



November 10, 2015

Bishop Allen Wiggins  
The Village of Orlando, Inc.  
3014 Orange Center Blvd  
Orlando Florida 32805

Dear Bishop Wiggins,

Valley National Bank ("Bank") is pleased to inform you that your request for refinancing the four (4) select properties owned by TVO has been approved. Said approval is subject, but not limited, to the complete compliance and full satisfaction of all terms, conditions and stipulations set forth in this letter, or additional conditions that may be deemed necessary or appropriate by the Bank and/or its counsel to perfect a first lien position on said property. We appreciate this opportunity and look forward to a great relationship.

**BORROWER**                      The Village of Orlando, Inc.

**LOAN AMOUNT(S)** *\*\*see addendum (pg. 7) for distribution of funds*

- 1) \$1,200,000 CREM - 927 S Goldwyn Ave, Orlando FL      32805 -The Village Sq. (comm)
- 2) \$ 400,000 CREM - 3005 Monte Carlo Trail, Orlando FL      32805 -Hope Estates (apts)
- 3) \$1,408,000 CREM - 2919 Orange Center Blvd, Orlando FL 32805 -Hope Square (apts)
- 4) ~~\$2,300,000~~ CREM - 2912 Orange Center Blvd, Orlando FL 32805 -Hope Village (apts)  
\$5,308,000

**MATURITY DATE**                      The four (4) loans shall each mature 10 years (120 months) from closing date.

**INTEREST RATE**                      The interest rate payable under the four (4) notes shall be fixed at 4.00%, fixed for 5 years (60 months), and then adjusting at month 61 to the then 5-year Treasury Bill + 200 basis points (subject to a floor rate of 4.0%), fixed through remaining 60 months to maturity

**TERMS**                                      Monthly payments of principal and interest with the payment based on a 25 year amortization. Any remaining unpaid interest and outstanding principal balance will be due and payable on the Maturity Date. Estimated monthly payments:

- 1) \$ 6,340                      927 S Goldwyn Ave, Orlando FL      32805 -The Village Sq. (comm)
- 2) \$ 2,115                      3005 Monte Carlo Trail, Orlando FL      32805 -Hope Estates (apts)
- 3) \$ 7,435                      2919 Orange Center Blvd, Orlando FL 32805 -Hope Square (apts)
- 4) \$12,145                      2912 Orange Center Blvd, Orlando FL 32805 -Hope Village (apts)

**GUARANTOR(S)**                      None. Non-profit

**LOAN FEE**                                      The Bank shall be paid a loan commitment fee of ½% (\$26,540). The commitment fee may be included in the rolled in closing costs.

**LATE FEES** The Bank will charge a late fee of five percent (5%) on any payment amount that is not paid within 10 days of when it is due. To avoid this concern, we will be placing these loans on our *auto debit* program

**PREPAYMENT** 1% for first 5 years of the loans. No prepayment penalty after year 5. The penalty will be waived if a property is sold, but will not be waived if the loan is being refinanced by other bank.

**FEES AND EXPENSES** All other out-of-pocket expenses will be due at closing including, but not limited to, the following: appraisal fees (paid in full), environmental due diligence (paid in full), title insurance premium, recording fee, documentary stamps, intangible tax, survey fee and attorneys fees, as required. Upon acceptance of this commitment, the Bank will instruct its counsel to prepare the closing documents. The borrower agrees to reimburse the Bank for all costs incurred in the event the loan is not closed, unless such is the result of the default of the Bank, otherwise, all closing costs may be rolled into the loan.

**COLLATERAL** The loan shall be secured by a valid and enforceable first priority mortgage lien on properties and improvements located at:

- 1) 927 S Goldwyn Ave, Orlando FL 32805 -The Village Sq. (comm)
- 2) 3005 Monte Carlo Trail, Orlando FL 32805 -Hope Estates (apts)
- 3) 2919 Orange Center Blvd, Orlando FL 32805 -Hope Square (apts)
- 4) 2912 Orange Center Blvd, Orlando FL 32805 -Hope Village (apts)

**ASSIGNMENT OF LEASES**

This Loan shall also be secured by an Assignment of Leases and Rents related to the real property and the improvements thereon, by any proceeds of any property serving as collateral for this Loan, to include without limitation, insurance or public condemnation proceeds, and by such other property as is specified herein. All documents shall be prepared by the Bank or its counsel and shall be in form and substance acceptable to Bank or its counsel.

All leases, now or hereafter in existence, made by Borrower as lessor on any portion of the property shall be subordinate to the subject mortgage.

**ENVIRONMENTAL CONDITIONS**

You acknowledge that you know of no contamination or other environmental condition on the property that could expose you or the Bank to liability under any applicable law. Bank will have no obligation to make the Loan or advance Loan funds and may terminate this commitment if it is discovered that there is a potential of contamination or other adverse environmental conditions on any properties.

In addition, the borrower agrees to execute an Environmental Indemnification Agreement indemnifying Bank against any suits or actions which could be brought against the Bank for any intentional or unintentional, past, present or future use of the property which could cause any agency, public or private, to institute any suit or action against Borrower or Borrower's heirs and/or assigns of which the Bank could become a party for damage to the environment. As of this writing, a bank ordered Phase I Environmental Report is in process. Final closing is subject to final report submission and bank review finding 'no further action' required.

## **INSURANCE**

Borrower shall provide the original policy of insurance, premiums prepaid, with an insurance company satisfactory to the Bank including, but not limited to (**where applicable**), the following:

***Extended Coverage*** - An extended coverage insurance against loss or damage by fire, lightning, windstorm, hail, explosion, riot, riot attending a strike, civil commotion, aircraft, vehicles, smoke and other risks from time to time, included under "Extended Coverage" policies, in an amount equal to at least one hundred percent (100%) of the full replacement value of the proposed improvements and, in any event, in an amount sufficient to prevent borrower from becoming a co-insurer of any partial loss under the applicable policies.

***Liability Insurance*** - Public liability insurance insuring against all claims for personal or bodily injury, death or property damage occurring upon, in or about the mortgage property in acceptable amounts for injury or damage to any one person and for injury or damage from any one accident.

***Flood Insurance*** - Flood insurance for rising water and damage is required by the National Flood Insurance Act for mortgages held by Federal Reserve members.

**All policies shall reflect the Bank's interest therein as "loss payee" as follows:** Valley National Bank, its Successors and/or Assigns, ATIMA, Insurance Center, PO Box 261510, Miami, FL 33126

## **JUNIOR LIENS**

Any mortgage financing junior to the Bank's mortgage must have prior approval of the Bank.

## **DUE ON SALE**

Borrower hereby covenants with Bank that if conveyance (as defined in the Bank's mortgage) or further encumbrance should be made by borrower of the mortgage property, and improvements thereon or any part thereof or any interest therein, without either (i) compliance with the release provisions set forth in the mortgage or (ii) the written consent of the Bank, then and in either event and at the option of the Bank and without notice to the borrower, the entire unpaid balance of this loan shall be immediately and concurrently with such conveyance or further encumbrance, become due and payable in default, whether or not the same is otherwise due and payable by the terms hereof or of the mortgage documents.

## **NON-ASSIGNABILITY AND SEVERABILITY**

The commitment may not be sold, transferred or assigned to any other person, corporation or entity. Any assignment, transfer, conveyance or sale shall be null and void.

In the event that any one or more of the provisions contained in this commitment letter, or any documentation incident hereto, should be invalid, illegal or unenforceable in any respect, the validity, legality or enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

## **MATERIAL CHANGE**

The Bank shall not be obligated to fund this loan, and no liability will attach to the Bank for refusing to so fund, should there be any material adverse change in the borrower's or any guarantor's financial condition, or should any information previously submitted to the Bank concerning this loan prove to be false.

## **BANKRUPTCY**

***Insolvency and Assignment for Benefit of Creditors*** - The obligations of the Bank under this commitment shall terminate in the event of the filing by or against borrower or any guarantor of a petition in Bankruptcy or insolvency or for reorganization under any chapter of the Bankruptcy Code, or for the appointment of a receiver or trustee, or the making by any such party of any assignment for the benefit of creditors, prior to the time set for the closing of this loan.

## **BUSINESS PURPOSES**

Borrower has represented to the Bank that the proceeds of the loan described in this letter are to be used for business purposes and not for personal, family or household use, and the Bank is making this loan in reliance on such representation.

## **BANKING RELATIONSHIP**

During the term of the loan, the borrower agrees that Valley National Bank will become the major depository for its deposits.

## **SURVEY**

Prior to closing, the Bank must receive a survey with raised seal of the real property, made by a registered surveyor or civil engineer sufficient to remove the survey exception from the mortgage title insurance policy, certified to the Bank, and showing no encroachments or other matters unacceptable to the Bank. Such survey must locate all improvements, give property elevations, flood certifications and locate and identify, by recording information, all recorded easements and reservations and locate all visible unrecorded easements. The survey must be dated within sixty (60) days before the date of closing. The survey shall further contain the legal description of, and show all easements of records, including recording information appearing as exceptions or notations in the title insurance commitment and policy along with all proposed easements affecting the subject property. Said easements must be acceptable to the Bank and must be no older than sixty days and must be certified to Valley National Bank, to the attorney issuing the title policy and to the title company.

## **APPRAISAL**

Bank's duties hereunder shall be contingent upon receipt by the Bank of a current appraisal of the mortgaged property prepared by a MAI, or equivalent appraiser engaged by Bank, showing a value of such property, and the proposed improvements, in an amount as necessary, in Bank's sole discretion, to adequately secure the repayment of the Loan. The appraisal shall further set forth existing zoning classifications and the legal description of the property. (As of this writing, the appraisal has been received and is subject to final bank review).

## **TITLE INSURANCE**

Title insurance, at borrower's sole cost and expense, ***will be ordered and/or reviewed by Bank's counsel*** and will be provided by a title insurer acceptable to the Bank. Said title insurance shall be in an amount not less than the loan amount, insuring the Bank's lien on the mortgaged property as a valid lien of a priority required by this commitment letter, subject only to such exceptions as approved at the sole discretion of the Bank.

A commitment for such insurance, accompanied by copies of all documents noted or listed as requirements or exceptions, must be submitted to the Bank at least five (5) days prior to closing. Both the commitment and the policy must be on the latest revision of an ALTA loan policy form.

## **FINANCIAL DOCUMENTS**

Bank will require **prior to closing the following conditions:**

1. Receipt and review of applicable real estate insurance.
2. Receipt and review of an affidavit from the borrower and guarantors confirming there are no pending lawsuits (document will be provided as part of the closing documents).
3. Receipt and review of a current Phase I environmental report. (pending)
4. Receipt and review of a current appraisal with a maximum LTV ratio of 80%. (received, under review)
5. Receipt and review of executed leases (received).
6. Borrower's primary depository relationship to be maintained with Valley National Bank during the term of the loan.
7. Borrower to be placed on auto-debit for loan payments. Commercial loan monthly payments include principal and interest only. Borrower must escrow for taxes and insurance separately.

## **Loan Conditions and Covenants:**

1. The Borrower to provide the Bank within 30 days of signing any new leases or addendums, lease extensions or other changes to the tenancy and lease terms and conditions.
2. Borrower's primary depository relationship to be maintained with Valley National Bank during the term of the loan.
3. Satisfactory review of the financial condition of the borrower on an annual basis beginning with: 2014 Nonprofit 990 Tax Return, (Tickler date 12/15/2015).

## **MODIFICATIONS AND SURVIVAL**

The terms and conditions of this commitment may not be orally modified, but may be modified only in writing signed by the lender's authorized representative. All of the terms and conditions of this commitment will survive after the closing of the loan.

## **WAIVER OF JURY TRIAL**

The undersigned hereby knowingly, voluntarily, and intentionally waive any right they may have to a trial by jury in respect of any litigation based on this agreement or arising out of, under or in connection with this Agreement or any agreement contemplated to be executed, or any course of conduct, course of dealing, statements (whether verbal or written) or actions of any party with respect hereto or thereto. This provision is a material inducement for the Bank accepting and/or entering into this Agreement (or any agreement executed in connection with this Agreement) from or with Borrower or Guarantors.

## **COMMITMENT EXPIRATION**

This commitment shall expire five (5) days from the date hereof if not executed by borrower and returned to lender.

***Valley National Bank makes loan commitments solely in writing. Any oral discussions about this or any loan commitment may not be relied upon by the borrower unless the terms and conditions discussed are confirmed in writing.***

Please indicate your acceptance of this commitment and the terms and conditions contained herein by executing your acceptance below and returning the original to the lender. Thank you for allowing Valley National Bank to assist you with this financial endeavor.

Sincerely,

Valley National Bank


*Jennifer Pollock, CCIM*

Jennifer Pollock  
Vice President, Commercial Lending

The foregoing terms and conditions are accepted this 12th day of November, 2015

**“BORROWER”**

The Village of Orlando, Inc.

By:  \_\_\_\_\_  
Bishop Allen Wiggins

**Sources and Uses Addendum**  
***Distribution of loan proceeds:***  
**The following is summary of the Sources and Uses**

Property/Loan	Loan Amount	Uses
<b>Loan 1- Village Square - 927 S Goldwyn Ave, Orlando FL 32805</b>	<b>\$1,200,000</b>	
Payoff Centennial [1] – funded at closing		970,000
<ul style="list-style-type: none"> <li>• Roof Replacement (Funds will not be disbursed at closing. Funds are to be reserved in aVNB non interest bearing deposit account owned by borrower until such time as work is completed and invoice presented). All cost overruns to be borne by borrower</li> </ul>		80,000
<ul style="list-style-type: none"> <li>• Stairwell Upgrade (Funds will not be disbursed at closing. Funds are to be reserved in aVNB non interest bearing deposit account owned by borrower until such time as work is completed and invoice presented). All cost overruns to be borne by borrower</li> </ul>		115,000
<ul style="list-style-type: none"> <li>• Exterior (Funds will not be disbursed at closing. Funds are to be reserved in aVNB non interest bearing deposit account owned by borrower until such time as work is completed and invoice presented). All cost overruns to be borne by borrower</li> </ul>		35,000
<b>Total</b>		<b>\$1,200,000</b>
<b>Loan 2 – Hope Estates - 3005 Monte Carlo Trail, Orlando FL 32805</b>	<b>\$400,000</b>	
Payoff Centennial [2] - funded at closing		\$400,000
<b>Total</b>		<b>\$400,000</b>
<b>Loan 3 – Hope Square - 2919 Orange Center Blvd, Orlando FL 32805</b>	<b>\$1,408,000</b>	
Payoff Centennial [3] - funded at closing		\$1,193,000
<ul style="list-style-type: none"> <li>• HVAC systems upgrade (estimate \$3,000 per unit). (Funds will not be disbursed at closing. Funds are to be reserved in aVNB non interest bearing deposit account owned by borrower until such time as work is completed and invoice presented). All cost overruns to be borne by borrower</li> </ul>		114,000
<ul style="list-style-type: none"> <li>• Electrical system upgrade (estimate \$2,000 per unit). (Funds will not be disbursed at closing. Funds are to be reserved in aVNB non interest bearing deposit account owned by borrower until such time as work is completed and invoice presented). All cost overruns to be borne by borrower</li> </ul>		76,000
<ul style="list-style-type: none"> <li>• Aesthetics (HVAC &amp; electrical improvements). (Funds will not be disbursed at closing. Funds are to be reserved in aVNB non interest bearing deposit account owned by borrower until such time as work is completed and invoice presented). All cost overruns to be borne by borrower</li> </ul>		25,000
<b>Total</b>		<b>1,408,000</b>
<b>Loan 4 – Hope Village - 2912 Orange Center Blvd, Orlando FL 32805</b>	<b>\$2,300,000</b>	
Payoff – Centennial [4] - funded at closing		1,711,500
Loan 1 FREM balance payoff to Centennial Bank - funded at closing		\$15,910
Loan 2 FREM balance payoff to Centennial Bank - funded at closing		\$110,865
Loan 3 FREM balance payoff to Centennial Bank - funded at closing		\$202,000
Scott Randolph Prop Tax Obligation - funded at closing		50,000
Bob Picerne, LLC - funded at closing		75,000
Customary Closing Costs for all four loans- to be used to cover all closing costs		134,725
<b>Total</b>		<b>\$2,300,000</b>
<b>Summary Total</b>	<b>\$5,308,000</b>	

[1] Total loan payoff is \$ 985,910; the remaining balance due of \$ 15,910 will be funded with loan proceeds from Loan 4 – Hope Village.

[2] Total loan payoff is \$ 510,865; the remaining balance due of \$110,865 will be funded with loan proceeds from Loan 4 – Hope Village.

[3] Total loan payoff is \$1,395,000, the remaining balance due of \$202,000 will be funded with loan proceeds from Loan 4 – Hope Village.