS, the use of the property qualifies under the HOME program as meeting one of the national objectives in 24 CFR Part 92 and is not a building for the general conduct of government; and

WHEREAS, upon completion of construction Mortgagor will sell the unit to low- and moderate-income HOME eligible person and family according to 24 CFR 92.252 and in accordance with the separate agreement between Mortgagor and Mortgagee executed May _____, 2022, entitled Marion County's Standard Professional Services Agreement HOME Developer Community Housing Development Organization Project (the "Agreement"); and

WHEREAS, this Mortgage shall constitute a lien on the property to ensure performance as described herein, as set forth in the promissory note of even date between the parties (the "Note") and as set forth in the Agreement entered into by the parties, until released as provided herein;

NOW, THEREFORE in consideration of the financial assistance granted herein and in order to secure the payment of both the principal, and interest, and any other sums payable on the Note or this Mortgage and the performance and observance of all the provisions hereof, of the Note, and of the Agreement, Mortgagor hereby grants, sells, warrants, conveys, assigns, transfers, mortgages and sets over and confirms unto Mortgagee all of Mortgagor's estate, right, title and interest in, to and under all that certain real property situate in Marion County, Florida, more particularly described as follows:

Parcel ID #2301-005-033 Lots 33 through 35, inclusive, Block "E", as shown on map entitled Ocala Ridge, Unit No. 1, filed in Map Book "G", Page 51, of the Public Records of Marion County with the Clerk of the Circuit Court thereof.

TOGETHER WITH all improvements now or hereafter located on said real property and all fixtures, appliances, apparatus, equipment, furnishings, heating and air conditioning equipment, machinery and articles of personal property and replacement thereof (other than those owned by lessees of said real property) now or hereafter affixed to, attached to, placed upon, or used in any way in connection with the complete and comfortable use, occupancy, or operation of the said real property, all licenses and permits used or required in connection with the use of said real property, all leases of said real property now or hereafter entered into and all right, title and interest of Mortgagor thereunder, including without limitation, cash or securities deposited thereunder pursuant to said leases, and all rents, issues, proceeds, profits, revenues, royalties, rights, accounts, accounts receivable, and benefits arising from, relating to or accruing from said real property and together with all proceeds of the conversion, voluntary or involuntary of any of the foregoing into cash or liquidated claims, including without limitation, proceeds of insurance and condemnation awards (the foregoing said real property, tangible and intangible personal property hereinafter collectively referred to as the "Mortgaged Property"). Mortgagor hereby grants to Mortgagee a security interest in the foregoing described tangible and intangible personal property.

MORTGAGOR covenants and agrees as follows:

1. The terms and conditions contained in the Agreement and the Note are incorporated herein and made a part hereof as fully as if set forth herein.
2. HOME funds in the amount of **One Hundred Thousand Dollars and No Cents (\$100,000.00)** have been provided to or for the benefit of Mortgagor to assist in the acquisition and/or development of the Mortgaged Property.
3. Mortgagor warrants that Mortgagor has good and marketable title to an indefeasible fee estate in the real property comprising the Mortgaged Property subject to no lien, charge or encumbrance except as Mortgagee has agreed to accept in writing, and Mortgagor covenants that this Mortgage is and will remain a valid and enforceable mortgage on the Mortgaged Property subject only to the exceptions herein provided. Mortgagor has full power and lawful authority to mortgage the Mortgaged Property in the manner and form herein done or intended hereafter to be done. Mortgagor will preserve such title and will forever warrant and defend the same to Mortgagee and will forever warrant and defend the validity and priority of the lien hereof against the claims of all persons and parties whomsoever.
4. Mortgagor will, at the cost of Mortgagor, and without expense to Mortgagee, do, execute, acknowledge and deliver all and every such further acts, deeds, conveyances, mortgages, assignments, notices of assignment, transfers and assurances as Mortgagee shall from time to time require in order to preserve the priority of the lien of this Mortgage or to facilitate the performance of the terms hereof.
5. This Mortgage shall terminate upon the repayment of the HOME funds or upon sale of the unit, whichever occurs first. This Mortgage shall expire upon fifteen (15) years from the date of execution. Upon termination or expiration, Mortgagee shall execute a release from this Mortgage and lien which shall be recorded in the public records of Marion County, Florida.
6. If MORTGAGOR fails to complete construction or otherwise fails to sell the Mortgaged Property to a HOME eligible family and/or individual within nine (9) months of the completion of construction or rehabilitation Mortgagor shall convert homebuyer housing to a rental unit and operate in compliance with 24 CFR 92.252 for the affordability period applicable to rental projects (20 years for new construction).
7. Mortgagor further covenants and agrees to pay when due, without requiring any notice from Mortgagee, all taxes, assessments of any type or nature and other charges levied or assessed against the Mortgaged Property

or this Mortgage and produce receipts therefor upon demand. To immediately pay and discharge any claim, lien or encumbrance against the Mortgaged Property which may be or become superior to this Mortgage and to permit no default or delinquency on any other lien, encumbrance or charge against the Mortgaged Property.

8. Mortgagor further covenants and agrees to promptly pay all taxes and assessments assessed or levied under and by virtue of any state, federal, or municipal law or regulation, hereafter passed against Mortgagee upon this Mortgage or the debt hereby secured, or upon its interest under this Mortgage, provided however that the total amount so paid for any such taxes pursuant to this paragraph together with the interest payable on said indebtedness shall not exceed the highest lawful rate of interest in Florida and provided further that in the event of the passage of any such law or regulation imposing a tax or assessment against Mortgagee upon this Mortgage or the debt secured hereby, that the entire indebtedness secured by the Mortgage shall thereupon become immediately due and payable at the option of Mortgagee.
9. Mortgagor further covenants and agrees to maintain the Mortgaged Property in good condition and repair, including but not limited to the making of such repairs as Mortgagee may from time to time determine to be necessary for the preservation of the Mortgaged Property and to not commit or permit any waste thereof, and Mortgagee shall have the right to inspect the Mortgaged Property on reasonable notice to Mortgagor.
10. Mortgagor further covenants and agrees to comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting the Mortgaged Property, and not to cause or permit any violation thereof.
11. Mortgagor further covenants and agrees that if Mortgagor fails to pay any claim, lien or encumbrance which is superior to this Mortgage, or when due, any tax or assessment or insurance premium or to keep the Mortgaged Property in repair, or shall commit or permit waste, or if there be commenced any action or proceeding affecting the Mortgaged Property or the title thereto, or the interest - of Mortgagee therein, including but not limited to, eminent domain and bankruptcy or reorganization proceedings, then Mortgagee, at its option, may pay said claim, lien encumbrance, tax, assessment or premium, with right of subrogation thereunder, may make such repairs and take such steps as it deems advisable to prevent or cure such waste, and may appear in any such action or proceeding and retain counsel therein, and take such action therein as Mortgagee deems advisable, and for any of such purposes, Mortgagee may advance such sums of money, including all costs, reasonable attorney's fees, an other items of expense as it deems necessary. Mortgagee shall be the sole judge of the legality, validity and priority of any such claim, lien, encumbrance, tax, assessment and premium and of the amount necessary to be paid in satisfaction thereof. Mortgagee shall not be held accountable for any delay in making any such payment, which delay may result in any additional interest, costs, charges, expenses or otherwise.
12. Mortgagor further covenants and agrees that Mortgagor will pay to Mortgagee, immediately and without demand, all sums of money advanced by Mortgagee to protect the Mortgaged Property hereof pursuant to this Mortgage, including all costs, reasonable attorney's fees and other items of expense, together with interest on each such advancement at the rate of interest provided herein and all such sums and interest thereon shall be secured hereby.
13. Mortgagor further covenants and agrees all sums of money secured hereby shall be payable without any relief wherever from any valuation or appraisal laws.
14. If default occurs in payment of the principal or interest of the Note or any part thereof when due, or in payment, when due or any other sum secured hereby, or in performance of any Mortgagor's obligations, covenants or agreements hereunder, in the Note or in the Agreement, all of the indebtedness secured hereby shall become and be immediately due and payable at the option of Mortgagee, without notice or demand, which are hereby expressly waived, in which event, Mortgagee may avail itself of all rights and remedies, at

law or in equity, and this Mortgage may be foreclosed with all rights and remedies afforded by the laws of Florida and Mortgagor shall pay all costs, charges, and expenses thereof, including a reasonable attorney's fee, including all such other costs, expense and attorney's fees for any retrial, rehearing or appeals. The indebtedness secured hereby shall bear interest at the rate provided herein from and after the date of any such default of Mortgagor.

15. If default be made in payment, when due, of any indebtedness secured hereby, or in performance of any of Mortgagor's obligations, covenants or agreements in this Mortgage, the Note or the Agreement:

- A) Mortgagee is authorized at any time, without notice, in its sole discretion to enter upon and take possession of the Mortgaged Property or any part thereof, to perform any acts Mortgagee deems necessary or proper to conserve the Mortgaged Property and to collect and receive all rents, issues, profits, revenues, royalties, rights, proceeds, accounts, accounts receivable, and benefits thereof, including those past due as well as those accruing thereafter; and
- B) Mortgagee shall be entitled, as a matter of strict right, without notice and ex parte, and without regard to the value or occupancy of the Mortgaged Property, or the solvency of Mortgagor, or the adequacy of the Mortgaged Property as security for the Note to have a receiver appointed to enter upon and take possession of the Mortgaged Property, collect the rents, issues, profits, revenues, royalties, rights, proceeds, accounts, accounts receivable, and benefits therefrom and apply the same as the court may direct, such receiver to have all the rights and powers permitted under the laws of Florida.

In either such case, Mortgagee or the receiver may also take possession of, and for these purposes, use any and all personal property which is a part of the Mortgaged Property and used by Mortgagor in the rental or leasing thereof or any part thereof. The expense (including receiver's fees, counsel fees, costs and agent's compensation) incurred pursuant to the powers herein contained shall be secured hereby. Mortgagee shall (after payment of all costs and expenses incurred) apply such rents, issues, and profits received by it on the indebtedness secured hereby in such order and Mortgagee determines. The right to enter and take possession of the Mortgaged Property, to manage and operate the same, and to collect the rents, issues, profits, revenues, royalties, rights, proceeds, accounts, accounts receivable and benefits thereof, whether by a receiver or otherwise, shall be cumulative to any other right or remedy hereunder or afforded by law, and may be exercised concurrently therewith or independently thereof. Mortgagee shall be liable to account only for such rents, issue and profits actually received by Mortgagee.

16. If the indebtedness secured hereby is now or hereafter secured by chattel mortgages, security interests, financing statements, pledges, contracts of guaranty, assignments of leases, or other securities, or if the Mortgaged Property hereby encumbered consists of more than one (1) parcel of real property, Mortgagee may, at its option, exhaust any one or more of said securities and security hereunder, or such parcels of security hereunder, either concurrently or independently, and in such order as it may determine.
17. This Mortgage shall secure not only existing indebtedness, but also such future advances, whether such advances are obligatory or to be made at the option of Mortgagee, or otherwise, as are made within fifteen (15) years from the date hereof, to the same extent as if such future advances were made on the date of the execution of this Mortgage, but such secured indebtedness shall not exceed at any time the maximum principal amount of two (2) times the amount of the Note, plus interest thereon, plus any disbursements made for the payment of taxes, levies, or insurance on the Mortgaged Property, plus interest on such disbursements. Any such future advances, whether obligatory or to be made at the option of Mortgagee, or otherwise, may be made either prior to or after the due date of the Note or any other notes secured by this Mortgage. This Mortgage is given for the specific purpose of securing any and all indebtedness by Mortgagor to Mortgagee (but in no event shall the secured indebtedness exceed at any time the maximum principal amount set forth in

this paragraph) in whatever manner this indebtedness may be evidenced or represented until this Mortgage is satisfied of record. All covenants and agreement contained in this Mortgage shall be applicable to all further advances made by Mortgagee to Mortgagor under this future advance clause.

18. No delay by Mortgagee in exercising any right or remedy hereunder, or otherwise afforded by law, shall operate as a waiver thereof or preclude the exercise thereof during the continuance of any default hereunder. No waiver by Mortgagee of any default shall constitute a waiver of or consent to subsequent defaults. No failure of Mortgagee to exercise any option herein given to accelerate maturity of the debt hereby secured, no forbearance by Mortgagee before or after the exercise of such option and no withdrawal or abandonment of foreclosure proceeding by Mortgagee shall be taken or construed as a waiver of its right to exercise such option or to accelerate the maturity of the debt, hereby secured by reason of any past, present, or future default on the part of Mortgagor; and, in like manner, the procurement of insurance or the payment of taxes or other liens or charges by Mortgagee shall not be taken or construed as a waiver of its right to accelerate the maturity of the debt hereby secured.
19. Without affecting the liability of Mortgagor or any other person (except any person expressly released in writing) for payment of any indebtedness secured hereby or for performance of any obligation contained herein, in the Note and/or in the Agreement, and without affecting the rights of Mortgagee with respect to any security not expressly released in writing, Mortgagee may, at any time and from time to time, either before or after the maturity of the Note, and without notice or consent:
 - A) Release any person liable for payment of all or part of the indebtedness or for performance of any obligation;
 - B) Make any agreement extending the time or otherwise altering the terms of payment of all or any part of the indebtedness, or modifying or waiving any obligation, or subordinating, modifying or otherwise dealing with the lien or charge hereof;
 - C) Exercise or refrain from exercising or waive any right Mortgagee may have;
 - D) Accept additional security of any kind; and
 - E) Release or otherwise deal with any property, real or personal, securing the indebtedness, including all or any part of the Mortgaged Property.
20. Any agreement hereafter made by Mortgagor and Mortgagee pursuant to this Mortgage shall be superior to the rights of the holder of any intervening lien or encumbrance.
21. Mortgagor hereby waives all right of homestead exemption if any, in the Mortgaged Property.
22. In the event of condemnation proceedings of the Mortgaged Property, the award or compensation payable thereunder is hereby assigned to and shall be paid to Mortgagee. Mortgagee shall be under no obligation to question the amount of any such award or compensation and may accept the same in the amount in which the same shall be paid. In any such condemnation proceedings, Mortgagee may be represented by counsel selected by Mortgagee. The proceeds of any award or compensation so received shall, at the option of Mortgagee, either be applied to the prepayment of the Note and at the rate of interest payable on the award by the condemning authority, or at the option of Mortgagee, such award shall be paid over to Mortgagor for restoration of the Mortgaged Property.

23. At the option of Mortgagee, Mortgagor shall provide Mortgagee with periodic financial statements of the operations of and the financial condition of Mortgagor.
24. The loan represented by the Mortgage and the Note is personal to Mortgagor. Mortgagee extended the funds to Mortgagor based upon the representations made in the Mortgagor's application and the Agreement between the parties as well as Mortgagee's judgment of the ability of Mortgagor to perform under this Mortgage, the Note and the Agreement and Mortgagee's judgment of the ability of Mortgagor to repay all sums due under this Mortgage. Therefore, this Mortgage may not be assumed by any subsequent holder of an interest in the Mortgaged Property unless in compliance with HUD regulations and with written approval by Mortgagee.
25. COMPLIANCE WITH ENVIRONMENTAL LAWS:
- A) Hazardous Waste: "Hazardous Waste" shall mean and include those elements or compounds which are contained in the list of hazardous substances adopted by the United States Environmental Protection Agency (EPA) and the list of toxic pollutants designated by Congress or the EPA or defined by any other federal, state or local statute, law, ordinance, code, rule, regulation, order or decree regulating, relating to or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material as now or at any time in effect.
- B) Representations and Warranties: Mortgagor specifically represents and warrants that the use and operation of the Mortgaged Property complies with all applicable environmental laws, rules and regulations, including, without limitation, the Federal Resource Conservation and Recovery Act and the Comprehensive Environmental Response Compensation and Liability Act of 1980 and all amendments and supplements thereto, and Mortgagor shall continue to comply therewith at all times. Specifically, and without limiting the generality of the foregoing, there are not now and there shall not in the future be any Hazardous Waste located or stored in, upon or at the Mortgaged Property, and there are not now nor shall there be at any time any releases or discharges of Hazardous Waste from the Mortgaged Property.
- C) Indemnification.
- (1) Mortgagor shall indemnify Mortgagee and hold Mortgagee harmless from and against any and all losses, liabilities (including strict liability), damages, injuries, expenses (including attorneys' fees for attorneys of Mortgagee's choice), costs of any settlement or judgment, and claims of any and every kind whatsoever paid, incurred or suffered by, or asserted against Mortgagee by any person or entity or governmental agency for, with respect to, or as a direct or indirect result of, the presence on or under, or the escape, seepage, leakage, spillage, discharge, emission or release from the Mortgaged Property of any Hazardous Waste, regardless of whether within Mortgagor's control. The indemnification agreement set forth in this paragraph includes without limitation, any losses, liabilities (including strict liability), damages, injuries, expense (including attorneys' fees for attorneys of Mortgagee's choice), costs of any settlement or judgment or claims asserted or arising under the Comprehensive Environmental Response Compensation and Liability Act, any deferral state or local "Superfund" or "Superlien" laws, and any and all other statutes laws, ordinances, codes, rules, regulations, orders or decrees regulating, with respect to or imposing liability, including strict liability, substances or standards of conduct concerning any Hazardous Waste.

- (2) The indemnification and hold harmless agreement set forth in this subparagraph shall benefit Mortgagee from the date hereof and shall continue notwithstanding payment, release or discharge of this Mortgage or the obligations secured hereby, and, without limiting the generality of the foregoing, such obligations shall continue for the benefit of Mortgagee during and following any possession or ownership of the Mortgaged Property by Mortgagee, whether arising by foreclosure or deed in lieu of foreclosure or otherwise, such indemnification and hold harmless agreement to continue forever.

D) Notice of Environmental Complaint. If Mortgagor shall receive any knowledge of notice (actual or constructive) of:

- (1) The happening of any event involving the spill, release, leak, seepage, discharge, presence or cleanup of any Hazardous Waste on the Mortgaged Property on in connection with Mortgagor's operations thereon; or
- (2) Any complaint, order, citation or notice with regard to air emission, water discharges; or
- (3) Any other environmental, health or safety matter affecting Mortgagor;

(all the foregoing be referred to herein as an "Environmental Complaint") from any person or entity, then Mortgagor immediately shall notify Mortgagee orally and in writing of the notice.

- E) Mortgagee's Reserved Rights. In the event of an Environmental Complaint, Mortgagee shall have the right, but not the obligation (and without limitation of Mortgagee's rights under this Mortgage) to enter onto the Mortgaged Property or to take such other actions as it shall deem necessary or advisable to clean up, remove, resolve or minimize the impact of, or otherwise deal with, any such Hazardous Waste or Environmental Complaint. All reasonable costs and expenses, including a reasonable attorney's fee, incurred by Mortgagee in the exercise of any such rights shall be secured by the Mortgage; shall be payable by Mortgagor upon demand; and shall accrue interest at the highest lawful rate from the date paid by Mortgagee.

26. Breach: Any breach of any warranty, representation or agreement contained in this Mortgage, the Note, or the Agreement shall be an Event of Default and shall entitle Mortgagee to exercise any and all remedies provide in this Mortgage, or otherwise permitted by law.
27. In the event any one or more of the provisions contained in this Mortgage, the Note, or the Agreement, shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall, at the option of the Mortgagee, not affect any other provisions of this Mortgage, but this Mortgage shall be construed as if such invalid illegal or unenforceable provision had never been contained herein or therein. The total interest payable pursuant to the Note or this Mortgage shall not in any one year exceed the highest lawful rate of interest permitted in the State of Florida.
28. The covenants and agreements herein contained shall bind and the benefits and advantages shall inure to the respective heirs, executors, administrators, successors, and assigns of the parties hereto. Wherever used, the singular number shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders. All covenants, agreements and undertakings shall be joint and several. In the event additional numbered covenants or paragraphs are for convenience inserted in this Mortgage, such additional covenants shall be read and given the effect as though following this covenant in consecutive

order.

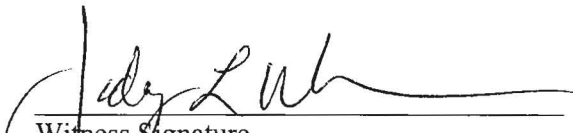
29. Mortgagor understands and agrees that this Mortgage shall be recorded in the public records of Marion County, Florida, and that this Mortgage shall be a legal and binding contract and a lien on the Mortgaged Property described herein, enforceable in the courts of the State of Florida.


IN WITNESS THEREOF, Mortgagor has executed this Mortgage on the ____ day of _____, 2022.

WITNESS:

Signed, sealed, and delivered
in our presence as witnesses:

HABITAT FOR HUMANITY OF MARION
COUNTY, INC., a Florida Not-for-Profit
Organization


Witness Signature
Jody L. Wenner
Witness Name Printed


Witness Signature

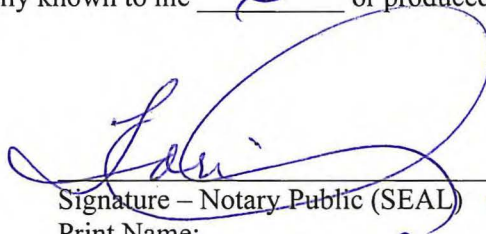
Jm Zutterbach
Witness Name Printed

By: David L. Layman
Printed Name: 5/6/2022
Its: President

STATE OF FLORIDA
COUNTY OF MARION

The forgoing mortgage was acknowledged before me this 6 day of May, 2022, by David L. Layman as President of Habitat for humanity of Marion County, Inc., a Florida not-for-profit organization, who is personally known to me X or produced _____ as identification and who did take an oath.

SEAL


Signature – Notary Public (SEAL) **Tori Arens**
Print Name: _____
My Commission Expires: Aug 23, 2025

PROMISSORY NOTE

\$100,000.00

PID # 2301-005-033

Dated: _____

FOR VALUE RECEIVED, the undersigned (the "Borrower") promises to pay to Marion County, a political subdivision of the State of Florida, HOME Fund, Marion County, Florida, its successors or assigns ("Lender"), the principal sum of **One Hundred Thousand Dollars and No Cents (\$100,000.00)** or such other amount as may be advanced by Lender from time to time hereunder, and to pay interest on the outstanding principal balance at the rate of zero (0%) percent from the above date until fully paid. Payment shall be due upon sale, transfer, or refinance of the collateral securing this note to Marion County, or if units are used for purposes other than sale property to low- to moderate-income HOME eligible people; or if the Borrower shall fail to sell the unit to eligible HOME clients within nine (9) months of the issuance of a Certificate of Occupancy.

This Note and all other obligations of the Borrower, including the agreement entered into between the parties entitled Marion County Standard Professional Services Agreement HOME Developer CHDO Project (the "Agreement") are secured by a lien on collateral in the form of real property located in Marion County, Florida (the "Security"), pursuant to a Mortgage Lien For Real Property Acquired Or Improved In Whole Or In Part With HOME Funds (the "Mortgage") held by Lender. The terms and conditions contained in the Agreement and the Mortgage are incorporated herein and made a part hereof as fully as if set forth herein. This Note, the Agreement and the Mortgage are collectively referred to as the "Loan Documents". Reference herein to the Loan Documents is made for a statement of the rights and remedies of Lender with respect to such collateral. Borrower shall not sell, lease or transfer all or any part of the Security or any interest therein, including transfer by judicial sale or any other voluntary or involuntary transfer, without Lender's prior written consent prior to discharge.

1. Payment.

- A. Maturity. The purpose of this Note is to provide Borrower HOME grant funds for the development of one (1) single-family unit to be sold to low- and moderate-income HOME eligible person and family within nine (9) months of the issuance of a Certificate of Occupancy. The maturity date of this Note shall be the first (1st) day of **June 2037**.
- B. Where to Make Payment. Sums due under this Note shall be payable to the Marion HOME Grant, Marion County, Florida, 2710 E. Silver Springs Blvd., Ocala, Florida 34470, or such other place as the Note holder may designate.
- C. Prepayment. Borrower has the option and privilege of prepaying all or any part of the outstanding principal balance evidenced by this Note without premium, penalty or charge.

2. Event of Default.

An event of default shall occur if: (a) Borrower fails to make any payment due under this Note within fifteen (15) days of the due date; or (b) an event of default occurs under any of the Loan Documents between Borrower and Lender, (collectively "Event of Default").

3. Acceleration.

Upon the occurrence of any Event of Default, the outstanding principal hereof and all accrued interest thereon, at the option of Lender, shall become and be immediately due and payable without notice or demand.

4. Relationship of Borrower and Lender.

Nothing contained in this Note shall be deemed or construed to create the relationship of partner or joint venture as between Lender and Borrower, it being agreed and understood that the only relationship

between the parties is that of lender and borrower. The terms hereunder are only intended to compensate Lender for its agreement to make the loan evidenced by this Note. Market conditions as of the date of this Note have been considered.

5. Costs/Attorney's Fees.

Borrower, and all other persons or entities who are or may become liable on the indebtedness evidenced by this Note, agree jointly and severally, to pay all costs of collection, including reasonable attorneys' fees and all costs of any action or proceeding (including but without limitation commencement of non-judicial foreclosure or private sale), in case the unpaid principal sum of this Note is not paid when due, or in case it becomes necessary to enforce any other obligation of Borrower hereunder or to protect the Security for the indebtedness evidenced hereby, or for the foreclosure by Lender of the Mortgage, or in the event Lender is made a party to any litigation because of the existence of the indebtedness evidenced by the Note, whether suit be brought or not, and whether through courts or original jurisdiction, as well as in courts of appellate jurisdiction, or through a bankruptcy court or other legal proceedings. Borrower acknowledges that all such costs are secured by the Mortgage. As used herein "attorneys' fees" shall be deemed to include fees incurred in appellate, bankruptcy and post-judgment proceedings and shall be deemed to include charges for paralegal, law clerks, and other staff members operating under the supervision of an attorney. Any payment or award of attorney's fees shall include as part thereof any and all sales and/or use taxes imposed thereon by any appropriate governmental authority.

6. Waiver.

Borrower, and all persons or entities who are, or may become, liable for all or any part of this indebtedness, jointly and severally:

- A. Presentment. Waive Lender's diligence, presentment, protest and demand for payment, notice of protest of demand, of nonpayment, of dishonor and of maturity and all other notices, filing suit and diligence in collecting this Note, in enforcing any of the security rights or in a proceeding against the Security.
- B. Time is of the Essence. Agree that time is of the essence of every provision hereof.
- C. Substitution. Agree to any substitution, exchange, addition or release of any of the Security or the addition or release of any party or person primarily or secondarily liable hereon.
- D. Renewals, Extensions, Modifications. Consent to any and all renewals, extensions or modifications agreed to by Borrower and Lender of the terms hereof or the terms contained in any of the Loan Documents, including time for payment.
- E. Statute of Limitations. Expressly waive to the full extent of the law, the right, if any, to plead any and all statutes of limitation as a defense to any demand on this Note or Mortgage or any other documents executed in connection with the loan evidenced by this Note.
- F. No Exhaustion of Remedies. Agree that Lender shall not be required first to institute any suit or exhaust its remedies against Borrower or any other person or party to become liable hereunder, or against the Security in order to enforce payment of this Note.
- G. Remain Liable. Agree that, notwithstanding the occurrence of any of the foregoing (except the express written release by Lender of any such person), they shall be and remain jointly and severally, directly and primarily, liable for all sums due under this Note and the

7. Rights and Remedies of Lender.

Borrower, and all persons or entities who are, or may become, liable for all or any part of this indebtedness, jointly and severally:

- A. Lender May Waive. Agree that Lender shall have the right, at any time and from time to time, at its sole option and in its sole discretion, to waive all or any part of any charge due Lender hereunder, but such waiver shall be effective only if made in writing and shall not extend to or constitute a waiver of the same or any other term or provision herein contained or contained in the Mortgage.

- B. Cumulative. The rights and remedies of Lender as provided in this Note and in the Mortgage, shall be cumulative and concurrent and may be pursued singly, successively or together against Borrower, the Security encumbered by the Mortgage, or any other persons or entities who are, or may become, liable for all or any part of this indebtedness, or any and other funds, property or security held by Lender for payment hereof, or otherwise, at the sole discretion of Lender.
- C. No Waiver. Failure of Lender to exercise any such right or remedy shall in no event be construed as a waiver or release of such rights or remedies, or the right to exercise them at any later time. The acceptance by Lender of payment hereunder that is less than any payment in full of all amounts due and payable at the time of such payment shall not constitute a waiver of the right to exercise any of the foregoing options at that time or at any subsequent time or nullify any prior exercise of any such option without the express written consent of Lender. A wavier or release with reference to one Event of Default shall not be construed as a continuing, as a bar to, or as a waiver or release of, any subsequent right, remedy or recourse as to any subsequent Event of Default.
8. Waiver of Jury Trial. Borrower hereby waives trial by jury in any action or proceeding to which Borrower and Lender may be parties, arising out of or in any way pertaining to the Loan. This waiver is knowingly, willingly, and voluntarily made by Borrower, and Borrower hereby represents that no representation of fact or opinion has been made by any individual to induce this waiver of trial by jury or to in any way, modify or nullify its effect.
9. Governing Law. This Note is executed and delivered in Marion County, Florida, and shall be construed and enforced according to the laws of the State of Florida.

IN WITNESS WHEREOF, this Note has been duly executed by the undersigned, as of the above date.

WITNESS:

Signed, sealed, and delivered
in our presence as witnesses:

HABITAT FOR HUMANITY OF MARION COUNTY,
INC., a Florida Not-for-Profit Organization

By: David L. Layman
Printed Name: David L. Layman
Its: President

Jody L. Werner
Witness Signature
Jody L. Werner
Witness Name Printed

Jim Turner
Witness Signature
Jim Turner
Witness Name Printed

Record and Return to:

Marion County Community Services
2710 E, Silver Springs Blvd.
Ocala, FL 34470

Rec. Fees: \$95.00
DS: \$350.00

This Document Prepared By:

Marion County Community Services
Department 2710 E. Silver Springs Blvd.
Ocala, Florida 34470

Property Appraiser's Parcel ID No: 2333-001-009
Owner: Habitat for Humanity of Marion County, Inc.

**MORTGAGE LIEN
FOR REAL PROPERTY ACQUIRED OR IMPROVED
IN WHOLE OR IN PART WITH HOME FUNDS**

This mortgage made by and between Marion County, a political subdivision of the State of Florida, 601 SE 25th Ave., Ocala, FL 34471 ("Mortgagee") and Habitat for Humanity of Marion County, Inc., 1321 SE 25th Loop, Suite 103, Ocala FL 34471 ("Mortgagor").

WHEREAS, Mortgagee is the administrator of the U.S. Department of Housing and Urban Development ("HUD") HOME Investment Partnerships Program ("HOME"); and

WHEREAS, pursuant to law, HUD has made available to Mortgagor, through Mortgagee, certain funds to be used in the acquisition and/or development of certain real property described herein and the single family residential unit located thereon for sale to low- and moderate-income HOME eligible people and families; and

WHEREAS, the use of the property qualifies under the HOME program as meeting one of the national objectives in 24 CFR Part 92 and is not a building for the general conduct of government; and

WHEREAS, upon completion of construction Mortgagor will sell the unit to low- and moderate-income HOME eligible person and family according to 24 CFR 92.252 and in accordance with the separate agreement between Mortgagor and Mortgagee executed May _____, 2022, entitled Marion County's Standard Professional Services Agreement HOME Developer Community Housing Development Organization Project (the "Agreement"); and

WHEREAS, this Mortgage shall constitute a lien on the property to ensure performance as described herein, as set forth in the promissory note of even date between the parties (the "Note") and as set forth in the Agreement entered into by the parties, until released as provided herein;

NOW, THEREFORE in consideration of the financial assistance granted herein and in order to secure the payment of both the principal, and interest, and any other sums payable on the Note or this Mortgage and the performance and observance of all the provisions hereof, of the Note, and of the Agreement, Mortgagor hereby grants, sells, warrants, conveys, assigns, transfers, mortgages and sets over and confirms unto Mortgagee all of Mortgagor's estate, right, title and interest in, to and under all that certain real property situate in Marion County, Florida, more particularly described as follows:

Parcel ID #2333-001-009 LOT 9, BLOCK A, MEADOW OAKS SUBDIVISION, AS PER PLAT THEREOF, RECORDED IN PLAT BOOK H, PAGE 1, OF THE PUBLIC RECORDS OF MARION COUNTY, FLORIDA.

TOGETHER WITH all improvements now or hereafter located on said real property and all fixtures, appliances, apparatus, equipment, furnishings, heating and air conditioning equipment, machinery and articles of personal property and replacement thereof (other than those owned by lessees of said real property) now or hereafter affixed to, attached to, placed upon, or used in any way in connection with the complete and comfortable use, occupancy, or operation of the said real property, all licenses and permits used or required in connection with the use of said real property, all leases of said real property now or hereafter entered into and all right, title and interest of Mortgagor thereunder, including without limitation, cash or securities deposited thereunder pursuant to said leases, and all rents, issues, proceeds, profits, revenues, royalties, rights, accounts, accounts receivable, and benefits arising from, relating to or accruing from said real property and together with all proceeds of the conversion, voluntary or involuntary of any of the foregoing into cash or liquidated claims, including without limitation, proceeds of insurance and condemnation awards (the foregoing said real property, tangible and intangible personal property hereinafter collectively referred to as the "Mortgaged Property"). Mortgagor hereby grants to Mortgagee a security interest in the foregoing described tangible and intangible personal property.

MORTGAGOR covenants and agrees as follows:

1. The terms and conditions contained in the Agreement and the Note are incorporated herein and made a part hereof as fully as if set forth herein.
2. HOME funds in the amount of **One Hundred Thousand Dollars and No Cents (\$100,000.00)** have been provided to or for the benefit of Mortgagor to assist in the acquisition and/or development of the Mortgaged Property.
3. Mortgagor warrants that Mortgagor has good and marketable title to an indefeasible fee estate in the real property comprising the Mortgaged Property subject to no lien, charge or encumbrance except as Mortgagee has agreed to accept in writing, and Mortgagor covenants that this Mortgage is and will remain a valid and enforceable mortgage on the Mortgaged Property subject only to the exceptions herein provided. Mortgagor has full power and lawful authority to mortgage the Mortgaged Property in the manner and form herein done or intended hereafter to be done. Mortgagor will preserve such title and will forever warrant and defend the same to Mortgagee and will forever warrant and defend the validity and priority of the lien hereof against the claims of all persons and parties whomsoever.
4. Mortgagor will, at the cost of Mortgagor, and without expense to Mortgagee, do, execute, acknowledge and deliver all and every such further acts, deeds, conveyances, mortgages, assignments, notices of assignment, transfers and assurances as Mortgagee shall from time to time require in order to preserve the priority of the lien of this Mortgage or to facilitate the performance of the terms hereof.
5. This Mortgage shall terminate upon the repayment of the HOME funds or upon sale of the unit, whichever occurs first. This Mortgage shall expire upon fifteen (15) years from the date of execution. Upon termination or expiration, Mortgagee shall execute a release from this Mortgage and lien which shall be recorded in the public records of Marion County, Florida.
6. If MORTGAGOR fails to complete construction or otherwise fails to sell the Mortgaged Property to a HOME eligible family and/or individual within nine (9) months of the completion of construction or rehabilitation Mortgagor shall convert homebuyer housing to a rental unit and operate in compliance with 24 CFR 92.252 for the affordability period applicable to rental projects (20 years for new construction).
7. Mortgagor further covenants and agrees to pay when due, without requiring any notice from Mortgagee, all taxes, assessments of any type or nature and other charges levied or assessed against the Mortgaged Property

or this Mortgage and produce receipts therefor upon demand. To immediately pay and discharge any claim, lien or encumbrance against the Mortgaged Property which may be or become superior to this Mortgage and to permit no default or delinquency on any other lien, encumbrance or charge against the Mortgaged Property.

8. Mortgagor further covenants and agrees to promptly pay all taxes and assessments assessed or levied under and by virtue of any state, federal, or municipal law or regulation, hereafter passed against Mortgagee upon this Mortgage or the debt hereby secured, or upon its interest under this Mortgage, provided however that the total amount so paid for any such taxes pursuant to this paragraph together with the interest payable on said indebtedness shall not exceed the highest lawful rate of interest in Florida and provided further that in the event of the passage of any such law or regulation imposing a tax or assessment against Mortgagee upon this Mortgage or the debt secured hereby, that the entire indebtedness secured by the Mortgage shall thereupon become immediately due and payable at the option of Mortgagee.
9. Mortgagor further covenants and agrees to maintain the Mortgaged Property in good condition and repair, including but not limited to the making of such repairs as Mortgagee may from time to time determine to be necessary for the preservation of the Mortgaged Property and to not commit or permit any waste thereof, and Mortgagee shall have the right to inspect the Mortgaged Property on reasonable notice to Mortgagor.
10. Mortgagor further covenants and agrees to comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting the Mortgaged Property, and not to cause or permit any violation thereof.
11. Mortgagor further covenants and agrees that if Mortgagor fails to pay any claim, lien or encumbrance which is superior to this Mortgage, or when due, any tax or assessment or insurance premium or to keep the Mortgaged Property in repair, or shall commit or permit waste, or if there be commenced any action or proceeding affecting the Mortgaged Property or the title thereto, or the interest - of Mortgagee therein, including but not limited to, eminent domain and bankruptcy or reorganization proceedings, then Mortgagee, at its option, may pay said claim, lien encumbrance, tax, assessment or premium, with right of subrogation thereunder, may make such repairs and take such steps as it deems advisable to prevent or cure such waste, and may appear in any such action or proceeding and retain counsel therein, and take such action therein as Mortgagee deems advisable, and for any of such purposes, Mortgagee may advance such sums of money, including all costs, reasonable attorney's fees, an other items of expense as it deems necessary. Mortgagee shall be the sole judge of the legality, validity and priority of any such claim, lien, encumbrance, tax, assessment and premium and of the amount necessary to be paid in satisfaction thereof. Mortgagee shall not be held accountable for any delay in making any such payment, which delay may result in any additional interest, costs, charges, expenses or otherwise.
12. Mortgagor further covenants and agrees that Mortgagor will pay to Mortgagee, immediately and without demand, all sums of money advanced by Mortgagee to protect the Mortgaged Property hereof pursuant to this Mortgage, including all costs, reasonable attorney's fees and other items of expense, together with interest on each such advancement at the rate of interest provided herein and all such sums and interest thereon shall be secured hereby.
13. Mortgagor further covenants and agrees all sums of money secured hereby shall be payable without any relief wherever from any valuation or appraisement laws.
14. If default occurs in payment of the principal or interest of the Note or any part thereof when due, or in payment, when due or any other sum secured hereby, or in performance of any Mortgagor's obligations, covenants or agreements hereunder, in the Note or in the Agreement, all of the indebtedness secured hereby shall become and be immediately due and payable at the option of Mortgagee, without notice or demand, which are hereby expressly waived, in which event, Mortgagee may avail itself of all rights and remedies, at

law or in equity, and this Mortgage may be foreclosed with all rights and remedies afforded by the laws of Florida and Mortgagor shall pay all costs, charges, and expenses thereof, including a reasonable attorney's fee, including all such other costs, expense and attorney's fees for any retrial, rehearing or appeals. The indebtedness secured hereby shall bear interest at the rate provided herein from and after the date of any such default of Mortgagor.

15. If default be made in payment, when due, of any indebtedness secured hereby, or in performance of any of Mortgagor's obligations, covenants or agreements in this Mortgage, the Note or the Agreement:

- A) Mortgagee is authorized at any time, without notice, in its sole discretion to enter upon and take possession of the Mortgaged Property or any part thereof, to perform any acts Mortgagee deems necessary or proper to conserve the Mortgaged Property and to collect and receive all rents, issues, profits, revenues, royalties, rights, proceeds, accounts, accounts receivable, and benefits thereof, including those past due as well as those accruing thereafter; and
- B) Mortgagee shall be entitled, as a matter of strict right, without notice and ex parte, and without regard to the value or occupancy of the Mortgaged Property, or the solvency of Mortgagor, or the adequacy of the Mortgaged Property as security for the Note to have a receiver appointed to enter upon and take possession of the Mortgaged Property, collect the rents, issues, profits, revenues, royalties, rights, proceeds, accounts, accounts receivable, and benefits therefrom and apply the same as the court may direct, such receiver to have all the rights and powers permitted under the laws of Florida.

In either such case, Mortgagee or the receiver may also take possession of, and for these purposes, use any and all personal property which is a part of the Mortgaged Property and used by Mortgagor in the rental or leasing thereof or any part thereof. The expense (including receiver's fees, counsel fees, costs and agent's compensation) incurred pursuant to the powers herein contained shall be secured hereby. Mortgagee shall (after payment of all costs and expenses incurred) apply such rents, issues, and profits received by it on the indebtedness secured hereby in such order and Mortgagee determines. The right to enter and take possession of the Mortgaged Property, to manage and operate the same, and to collect the rents, issues, profits, revenues, royalties, rights, proceeds, accounts, accounts receivable and benefits thereof, whether by a receiver or otherwise, shall be cumulative to any other right or remedy hereunder or afforded by law, and may be exercised concurrently therewith or independently thereof. Mortgagee shall be liable to account only for such rents, issue and profits actually received by Mortgagee.

16. If the indebtedness secured hereby is now or hereafter secured by chattel mortgages, security interests, financing statements, pledges, contracts of guaranty, assignments of leases, or other securities, or if the Mortgaged Property hereby encumbered consists of more than one (1) parcel of real property, Mortgagee may, at its option, exhaust any one or more of said securities and security hereunder, or such parcels of security hereunder, either concurrently or independently, and in such order as it may determine.
17. This Mortgage shall secure not only existing indebtedness, but also such future advances, whether such advances are obligatory or to be made at the option of Mortgagee, or otherwise, as are made within fifteen (15) years from the date hereof, to the same extent as if such future advances were made on the date of the execution of this Mortgage, but such secured indebtedness shall not exceed at any time the maximum principal amount of two (2) times the amount of the Note, plus interest thereon, plus any disbursements made for the payment of taxes, levies, or insurance on the Mortgaged Property, plus interest on such disbursements. Any such future advances, whether obligatory or to be made at the option of Mortgagee, or otherwise, may be made either prior to or after the due date of the Note or any other notes secured by this Mortgage. This Mortgage is given for the specific purpose of securing any and all indebtedness by Mortgagor to Mortgagee (but in no event shall the secured indebtedness exceed at any time the maximum principal amount set forth in

this paragraph) in whatever manner this indebtedness may be evidenced or represented until this Mortgage is satisfied of record. All covenants and agreement contained in this Mortgage shall be applicable to all further advances made by Mortgagee to Mortgagor under this future advance clause.

18. No delay by Mortgagee in exercising any right or remedy hereunder, or otherwise afforded by law, shall operate as a waiver thereof or preclude the exercise thereof during the continuance of any default hereunder. No waiver by Mortgagee of any default shall constitute a waiver of or consent to subsequent defaults. No failure of Mortgagee to exercise any option herein given to accelerate maturity of the debt hereby secured, no forbearance by Mortgagee before or after the exercise of such option and no withdrawal or abandonment of foreclosure proceeding by Mortgagee shall be taken or construed as a waiver of its right to exercise such option or to accelerate the maturity of the debt, hereby secured by reason of any past, present, or future default on the part of Mortgagor; and, in like manner, the procurement of insurance or the payment of taxes or other liens or charges by Mortgagee shall not be taken or construed as a waiver of its right to accelerate the maturity of the debt hereby secured.
19. Without affecting the liability of Mortgagor or any other person (except any person expressly released in writing) for payment of any indebtedness secured hereby or for performance of any obligation contained herein, in the Note and/or in the Agreement, and without affecting the rights of Mortgagee with respect to any security not expressly released in writing, Mortgagee may, at any time and from time to time, either before or after the maturity of the Note, and without notice or consent:
 - A) Release any person liable for payment of all or part of the indebtedness or for performance of any obligation;
 - B) Make any agreement extending the time or otherwise altering the terms of payment of all or any part of the indebtedness, or modifying or waiving any obligation, or subordinating, modifying or otherwise dealing with the lien or charge hereof;
 - C) Exercise or refrain from exercising or waive any right Mortgagee may have;
 - D) Accept additional security of any kind; and
 - E) Release or otherwise deal with any property, real or personal, securing the indebtedness, including all or any part of the Mortgaged Property.
20. Any agreement hereafter made by Mortgagor and Mortgagee pursuant to this Mortgage shall be superior to the rights of the holder of any intervening lien or encumbrance.
21. Mortgagor hereby waives all right of homestead exemption if any, in the Mortgaged Property.
22. In the event of condemnation proceedings of the Mortgaged Property, the award or compensation payable thereunder is hereby assigned to and shall be paid to Mortgagee. Mortgagee shall be under no obligation to question the amount of any such award or compensation and may accept the same in the amount in which the same shall be paid. In any such condemnation proceedings, Mortgagee may be represented by counsel selected by Mortgagee. The proceeds of any award or compensation so received shall, at the option of Mortgagee, either be applied to the prepayment of the Note and at the rate of interest payable on the award by the condemning authority, or at the option of Mortgagee, such award shall be paid over to Mortgagor for restoration of the Mortgaged Property.

23. At the option of Mortgagee, Mortgagor shall provide Mortgagee with periodic financial statements of the operations of and the financial condition of Mortgagor.
24. The loan represented by the Mortgage and the Note is personal to Mortgagor. Mortgagee extended the funds to Mortgagor based upon the representations made in the Mortgagor's application and the Agreement between the parties as well as Mortgagee's judgment of the ability of Mortgagor to perform under this Mortgage, the Note and the Agreement and Mortgagee's judgment of the ability of Mortgagor to repay all sums due under this Mortgage. Therefore, this Mortgage may not be assumed by any subsequent holder of an interest in the Mortgaged Property unless in compliance with HUD regulations and with written approval by Mortgagee.
25. COMPLIANCE WITH ENVIRONMENTAL LAWS:
- A) Hazardous Waste: "Hazardous Waste" shall mean and include those elements or compounds which are contained in the list of hazardous substances adopted by the United States Environmental Protection Agency (EPA) and the list of toxic pollutants designated by Congress or the EPA or defined by any other federal, state or local statute, law, ordinance, code, rule, regulation, order or decree regulating, relating to or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material as now or at any time in effect.
- B) Representations and Warranties: Mortgagor specifically represents and warrants that the use and operation of the Mortgaged Property complies with all applicable environmental laws, rules and regulations, including, without limitation, the Federal Resource Conservation and Recovery Act and the Comprehensive Environmental Response Compensation and Liability Act of 1980 and all amendments and supplements thereto, and Mortgagor shall continue to comply therewith at all times. Specifically, and without limiting the generality of the foregoing, there are not now and there shall not in the future be any Hazardous Waste located or stored in, upon or at the Mortgaged Property, and there are not now nor shall there be at any time any releases or discharges of Hazardous Waste from the Mortgaged Property.
- C) Indemnification.
- (1) Mortgagor shall indemnify Mortgagee and hold Mortgagee harmless from and against any and all losses, liabilities (including strict liability), damages, injuries, expenses (including attorneys' fees for attorneys of Mortgagee's choice), costs of any settlement or judgment, and claims of any and every kind whatsoever paid, incurred or suffered by, or asserted against Mortgagee by any person or entity or governmental agency for, with respect to, or as a direct or indirect result of, the presence on or under, or the escape, seepage, leakage, spillage, discharge, emission or release from the Mortgaged Property of any Hazardous Waste, regardless of whether within Mortgagor's control. The indemnification agreement set forth in this paragraph includes without limitation, any losses, liabilities (including strict liability), damages, injuries, expense (including attorneys' fees for attorneys of Mortgagee's choice), costs of any settlement or judgment or claims asserted or arising under the Comprehensive Environmental Response Compensation and Liability Act, any deferral state or local "Superfund" or "Superlien" laws, and any and all other statutes laws, ordinances, codes, rules, regulations, orders or decrees regulating, with respect to or imposing liability, including strict liability, substances or standards of conduct concerning any Hazardous Waste.

- (2) The indemnification and hold harmless agreement set forth in this subparagraph shall benefit Mortgagee from the date hereof and shall continue notwithstanding payment, release or discharge of this Mortgage or the obligations secured hereby, and, without limiting the generality of the foregoing, such obligations shall continue for the benefit of Mortgagee during and following any possession or ownership of the Mortgaged Property by Mortgagee, whether arising by foreclosure or deed in lieu of foreclosure or otherwise, such indemnification and hold harmless agreement to continue forever.

D) Notice of Environmental Complaint. If Mortgagor shall receive any knowledge of notice (actual or constructive) of:

- (1) The happening of any event involving the spill, release, leak, seepage, discharge, presence or cleanup of any Hazardous Waste on the Mortgaged Property on in connection with Mortgagor's operations thereon; or
- (2) Any complaint, order, citation or notice with regard to air emission, water discharges; or
- (3) Any other environmental, health or safety matter affecting Mortgagor;

(all the foregoing be referred to herein as an "Environmental Complaint") from any person or entity, then Mortgagor immediately shall notify Mortgagee orally and in writing of the notice.

E) Mortgagee's Reserved Rights. In the event of an Environmental Complaint, Mortgagee shall have the right, but not the obligation (and without limitation of Mortgagee's rights under this Mortgage) to enter onto the Mortgaged Property or to take such other actions as it shall deem necessary or advisable to clean up, remove, resolve or minimize the impact of, or otherwise deal with, any such Hazardous Waste or Environmental Complaint. All reasonable costs and expenses, including a reasonable attorney's fee, incurred by Mortgagee in the exercise of any such rights shall be secured by the Mortgage; shall be payable by Mortgagor upon demand; and shall accrue interest at the highest lawful rate from the date paid by Mortgagee.

26. Breach: Any breach of any warranty, representation or agreement contained in this Mortgage, the Note, or the Agreement shall be an Event of Default and shall entitle Mortgagee to exercise any and all remedies provide in this Mortgage, or otherwise permitted by law.
27. In the event any one or more of the provisions contained in this Mortgage, the Note, or the Agreement, shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall, at the option of the Mortgagee, not affect any other provisions of this Mortgage, but this Mortgage shall be construed as if such invalid illegal or unenforceable provision had never been contained herein or therein. The total interest payable pursuant to the Note or this Mortgage shall not in any one year exceed the highest lawful rate of interest permitted in the State of Florida.
28. The covenants and agreements herein contained shall bind and the benefits and advantages shall inure to the respective heirs, executors, administrators, successors, and assigns of the parties hereto. Wherever used, the singular number shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders. All covenants, agreements and undertakings shall be joint and several. In the event additional numbered covenants or paragraphs are for convenience inserted in this Mortgage, such additional covenants shall be read and given the effect as though following this covenant in consecutive

order.

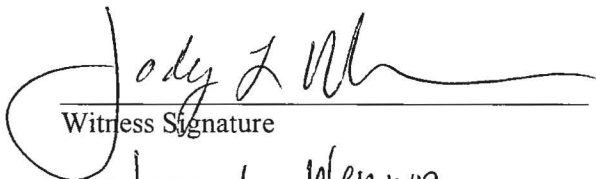
29. Mortgagor understands and agrees that this Mortgage shall be recorded in the public records of Marion County, Florida, and that this Mortgage shall be a legal and binding contract and a lien on the Mortgaged Property described herein, enforceable in the courts of the State of Florida.

IN WITNESS THEREOF, Mortgagor has executed this Mortgage on the ____ day of _____, 2022.


WITNESS:

Signed, sealed, and delivered
in our presence as witnesses:

HABITAT FOR HUMANITY OF MARION
COUNTY, INC., a Florida Not-for-Profit
Organization




Witness Signature
Jody L. Wenner

Witness Name Printed


Witness Signature
Jm Stuttenberger

Witness Name Printed

By: 

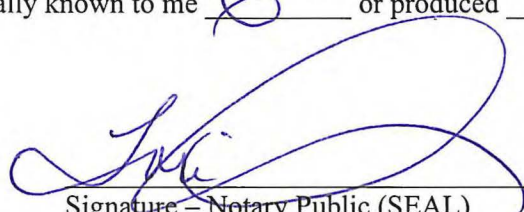
Printed Name: 5/4/2022

Its: President

**STATE OF FLORIDA
COUNTY OF MARION**

The forgoing mortgage was acknowledged before me this 6 day of May, 2022, by David L. Layman as President of Habitat for humanity of Marion County, Inc., a Florida not-for-profit organization, who is personally known to me to or produced _____ as identification and who did take an oath.

SEAL



Signature – Notary Public (SEAL)
Print Name: Tori Arens
My Commission Expires: Aug 23 2025

PROMISSORY NOTE

\$100,000.00

PID # 2333-001-009

Dated: _____

FOR VALUE RECEIVED, the undersigned (the "Borrower") promises to pay to Marion County, a political subdivision of the State of Florida, HOME Fund, Marion County, Florida, its successors or assigns ("Lender"), the principal sum of **One Hundred Thousand Dollars and No Cents (\$100,000.00)** or such other amount as may be advanced by Lender from time to time hereunder, and to pay interest on the outstanding principal balance at the rate of zero (0%) percent from the above date until fully paid. Payment shall be due upon sale, transfer, or refinance of the collateral securing this note to Marion County, or if units are used for purposes other than sale property to low- to moderate-income HOME eligible people; or if the Borrower shall fail to sell the unit to eligible HOME clients within nine (9) months of the issuance of a Certificate of Occupancy.

This Note and all other obligations of the Borrower, including the agreement entered into between the parties entitled Marion County Standard Professional Services Agreement HOME Developer CHDO Project (the "Agreement") are secured by a lien on collateral in the form of real property located in Marion County, Florida (the "Security"), pursuant to a Mortgage Lien For Real Property Acquired Or Improved In Whole Or In Part With HOME Funds (the "Mortgage") held by Lender. The terms and conditions contained in the Agreement and the Mortgage are incorporated herein and made a part hereof as fully as if set forth herein. This Note, the Agreement and the Mortgage are collectively referred to as the "Loan Documents". Reference herein to the Loan Documents is made for a statement of the rights and remedies of Lender with respect to such collateral. Borrower shall not sell, lease or transfer all or any part of the Security or any interest therein, including transfer by judicial sale or any other voluntary or involuntary transfer, without Lender's prior written consent prior to discharge.

1. Payment.

- A. Maturity. The purpose of this Note is to provide Borrower HOME grant funds for the development of one (1) single-family unit to be sold to low- and moderate-income HOME eligible person and family within nine (9) months of the issuance of a Certificate of Occupancy. The maturity date of this Note shall be the first (1st) day of June 2037.
- B. Where to Make Payment. Sums due under this Note shall be payable to the Marion HOME Grant, Marion County, Florida, 2710 E. Silver Springs Blvd., Ocala, Florida 34470, or such other place as the Note holder may designate.
- C. Prepayment. Borrower has the option and privilege of prepaying all or any part of the outstanding principal balance evidenced by this Note without premium, penalty or charge.

2. Event of Default.

An event of default shall occur if: (a) Borrower fails to make any payment due under this Note within fifteen (15) days of the due date; or (b) an event of default occurs under any of the Loan Documents between Borrower and Lender, (collectively "Event of Default").

3. Acceleration.

Upon the occurrence of any Event of Default, the outstanding principal hereof and all accrued interest thereon, at the option of Lender, shall become and be immediately due and payable without notice or demand.

4. Relationship of Borrower and Lender.

Nothing contained in this Note shall be deemed or construed to create the relationship of partner or joint venture as between Lender and Borrower, it being agreed and understood that the only relationship

between the parties is that of lender and borrower. The terms hereunder are only intended to compensate Lender for its agreement to make the loan evidenced by this Note. Market conditions as of the date of this Note have been considered.

5. Costs/Attorney's Fees.

Borrower, and all other persons or entities who are or may become liable on the indebtedness evidenced by this Note, agree jointly and severally, to pay all costs of collection, including reasonable attorneys' fees and all costs of any action or proceeding (including but without limitation commencement of non-judicial foreclosure or private sale), in case the unpaid principal sum of this Note is not paid when due, or in case it becomes necessary to enforce any other obligation of Borrower hereunder or to protect the Security for the indebtedness evidenced hereby, or for the foreclosure by Lender of the Mortgage, or in the event Lender is made a party to any litigation because of the existence of the indebtedness evidenced by the Note, whether suit be brought or not, and whether through courts or original jurisdiction, as well as in courts of appellate jurisdiction, or through a bankruptcy court or other legal proceedings. Borrower acknowledges that all such costs are secured by the Mortgage. As used herein "attorneys' fees" shall be deemed to include fees incurred in appellate, bankruptcy and post-judgment proceedings and shall be deemed to include charges for paralegal, law clerks, and other staff members operating under the supervision of an attorney. Any payment or award of attorney's fees shall include as part thereof any and all sales and/or use taxes imposed thereon by any appropriate governmental authority.

6. Waiver.

Borrower, and all persons or entities who are, or may become, liable for all or any part of this indebtedness, jointly and severally:

- A. Presentment. Waive Lender's diligence, presentment, protest and demand for payment, notice of protest of demand, of nonpayment, of dishonor and of maturity and all other notices, filing suit and diligence in collecting this Note, in enforcing any of the security rights or in a proceeding against the Security.
- B. Time is of the Essence. Agree that time is of the essence of every provision hereof.
- C. Substitution. Agree to any substitution, exchange, addition or release of any of the Security or the addition or release of any party or person primarily or secondarily liable hereon.
- D. Renewals, Extensions, Modifications. Consent to any and all renewals, extensions or modifications agreed to by Borrower and Lender of the terms hereof or the terms contained in any of the Loan Documents, including time for payment.
- E. Statute of Limitations. Expressly waive to the full extent of the law, the right, if any, to plead any and all statutes of limitation as a defense to any demand on this Note or Mortgage or any other documents executed in connection with the loan evidenced by this Note.
- F. No Exhaustion of Remedies. Agree that Lender shall not be required first to institute any suit or exhaust its remedies against Borrower or any other person or party to become liable hereunder, or against the Security in order to enforce payment of this Note.
- G. Remain Liable. Agree that, notwithstanding the occurrence of any of the foregoing (except the express written release by Lender of any such person), they shall be and remain jointly and severally, directly and primarily, liable for all sums due under this Note and the

7. Rights and Remedies of Lender.

Borrower, and all persons or entities who are, or may become, liable for all or any part of this indebtedness, jointly and severally:

- A. Lender May Waive. Agree that Lender shall have the right, at any time and from time to time, at its sole option and in its sole discretion, to waive all or any part of any charge due Lender hereunder, but such waiver shall be effective only if made in writing and shall not extend to or constitute a waiver of the same or any other term or provision herein contained or contained in the Mortgage.

- B. Cumulative. The rights and remedies of Lender as provided in this Note and in the Mortgage, shall be cumulative and concurrent and may be pursued singly, successively or together against Borrower, the Security encumbered by the Mortgage, or any other persons or entities who are, or may become, liable for all or any part of this indebtedness, or any and other funds, property or security held by Lender for payment hereof, or otherwise, at the sole discretion of Lender.
- C. No Waiver. Failure of Lender to exercise any such right or remedy shall in no event be construed as a waiver or release of such rights or remedies, or the right to exercise them at any later time. The acceptance by Lender of payment hereunder that is less than any payment in full of all amounts due and payable at the time of such payment shall not constitute a waiver of the right to exercise any of the foregoing options at that time or at any subsequent time or nullify any prior exercise of any such option without the express written consent of Lender. A wavier or release with reference to one Event of Default shall not be construed as a continuing, as a bar to, or as a waiver or release of, any subsequent right, remedy or recourse as to any subsequent Event of Default.
8. Waiver of Jury Trial. Borrower hereby waives trial by jury in any action or proceeding to which Borrower and Lender may be parties, arising out of or in any way pertaining to the Loan. This waiver is knowingly, willingly, and voluntarily made by Borrower, and Borrower hereby represents that no representation of fact or opinion has been made by any individual to induce this waiver of trial by jury or to in any way, modify or nullify its effect.
9. Governing Law. This Note is executed and delivered in Marion County, Florida, and shall be construed and enforced according to the laws of the State of Florida.

IN WITNESS WHEREOF, this Note has been duly executed by the undersigned, as of the above date.

WITNESS:

Signed, sealed, and delivered
in our presence as witnesses:

HABITAT FOR HUMANITY OF MARION COUNTY,
INC., a Florida Not-for-Profit Organization

By: David L. Layman
Printed Name: DAVID L. Layman
Its: President

Jody L. Weaner
Witness Signature
Jody L. Weaner
Witness Name Printed

Jim Rutenber
Witness Signature
JIM RUTENBER
Witness Name Printed

Record and Return to:

Marion County Community Services
2710 E, Silver Springs Blvd.
Ocala, FL 34470

Rec. Fees: \$95.00
DS: \$350.00

This Document Prepared By:

Marion County Community Services
Department 2710 E. Silver Springs Blvd.
Ocala, Florida 34470

Property Appraiser's Parcel ID No: 9016-0230-10
Owner: Habitat for Humanity of Marion County, Inc.

**MORTGAGE LIEN
FOR REAL PROPERTY ACQUIRED OR IMPROVED
IN WHOLE OR IN PART WITH HOME FUNDS**

This mortgage made by and between Marion County, a political subdivision of the State of Florida, 601 SE 25th Ave., Ocala, FL 34471 ("Mortgagee") and Habitat for Humanity of Marion County, Inc., 1321 SE 25th Loop, Suite 103, Ocala FL 34471 ("Mortgagor").

WHEREAS, Mortgagee is the administrator of the U.S. Department of Housing and Urban Development ("HUD") HOME Investment Partnerships Program ("HOME"); and

WHEREAS, pursuant to law, HUD has made available to Mortgagor, through Mortgagee, certain funds to be used in the acquisition and/or development of certain real property described herein and the single family residential unit located thereon for sale to low- and moderate-income HOME eligible people and families; and

WHEREAS, the use of the property qualifies under the HOME program as meeting one of the national objectives in 24 CFR Part 92 and is not a building for the general conduct of government; and

WHEREAS, upon completion of construction Mortgagor will sell the unit to low- and moderate-income HOME eligible person and family according to 24 CFR 92.252 and in accordance with the separate agreement between Mortgagor and Mortgagee executed May ____, 2022, entitled Marion County's Standard Professional Services Agreement HOME Developer Community Housing Development Organization Project (the "Agreement"); and

WHEREAS, this Mortgage shall constitute a lien on the property to ensure performance as described herein, as set forth in the promissory note of even date between the parties (the "Note") and as set forth in the Agreement entered into by the parties, until released as provided herein;

NOW, THEREFORE in consideration of the financial assistance granted herein and in order to secure the payment of both the principal, and interest, and any other sums payable on the Note or this Mortgage and the performance and observance of all the provisions hereof, of the Note, and of the Agreement, Mortgagor hereby grants, sells, warrants, conveys, assigns, transfers, mortgages and sets over and confirms unto Mortgagee all of Mortgagor's estate, right, title and interest in, to and under all that certain real property situate in Marion County, Florida, more particularly described as follows:

Parcel ID #9016-0230-10 Lot 10, Block 230, of SILVER SPRINGS SHORES UNIT NO. 16, according to the plat thereof as recorded in Plat Book J, Pages(s) 128 through 134, of the Public Records of Marion County, Florida.

TOGETHER WITH all improvements now or hereafter located on said real property and all fixtures, appliances, apparatus, equipment, furnishings, heating and air conditioning equipment, machinery and articles of personal property and replacement thereof (other than those owned by lessees of said real property) now or hereafter affixed to, attached to, placed upon, or used in any way in connection with the complete and comfortable use, occupancy, or operation of the said real property, all licenses and permits used or required in connection with the use of said real property, all leases of said real property now or hereafter entered into and all right, title and interest of Mortgagor thereunder, including without limitation, cash or securities deposited thereunder pursuant to said leases, and all rents, issues, proceeds, profits, revenues, royalties, rights, accounts, accounts receivable, and benefits arising from, relating to or accruing from said real property and together with all proceeds of the conversion, voluntary or involuntary of any of the foregoing into cash or liquidated claims, including without limitation, proceeds of insurance and condemnation awards (the foregoing said real property, tangible and intangible personal property hereinafter collectively referred to as the "Mortgaged Property"). Mortgagor hereby grants to Mortgagee a security interest in the foregoing described tangible and intangible personal property.

MORTGAGOR covenants and agrees as follows:

1. The terms and conditions contained in the Agreement and the Note are incorporated herein and made a part hereof as fully as if set forth herein.
2. HOME funds in the amount of **One Hundred Thousand Dollars and No Cents (\$100,000.00)** have been provided to or for the benefit of Mortgagor to assist in the acquisition and/or development of the Mortgaged Property.
3. Mortgagor warrants that Mortgagor has good and marketable title to an indefeasible fee estate in the real property comprising the Mortgaged Property subject to no lien, charge or encumbrance except as Mortgagee has agreed to accept in writing, and Mortgagor covenants that this Mortgage is and will remain a valid and enforceable mortgage on the Mortgaged Property subject only to the exceptions herein provided. Mortgagor has full power and lawful authority to mortgage the Mortgaged Property in the manner and form herein done or intended hereafter to be done. Mortgagor will preserve such title and will forever warrant and defend the same to Mortgagee and will forever warrant and defend the validity and priority of the lien hereof against the claims of all persons and parties whomsoever.
4. Mortgagor will, at the cost of Mortgagor, and without expense to Mortgagee, do, execute, acknowledge and deliver all and every such further acts, deeds, conveyances, mortgages, assignments, notices of assignment, transfers and assurances as Mortgagee shall from time to time require in order to preserve the priority of the lien of this Mortgage or to facilitate the performance of the terms hereof.
5. This Mortgage shall terminate upon the repayment of the HOME funds or upon sale of the unit, whichever occurs first. This Mortgage shall expire upon fifteen (15) years from the date of execution. Upon termination or expiration, Mortgagee shall execute a release from this Mortgage and lien which shall be recorded in the public records of Marion County, Florida.
6. If MORTGAGOR fails to complete construction or otherwise fails to sell the Mortgaged Property to a HOME eligible family and/or individual within nine (9) months of the completion of construction or rehabilitation Mortgagor shall convert homebuyer housing to a rental unit and operate in compliance with 24 CFR 92.252 for the affordability period applicable to rental projects (20 years for new construction).
7. Mortgagor further covenants and agrees to pay when due, without requiring any notice from Mortgagee, all taxes, assessments of any type or nature and other charges levied or assessed against the Mortgaged Property

or this Mortgage and produce receipts therefor upon demand. To immediately pay and discharge any claim, lien or encumbrance against the Mortgaged Property which may be or become superior to this Mortgage and to permit no default or delinquency on any other lien, encumbrance or charge against the Mortgaged Property.

8. Mortgagor further covenants and agrees to promptly pay all taxes and assessments assessed or levied under and by virtue of any state, federal, or municipal law or regulation, hereafter passed against Mortgagee upon this Mortgage or the debt hereby secured, or upon its interest under this Mortgage, provided however that the total amount so paid for any such taxes pursuant to this paragraph together with the interest payable on said indebtedness shall not exceed the highest lawful rate of interest in Florida and provided further that in the event of the passage of any such law or regulation imposing a tax or assessment against Mortgagee upon this Mortgage or the debt secured hereby, that the entire indebtedness secured by the Mortgage shall thereupon become immediately due and payable at the option of Mortgagee.
9. Mortgagor further covenants and agrees to maintain the Mortgaged Property in good condition and repair, including but not limited to the making of such repairs as Mortgagee may from time to time determine to be necessary for the preservation of the Mortgaged Property and to not commit or permit any waste thereof, and Mortgagee shall have the right to inspect the Mortgaged Property on reasonable notice to Mortgagor.
10. Mortgagor further covenants and agrees to comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting the Mortgaged Property, and not to cause or permit any violation thereof.
11. Mortgagor further covenants and agrees that if Mortgagor fails to pay any claim, lien or encumbrance which is superior to this Mortgage, or when due, any tax or assessment or insurance premium or to keep the Mortgaged Property in repair, or shall commit or permit waste, or if there be commenced any action or proceeding affecting the Mortgaged Property or the title thereto, or the interest - of Mortgagee therein, including but not limited to, eminent domain and bankruptcy or reorganization proceedings, then Mortgagee, at its option, may pay said claim, lien encumbrance, tax, assessment or premium, with right of subrogation thereunder, may make such repairs and take such steps as it deems advisable to prevent or cure such waste, and may appear in any such action or proceeding and retain counsel therein, and take such action therein as Mortgagee deems advisable, and for any of such purposes, Mortgagee may advance such sums of money, including all costs, reasonable attorney's fees, an other items of expense as it deems necessary. Mortgagee shall be the sole judge of the legality, validity and priority of any such claim, lien, encumbrance, tax, assessment and premium and of the amount necessary to be paid in satisfaction thereof. Mortgagee shall not be held accountable for any delay in making any such payment, which delay may result in any additional interest, costs, charges, expenses or otherwise.
12. Mortgagor further covenants and agrees that Mortgagor will pay to Mortgagee, immediately and without demand, all sums of money advanced by Mortgagee to protect the Mortgaged Property hereof pursuant to this Mortgage, including all costs, reasonable attorney's fees and other items of expense, together with interest on each such advancement at the rate of interest provided herein and all such sums and interest thereon shall be secured hereby.
13. Mortgagor further covenants and agrees all sums of money secured hereby shall be payable without any relief wherever from any valuation or appraisal laws.
14. If default occurs in payment of the principal or interest of the Note or any part thereof when due, or in payment, when due or any other sum secured hereby, or in performance of any Mortgagor's obligations, covenants or agreements hereunder, in the Note or in the Agreement, all of the indebtedness secured hereby shall become and be immediately due and payable at the option of Mortgagee, without notice or demand, which are hereby expressly waived, in which event, Mortgagee may avail itself of all rights and remedies, at

law or in equity, and this Mortgage may be foreclosed with all rights and remedies afforded by the laws of Florida and Mortgagor shall pay all costs, charges, and expenses thereof, including a reasonable attorney's fee, including all such other costs, expense and attorney's fees for any retrial, rehearing or appeals. The indebtedness secured hereby shall bear interest at the rate provided herein from and after the date of any such default of Mortgagor.

15. If default be made in payment, when due, of any indebtedness secured hereby, or in performance of any of Mortgagor's obligations, covenants or agreements in this Mortgage, the Note or the Agreement:

- A) Mortgagee is authorized at any time, without notice, in its sole discretion to enter upon and take possession of the Mortgaged Property or any part thereof, to perform any acts Mortgagee deems necessary or proper to conserve the Mortgaged Property and to collect and receive all rents, issues, profits, revenues, royalties, rights, proceeds, accounts, accounts receivable, and benefits thereof, including those past due as well as those accruing thereafter; and
- B) Mortgagee shall be entitled, as a matter of strict right, without notice and ex parte, and without regard to the value or occupancy of the Mortgaged Property, or the solvency of Mortgagor, or the adequacy of the Mortgaged Property as security for the Note to have a receiver appointed to enter upon and take possession of the Mortgaged Property, collect the rents, issues, profits, revenues, royalties, rights, proceeds, accounts, accounts receivable, and benefits therefrom and apply the same as the court may direct, such receiver to have all the rights and powers permitted under the laws of Florida.

In either such case, Mortgagee or the receiver may also take possession of, and for these purposes, use any and all personal property which is a part of the Mortgaged Property and used by Mortgagor in the rental or leasing thereof or any part thereof. The expense (including receiver's fees, counsel fees, costs and agent's compensation) incurred pursuant to the powers herein contained shall be secured hereby. Mortgagee shall (after payment of all costs and expenses incurred) apply such rents, issues, and profits received by it on the indebtedness secured hereby in such order and Mortgagee determines. The right to enter and take possession of the Mortgaged Property, to manage and operate the same, and to collect the rents, issues, profits, revenues, royalties, rights, proceeds, accounts, accounts receivable and benefits thereof, whether by a receiver or otherwise, shall be cumulative to any other right or remedy hereunder or afforded by law, and may be exercised concurrently therewith or independently thereof. Mortgagee shall be liable to account only for such rents, issue and profits actually received by Mortgagee.

16. If the indebtedness secured hereby is now or hereafter secured by chattel mortgages, security interests, financing statements, pledges, contracts of guaranty, assignments of leases, or other securities, or if the Mortgaged Property hereby encumbered consists of more than one (1) parcel of real property, Mortgagee may, at its option, exhaust any one or more of said securities and security hereunder, or such parcels of security hereunder, either concurrently or independently, and in such order as it may determine.
17. This Mortgage shall secure not only existing indebtedness, but also such future advances, whether such advances are obligatory or to be made at the option of Mortgagee, or otherwise, as are made within fifteen (15) years from the date hereof, to the same extent as if such future advances were made on the date of the execution of this Mortgage, but such secured indebtedness shall not exceed at any time the maximum principal amount of two (2) times the amount of the Note, plus interest thereon, plus any disbursements made for the payment of taxes, levies, or insurance on the Mortgaged Property, plus interest on such disbursements. Any such future advances, whether obligatory or to be made at the option of Mortgagee, or otherwise, may be made either prior to or after the due date of the Note or any other notes secured by this Mortgage. This Mortgage is given for the specific purpose of securing any and all indebtedness by Mortgagor to Mortgagee (but in no event shall the secured indebtedness exceed at any time the maximum principal amount set forth in

this paragraph) in whatever manner this indebtedness may be evidenced or represented until this Mortgage is satisfied of record. All covenants and agreement contained in this Mortgage shall be applicable to all further advances made by Mortgagee to Mortgagor under this future advance clause.

18. No delay by Mortgagee in exercising any right or remedy hereunder, or otherwise afforded by law, shall operate as a waiver thereof or preclude the exercise thereof during the continuance of any default hereunder. No waiver by Mortgagee of any default shall constitute a waiver of or consent to subsequent defaults. No failure of Mortgagee to exercise any option herein given to accelerate maturity of the debt hereby secured, no forbearance by Mortgagee before or after the exercise of such option and no withdrawal or abandonment of foreclosure proceeding by Mortgagee shall be taken or construed as a waiver of its right to exercise such option or to accelerate the maturity of the debt, hereby secured by reason of any past, present, or future default on the part of Mortgagor; and, in like manner, the procurement of insurance or the payment of taxes or other liens or charges by Mortgagee shall not be taken or construed as a waiver of its right to accelerate the maturity of the debt hereby secured.
19. Without affecting the liability of Mortgagor or any other person (except any person expressly released in writing) for payment of any indebtedness secured hereby or for performance of any obligation contained herein, in the Note and/or in the Agreement, and without affecting the rights of Mortgagee with respect to any security not expressly released in writing, Mortgagee may, at any time and from time to time, either before or after the maturity of the Note, and without notice or consent:
 - A) Release any person liable for payment of all or part of the indebtedness or for performance of any obligation;
 - B) Make any agreement extending the time or otherwise altering the terms of payment of all or any part of the indebtedness, or modifying or waiving any obligation, or subordinating, modifying or otherwise dealing with the lien or charge hereof;
 - C) Exercise or refrain from exercising or waive any right Mortgagee may have;
 - D) Accept additional security of any kind; and
 - E) Release or otherwise deal with any property, real or personal, securing the indebtedness, including all or any part of the Mortgaged Property.
20. Any agreement hereafter made by Mortgagor and Mortgagee pursuant to this Mortgage shall be superior to the rights of the holder of any intervening lien or encumbrance.
21. Mortgagor hereby waives all right of homestead exemption if any, in the Mortgaged Property.
22. In the event of condemnation proceedings of the Mortgaged Property, the award or compensation payable thereunder is hereby assigned to and shall be paid to Mortgagee. Mortgagee shall be under no obligation to question the amount of any such award or compensation and may accept the same in the amount in which the same shall be paid. In any such condemnation proceedings, Mortgagee may be represented by counsel selected by Mortgagee. The proceeds of any award or compensation so received shall, at the option of Mortgagee, either be applied to the prepayment of the Note and at the rate of interest payable on the award by the condemning authority, or at the option of Mortgagee, such award shall be paid over to Mortgagor for restoration of the Mortgaged Property.

23. At the option of Mortgagee, Mortgagor shall provide Mortgagee with periodic financial statements of the operations of and the financial condition of Mortgagor.
24. The loan represented by the Mortgage and the Note is personal to Mortgagor. Mortgagee extended the funds to Mortgagor based upon the representations made in the Mortgagor's application and the Agreement between the parties as well as Mortgagee's judgment of the ability of Mortgagor to perform under this Mortgage, the Note and the Agreement and Mortgagee's judgment of the ability of Mortgagor to repay all sums due under this Mortgage. Therefore, this Mortgage may not be assumed by any subsequent holder of an interest in the Mortgaged Property unless in compliance with HUD regulations and with written approval by Mortgagee.

25. COMPLIANCE WITH ENVIRONMENTAL LAWS:

- A) Hazardous Waste: "Hazardous Waste" shall mean and include those elements or compounds which are contained in the list of hazardous substances adopted by the United States Environmental Protection Agency (EPA) and the list of toxic pollutants designated by Congress or the EPA or defined by any other federal, state or local statute, law, ordinance, code, rule, regulation, order or decree regulating, relating to or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material as now or at any time in effect.
- B) Representations and Warranties: Mortgagor specifically represents and warrants that the use and operation of the Mortgaged Property complies with all applicable environmental laws, rules and regulations, including, without limitation, the Federal Resource Conservation and Recovery Act and the Comprehensive Environmental Response Compensation and Liability Act of 1980 and all amendments and supplements thereto, and Mortgagor shall continue to comply therewith at all times. Specifically, and without limiting the generality of the foregoing, there are not now and there shall not in the future be any Hazardous Waste located or stored in, upon or at the Mortgaged Property, and there are not now nor shall there be at any time any releases or discharges of Hazardous Waste from the Mortgaged Property.
- C) Indemnification.
- (1) Mortgagor shall indemnify Mortgagee and hold Mortgagee harmless from and against any and all losses, liabilities (including strict liability), damages, injuries, expenses (including attorneys' fees for attorneys of Mortgagee's choice), costs of any settlement or judgment, and claims of any and every kind whatsoever paid, incurred or suffered by, or asserted against Mortgagee by any person or entity or governmental agency for, with respect to, or as a direct or indirect result of, the presence on or under, or the escape, seepage, leakage, spillage, discharge, emission or release from the Mortgaged Property of any Hazardous Waste, regardless of whether within Mortgagor's control. The indemnification agreement set forth in this paragraph includes without limitation, any losses, liabilities (including strict liability), damages, injuries, expense (including attorneys' fees for attorneys of Mortgagee's choice), costs of any settlement or judgment or claims asserted or arising under the Comprehensive Environmental Response Compensation and Liability Act, any deferral state or local "Superfund" or "Superlien" laws, and any and all other statutes laws, ordinances, codes, rules, regulations, orders or decrees regulating, with respect to or imposing liability, including strict liability, substances or standards of conduct concerning any Hazardous Waste.

- (2) The indemnification and hold harmless agreement set forth in this subparagraph shall benefit Mortgagee from the date hereof and shall continue notwithstanding payment, release or discharge of this Mortgage or the obligations secured hereby, and, without limiting the generality of the foregoing, such obligations shall continue for the benefit of Mortgagee during and following any possession or ownership of the Mortgaged Property by Mortgagee, whether arising by foreclosure or deed in lieu of foreclosure or otherwise, such indemnification and hold harmless agreement to continue forever.

D) Notice of Environmental Complaint. If Mortgagor shall receive any knowledge of notice (actual or constructive) of:

- (1) The happening of any event involving the spill, release, leak, seepage, discharge, presence or cleanup of any Hazardous Waste on the Mortgaged Property on in connection with Mortgagor's operations thereon; or
- (2) Any complaint, order, citation or notice with regard to air emission, water discharges; or
- (3) Any other environmental, health or safety matter affecting Mortgagor;

(all the foregoing be referred to herein as an "Environmental Complaint") from any person or entity, then Mortgagor immediately shall notify Mortgagee orally and in writing of the notice.

E) Mortgagee's Reserved Rights. In the event of an Environmental Complaint, Mortgagee shall have the right, but not the obligation (and without limitation of Mortgagee's rights under this Mortgage) to enter onto the Mortgaged Property or to take such other actions as it shall deem necessary or advisable to clean up, remove, resolve or minimize the impact of, or otherwise deal with, any such Hazardous Waste or Environmental Complaint. All reasonable costs and expenses, including a reasonable attorney's fee, incurred by Mortgagee in the exercise of any such rights shall be secured by the Mortgage; shall be payable by Mortgagor upon demand; and shall accrue interest at the highest lawful rate from the date paid by Mortgagee.

26. Breach: Any breach of any warranty, representation or agreement contained in this Mortgage, the Note, or the Agreement shall be an Event of Default and shall entitle Mortgagee to exercise any and all remedies provide in this Mortgage, or otherwise permitted by law.
27. In the event any one or more of the provisions contained in this Mortgage, the Note, or the Agreement, shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall, at the option of the Mortgagee, not affect any other provisions of this Mortgage, but this Mortgage shall be construed as if such invalid illegal or unenforceable provision had never been contained herein or therein. The total interest payable pursuant to the Note or this Mortgage shall not in any one year exceed the highest lawful rate of interest permitted in the State of Florida.
28. The covenants and agreements herein contained shall bind and the benefits and advantages shall inure to the respective heirs, executors, administrators, successors, and assigns of the parties hereto. Wherever used, the singular number shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders. All covenants, agreements and undertakings shall be joint and several. In the event additional numbered covenants or paragraphs are for convenience inserted in this Mortgage, such additional covenants shall be read and given the effect as though following this covenant in consecutive

order.

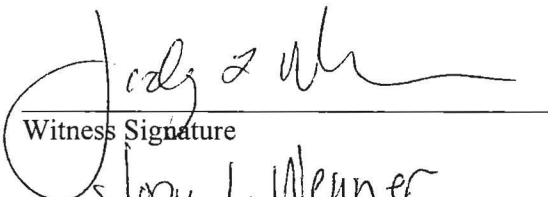
29. Mortgagor understands and agrees that this Mortgage shall be recorded in the public records of Marion County, Florida, and that this Mortgage shall be a legal and binding contract and a lien on the Mortgaged Property described herein, enforceable in the courts of the State of Florida.

IN WITNESS THEREOF, Mortgagor has executed this Mortgage on the ____ day of _____, 2022.

WITNESS:


Signed, sealed, and delivered
in our presence as witnesses:

HABITAT FOR HUMANITY OF MARION
COUNTY, INC., a Florida Not-for-Profit
Organization



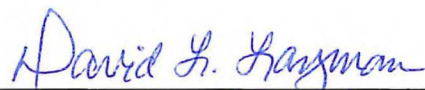
Witness Signature
Jody L. Wenner

Witness Name Printed



Witness Signature
Jm CUTTENBER

Witness Name Printed

By: 

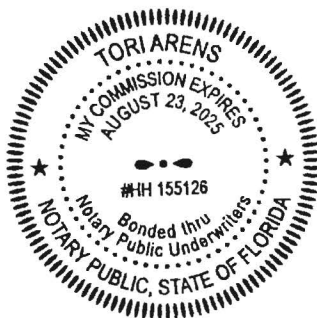
Printed Name: DAVID L. LAYMAN


Its: President

**STATE OF FLORIDA
COUNTY OF MARION**

The forgoing mortgage was acknowledged before me this 6 day of May, 2022, by David L. Layman as President of Habitat for humanity of Marion County, Inc., a Florida not-for-profit organization, who is personally known to me or or produced _____ as identification and who did take an oath.

SEAL





Signature – Notary Public (SEAL)
Print Name: Tori Arens
My Commission Expires: Aug 23, 2025

PROMISSORY NOTE

\$100,000.00

PID # 9016-0230-10

Dated: _____

FOR VALUE RECEIVED, the undersigned (the "Borrower") promises to pay to Marion County, a political subdivision of the State of Florida, HOME Fund, Marion County, Florida, its successors or assigns ("Lender"), the principal sum of **One Hundred Thousand Dollars and No Cents (\$100,000.00)** or such other amount as may be advanced by Lender from time to time hereunder, and to pay interest on the outstanding principal balance at the rate of zero (0%) percent from the above date until fully paid. Payment shall be due upon sale, transfer, or refinance of the collateral securing this note to Marion County, or if units are used for purposes other than sale property to low- to moderate-income HOME eligible people; or if the Borrower shall fail to sell the unit to eligible HOME clients within nine (9) months of the issuance of a Certificate of Occupancy.

This Note and all other obligations of the Borrower, including the agreement entered into between the parties entitled Marion County Standard Professional Services Agreement HOME Developer CHDO Project (the "Agreement") are secured by a lien on collateral in the form of real property located in Marion County, Florida (the "Security"), pursuant to a Mortgage Lien For Real Property Acquired Or Improved In Whole Or In Part With HOME Funds (the "Mortgage") held by Lender. The terms and conditions contained in the Agreement and the Mortgage are incorporated herein and made a part hereof as fully as if set forth herein. This Note, the Agreement and the Mortgage are collectively referred to as the "Loan Documents". Reference herein to the Loan Documents is made for a statement of the rights and remedies of Lender with respect to such collateral. Borrower shall not sell, lease or transfer all or any part of the Security or any interest therein, including transfer by judicial sale or any other voluntary or involuntary transfer, without Lender's prior written consent prior to discharge.

1. Payment.

- A. Maturity. The purpose of this Note is to provide Borrower HOME grant funds for the development of one (1) single-family unit to be sold to low- and moderate-income HOME eligible person and family within nine (9) months of the issuance of a Certificate of Occupancy. The maturity date of this Note shall be the first (1st) day of **June 2037**.
- B. Where to Make Payment. Sums due under this Note shall be payable to the Marion HOME Grant, Marion County, Florida, 2710 E. Silver Springs Blvd., Ocala, Florida 34470, or such other place as the Note holder may designate.
- C. Prepayment. Borrower has the option and privilege of prepaying all or any part of the outstanding principal balance evidenced by this Note without premium, penalty or charge.

2. Event of Default.

An event of default shall occur if: (a) Borrower fails to make any payment due under this Note within fifteen (15) days of the due date; or (b) an event of default occurs under any of the Loan Documents between Borrower and Lender, (collectively "Event of Default").

3. Acceleration.

Upon the occurrence of any Event of Default, the outstanding principal hereof and all accrued interest thereon, at the option of Lender, shall become and be immediately due and payable without notice or demand.

4. Relationship of Borrower and Lender.

Nothing contained in this Note shall be deemed or construed to create the relationship of partner or joint venture as between Lender and Borrower, it being agreed and understood that the only relationship

between the parties is that of lender and borrower. The terms hereunder are only intended to compensate Lender for its agreement to make the loan evidenced by this Note. Market conditions as of the date of this Note have been considered.

5. Costs/Attorney's Fees.

Borrower, and all other persons or entities who are or may become liable on the indebtedness evidenced by this Note, agree jointly and severally, to pay all costs of collection, including reasonable attorneys' fees and all costs of any action or proceeding (including but without limitation commencement of non-judicial foreclosure or private sale), in case the unpaid principal sum of this Note is not paid when due, or in case it becomes necessary to enforce any other obligation of Borrower hereunder or to protect the Security for the indebtedness evidenced hereby, or for the foreclosure by Lender of the Mortgage, or in the event Lender is made a party to any litigation because of the existence of the indebtedness evidenced by the Note, whether suit be brought or not, and whether through courts or original jurisdiction, as well as in courts of appellate jurisdiction, or through a bankruptcy court or other legal proceedings. Borrower acknowledges that all such costs are secured by the Mortgage. As used herein "attorneys' fees" shall be deemed to include fees incurred in appellate, bankruptcy and post-judgment proceedings and shall be deemed to include charges for paralegal, law clerks, and other staff members operating under the supervision of an attorney. Any payment or award of attorney's fees shall include as part thereof any and all sales and/or use taxes imposed thereon by any appropriate governmental authority.

6. Waiver.

Borrower, and all persons or entities who are, or may become, liable for all or any part of this indebtedness, jointly and severally:

- A. Presentment. Waive Lender's diligence, presentment, protest and demand for payment, notice of protest of demand, of nonpayment, of dishonor and of maturity and all other notices, filing suit and diligence in collecting this Note, in enforcing any of the security rights or in a proceeding against the Security.
- B. Time is of the Essence. Agree that time is of the essence of every provision hereof.
- C. Substitution. Agree to any substitution, exchange, addition or release of any of the Security or the addition or release of any party or person primarily or secondarily liable hereon.
- D. Renewals, Extensions, Modifications. Consent to any and all renewals, extensions or modifications agreed to by Borrower and Lender of the terms hereof or the terms contained in any of the Loan Documents, including time for payment.
- E. Statute of Limitations. Expressly waive to the full extent of the law, the right, if any, to plead any and all statutes of limitation as a defense to any demand on this Note or Mortgage or any other documents executed in connection with the loan evidenced by this Note.
- F. No Exhaustion of Remedies. Agree that Lender shall not be required first to institute any suit or exhaust its remedies against Borrower or any other person or party to become liable hereunder, or against the Security in order to enforce payment of this Note.
- G. Remain Liable. Agree that, notwithstanding the occurrence of any of the foregoing (except the express written release by Lender of any such person), they shall be and remain jointly and severally, directly and primarily, liable for all sums due under this Note and the

7. Rights and Remedies of Lender.

Borrower, and all persons or entities who are, or may become, liable for all or any part of this indebtedness, jointly and severally:

- A. Lender May Waive. Agree that Lender shall have the right, at any time and from time to time, at its sole option and in its sole discretion, to waive all or any part of any charge due Lender hereunder, but such waiver shall be effective only if made in writing and shall not extend to or constitute a waiver of the same or any other term or provision herein contained or contained in the Mortgage.

- B. Cumulative. The rights and remedies of Lender as provided in this Note and in the Mortgage, shall be cumulative and concurrent and may be pursued singly, successively or together against Borrower, the Security encumbered by the Mortgage, or any other persons or entities who are, or may become, liable for all or any part of this indebtedness, or any and other funds, property or security held by Lender for payment hereof, or otherwise, at the sole discretion of Lender.
- C. No Waiver. Failure of Lender to exercise any such right or remedy shall in no event be construed as a waiver or release of such rights or remedies, or the right to exercise them at any later time. The acceptance by Lender of payment hereunder that is less than any payment in full of all amounts due and payable at the time of such payment shall not constitute a waiver of the right to exercise any of the foregoing options at that time or at any subsequent time or nullify any prior exercise of any such option without the express written consent of Lender. A wavier or release with reference to one Event of Default shall not be construed as a continuing, as a bar to, or as a waiver or release of, any subsequent right, remedy or recourse as to any subsequent Event of Default.
8. Waiver of Jury Trial. Borrower hereby waives trial by jury in any action or proceeding to which Borrower and Lender may be parties, arising out of or in any way pertaining to the Loan. This waiver is knowingly, willingly, and voluntarily made by Borrower, and Borrower hereby represents that no representation of fact or opinion has been made by any individual to induce this waiver of trial by jury or to in any way, modify or nullify its effect.
9. Governing Law. This Note is executed and delivered in Marion County, Florida, and shall be construed and enforced according to the laws of the State of Florida.

IN WITNESS WHEREOF, this Note has been duly executed by the undersigned, as of the above date.

WITNESS:

Signed, sealed, and delivered
in our presence as witnesses:

HABITAT FOR HUMANITY OF MARION COUNTY,
INC., a Florida Not-for-Profit Organization

By: David L. Layman
Printed Name: David L. Layman
Its: President

Jerry L. Werner
Witness Signature
Jerry L. Werner
Witness Name Printed

Jim T. Tennen
Witness Signature
Jim T. Tennen
Witness Name Printed

Record and Return to:

Marion County Community Services
2710 E, Silver Springs Blvd.
Ocala, FL 34470

Rec. Fees: \$95.00
DS: \$350.00

This Document Prepared By:

Marion County Community Services
Department 2710 E. Silver Springs Blvd.
Ocala, Florida 34470

Property Appraiser's Parcel ID No: 9025-0645-64
Owner: Habitat for Humanity of Marion County, Inc.

**MORTGAGE LIEN
FOR REAL PROPERTY ACQUIRED OR IMPROVED
IN WHOLE OR IN PART WITH HOME FUNDS**

This mortgage made by and between Marion County, a political subdivision of the State of Florida, 601 SE 25th Ave., Ocala, FL 34471 ("Mortgagee") and Habitat for Humanity of Marion County, Inc., 1321 SE 25th Loop, Suite 103, Ocala FL 34471 ("Mortgagor").

WHEREAS, Mortgagee is the administrator of the U.S. Department of Housing and Urban Development ("HUD") HOME Investment Partnerships Program ("HOME"); and

WHEREAS, pursuant to law, HUD has made available to Mortgagor, through Mortgagee, certain funds to be used in the acquisition and/or development of certain real property described herein and the single family residential unit located thereon for sale to low- and moderate-income HOME eligible people and families; and

WHEREAS, the use of the property qualifies under the HOME program as meeting one of the national objectives in 24 CFR Part 92 and is not a building for the general conduct of government; and

WHEREAS, upon completion of construction Mortgagor will sell the unit to low- and moderate-income HOME eligible person and family according to 24 CFR 92.252 and in accordance with the separate agreement between Mortgagor and Mortgagee executed May _____, 2022, entitled Marion County's Standard Professional Services Agreement HOME Developer Community Housing Development Organization Project (the "Agreement"); and

WHEREAS, this Mortgage shall constitute a lien on the property to ensure performance as described herein, as set forth in the promissory note of even date between the parties (the "Note") and as set forth in the Agreement entered into by the parties, until released as provided herein;

NOW, THEREFORE in consideration of the financial assistance granted herein and in order to secure the payment of both the principal, and interest, and any other sums payable on the Note or this Mortgage and the performance and observance of all the provisions hereof, of the Note, and of the Agreement, Mortgagor hereby grants, sells, warrants, conveys, assigns, transfers, mortgages and sets over and confirms unto Mortgagee all of Mortgagor's estate, right, title and interest in, to and under all that certain real property situate in Marion County, Florida, more particularly described as follows:

Parcel ID #9025-0645-64 Lot 64, Block 645, SILVER SPRINGS SHORES UNIT NO. 25, according to the map or plat thereof, as recorded in Plat Book J, Page(s) 202, of the Public Records of Marion County, Florida.

TOGETHER WITH all improvements now or hereafter located on said real property and all fixtures, appliances, apparatus, equipment, furnishings, heating and air conditioning equipment, machinery and articles of personal property and replacement thereof (other than those owned by lessees of said real property) now or hereafter affixed to, attached to, placed upon, or used in any way in connection with the complete and comfortable use, occupancy, or operation of the said real property, all licenses and permits used or required in connection with the use of said real property, all leases of said real property now or hereafter entered into and all right, title and interest of Mortgagor thereunder, including without limitation, cash or securities deposited thereunder pursuant to said leases, and all rents, issues, proceeds, profits, revenues, royalties, rights, accounts, accounts receivable, and benefits arising from, relating to or accruing from said real property and together with all proceeds of the conversion, voluntary or involuntary of any of the foregoing into cash or liquidated claims, including without limitation, proceeds of insurance and condemnation awards (the foregoing said real property, tangible and intangible personal property hereinafter collectively referred to as the "Mortgaged Property"). Mortgagor hereby grants to Mortgagee a security interest in the foregoing described tangible and intangible personal property.

MORTGAGOR covenants and agrees as follows:

1. The terms and conditions contained in the Agreement and the Note are incorporated herein and made a part hereof as fully as if set forth herein.
2. HOME funds in the amount of **One Hundred Thousand Dollars and No Cents (\$100,000.00)** have been provided to or for the benefit of Mortgagor to assist in the acquisition and/or development of the Mortgaged Property.
3. Mortgagor warrants that Mortgagor has good and marketable title to an indefeasible fee estate in the real property comprising the Mortgaged Property subject to no lien, charge or encumbrance except as Mortgagee has agreed to accept in writing, and Mortgagor covenants that this Mortgage is and will remain a valid and enforceable mortgage on the Mortgaged Property subject only to the exceptions herein provided. Mortgagor has full power and lawful authority to mortgage the Mortgaged Property in the manner and form herein done or intended hereafter to be done. Mortgagor will preserve such title and will forever warrant and defend the same to Mortgagee and will forever warrant and defend the validity and priority of the lien hereof against the claims of all persons and parties whomsoever.
4. Mortgagor will, at the cost of Mortgagor, and without expense to Mortgagee, do, execute, acknowledge and deliver all and every such further acts, deeds, conveyances, mortgages, assignments, notices of assignment, transfers and assurances as Mortgagee shall from time to time require in order to preserve the priority of the lien of this Mortgage or to facilitate the performance of the terms hereof.
5. This Mortgage shall terminate upon the repayment of the HOME funds or upon sale of the unit, whichever occurs first. This Mortgage shall expire upon fifteen (15) years from the date of execution. Upon termination or expiration, Mortgagee shall execute a release from this Mortgage and lien which shall be recorded in the public records of Marion County, Florida.
6. If MORTGAGOR fails to complete construction or otherwise fails to sell the Mortgaged Property to a HOME eligible family and/or individual within nine (9) months of the completion of construction or rehabilitation Mortgagor shall convert homebuyer housing to a rental unit and operate in compliance with 24 CFR 92.252 for the affordability period applicable to rental projects (20 years for new construction).
7. Mortgagor further covenants and agrees to pay when due, without requiring any notice from Mortgagee, all taxes, assessments of any type or nature and other charges levied or assessed against the Mortgaged Property

or this Mortgage and produce receipts therefor upon demand. To immediately pay and discharge any claim, lien or encumbrance against the Mortgaged Property which may be or become superior to this Mortgage and to permit no default or delinquency on any other lien, encumbrance or charge against the Mortgaged Property.

8. Mortgagor further covenants and agrees to promptly pay all taxes and assessments assessed or levied under and by virtue of any state, federal, or municipal law or regulation, hereafter passed against Mortgagee upon this Mortgage or the debt hereby secured, or upon its interest under this Mortgage, provided however that the total amount so paid for any such taxes pursuant to this paragraph together with the interest payable on said indebtedness shall not exceed the highest lawful rate of interest in Florida and provided further that in the event of the passage of any such law or regulation imposing a tax or assessment against Mortgagee upon this Mortgage or the debt secured hereby, that the entire indebtedness secured by the Mortgage shall thereupon become immediately due and payable at the option of Mortgagee.
9. Mortgagor further covenants and agrees to maintain the Mortgaged Property in good condition and repair, including but not limited to the making of such repairs as Mortgagee may from time to time determine to be necessary for the preservation of the Mortgaged Property and to not commit or permit any waste thereof, and Mortgagee shall have the right to inspect the Mortgaged Property on reasonable notice to Mortgagor.
10. Mortgagor further covenants and agrees to comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting the Mortgaged Property, and not to cause or permit any violation thereof.
11. Mortgagor further covenants and agrees that if Mortgagor fails to pay any claim, lien or encumbrance which is superior to this Mortgage, or when due, any tax or assessment or insurance premium or to keep the Mortgaged Property in repair, or shall commit or permit waste, or if there be commenced any action or proceeding affecting the Mortgaged Property or the title thereto, or the interest - of Mortgagee therein, including but not limited to, eminent domain and bankruptcy or reorganization proceedings, then Mortgagee, at its option, may pay said claim, lien encumbrance, tax, assessment or premium, with right of subrogation thereunder, may make such repairs and take such steps as it deems advisable to prevent or cure such waste, and may appear in any such action or proceeding and retain counsel therein, and take such action therein as Mortgagee deems advisable, and for any of such purposes, Mortgagee may advance such sums of money, including all costs, reasonable attorney's fees, an other items of expense as it deems necessary. Mortgagee shall be the sole judge of the legality, validity and priority of any such claim, lien, encumbrance, tax, assessment and premium and of the amount necessary to be paid in satisfaction thereof. Mortgagee shall not be held accountable for any delay in making any such payment, which delay may result in any additional interest, costs, charges, expenses or otherwise.
12. Mortgagor further covenants and agrees that Mortgagor will pay to Mortgagee, immediately and without demand, all sums of money advanced by Mortgagee to protect the Mortgaged Property hereof pursuant to this Mortgage, including all costs, reasonable attorney's fees and other items of expense, together with interest on each such advancement at the rate of interest provided herein and all such sums and interest thereon shall be secured hereby.
13. Mortgagor further covenants and agrees all sums of money secured hereby shall be payable without any relief wherever from any valuation or appraisal laws.
14. If default occurs in payment of the principal or interest of the Note or any part thereof when due, or in payment, when due or any other sum secured hereby, or in performance of any Mortgagor's obligations, covenants or agreements hereunder, in the Note or in the Agreement, all of the indebtedness secured hereby shall become and be immediately due and payable at the option of Mortgagee, without notice or demand, which are hereby expressly waived, in which event, Mortgagee may avail itself of all rights and remedies, at

law or in equity, and this Mortgage may be foreclosed with all rights and remedies afforded by the laws of Florida and Mortgagor shall pay all costs, charges, and expenses thereof, including a reasonable attorney's fee, including all such other costs, expense and attorney's fees for any retrial, rehearing or appeals. The indebtedness secured hereby shall bear interest at the rate provided herein from and after the date of any such default of Mortgagor.

15. If default be made in payment, when due, of any indebtedness secured hereby, or in performance of any of Mortgagor's obligations, covenants or agreements in this Mortgage, the Note or the Agreement:

- A) Mortgagee is authorized at any time, without notice, in its sole discretion to enter upon and take possession of the Mortgaged Property or any part thereof, to perform any acts Mortgagee deems necessary or proper to conserve the Mortgaged Property and to collect and receive all rents, issues, profits, revenues, royalties, rights, proceeds, accounts, accounts receivable, and benefits thereof, including those past due as well as those accruing thereafter; and
- B) Mortgagee shall be entitled, as a matter of strict right, without notice and ex parte, and without regard to the value or occupancy of the Mortgaged Property, or the solvency of Mortgagor, or the adequacy of the Mortgaged Property as security for the Note to have a receiver appointed to enter upon and take possession of the Mortgaged Property, collect the rents, issues, profits, revenues, royalties, rights, proceeds, accounts, accounts receivable, and benefits therefrom and apply the same as the court may direct, such receiver to have all the rights and powers permitted under the laws of Florida.

In either such case, Mortgagee or the receiver may also take possession of, and for these purposes, use any and all personal property which is a part of the Mortgaged Property and used by Mortgagor in the rental or leasing thereof or any part thereof. The expense (including receiver's fees, counsel fees, costs and agent's compensation) incurred pursuant to the powers herein contained shall be secured hereby. Mortgagee shall (after payment of all costs and expenses incurred) apply such rents, issues, and profits received by it on the indebtedness secured hereby in such order and Mortgagee determines. The right to enter and take possession of the Mortgaged Property, to manage and operate the same, and to collect the rents, issues, profits, revenues, royalties, rights, proceeds, accounts, accounts receivable and benefits thereof, whether by a receiver or otherwise, shall be cumulative to any other right or remedy hereunder or afforded by law, and may be exercised concurrently therewith or independently thereof. Mortgagee shall be liable to account only for such rents, issue and profits actually received by Mortgagee.

16. If the indebtedness secured hereby is now or hereafter secured by chattel mortgages, security interests, financing statements, pledges, contracts of guaranty, assignments of leases, or other securities, or if the Mortgaged Property hereby encumbered consists of more than one (1) parcel of real property, Mortgagee may, at its option, exhaust any one or more of said securities and security hereunder, or such parcels of security hereunder, either concurrently or independently, and in such order as it may determine.
17. This Mortgage shall secure not only existing indebtedness, but also such future advances, whether such advances are obligatory or to be made at the option of Mortgagee, or otherwise, as are made within fifteen (15) years from the date hereof, to the same extent as if such future advances were made on the date of the execution of this Mortgage, but such secured indebtedness shall not exceed at any time the maximum principal amount of two (2) times the amount of the Note, plus interest thereon, plus any disbursements made for the payment of taxes, levies, or insurance on the Mortgaged Property, plus interest on such disbursements. Any such future advances, whether obligatory or to be made at the option of Mortgagee, or otherwise, may be made either prior to or after the due date of the Note or any other notes secured by this Mortgage. This Mortgage is given for the specific purpose of securing any and all indebtedness by Mortgagor to Mortgagee (but in no event shall the secured indebtedness exceed at any time the maximum principal amount set forth in

this paragraph) in whatever manner this indebtedness may be evidenced or represented until this Mortgage is satisfied of record. All covenants and agreement contained in this Mortgage shall be applicable to all further advances made by Mortgagee to Mortgagor under this future advance clause.

18. No delay by Mortgagee in exercising any right or remedy hereunder, or otherwise afforded by law, shall operate as a waiver thereof or preclude the exercise thereof during the continuance of any default hereunder. No waiver by Mortgagee of any default shall constitute a waiver of or consent to subsequent defaults. No failure of Mortgagee to exercise any option herein given to accelerate maturity of the debt hereby secured, no forbearance by Mortgagee before or after the exercise of such option and no withdrawal or abandonment of foreclosure proceeding by Mortgagee shall be taken or construed as a waiver of its right to exercise such option or to accelerate the maturity of the debt, hereby secured by reason of any past, present, or future default on the part of Mortgagor; and, in like manner, the procurement of insurance or the payment of taxes or other liens or charges by Mortgagee shall not be taken or construed as a waiver of its right to accelerate the maturity of the debt hereby secured.
19. Without affecting the liability of Mortgagor or any other person (except any person expressly released in writing) for payment of any indebtedness secured hereby or for performance of any obligation contained herein, in the Note and/or in the Agreement, and without affecting the rights of Mortgagee with respect to any security not expressly released in writing, Mortgagee may, at any time and from time to time, either before or after the maturity of the Note, and without notice or consent:
 - A) Release any person liable for payment of all or part of the indebtedness or for performance of any obligation;
 - B) Make any agreement extending the time or otherwise altering the terms of payment of all or any part of the indebtedness, or modifying or waiving any obligation, or subordinating, modifying or otherwise dealing with the lien or charge hereof;
 - C) Exercise or refrain from exercising or waive any right Mortgagee may have;
 - D) Accept additional security of any kind; and
 - E) Release or otherwise deal with any property, real or personal, securing the indebtedness, including all or any part of the Mortgaged Property.
20. Any agreement hereafter made by Mortgagor and Mortgagee pursuant to this Mortgage shall be superior to the rights of the holder of any intervening lien or encumbrance.
21. Mortgagor hereby waives all right of homestead exemption if any, in the Mortgaged Property.
22. In the event of condemnation proceedings of the Mortgaged Property, the award or compensation payable thereunder is hereby assigned to and shall be paid to Mortgagee. Mortgagee shall be under no obligation to question the amount of any such award or compensation and may accept the same in the amount in which the same shall be paid. In any such condemnation proceedings, Mortgagee may be represented by counsel selected by Mortgagee. The proceeds of any award or compensation so received shall, at the option of Mortgagee, either be applied to the prepayment of the Note and at the rate of interest payable on the award by the condemning authority, or at the option of Mortgagee, such award shall be paid over to Mortgagor for restoration of the Mortgaged Property.

23. At the option of Mortgagee, Mortgagor shall provide Mortgagee with periodic financial statements of the operations of and the financial condition of Mortgagor.
24. The loan represented by the Mortgage and the Note is personal to Mortgagor. Mortgagee extended the funds to Mortgagor based upon the representations made in the Mortgagor's application and the Agreement between the parties as well as Mortgagee's judgment of the ability of Mortgagor to perform under this Mortgage, the Note and the Agreement and Mortgagee's judgment of the ability of Mortgagor to repay all sums due under this Mortgage. Therefore, this Mortgage may not be assumed by any subsequent holder of an interest in the Mortgaged Property unless in compliance with HUD regulations and with written approval by Mortgagee.
25. COMPLIANCE WITH ENVIRONMENTAL LAWS:
- A) Hazardous Waste: "Hazardous Waste" shall mean and include those elements or compounds which are contained in the list of hazardous substances adopted by the United States Environmental Protection Agency (EPA) and the list of toxic pollutants designated by Congress or the EPA or defined by any other federal, state or local statute, law, ordinance, code, rule, regulation, order or decree regulating, relating to or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material as now or at any time in effect.
- B) Representations and Warranties: Mortgagor specifically represents and warrants that the use and operation of the Mortgaged Property complies with all applicable environmental laws, rules and regulations, including, without limitation, the Federal Resource Conservation and Recovery Act and the Comprehensive Environmental Response Compensation and Liability Act of 1980 and all amendments and supplements thereto, and Mortgagor shall continue to comply therewith at all times. Specifically, and without limiting the generality of the foregoing, there are not now and there shall not in the future be any Hazardous Waste located or stored in, upon or at the Mortgaged Property, and there are not now nor shall there be at any time any releases or discharges of Hazardous Waste from the Mortgaged Property.
- C) Indemnification.
- (1) Mortgagor shall indemnify Mortgagee and hold Mortgagee harmless from and against any and all losses, liabilities (including strict liability), damages, injuries, expenses (including attorneys' fees for attorneys of Mortgagee's choice), costs of any settlement or judgment, and claims of any and every kind whatsoever paid, incurred or suffered by, or asserted against Mortgagee by any person or entity or governmental agency for, with respect to, or as a direct or indirect result of, the presence on or under, or the escape, seepage, leakage, spillage, discharge, emission or release from the Mortgaged Property of any Hazardous Waste, regardless of whether within Mortgagor's control. The indemnification agreement set forth in this paragraph includes without limitation, any losses, liabilities (including strict liability), damages, injuries, expense (including attorneys' fees for attorneys of Mortgagee's choice), costs of any settlement or judgment or claims asserted or arising under the Comprehensive Environmental Response Compensation and Liability Act, any deferral state or local "Superfund" or "Superlien" laws, and any and all other statutes laws, ordinances, codes, rules, regulations, orders or decrees regulating, with respect to or imposing liability, including strict liability, substances or standards of conduct concerning any Hazardous Waste.

- (2) The indemnification and hold harmless agreement set forth in this subparagraph shall benefit Mortgagee from the date hereof and shall continue notwithstanding payment, release or discharge of this Mortgage or the obligations secured hereby, and, without limiting the generality of the foregoing, such obligations shall continue for the benefit of Mortgagee during and following any possession or ownership of the Mortgaged Property by Mortgagee, whether arising by foreclosure or deed in lieu of foreclosure or otherwise, such indemnification and hold harmless agreement to continue forever.

D) Notice of Environmental Complaint. If Mortgagor shall receive any knowledge of notice (actual or constructive) of:

- (1) The happening of any event involving the spill, release, leak, seepage, discharge, presence or cleanup of any Hazardous Waste on the Mortgaged Property on in connection with Mortgagor's operations thereon; or
- (2) Any complaint, order, citation or notice with regard to air emission, water discharges; or
- (3) Any other environmental, health or safety matter affecting Mortgagor;

(all the foregoing be referred to herein as an "Environmental Complaint") from any person or entity, then Mortgagor immediately shall notify Mortgagee orally and in writing of the notice.

- E) Mortgagee's Reserved Rights. In the event of an Environmental Complaint, Mortgagee shall have the right, but not the obligation (and without limitation of Mortgagee's rights under this Mortgage) to enter onto the Mortgaged Property or to take such other actions as it shall deem necessary or advisable to clean up, remove, resolve or minimize the impact of, or otherwise deal with, any such Hazardous Waste or Environmental Complaint. All reasonable costs and expenses, including a reasonable attorney's fee, incurred by Mortgagee in the exercise of any such rights shall be secured by the Mortgage; shall be payable by Mortgagor upon demand; and shall accrue interest at the highest lawful rate from the date paid by Mortgagee.

26. Breach: Any breach of any warranty, representation or agreement contained in this Mortgage, the Note, or the Agreement shall be an Event of Default and shall entitle Mortgagee to exercise any and all remedies provide in this Mortgage, or otherwise permitted by law.
27. In the event any one or more of the provisions contained in this Mortgage, the Note, or the Agreement, shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall, at the option of the Mortgagee, not affect any other provisions of this Mortgage, but this Mortgage shall be construed as if such invalid illegal or unenforceable provision had never been contained herein or therein. The total interest payable pursuant to the Note or this Mortgage shall not in any one year exceed the highest lawful rate of interest permitted in the State of Florida.
28. The covenants and agreements herein contained shall bind and the benefits and advantages shall inure to the respective heirs, executors, administrators, successors, and assigns of the parties hereto. Wherever used, the singular number shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders. All covenants, agreements and undertakings shall be joint and several. In the event additional numbered covenants or paragraphs are for convenience inserted in this Mortgage, such additional covenants shall be read and given the effect as though following this covenant in consecutive

order.

29. Mortgagor understands and agrees that this Mortgage shall be recorded in the public records of Marion County, Florida, and that this Mortgage shall be a legal and binding contract and a lien on the Mortgaged Property described herein, enforceable in the courts of the State of Florida.

IN WITNESS THEREOF, Mortgagor has executed this Mortgage on the ____ day of _____, 2022.

WITNESS:

Signed, sealed, and delivered
in our presence as witnesses:

HABITAT FOR HUMANITY OF MARION
COUNTY, INC., a Florida Not-for-Profit
Organization

Jody L. Weener
Witness Signature

Jody L. Weener
Witness Name Printed

[Signature]
Witness Signature

Jim Zuercher
Witness Name Printed

By: David L. Layman
Printed Name: DAVID L. LAYMAN
Its: President

STATE OF FLORIDA
COUNTY OF MARION

The forgoing mortgage was acknowledged before me this 6 day of May, 2022, by David L. Layman as President of Habitat for humanity of Marion County, Inc., a Florida not-for-profit organization, who is personally known to me X or produced _____ as identification and who did take an oath.

SEAL



[Signature]
Signature – Notary Public (SEAL)
Print Name: Tori Arens
My Commission Expires: Aug 23, 2025

PROMISSORY NOTE

\$100,000.00

PID # 9025-0645-64

Dated: _____

FOR VALUE RECEIVED, the undersigned (the "Borrower") promises to pay to Marion County, a political subdivision of the State of Florida, HOME Fund, Marion County, Florida, its successors or assigns ("Lender"), the principal sum of **One Hundred Thousand Dollars and No Cents (\$100,000.00)** or such other amount as may be advanced by Lender from time to time hereunder, and to pay interest on the outstanding principal balance at the rate of zero (0%) percent from the above date until fully paid. Payment shall be due upon sale, transfer, or refinance of the collateral securing this note to Marion County, or if units are used for purposes other than sale property to low- to moderate-income HOME eligible people; or if the Borrower shall fail to sell the unit to eligible HOME clients within nine (9) months of the issuance of a Certificate of Occupancy.

This Note and all other obligations of the Borrower, including the agreement entered into between the parties entitled Marion County Standard Professional Services Agreement HOME Developer CHDO Project (the "Agreement") are secured by a lien on collateral in the form of real property located in Marion County, Florida (the "Security"), pursuant to a Mortgage Lien For Real Property Acquired Or Improved In Whole Or In Part With HOME Funds (the "Mortgage") held by Lender. The terms and conditions contained in the Agreement and the Mortgage are incorporated herein and made a part hereof as fully as if set forth herein. This Note, the Agreement and the Mortgage are collectively referred to as the "Loan Documents". Reference herein to the Loan Documents is made for a statement of the rights and remedies of Lender with respect to such collateral. Borrower shall not sell, lease or transfer all or any part of the Security or any interest therein, including transfer by judicial sale or any other voluntary or involuntary transfer, without Lender's prior written consent prior to discharge.

1. Payment.

- A. Maturity. The purpose of this Note is to provide Borrower HOME grant funds for the development of one (1) single-family unit to be sold to low- and moderate-income HOME eligible person and family within nine (9) months of the issuance of a Certificate of Occupancy. The maturity date of this Note shall be the first (1st) day of **June 2037**.
- B. Where to Make Payment. Sums due under this Note shall be payable to the Marion HOME Grant, Marion County, Florida, 2710 E. Silver Springs Blvd., Ocala, Florida 34470, or such other place as the Note holder may designate.
- C. Prepayment. Borrower has the option and privilege of prepaying all or any part of the outstanding principal balance evidenced by this Note without premium, penalty or charge.

2. Event of Default.

An event of default shall occur if: (a) Borrower fails to make any payment due under this Note within fifteen (15) days of the due date; or (b) an event of default occurs under any of the Loan Documents between Borrower and Lender, (collectively "Event of Default").

3. Acceleration.

Upon the occurrence of any Event of Default, the outstanding principal hereof and all accrued interest thereon, at the option of Lender, shall become and be immediately due and payable without notice or demand.

4. Relationship of Borrower and Lender.

Nothing contained in this Note shall be deemed or construed to create the relationship of partner or joint venture as between Lender and Borrower, it being agreed and understood that the only relationship

between the parties is that of lender and borrower. The terms hereunder are only intended to compensate Lender for its agreement to make the loan evidenced by this Note. Market conditions as of the date of this Note have been considered.

5. Costs/Attorney's Fees.

Borrower, and all other persons or entities who are or may become liable on the indebtedness evidenced by this Note, agree jointly and severally, to pay all costs of collection, including reasonable attorneys' fees and all costs of any action or proceeding (including but without limitation commencement of non-judicial foreclosure or private sale), in case the unpaid principal sum of this Note is not paid when due, or in case it becomes necessary to enforce any other obligation of Borrower hereunder or to protect the Security for the indebtedness evidenced hereby, or for the foreclosure by Lender of the Mortgage, or in the event Lender is made a party to any litigation because of the existence of the indebtedness evidenced by the Note, whether suit be brought or not, and whether through courts or original jurisdiction, as well as in courts of appellate jurisdiction, or through a bankruptcy court or other legal proceedings. Borrower acknowledges that all such costs are secured by the Mortgage. As used herein "attorneys' fees" shall be deemed to include fees incurred in appellate, bankruptcy and post-judgment proceedings and shall be deemed to include charges for paralegal, law clerks, and other staff members operating under the supervision of an attorney. Any payment or award of attorney's fees shall include as part thereof any and all sales and/or use taxes imposed thereon by any appropriate governmental authority.

6. Waiver.

Borrower, and all persons or entities who are, or may become, liable for all or any part of this indebtedness, jointly and severally:

- A. Presentment. Waive Lender's diligence, presentment, protest and demand for payment, notice of protest of demand, of nonpayment, of dishonor and of maturity and all other notices, filing suit and diligence in collecting this Note, in enforcing any of the security rights or in a proceeding against the Security.
- B. Time is of the Essence. Agree that time is of the essence of every provision hereof.
- C. Substitution. Agree to any substitution, exchange, addition or release of any of the Security or the addition or release of any party or person primarily or secondarily liable hereon.
- D. Renewals, Extensions, Modifications. Consent to any and all renewals, extensions or modifications agreed to by Borrower and Lender of the terms hereof or the terms contained in any of the Loan Documents, including time for payment.
- E. Statute of Limitations. Expressly waive to the full extent of the law, the right, if any, to plead any and all statutes of limitation as a defense to any demand on this Note or Mortgage or any other documents executed in connection with the loan evidenced by this Note.
- F. No Exhaustion of Remedies. Agree that Lender shall not be required first to institute any suit or exhaust its remedies against Borrower or any other person or party to become liable hereunder, or against the Security in order to enforce payment of this Note.
- G. Remain Liable. Agree that, notwithstanding the occurrence of any of the foregoing (except the express written release by Lender of any such person), they shall be and remain jointly and severally, directly and primarily, liable for all sums due under this Note and the

7. Rights and Remedies of Lender.

Borrower, and all persons or entities who are, or may become, liable for all or any part of this indebtedness, jointly and severally:

- A. Lender May Waive. Agree that Lender shall have the right, at any time and from time to time, at its sole option and in its sole discretion, to waive all or any part of any charge due Lender hereunder, but such waiver shall be effective only if made in writing and shall not extend to or constitute a waiver of the same or any other term or provision herein contained or contained in the Mortgage.

- B. Cumulative. The rights and remedies of Lender as provided in this Note and in the Mortgage, shall be cumulative and concurrent and may be pursued singly, successively or together against Borrower, the Security encumbered by the Mortgage, or any other persons or entities who are, or may become, liable for all or any part of this indebtedness, or any and other funds, property or security held by Lender for payment hereof, or otherwise, at the sole discretion of Lender.
- C. No Waiver. Failure of Lender to exercise any such right or remedy shall in no event be construed as a waiver or release of such rights or remedies, or the right to exercise them at any later time. The acceptance by Lender of payment hereunder that is less than any payment in full of all amounts due and payable at the time of such payment shall not constitute a waiver of the right to exercise any of the foregoing options at that time or at any subsequent time or nullify any prior exercise of any such option without the express written consent of Lender. A waiver or release with reference to one Event of Default shall not be construed as a continuing, as a bar to, or as a waiver or release of, any subsequent right, remedy or recourse as to any subsequent Event of Default.
8. Waiver of Jury Trial. Borrower hereby waives trial by jury in any action or proceeding to which Borrower and Lender may be parties, arising out of or in any way pertaining to the Loan. This waiver is knowingly, willingly, and voluntarily made by Borrower, and Borrower hereby represents that no representation of fact or opinion has been made by any individual to induce this waiver of trial by jury or to in any way, modify or nullify its effect.
9. Governing Law. This Note is executed and delivered in Marion County, Florida, and shall be construed and enforced according to the laws of the State of Florida.

IN WITNESS WHEREOF, this Note has been duly executed by the undersigned, as of the above date.

WITNESS:

Signed, sealed, and delivered
in our presence as witnesses:

HABITAT FOR HUMANITY OF MARION COUNTY,
INC., a Florida Not-for-Profit Organization

By: David L. Layman
Printed Name: DAVID L. LAYMAN
Its: President

Joey L. Weaner
Witness Signature
Joey L. Weaner
Witness Name Printed

Jim Turrentine
Witness Signature
Jim Turrentine
Witness Name Printed