



**MARION COUNTY
SUBDIVISION IMPROVEMENT AGREEMENT
WITH IRREVOCABLE LETTER OF CREDIT**

THIS AGREEMENT made and entered into this 26 day of April, 2024 by, between and among **MARION COUNTY**, a political subdivision of the State of Florida, whose address is 601 SE 25th Avenue, Ocala, Florida 34471 hereinafter referred to as "COUNTY" and the below-listed DEVELOPER and BANK.

WITNESSETH:

WHEREAS, DEVELOPER has made application to the Board of County Commissioners for the approval of a subdivision (the "Subdivision") and the DEVELOPER represents to the COUNTY that the below listed information is true and correct, and

Developer: Sunset Hills Development LLC, a Florida limited liability company

Developer's Address: 4349 SE 20th Street, Ocala, FL 34471

Project Engineer: Tillman & Associates

Engineer's Estimate of Costs of Improvements: \$100,472.35

Developer's Estimate of Time to Complete All Improvements: August 1, 2024

Subdivision Name: Sunset Hills Phase 2

Plat Book _____ Page(s) _____

Bank: SouthState Bank, N.A.

Bank's Address: 1632 East Silver Springs Boulevard, Ocala, FL 34470

WHEREAS, it is mutually agreed and understood by the parties to this Agreement that this Agreement is entered into for the purpose of (1) protecting the COUNTY in the event DEVELOPER fails to complete the construction of required subdivision improvements, and (2) inducing COUNTY to approve the plat of the above-described Subdivision for recordation in the Public Records, and

WHEREAS, the failure of DEVELOPER to comply with the terms and conditions of this Agreement may cause COUNTY to take whatever reasonable action may be prudent and appropriate to assure the fulfillment of this Agreement, and

WHEREAS, DEVELOPER has represented to COUNTY that it intends to improve the Subdivision lands by construction of all subdivision improvements required by the Land Development Code of Marion County, Florida, as provided herein, and described in the Project Engineer's Estimate of the Cost of these improvements as set forth above (a copy which is attached hereto as *Exhibit A*, and by this reference made a part hereof), and

WHEREAS, the construction of improvements on the Subdivision lands has not progressed to completion and the DEVELOPER seeks to assure its obligations for the construction of subdivision improvements under this Agreement by arranging and agreeing with BANK for the issuance of an irrevocable letter of credit as a performance guarantee to assure construction of all subdivision improvements,

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

1. The recitals set forth above are true and correct and are incorporated into this Agreement by this reference.
2. The DEVELOPER hereby accepts the obligation to construct and shall construct or cause to be constructed, as provided in the Project Engineer's COUNTY-approved subdivision improvement plans dated May 2, 2022, and on file with the Office of the County Engineer, all roads, pavement and other improvements, including all catch basins and drainage facilities, monuments, street signs and other improvements of any nature (hereinafter the "Improvements") and in all respects complete the Improvements in accordance with the subdivision improvement plans. All Improvements shall be constructed in accordance with the Land Development Code of Marion County, Florida, in effect on the date of recording of the plat of the Subdivision lands or the date of this agreement, whichever is later. All required Improvements shall be certified by the Project Engineer, who shall be a State of Florida registered engineer, as being constructed consistent with the requirements of the Land Development Code of Marion County. The Subdivision and the lands described in this Agreement are and shall remain privately owned, and the Subdivision Plat shall not contain any dedication of any Subdivision lands or infrastructure to the COUNTY. DEVELOPER shall provide to COUNTY with the final plat, documentation identifying a lawfully established property owner's association that will be responsible for maintenance of all Improvements upon completion of the construction thereof.
3. The DEVELOPER has presented to COUNTY an irrevocable letter of credit in an amount equal to the Engineer's Estimate of the Cost of Improvements attached hereto as *Exhibit A*. A copy of the BANK's irrevocable letter of credit is attached hereto as *Exhibit B*. The condition of the irrevocable letter of credit is such that if DEVELOPER should fail to satisfactorily complete the Improvements within 365 days of the date of this Agreement, the COUNTY, upon first giving DEVELOPER 90 days prior written notice and an opportunity to cure, may draw upon the irrevocable letter of credit, pursuant to instructions to be given BANK by COUNTY, and the BANK shall pay to the COUNTY such funds as are necessary to complete the Improvements based upon the good faith estimate of a Florida licensed general contractor. In the event such funds are not adequate to complete the work based upon such good faith estimate, the BANK shall pay the full amount of such funds to COUNTY. In such event, COUNTY will not be responsible to BANK for repayment of such funds, and the DEVELOPER shall not be relieved of its obligations under this agreement.

4. Upon verification of the completion of construction of all Improvements, the Office of the County Engineer shall, within ten (10) days after verification of completion of the Improvements, forward written instructions to BANK authorizing BANK to release and cancel the letter of credit and/or shall deliver the original letter of credit to BANK, whichever the BANK shall require. Should the COUNTY fail to timely provide notice as aforesaid, the DEVELOPER may deliver to the BANK a true and correct copy of any verification of completion letter or certificate from the COUNTY, which the BANK may, in good faith, rely upon and may thereafter release and cancel the letter of credit. The BANK shall not release and/or cancel the letter of credit, either all or in part, except in keeping with the provisions of this Agreement. Any controversy arising under this Agreement shall be resolved in accordance with the laws of the State of Florida, acknowledging that the letter of credit is being given for the protection and benefit of COUNTY to secure the DEVELOPER's obligation to complete all Improvements. In the event of any conflict between the terms of the letter of credit and this Agreement, the terms of this Agreement shall control. COUNTY may only draw upon the letter of credit and utilize such funds for the purpose of paying for the commercially reasonable costs to complete the Improvements and for no other purpose or use.
5. For and in consideration of the issuance of the letter of credit, DEVELOPER agrees to pay BANK such reasonable compensation which shall from time to time be agreed upon in writing by DEVELOPER and BANK. In addition, DEVELOPER agrees to reimburse BANK for any direct and actual out-of-pocket expense, including reasonable attorneys' fees reasonably incurred by it in the administration of this Agreement. Such compensation and expenses shall not constitute a charge upon the letter of credit.
6. Liability of BANK, or its successors, is expressly limited and so long as BANK, or its successor, accounts for and disburses the letter of credit funds in good faith and in compliance with this Agreement, it shall not be liable for errors of judgment, and DEVELOPER agrees to indemnify BANK, or its successor, for any losses it may suffer in the premises.
7. The COUNTY reserves the right to cancel or terminate this Agreement, with or without cause, upon thirty (30) days written notice of termination to the DEVELOPER. The COUNTY reserves the right to cancel or terminate this agreement upon five (5) days written notice in the event the DEVELOPER will be placed in either voluntary or involuntary bankruptcy or an assignment is made for the benefit of creditors. Any termination by the COUNTY of this Agreement shall entitle the BANK to immediately release and cancel the letter of credit without further instruction from the COUNTY and/or the DEVELOPER.
8. DEVELOPER hereby releases the COUNTY and its agents and employees from any claims and damages, now existing or hereafter occurring or related in any way to this Agreement, save and except for claims or damages arising out of willful, wanton or bad faith acts on the part of the COUNTY. DEVELOPER agrees that the COUNTY shall incur no liability for the Improvements by executing this Agreement.
9. DEVELOPER does hereby agree to indemnify and hold the COUNTY harmless from and against any and all claims, damages, losses, out-of-pocket expenses (including but not limited to attorneys' fees), causes of action, judgments and/or liabilities directly arising out of, or in connection with an uncured default on the part of DEVELOPER of the terms and provisions of this Agreement. This grant of indemnity shall be irrevocable. The grant of indemnity contained herein is absolute and unlimited.

10. In the event of any litigation arising out of this Agreement, the prevailing party shall be entitled to recover all reasonable costs incurred including attorneys' fees, specifically including any appellate or bankruptcy proceeding related thereto.
11. The undersigned representative of the DEVELOPER hereby represents to the COUNTY that he/she is fully authorized by the DEVELOPER to represent the DEVELOPER in agreeing to the terms and conditions of this Agreement.
12. This Agreement may be amended by mutual written agreement of the parties and only by such written agreement. There are no understandings or agreements by the parties except as herein expressly stated.

[SIGNATURE PAGES IMMEDIATELY FOLLOWS THIS PAGE]

IN WITNESS WHEREOF that parties have hereunto set their hands and seals and executed this Agreement on the day and year first above mentioned.

DEVELOPER: Sunset Hills Development, LLC, a Florida limited liability company

[Signature]
Witness Signature
BRIN CREW
Witness Printed Name

By: [Signature]
Matthew P. Fabian as Manager
Date: 4/26/24

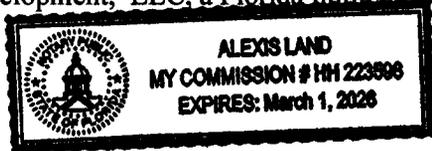
Print Witness Address: 1632 E SILVER SPRINGS BLVD
OCALA FL 34470

[Signature]
Witness Signature
Alexis Land
Witness Printed Name

Print Witness Address: 1632 E SILVER SPRINGS BLVD
OCALA FL 34470

STATE OF FLORIDA
COUNTY OF MARION

The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this 26 day of April, 2024, by Matt Fabian as Manager of Sunset Hills Development, LLC, a Florida limited liability company, on behalf of such company.



[Signature]
Notary Public, State of Florida
Name: Alexis Land
(Please print or type)
Commission Number: _____
Commission Expires: _____

Notary: Check one of the following:
 Personally known OR
 Produced Identification (if this box is checked, fill in blanks below).
Type of Identification Produced: _____

South State Bank, N.A.

[Signature]
Witness Signature
BRIAN CREN
Witness Printed Name

By: [Signature]
Rusty Branson as Senior Vice President

Print Witness Address:
1632 E SILVER SPRINGS BLVD
OCCALA FL 34471

[Signature]
Witness Signature
ALEXIS LAND
Witness Printed Name

Print Witness Address:
1632 E SILVER SPRINGS BLVD
OCCALA FL 34470

STATE OF FLORIDA
COUNTY OF MARION

The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this 26 day of April, 2024, by Rusty Branson, as Senior Vice President of South State Bank, N.A.



[Signature]
Notary Public, State of Florida
Name: Alexis Land
(Please print or type)
Commission Number: _____
Commission Expires: _____

Notary: Check one of the following:
 Personally known OR
 Produced Identification (if this box is checked, fill in blanks below).
Type of Identification Produced: _____

COUNTY

MARION COUNTY, FLORIDA, a political
subdivision of the State of Florida, by its Board of
County Commissioners

By: Michelle Stone 6/4/2024
Michelle Stone as Chair

ATTEST:

[Signature] 6/4/2024
Gregory C. Harrell, Clerk of Court and
Comptroller

For use and reliance of Marion County only,
approved as to form and legal sufficiency:

For: [Signature]
Matthew Guy Minter, County Attorney

**EXHIBIT A
ENGINEER'S ESTIMATE**

PROJECT		REMAINING ITEMS - SUNSET HILLS PHASE 2				
ADDRESS		MARION COUNTY, FLORIDA				
Submission				Website: www.tillmaneng.com		
Date of plans				Email: permits@tillmaneng.com		
Total Cost Estimate		\$100,472.35		Contact: (352) 387-4540		
Lot Count & Per lot Cost						
Acreage & Per Ac Cost						
LF of Roadway & Per LF Cos						
SR #	DESCRIPTION	QTY.	UNIT	TOTAL UNIT COST	TOTAL COST	SUBTOTALS
Exclusions:						
NOTE:						

EXHIBIT "A"

2024.05.01
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This item has been digitally signed and sealed by **Jeffrey M. McPherson** on the date adjacent to the seal. Printed copies of this document are not considered signed and sealed and the signature must be verified on any electronic copies.

**EXHIBIT B
LETTER OF CREDIT**

See attached



IRREVOCABLE STANDBY LETTER OF CREDIT

BENEFICIARY: Marion County, a political subdivision of the State of Florida
601 SE 25th Ave
Ocala, FL 34471

APPLICANT: Sunset Hills Development, LLC, a Florida limited liability company
4349 SE 20th Street
Ocala, FL 34471

ISSUED DATE: April 26, 2024
EXPIRATION DATE: April 26, 2025

County of Marion:

We hereby issue our Irrevocable Letter of Credit Number 7130 in favor of Marion County, a political subdivision of the State of Florida, for the account of Sunset Hills Development, LLC, in the amount of USD one hundred thousand four hundred seventy two and 35/100 Dollars (\$100,472.35) available by payment of your draft(s) drawn on us at sight bearing the clause: **"Drawn under South State Bank, N.A., Irrevocable Letter of Credit No. 7130."**

We hereby undertake to promptly honor your sight draft(s) on us, indicating our Letter of Credit No. 7130, for all or any part of this credit if presented to South State Bank, N.A, located at 1632 East Silver Springs Boulevard, Ocala, FL 34470, Attn: Rusty Branson, on or before April 26, 2025.

It is a condition of this Letter of Credit that it shall be deemed automatically extended without amendment for an additional twelve month period from the present or any future expiration date unless at least sixty (60) days prior to any such expiration date, we shall notify you in writing by certified mail, return receipt requested, or courier service, that we elect to not to extend this Letter of Credit for any such additional one year period.

Except as stated herein, this undertaking is not subject to any condition or qualification. The obligation of the Bank under this Letter of Credit is the individual obligation of the Bank, in no way contingent upon reimbursement with respect thereto.

Except as otherwise expressly stated herein, this Letter of Credit is Subject to the International Standby Practice 2007, International Chamber of Commerce Publication number 600 ("ISP2007").

SouthState Bank, N.A.

By: 
Rusty Branson as Senior Vice President



00001700102571900000SUNSET HILLS DEVELOP00001465

APPLICATION AND AGREEMENT FOR IRREVOCABLE LETTER OF CREDIT

Amount of Credit	Issue Date	Expiration Date	Loan Number	Letter of Credit Number	Officer ID	Initials
\$100,472.35	04-26-2024	04-26-2025	17001025719	7130	***	
References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "****" has been omitted due to text length limitations.						

Borrower: SUNSET HILLS DEVELOPMENT, LLC
4349 SE 20TH ST
OCALA, FL 34471

Lender: SouthState Bank, National Association
Ocala Silver Springs Boulevard
1632 E. Silver Springs Blvd.
Ocala, FL 34470

Beneficiary: Marion County, a political subdivision of the State of Florida
5343 SE Abshier Blvd
Bellevue, FL 34471

APPLICATION FOR LETTER OF CREDIT. Borrower hereby requests Lender indicated above to issue a Letter of Credit substantially in the form attached hereto and incorporated herein by this reference. In issuing the Letter of Credit, Borrower expressly authorizes Lender to make such changes from the terms set forth in this Agreement as the Lender in Lender's sole discretion may deem advisable provided that no such change shall vary the material terms hereof.

INSPECTION OF DRAFTS AND ACCOMPANYING DOCUMENTS. Borrower authorizes Lender to accept, honor, or pay (as applicable) against any draft or other document which on its face appears otherwise in order and is signed, issued, or presented by any party or under the name of any party a) purporting to act with authority (actual or apparent) on behalf of the Beneficiary in whose name the Letter of Credit requires that any draft or document must be drawn, issued, or presented; b) purporting to claim through such Beneficiary; or c) posing as such Beneficiary. Borrower agrees to reimburse Lender any and all amounts which Lender pays under the Letter of Credit notwithstanding any legal or factual insufficiency or infirmity in such party's conduct or documents under clauses a), b), or c) in this paragraph.

REPAYMENT OF DRAFTS. Borrower shall immediately repay Lender upon demand, unless otherwise provided, in United States currency for any amounts paid by Lender under the Letter of Credit. Borrower's obligation to repay Lender for any such amounts paid under the Letter of Credit shall be absolute, unconditional, and irrevocable.

INTEREST. All fees and all other amounts payable under this Agreement shall bear interest from their due date or with respect to any draft presented under the Letter of Credit, from the date of payment of any draft at the interest rate and under the terms set forth in the Note executed in conjunction with this Agreement. The Note shall evidence the obligation of Borrower herein to repay Lender for any amounts paid under the Letter of Credit.

SECURITY INTEREST. To secure the payment and performance of Borrower's obligations and duties described in this Agreement and Related Documents, if any, Borrower grants Lender a security interest in: 1) all goods and documents that come into Borrower's actual or constructive possession, custody, control, or in which Borrower may acquire an interest in connection with the Letter of Credit; 2) all goods and documents that come into Lender's actual or constructive possession, custody or control, or that of any of Lender's correspondents in connection with the Letter of Credit; 3) all of Borrower's right, title and interest in Borrower's accounts, monies, instruments, savings, checking, share and other accounts (excluding IRA, Keogh, trust accounts and other accounts subject to tax penalties) that come into Lender's actual or constructive possession, custody or control. Borrower's obligations under this Agreement and Related Documents are also secured by the collateral described in any security instrument(s) executed in connection with this Agreement, and any collateral described in any other security instrument(s) securing this Agreement or all of Borrower's obligations to Lender.

Default. Default will occur if payment of the Indebtedness in full is not made immediately upon demand.

RIGHTS OF LENDER ON EVENT OF DEFAULT. If there is an Event of Default as set out in the Default paragraph of this Agreement, Lender shall be entitled to exercise one or more of the following remedies without notice or demand (except as required by law):

- to declare any unpaid amounts plus accrued interest under this Agreement and under the Note, if any, and all other present and future obligations of Borrower immediately due and payable in full, such acceleration shall be automatic and immediate if the Event of Default is a filing under the Bankruptcy Code;
- to require Borrower to deposit with Lender the full amount of any additional monies capable of being drawn under the Irrevocable Letter of Credit;
- to collect the outstanding obligations of Borrower;
- to forthwith setoff and/or segregate without notice or demand, Borrower's obligations against any amounts due to Borrower including, but not limited to, monies, instruments, and deposit amounts maintained with Lender;
- to sell any goods or documents covered by any security interest granted above; and
- to exercise all other rights available to Lender under any other written agreement or applicable law.

Lender's rights are cumulative and may be exercised together, separately, and in any order. Lender's remedies under this paragraph are in addition to those available at common law, including, but not limited to, the right to set-off. The sale of secured goods or documents will be governed by the Uniform Commercial Code for the State of Florida. If the sale does not pay for the whole amount due, Borrower will pay the shortage to Lender immediately. If the sale results in more than the amount due, Lender will pay the surplus to Borrower or those who have a right to it. If the value of the secured goods declines, Borrower will deliver to Lender on Lender's demand additional collateral that is acceptable to Lender.

INSURANCE. If applicable, Borrower, or a third party, will obtain insurance on all goods described in the Letter of Credit. The insurance will cover fire and other usual risks, and any additional risks Lender may request. Borrower authorizes Lender to collect the proceeds of insurance and apply it against any of Borrower's obligations to Lender.

ASSIGNMENT. Borrower shall not be entitled to assign any of Lender's rights, remedies, or obligations described in this Agreement without the prior written consent of Lender which may be withheld by Lender in Lender's sole discretion. Lender shall be entitled to assign some or all of Lender's rights and remedies described in this Agreement without notice to or the prior consent of Borrower in any manner. The obligations under this Agreement shall bind the heirs, executors, administrators, successors and assigns of Borrower, and all rights, benefits and privileges

APPLICATION AND AGREEMENT FOR IRREVOCABLE LETTER OF CREDIT

Loan No: 17001025719

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hereby conferred on Lender shall be and hereby are extended to and conferred upon and may be enforced by Lender's successors and assigns.

RESPONSIBILITIES AND LIABILITIES. Neither Lender nor any of Lender's correspondents shall be responsible for, and Borrower's obligation to reimburse Lender shall not be affected by any change of circumstances or conditions or action of any person related to the Letter of Credit or this Agreement including without limitation: a) the validity, accuracy, sufficiency or genuineness of drafts, documents, certificates, statements or endorsements thereon, even if such drafts, documents, certificates, statements or endorsements thereon prove, in fact, to be in any respect invalid, insufficient, fraudulent or forged; b) any breach of any agreement between Borrower and the Beneficiary of the Letter of Credit or any other party, even if Lender has received notice of same; c) any failure of any draft to bear any reference or adequate reference to the Letter of Credit; d) any act or omission by Lender in connection with the Letter of Credit or related drafts and documents if done in good faith; e) any omissions, interruptions, errors, mis-deliveries or delays in the transmission or delivery of any documents, message or communication by mail, cable, telegram or other media in connection with the Letter of Credit; f) any act, error, default, omission or failure in business of the Beneficiary, any correspondent or any other party, or any other act or omission beyond Lender's control; g) any acceptance or payment of overdrafts or irregular drafts or extensions of time limits or other changes or variations in, the Letter of Credit if assented to, orally or in writing, by Borrower; Borrower shall be conclusively deemed to have waived any right to object to such variation unless within three days of receipt of such irregular drafts or documents or notice of such variation, Borrower files written notice with Lender; h) any delay by any party in giving, or failing to give notice of any default under any agreement involving Lender; i) failure by Lender to perfect any interest in or exercise any right with respect to the collateral securing this Agreement or any other security, endorsement, or guarantee it may have for payment of Borrower's obligations; and, j) any amendments to which Borrower has assented.

LIMITED LIABILITY. Lender shall not be responsible to Borrower for, and Lender's right to reimbursement, indemnification, and other payments hereunder shall not be impaired by any act or omission for which an issuer of a letter of credit is relieved of responsibility under the 2007 Revision of the Uniform Customs and Practice for Documentary Credits of the International Chamber of Commerce, ICC Publication No. 600 (the "UCP") or other applicable law. In addition, Borrower acknowledges that it has reviewed and agreed to the proposed language of the Letter of Credit and that Lender shall not be responsible for the inclusion or absence of any terms or conditions in that document. Lender shall not be liable for any special, indirect, or consequential damages, unless there is clear and convincing evidence that such damages resulted from Lender's bad faith.

INDEMNITY. Borrower agrees to defend and indemnify Lender (and Lender's directors, officers, employees, attorneys, and agents), on demand and to the fullest extent permitted by law, against each and every claim and liability (and the reasonable costs and legal fees relating thereto) which may arise under or in connection with this Agreement or the Letter of Credit, including, without limitation, actions commenced by the Beneficiary of the Letter of Credit for wrongful dishonor and actions commenced by Borrower to enjoin honor or attach the proceeds of honor.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Agreement:

Additional Assurances. Make, execute and deliver to Lender such promissory notes, mortgages, deeds of trust, security agreements, assignments, financing statements, instruments, documents and other agreements as Lender or its attorneys may reasonably request to evidence and secure the Borrower's obligations under the Letter of Credit.

Amendments. This Agreement, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Agreement. No alteration of or amendment to this Agreement shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

Attorneys' Fees; Expenses. Borrower agrees to pay upon demand all of Lender's costs and expenses, including Lender's reasonable attorneys' fees and Lender's legal expenses, incurred in connection with the enforcement of this Agreement. Lender may hire or pay someone else to help enforce this Agreement, and Borrower shall pay the costs and expenses of such enforcement. Costs and expenses include Lender's reasonable attorneys' fees and legal expenses whether or not there is a lawsuit, including reasonable attorneys' fees and legal expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services. Borrower also shall pay all court costs and such additional fees as may be directed by the court.

Caption Headings. Caption headings in this Agreement are for convenience purposes only and are not to be used to interpret or define the provisions of this Agreement.

Commercial Purposes. This Agreement is being executed for commercial, which includes agricultural, purposes.

Financial Statements. Borrower agrees to provide Lender with such financial statements and other related information at such frequencies and in such detail as Lender may reasonably request.

Governing Law. This Agreement will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Florida without regard to its conflicts of law provisions, and except to the extent such laws are inconsistent with the 2007 Revision of the Uniform Customs and Practice for Documentary Credits of the International Chamber of Commerce, ICC Publication No. 600. This Agreement has been accepted by Lender in the State of Florida.

Joint and Several Liability. All obligations of Borrower under this Agreement shall be joint and several, and all references to Borrower shall mean each and every Borrower. This means that each Borrower signing below is responsible for all obligations in this Agreement.

No Waiver by Lender. Lender shall not be deemed to have waived any rights under this Agreement unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Agreement shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Agreement. No prior waiver by Lender, nor any course of dealing between Lender and Borrower, shall constitute a waiver of any of Lender's rights or of any of Borrower's obligations as to any future transactions. Whenever the consent of Lender is required under this Agreement, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

Notices. Any notice required to be given under this Agreement shall be given in writing, and shall be effective when actually delivered, when actually received by telefacsimile (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Agreement. Any party may change its address for notices under this Agreement by giving written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Borrower agrees to keep Lender informed at all times of Borrower's current address. Unless otherwise provided or required by law, if there is more than one Borrower, any notice given by Lender to any Borrower is deemed to be notice given to all Borrowers.

Severability. If a court of competent jurisdiction finds any provision of this Agreement to be illegal, invalid, or unenforceable as to any circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so

APPLICATION AND AGREEMENT FOR IRREVOCABLE LETTER OF CREDIT

Loan No: 17001025719

(Continued)

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modified, it shall be considered deleted from this Agreement. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Agreement shall not affect the legality, validity or enforceability of any other provision of this Agreement.

Subsidiaries and Affiliates of Borrower. To the extent the context of any provisions of this Agreement makes it appropriate, including without limitation any representation, warranty or covenant, the word "Borrower" as used in this Agreement shall include all of Borrower's subsidiaries and affiliates. Notwithstanding the foregoing however, under no circumstances shall this Agreement be construed to require Lender to make any Indebtedness or other financial accommodation to any of Borrower's subsidiaries or affiliates.

Successors and Assigns. All covenants and agreements by or on behalf of Borrower contained in this Agreement or any Related Documents shall bind Borrower's successors and assigns and shall inure to the benefit of Lender and its successors and assigns. Borrower shall not, however, have the right to assign Borrower's rights under this Agreement or any interest therein, without the prior written consent of Lender.

Time is of the Essence. Time is of the essence in the performance of this Agreement.

Waiver By Borrower. Borrower waives presentment, demand for payment, notice of dishonor and protest and further waives any right (if any) to require Lender to proceed against anyone else before proceeding against Borrower.

DEFINITIONS. The following capitalized words and terms shall have the following meanings when used in this Agreement. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Agreement shall have the meanings attributed to such terms in the Uniform Commercial Code. Accounting words and terms not otherwise defined in this Agreement shall have the meanings assigned to them in accordance with generally accepted accounting principles as in effect on the date of this Agreement:

Agreement. The word "Agreement" means this Application and Agreement for Irrevocable Letter of Credit, as this Application and Agreement for Irrevocable Letter of Credit may be amended or modified from time to time, together with all exhibits and schedules attached to this Application and Agreement for Irrevocable Letter of Credit from time to time.

Beneficiary. The word "Beneficiary" means Marion County, a political subdivision of the State of Florida, and Beneficiary's successors and assigns.

Borrower. The word "Borrower" means SUNSET HILLS DEVELOPMENT, LLC, and all other persons and entities signing the Agreement in whatever capacity.

Default. The word "Default" means the Default set forth in this Agreement in the section titled "Default".

Indebtedness. The word "Indebtedness" means amounts, if any, paid by Lender under that certain Application and Agreement for Letter of Credit dated April 26, 2024 and executed by Sunset Hills Development, LLC in the amount of \$100,472.35 together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions of the Note for Letter of Credit.

Lender. The word "Lender" means SouthState Bank, National Association, its successors and assigns.

Letter of Credit. The words "Letter of Credit" mean a letter of credit in the amount of \$100,472.35 issued on 04-26-2024, by Lender on behalf of Borrower and in favor of Beneficiary.

Related Documents. The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Indebtedness.

WAIVE JURY. TO THE EXTENT PERMITTED BY APPLICABLE LAW, BORROWER AND LENDER KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE ANY RIGHT EACH MAY HAVE TO A TRIAL BY JURY WITH RESPECT TO ANY LITIGATION BASED ON, ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT OR ANY AGREEMENT CONTEMPLATED TO BE EXECUTED IN CONNECTION WITH THIS AGREEMENT, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF ANY PARTY WITH RESPECT HERETO.

AUTOMATIC RENEWAL. It is a condition of this Letter of Credit that it shall be automatically extended without amendment for a period of one year from the Expiration Date or any future annual Expiration Date hereof unless, at least sixty (60) days prior to such Expiration Date or future annual Expiration Date, Lender notifies Beneficiary by registered mail or overnight courier to Beneficiary's address set forth above, or such other address as Beneficiary subsequently notifies Lender of in writing, that Lender elects not to consider this Letter of Credit renewed for any such additional one-year period.

PARTIAL DRAWS. Partial draws are permitted under this Letter of Credit. Lender's honor of a partial draw shall correspondingly reduce the amount of credit available under this Letter of Credit. Following a partial draw, Lender shall return this original Letter of Credit to Beneficiary with the partial draw noted hereon; in the alternative, and in its sole discretion, Lender may issue a substitute Letter of Credit to Beneficiary in the amount shown above, less any partial draw(s).

DEFINITION OF NOTE. The word "Note" means that certain Application and Agreement for Letter of Credit dated April 26, 2024 and executed by Sunset Hills Development, LLC in the amount of \$100,472.35.

VARIABLE INTEREST RATE FLORIDA. All fees and all other amounts payable under this Agreement shall bear interest from their respective due dates or with respect to any draft presented under the Letter of Credit from the date of payment at an index which is Wall Street Journal U.S. Prime Rate (the "Index") and is subject to change from time to time based on the changes in the index rate. The index rate change will not occur more often than each day. The index is currently 8.500% per annum. Interest will be computed on a 365/360 basis using a rate equal to the Index plus 4.000%, adjusted if necessary, for any minimum and maximum rate limitations, resulting in an initial rate of 12.500% per annum based on a year of 360 days. NOTICE: Under no circumstance will the effective rate of interest be more than the maximum rate allowed by applicable law.

APPLICATION AND AGREEMENT FOR IRREVOCABLE LETTER OF CREDIT

Loan No: 17001025719

(Continued)

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BORROWER ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS APPLICATION AND AGREEMENT FOR IRREVOCABLE LETTER OF CREDIT AND BORROWER AGREES TO ITS TERMS. THIS APPLICATION AND AGREEMENT FOR IRREVOCABLE LETTER OF CREDIT IS DATED APRIL 26, 2024.

BORROWER ACKNOWLEDGES RECEIPT OF A COMPLETED COPY OF THIS APPLICATION AND AGREEMENT FOR IRREVOCABLE LETTER OF CREDIT.

BORROWER:

SUNSET HILLS DEVELOPMENT, LLC

By: 

MATTHEW FABIAN, Manager of SUNSET HILLS DEVELOPMENT, LLC