

**MARION COUNTY
STANDARD PROFESSIONAL SERVICES AGREEMENT
STATE HOUSING INITIATIVES PARTNERSHIP
NEW CONSTRUCTION PROJECT**

THIS AGREEMENT, (this “Agreement”) was made and entered by and between **Marion County**, a political subdivision of the State of Florida, (hereinafter called the “COUNTY”), and **Saving Mercy Corporation, a Not for Profit Corporation**, with a principal address of 3601 West Silver Springs Blvd., Ocala, FL 34475, FEIN# 81-4404138, (hereinafter called the “SPONSOR”).

WITNESSETH:

WHEREAS, the COUNTY has been provided funds from the State Housing Finance Corporation for the provision of housing; and

WHEREAS, Marion County’s State Housing Initiatives Partnership (SHIP) Local Housing Assistance Plan was approved by the Board of County Commissioners and the Florida Housing Finance Corporation, to provide Housing for low-income families with rental housing needs; and

WHEREAS, the funding cycle and application period for the Rental Housing Strategy was properly advertised; and

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

WHEREAS, the Marion County Community Services Department (“Department”) administers the SHIP Program on behalf of the County; and

WHEREAS, the Project was approved as a project in the Local Housing Assistance Plan based on SPONSOR’s proposal; and

WHEREAS, it is necessary for the COUNTY and SPONSOR to enter into an Agreement for the implementation of this Project; 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. **INCORPORATION OF RECITALS AND EXHIBITS.** The Parties confirm and agree that the above recitals are true and correct, and incorporate their terms and provisions herein for all purposes. The content of all exhibits referenced in this Agreement and attached hereto are also incorporated into the terms of this Agreement for all purposes.

2. **STANDARD TERMS.** SPONSOR and COUNTY mutually agree to abide by the Standard Terms, *Exhibit A hereto*, and the Scope of Work/Funding which is attached to this Agreement as *Exhibit B*.
3. **FUNDING.** COUNTY, through its Community Services Department (the "Department") agrees to provide a deferred payment loan to SPONSOR for allowable costs to include acquisition costs and recording fees as allowable by *Exhibit B*, not to exceed **One Million Seven Hundred Sixty-four Thousand Two Hundred Sixty-five Dollars and Zero Cents (\$1,764,265.00)** for recording fees and services performed under the terms of the Agreement and detailed in *Exhibit B*. Expenses paid on or after July 1, 2024 are eligible for reimbursements in the first draw request. In the event the Project costs exceed the stated amount, the SPONSOR shall be responsible for the excess. In the event the Project does not use all the funds, the excess shall be returned to COUNTY.
4. **SERVICES AND PERFORMANCE.** The Parties mutually agree to furnish, each to the other, the respective services, information, and items as detailed in the Standard Terms as *Exhibit A hereto*, and the Scope of Work/Funding attached as *Exhibit B hereto*.
5. **TERM.** Unless otherwise provided herein or by Supplemental Agreement or Amendment, New Construction, as detailed in *Exhibit B*, is to be completed by, February 1, 2025; and the provisions of this Agreement will remain in full force and effect through the period of the lien which is thirty (30) years from the date of execution of this Agreement.
6. **INSURANCE.** SPONSOR shall maintain, throughout the term of the Agreement, comprehensive general liability insurance, property, and casualty or builder's risk insurance, and Worker's Compensation insurance as set forth in Section "17" of the Standard Terms, *Exhibit A hereto*.
7. **MISCELLANEOUS.**
 - A. The following exhibits are hereby incorporated into this Agreement as part hereof as though fully set forth herein.
 - (1) *Exhibit A - Standard Terms*
 - (2) *Exhibit B - Scope of Work/Funding*
 - (3) *Exhibit C- Marion County Income Limits Adjusted to Family Size 2023*
 - (4) *Exhibit D - Income Certification Form*
 - (5) *Exhibit E - Property Legal Description (8) Units*
 - (6) *Exhibit F – Sample of 12-month Lease*
 - (7) *Exhibit G – Marion County Mortgage Lien and Note*

IN WITNESS WHEREOF, the Parties have entered into this Agreement by their duly authorized officers on the date of the last signature below.

ATTEST:

MARION COUNTY, a political subdivision of the State of Florida

Gregory C. Harrell
Clerk of Court

By: _____
Kathy Bryant
Chairman

Date: _____

Date: _____

FOR USE AND RELIANCE OF
MARION COUNTY ONLY,
APPROVED AS TO FORM AND
LEGAL SUFFICIENCY

For: _____
Matthew Minter
County Attorney

WITNESS:

Signature: _____ Date: 11/5/24

Abigail Gonzalez
Printed Name

SAVING MERCY CORPORATION.

By: _____
Penny Beeher

Print Name: Penny Beeher

Title: Executive Director

Date: 11-5-24

WITNESS:

Signature: _____ Date: 11/5/24

Paul E Fletcher Jr
Printed Name

**MARION COUNTY
SHIP SPONSOR STANDARD TERMS
FOR AFFORDABLE RENTAL HOUSING**

SECTION 1 – DEFINITIONS

- A. **AFFORDABILITY PERIOD** - is hereby defined as the period the SHIP-assisted Project 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 affordable rental projects, the Affordability Period begins on the date of closing and is in effect for the appropriate minimum number of years based on the SHIP funding amount and at the direction of the COUNTY.
- B. **CHAPTER 67-37, FLORIDA ADMINISTRATIVE CODE** – is hereby defined as that portion of the Florida Administrative Code pertaining to the State Housing Initiatives Partnership Program and is one (1) of the three (3) Governing Regulations.
- C. **DEPARTMENT** - is hereby defined as the Department of Community Services, 2710 E. Silver Springs Blvd., Ocala, FL 34470, which is administering the SHIP Program for COUNTY. For the purpose of this Agreement and all administration of SHIP 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 a term used in this Agreement shall in no way relieve SPONSOR from any duties or responsibilities under the terms of this Agreement, or obligation under State or local law or regulation.
- D. **DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT ("HUD")** – is defined as the Federal agency responsible for national policy and programs that address America's housing needs that improve and develop the Nation's communities, and enforce fair housing laws.
- E. **DIRECTOR** — is hereby defined as the Director of the Department of Community Services for COUNTY.
- F. **EFFECTIVE DATE OF THIS AGREEMENT** – is hereby defined as the date of the last signature on the Agreement.
- G. **FINAL COMPLETION** – is defined as completion by SPONSOR and acceptance

- by COUNTY of the Work, all corrected punch list items; final inspection completed; and COUNTY's receipt of the following, as may be applicable to the Agreement: General Contractor's final Application for Payment requesting release of retainage (if any); General Contractor's affidavit affirming that all payrolls, invoices for materials and equipment, and other liabilities connected with the Work for which the COUNTY, or the Rental Unit(s) might be responsible, have been fully paid or otherwise satisfied; Waivers of Right to Claim Against the Payment Bond (Final Payment) from all subcontractors, as defined in Section 713.01, F.S., who performed Work on the Project; As-Built Survey; and, as applicable, all OEM Manuals; spare parts; all video of area worked on; all FDEP Clearance for Water and/or Sewer; all testing documents/reports received for any and all ROW Inspections completed and accepted; and, all testing of machinery warranty letters/affidavits.
- H. FLORIDA HOUSING FINANCE CORPORATION ("FHFC") – is a public corporation and a public body corporate and politic created within the Department of Economic Opportunity in Section 420.504, Florida Statutes.
- I. GOVERNING REGULATIONS – are defined as the pertinent regulations governing this Agreement consisting of:
- (1) The State Housing Initiatives Partnership Act, Sections 420.907-420.9079, Florida Statutes,
 - (2) Chapter 67-37, Florida Administrative Code; and
 - (3) The Marion County State Housing Initiatives Partnership Local Housing Assistance Plan for Fiscal Years 2019-2023, adopted by Resolution 19-R-112 ("LHAP").
- J. INCOME ELIGIBLE HOUSEHOLD - is hereby defined as "Low-income person" or "Very-low-income household" meaning one or more natural persons or a family that has a total annual gross household income that does not exceed 50 percent of the median annual income adjusted for family size for households within the metropolitan statistical area, the county, or the nonmetropolitan median for the state, whichever is greatest. With respect to rental units, the very-low-income household's annual income may increase to an amount not to exceed 140 percent of 50 percent of the area's median income adjusted for family size. As defined as 24 C.F.R. part 5, and Section 420.9071(30), Florida Statutes.
- K. LHAP – is hereby defined as the Marion County State Housing Initiatives Partnership Local Housing Assistance Plan on file and approved by the Florida Housing Finance Corporation of the year from which the funding for the Project is

drawn. Funding is provided for SPONSOR'S Project from Fiscal Year FY 2022 and, therefore, the LHAP governing this Agreement is Fiscal Years 2022-2025, adopted by Resolution 22-R-249 ("LHAP"). LHAP is one (1) of the three (3) Governing Regulations. SPONSOR acknowledges receipt of a copy of the LHAP and the same is incorporated herein as if outlined in full.

- L. PROGRAM – is hereby defined as the SHIP Program, is hereby defined as the State Housing Initiatives Partnership Program created under the State Housing Initiatives Partnership Act, Sections 420.907-9079, Florida Statutes.
- M. PROJECT - is hereby defined as SPONSOR'S Affordable rental of Rental Property Project more fully described in **Exhibit B** and approved by this Agreement for SHIP assistance.
- N. PROJECT COMPLETION - is hereby defined as the date the entirety of the Project is closed and full payment transferred to SPONSOR.
- O. RECAPTURED FUNDS — is hereby defined as funds that are recouped by COUNTY in accordance with the recapture provisions of its local housing assistance plan pursuant to Section 420.9075(5)(j), Florida Statutes, from eligible persons or eligible sponsors, which funds were not used for assistance to an eligible household for an eligible activity when there is a default on the terms of a grant award or loan award. For the Project, COUNTY has made a loan to SPONSOR for the affordable rental of twenty (20) "floating" rental units. The method COUNTY has chosen to recoup the SHIP assistance from SPONSOR is by recording SPONSOR'S mortgage against the Rental Unit.
- P. RENTAL UNIT – is hereby defined as the property described in **Exhibit E** hereto. It is the intention of the parties that SPONSOR shall rent each of the "floating" rental units to no less than one (1) qualified Tenant per unit.
- Q. SHIP - is hereby defined as the State Housing Initiatives Partnership, under the SHIP regulations and governed by Sections, 420.907-420.9079, Florida Statutes.
- R. SUBSTANTIAL COMPLETION - is hereby defined as the date that Work is sufficiently complete that a Tenant can enjoy occupancy of the Work and the Architect and/or Engineer has prepared a Certificate of Substantial Completion, establishing the date of Substantial Completion. COUNTY must be in receipt of a Certificate of Occupancy or Certificate of Completion, final permits, and all lien waivers.

- S. THE STATE HOUSING INITIATIVES PARTNERSHIP ACT - is hereby defined as Sections 420.907-420.9079, Florida Statutes, and is one (1) of the three (3) "Governing Regulations."
- T. TENANT – is hereby defined as a household (individual or family) renting or occupying an assisted dwelling unit. To this agreement the SPONSOR rents one of the twenty (20) assigned "floating" low-income or very-low-income rental units to qualifying households under Income Limit Guidelines. Each Tenant must be a natural person with a household income at entry of no more than **80% Area Median Income** and/or no more than **50% Area Median Income** as further detailed in **Exhibit C**.
- U. WORK - is hereby defined as all the professional, and technical services to be rendered or provided by SPONSOR as described herein in **Exhibit B**.

SECTION 2 -TERM OF AGREEMENT

- A. SPONSOR expressly agrees to complete all Work required by this Agreement in accordance with the timeline set forth in **Exhibit B**.
- B. Timely completion of the Work specified in this Agreement is an integral and essential part of the performance.
- C. The expenditure of SHIP funds is subject to State deadlines and failure to complete a project within such deadlines could result in COUNTY's loss of State funds. By the acceptance and execution of this Agreement, it is understood and agreed by SPONSOR that the Project (more fully described in **Exhibit B**) will be completed as expeditiously as possible and that SPONSOR will make every effort to ensure that the Project will proceed and will not be delayed.
- D. Time is of the essence. Failure to meet these deadlines can result in the cancellation of this Agreement and the revocation of SHIP funds.
- E. As it is mutually agreed that in the performance of this Agreement compliance with SHIP regulations is critical, SPONSOR shall cause the Governing Regulations and the terms of this Agreement to be inserted in all agreements and sub- agreements relative to the Work tasks required by this Agreement in order to ensure that the Project will be completed fully compliant with all requirements of SHIP. It is intended that such provisions included in any agreements and sub- agreement be, to the fullest extent permitted by law and equity, binding for the benefit of COUNTY and enforceable by COUNTY against SPONSOR and its successors and assigns to the Project or any part thereof or any interest therein.

In the event of a conflict between the Governing Regulations and the terms of this Agreement, the Governing Regulations shall prevail.

- F. In the event SPONSOR is unable to meet the timeline set forth in **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 Project, or other delays beyond SPONSOR's control and are not caused by SPONSOR, COUNTY shall grant a reasonable extension of time for completion of the Work. It shall be the responsibility of SPONSOR 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.

SECTION 3 - SCOPE OF WORK

- A. A detailed Scope of Work/Funding is attached as **Exhibit B**. SPONSOR, 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 SPONSOR will provide a specific working budget and realistic timetable in accordance with **Exhibit B** as relates to rehabilitation, soft costs, development fees, delivery fees, and other allowable costs/activities prior to any fund usage. Said budget shall identify all sources and uses of funds, and allocate SHIP and non-SHIP funds to activities or line items.
- C. The Work shall be performed in essentially the manner proposed in SPONSOR's proposal as received by COUNTY on September 3, 2024. The parties specifically agree that the aforementioned SPONSOR's proposal shall be considered to be a part and portion of this Agreement and SPONSOR acknowledges receipt of a copy of same.

SECTION 4 - BUDGET AND REIMBURSEMENT OF EXPENSES

- A. COUNTY shall provide SHIP funds in an amount not to exceed **One Million Seven Hundred Sixty-four Thousand Two Hundred Sixty-five Dollars and Zero Cents (\$1,764,265.00)** for the purposes of the Project (the "Funds") in accordance with the budget hereby attached as **Exhibit B**.
- B. The Funds are comprised of expenses, each more fully described in **Exhibit B**.
- C. COUNTY reserves the right to inspect records and the Project site to determine that reimbursement requests are reasonable. COUNTY also reserves the right to hold payment until adequate documentation has been provided and reviewed.

- D. SPONSOR may submit a final invoice upon Final Competition as defined in Section "1(G)" above.

SECTION 5 - PROJECT REQUIREMENTS

- A. SPONSOR agrees to comply with all requirements of the SHIP Program set forth in the Governing Regulations.
- B. SPONSOR 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 COUNTY, FHFC, and HUD. To determine if a contractor, subcontractor, or participant has been debarred, suspended, or ineligible for Federal award work, SPONSOR may consult the System for Award Management at <https://www.sam.gov/SAM/>.
- C. SPONSOR will ensure that any expenditure of SHIP funds will be in compliance with the Governing Regulations and acknowledges that SHIP funds, in the form of a deferred payment loan, will only be provided for eligible costs incurred, including actual expenditures or invoices for Work completed.
- D. The Rental Unit shall be acquired by SPONSOR who will house tenants who qualify as low-income, defined as **80% of Area Median Income**, and very-low-income, defined as **50% of Area Median Income** in accordance with the Income Chart published annually by FHFC and included as **Exhibit C**. Income is calculated by annualizing verified sources of income for the household as the amount of income expected to be received in a household during the 12 months following the effective date of the determination.
- E. SPONSOR shall make the initial determination of income eligibility of Tenants using, in part, the income documents criteria set forth in **Exhibit B**, complete **Exhibit D**, and execute a one (1) year lease with a Tenant for each of the Rental Units.
- F. Affordability Period.
1. This Project is subject to an Affordability Period of thirty (30) years in accordance with the Governing Regulations, specifically LHAP, Section II (F) "Rental New Construction, Affordable rental, Rehabilitation."

2. The Affordability Period is imposed upon SPONSOR upon its execution of the loan documents with COUNTY but will be released from the obligation upon repayment of the SHIP funds from SPONSOR.
 3. The Affordability Period shall begin upon the date of closing of the loan documents and expire thirty (30) years thereafter.
 4. In the event foreclosure is filed, COUNTY shall have a right of first refusal with the option to purchase the Rental Units for \$10.00.
- G. In the selection of occupants for Project Tenants, SPONSOR shall comply with all nondiscrimination requirements of 24 CFR 92.350 and Sections 760.20-760.37 of the Florida Statutes.
- H. SPONSOR will comply with COUNTY's and SPONSOR's Affirmative Fair Housing Program in keeping with the principles as provided in President's Executive Order 11246 of September 24, 1966, in marketing the units for rent as follows:
1. SPONSOR will use the Fair Housing Logo in all of its advertising for Properties funded with SHIP funds.



2. SPONSOR will post a fair housing poster in its office in a location that is visible to the public being served under the SHIP 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 SPONSOR for the purchase of the Project assisted with SHIP shall include the following language "We comply with the Fair Housing Law. Our office does not discriminate based on race, color, ancestry, national origin, religion, sex, marital status, familial status, or disability".
 4. SPONSOR shall provide all program participants with a copy of the "Fair Housing Equal Agreement for All" brochure. A copy of the brochure can be found at:
http://portal.hud.gov/hudportal/documents/huddoc?id=DOC_12146.pdf
- I. SPONSOR 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 FHFC SHIP Program as providing funds for the Project.

- J. SPONSOR certifies that at the time of completion and throughout the Affordability Period, the Project shall meet:
- (1) The requirements of **Exhibit B** hereto;
 - (2) The standards of the Florida Building Code and all applicable local codes, standards, ordinances, and zoning ordinances;
 - (3) The Accessibility requirements at 24 CFR part 8, which implements Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794);
 - (4) The design and construction requirements at 24 CFR 100.205, which implement the Fair Housing Act (42 U.S.C. 3601-3619), in the event the Rental Unit is rehabilitated at any time during the Affordability Period.; and
 - (5) Energy Efficient Best Practices as defined in Section 420.9075(3)(d), F.S. as Innovative design, green building principles, storm-resistant construction, or other elements that reduce long-term costs relating to maintenance, utilities, or insurance.
- K. COUNTY has the right to suspend SPONSOR from consideration for the award of future agreements:
- (1) If SPONSOR has failed to comply with the Program or violated Agreement provisions, the character of which is regarded to be so serious as to justify such action, including but not limited to:
 - (a) Failure without good cause to perform in accordance with specifications or within the time limits provided in this Agreement;
 - (b) A past record of failure to perform or of unsatisfactory performance in accordance with the terms of one or more agreements;
 - (c) Any other cause determined to be so serious and compelling as to affect responsibility as a provider under the Program; or
 - (d) Has been involved in litigation with COUNTY.
 - (2) The length of any suspension of SPONSOR from consideration of future awards is at the discretion of COUNTY and said discretion will be exercised reasonably and fairly.

SECTION 6 - FUNDING AND METHOD OF PAYMENT

- A. 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, authorization, reduction of funds, and/or change in regulations.

- B. The maximum amount payable by COUNTY under this Agreement shall be **One Million Seven Hundred Sixty-four Thousand Two Hundred Sixty-five Dollars and Zero Cents (\$1,764,265.00)**. The SHIP Funds provided by COUNTY to SPONSOR shall be in the form of a deferred payment loan, zero (0%) percent interest. Upon execution of this Agreement, SPONSOR shall execute a promissory note in the amount of One Million Seven Hundred Sixty-four Thousand Two Hundred Sixty-five Dollars and Zero Cents (\$1,764,265.00) and shall execute a mortgage securing same against the Rental Units. COUNTY shall record such mortgage at SPONSOR's expense, in the public records of Marion County, Florida.
- C. COUNTY agrees to provide funding to SPONSOR in accordance with the following schedule:
1. Construction Costs. COUNTY shall, upon execution of the promissory note, provide funding for the Affordable Rental Units further described in **Exhibit E**, in an amount not to exceed \$1,764,265.00.
- D. All SHIP funds not expended within the Term of this Agreement shall remain in the custody and control of COUNTY. COUNTY may reallocate unexpended SHIP funds to other SHIP Program projects.
- E. SPONSOR 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 this Agreement.
- F. Any documentation required under this Agreement, must be submitted within sixty (60) days after Project Completion. Any requests or documentation submitted after that date may not be honored by COUNTY, at the sole discretion of COUNTY.
- G. SPONSOR shall furnish to COUNTY all reports as may be necessary to comply with the Governing Regulations and all applicable laws, guidelines, and conditions specified in this Agreement.

SECTION 7 - REPAYMENT OF LOAN

- A. All SHIP funds are subject to repayment in the event the Project does not meet the Project requirements as outlined in this Agreement.
- B. Prior to the closing of the Project, SPONSOR shall provide to COUNTY the estimated settlement statement, along with a reconciliation statement and reference to the Recapture provision and COUNTY's right of first refusal in the

event of foreclosure.

SECTION 8 - PROCUREMENT STANDARDS

- A. SPONSOR shall establish procurement procedures to ensure that materials and services are obtained in a cost-effective manner. SPONSOR's procurement procedures must be approved by COUNTY.
- B. Beginning January 1, 2021, Section 448.095, F.S., requires SPONSOR to be registered and use the E-Verify system to verify the work authorization status of all newly hired employees and prohibits SPONSOR from entering into this agreement unless it is in compliance therewith. Information provided by SPONSOR is subject to review for the most current version of the State of Federal policies at the time of the award of this Agreement.
1. COUNTY hereby affirms it is duly registered, uses, and adheres to the practices of the E-Verify system, including those outlined in the clauses below.
 2. SPONSOR has agreed to perform in accordance with the requirements of this Section and agrees:
 - a. It is registered and uses the E-Verify system to verify the work authorization status of all newly hired employees.
 - b. COUNTY shall immediately terminate this Agreement if COUNTY has a good faith belief that SPONSOR has knowingly violated Section 448.09(1), F.S., that is, that SPONSOR knowingly employed, hired, recruited, or referred either for itself or on behalf of another, private, or public employment within the State an alien who is not duly authorized to work by the immigration laws or the Attorney General of the United States.
 - c. When SPONSOR enters into a contract with a General Contractor, contractor, or subcontractor for the performance of this Agreement, SPONSOR shall obtain from that contracting party ("Contracting Party") an affidavit stating that the Contracting Party does not employ, contract with, or subcontract with an unauthorized alien.
 - d. SPONSOR shall maintain a copy of such affidavit for the duration of this Agreement and provide it to COUNTY upon request.
 - e. SPONSOR shall immediately terminate the Contracting Party if SPONSOR has a good faith belief that the Contracting Party has knowingly violated Section 448.09(1), F.S., as set forth above.
 - f. If COUNTY has a good faith belief that SPONSOR's Contracting Party has knowingly violated Section 448.09(1), F.S., but that SPONSOR has otherwise complied, COUNTY shall promptly order SPONSOR to terminate the Contracting Party. SPONSOR agrees

that upon such an order, SPONSOR shall immediately terminate the Contracting Party. SPONSOR agrees that if it should fail to comply with such an order, COUNTY shall immediately terminate SPONSOR.

- g. If COUNTY terminates this Agreement with SPONSOR, SPONSOR may not be awarded a public contract for a least one (1) year after the date of termination.
- h. SPONSOR is liable for any additional costs incurred by COUNTY as a result of a termination under this Section.
- i. Any such termination under this Section is not a breach of this Agreement and may not be considered as such.
- j. SPONSOR shall maintain records of its registration, use, and compliance with the provisions of the E-Verify system, including the registration and use by its subcontractors, and make such records available to COUNTY or other authorized governmental entities.
- k. To comply with the terms of this Employment Eligibility Verification provision is made an express condition of this Agreement and COUNTY may treat a failure to comply as a material breach of this Agreement.

SECTION 9 – CONFLICT OF INTEREST PROVISIONS

- A. SPONSOR will comply with COUNTY Conflict of Interest Provisions as follows: No employee, agent, consultant, officer or elected official or appointed official of SPONSOR who exercises or has exercised any function or responsibility with respect to SHIP activities assisted under or who are in a 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 SHIP assisted activity, or have a financial interest in any agreement, subcontract or agreement with respect to a SHIP assisted activity or with respect to the proceeding of the SHIP assisted activity, either for themselves or those with whom they have a family or business ties, during their tenure or for one (1) year thereafter. This prohibition includes any SHIP benefits or financial assistance associated with SHIP projects or programs administered by SPONSOR, including:
 - 1. Occupancy of a home in a SHIP-assisted project;
 - 2. Receipt of SHIP homebuyer affordable rental assistance; or
 - 3. Receipt of SHIP owner-occupied rehabilitation assistance.
- B. SPONSOR certifies that it is and that SPONSOR and anyone employed thereby shall be in compliance with subsection “9(A)” above throughout this Agreement.

SECTION 10 - COUNTY RESPONSIBILITIES

- A. COUNTY shall furnish SPONSOR with the following services and information from existing COUNTY records and COUNTY files:
1. COUNTY shall provide SPONSOR information regarding its requirements for the Project.
 2. COUNTY will provide SPONSOR with any changes in SHIP regulations or program limits that affect the Project, including but not limited to income limits, property value limits, and/or rent limits.
 3. COUNTY will conduct progress inspections of Work completed to protect its interests as the lender and regulatory authority for the Project and will provide information to SPONSOR regarding any progress inspections or monitoring to assist it in ensuring compliance.
 4. COUNTY's review and approval of the Work will relate only to overall compliance with the general requirements of this Agreement and SHIP regulations, and all COUNTY regulations and ordinances.
 5. COUNTY shall monitor, review, and evaluate the financial procedures of SPONSOR through documents submitted to COUNTY and on-site monitoring. SPONSOR 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 SPONSOR, COUNTY shall schedule at least one (1) on-site visit during the term of this Agreement and other visits that may be needed.
 6. Nothing contained herein shall relieve SPONSOR of any responsibility as provided under this Agreement.

SECTION 11 – PUBLIC RECORDS

- A. If under this Agreement SPONSOR is providing services and is acting on behalf of COUNTY as provided under Section 119.011(2), under Florida Statutes, SPONSOR shall:
1. Keep and maintain public records required by COUNTY to perform the Project;
 2. 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;
 3. Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of the term of this Agreement and

following completion of this Agreement if SPONSOR does not transfer the records to COUNTY; and,

4. Upon completion of this Agreement, transfer, at no cost, to COUNTY, all public records in possession of SPONSOR or keep and maintain public records required by COUNTY to perform this Project. If SPONSOR transfers all public records to COUNTY upon completion of this Agreement, SPONSOR shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If SPONSOR keeps and maintains public records upon completion of this Agreement, SPONSOR 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.
- B. If SPONSOR fails to provide requested public records to COUNTY within a reasonable time, COUNTY may immediately terminate this Agreement and SPONSOR may be subject to penalties under Section 119.10, Florida Statutes.
- C. Public Records.

IF SPONSOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO ITS DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, CONTACT COUNTY'S CUSTODIAN OF PUBLIC RECORDS AT:

Public Relations
601 SE 25th Ave., Ocala, FL 34471
Phone: 352-438-2300
Fax: 352-438-2309
Email: PublicRelations@MarionFL.org

SECTION 12 - SUSPENSION & TERMINATION

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

SECTION 13 - TERMINATION FOR CONVENIENCE OF COUNTY

COUNTY may terminate for its convenience this Agreement at any time by giving at least thirty (30) days' written notice to SPONSOR. If this Agreement is terminated by COUNTY, as provided herein, COUNTY will reimburse for any actual and approved expenses incurred, including those costs involved in terminating the contracts and shutting down the Work as of the date of the notice.

SECTION 14 - DEFAULT AND LOSS OF GRANT FUNDS

- A. If SPONSOR fails in any manner to fully perform and carry out any of the terms, covenants, and conditions of this Agreement, and more particularly if SPONSOR refuses or fails to proceed with the Work with such diligence as will ensure its completion within the time fixed by timeline set forth in **Exhibit B** of this Agreement, SPONSOR shall be in default and notice in writing shall be given to SPONSOR of such default by COUNTY or an agent of COUNTY. If SPONSOR 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 SPONSOR 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, SPONSOR 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 SPONSOR 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 Declaration of Restrictive Covenant (if in effect), including but not limited to compelling SPONSOR to complete the Project in accordance with the terms of this Agreement, in a court of equity.

SECTION 15 - INSPECTION, MONITORING & ACCESS TO RECORDS

- A. All records will be maintained by SPONSOR for five (5) years after the Affordability Period ends.
- B. COUNTY, FHFC, and HUD, or any of their duly appointed representatives, reserve the right to inspect, monitor, observe work and services performed by SPONSOR, and audit the records of SPONSOR at any and all reasonable times during the performance of the Agreement and for a five (5) years after final payment is made under this Agreement.
- C. Access shall be immediately granted to COUNTY and the Florida Housing Finance Corporation, or any of their duly authorized representatives to any books, documents, papers, project site access, and records of SPONSOR or its contractors which are directly pertinent to this Agreement for the purpose of making audit, examination, excerpts, and transcription.

SECTION 16 - GENERAL CONDITIONS

- A. SPONSOR 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 SPONSOR's responsibility to ensure that all requirements are included in said subcontracts and that 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. SPONSOR 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.
- E. This Agreement shall be binding upon the parties hereto, their heirs, executors, legal representative, successors, and assigns.
- F. SPONSOR 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.

SECTION 17 - INSURANCE

- A. SPONSOR, during the Project period, shall keep the Rental Unit 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 Rental Unit is sold, the repayment of the loan is, or the loan expired. "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. SPONSOR shall maintain Workers' Compensation insurance as required by law. Employer's liability limits should be at least \$100,000 for each accident and \$100,000 for each employee with a \$500,000 policy limit for disease. COUNTY need not be named as an Additional Insured, but a "subrogation waiver endorsement is required."
- D. SPONSOR 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 A-, 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 thirty (30) day cancellation notice to that address set forth *supra*. 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 SPONSOR. COUNTY does not in any way represent that these types or amounts of insurance are sufficient or adequate to protect SPONSOR 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 SPONSOR or any other insurance of SPONSOR 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. SPONSOR shall require its General Contractor to provide Builder's Risk Insurance in the amount of one hundred (100%) percent of the 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) for each claim and shall contain a loss payable clause to include COUNTY of Marion, Florida. SPONSOR 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.

SECTION 18 – INDEMNIFICATION

- A. SPONSOR 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 SPONSOR, 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 SPONSOR 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.
- B. Any contract between SPONSOR and its General Contractor or any other third party to provide the construction-related services set forth herein, shall include the following provisions:
1. Indemnification: To the fullest extent permitted by law, Contractor shall indemnify and hold harmless Marion 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. This indemnification of Marion County shall survive the term of this Agreement.
 2. This indemnification of Marion County shall survive the term of this Contract.
- C. Indemnification obligations of the SPONSOR to COUNTY survive the term of the Agreement.

SECTION 19 – SCRUTINIZED COMPANIES PURSUANT TO §287.135, FLORIDA STATUTES

A. Certification.

1. If the Agreement is for One Million Dollars or more, CONTRACTOR certifies that

at the time it submitted its bid or proposal for the Agreement or before entering into the Agreement or renewing same, CONTRACTOR was not then and is not now:

- a. On the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, created pursuant to Section 215.473, Florida Statutes, or
 - b. Engaged in business operations in Cuba or Syria.
2. If the Agreement is for any amount, CONTRACTOR certifies that at the time it submitted its bid or proposal for the Agreement or before entering into the Agreement or renewing same, CONTRACTOR was not then and is not now:
- a. On the Scrutinized Companies that Boycott Israel List, created pursuant to Section 215.4725, Florida Statutes or
 - b. Engaged in a boycott of Israel.

B. Termination, Threshold Amount. COUNTY may, entirely at its option, terminate the Agreement if it is for One Million Dollars or more, and CONTRACTOR meets any of the following criteria.

1. Was entered into or renewed on or after July 1, 2011, through June 30, 2012, and CONTRACTOR is found to have met any of the following prohibitions:
 - a. Submitted a false certification as provided under Section 287.135(5), Florida Statutes, or
 - b. Been placed on the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, created pursuant to Section 215.473, Florida Statutes
2. Was entered into or renewed on or after July 1, 2012, through September 30, 2016, and CONTRACTOR is found to have met any of the following prohibitions:
 - a. Met either prohibition set forth in Section "10(B)(1)" above or
 - b. Been engaged in business operations in Cuba or Syria.
3. Was entered into or renewed on or after October 1, 2016, through June 30, 2018, and CONTRACTOR is found to have met any of the following prohibitions:
 - a. Met any prohibition set forth in Section "10(B)(2)" above or
 - b. Been placed on the Scrutinized Companies that Boycott Israel List, created pursuant to Section 215.4725, Florida Statutes or is engaged in a boycott of Israel.
4. Was entered into or renewed on or after July 1, 2018, and CONTRACTOR is

found to have met any prohibition set forth in Section "10(B)(2)" above.

- C. **Termination, Any Amount.** COUNTY may, entirely at its option, terminate the Agreement if it is for any amount and meets any of the following criteria.
1. Was entered into or renewed on or after July 1, 2018, and
 2. CONTRACTOR is found to have been placed on the Scrutinized Companies that Boycott Israel List, created pursuant to Section 215.4725, Florida Statutes, or is engaged in a boycott of Israel.
- D. **Comply; Inoperative.** The Parties agree to comply with Section 287.135, Florida Statutes, as it may change from time to time during the Term. The contracting prohibitions in this Section become inoperative on the date that Federal law ceases to authorize the State of Florida to adopt and enforce such contracting prohibitions.

SCOPE OF WORK /FUNDING

SPONSOR: SAVING MERCY CORPORATION

Activity: Affordable Rental Housing

SPONSOR is to provide affordable rental units to very low (50%), low (80%) Area Median Income (AMI) residents and permanent supportive housing for chronically homeless, at the initial tenancy, of Marion County, FL. The Rental Units will allow SPONSOR to house its clients while offering them a safe and healthy living environment.

I. Approved Grant Budget:

SPONSOR is approved for a deferred payment loan for affordable rental costs and recording fees based on information and data in the submitted proposal, not to exceed **One Million Seven Hundred Sixty-four Thousand Two Hundred Sixty-five Dollars and Zero Cents (\$1,764,265.00)**.

Funds may be moved within program costs in accordance with program needs, only upon approval by the COUNTY.

Note: Furnishings and occupancy costs are not eligible SHIP costs.

SHIP funds budget:

Task	Budgeted Amount	Notes
Construction cost (20 units) on sponsor-owned land including record fees	\$1,758,000	3601 W Silver Springs Blvd.
Recording Fees	\$112.00	
Doc Stamps	\$6,153.00	
TOTAL SHIP Funds:	\$1,764,265	

LEVERAGE funds match:

Task	Budgeted Amount	Notes
Land	\$2,300,000	
TOTAL PROJECT COST:	\$4,064,265	

II. Project Description:

- A. Affordable Rental of (20) twenty “floating” rental units, located at 3601 W Silver Springs Blvd., Ocala, FL 34475, (Parcel ID#22817-000-00)
- B. Construction costs for the twenty (20) units cannot exceed a total of **\$1,764,265.00** including all recording fees for the note and mortgage.

- C. Costs allowed include framing, insulation, drywall, windows, doors, flooring, kitchen and bathroom cabinets, all finished plumbing and bathroom fixtures, appliances, and all finished electrical and HVAC components. The intention is for the contractor to provide a finished, turn-key apartment rental unit.
 - D. Recordation of a mortgage on the property to secure repayment of deferred payment loan in substantially the same form as **EXHIBIT G**.
 - E. SPONSOR will make the rental units as described in their application for assistance dated September 3, 2024, which is hereby incorporated into this Agreement by reference, available to twenty (20) families during the 2024-2025 program year as follows: two (2) units set aside as permanent supportive housing, nine (9) units at 50% AMI, and nine (9) units at 80% AMI.
- III. Tenants are required to sign a one (1) year lease and may renew annually if the household meets the income requirements and has adhered to the current lease agreement.
- IV. **Affordable Rents:**
- A. Per 24 CFR § 92.252, HUD provides the following maximum SHIP rent limits. The maximum SHIP rents are the lesser of:
 - a. The fair market rent for existing housing for comparable units in the area as established by HUD under 24 CFR 888.111; or
 - b. A rent that does not exceed 30 percent of the adjusted income of a family whose annual income equals 65 percent of the median income for the area, as determined by HUD, with adjustments for the number of bedrooms in the unit. The SHIP rent limits provided by HUD will include average occupancy per unit and adjusted income assumptions.
 - B. If household income exceeds 80% or 50% AMI at lease renewal, rent can be increased and calculated for an amount not to exceed 30% of the tenant's income and keeping within the maximum rent limits. The Income/Rent Limits are published annually in March or April and located at: <https://www.floridahousing.org/owners-and-managers/compliance/income-limits>.
- VI. **Reporting Schedule:**
After property construction and Certificate of Occupancy, SPONSOR shall provide COUNTY the following reports:

- A. Annual reporting of demographic data on clients served for the life of COUNTY's lien.
- B. Annual Income Certification that the rental units continue to be used for the INTENDED eligible purpose for the life of COUNTY's lien. SPONSOR shall use **EXHIBIT D** for this purpose.

VII. **Income Certification and Monitoring:**

- A. SPONSOR will be responsible for verifying that, at the time of the initiation of a tenancy, each client served meets the following criteria:
 - Households are certified to have an annual income, at the initial tenancy, of low income [below eighty percent] (80%) and/or very low [below fifty percent] (50%) median area income calculated in accordance using 24 CFR § 5.609 as found on the Florida Housing Finance Corporation website at www.floridahousing.org using **EXHIBIT C**, to determine household income level and complete Income Certification Form, **EXHIBIT D**, certifying this is a true and accurate income statement for the household.
- B. SPONSOR, based on documentation collected from its Tenants, shall keep Income Certifications and supporting documents in the Tenant's folder. Additional information may be requested once the application is reviewed during the processing period.

Documents to include, but not limited to:

- Driver's License (or FL identification card) for each adult member of the household;
- Social Security card for each member of the household; and
- Copy of Birth Certificates for all household members under 18.

Must provide at least one of the following documents for every household member 18 and over:

- 60 Days of Paystubs.
- Social Security Benefits Letter
- Use of Social Security Numbers Form
- Applicant Release of Information Form
- Child Support Income (including Current Child Support Court Order, the printout of payments from Court House, OR Letter from the Department of Revenue for every child under 18)
- Ongoing Cash Support from family or friends
- Retirement/Pension Statements
- No Income Form
- Other: (Unemployment, TANF, Cash Assistance, Self-Employment, etc.)

Must provide at least one of the following documents for every household member 18 and over:

- Copy of last month's complete bank statements for all checking, savings AND Prepaid Card accounts
 - No Assets Form
- C. Each of the twenty (20) rental units served by SPONSOR shall meet the SHIP definition of low income (80%) and/or very low income (50%) at the initial tenancy. Income Certifications shall be provided to COUNTY, upon request, during the lien period, by SPONSOR based on documentation SPONSOR collected from its tenants.
- D. Income Certifications, **EXHIBIT D**, and a 12-month lease, **EXHIBIT F**, will be required annually for all households renting these units.
- E. County's Community Services Department will monitor all stages of the Project to ensure compliance with all SHIP regulations and County guidelines.
- F. Within the first three (3) months after the ending date of the Project, County will perform monitoring of SPONSOR to ensure that SPONSOR is maintaining all records in a satisfactory manner.

VIII. **Time Line:**

- A. SPONSOR shall have until **June 30, 2025**, for the completion of the affordable rental project. The estimated construction time to complete the project and to have the units fully rented up is June 30, 2025.
- B. The deferred interest loan shall be forgiven at the end of thirty (30) years from the date of mortgage execution if all terms of the Contract have been met. A mortgage lien, **EXHIBIT G**, will be recorded with the Marion County Clerk of Court.

IX. **Request for Payment:**

Payment Process:

- Allowable reimbursement requests will be reviewed for approval by all parties at which time COUNTY'S construction coordinator may inspect the work completed.
- Reimbursement Request form with backup documentation submitted to COUNTY'S Community Services Department.
- COUNTY will verify all payment requests before submission to COUNTY'S Finance for payment. Any questions or discrepancies will be resolved with SPONSOR before payment is authorized.
- The COUNTY'S Finance Department abides by the Prompt Payment Act,

ss. 218.70-218.80, Florida Statutes. Checks will be mailed to SPONSOR.

The method of payment:

- A. COUNTY agrees to pay SPONSOR in accordance with the following schedule: For projects of Three Hundred Fifty-one Thousand and Six Hundred and No/100 Dollars (\$351,600.00) or less SPONSOR will receive a single payment at project completion. For projects in excess of Three Hundred Fifty-one Thousand and Six Hundred and No/100 Dollars (\$351,600.00), a progress payment of twenty percent (20%) ("Draw") shall be made according to the following schedule:
 - a. First Draw: Upon obtaining permits, site preparation, and foundation, minus applicable recording fees for COUNTY mortgage and note;
 - b. Second Draw: Upon completion of exterior block laying, interior framing, roof faming and shingle installation, and beginning of rough in;
 - c. Third Draw: Upon completion of rough in, to include plumbing, mechanical, and electrical work;
 - d. Fourth Draw: Upon completion of dry in, stucco, ductwork, insulation, drywall, and install of exterior doors, interior doors, and windows; and
 - e. Fifth/Final Draw: Upon Final Completion as defined in Section "1G" in **EXHIBIT A**.
- B. SPONSOR shall submit a SHIP Program Request for Payment Form, for reimbursement of Eligible Costs. Eligible Costs shall mean those costs provided for in **EXHIBIT B**. COUNTY Construction Coordinator or COUNTY staff designee will perform a site visit to inspect the work and ensure that the costs have been incurred and the Work is eligible for payment. If required, the Work must have passed a required building inspection at the time the draw request is made. SPONSOR must submit to Department proof of passing all required inspections.
- C. Monthly payment request are required, MONTHLY. If there is not a request for payment for the month, then state "Zero" and submit the payment request for the file.
- D. If at Final Completion, COUNTY's Construction Coordinator or Designee recommends corrective action to be taken pursuant to this Agreement, SPONSOR has the option to pay for the corrective

Work or deduct the cost of the corrective work from the Agreement sum.

- E. All SHIP funds not expended within the Term of this Agreement shall remain in the custody and control of COUNTY. COUNTY may reallocate unexpended SHIP funds to other SHIP Program projects.

MARION COUNTY, FLORIDA INCOME LIMITS ADJUSTED TO FAMILY SIZE 2024					
Median Income: \$73,700	30%	50%	80%	120%	140%
Household Size					
1 PERSON	\$15,200.00	\$25,350.00	\$40,500.00	\$60,840.00	\$70,980.00
2 PERSON	\$20,440.00	\$28,950.00	\$46,300.00	\$69,480.00	\$81,060.00
3 PERSON	\$25,820.00	\$32,550.00	\$52,100.00	\$78,120.00	\$91,340.00
4 PERSON	\$31,200.00	\$36,150.00	\$57,850.00	\$86,760.00	\$101,220.00
5 PERSON	\$36,580.00	\$39,050.00	\$62,500.00	\$93,720.00	\$109,340.00
6 PERSON	\$41,950.00	\$41,950.00	\$67,150.00	\$100,680.00	\$117,460.00
7 PERSON	\$44,850.00	\$44,850.00	\$71,750.00	\$107,640.00	\$125,580.00
8 PERSON	\$47,750.00	\$47,750.00	\$76,400.00	\$114,600.00	\$133,700.00
SHIP & HHRP	RHEL PORTED 4/5/24			HUD eff. 4/1/24	



RESIDENT INCOME CERTIFICATION – RENTAL UNIT ASSISTED WITH SHIP FUNDING

A. Head of Household Name _____ Date _____

B. Household Information

Member	Names - All Household Members	Relationship	Age
1			
2			
3			
4			

C. Assets: All Household members including minors

Member	Asset Description	Cash Value	Income from Assets
1			
2			
3			
4			
Total Cash Value of Assets		C(a) \$	
Total Income from Assets		C(b)	\$
If line C(a) is greater than \$50,000: Add the income from any assets for which actual income can be calculated, then calculate the imputed income for the assets where actual income cannot be calculated. To calculate imputed income, multiply the amount of assets where actual income cannot be calculated by the HUD specified rate (.40%). Combine both amounts and enter results in D(c), which must be counted on page two alongside other sources of household income.			\$

D. Anticipated Annual Income: Includes unearned income and support paid on behalf of minors.

Member	Wages/ Salaries (include tips, commission and bonuses)	Benefits/ Pensions	Public Assistance	Other Income	Asset Income
1					(Enter the greater of box C(b) or box C(c) above, in the box E (e) below)
2					
3					
4					
Totals	(a) \$	(b) \$	(c) \$	(d) \$	(e) \$

Enter total of items D (a) through D (e).

This amount is the **Annual Anticipated Household Income**

\$

E. Recipient Statement: The information on this form is to be used to determine maximum income for eligibility. I/we have provided, for each person set forth in Item C, acceptable verification of current and anticipated annual income. I/we certify that the statements are true and complete to the best of my/our knowledge and belief and are given under penalty of perjury.

WARNING: Florida Statute 817 provides that willful false statements or misrepresentation concerning income and assets or liabilities relating to financial condition is a misdemeanor of the first degree and is punishable by fines and imprisonment provided under S 775.082 or 775.83.

Signature of Head of Household

Date

Signature of Spouse or Co-Head of Household

Date

Signature of Household member over the age of 18

Date

F. Saving Mercy Corporation Statement: Based on the representation herein, and upon the proofs and documentation submitted pursuant to item D, hereof, the family or individual(s) named on item A of this Resident Income Certification is/are eligible under the provision of Chapter 420, Part V, Florida Statutes, the family or individual(s) constitute(s) a: (check one)

_____ Families whose annual income does not exceed 30% of the area median income as determined by the U.S. Department of Housing and Urban Development with adjustment for household size (Maximum Income Limit \$ _____).

_____ Families whose annual income does not exceed 50% of the area median income as determined by the U.S. Department of Housing and Urban Development with adjustments for household size (Maximum Income Limit \$ _____).

_____ Families whose annual income does not exceed 80% of the area median income as determined by the U.S. Department of Housing and Urban Development with adjustments for household size (Maximum Income Limit \$ _____).

_____ Families whose annual income does not exceed 120% of the area median income as determined by the U.S. Department of Housing and Urban Development with adjustments for household size (Maximum Income Limit \$ _____).

_____ Families whose annual income does not exceed 140% of the area median income as determined by the U.S. Department of Housing and Urban Development with adjustments for household size (Maximum Income Limit \$ _____).

Based upon the _____ (year) income limits for Ocala Metropolitan Statistical Area (MSA), or Marion County, Florida.

Signature of Saving Mercy Corporation Representative or designee:

_____ Approved Denied
 (Signature)

Name _____ Date _____
 (Print or type name)

Title: _____

G. Household Data (to be completed by Head of Household)

Number of Persons									
Special Needs - Check all that apply						By Age			
Farmer	Disabled	Homeless	Elderly	Single Head of Household	Other	0-25	26-40	41-61	62 +

Ethnicity:	<input type="radio"/> Hispanic or Latino <input type="radio"/> NOT Hispanic or Latino
Race	<input type="radio"/> White <input type="radio"/> Black/African American <input type="radio"/> Native Hawaiian/Other Pacific Islander <input type="radio"/> American Indian/Alaskan Native <input type="radio"/> Multiple Race (specify) _____

NOTE: Information concerning the race or ethnicity of the occupants is being gathered for statistical use only. No occupant is required to give such information unless he or she desires to do so, and refusal to give such information will not affect any right he or she has as an occupant.

LEGAL PROPERTY DESCRIPTION

Parcel ID: 22817-000-00

PARCEL 1:

A portion of the Southwest 1/4 of Northwest 1/4 of Section 14, Township 15 South, Range 21 East, Marion County, Florida, more fully described as follows: Commencing at the Southwest corner of the Northwest 1/4 of said Section 14, thence South 89°28'38" East along the South boundary of said Northwest 1/4, 191.82 feet to the centerline of interstate Highway No. 75, thence South 0°31'12" West along said centerline 16.94 feet to the point of intersection of said centerline with the centerline of State Road No. 40, thence South 89°41'48" East along said State Road 40 centerline 821.88 feet, thence North 0°31'12" East 53.75 feet to the North right-of-way line of said State Road, for the point of beginning, thence North 0°31'12" East 250.00 feet, thence North 89°41'48" West 150.00 feet, thence North 0°31'12" East 816.54 feet to a point that is 80.00 feet southerly of and at right angle to the centerline of the Atlantic Coast Line Railroad, thence South 78°11'52" West parallel with said centerline 477.85 feet, thence North 11°37'34" West 45.00 feet to a point on the southerly right-of-way line of said railroad, said point being 35.00 feet from and at right angle to said railroad centerline, thence North 78°11'52" East along said railroad right-of-way line 149.37 feet, thence South 11°48'08" East, perpendicular to said centerline, 25.00 feet, thence North 78°11'52" East along said railroad right-of-way line 804.95 feet to the East boundary of the Southwest 1/4 of Northwest 1/4 of said section, thence South 0°31'59" West along said East boundary 1186.05 feet to a point on the North right-of-way line of SR 40 that is North 0°31'59" East 40.48 feet from the Southeast corner of said Southwest 1/4 of Northwest 1/4, thence North 89°41'48" West along said North right-of-way line of said State Road, 311.10 feet to the Point of Beginning, LESS AND EXCEPT a portion of the Southwest 1/4 of Northwest 1/4 of Section 14, Township 15 South, Range 21 East, more fully described as follows: Commencing at the Southwest corner of the Northwest 1/4 of said Section 14, thence South 89°28'48" East along the South boundary of said Northwest 1/4 191.82 feet to the centerline of Interstate Highway No. 75, thence South 0°31'12" West along said centerline 16.94 feet to the point of intersection of said centerline with the centerline of State Road No. 40, thence South 89°41'48" East along said State Road No. 40 centerline 821.88 feet, thence North 0°31'12" East 53.75 feet to the North right-of-way line of said State Road for the Point of Beginning, thence North 0°31'12" East 236 feet, thence South 89°41'48" East parallel to the centerline of State Road No. 40, 175 feet, thence South 0°31'12" West 236 feet to the North right-of-way line of State Road No. 40 thence North 89°41'48" West along said North right-of-way line of said State Road, 175 feet to the Point of Beginning.

LESS AND EXCEPT:

LEGAL DESCRIPTION FOR RIGHT OF WAY TAKING

Commence at the intersection of the East boundary of the Southwest Quarter of the Northwest Quarter of Section 14, Township 15 South, Range 21 East, in Marion County, Florida and the North right of way line of State Road 40 (101.50 feet wide); thence run N.00°32'42"E., along said East Boundary, for a distance of 1126.05 feet to the Point of Beginning; thence continuing Northerly along said line, for a distance of 60.30 feet to the Point of Intersection of the Southeasterly right of way line of the abandoned

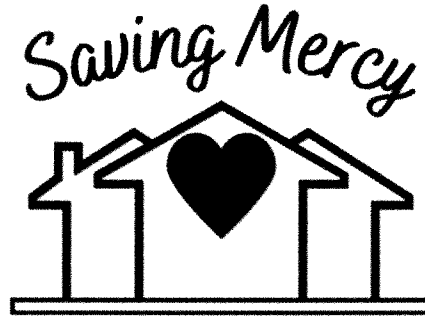
Florida Northern Railroad, formerly known as the Atlantic Coastline Railroad (120.00 feet wide); thence run S.78°11'49"W., along said Railroad right of way line, for a distance of

276.48 feet; thence departing said Railroad right of way line, run S.89°55'24"E. for a distance of 210.81 feet to the point of curvature of a tangent curve, concave to the South, and having for its elements: a radius of 520.00 feet, a central angle of 06'32'36", a chord distance of 59.35 feet, and a chord bearing of S.86°39'06"E.; thence run Easterly along said curve for a distance of 59.38 feet to the Point of Beginning.

PARCEL 2:

A portion of the SW 1/4 of the NW 1/4 of Section 14, Township 15 South, Range 21 East, Marion County, Florida, more fully described as follows:

Commencing at the Southwest corner of the NW 1/4 of said Section 14; thence S. 89°28'48" E., along the South boundary of said NW 1/4, 191.82 feet to the centerline of Interstate Highway No. 75; thence S. 0°31'12" W., along said centerline 16.94 feet to the point of intersection of said centerline with the centerline of State Road No. 40; thence S. 89°41'48" E., along said State Road No. 40 centerline, 821.88 feet; thence N. 0°31'12" E., 53.75 feet to the North right of way line of said State Road for the Point of Beginning; thence N. 0°31'12" E., 236 feet; thence S. 89°41'48" E., parallel to the centerline of State Road No. 40, 175 feet; thence S. 0°31'12" W. 236 feet to the North right of way line of State Road No. 40; thence N. 89°41'48" W., along said North right of way line of said State Road, 175 feet to the Point of Beginning.



**Saving Mercy Corporation– Mercy Village Duplexes
LEASE AGREEMENT SUMMARY PAGE**

DATE OF LEASE: _____

PROPERTY NAME: Mercy Village Duplexes

PROPERTY ADDRESS: 3601 W. Silver Springs Blvd. Ocala, FL 34475

UNIT NUMBER: _____

PARTIES TO THE LEASE:

 Saving Mercy Corporation , hereinafter referred to as "Landlord"
_____, hereinafter referred to as "Resident" or "Tenant"
_____, hereinafter referred to as "Resident" or "Tenant"
_____, hereinafter referred to as "Resident" or "Tenant"

RESIDENT CHILDREN UNDER THE AGE OF 18 YEARS:

NAME: _____ DOB: _____
NAME: _____ DOB: _____
NAME: _____ DOB: _____
NAME: _____ DOB: _____

LEASE TERM: One (1) Year Start Date: _____ End Date: _____

RENTAL RATE/MONTH: _____ Lessee Rent: _____ Initial Subsidy: _____ Other: _____

SECURITY DEPOSIT: _____ CONCESSIONS: _____

PROGRAM: _____

PROPERTY MANAGER: Alida Sánchez

CLIENT SEERVICES COORDINATOR: _____

**Lease Agreement
Terms and Conditions**

This Residential Lease Agreement was made this ____ day of _____, 20____, by and between the parties, stated above, with Residents listed jointly and severally if more than one. Each adult Resident (age 18 or older) is required to sign a lease.

1. PARTIES TO THE LEASE

Saving Mercy Corporation, hereinafter referred to as "Landlord"

_____, hereinafter referred to as "Resident" or "Tenant"

"Resident" or "Lessee" Social Security #: _____

"Resident" or "Lessee" Date of Birth: _____

2. PROPERTY ADDRESS: 3601 W. Silver Springs Blvd. Ocala, FL 34475

3. **DEMISE.** In exchange for valuable consideration including, without limitation, the promise by Resident to pay landlord the rental payments set forth herein, and the performance by Resident of all other terms, conditions and covenants contained in this residential lease agreement as well as any addenda hereto (any and all such addenda are incorporated by reference, or by attachment and made a part hereof) Landlord agrees to lease to Resident and Resident agrees to lease from Landlord the Apartment at the address described above.

4. **JOINT AND SEVERAL LIABILITY (Co-Residents).** If more than one Resident enters into this Agreement, the obligations are joint and several; such Resident is individually, as well as jointly, liable for full performance of all agreed terms and payment of all sums required hereunder. No breach or abandonment by any one or more of the Residents shall terminate the Agreement, nor shall it relieve the remaining Resident(s) from fulfilling the terms of this Agreement. Should one or more of the Residents terminate their residency apart and separately from other Residents, the remaining Resident shall have the right to have another person substituted in their stead only with written consent from Landlord. Changes in Residents during rental term must be approved in writing, in advance by Landlord.

5. LEASE TERM. One (1) Year Start Date: _____ End Date: _____

The term of this Lease shall be for the period set forth above. Performance of all obligations, covenants and conditions shall be due from both Landlord and Resident as of the move-in date. In the event that the subject demised premises is not available to Resident for occupancy on the commencement date of this Lease as aforesaid due to construction delays or the failure of a prior resident to timely vacate the premises, or for any other reason beyond the control of the Landlord, the Landlord shall not be liable to Resident for any damages arising from same, and this lease shall remain in full force and effect. In such event, however, the Resident shall not be responsible for paying rent to Landlord on a prorated basis for those days during the first calendar month of occupancy that the subject demised premises was not available for occupancy by Resident. Upon the failure of Landlord to deliver possession to Resident

within ten (10) days after written demand by Resident, Resident may declare this Agreement null and void and of no force or effect from its inception and Landlord shall refund to Resident any security deposit and/or other amounts paid Landlord by Resident in conjunction with this Lease Agreement only.

6. **RENTAL PAYMENTS.** The Resident agrees to pay to Landlord in advance at the commencement date of this Lease and thereafter on the first day of each and every consecutive calendar month thereafter, by personal check, money order or cashier's check, the monthly rental amount set forth hereinabove. **It is agreed that at no time shall cash be accepted by Landlord for payment of rent.** Landlord shall not accept payment of rent from a non-resident. For purposes of this Lease Agreement, it shall be irrefutably presumed that Resident has not paid rent unless Resident can produce a canceled check or money order purporting to prove rent has been paid to Landlord. If this Lease commences on a date other than the first day of the month, the Resident shall be responsible for paying Landlord a prorated amount of said rent based upon the actual number of days in the first month of the tenancy that Resident occupied the Apartment. This amount shall be payable in advance to Landlord. All late fees and returned or dishonored check fees shall be deemed as additional rent for the purposes of this Agreement. Landlord may proceed with an action for possession and breach of contract at the expiration of the Three Day Notice. If Resident will be absent from the premises for more than fourteen days, Resident must notify Landlord in writing.

7. **LATE PAYMENT AND RETURNED CHECKS AND CHARGES:**

- a. A late fee in the amount of \$50.00, unless otherwise stated here _____, shall be due for rent received after 5:00 P.M. EST (Eastern Standard Time) on the FIFTH (5th) day of the month **inclusive of ANY weekends or holidays; unless another date is stated here:** _____. Late fees will be due even if rent remains unpaid and Landlord proceeds with an eviction and breach of contract action.
- b. Fifty Dollars and no/100 (\$50.00) will be due for each dishonored check. Late fees will also be applied if rent is paid with a dishonored check.
- c. Landlord reserves the right to require all payments received after the due date to be made by money order, cashier's check or certified check.
- d. Resident agrees that any check dishonored by the bank shall be redeemed from Landlord by Resident in full, including all charges as aforesaid, by cashier's check, money order or certified check within twenty-four (24) hours of delivery of written demand by Landlord. Any dishonored check which is returned and/or redeemed after the date rent is due under this lease shall be deemed delinquent and such rental payment shall be subject to the late fee and penalties set forth herein. In addition, Resident shall pay to Landlord any and all costs incurred by Landlord in the collection of any dishonored check. Returned checks shall not be re-deposited.
- e. In the event two personal checks are dishonored over the lease term, Resident agrees to pay all future rent and other charges by cashier's check, certified check, or money order. Landlord shall not accept personal checks thereafter.
- f. All such charges set forth in the preceding sections of this paragraph, shall be deemed additional rent for purposes of this lease agreement and Landlord shall be required to give Resident appropriate statutory notice for non-payment of rent that shall include any additional rent and enforce payment in any action brought to enforce the lease. It is agreed and understood that Landlord is under no obligation to accept payment of rent and/or additional rent as defined hereinabove after expiration of the statutory three-day notice period for nonpayment of rent.

8. **RENT INCREASE.** Resident is aware that the community is operated in strict compliance with the Low Income Housing Tax Credit (LIHTC) Program and/or the State Apartment Incentive Loan (SAIL) Program and/or the HOME Program (Collectively, "The Program.") As such, the apartment rent is based upon the area median Income as published periodically by the United States Department of Housing and Urban Development (US HUD). Under the provisions of and and/or all of the above-mentioned Programs, the Resident's rent may increase, at any time during the term of this Lease Agreement. In conjunction with the provisions of The Programs, Residents will be provided with no less than thirty (30) days written notice of an increase in rent prior to said rent increase becoming effective.

9. **FAILURE TO PERFORM.** Resident agrees that the Resident shall be responsible to Landlord for the rent accruing hereafter even if Resident fails to occupy the subject demised premises. Resident further acknowledges that Resident consents to the application of the security deposit by Landlord in the event that Resident does not occupy the Apartment, to cover Landlord's costs in preparing the Apartment for rental and re-renting the Apartment, together with any and all damages for unpaid rent accruing from the commencement date of this Lease up through the date that Landlord is able to re-let the property, provided, however, that re-letting is on terms equal to or more favorable to Landlord than the terms and conditions set forth in this Lease.

10. **SECURITY DEPOSIT.** Resident agrees to pay to the Landlord a security deposit as indicated on page one prior to occupying the premises for Resident's fulfillment of the terms and conditions of this Agreement. Resident's failure to pay the deposit as indicated above for any reason whatsoever will be considered a material breach of this agreement. The Security Deposit will be returned to Resident within thirty (30) days after the Apartment is vacated if the following terms and conditions have been fulfilled:
 - a. Complete vacation of the entire premises by Resident and occupants on or before the date specified in the required written notice per this lease or Florida Statutes.
 - b. Payment by Resident of all rent required under the Lease, up to and including the date of expiration or termination of the term of the Lease.
 - c. Thorough cleaning of the premises, including, but not limited to, all kitchen appliances (refrigerator, oven, range, dishwasher), baths, carpet, tile, walls, closets/storage areas, patios/balconies, etc., so as to be in the same condition as same were in on the commencement date of the term of the Lease, normal wear and tear excepted.
 - d. An absence of defect in or damage to the premises, whether caused by Resident, pets, or otherwise, unless included on the written list of damages and defects as set out in Resident's Lease.
 - e. Observance and performance by Resident of all of the other covenants and obligations of Resident under the Lease, from the date of commencement of the Lease up to and including the date of expiration or termination of the term of this Lease, or up to and including the final day of the Lease.
 - f. Observance and performance by Resident of all rules and regulations pertaining to Resident under the Lease, including without limitation, those rules and regulations pertaining to pets.
 - g. **PROVISION BY RESIDENT(S) TO LANDLORD OF SIXTY (60) DAYS WRITTEN NOTICE PRIOR TO THE DATE OF EXPIRATION OF THE TERM OF THE LEASE.** Failure to provide a full sixty-days' notice of intent to vacate shall result in the Resident being charged for the balance of the notice period an amount based on the daily pro-rata rental amount, such amount not to exceed

two months' rent. Such charge shall be considered liquidated damages under this lease agreement.

- h. Provision by Resident to Manager in writing of Resident's forwarding address.
- i. The deposit may be applied by Landlord to satisfy all or part of Resident's obligations hereunder and such application shall not prevent Landlord from claiming damages in excess of the deposit. It is hereby expressly understood that no part of the security deposit is to be construed as a prepayment of rent by Resident.

The Security Deposit given by Resident to Landlord pursuant to this paragraph shall be held by Landlord in a non-interest bearing account as described hereinabove. Resident hereby acknowledges that Resident has been made aware of and has received the following described copy of Florida Statutes section 83.49(3). Said Florida Statute reads as follows:

(a) "Upon the vacating of the premises for termination of the lease, if the landlord does not intend to impose a claim on the security deposit, the landlord shall have fifteen (15) days to return the security deposit together with interest if otherwise required, or the landlord shall have 30 days to give the Resident written notice by certified mail to the Resident's last known mailing address of his intention to impose a claim on the deposit and the reason for imposing the claim. The notice shall contain a statement in substantially the following form: "This is a notice of my intention to impose a claim for damages in the amount of upon your security deposit, due to \$ _____. It is sent to you as required by 83.49(3), Florida Statutes. You are hereby notified that you must object in writing to this deduction from your security deposit within 15 days from the time you receive this notice or I will be authorized to deduct my claim from your security deposit. Your objection must be sent to (Landlord's address). If the Landlord fails to give the required notice within the 30-day period, he forfeits his right to impose a claim upon the security deposit."

(b) Unless the Resident objects to the imposition of the Landlord's claim or the amount thereof within 15 days after receipt of the Landlord's notice of intention to impose a claim, the Landlord may then deduct the amount of his claim and shall remit the balance of the deposit to the Resident within 30 days after the date of the notice of intention to impose a claim for damages.

(c) If either party institutes an action in a court of competent jurisdiction to adjudicate his right to the security deposit, the prevailing party is entitled to receive his court costs plus a reasonable fee for his attorney. The court shall advance the cause on the calendar

(d) Compliance with this section by an individual or business entity authorized to conduct business in this state, including Florida-licensed real estate brokers and sales associates, shall constitute compliance with all other relevant Florida Statutes pertaining to security deposits held pursuant to a rental agreement or other landlord-tenant relationship. Enforcement personnel shall look solely to this section to determine compliance. This section prevails over any conflicting provisions in chapter 475 and in other sections of the Florida Statutes, and shall operate to permit licensed real estate brokers to disburse security deposits and deposit money without having to comply with the notice and settlement procedures contained in s. 475.25(1)(d)."

11. EARLY LEASE TERMINATION.

- A. In the event Resident desires to terminate the Lease before the natural expiration date of the Lease,

Resident may cancel this Lease contract provided that all of the conditions below are fully satisfied to Landlord's personal satisfaction. Failure to fulfill all of the conditions to the Landlord's satisfaction will be considered a breach of this Agreement.

- 1) Written notice of termination must be received by Landlord not later than thirty (30) days prior to the proposed termination date. Rent must be paid through the termination date. Termination date must be the end of the month. No mid-month termination dates will be accepted. Landlord shall retain the security deposit which shall not be deemed liquidated damages.
 - 2) Resident will be responsible for paying rent to the Landlord until the premises are re-let. Resident will be responsible for any difference in rent charged to new resident and for paying any concession offered to the new resident. If the rent due exceeds the security deposit held by the Landlord, the security deposit will be applied first to physical damages to the unit, next to unpaid rent due the Landlord and finally to any rent due under the lease while the premises remain unoccupied.
 - 3) Resident must repay any concession received up through the termination date.
 - 4) Upon vacating the apartment the apartment must be left in its original condition, with normal wear and tear excepted. Upon Lease expiration or termination for cause, the Resident and a representative of Landlord will conduct, together, a move out inspection. At that time, a Move-out Inspection Form will be completed identifying any damages or thefts to the unit. The Resident will be held accountable for ALL damages incurred during the time of their lease.
- B. In the event a Resident is an active member of the United States Armed Forces and chooses to terminate the lease in accordance with the Florida Statute 83.682, the Resident must provide no less than 30 days written notice of Resident's intent to terminate the lease. Furthermore, such notice must be accompanied by a copy of the Resident's military transfer orders or a letter from Resident's superior officer. Full compliance with the notice requirements of Florida Statute 83.682 is required.
12. **SUBLET.** Resident may not sublet the Apartment or assign this Lease.
13. **OCCUPANCY/ USE.** Resident agrees that the premises are to be used for residential purposes only, as a private residence exclusively for the Residents listed hereinbefore, a total of ___adults and ___child (ren), and by no other persons and for no other reason. All authorized occupants will be designated as Residents and shall be subject to all the provisions and covenants contained in this Agreement. Resident shall not permit any person not listed on the Lease to occupy the unit for more than 14 days in any year period without prior written consent of Landlord. Resident is required to live exclusively in the unit on a full-time basis. Resident shall advise the Landlord if Resident will be absent from the unit for more than seven (7) consecutive days. Residents shall notify the Landlord in writing, secure the unit, and provide a means to contact the Resident in an emergency. Failure to comply is grounds for termination of the Lease. If Resident is absent from the unit for thirty (30) or more days the parties agree it shall be deemed that the Resident has abandoned the unit, is not living in the unit in violation of the lease and Landlord shall terminate the lease. Resident agrees to abide by all municipal and state laws and ordinances so as not to create a nuisance and not to conduct or initiate activities, which would increase the rate of insurance on the premises. Resident shall be responsible for the conduct of Resident, any and all occupants of the Apartment, as well as Resident's agents, invitees and guests. In its sole discretion, the Landlord may request any guest or invitee of the Resident to leave the Apartment Community if the Landlord believes, in its sole opinion, that the guest or invitee is creating a nuisance. Any prior resident or

occupant that leaves the Apartment Community while still owing money to the Landlord or owner or who has been evicted from the property is not permitted to return to the Apartment Community. Any such person shall be considered unauthorized and the Resident that permits the presence of such person shall be in material violation of the lease agreement.

14. **ACCEPTANCE OF PREMISES.** Upon commencement of occupancy, Landlord shall furnish light bulbs of prescribed wattage for light fixtures located in the Apartment, thereafter light bulbs shall be replaced by Resident with similar light bulbs of the prescribed wattage. The Resident agrees that prior to Resident taking possession of the subject demised premises, Resident shall make an initial walk through of the premises with an agent of Landlord and at such time the Resident and the Landlord shall, together, complete a Move-In Inspection Form in order to identify any problems or deficiencies in the premises that the Landlord shall be reasonably required to repair. The Resident agrees that other than those items set forth on the move-in report, the Resident shall accept the Apartment as is. Reasonable repairs for purposes of this paragraph shall be those repairs that are required in order to render the premises habitable. The Landlord shall make all such repairs with reasonable promptness after said move-in report is executed.
15. **WATER FILLED FURNITURE.** Water filled furniture shall not be kept on or about the premises, without prior consent of the Landlord, and then only on such terms and conditions as Landlord may prescribe, including but not limited to, and additional deposit and evidence of insurance which names the Landlord as loss payee and is acceptable to the Landlord.
16. **KEYS, ACCESS CARDS, KEY FOBS.** Upon move-in, and at no cost to the Lessee, Lessee (those residents 18 years old and older), will be given any required access cards, keys or key fobs to access the Resident's unit and property common areas. If any such keys, access cards and fobs are lost, damaged or destroyed a \$ 50.00 replacement fee will be charged to the Resident. ALL such keys, access cards and fobs are the property of Landlord and are provided only as a required service to the Resident. Upon lease termination, all such keys, access cards and fobs must be returned to Landlord. A \$ 50.00 fee will be assessed for any keys, access cards, or fobs not returned.
17. **UTILITIES.** Where applicable, the Resident is responsible for changing the **ELECTRICITY AND WATER/SEWER** into Resident's name prior to move-in, and shall maintain utilities in the unit at all times. If such is not completed, the Resident authorizes the landlord to deduct any utility charges paid on Resident's behalf from the security deposit. Under no circumstances shall Landlord be responsible to Resident for any interruption in furnishing utility services. Landlord may modify the method by which utilities are furnished to the premises and/or billed to Resident during the term of this Lease, including, but not limited to, sub-metering of the premises for certain utility services or billing Resident for utilities previously included within the rent. In the event Landlord chooses to so modify utility service to the premises, Landlord shall give Resident not less than thirty (30) days prior written notice of such modification. Nothing contained herein shall be deemed a waiver of any rights of Resident arising under law based upon the wrongful failure of Landlord to furnish utility services as required herein.
18. **PROPERTY LOSS.** Landlord shall not be liable for any damages or losses to person or property caused by persons other than Landlord. Landlord shall not be liable for personal injury or damage or loss to Resident's personal property (furniture, jewelry, clothing, etc.) from theft, vandalism, fire, water, rain storms, smoke, explosions, sonic booms, or other causes whatsoever, whether caused by negligent acts of Landlord, its agents or servants or otherwise. **We strongly recommend that Resident secures insurance to protect Resident and Resident's property.** Landlord's property insurance does not cover risk of loss to any of Resident's property. Also, if any of Landlord's

employees are requested to render any services such as moving automobiles, handling of furniture, cleaning, delivering packages, or any other service not required of Landlord under this Agreement, such employee shall be deemed as an agent of Resident regardless of whether or not payment is made by Resident for such service. Resident agrees to hold harmless and indemnify and defend Landlord from any and all liability arising in any way whatsoever from the rendering of such service.

19. **RIGHT TO ACCESS.** Landlord shall have the right to enter the Apartment at any reasonable time, without notice for inspection, maintenance and pest control, and Landlord may take photographs of the condition of the unit. In case of emergency, which Landlord deems in its sole discretion as any event relating to the LIFE of the resident(s), property, staff, visitors or vendors, or the SAFETY of the before stated individuals, Landlord may enter at any time to protect life and prevent damage to property without any notice to Resident. Resident shall provide such access. Resident shall be in material violation of the Lease to change the locks to the premises. Any such act is considered a lease violation and shall subject the Resident to termination if not cured upon notice by the Landlord. Resident will be responsible for ALL costs to correct such locks including materials and labor costs.
20. **INDEMNIFICATION.** Resident agrees to reimburse Landlord promptly for the cost to Landlord for property damage to the Apartment and the common areas of the Community, including, without limitation, the cost of repairs or service (including plumbing trouble) caused by Resident's negligence, intentional acts and/or improper use by Resident, occupants, guests or invitees. Resident shall be responsible for any such damage resulting from windows or doors left open. Payment of all amount due Landlord under this provision or the agreement is due and payable within FIVE (5) days of delivery of written notice to Resident. All amounts due hereunder are deemed additional rent. Failure of the Resident to pay for damages as required will be considered a material breach of this lease agreement.
21. **MAINTENANCE.** Resident agrees to conduct maintenance checks at proper intervals on smoke alarms located in the Apartment. Resident agrees to promptly notify the Landlord of any and all defects or damages in the apartment in writing immediately. In the event hot water, heating, air conditioning, plumbing or other equipment shall need repair, and Resident does not notify Landlord in writing of the needed repair or for any reason that is beyond the control of Landlord any such utilities require reduction or cut off, the Landlord shall not be liable for any damage arising out of Landlord's failure to furnish such services. Resident shall maintain the Apartment, including the fixtures therein, in a clean, and sanitary condition. Resident shall not, without the consent of Landlord, alter, remodel or otherwise change the appearance and/or structure of the Apartment, building or grounds.
22. **UNIT ALTERATIONS.** Unit alterations are not permitted. This includes the painting of the interior or exterior of the unit, the replacement or removal of shades or blinds, flooring, lighting or ceiling fans. The Resident will be responsible for all damage to the unit. Furthermore, the use of any type of adhesive, tape or stickers on walls is strictly prohibited.
23. **WORK ORDERS.** Resident should submit to the Property Manager immediately any work orders for appliance repairs, water leaks, electrical issues or any other issues contained in the unit.
24. **LOCK OUT FEE.** A lockout fee of twenty dollars (\$20.00) will be assessed to any Resident who requires access to their unit between the hours of 7:00am to 6:00pm. Outside of these hours the Resident shall call a professional locksmith at the Resident's expense in the event of a lock-out. Any damage to the lack resulting from a lock-out shall be the Resident's responsibility, and

Landlord shall charge the tenant the cost of any repairs needed as a result thereof. Any change shall be deemed additional rent.

25. **SMOKE DETECTION DEVICE.** The premises are equipped with a smoke detection device(s) and: (a) the Resident acknowledges the smoke detector(s) was/were tested and its/their operation explained by Landlord in the presence of the Resident at time of initial occupancy and the detector(s) in the unit was/were working properly at the time, (b) each Resident shall test the smoke detector(s) at least once a week to determine if the smoke detector(s) is/are operating properly, and immediately inform Landlord, in writing, of any malfunction. Resident further understands that it is illegal to intentionally disconnect or remove the batteries except at time of replacement only.
26. **RULES AND REGULATIONS.** See current Rules and Regulations Addendum attached hereto. The Landlord has adopted Rules and Regulations that govern various aspects of residency. These Rules and Regulations may be modified from time to time and the then current Rules and Regulations shall be posted in the Management Office. The then current Rules and Regulations are part of this Lease and are binding upon the Resident as if incorporated herein. Any serious or repeated violation of the Rules and Regulations shall be a violation of this Lease and grounds for eviction.
27. **VEHICLES.** All Resident vehicles must be registered with Landlord. Vehicles must be registered to the Resident. The following is required for such registration: copy of the Resident's driver's license, insurance, make/model, year and license plate number. All Resident vehicles must be in good operating condition (Landlord reserves the right to determine what is "good operating condition") and have current license tags. Landlord shall have the right to tow vehicles that are not in good condition from the premises, and Resident shall be responsible for any towing and storage change that may be incurred. Vehicles that are not in good condition may be Residents and guests are not permitted to make any repairs to any vehicles while on the premises.
28. **PARKING.**
- a. Landlord reserves the right to make rules for the use of all parking spaces; to place limitations upon use of parking spaces at any time after the beginning of the term of this lease; to institute a reasonable charge for such use at any time after the beginning of the term; and to make changes in the rules and charges from time to time. Resident understands that if Landlord provides garage accommodations or assigns reserved parking spaces, such garage accommodations or reserved parking spaces are optional facilities and may not be included in the apartment rent. Garage accommodations or reserved parking spaces may not be furnished to Resident unless a separate written agreement is made between Landlord and Resident. If required, current vehicle parking decal must be displayed in the required location on the vehicle.
 - b. If the Landlord has provided unassigned parking spaces for which no charge is made, the unassigned parking spaces may be used only by resident and guests on a first-come basis. Resident, Resident's family, agents, employees, guests and invitees must observe all parking regulations as posted or indicated by Landlord and/or local authorities. NO representation is made that sufficient garage or parking space is available for all Residents, or that the present number of parking spaces will always be available.
 - c. Parking of vehicles in other than designated parking areas is prohibited. Parking and/or driving on grass or the placement of any type vehicle, motorcycle or motor scooter inside the apartment is strictly prohibited. Resident will not affix any type of vehicle, motorcycle,

motor scooter or bicycle to light or signposts or stairwells any place on the property. No boats, trailers, large trucks (defined as having more than (4) wheels) buses, limousines or commercial vehicles or any vehicle that occupies more than one parking space will be permitted on the parking lots, driveways or garages without the prior written permission of Landlord. Landlord may restrict or require all motorcycles, motor scooters and bicycles be parked in areas designated for parking these devices.

- d. The repair, washing and/or testing of motor vehicles and/or their engines anywhere on the premises is strictly prohibited unless Landlord designates a specific location or area for such activities. Resident agrees to remove his/her vehicles from the parking areas or garage promptly upon the expiration or termination of this lease. The parking areas are for use only by properly registered, functioning and authorized motor vehicles.
- e. To the extent Resident's vehicle is not properly registered and/or licensed, or generally appears to be in an inoperable condition (including, but not limited to, vehicles with flat or missing tires), Landlord will provide written notice to Resident of such violations. To the extent the violations are not corrected within 7 days of receipt of written notice, Resident shall appoint Landlord as their agent to have the vehicle towed from the property. However, non-compliance with all other rules and regulations respecting parking shall entitle Landlord to have the vehicle towed immediately, without notice, at owner's risk and expense. In addition, if the vehicle is parked in a manner which is dangerous, unlawful or which otherwise constitutes a nuisance or inconvenience, Landlord may tow said vehicle immediately, without notice, at owner's risk and expense.
- f. Resident hereby irrevocably appoints Landlord as his/her attorney-in-fact to remove any vehicle parked in violation of this lease and to store the vehicle at the cost and expense of Resident, in such place or places as Landlord, in its sole discretion, may deem proper, or to dispose of the vehicle in the manner provided by applicable law. If Landlord uses the services of a private tow operator to relocate Resident's vehicle on the apartment community, Resident agrees to pay the fee associated with such relocation within 7 days of the presentation of a bill. Failure of the Resident to pay such bill to the Landlord shall constitute a material breach of the lease agreement. To the extent a private towing company is requested to ensure compliance with this Lease or the rules and regulations, Resident acknowledges that the towing company is an independent contractor engaged in a non-hazardous occupation, and, therefore, Landlord has no liability resulting from the acts or omissions of the towing company. Resident agrees to indemnify and hold harmless from claims and all costs and expenses incurred, including, but not limited to, attorney's fees and costs resulting from the towing of motor vehicles belonging to Resident, members of Resident's family, or Resident's agents, employees, guests or invitees, where such motor vehicles are parked in violation of this Lease.
- g. Landlord may modify the method by which parking is furnished at the apartment community or billed to the Resident during the term of this Lease. Landlord may choose also to incorporate assigned parking areas or eliminate any areas currently assigned. In the event Landlord chooses to so modify parking on the apartment community, Landlord shall give Resident not less than thirty (30) days prior written notice of such modification.

29. GARAGE, CARPORT AND STORAGE UNITS. If a garage, carport or storage unit is leased at the apartment community, it is understood and agreed that these shall be considered a part of the leased premises and shall be part of the total monthly rent. All terms and conditions shall be applicable to the garage, carport or storage unit, including

the following:

- a. Resident is not permitted to sell, lease or rent ANY parking space.
 - b. Resident is not permitted to allow access to the garage, carport or any storage unit to any other parties to this lease.
 - c. Resident must maintain such areas clean and free from debris.
 - d. Resident shall not keep any pets in a garage, carport or storage unit.
 - e. Resident agrees that he/she will not hold any garage sales or yard sales at the community.
 - f. NO FLAMMABLE OR COMBUSTIBLE LIQUIDS OR GASES, BATTERIES, FIREWORKS, EXPLOSIVES OR ANY OTHER ITEM OR SUBSTANCE, WHICH OWNER DEEMS DANGEROUS OR UNACCEPTABLE, MAY BE KEPT IN THE GARAGE, CARPORT OR STORAGE UNIT.
 - g. No electricity may be hooked up to the garage, carport or storage unit and no plants may be grown within the garage, carport or storage unit.
 - h. Resident acknowledges that the garage and storage units are not air conditioned and acknowledge that storing personal belongings within there are at his/her own risk.
 - i. Resident further understands that the Landlord does not provide security services for Resident or any of Resident's belongings within the garage, carport or storage unit. Landlord will not be liable for any damages, loss or injury to persons or property occurring within or about the garage, carport or storage
- 30. PEST CONTROL.** Pest Control will be provided to all Resident's where applicable. Where applicable, pest control will be provided at the Landlord's expense and is mandatory. Where provided, the Resident shall sign the PEST CONTROL ADDENDUM, which is incorporated herein by reference and is deemed to be part of this lease and agreed to by the parties that sign this lease whether or not the Addendum is signed.
- 31. PET POLICY.** The right to possess pets or any animal is governed by the PET POLICY ADDENDUM, which is incorporated herein by reference and is deemed to be part of this lease and agreed to by the parties that sign this lease whether or not the Addendum is signed.
- 32. GOOD HOUSEKEEPING STANDARDS.** (SEE GOOD HOUSEKEEPING ADDENDUM.)
- 33. MOLD AND MILDEW.** Resident acknowledges that the apartment unit is located in Florida, which has a climate conducive to the growth of mold and mildew, and agrees to make every effort to reduce the risk of growth of mold and mildew. The Resident shall sign the MOLD AND MILDEW ADDENDUM, which is incorporated herein by reference and is deemed to be part of this lease and agreed to by the parties that sign this lease whether or not the Addendum is signed.

- 34. RADON GAS.** We are required by Florida Statute 404.056(8) to give the following notification to you: "Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health unit
- 35. NO SECURITY SERVICES.** The Landlord shall not provide nor does the Landlord have any duty to provide for Resident, security services for the protection of the Resident or the Resident's property. The Resident hereby acknowledges that he understands the foregoing, and the Resident shall look solely to the law enforcement agencies of the county or municipality in which the Apartment is located for his protection. It is agreed and understood that the Landlord shall not be liable to Resident for any damages, injuries or wrongs sustained by others, or property of same from criminal or wrongful acts of Landlord, its representatives, agents, employees, or any other persons or entities that may cause harm to Resident resulting from a tortious, criminal or wrongful act by same. In the event that the Landlord elects to hire a security service to patrol or monitor the Apartment Community and common areas, it is understood and agreed that said services are provided exclusively for the protection of the Landlord's property and in no way whatsoever shall it be intended or construed as a waiver by the Landlord of the foregoing, nor in any way whatsoever shall it be construed as creating a duty of the Landlord to protect the Resident.
- 36. DAMAGE, DESTRUCTION OR SIGNIFICANT REPAIRS OF PREMISES.** In the event of damage or destruction to the premises by fire, water, or other hazard, or in the event of malfunction of equipment or utilities, Resident shall immediately notify Landlord. If the damages are such that occupancy of the premises as a whole can be continued, Landlord shall make repairs as needed with reasonable promptness and rent shall not abate during the period of such repairs. If only part of the premises is rendered unusable by the damage or destruction, the Resident may vacate only that portion of the premises rendered unusable and Resident's rent shall be reduced by the fair market value of the unusable portion of the premises during the period of partial vacancy, provided the damage or destruction was not caused by Resident, and/or occupant, guest, agent or invitee of Resident or occupant, but in all other respects the terms and provisions hereof shall continue in full force and effect. In either event, if the damages resulted from the wrongful or negligent acts of Resident, Landlord may pursue all of its remedies against Resident provided under Florida law. If, in Landlord's opinion, the premises are so damaged or destroyed other than by the wrongful or negligent acts of the Resident so as to substantially impair Resident's enjoyment of the premises, the Lease may be terminated by either Manager or Resident in which event Resident shall vacate the premises within seven days of receiving notice by the other party. In the event the premises are damaged or destroyed so as to substantially impair Resident's enjoyment of the premises due to wrongful or negligent acts of Resident, Landlord may, in addition to Landlord's other remedies under Florida law, terminate this Lease by providing Resident with a Seven Day Notice to Vacate, in which event Resident shall vacate the premises within seven days of receipt of the notice, or without terminating the Lease, require Resident to accept a comparable apartment unit in the Apartment Community for the remaining term of the Lease, in which event all of the terms and provisions of this Lease shall continue in full force and effect in relation to such comparable apartment unit, and Resident shall immediately vacate the Apartment and take possession of such comparable apartment unit. Refusal of the comparable apartment in the Apartment Community shall be grounds to terminate the lease upon seven days' notice. Apartment Community means any unit of similar size within the Saving Mercy

Corporation portfolio. In the event any repairs the Landlord deems necessary to remedy any malfunction of equipment, property or utilities, not caused by the Resident, cannot be made within a reasonable time, or if in the Landlord's sole discretion such repairs create temporary conditions that are hazardous to the life, health, and safety of the Resident the Landlord shall offer Resident a temporary replacement dwelling unit for the time needed to complete the repairs, and Resident shall accept such temporary replacement dwelling or Landlord shall have the right to terminate the lease upon seven days' notice. The temporary replacement unit shall be considered reasonable if it is within the same city and the repairs shall not take more than 60 days.

- 37. RESIDENT INFORMATION.** If Resident has supplied information to Manager by means of a rental application or similar instrument, Resident covenants that Resident knowingly and voluntarily gave all such information, and if such information proves to be false or misleading, Resident shall have committed a material breach of this Lease that Resident shall not be permitted to cure. In cases of tax-exempt bond-financed properties Resident hereby certifies the accuracy of the statements made in all documents previously executed, and further agrees that the family income, family composition and other eligibility requirements set forth in the Certification of Tenant Eligibility and Income Verification (collectively known as the "Certificate") shall be deemed substantial and material obligations of Resident's tenancy; that Resident will promptly comply with all requests for information with respect thereto from the Manager, the Owner of the Apartment Community or any Mortgagee; that Resident's failure to provide accurate information in the Certificate or Resident's refusal to comply with a request for information with respect thereto shall be deemed a material default by Resident which Resident shall not be permitted to cure; and that Resident's failure to furnish accurate and current information on the Certificate could subject Resident to civil liability. Resident agrees that this Lease shall become null and void if it becomes known to the Owner of the Apartment Community or Manager that continuation of Resident's occupancy will result in the interest on any tax-exempt bonds utilized to finance the construction of the Apartment Community becoming subject to federal income taxation, or in violation of the state statute permitting the issuance of such bonds.
- 38. VERIFYING RESIDENT'S INCOME/ANNUAL RECERTIFICATION.** On an annual basis, ninety days prior to the anniversary lease date, the Landlord will request the Resident to report the income and composition of the Resident's household, and to supply any other information required by HUD for the purposes of determining the Resident's eligibility to continued occupancy, dwelling size, rent and assistance payment, if any. The Tenant agrees to provide accurate statements of this information and to do so by the date specified in the Landlord's request, including timely signing the lease or renewal thereof if required. The Landlord will verify the information to re-compute the amount of the Tenant's dwelling size, rent, and assistance payment, if any. Written notice of any changes to the Resident's eligibility for dwelling size, rent and assistance payment, if any, based on re-certification shall be provided to the Resident. Recertification or lease renewals during the contemplation of, or pending, lease termination or eviction proceedings shall not constitute a waiver of the right to pursue such proceedings.

If upon Recertification the Resident's eligibility for the current dwelling size changes, the Resident will be notified in writing once the Landlord approves a transfer to a unit the Resident is eligible to occupy. Upon signing the new Lease, the Resident is required to move within fifteen (15) calendar days. If the Resident refuses to move, the Landlord may terminate this Lease.

Failure to comply with the re-certification requirement is a material violation of the Lease Agreement.

If the Tenant does not submit the required recertification information by the date specified in the Landlord's request, the Landlord may impose the following penalties. The Landlord may implement the following penalties:

- (1) Require the Tenant to pay the higher, HUD-approved market rent for the unit.
- (2) Implement any increase in rent resulting from the recertification processing without notice.
- (3) Proceed with termination of the Resident's Lease if the Resident fails to comply with this requirement after notice.
- (4) Non-Renewal of Resident's Lease.

The Tenant may request to meet with the Landlord to discuss any change in rent or assistance payment resulting from the recertification process. If the Tenant requests such a meeting, the Landlord agrees to meet with the Tenant and discuss how the Tenant's eligibility for continued occupancy, dwelling size, rent and assistance payment, if any, were computed or determined.

39. REPORTING CHANGES BETWEEN RECERTIFICATION:

- a. If required, and if any of the following changes occur, the Tenant agrees to advise the Landlord immediately:
 - (1) The Tenant or household member moves out or moves into the unit.
 - (2) A Tenant or household member who was reported as unemployed on the most recent certification or recertification obtains employment.
 - (3) The household's income cumulatively increases by \$40 or more a month.
- b. The Tenant must report any decrease in income or any change in other factors considered in calculating the Tenant's rent. Unless the Landlord has confirmation that the decrease in income or the change in other factors will last less than one month, the Landlord will verify the information and make the appropriate rent reduction. However, if the Tenant's income will be partially or fully restored within two months, the Landlord may delay the certification process until the new income is known, but the rent reduction will be retroactive and the Landlord may not evict the Tenant for nonpayment of rent due during the period of the certification process. The Tenant has 30 days to pay after receiving written notice of any rent due for the above described time period or the Landlord may evict for nonpayment of rent. The Tenant's rent paid must always be equal to or greater than the rent the Tenant initially paid when the Tenant occupied the dwelling unit.
- c. If the Tenant does not advise the Landlord of these interim changes, the Landlord may increase the Tenant's rent to the HUD-approved market rent. The Landlord may do so only in accordance with the time frames and administrative procedures set forth in HUD's regulations, handbooks and instructions on the administration of the program.

- d. The Tenant may request to meet with the Landlord to discuss how any change in income or other factors affected his/her rent or assistance payment, if any. If the Tenant requests such a meeting, the Landlord agrees to meet with the Tenant and explain how the Tenant's rent or assistance payment, if any, was computed.
- e. Tenant Obligation to Repay. If the Tenant submits false information on any application, certification, or rectification, or request for interim rent adjustment or does not report interim changes in family income, composition or other factors to the Landlord, the Tenant agrees to reimburse landlord for the difference between the rent he/she should have paid and the rent he/she was charged. In addition, the Tenant may be subject to penalties available under Federal law. Those penalties include fines up to \$10,000 and imprisonment for up to five (5) years.

40. CHANGES IN FUNDING & REGULATORY AGREEMENT CHANGES.

Landlord which is part of Saving Mercy Corporation Supportive Housing Program receives funding from the United States Department of Housing and Urban Development (HUD) and /or other funding sources to provide supportive services to the residents of the property, rental assistance, or operating costs. The Resident recognizes that market rate for the occupied unit may be greater than the rent actually being charged. Should the funding source terminate during the lease term, the Resident shall become responsible for payment of the full market rate. Resident will be provided a full calendar month notice of the increase to full market rent.

This property is regulated by agreements reached with the city, county, state and federal agencies that have provided funding to accomplish rental affordability for its residents. In the event any of the participating agencies would effect changes on their Regulatory Agreements with the property, the Landlord will apply these changes as of the indicated date. Landlord will notify the tenants of the changes and how the tenant will be affected by them approximately thirty (30) days prior to the changes taking effect.

41. HOUSEHOLD MEMBERS

The following individuals are the only member authorized to occupy this dwelling unit.

NAME	RELATIONSHIP	DOB	GENDER

- 42. NO CONSTRUCTION LIENS.** Resident shall have no power or authority to permit construction, mechanics, material men's or other liens to be placed upon the leased property in connection with maintenance, alterations, and modifications or otherwise. The interest of the Landlord shall not be subject to liens for improvements made by the Resident. Landlord shall not be liable for any work, labor or materials furnished to the Premises by or through Resident or anyone claiming through Resident. No construction liens or other liens for any such work, labor or materials shall attach or affect the interest of the Landlord in and to the Premises. Landlord intends to record a notice as set forth in Florida Statutes Section 713.10. This lease itself shall not be recorded in the public records.
- 43. AMENITIES.** You agree that you are renting only the Apartment. Rent does not include the use of any amenities, including recreational facilities, of the Community. Any amenity may be used only by Residents, Occupants and their guests as outlined by the Rules and Regulations. We may from time to time issue new rules and regulations to govern the use of such amenities. Such rules and regulations may call for the payment of fees, either on a seasonal, monthly or annual basis, for membership. Fees for use by your guests of the amenities may be charged. The use of any amenity may be allowed or revoked in our sole discretion. The amenity may be removed from service by us on a permanent or part-time basis without compensating you and rent may not be withheld nor the lease terminated based on such action.
- 44. FITNESS CENTER WAIVER OF LIABILITY.** If applicable, in consideration of the right to use the fitness facility at The Gateway Club, the undersigned acknowledges and agrees that neither the Landlord or its affiliates, agents, employees, successors, or assigns shall be liable for claims, demands, cost, or expenses arising out of any personal injury, property damage or loss which may be sustained by the undersigned or any persons who the undersigned allows to use the facility or their personal representatives or dependents, whether or not caused in whole or in part by the active or passive actions of the Landlord or its affiliates, agents, employees, successors, or assigns or any cause whatsoever. In this regard the Resident hereby agrees to assume all risk of occurrences and to hold the Landlord and its affiliates, employees, successors, or assigns harmless and indemnify and defend same against any and all claims, liabilities, damages, liens and expenses (including, without limitation, reasonable attorney's fees) arising directly or indirectly from any such occurrences. Only residents of this community may use the fitness facility. No one under the age of 18 is allowed to use the fitness equipment. Anyone caught damaging the facilities may be subject to Landlord terminating their lease agreement. All equipment must be used in accordance with the instructions. No loitering is permitted. No smoking or alcoholic beverages allowed. Proper attire must be worn at all times. No equipment shall be removed from the facility. No clothes, towels, or personal articles are to be left in the facility. No radios, cd, tape or mp3 players permitted without the use of headphones. Please keep the fitness center SAFE and CLEAN. If any of these rules are violated, we reserve the right to refuse access to use this facility.
- 45. SATELLITE DISHES AND ANTENNAS.** The Resident is NOT permitted to install a satellite dish or antenna without the permission of the Landlord.
- 46. HURRICANES.** Resident agrees that the premises are located in South Florida, which entails a high degree of risk that the premises may suffer damage due to wind storm or hurricane. The Resident is aware that damage from such a wind storm or hurricane could result in a high degree of damage to personal property or to occupants of the premises personally and that in view of such possibility that Resident has been made aware of the

necessity and the availability of rental insurance for the purpose of insuring such personal property which may be stored inside the premises. If applicable, and only if hurricane shutters are available, the parties agree that hurricane shutters are located on the property for the purpose of compliance with the County Building Code Ordinances. The parties agree and the Resident acknowledges that such shutters are present only for the protection of the Landlord's property, not the Resident's person or property. The mere presence of such shutters on the property does not imply any added degree of safety of the Residents, occupants or personal property of the Resident which may be stored on the premises or give rise only, or duty on, the part of the Landlord. Resident waives any claim of action against the Landlord for any damages that may accrue pursuant to a windstorm or hurricane that may affect the premises. This waiver is to include any damages that occur because of Landlord's inability to actually install the hurricane shutters, which are provided on the premises, prior to a windstorm or hurricane damaging the premises. The consideration for this waiver and agreement to indemnify is the Landlord has agreed to enter into a lease term for the aforesaid premises with the Resident. The Resident acknowledges that it is his or her duty to stay tuned to local radio and television stations to obtain directions as to whether the premises should be vacated in the interest of the personal safety of the occupants of the premises. If applicable, mandatory evacuations may be required based on property location.

47. STANDARDS OF BEHAVIOR. The Resident will be held personally responsible for the unlawful activities and behaviors of any guests. Such activities include the usage, sale or distribution of illegal drugs, pornography, or other materials. **Guns and other weapons are strictly prohibited.** Any damages occurred to the unit, or the property, by the Resident or the Resident's guests will be repaired at the Resident's expense and may be subject to lease termination and eviction. Lewd behavior, public intoxication or the appearance of illegal drug abuse is prohibited and will not be tolerated. Landlord will utilize all legal remedies to preserve a happy and safe living environment for all residents.

48. CRIME-FREE HOUSING CLAUSE

- a. The Resident, any member of the Resident's household, or a guest or other person under the Resident's control, shall not engage in or facilitate criminal activity whether on or off the property, including, but not limited to, violent activity or drug-related criminal activity.
- b. Landlord has a zero-tolerance Gun Policy. Guns, no matter if licensed, or if Resident has required permits, are not allowed anywhere on property, which includes resident units, common areas or parking areas.
- c. The Resident or any member of the Resident's household shall not permit the dwelling unit to be used for, or facilitate, criminal activity, including, but not limited to, violent criminal activity or drug related criminal activity.
- d. "Violent criminal activity" means any felonious criminal activity that has one of its elements the use, attempted use or threatened use of physical force against the person or property of another.
- e. "Drug related criminal activity" means the illegal manufacture, sales, distribution, or use, or possession with intent to manufacture, sell, distribute or use, of a controlled substance (as defined in Section 102 of the Controlled Substances Act).

- f. Resident, any member of the Resident's household, a guest or other person affiliated in any way with the resident, shall not engage in any illegal activity including prostitution, criminal street gang activity, threats or intimidation, assault, including, but not limited to the unlawful possession or discharge of Firearms or illegal weapons on or near the premises, or any other violation of the criminal statutes of the State of Florida or any breach of the lease agreement that otherwise jeopardizes the health, safety and welfare of the landlord, their agents, employees, other Resident, or guest or that which involves imminent or actual serious property damage.
 - g. Resident represents that neither Resident nor any occupant of the Apartment has ever been convicted of any felony or misdemeanor involving sexual misconduct, and that to the best of Resident's knowledge, neither Resident nor any occupant of the apartment is the subject of a criminal investigation or arrest warrant. Resident hereby further represents that neither Resident nor any occupant of Resident's apartment has any criminal charges of a sexual nature pending adjudication at this time. Resident agrees that Landlord may terminate this lease if it ever comes to the attention of the Landlord that Resident has been convicted of any sexual criminal activity or placed on probation with adjudication withheld at any time prior to becoming a Resident or during Resident's tenancy at the apartment community. Resident authorizes Landlord to perform a criminal background investigation of the Resident or any occupant of the apartment in the event the Landlord, in its sole discretion, has reason to believe that the Resident or any occupant has engaged in or is engaging in criminal activity in the apartment or at the apartment community.
 - h. One or more violations of this clause constitutes a substantial violation of the lease and a material noncompliance with the lease for which the Resident shall not be given the opportunity to cure. Any such violation is grounds for termination of tenancy and eviction from the unit.
 - i. Proof of violation shall be by a preponderance of evidence, unless otherwise provided by law. In case of any conflict between the provisions of this clause and any other provisions of this lease, the provisions of this clause shall govern.
- 49. DEFAULT BY RESIDENT.** If Resident fails to pay rent or additional rents when due, or if Resident fails to reimburse Landlord for damages, repairs or plumbing service costs when due under this contract, or if Resident or Resident's occupants or guests materially or repeatedly violates this contract or applicable state and local laws, or if the Resident abandons or surrenders the Apartment prior to the natural termination date of this lease, without fully exercising the cancellation provision contained in paragraph 10, then Resident shall be considered in default of this lease agreement and where applicable Landlord may terminate Resident's right of occupancy by giving Resident notice in writing. Notice may be by mail, posting or personal delivery of Resident's Apartment. Such termination does not release Resident from any obligation or liability for future rentals. If any amounts due Landlord are delinquent, Landlord shall not be obligated to continue utilities, which are furnished and paid for by Landlord. In the event that Resident defaults under the terms of this lease as provided in this paragraph, the Resident shall be responsible to the Landlord for damages for unpaid rent, late charges, concession received, attorney's fees, and/or fee paid to any collection agency, costs and other special and general damages appertaining thereto. Resident will be responsible for lost rent and late fees due to the Landlord until the premises are re-let. Resident will be responsible for any difference in rent charged to new resident and for paying any concession offered to the new resident.

The Landlords, its successors and assigns are hereby given the right to recover said damages from Resident by use of any appropriate legal means. These charges are in addition to all other amounts accruing under the lease, including, without limitation, NSF check charges, utility charges and/or charges for the cost of repair and cleaning of the subject demised premises for wear and tear, damages above normal wear and tear, attorney's fees and costs, and collection expenses and costs.

- 50. TERMINATION OF TENANCY/NON-RENEWAL.** The Tenant shall provide Landlord with a minimum of thirty (30) days' written notice of Resident's intention not to renew the lease. The notice must be provided at least thirty days before the end of the lease term. If the Tenant does not give the full 30-day notice, the Tenant shall be liable for rent through the next month.

Landlord, to terminate the Lease, shall give Tenant written notice of termination and to vacate the dwelling unit in accordance with applicable State and local laws. Such notice will be binding on Tenant when delivered to the Tenant of the dwelling unit. Any termination of the Lease by Landlord must be carried out in accordance with HUD regulations, if applicable, State and Local law, and the terms of the Lease. The Landlord may terminate the Lease for any of the following reasons:

- (a) Failure by the Resident or any member of their household to comply with the terms of the Lease, the Rules and Regulations, and any addenda or amendments to the Lease or Rules and Regulations;
- (b) Changes in household size that will no longer be appropriate to house in unit;
- (c) Changes in household composition where there is no disabled adult as defined by the U.S. HUD Definition of Disability and/or a minor child under of the age 18 living in the unit if that is a requirement of the funding source;
- (d) The Tenant's failure to carry out obligations under and State Landlord and Tenant Act;
- (e) Denial or disconnection of utility services that are paid by the Resident;
- (f) Tampering with utilities to illegally obtain service, or changing the account to a person that is not listed as a family member on the Lease.
- (g) Any activity, criminal or non-criminal, engaged in by the Resident, any member of their household, a guest or a person under the control of the Resident, which threatens the health, safety, or right to peaceful enjoyment of the premises by other residents or employees or agents of the Landlord.
- (h) Any criminal activity that threatens the health, safety, or right to peaceful enjoyment of the premises by other Tenants or Landlord's employees or agents, or any drug-related criminal activity, whether on or off the property, engaged in by a Resident, any guest, invitee or other person under Tenant's control;
- (i) Failure by Resident to report to any recertification interview, provide required documents and verification of any information required by the Landlord, execute documents, or complete the recertification process, including failing to execute the lease or renewal lease timely ;

- (j) Resident and Household Members shall not commit fraud, bribery, or any other corrupt or criminal act in connection with any government agency or program. It is a violation of this Lease if it is determined that resident or any household member has provided fraudulent information or committed fraud in connection with the application process, or to otherwise remain in the dwelling unit;
- (k) Failure to keep the dwelling unit, the surrounding premises and any such other areas as may be assigned to the Resident for the Resident's exclusive use in a clean, safe and sanitary condition;
- (l) Failure to comply with Federal, State or local public assistance program requirements related to work activities, community service requirements or fraud;
- (m) If the Resident or any member of their household, a guest or a person under the Resident's control, engages in the illegal use, or threatened use of or display of firearms, fire bombs or other weapons on Landlord's property;
- (n) If the conduct of the Resident, any member of their household, a guest or a person under the Resident's control, is such that there is a likelihood that their presence on the premises may lead to personal injury or property damage;
- (o) If school-age children do not attend school regularly and are absent more than 15 unexcused days within any 90-day period of a given school year except in instances of death, serious illness or injury, or the child who attains the age of 16 years files a formal declaration of intent to terminate school enrollment with the school board;
- (p) Serious or repeated damage to the dwelling unit, creation of physical hazards in the unit, common areas, grounds or parking areas. Resident must pay for any necessary repairs of damages caused; non-payment will be grounds for termination;
- (q) Any fire on the premises caused by carelessness, failure to supervise children or unattended cooking;
- (r) If the Resident, any member of their household, a guest or a person under the Resident's control threatens, obstructs or interferes with an employee or agent of the Landlord or any government official conducting official business on or around the premises;
- (s) The Resident refuses to accept the Landlord's proposed change(s) to this Lease; If the Resident repeatedly interferes with, or is counter to Lease or Community policies, or if the Lease has expired and has not been renewed;
- (t) Other good cause, which includes but is not limited to the Tenant's refusal to accept Landlord's proposed change to the Lease. Terminations for "other good cause" may only be effective as of the end of any initial or successive form;
- (u) Illegal Narcotics, usage, sale or distribution including prescription drugs not prescribed to the Resident by a licensed medical professional shall be grounds for termination of the Lease;
- (v) Any unusually heavy traffic to the Resident's unit and or any loitering in the hallways

or on the grounds, by Resident or their visitors, that in any way, annoys, endangers or otherwise disturbs other Residents' and staff, including security personnel, peaceful enjoyment of their apartment and/or the surrounding premises, shall be a material breach of the lease, and cause for termination of the lease agreement,.

- 51. REPEATED VIOLATIONS.** Repeated violations of this Agreement shall be a default and subject to termination of this Agreement.
- 52. RIGHT TO POSSESSION.** Whenever under the terms hereof Landlord is entitled to possession of the Apartment, Resident will at once surrender same to Landlord in as good condition as at the commencement of this lease, normal wear and tear accepted.
- 53. PEACEFUL ENJOYMENT/USE.** All Residents and employees and agents of the Landlord shall be entitled to peaceful enjoyment of the premises. Resident shall not use the premises in such a way as to violate any law or ordinance, commit waste or nuisance, to commit or permit any act of practice injurious to the building or other real property, or annoy, disturb, inconvenience, or interfere with the peaceful enjoyment of any other Resident or nearby residents, including, but not limited to loud or late night behavior. **Resident shall ensure that their guests also comply with this provision.** Resident agrees that the above restrictions and covenants have been made to ensure the maintenance of the highest quality community environment and to preserve the appearance, function and ambiance of the property and to ensure the peaceful enjoyment of the premises for other Residents. Violations constitute a material breach of the Agreement and Landlord may take legal action to terminate this Agreement and remove Residents. Resident agrees to fully comply with all rules and regulations now and hereafter promulgated by Landlord including, but not limited to the printed rules and regulations, if any, attached hereto and incorporated herein by reference.
- 54. CORPORATIONS OR PARTNERSHIPS.** If Resident is a corporation or a partnership, the person signing this Lease on behalf of such corporation or partnership hereby warrants that he has full authority from such corporation or partnership hereunder and said person and the corporation or partnership shall be jointly and severally liable for all rent and any and all other amounts that may be due and owing to Landlord under the terms of this Lease, including attorney's fees and costs.
- 55. ENTIRE AGREEMENT.** This Agreement, the rental application and any attached addenda constitute the entire agreement between the parties and no oral statements shall be binding. The Resident acknowledges that they may be part of an affordable housing or homeless program and that any addenda associated with the specific programs are an integral part of this agreement. Further, the Resident hereby acknowledges and agrees that at no time during the course of discussions and/or negotiation leading up to and including the time of execution of this lease did any representative, agent, or employee or the Landlord make any representations, engage in any discussions of the lease, or otherwise communicate with the Resident, anything that in any way whatsoever contradicts any written term or condition of this lease agreement, nor did the Landlord, any representative, agent or employee of the Landlord make any statements or communications or representations of any nature whatsoever that supplement or in any way whatsoever amend or add any terms or provisions to this lease as written. This Agreement comprises all terms, conditions and agreements of the parties with respect to the subject matter hereof, superseding all prior arrangements or agreements, and except as provided in the rules and regulations in paragraph 25 hereinabove may not be altered or amended except in writing and signed by authorized representatives of each Party hereto. This Agreement shall not be construed more strongly against any party hereto regardless of who was more responsible

for its preparation. This Agreement shall be construed by and enforced with, and the validity and performance hereof shall be governed by, the laws of the State of Florida.

- 56. ATTORNEY'S FEES.** In the event legal action is instituted to enforce this Agreement hereof, the prevailing party shall be entitled to an award of reasonable attorney's fees, in addition to court and other costs, including, without limitation, fees and costs incurred in conjunction with any proceeding before any appellate tribunal. In the event Landlord employs the services of a collection agency to collect any money owed Landlord by Resident, Resident shall be responsible to reimburse Landlord upon demand for all costs and fees, whether or not contingent, incurred thereby the Landlord, in addition to all other amounts owed.
- 57. MORTGAGEE'S RIGHTS.** Resident's rights under this lease shall, at all times, be automatically subordinate and junior to any existing or future mortgage, deed or trust or other lien applicable to the premises or its contents, which is now or shall hereafter be placed on the property of which the Apartment is a part. If requested, Resident shall execute promptly any document that Landlord may request to verify this subordination agreement.
- 58. NOTICES.** Any notice required by this Agreement shall be in writing and shall be posted, hand delivered and/or mailed by registered or certified mail to the Landlord at Landlord's address set forth herein and to the Resident at his Apartment address.
- 59. WAIVER.** Failure of Landlord to insist upon strict, timely compliance by Resident with any term of this agreement shall not amount to nor be construed as nor otherwise constitute a waiver by Landlord of Landlord's right thereafter to insist upon strict and timely compliance by Resident of any and all terms and conditions of this agreement, including, without limitation, any term that may not have been enforced strictly by the Landlord previously. Acceptance by the Landlord of rent after knowledge of any breach of this lease by the Resident shall not be a waiver of the Landlord's right nor construed as an election by the Landlord not to enforce the provisions of this lease pursuant to such a breach. Landlord's failure or delay in demanding damage reimbursement, late payment charges, returned check charges, or other sums due Landlord, shall not be a waiver of Landlord's right to insist on payment thereof. Landlord may demand same at any time, including move-out or thereafter. The Resident hereby waives Resident's right to demand a jury trial in any cause of action arising between Landlord and Resident concerning this contract.
- 60. SEVERABILITY.** If any term of the Agreement is found to be contrary to the laws of any jurisdiction having control of its construction, validity or enforcement, or it is found that any term is void or voidable, then said term shall not apply and this Agreement shall be construed as if said term were not present, and there shall be no effect on the remainder of this Agreement as a result of the removal of such term, provided that the general intent of this Agreement is not changed.

BY SIGNING THIS RENTAL AGREEMENT, THE TENANT AGREES THAT UPON SURRENDER, ABANDONMENT, OR RECOVERY OF POSSESSION OF THE DWELLING UNIT DUE TO THE DEATH OF THE LAST REMAINING TENANT, AS PROVIDED BY CHAPTER 83, FLORIDA STATUTES, THE LANDLORD SHALL NOT BE LIABLE OR RESPONSIBLE FOR STORAGE OR DISPOSITION OF THE TENANT'S PERSONAL PROPERTY.

The Following Lease Addendums Have Been Provided:

Resident is required to initial each addendum received.

___ **Pest Control Addendum**

___ **Chinese Drywall Disclosure & Release Addendum**

___ **Bed Bug Addendum**

___ **Mold and Mildew Addendum**

___ **Housekeeping Standards Addendum**

___ **Key Addendum**

___ **Pet Rules & Regulations Addendum**

___ **Property Rules & Regulations Addendum**

___ **VAWA Addendum**

___ **Fire Prevention Addendum**

IN WITNESS WHEREOF, the parties have executed these the day and year first above written. Resident(s) signature indicates they have read the entire agreement including the terms and conditions set forth above.

Resident:

_____ Date: _____
Print Name

_____ Date: _____
Signature

_____ Date: _____
Print Name

_____ Date: _____
Signature

_____ Date: _____
Print Name

_____ Date: _____
Signature

_____ Date: _____
Print Name

_____ Date: _____
Signature

_____ Date: _____
Print Name

_____ Date: _____
Signature

Authorized Agent for Landlord:

_____ Date: _____
Print Name

_____ Date: _____
Signature

Record and Return to:
Marion County Community Services Department
2710 East Silver Springs Blvd.
Ocala, Florida 34470

Rec. Fees: \$
DS: \$

Property Appraiser's #22817-000-00
Owner: Saving Mercy Corporation

**MORTGAGE LIEN
FOR REAL PROPERTY
ASSISTED IN WHOLE OR IN PART WITH STATE HOUSING INITIATIVES PARTNERSHIP 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 **Saving Mercy Corporation, a not for profit corporation, with an address of 3601 West Silver springs Blvd., Ocala, FL 34475 ("Mortgagor")**.

WHEREAS, the Mortgagee is the Administrator of the State Housing Initiative Program ("SHIP"); and

WHEREAS, pursuant to Section 420.907-9079, Florida Statutes and Chapter 67-37 Florida Administrative Code, the State of Florida has made available to the Mortgagor, through the Mortgagee, certain funds to be used in the Marion County Standard Professional Services Agreement State Housing Initiatives Partnership New Construction Project.

WHEREAS, Mortgagee and Mortgagor, desire for Sponsor to construct ten (10) duplexes, to be used as rental housing subject to Mortgagor entering into a mortgage in favor of Mortgagee for a loan for the costs of construction of the property ("the Project"), and

WHEREAS, the Project was approved as a project in the Local Housing Assistance Plan based on Mortgagor's proposal; and

WHEREAS, upon completion of New Construction Project, Mortgagor will use the building to serve low-income and very-low income SHIP-eligible individuals/households and in accordance with the separate agreement between Mortgagor and Mortgagee executed on or before (_____) entitled Marion County Standard Professional Services Agreement State Housing Initiatives Partnership New Construction 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 mortgages to Mortgagee all of Mortgagor's estate, right, title and interest in, to and under all that certain real property situated in Marion County, Florida, more particularly described as follows:

Property Address: 3601 West Silver springs Blvd., Ocala, FL 34475
Parcel ID: 22817-000-00

A portion of the Southwest 1/4 of Northwest 1/4 of Section 14, Township 15 South, Range 21 East, Marion County, Florida, more fully described as follows: Commencing at the Southwest corner of the Northwest 1/4 of said Section 14, thence South 89°28'38" East along the South boundary of said Northwest 1/4, 191.82 feet to the centerline of interstate Highway No. 75, thence South 0°31'12" West along said centerline 16.94 feet to the point of intersection of said centerline with the centerline of State Road No. 40, thence South 89°41'48" East along said State Road 40 centerline 821.88 feet, thence North 0°31'12" East 53.75 feet to the North right-of-way line of said State Road, for the point of beginning, thence North 0°31'12" East 250.00 feet, thence North 89°41'48" West 150.00 feet, thence North 0°31'12" East 816.54 feet to a point that is 80.00 feet southerly of and at right angle to the centerline of the Atlantic Coast Line Railroad, thence South 78°11'52" West parallel with said centerline 477.85 feet, thence North 11°37'34" West 45.00 feet to a point on the southerly right-of way line of said railroad, said point being 35.00 feet from and at right angle to said railroad centerline, thence North 78°11'52" East along said railroad right-of-way line 149.37 feet, thence South 11°48'08" East, perpendicular to said centerline, 25.00 feet, thence North 78°11'52" East along said railroad right-of-way line 804.95 feet to the East boundary of the Southwest 1/4 of Northwest 1/4 of said section, thence South 0°31'59" West along said East boundary 1186.05 feet to a point on the North right-of-way line of SR 40 that is North 0°31'59" East 40.48 feet from the Southeast corner of said Southwest 1/4 of Northwest 1/4, thence North 89°41'48" West along said North right-of-way line of said State Road, 311.10 feet to the Point of Beginning, LESS AND EXCEPT a portion of the Southwest 1/4 of Northwest 1/4 of Section 14, Township 15 South, Range 21 East, more fully described as follows: Commencing at the Southwest corner of the Northwest 1/4 of said Section 14, thence South 89°28'48" East along the South boundary of said Northwest 1/4 191.82 feet to the centerline of Interstate Highway No. 75, thence South 0°31'12" West along said centerline 16.94 feet to the point of intersection of said centerline with the centerline of State Road No. 40, thence South 89°41'48" East along said State Road No. 40 centerline 821.88 feet, thence North 0°31'12" East 53.75 feet to the North right-of-way line of said State Road for the Point of Beginning, thence North 0°31'12" East 236 feet, thence South 89°41'48" East parallel to the centerline of State Road No. 40, 175 feet, thence South 0°31'12" West 236 feet to the North right-of-way line of State Road No. 40 thence North 89°41'48" West along said North right-of-way line of said State Road, 175 feet to the Point of Beginning.

LESS AND EXCEPT:

LEGAL DESCRIPTION FOR RIGHT OF WAY TAKING

Commence at the intersection of the East boundary of the Southwest Quarter of the Northwest Quarter of Section 14, Township 15 South, Range 21 East, in Marion County, Florida and the North right of way line of State Road 40 (101.50 feet wide); thence run N.00°32'42"E., along said East Boundary, for a distance of 1126.05 feet to the Point of Beginning; thence continuing Northerly along said line, for a distance of 60.30 feet to the Point of Intersection of the Southeasterly right of way line of the abandoned Florida Northern Railroad, formerly known as the Atlantic Coastline Railroad (120.00 feet wide); thence run S.78°11'49"W., along said Railroad right of way line, for a distance of 276.48 feet; thence departing said Railroad right of way line, run S.89°55'24"E. for a distance of 210.81 feet to the point of curvature of a tangent curve, concave to the South, and having for its elements: a radius of 520.00 feet, a central angle of 06°32'36", a chord distance of 59.35 feet, and a

chord bearing of S.86°39'06"E.; thence run Easterly along said curve for a distance of 59.38 feet to the Point of Beginning.

PARCEL 2:

A portion of the SW 1/4 of the NW 1/4 of Section 14, Township 15 South, Range 21 East, Marion County, Florida, more fully described as follows:

Commencing at the Southwest corner of the NW 1/4 of said Section 14; thence S. 89°28'48" E., along the South boundary of said NW 1/4, 191.82 feet to the centerline of Interstate Highway No. 75; thence S. 0°31'12" W., along said centerline 16.94 feet to the point of intersection of said centerline with the centerline of State Road No. 40; thence S. 89°41'48" E., along said State Road No. 40 centerline, 821.88 feet; thence N. 0°31'12" E., 53.75 feet to the North right of way line of said State Road for the Point of Beginning; thence N. 0°31'12" E., 236 feet; thence S. 89°41'48" E., parallel to the centerline of State Road No. 40, 175 feet; thence S. 0°31'12" W. 236 feet to the North right of way line of State Road No. 40; thence N. 89°41'48" W., along said North right of way line of said State Road, 175 feet to the Point of Beginning.

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. **FUNDING.** Mortgagee through its Community Services Department (the "Department") agrees to provide a deferred payment loan to Mortgagor for allowable costs to include construction costs as allowable by **Exhibit B to the Agreement**, not to exceed **One Million Seven Hundred Sixty-four Thousand Two Hundred Sixty-five Dollars and Zero Cents (\$1,764,265.00) including recording fees and document stamps** for services performed under the terms of the Agreement and detailed in **Exhibit B to the Agreement**. In the event the Project costs exceed the stated amount, Mortgagor shall be responsible for any excess. In the event the Project does not use all the funds allocated, any excess shall be returned to Mortgagee.
3. **SERVICES AND PERFORMANCE.** The parties mutually agree to furnish, each to the other, the respective services, information, and items as detailed in **Exhibit A to the Agreement**, and the Scope of Work/Funding attached as **Exhibit B** to the Agreement.
4. **TERM.** Unless otherwise provided herein or by Supplemental Agreement or Amendment, New Construction

is to be completed by **(June 30, 2025)**; and the provisions of this Agreement will remain in full force and effect through the term of the mortgage which is thirty (30) years from the date of execution of this Agreement.

5. **INSURANCE.** Mortgagor shall maintain, throughout the term of this Agreement comprehensive general liability insurance, property and casualty or builder's risk insurance, and Worker's Compensation insurance as set forth in Section "17" of the Standard Terms, **Exhibit A to the Agreement.**
6. 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.
7. 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.
8. 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.
9. 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.
10. 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.
11. 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.
12. 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 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 deems advisable, and for any of such purposes, Mortgagee may advance such sums of money, including all costs, reasonable attorney's fees, and 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.

13. 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.
14. Mortgagor further covenants and agrees all sums of money secured hereby shall be payable without any relief wherever from any valuation or appraisal laws.
15. 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.
16. 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 that 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, 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 that 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, issues, and profits actually received by Mortgagee.

17. 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.
18. 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 six (6) 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 with record. All covenants and agreements contained in this Mortgage shall be applicable to all further advances made by Mortgagee to Mortgagor under this future advance clause.
19. No delay by Mortgagee in exercising any right or remedy hereunder, or otherwise, afforded by law, shall operate as a 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 the 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.
20. 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 the 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 the 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.
21. 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.
22. Mortgagor hereby waives all rights of homestead exemption if any, in the Mortgaged Property.
23. 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.
24. At the option of Mortgagee, Mortgagor shall provide Mortgagee with periodic financial statements of the operations of and the financial condition of Mortgagor.
25. 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 SHIP regulations and with written approval by Mortgagee.
26. 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 comply 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 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, expenses (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 in connection with Mortgagor's operations thereon; or
- (2) Any complaint, order, citation, or notice with regard to air emissions, 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.

27. 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.

28. 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 the 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.
29. 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.
30. 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.

[Remainder of page intentionally left blank. Signature page follows.]

IN WITNESS THEREOF, this Mortgage has been duly executed by the undersigned.

WITNESS:

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

Saving Mercy Corporation

Witness Signature

By: _____

Witness Name Printed

Printed Name: _____

Witness Signature

Its: _____

Witness Name Printed

Date: _____

**STATE OF FLORIDA
COUNTY OF MARION**

The foregoing instrument was acknowledged before me by means of physical presence or online notarization,
on this day _____ of _____ 2024, by Penny Beehler as Executive Director for Saving Mercy
Corporation.

(SEAL)

Signature - Notary Public

Print Name: _____

My Commission Expires: _____

PROMISSORY NOTE

\$1,764,265.00

DATE: _____

FOR VALUE RECEIVED, the undersigned (the "Borrower") promises to pay to Marion County, a political subdivision of the State of Florida, SHIP Fund, Marion County, Florida, its successors or assigns ("Lender"), the principal sum of **One Million Seven Hundred Sixty-four Thousand and Two Hundred Sixty-five Dollars and Zero Cents (\$1,764,265.00) including document stamps and recording fees 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 the Marion County Standard Professional Services Agreement State Housing Initiatives Partnership New Construction Project.

This Note and all other obligations of the Borrower, including the agreement entered into between the parties entitled Marion County Standard Professional Services Agreement State Housing Initiatives Partnership New Construction 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 Assisted In Whole Or In Part With State Housing Initiatives Partnership 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 SHIP (State Housing Initiatives Partnership) grant funds for the New Construction Housing Project. The maturity date of this Note shall be thirty (30) years from the date of execution of the Agreement.
 - B. Where to Make Payment. Sums due under this Note shall be payable to the Marion County SHIP Grant, Marion County, Florida, 2710 E. Silver Springs Blvd., Ocala, Florida 34470, or such other place as the Noteholder 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.

[Remainder of page intentionally left blank. Signature page follows.]

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:

Saving Mercy Corporation, a Not-For-
Profit Corporation

Witness Signature

By: _____

Printed Name: _____

Its: _____

Witness Name Printed

Witness Signature

Witness Name Printed