

FIRST AMENDMENT TO HOME PROGRAM AGREEMENT
between
THE CITY OF ORLANDO
and
ANVIL-RICHARD ALLEN GARDENS, INC.

THIS FIRST AMENDMENT to HOME Program Agreement (hereinafter referred to as the “Amendment”) is entered into by and between the **CITY OF ORLANDO**, a Florida municipal corporation, with a principal address of 400 South Orange Avenue, Orlando, Florida, 32802, and **ANVIL-RICHARD ALLEN GARDENS, INC.**, a Florida non-profit corporation, with a principal address of 101 South Terry Avenue, Orlando, FL, 32805 (hereinafter referred to as “ANVIL” or “Borrower”).

WITNESSETH:

WHEREAS, pursuant to Title II of the Cranston Gonzalez National Affordable Housing Act of 1990, as amended, the United States Department of Housing and Urban Development (“HUD”) has designated the City as a participating jurisdiction under the HOME Investment Partnerships Program (hereinafter referred to as “HOME”) and has allocated HOME funds to the City in furtherance of its goal of encouraging the production of decent, safe, sanitary, and affordable housing for all of the citizens of Orlando;

WHEREAS, on August 19, 2015, the City and ANVIL entered into a HOME Program Agreement whereby the City agreed to loan the sum of *Six Hundred Ninety Five Thousand Dollars and No 00/100 (\$695,000.00)* in HOME funds to ANVIL to rehabilitate the affordable housing apartment complex referred to as “Richard Allen Gardens Apartments”, generally located at 720 Carter Street, Orlando, Florida 32805, and more particularly described in the legal description attached as **Exhibit “A”** to the HOME Program Agreement (hereinafter referred to as the “Property”) for affordable housing to residents who meet the income guidelines as provided by HUD;

WHEREAS, due to some construction issues encountered in rehabilitating the units, ANVIL has requested an extension of the maturity date, some additional time to complete the Project, and additional funding in the amount of *One Hundred Sixty Seven Thousand Six Hundred Forty Nine Dollars and No 00/100 (\$167,649.00)* to address these unforeseen construction issues;

WHEREAS, the rehabilitation of the Property for rent to Very Low, Sixty Percent, and Low Income families at affordable rents is an eligible activity under the HOME program;

WHEREAS, the parties desire to amend the HOME Program Agreement (hereinafter the HOME Program Agreement and this First Amendment will collectively be referenced to as the “Agreement”) to provide for these changes.

NOW THEREFORE, in consideration of the premises, the mutual covenants and agreements herein contained, and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the City and ANVIL agree as follows:

1. Recitals. The recitals set forth above are true and correct and are incorporated herein.

2. Updated 2016 Income Levels. A revised **Exhibit “B”** is attached hereto and incorporated herein by reference to update the eligibility standards for the 2016 income levels.

3. Section 1, entitled Definitions, Number 8. Entitled “Loan Documents” is hereby deleted in its entirety and restated as follows:

Loan Documents – means the HOME Program Agreement as amended by the First Amendment, the Note and Mortgage as amended by the First Note and Mortgage Modification Agreement, the Declaration of Restrictive Covenant as amended by the Amended and Restated Declaration of Restrictive Covenant Containing Rent and Income Restrictions, and all amendments, agreements, exhibits, or attachments to each of the foregoing, referenced therein or executed or delivered pursuant hereto or in connection with or arising under the loan contemplated hereby.

4. Section 1, Entitled Definitions, Number 10. Entitled “Note” is hereby deleted in its entirety and restated as follows:

Note – means the original promissory note in the original principal amount of \$695,000 and the additional principal advance of \$167,649 as amended in the First Note and Mortgage Modification Agreement thereby increasing the total principal amount of the loan to \$865,463 given by ANVIL to the City evidencing the loan contemplated by this Agreement.

5. Section 2, Paragraph 2, entitled “Use of HOME Funds” is hereby deleted in its entirety and restated as follows:

Use of HOME Funds: Under the terms and conditions of this Agreement and the other documents executed in connection with this Agreement, the City agreed to loan ANVIL HOME funds in the amount of *Six Hundred Ninety Five Thousand Dollars (\$695,000.00)* towards the rehabilitation of the Project, \$138,227.71 of which has already been disbursed to ANVIL. Under the terms and conditions of this Agreement and the other documents executed in connection with this Agreement, the City agrees to loan ANVIL additional HOME funds for the Project in the amount of ***One Hundred Sixty Seven Thousand Six Hundred Forty Nine Dollars (\$167,649.00)*** towards the rehabilitation of the Project for a total amount of HOME funds in the Project of ***Eight Hundred Sixty Five Thousand Four Hundred Sixty Three Dollars and no/100 (\$865,463.00)***.

ANVIL shall have a building permit and begin construction within 90 days of the Effective Date. ANVIL shall be fifty percent (50%) complete with the rehabilitation and a certificate of completion issued for the

Project by twelve (12) months of the Effective Date. The Project shall be 100% rehabilitated and all twenty-seven (27) of the HOME –assisted units rented and occupied by Eligible Persons at Affordable rents by December 31, 2016. If the HOME-assisted units are not occupied by eligible tenants within three months following Project Completion, ANVIL shall submit marketing information and an enhanced marketing plan to the City, subject to review and approval by the City.

A list of tasks to be performed and a schedule for completing those tasks and a complete budget for the use of these HOME funds and other funds in the Project is described in the amended Exhibit “C”, which is attached hereto and made a part hereof by this reference. ANVIL shall expend the HOME funds only for those items as set forth in the Budget and as permitted under the HOME regulations as set forth in 24 CFR §92.206. ANVIL shall not use any HOME funds for prohibited purposes as set forth in 24 CFR §92.214 or other HOME regulations. ANVIL acknowledges and agrees that any HOME funds not used in accordance with this Agreement and permitted HOME regulations must be repaid to the City. ANVIL also acknowledges and agrees if this Project is terminated before completion, not rented to Eligible Persons 18 months after the date of Project Completion, or if ANVIL fails to rent to Eligible Persons for the duration of the Affordability Period for any reason, either voluntarily or otherwise, ANVIL must repay all HOME funds awarded to ANVIL to the City.

6. Section 2, Paragraph 3, Entitled “Deferred Loan – Execution of Note, Mortgage and Restrictive Covenant” is hereby amended as follows:

Deferred Loan - Execution of Note, Mortgage, Restrictive Covenant and amended loan documents: The loan of these HOME funds to ANVIL shall be in the form of a deferred forgivable loan on the terms set forth in this Agreement. ANVIL has executed a promissory note, mortgage, declaration of covenants and restrictions, and other loan documents as required by the City. Accordingly, ANVIL executed the Note in favor of the City in the original principal amount of \$695,000 which was secured by a mortgage (the “Mortgage”) on the Property which was recorded September 2, 2015 in Official Records Book 10977, Page 6547 of the Public Records of Orange County, Florida. ANVIL also executed a declaration of restrictive covenant containing rent and income restrictions (“Declaration of Covenants and Restrictions”) for the HOME-assisted units which set forth various income and rent covenants restricting the affordability of the HOME-assisted units for ten (10) years from Project Completion (the “Affordability Period”) which was recorded September 2, 2015 in Official Records Book 10977, Page 6544 of the Public Records of Orange County, Florida.

For the additional amounts loaned herein, ANVIL shall execute a First Note and Mortgage Modification Agreement, an Amended and Restated

Declaration of Restrictive Covenant Containing Rent and Income and Restrictions, and other loan documents as required by the City. Accordingly, ANVIL shall execute a First Note and Mortgage Modification Agreement in favor of the City substantially in the form attached hereto as **Exhibit “D-1”** and incorporated herein by reference. This First Note and Mortgage and Modification Agreement will amend and increase the Note in the original principal amount of \$695,000 to include both the \$695,000 and the additional principal loaned of \$167,649 for a total amount of the Note of \$865,463, will extend the maturity date to December 31, 2016, and will modify the Mortgage to include the additional amounts loaned under the Note as an additional obligation secured thereby. ANVIL shall also execute an Amended and Restated Declaration of Covenants Containing Rent and Income Restrictions for the Project, which is attached hereto as **Exhibit F-1**, reflecting the changes to the Agreement.

Except as set for herein, this paragraph 3 remains the same.

7. Section 2, Paragraph 4, entitled “Disbursement of Funds” shall be changed to amend the first sentence as follows:

The City shall reimburse payment to ANVIL in accordance with the Budget attached hereto as the amended **Exhibit “C”**.

Except as set forth herein, this paragraph 4 remains the same.

8. Section 3, Paragraph 4, entitled “Period of Affordability will be deleted in its entirety and restated as follows:

Period of Affordability: All HOME-assisted units must meet the affordability requirements of 24 CFR §92.252. All HOME-assisted units shall continue to be rented to Eligible Persons at Affordable rents as prescribed by HUD and maintained as Affordable housing units for the ten (10) year Affordability Period. ANVIL previously executed the Declaration of Covenants and Restrictions for the HOME-assisted units which set forth various income and rent covenants restricting the affordability of the HOME-assisted units for ten (10) years from Project Completion (the “Affordability Period”) which was recorded September 2, 2015 in Official Records Book 10977, Page 6544 of the Public Records of Orange County, Florida. In order to ensure continued compliance with the ten (10) year Affordability Period, ANVIL shall execute the Amended and Restated Declaration of Restrictive Covenant Containing Rent and Income Restrictions, attached hereto as **Exhibit “F-1”** which shall be recorded in the Public Records of Orange County. The Affordability requirements apply without regard to the term of any loan or mortgage, repayment of HOME funds, or the transfer of ownership. ANVIL acknowledges that failure to meet the Affordability requirements stated herein is a breach of this Agreement and a default under the Loan Documents which requires

repayment of the HOME proceeds if the Project does not meet the Affordability requirements for the Affordability Period.

9. Section 9, Paragraph 15, entitled "Uniform Administrative Requirements" shall be changed to amend the first sentence as follows:

ANVIL acknowledges that the City must comply with 24 CFR §92.505 regarding uniform administrative requirements, including applicable portions 2 CFR 200.

Except as set forth herein, this paragraph 15 remains the same.

10. Except as set forth herein, all of the terms and conditions set forth in the original HOME Program Agreement executed August 19, 2015, shall remain in full force and effect.

IN WITNESS THEREOF, the parties have executed this First Amendment on the _____ day of _____, 2016.

Anvil-Richard Allen Gardens, Inc., a Florida non-profit corporation (SEAL)

By: _____
Robert Ansley, President

Date: _____

STATE OF FLORIDA
COUNTY OF ORANGE

The foregoing was acknowledged before me this ___ day of _____, 2016 by _____ Robert Ansley, as President of Anvil-Richard Allen Gardens, Inc. He is personally known to me and did take an oath.

Name
Notary Public
Serial Number: _____
My Commission Expires: _____

ATTEST:

**CITY OF ORLANDO, FLORIDA,
a municipal corporation**

By: _____
Amy T. Iennaco, Interim City Clerk

By: _____
Mayor / Mayor Pro Tem

Date: _____

STATE OF FLORIDA
COUNTY OF ORANGE

The foregoing was acknowledged before me this ___ day of _____, 2016
by _____, Mayor Pro Tem and _____, City Clerk, who are
personally known to me who did (did not) take an oath.

Name
Notary Public
Serial Number: _____
My Commission Expires: _____

Approved as to form and legality for the
use and reliance of the City of Orlando,
Florida only

_____, 2016

By: _____
Chief Assistant City Attorney

U. S. DEPARTMENT OF HUD 04/13/2016
STATE: FLORIDA

PROGRAM	2016 ADJUSTED HOME INCOME LIMITS							
	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
North Port-Sarasota-Bradenton, FL MSA								
30% LIMITS	13000	14850	16700	18550	20050	21550	23050	24500
VERY LOW INCOME	21700	24800	27900	30950	33450	35950	38400	40900
60% LIMITS	26040	29760	33480	37140	40140	43140	46080	49080
LOW INCOME	34650	39600	44550	49500	53500	57450	61400	65350
Ocala, FL MSA								
30% LIMITS	10000	11400	12850	14250	15400	16550	17700	18850
VERY LOW INCOME	16650	19000	21400	23750	25650	27550	29450	31350
60% LIMITS	19980	22800	25680	28500	30780	33060	35340	37620
LOW INCOME	26600	30400	34200	38000	41050	44100	47150	50200
Orlando-Kissimmee-Sanford, FL MSA								
30% LIMITS	12300	14050	15800	17550	19000	20400	21800	23200
VERY LOW INCOME	20500	23400	26350	29250	31600	33950	36300	38650
60% LIMITS	24600	28080	31620	35100	37920	40740	43560	46380
LOW INCOME	32800	37450	42150	46800	50550	54300	58050	61800
Palm Bay-Melbourne-Titusville, FL MSA								
30% LIMITS	12400	14150	15900	17650	19100	20500	21900	23300
VERY LOW INCOME	20650	23600	26550	29450	31850	34200	36550	38900
60% LIMITS	24780	28320	31860	35340	38220	41040	43860	46680
LOW INCOME	33000	37700	42400	47100	50900	54650	58450	62200
Panama City-Iynn Haven-Panama City Beach, F								
30% LIMITS	11600	13250	14900	16550	17900	19200	20550	21850
VERY LOW INCOME	19350	22100	24850	27600	29850	32050	34250	36450
60% LIMITS	23220	26520	29820	33120	35820	38460	41100	43740
LOW INCOME	30950	35350	39750	44150	47700	51250	54750	58300
Gulf County, FL HUD Metro FMR Area								
30% LIMITS	9600	11000	12350	13700	14800	15900	17000	18100
VERY LOW INCOME	16000	18300	20600	22850	24700	26550	28350	30200
60% LIMITS	19200	21960	24720	27420	29640	31860	34020	36240
LOW INCOME	25650	29300	32950	36600	39550	42500	45400	48350
Pensacola-Ferry Pass-Brent, FL MSA								
30% LIMITS	12550	14350	16150	17900	19350	20800	22200	23650
VERY LOW INCOME	20900	23850	26850	29800	32200	34600	37000	39350
60% LIMITS	25080	28620	32220	35760	38640	41520	44400	47220
LOW INCOME	33400	38200	42950	47700	51550	55350	59150	63000



EXHIBIT “C”

Budget

UNIT MIX BREAKDOWN

<u>Very Low Income (50%)</u>	<u>Sixty Percent (60%)</u>	<u>Low Income (80%)</u>
6 Units	19 Units	2 Units
(6 Units) 2-bedroom/1 bath	(1 Unit) 1-bedroom Handicapped /1 bath (18 Units) 2-bedroom/1 bath	(2 Units) 2-bedroom/1 bath
Low HOME Rents	High HOME Rents	High HOME Rents

The requested funds will be used to rehabilitate twenty-seven (27) units for low- and very-low income households. All of the units are currently two (2) bedrooms and one (1) bath, and two (2) of the units will be converted to one (1) bedroom handicapped accessible units to the fullest extent possible. As detailed in the budget, the proposed rehabilitation will include, but not necessarily be limited to: bath and kitchen cabinets, exterior doors, flooring, HVAC, appliances, smoke detectors, roofing, painting as well as landscaping.

BUDGET ON NEXT PAGE

Richard Allen Gardens

Project Line Item	Construction Budget	Expanded Scope	Total Project
Developer Fee	\$65,000.00		\$65,000.00
Permits	\$8,000.00	\$1,200.00	\$9,200.00
Relocation	\$15,000.00		\$15,000.00
Legal	\$4,000.00		\$4,000.00
Environmental (Phase I)	\$1,900.00		\$1,900.00
Hazmat	\$3,200.00		\$3,200.00
Appraisal	\$4,000.00		\$4,000.00
Design (Architect)	\$10,000.00		\$10,000.00
Appliances	\$26,190.00		\$26,190.00
Sitework	\$15,000.00	-\$7,565.00	\$7,435.00
Landscaping / Irrigation	\$12,000.00	\$3,895.00	\$15,895.00
Roofing	\$35,990.00		\$35,990.00
Exterior Doors	\$33,118.00		\$33,118.00
Signage	\$500.00		\$500.00
Mailboxes	\$1,920.00		\$1,920.00
Window Repairs	\$1,125.00		\$1,125.00
Termite Control	\$6,975.00		\$6,975.00
Exterior Work	\$3,035.00	\$8,340.00	\$11,375.00
Handicap Units	\$35,788.00		\$35,788.00
HVAC	\$46,590.00		\$46,590.00
Plumbing	\$33,640.00	\$103,745.00	\$137,385.00
Electrical	\$61,300.00	\$33,800.00	\$95,100.00
Flooring	\$29,591.00		\$29,591.00
Cabinets	\$76,664.00		\$76,664.00
Paint	\$34,440.00		\$34,440.00
Interior Work	\$15,641.00	\$42,862.00	\$58,503.00
Window Blinds	\$10,100.00		\$10,100.00
Demolition	\$17,932.00		\$17,932.00
Bonding	\$23,487.00		\$23,487.00
General Conditions	\$94,265.00		\$94,265.00
Contingency	\$48,609.00		\$48,609.00
	\$775,000.00	\$186,277.00	\$961,277.00
27 of 30 Units = 90%			
HOME Funds (90% max)	\$695,000.00	\$167,649.30	\$862,649.30
ONIC Funds (10% min)	\$80,000.00	\$18,627.70	\$98,627.70
	\$775,000.00	\$186,277.00	\$961,277.00



Exhibit “D-1”

PREPARED BY AND RETURN TO:

Lisa R. Pearson
Chief Assistant City Attorney
City of Orlando
400 South Orange Ave.
Orlando, FL 32801
Phone: (407) 246-2295

FIRST NOTE AND MORTGAGE MODIFICATION AGREEMENT

THIS FIRST NOTE AND MORTGAGE MODIFICATION AGREEMENT (hereinafter referred to as the “Agreement”) dated this ___ day of _____, 2016, by and between **ANVIL-Richard Allen Gardens, Inc.**, (hereinafter referred to as “Borrower”), a Florida non-profit corporation with a principal address of 101 South Terry Avenue, Orlando, FL, 32805, and the **City of Orlando**, a Florida municipal corporation, with a principal address of 400 South Orange Avenue, Florida 32801 (hereinafter referred to as “Lender”).

W I T N E S S E T H:

WHEREAS, Borrower previously executed and delivered that certain original promissory note dated August 28, 2015 in the original principal amount of **Six Hundred Ninety-Five Thousand Dollars and No Cents (\$695,000.00)** (the “Note”), a copy of which is attached hereto as **Exhibit “A”** and incorporated herein by this reference;

WHEREAS, to secure repayment of the Note, the Borrower executed and delivered that certain Mortgage and Security Agreement (hereinafter referred to as the “Mortgage”), recorded September 2, 2015 in Official Records Book 10977, Page 6544 in the Public Records of Orange County, Florida, a copy of which is attached hereto as **Exhibit “B”** and incorporated herein by this reference;

WHEREAS, Borrower has requested Lender to make certain amendments to the Note, including increasing the original principal amount to \$865,463 to evidence an additional advance in the amount of \$167,649 made by Lender to Borrower;

WHEREAS, the Mortgage, as amended by this First Note and Mortgage Modification Agreement (herein collectively the “Mortgage”) will secure payment of the both the original principal amount of the Note of \$695,000 and the additional loan amount of \$167,649 and certain other obligations more particularly described in the Mortgage; and

WHEREAS, Borrower and Lender desire to modify, among other things, the due date set forth in the Note, and also secure repayment of the additional amounts advanced to be secured by this Mortgage.

NOW THEREFORE, in consideration of the covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties, the Borrower and Lender agree as follows:

1. **Recitals.** The above recitals are true and correct, are incorporated herein by reference and are made a part hereof for all purposes.
2. **Due Date.** The due date for the Note is hereby amended to December 31, 2016.
3. **Loan Documents.** The term "Loan Documents" shall be amended to also include the First Note and Mortgage Modification Agreement, the First Amendment to the HOME Program Agreement, and the Amended and Restated Declaration of Restrictive Covenant Containing Rent and Income Restrictions, and other documents executed in connection with this Project.
4. **Mortgage and Security Agreement.** The Mortgage is hereby amended to also secure payment of the additional advances made in the amount of *One Hundred Sixty Seven Thousand Six Hundred Forty Nine Dollars and No 00/100 (\$167,649.00)*. Accordingly, the Mortgage secures the original principal amount of \$695,000 plus the additional increase of \$167,649 for the entire Note amount of \$865,463.
5. **Other Provisions.** Except as set forth in this Agreement, all other terms, conditions, and obligations set forth in the Note and the Mortgage shall remain in full force and effect.
6. **Severability.** Whenever possible, each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under applicable law, but if any provisions hereof shall be prohibited or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity only, without invalidating the remainder of such provision or of the remaining provisions of this Agreement.
7. **Headings.** The headings of the paragraphs contained in this Agreement are for convenience of reference only and do not form a part hereof and in no way modify, interpret or construe the meaning of the parties hereto.
8. **Governing Law.** All questions with respect to the construction of this Agreement, and the rights and liabilities of the parties to this Agreement, shall be governed by the laws of the State of Florida.

IN WITNESS WHEREOF, the Borrower has caused this First Note and Mortgage Modification Agreement to be duly executed as of the date first set forth above.

ATTEST:

By: _____
Amy T. Iennaco, Interim City Clerk

CITY OF ORLANDO, FLORIDA, a municipal corporation, organized and existing under the laws of the State of Florida

By: _____
Mayor / Mayor Pro Tem

Date: _____

STATE OF FLORIDA
COUNTY OF ORANGE

The foregoing First Note and Mortgage Modification Agreement was acknowledged before me this ___ day of _____, 2016, by _____ and _____, well known to me to be the Mayor/Mayor Pro Tem and City Clerk, respectively, of the City of Orlando, and who acknowledged before me that they executed the foregoing document on behalf of the City of Orlando as its true act and deed, that they were duly authorized to do so.

Notary Public
Print Name _____
My Commission expires: _____

Signed in the presence of Two Witnesses:

Anvil-Richard Allen Gardens, Inc. a Florida
Non-Profit Corporation (Seal)

Signature
Print Name: _____

By: _____
Robert Ansley, President

Date: _____

Signature
Print Name: _____

CORPORATE ACKNOWLEDGMENT

STATE OF FLORIDA
COUNTY OF ORANGE

THE FOREGOING was acknowledged before me this _____ day of _____, 2016, by **Robert Ansley**, as President of Anvil-Richard Allen Gardens, Inc., a Florida non-profit corporation. He/She is personally known to me or who has produced _____ as identification.

NOTARY PUBLIC
Print Name: _____
My Commission Expires: _____

APPROVED AS TO FORM AND LEGALITY
for the use and reliance of the
City of Orlando, Florida, only.

CITY OF ORLANDO
HOME Investment Partnerships Program (HOME)
Anvil-Richard Allen Gardens, Inc.

PROMISSORY NOTE

\$695,000.00

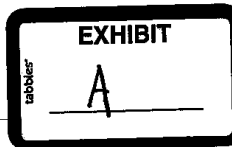
8/28/15, 2015

Orlando, Florida

For value received, the undersigned promises to pay the City of Orlando, a Florida municipal corporation, the principal sum of *Six Hundred Ninety Five Thousand Dollars (\$695,000.00)* Said principal shall be payable at 400 South Orange Avenue, Orlando, Florida 32801, or at such other place as the holder hereof may designate in writing, in one (1) principal installment of *Six Hundred Ninety Five Thousand Dollars and 00/100 (\$695,000.00)* due on November 30, 2026; provided, however, that if the undersigned remains the fee simple owner of the noted property in the Mortgage and HOME Program Agreement executed in connection with this Note and is in full compliance with that certain HOME Program Agreement and all agreements between the undersigned and the City through the Affordability Period, then the debt evidencing this Note shall be marked cancelled by the lender.

Notwithstanding the above, at the option of the City, this Note shall become immediately due and payable, upon the occurrence of anyone of the following events: (i) failure to pay any sum when due under this Note, the HOME Program Agreement or such other documents executed in connection with this Project and such failure continues for ten (10) days after written notice by City to the undersigned; (ii) failure to comply with any HOME Program regulations including, but not limited to, 42 U.S.C. §§12701-12839, 24 CFR Part 92, and such failure continues for ten (10) days after notice; (iii) failure to comply with any of the terms contained in the HOME Program Agreement, and such failure continues for ten (10) days after notice, or uses the funds other than as authorized by the HOME Program Agreement or any of the other documents executed in connection with this Project; (iv) failure to timely comply with audit requirements; (v) failure to expend HOME funds in a timely manner or fails to meet any of the time requirements as set forth in the HOME Program Agreement; (vi) failure to rehabilitate the Project as required by the HOME Program Agreement; (vii) failure to rent the HOME-assisted units to Eligible Persons at Affordable rents for the Affordability Period as required in the HOME Program Agreement; (viii) if a CHDO, failure to maintain CHDO status for the duration of the HOME Program Agreement; (ix) the undersigned is deemed in default under the HOME Program Agreement with the City or any other HOME or SHIP agreements it has with the City even if unrelated to this Project or Property or is in default under the terms of other financing or mortgages used for the Property and said default extends beyond the applicable cure period provided in said documents; (x) if at any time any material omission or material representation made by the undersigned in any written certification or communication submitted by the undersigned to the City in an effort to induce the making of this loan or the administration thereof is determined by the City to be false, misleading, or incorrect in any material manner; (xi) failure to disclose to the City, upon demand, the names of all persons with whom the undersigned has contracted or intends to contract with for the construction or management of any portion of the Property, including contracts for services and/or labor; or (xii) if any other default or breach of any term shall occur under the Note, Mortgage or any Loan Documents, and such

Page 1 of 3



failure continues for ten (10) days after notice, or longer if necessary to cure and cure is being diligently pursued.

The holder hereof may exercise this option to accelerate during any default by the undersigned regardless of any prior forbearance. In the event of any default under this Note, and if the same is referred to an attorney at law for collection or any action at law or in equity is brought with respect hereto, the undersigned shall pay the holder hereof all expenses and costs, including, but not limited to, attorney's fees;

The maker of this Note hereby waives demand, presentment, notice of dishonor, and protest. This Note shall be the joint and several obligation of all makers, sureties, guarantors and endorsers, and shall be binding upon them and their successors and assigns.

The debt evidenced by this Note is secured by a Mortgage and Security Agreement of even date herewith (the "Mortgage"), covering the property described in Exhibit "A" (the "Property"), as more fully described in the Mortgage and HOME Program Agreement.

The term "Loan Documents" when used herein shall mean, collectively, the following documents: (i) this Note; (ii) the Mortgage; (iii) the HOME Program Agreement between the City of Orlando and Anvil-Richard Allen Gardens, Inc. ("HOME Program Agreement"); (iv) Declaration of Covenants and Restrictions; and (v) all other documents or agreements arising under, related to, or made in connection with, the loan evidenced by this Note, as such Loan Documents may be amended. All persons to whom this Note may come are referred to the Mortgage, the HOME Program Agreement, and other Loan Documents for their effect on this Note. All terms not defined herein shall have the meaning ascribed to such terms in the HOME Program Agreement.

The validity of this Note and the other Loan Documents, each of their terms and provisions and the rights and obligations of the undersigned under this Note, and the other Loan Documents shall be governed by, interpreted, construed, and enforced pursuant to and in accordance with the laws of the State of Florida. The undersigned agrees that any controversy arising under or in relation to this Note, HOME Program Agreement, the Mortgage or any other Loan Documents shall be litigated exclusively in the State of Florida. The state and federal courts and authorities with jurisdiction in the State of Florida shall have exclusive jurisdiction over all controversies which may arise under or in relation to this Note, including without limitation those controversies relating to the execution, interpretation, breach, enforcement or compliance with this Note, the Mortgage, or any other issue arising under, related to, or in connection with any of the Loan Documents. The undersigned irrevocably consents to service, jurisdiction, and venue of such courts for any litigation arising from this Note, Mortgage, or any of the other Loan Documents, and waives any other venue to which it might be entitled by virtue of domicile, habitual residence, or otherwise.

The provisions of this Note, the Mortgage, HOME Program Agreement, and all other Loan Documents shall be binding on the successors and assigns, including, but not limited to, any receiver, trustee, representative or other person appointed under foreign or domestic bankruptcy, receivership, or similar proceedings of the undersigned and any person having an interest in the undersigned.

Signatures Next Page

Page 2 of 3

By signing below, the undersigned accepts and agrees to the covenants and agreements contained in this Note.

Anvil-Richard Allen Gardens, Inc., a
Florida
Non-profit corporation (Seal)

By: *Robert Ansley*
Robert Ansley, President

Date: 8/28/15

CORPORATE ACKNOWLEDGMENT

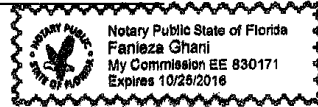
STATE OF FLORIDA
COUNTY OF ORANGE

THE FOREGOING was acknowledged before me this 28th day of August, 2015, by Robert Ansley, as President of Anvil-Richard Allen Gardens, Inc. He/She is personally known to me or who has produced _____ as identification.

Fanleza Ghani
NOTARY PUBLIC

Print Name: _____

My Commission Expires: _____



PREPARED BY AND RETURN TO:
Lisa R. Pearson, Esq.
Chief Assistant City Attorney
City of Orlando
400 South Orange Ave.
Orlando, FL 32801
Phone: (407) 246-2295

DOCH 2011 3408 B: 10977 P: 6547
09/02/2015 08:37:07 PM Page 1 of 20
Rec Fee: \$171.50
Deed Doc Tax: \$0.00
DDR Admin Fee: \$0.00
Intangible Tax: \$0.00
Mortgage Stamp: \$2,432.50
Martha O. Haynie, Comptroller
Orange County, FL
NB - Ret To: ORLANDO - HOME PROGRAM

MORTGAGE AND SECURITY AGREEMENT

THIS MORTGAGE AND SECURITY AGREEMENT (hereinafter "Mortgage") is made this 28 day of August, 2015, by the Mortgagor, Anvil-Richard Allen Gardens, Inc., a Florida non-profit corporation, whose mailing address is 101 South Terry Avenue, Orlando, FL, 32805, (hereinafter "Borrower"), in favor of the Mortgagee, City of Orlando, a Florida municipal corporation with a principal address of 400 South Orange Avenue, Orlando, FL 32801 (hereinafter "Lender").

WHEREAS, Borrower and Lender have entered into an HOME Program Agreement (the "HOME Agreement"), a copy of which is on file in the City Clerk's Office for the City of Orlando and the definitions and terms of which are incorporated herein by this reference as if fully set forth herein, and which provides, among other things, that the Lender will loan to Borrower HOME funds to be used towards the rehabilitation and renovation of twenty seven (27) units located in the Anvil-Richard Allen Gardens Apartments at 720 Carter Street, Orlando, FL, 32805, all of which units shall be designated as HOME-assisted units for rent to Very Low, Sixty Percent and Low-Income families, as applicable, at Affordable rents and upon such other terms as set forth in the HOME Agreement; and

WHEREAS, to ensure, among other things, that the HOME-assisted units are rented to Very Low, Sixty Percent, and Low Income families at Affordable rents and on the terms set forth in the HOME Agreement, Borrower has executed a note in favor of Lender in the principal sum of Six Hundred Ninety Five Thousand Dollars and 00/100 (\$695,000.00), which indebtedness is evidenced by Borrower's promissory note dated of even date herewith (hereinafter "Note"), a copy of which is attached hereto as Exhibit "A", due and payable as provided in the Note.

To secure to Lender (a) the indebtedness evidenced by the Note, and all renewals, extensions and modifications thereof; (b) the performance of the covenants and agreements of Borrower contained in the Note between Lender and Borrower; (c) the payment of all other sums, with interest thereon, advanced in accordance herewith to protect the security of this Mortgage; (d) the performance of the covenants and agreements contained in the HOME Agreement between the Lender and Borrower; and (e) the performance of the covenants and agreements of Borrower herein contained, Borrower does hereby mortgage, grant, convey and assign to Lender the benefit of a lien on, and a security interest in any fee simple interest Borrower may acquire now or in the future in and to the following described real property located in Orange County, Florida:

[SEE ATTACHED EXHIBIT "B"]

Page 1 of 16



Together with all buildings, structures, improvements and tenements now or hereafter erected on the Property; all heretofore or hereafter vacated alleys and streets abutting the Property, and all easements, streets, ways, alleys, rights-of-way and rights used in connection therewith or as a means of access thereto, and all tenements, hereditaments and appurtenances thereof and therefor; all rents, royalties, mineral, oil and gas rights and profits, water rights and water stock appurtenant to the Property; all fixtures, machinery, equipment, engines, boilers, incinerators, building materials, appliances and goods of every nature whatsoever now or hereafter located in or on, or used or intended to be used in connection with the Property, including, but not limited to, those for the purposes of supplying or distributing heating, cooling, electricity, gas, water, air and light; all elevators and related machinery and equipment, fire prevention and extinguishing apparatus, security and access control apparatus, plumbing, bath tubs, water heaters, water closets, sinks, ranges, stoves, refrigerators, dishwashers, disposals, washers, dryers, awnings, storm windows, storm doors, screens, blinds, shades, curtains and curtain rods, mirrors, cabinets, paneling, rugs, attached floor coverings, furniture, pictures, antennas, trees and plants; all leasehold estates and all leases or subleases of the Property, or any portion thereof now or hereafter existing or entered into, and all right, title and interest of Borrower thereunder, including, without limitation, all cash or security deposits, advance rentals and deposits or payments of similar nature; all rents, profits, issues and revenue of the Property and the buildings on the Property from time to time accruing, whether under leases or tenancies now existing or hereafter created; all machinery, apparatus, equipment, fittings, fixtures and tangible personal property of every kind and nature whatsoever now or hereafter located on the Property or in any buildings or improvements upon the Property, or any part thereof, and used or usable in connection with the construction of or any occupancy of any buildings on the Property or the operation of the Property and all additions thereto; and all proceeds, products, substitutions, additions, renewals, accessions and replacements of any of the foregoing items. All of the foregoing real and personal property herein referred to as the "Property").

TO HAVE AND TO HOLD the said Property unto the Lender, in fee simple.

To protect the security of this Mortgage, Borrower further covenants, warrants and agrees with Lender as follows:

1. **Payment of Principal and Interest.** Borrower shall promptly pay all payments provided for in the Note, any prepayment and late charges provided in the Note and all other sums secured by this Mortgage and shall otherwise comply with all the terms in the Note and this Mortgage.
2. **HOME Agreement.** The indebtedness that is secured by this Mortgage and is the subject of the Note shall be advanced pursuant to the covenants and conditions of the HOME Agreement between Borrower and Lender, all of which terms are incorporated herein by reference and made a part of this Mortgage with the same force and effect as if fully set forth in this Mortgage.
3. **Funds for Taxes, Assessments, Charges; Liens.** Borrower shall pay all water and sewer rates, rents, taxes, ad valorem taxes, assessments, premiums, insurance and other impositions attributable to the Property by Borrower making payment when due, directly to the payee thereof, or in such other manner as Lender may

designate in writing. Upon request, Borrower shall promptly furnish to Lender all receipts evidencing such payments. Borrower shall pay, when due, the claims of all persons supplying labor or materials to or in connection with the Property, or shall transfer to bond any claims of lien filed by any such persons.

4. **Leases, Subleases and Easements.** Borrower, at Borrower's sole cost and expense, shall maintain and cause to be performed, all of the covenants, agreements, terms, conditions and provisions on its part to be kept, observed and performed under any lease, sublease or easements, which may constitute a portion of or an interest in the Property; shall require its tenants or subtenants to keep, observe and perform all of the covenants, agreements, terms, conditions and provisions on their part to be kept, observed or performed under any and all leases, subleases, or easements; and shall not suffer or permit any breach or default to occur with respect to the foregoing; and in default thereof, Lender shall have the right to perform or to require performance of any such covenants, agreements, terms, conditions and provisions of any lease, sublease or easements. Except in the ordinary course of business, Borrower shall not, without the consent of Lender, consent to any modification or amendment of any lease, sublease or easement or to the, cancellation, termination or surrender of any lease, sublease or easement. Borrower shall not enter into any lease, sublease, or easement or make any modification or amendment that would violate any terms of the HOME Agreement or violate any of the HOME regulations governing this Property.
5. **Insurance.** Borrower shall keep the improvements now existing or hereafter erected on the Property insured by carriers at all times satisfactory to Lender against loss by fire, hazards included within the term "extended coverage", rent loss and such other hazards, casualties, liabilities and contingencies as Lender shall require and in such amounts and for such periods as Lender shall require. Borrower shall also maintain commercial general liability insurance with Lender named as an additional insured in such amounts and for such periods as Lender may require. Borrower shall also maintain worker's compensation insurance, subject to the statutory limits of the State of Florida, and employer's liability insurance with a limit of no less than \$500,000.00 per accident, per employee.

All premiums on the foregoing insurance policies shall be paid by Borrower making payment, when due, directly to the carrier, or in such other manner as Lender may designate in writing.

All insurance policies and renewals thereof shall be in a form acceptable to Lender and shall include a standard mortgagee clause in favor of and in form acceptable to Lender. Lender shall have the right to hold the policies or certificate of insurance with regard thereto, and Borrower shall promptly furnish to Lender all renewal notices and all receipts of paid premiums. At least thirty days prior to the expiration date of a policy, Borrower shall deliver to Lender a renewal policy in form satisfactory to Lender.

In the event of loss, Borrower shall give immediate written notice to the insurance carrier and Lender. Borrower hereby authorizes and empowers Lender as attorney in fact for such Borrower to make proof of loss, to adjust and compromise any claim under insurance policies (provided, however, that so long as no Event of Default shall not then exist, no such compromise shall be made by Lender without the approved consent, which consent shall not be unreasonably withheld), to appear in and prosecute any action arising from such insurance policies, to collect and receive insurance proceeds, and to deduct therefrom Lender's expenses incurred in the collection of such proceeds; provided, however, that nothing contained in this paragraph shall require Lender to incur any expense or take any action hereunder. Borrower further authorizes Lender, at Lender's option, (a) to hold the balance of such proceeds to be used to reimburse Borrower for the cost of reconstruction or repair of the Property, or (b) to apply the balance of such proceeds to the payment of the sums secured by this Mortgage, whether or not then due.

If the insurance proceeds are held by Lender to reimburse Borrower for the cost of restoration and repair of the Property, the Property shall be restored to the equivalent of its original condition or such other condition as Lender may approve in writing. Lender may, at Lender's option, condition disbursement of said proceeds on Lender's approval of such plans and specifications of an architect satisfactory to Lender, contractor's cost estimates, architect's certificates, waivers of liens, sworn statements of mechanics and materialmen and such other evidence of costs, percentage completion of construction, application of payments, and satisfaction of liens as Lender may reasonably require. If the insurance proceeds are applied to the payment of the sums secured by this Mortgage, any such application of proceeds to principal shall not extend or postpone the due dates of any future installments. If the Property is sold or if Lender acquires title to the Property, Lender shall have all of the right, title and interest of Borrower in and to any insurance policies and unearned premiums thereon and in and to the proceeds resulting from any damage to the Property prior to such sale or acquisition.

6. **Preservation and Maintenance of the Property.** Borrower (a) shall not commit waste or permit impairment or deterioration of the Property, (b) shall not abandon the Property, (c) shall restore or repair promptly and in a good and workmanlike manner all or any part of the Property to the standards required by HUD and its property standards requirement, whether or not insurance proceeds are available to cover in whole or in part the costs of such restoration or repair, (d) shall keep the Property, including improvements, fixtures, equipment, machinery and appliances thereon in good repair and shall replace fixtures, equipment, machinery and appliances on the Property when necessary to keep such items in good repair, (e) shall comply with all laws, ordinances, regulations and requirements of any governmental body applicable to the Property, and cure any violations within the time permitted by the applicable governing body, (f) shall use and operate, and shall require its lessees or licensees to use or operate, the Property in compliance with all applicable laws, ordinances, regulations, covenants, conditions and restrictions and with all applicable requirements of any

lease or sublease now or hereafter affecting the Property, (g) shall operate and maintain the Property in a manner to ensure compliance with applicable U.S. Department of Housing and Urban Development (HUD) and HOME regulations, and (h) shall give notice in writing to Lender of and, unless otherwise directed in writing by Lender, appear in and defend any action or proceeding purporting to affect the Property, the security of this Mortgage or the rights or powers of Lender. Neither Borrower nor any tenant or other person shall remove, demolish or alter any improvement now existing or hereafter erected on the Property or any fixture, equipment, machinery or appliance in or on the Property except when incident to the replacement of fixtures, equipment, machinery and appliances with items of like kind.

7. **Use of Property.** Unless required by applicable law or unless Lender has otherwise agreed in writing, Borrower shall not allow changes in the use for which all or any part of the Property was intended at the time this Mortgage was executed. Borrower shall not initiate or acquiesce in a change in the zoning classification of the Property without Lender's prior written consent.
8. **Protection of Lender's Security.** If Borrower fails to perform the covenants and agreements contained in this Mortgage, or if any action or proceeding is commenced which affects the Property or title thereto or the interest of Lender therein, including, but not limited to, eminent domain, insolvency, code enforcement or arrangements or proceedings involving a bankrupt or decedent, then Lender, at Lender's option, may make such appearances, disburse such sums and take such action as Lender deems necessary, in its sole discretion, to protect Lender's interest, including, but not limited to, (i) disbursement of attorney's fees, (ii) entry upon the Property to make repairs, and (iii) procurement of satisfactory insurance as provided in paragraph 5 hereof.

Any amounts disbursed by Lender pursuant to this paragraph shall become additional indebtedness of Borrower secured by this Mortgage. Unless Borrower and Lender agree to other terms of payment, such amounts shall be immediately due and payable upon demand by Lender and shall bear interest from the date of disbursement at the Event of Default rate stated in the Note unless collection from Borrower of interest at such rate would be contrary to applicable law, in which event such amounts shall bear interest at the highest rate which may be collected from Borrower under applicable law. Nothing contained in this paragraph shall require Lender to incur any expense or take any action hereunder.

9. **Inspection.** Lender may make or cause to be made reasonable entries upon and inspections of the Property at any time. If the Property requires repair, care or attention, after notice to Borrower, Lender may enter or cause entry to be made on the Property to repair, protect and maintain the Property as Lender may deem necessary. Any and all money that the Lender must pay to accomplish the proper maintenance on the Property shall become due and payable under the provisions of the above paragraph.

10. **Books and Records.** Borrower shall keep and maintain at all times at Borrower's address stated above, or such other place as Lender may approve in writing, complete and accurate books of accounts and records adequate to reflect correctly the results of the operation of the Property, compliance with all applicable HOME and federal regulations, compliance with the HOME Agreement and copies of all written contracts, leases and other mortgages or other interests which affect the Property. Such books, records, contracts leases, other documentation and mortgages shall be subject to examination and inspection at any reasonable time by Lender. Upon Lender's request, Borrower shall furnish to Lender, within one hundred and twenty (120) days after the end of each fiscal year of Borrower, a balance sheet, a statement of income and expenses of the Property and a statement of changes in financial position, each in reasonable detail and certified by Borrower and, if Lender shall require, by an independent certified public accountant.
11. **Condemnation.** Borrower shall promptly give written notification to Lender of any action or proceeding relating to any condemnation or other taking, whether direct or indirect, of the Property, or part thereof, and Borrower shall appear in and prosecute any such action or proceeding unless otherwise directed by Lender in writing. Borrower authorizes Lender, at Lender's option, as attorney in fact for Borrower, to commence, appear in and prosecute, in Lender's or Borrower's name, any action or proceeding relating to any condemnation or other taking of the Property, whether direct or indirect, and to settle or compromise any claim in connection with such condemnation or other taking (provided, however, that so long as no Event of Default then exists, no compromise or settlement shall be made without the Borrower's consent, which consent shall not be unreasonably withheld). The proceeds of any award or payment or claim for damages, direct or consequential, in connection with any condemnation or other taking, whether direct or indirect, of the Property, or part thereof, or for conveyances in lieu of condemnation, are hereby assigned to and shall be paid to Lender.

Borrower authorizes Lender to apply such awards, payments, proceeds or damages, after the deduction of Lender's expenses incurred in the collection of such amounts, at Lender's option, to restoration or repair of the Property or to payment of the sums secured by this Mortgage, whether or not then due, with the balance, if any, to Borrower.

12. **Assignment of Rents.** Borrower hereby collaterally assigns and transfers to Lender all the leases, subleases, franchises, rents, issues and profits of the Property, and hereby gives to and confers upon Lender the right, power and authority to collect such rents, issues and profits as herein set forth. Borrower irrevocably appoints Lender its true and lawful attorney-in-fact for such purposes. Upon the occurrence of an Event of Default, not cured within any applicable grace period, under this Mortgage, Lender shall have the right, at its option, immediately and without further legal action being necessary, to demand, receive and enforce payment, to give receipts, releases and satisfactions, and to sue, in the name of Borrower or Lender, for all such rents, issues and profits and apply the

same to the indebtedness secured hereby; provided, however, that Borrower shall have the right to collect, use and retain such rents, issues and profits (but not more than one month in advance) prior to or so long as there is not an Event of Default under this Mortgage.

13. **Collection of Rents Upon Event of Default.** Upon any Event of Default under this Mortgage, Lender may, at any time without notice, either in person, by agent or by a receiver appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of the Property (but only by way of a court-appointed receiver or court order), or any part thereof, in its own name, sue for or otherwise collect such rents, issues and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including attorneys' fees, upon any indebtedness secured hereby, and in such order as Lender may determine. The collection of such rents, issues and profits, or the entering upon and taking possession of the Property, or the application thereof as aforesaid, shall not cure or waive any Event of Default or notice of Event of Default hereunder or invalidate any act done in response to such Event of Default or pursuant to such notice of Event of Default.
14. **Restriction on Further Assignments or Modifications.** Borrower shall not, without the prior written consent of Lender, assign the rents, issues or profits, or any part thereof, from the Property or any part thereof, and shall not consent to the modification, cancellation or surrender of any lease or sublease covering the Property. However, Borrower shall not enter into any lease, sublease, or easement, or make any modification or amendment that would violate any terms of the HOME Agreement or violate any of the HOME regulations governing this property. An action of Borrower in violation of the terms of this section shall be void as against Lender in addition to being an Event of Default under this Mortgage.

Borrower shall not, without the consent of Lender after the occurrence of an Event of Default, consent to the cancellation or surrender of, accept prepayment of rents, issues or profits more than thirty (30) days in advance under, any lease or sublease now or hereafter covering the Property or any part thereof, nor modify any such lease or sublease so as to shorten the term, decrease the rent, accelerate the payment of rent, or change the terms of any renewal option; and any such purported assignment, cancellation, surrender, prepayment or modification made without the written consent of Lender shall be void as against Lender. Borrower shall, upon demand of Lender, enter into an agreement with Lender with respect to the provisions contained in the preceding provision regarding any lease or sublease covering said Property or any part thereof, and Borrower hereby appoints Lender attorney-in-fact of Borrower to execute and deliver any such agreement on behalf of Borrower and deliver written notice thereof to the tenant to whose lease such agreement relates. Borrower agrees to furnish to Lender a copy of all leases, any modification of any lease presently in effect and copies of all future leases affecting the Property covered by this Mortgage, and failure to furnish to Lender a

copy of any modification of a lease or a copy of any future lease affecting said Property shall be deemed a Event of Default under this Mortgage.

All leases or subleases hereafter entered into by Borrower with respect to the Property or any part thereof shall be subordinate to the lien of this Mortgage.

15. **Uniform Commercial Code Security Agreement.** This Mortgage is intended to be a security agreement pursuant to the Uniform Commercial Code for any of the items specified above as part of the Property which, under applicable law, may be subject to a security interest pursuant to the Uniform Commercial Code, and Borrower hereby grants Lender a security interest in said items. Borrower agrees that Lender may file this Mortgage, or a reproduction thereof, in the real estate records or other appropriate index, as a financing statement for any of the items specified above as part of the Property. Any reproduction of this Mortgage or of any other security agreement or financing statement shall be sufficient as a financing statement. In addition, Borrower agrees to execute and deliver to Lender, upon Lender's request, any financing statements, as well as extensions, renewals, and amendments thereof, and reproductions of this Mortgage in such form as Lender may require to perfect a security interest with respect to said items. Borrower shall pay all costs of filing such financing statements and any extensions, renewals, amendments and releases thereof, and shall pay all reasonable costs and expenses of any record searches for financing statements Lender may reasonably require. Without the prior written consent of Lender, Borrower shall not create or suffer to be created pursuant to the Uniform Commercial Code any other security interest in said items, including replacements and additions thereto. Upon Borrower's breach of any covenant or agreement of Borrower contained in this Mortgage, Lender shall have the remedies of a secured party under the Uniform Commercial Code and, at Lender's option, may also invoke the remedies provided in this Mortgage as to such items.

In exercising any of said remedies, Lender may proceed against the items of real property and any items of personal property specified above as part of the Property separately or together and in any order whatsoever, without in any way affecting the availability of Lender's remedies under the Uniform Commercial Code or of the remedies provided in this Mortgage.

16. **Events of Default.** The following shall constitute an Event of Default under this Mortgage:
- (a) failure to pay any sum when due under the Note, this Mortgage or other documents executed in connection with this Project and such failure continues for ten (10) days after written notice by Lender to Borrower;
 - (b) failure to comply with any HOME Program regulations including, but not limited to, 42 U.S.C. §§12701-12839, 24 CFR Part 92;

- (c) failure to comply with any of the terms contained in the HOME Agreement or uses the HOME funds other than as authorized by the HOME Agreement and such failure continues for a period of (10) days following written notice thereof given by Lender to Borrower;
- (d) failure to timely comply with audit requirements;
- (e) failure to expend HOME funds in a timely manner or fails to meet any of the time requirements as set forth in the HOME Agreement;
- (f) failure to renovate the Property as required by the HOME Agreement;
- (g) failure to rent the HOME-assisted units to Eligible Persons at Affordable rents for the Affordability Period as required in the HOME Agreement;
- (h) failure to rent the HOME-assisted units to Eligible Persons at Affordable rents within the timeframes required by this Agreement;
- (i) if a CHDO, failure to maintain CHDO status for the duration of the HOME Agreement;
- (j) Borrower is deemed in default under any other HOME or SHIP agreements it has with the Lender even if unrelated to this Project or Property or is in default under the terms of other financing or mortgages used for the Property or other projects and said default extends beyond the applicable cure period provided in said documents;
- (k) if at any time any material omission or material representation made by Borrower in any written certification or communication submitted by Borrower to the Lender in an effort to induce the making of this loan or the administration thereof is determined by the Lender to be false, misleading, or incorrect in any material manner;
- (l) failure to disclose to the Lender, upon demand, the names of all persons with whom Borrower has contracted or intends to contract with for the construction or management of any portion of the Property, including contracts for services and/or labor; or
- (m) if any other default or breach of any term shall occur under the Note, Mortgage or any Loan Documents.

Notwithstanding any of the foregoing provisions to the contrary, if Borrower has failed to cure any Event of Default by any applicable cure period, the Lender may, at its sole option, cure such Event of Default, provided, however, that the Lender shall be under no duty or obligation to do so.

17. **Remedies.** Upon the occurrence of any Event of Default, or any other breach of this Mortgage, Lender may declare Borrower in default and the remedies

available to Lender shall include, but not necessarily be limited to, any one or more of the following: (i) Lender may declare all of the sums secured by this Mortgage to be immediately due and payable without further demand and may foreclose this Mortgage by judicial proceeding; (ii) Lender may take immediate possession of the Property or any part thereof by way of a court-appointed receiver as discussed in this Mortgage and manage, control or lease the same to such person and at such rental as it may deem proper and collect all rents, issues and profits therefrom; and (iii) Lender shall be free to terminate the HOME Agreement, withhold all funding and/or exercise all rights and remedies available to it under the terms of the HOME Agreement, the Loan Documents, under statutory law, federal or under common law. The City may also exercise any one or more of the actions contained in 24 CFR §85.43(a)(1-5).

18. **Remedies Cumulative.** Each remedy provided in this Mortgage is distinct and cumulative to all other rights or remedies under this Mortgage or afforded by law or equity, and may be exercised concurrently, independently or successively, in any order whatsoever.
19. **Borrower and Lien Not Released.** From time to time, Lender may, at Lender's option, without giving notice to or obtaining the consent of Borrower or any junior lien holder, without liability on Lender's part and notwithstanding Borrower's breach of any covenant or agreement of Borrower in this Mortgage, extend the time for payment of said indebtedness or any part thereof, reduce the payments thereon, accept a renewal note or notes therefor, modify the terms and time of payment of said indebtedness, with the consent of Borrower, release from the lien of this Mortgage any part of the Property, take or release other or additional security, reconvey any part of the Property, consent to any map or plan of the Property, consent to the granting of any easement, or join in any extension or subordination agreement. Any actions taken pursuant to this paragraph shall not affect the obligation of Borrower to pay the sums secured by this Mortgage and to observe the covenants of Borrower contained herein and shall not affect the lien or priority of lien hereof on the Property. Borrower shall pay Lender title insurance premiums and attorney's fees as may be incurred at Lender's option, for any such action if taken at Borrower's request.
20. **No Waiver.** Failure of the Lender to declare an Event of Default shall not constitute a waiver of any rights by the Lender. Furthermore, the waiver of any Event of Default by the Lender shall in no event be construed as a waiver of rights with respect to any other Event of Default, past or present.
21. **Appointment of Receiver; Lender in Possession.** Upon Borrower's breach of any covenant or agreement of Borrower in this Mortgage which is not cured within any applicable cure period, Lender may in person, by agent or by a court-appointed receiver, regardless of the adequacy of Lender's security, enter upon and take and maintain full control of the Property in order to perform all acts necessary and appropriate for the operation and maintenance thereof including, but not limited to, the execution, cancellation or modification of leases, the

collection of all rents and revenues of the Property, the making of repairs to the Property and the execution or termination of contracts providing for the management or maintenance of the Property, all on such terms as are deemed best to protect the security of this Mortgage. In the event Lender elects to seek the appointment of a receiver for the Property upon Borrower's breach of any covenant or agreement of Borrower in this Mortgage, Borrower hereby expressly consents to the appointment of such receiver. Lender or the receiver shall be entitled to receive a reasonable fee for managing the Property.

22. **Transfers of the Property or Beneficial Interests in Borrower; Assumption.** On sale or transfer of all or any part of the Property, or any interest therein, in any manner inconsistent with the HOME Agreement, Lender may, at Lender's option, declare all of the sums secured by this Mortgage to be immediately due and payable, and Lender may invoke any remedies permitted by this Mortgage or by state or federal law.
23. **Notice.** Except for any notice required under applicable law to be given in another manner, each notice, demand, consent or other approval (collectively, "notices" and singly, "notice") given under the Note, this Mortgage and any other Loan Document, shall be in writing to the other party, and if to Borrower, at its address set forth at the beginning of the Mortgage, and if to Lender, at its address set forth at the beginning of the Mortgage, or at such other address as such party may designate by notice to the other party and shall be deemed given (a) three (3) Business Days after mailing, by certified U.S. mail, return receipt requested, postage prepaid; (b) one (1) Business Day after delivery, fee prepaid, to a national overnight delivery service; or (c) when delivered, if personally delivered with proof of delivery thereof.

Borrower and Lender each agrees that it will not refuse or reject delivery of any notice given hereunder, that it will acknowledge, in writing, the receipt of the same upon request by the other party and that any notice rejected or refused by it shall be deemed for all purposes of this Mortgage to have been received by the rejecting party on the date so refused or rejected, as conclusively established by the records of the U.S. Postal Service or the courier service. As used in the Mortgage, the term "Business Day" means any day other than a Saturday, a Sunday or any other day on which Lender is not open for business.

24. **Successors and Assigns Bound; Joint and Several Liability; Agents; Captions.** The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Lender and Borrower. All covenants and agreements of Borrower shall be joint and several. In exercising any rights hereunder or taking any actions provided for herein, Lender may act through its employees, agents or independent contractors as authorized by Lender. The captions and headings of the paragraphs of this Mortgage are for convenience only and are not to be used to interpret or define the provisions hereof.

25. **Governing Law and Severability.** This Mortgage shall be governed by the law of the State of Florida. In the event that any provision of this Mortgage or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage or the Note which can be given effect without the conflicting provisions, and to this end, the provisions of this Mortgage and the Note are declared to be severable. In the event that any applicable law limiting the amount of interest or other charges permitted to be collected from Borrower is interpreted so that any charge provided for in this Mortgage or in the Note, whether considered separately or together with other charges levied in connection with this Mortgage and the Note, violates such law, and Borrower is entitled to the benefit of such law, such charge is hereby reduced to the extent necessary to eliminate such violation.
26. **Waiver of Statute of Limitations.** Borrower hereby waives the right to assert any statute of limitations as a bar to the enforcement of the lien of this Mortgage or to any action brought to enforce the Note or any other obligation secured by this Mortgage.
27. **Attorney's Fees.** If this Mortgage is placed in the hands of an attorney for the collection of any sum payable hereunder or the enforcement of any provisions contained herein, Borrower agrees to pay all costs of collection, including attorneys' fees, including those in all appellate and bankruptcy proceedings incurred by Lender, either with or without the institution of any action or proceeding, and in addition to all costs, disbursements and allowances provided by law. All such costs so incurred shall be deemed to be secured by this Mortgage.
28. **Environmental Hazards.** Borrower covenants and agrees that Borrower shall not: (a) cause or permit the presence, use, generation, manufacture, production, processing, installation, release, discharge, storage (including aboveground and underground storage tanks for petroleum or petroleum products), treatment, handling or disposal of any Hazardous Materials (as defined below) (excluding the safe and lawful use and storage of quantities of Hazardous Materials customarily used in the operation and maintenance of comparable multi-family or commercial properties or for normal household or business purposes) on or under the Property, or in any way affecting the Property or its value, or which may form the basis for any present or future demand, claim or liability relating to contamination, exposure, cleanup or other remediation of the Property; or (b) cause or permit the transportation to, from or across the Property of any Hazardous Material (excluding the safe and lawful use and storage of quantities of Hazardous Materials customarily used in the operation and maintenance of comparable multi-family or commercial properties or for normal household or business purposes); or (c) cause or exacerbate any occurrence or condition on the Property that is or may be in violation of Hazardous Materials Law (as defined below). The matters described in (a), (b) and (c) above are referred to collectively below as "Prohibited Activities or Conditions".

Borrower represents and warrants that it has not at any time caused or permitted any Prohibited Activities or Conditions and to the best of its knowledge, except as set forth in any environmental assessment furnished by Borrower to Lender, no Prohibited Activities or Conditions exist or have existed on or under the Property. Borrower shall take all appropriate steps (including but not limited to appropriate lease provisions) to prevent its employees, agents and contractors, and all tenants and other occupants on the Property, from causing, permitting or exacerbating any Prohibited Activities or Conditions.

If Borrower has disclosed that Prohibited Activities or Conditions exist on the Property, Borrower shall comply in a timely manner with, and cause all employees, agents and contractors of Borrower and any other persons present on the Property to so comply with (1) any program of operation and maintenance ("O&M Program") relating to the Property that is acceptable to Lender with respect to one or more Hazardous Materials (which O&M Program may be set forth in an agreement of Borrower (an "O&M Agreement")) and all other obligations set forth in any O&M Agreement, and (2) all Hazardous Materials Laws. Any O&M Program shall be performed by qualified personnel. All costs and expenses of the O&M Program shall be paid by Borrower, including without limitation Lender's fees and costs incurred in connection with the monitoring and review of the O&M Program and Borrower's performance thereunder. If Borrower fails to timely commence or diligently continue and complete the O&M Program and comply with any O&M Agreement, then Lender may, at Lender's option, declare all of the sums secured by the Mortgage to be immediately due and payable, and Lender may invoke any remedies permitted by this Mortgage.

Borrower represents that Borrower has not received, and has no knowledge of the issuance of, any claim, citation or notice of any pending or threatened suits, proceedings, orders or governmental inquiries or opinions involving the Property that allege the violation of any Hazardous Materials Law ("Government Actions").

Borrower shall promptly notify Lender in writing of: (i) the occurrence of any Prohibited Activity or Condition on the Property; (ii) Borrower's actual knowledge of the presence on or under any adjoining property of any Hazardous Materials which can reasonably be expected to have a material adverse impact on the Property or the value of the Property, discovery of any occurrence or condition on the Property or any adjoining real property that could cause any restriction on the ownership, occupancy, transferability or use of the Property under Hazardous Materials Law; Borrower shall cooperate with any governmental inquiry and shall comply with any governmental or judicial order which arises from any alleged Prohibited Activities or Conditions; (iii) any Governmental Action; and (iv) any claim made or threatened by any third party against Borrower, Lender or the Property relating to loss or injury resulting from any Hazardous Materials. Any such notice by Borrower shall not relieve Borrower of or result in a waiver of any obligation of Borrower.

Borrower shall pay promptly the costs of any environmental audits, studies or investigations (including but not limited to advice of legal counsel) and the removal of any Hazardous Materials from the Property required by Lender as a condition of its consent to any sale or transfer of all or any part of the Property or any transfer occurring upon a foreclosure or a deed in lieu of foreclosure or any interest therein, or required by Lender following a reasonable determination by Lender that there may be Prohibited Activities or Conditions on or under the Property. Borrower authorizes Lender and its employees, agents and contractors to enter onto the Property for the purpose of conducting such environmental studies, audits and investigations. Any such costs and expenses incurred by Lender (including but not limited to fees and expenses of attorneys and consultants, whether incurred in connection with any judicial or administrative process or otherwise) which Borrower fails to pay promptly shall become immediately due and payable and shall become additional indebtedness secured by the Mortgage.

Borrower shall hold harmless, defend and indemnify Lender and its officers, directors, trustees, employees and agents from and against all proceedings (including but not limited to Government Action), claims, damages, penalties, costs and expenses (including without limitation fees and expenses of attorneys and expert witnesses, investigatory fees and cleanup and remediation expenses, whether or not incurred within the context of the judicial process), arising directly or indirectly from (i) any breach of any representation, warranty or obligation of Borrower contained in this paragraph, or (ii) the presence or alleged presence of Hazardous Materials on or under the Property.

The term "Hazardous Materials" for purposes of this paragraph includes petroleum and petroleum products, flammable explosives, radioactive materials (excluding radioactive material in smoke detectors), polychlorinated biphenyls, lead, asbestos in any form that is or could become friable, hazardous waste, toxic or hazardous substances or other related materials whether in the form of a chemical, element, compound, solution, mixture or otherwise including, but not limited to, those materials defined as "hazardous substances," "extremely hazardous substances," "air pollutants," "toxic pollutants," "hazardous wastes," "extremely hazardous waste," or "restricted hazardous waste" by Hazardous Materials Law or regulated by Hazardous Materials Law in any manner whatsoever.

The term "Hazardous Materials Law" for the purposes of this paragraph means all federal, state and local laws, ordinances and regulations and standards, rules, policies and other binding governmental requirements and any court judgments applicable to Borrower or to the Property relating to industrial hygiene or to environmental or unsafe conditions or to human health including, but not limited to, those relating to the generation, manufacture, storage, handling, transportation, disposal, release, emission or discharge of Hazardous Materials, those in connection with the construction, fuel supply, power generation and transmission, waste disposal or any other operations or processes relating to the Property, and

those relating to the atmosphere, soil, surface and ground water, wetlands, stream sediments and vegetation on, under, in or about the Property.

The representations, warranties, covenants, agreements, indemnities and undertakings of Borrower contained in this paragraph shall be in addition to any and all other obligations and liabilities that Borrower may have to Lender under applicable law.

The representations, warranties, covenants, agreements, indemnities and undertakings of Borrower contained in this paragraph shall continue and survive notwithstanding the satisfaction, discharge, release, assignment, termination, subordination or cancellation of the Mortgage or the payment in full of the principal of and interest on the Note and all other sums payable under the Loan Documents or the foreclosure of the Mortgage or the tender or delivery of a deed in lieu of foreclosure or the release of any portion of the Property from the lien of the Mortgage, except with respect to any Prohibited Activities or Conditions or violation of any of the Hazardous Materials Laws which first commences and occurs after the satisfaction, discharge, release, assignment, termination or cancellation of the Mortgage following the payment in full of the principal of and interest on the Note and all other sums payable under the Loan documents or which first commences or occurs after the actual dispossession from the entire Property of the Borrower and all entities which control, are controlled by, or are under common control with the Borrower (each of the foregoing persons or entities is hereinafter referred to as a "Responsible Party") following foreclosure of the Mortgage or acquisition of the Property by a deed in lieu of foreclosure. Nothing in the foregoing sentence shall relieve the Borrower from any liability with respect to any Prohibited Activities or Conditions or violation of Hazardous Materials Laws where such Prohibited Activities or Conditions or violation of Hazardous Material Laws commences or occurs, or is present as a result of, any act or omission by any Responsible Party or by any person or entity acting on behalf of a Responsible Party.

29. **Waiver of Jury Trial.** Borrower (i) covenants and agrees not to elect a trial by jury with respect to any issue arising under any of the Loan Documents triable by a jury and (ii) waives any right to trial by jury to the extent that any such right shall now or hereafter exist. This waiver of right to trial by jury is separately given, knowingly and voluntarily with the benefit of competent legal counsel by the Borrower and this waiver is intended to encompass individually each instance and each issue as to which the right to a jury trial would otherwise accrue. Further, Borrower hereby certifies that no representative or agent of the Lender (including but not limited to Lender's counsel) has represented, expressly or otherwise, to Borrower that Lender will not seek to enforce the provisions of this paragraph.

SIGNATURES NEXT PAGE

Page 15 of 16

IN WITNESS WHEREOF, Borrower has executed this Mortgage or has caused the same to be executed by its representatives thereunto duly authorized.

Signed in the presence of Two Witnesses:

Anvil-Richard Allen Gardens, Inc., a Florida Non-Profit Corporation

Fanieza Ghani
Signature
Print Name: FANIEZA GHANI

Robert Ansley
Signature
Print Name: Robert Ansley, President

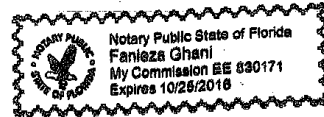
Robert B. Finkle Jr.
Signature
Print Name: Robert B. Finkle Jr.

CORPORATE ACKNOWLEDGMENT

STATE OF FLORIDA
COUNTY OF ORANGE

THE FOREGOING was acknowledged before me this 28th day of August, 2015, by Robert Ansley, as President of **Anvil-Richard Allen Gardens, Inc.** He/She is personally known to me or who has produced _____ as identification.

Fanieza Ghani
NOTARY PUBLIC
Print Name: _____
My Commission Expires: _____



***THIS DOCUMENT IS EXEMPT FROM THE PAYMENT OF INTANGIBLE PERSONAL PROPERTY TAX PURSUANT TO SECTION 199.183(1), FLORIDA STATUTES.**

EXHIBIT "F-1"

PREPARED BY AND RETURN TO:

Lisa R. Pearson
Chief Assistant City Attorney
City of Orlando
400 South Orange Avenue
Orlando, FL 32801
Phone: (407) 246-2295

**AMENDED AND RESTATED DECLARATION OF RESTRICTIVE
COVENANT CONTAINING RENT AND INCOME RESTRICTIONS**

This AMENDED AND RESTATED DECLARATION OF RESTRICTIVE COVENANT CONTAINING RENT AND INCOME RESTRICTIONS is made this ____ day of _____, 2016, by **Anvil-Richard Allen Gardens, Inc.**, a Florida non-profit corporation, (hereinafter referred to as "Owner"), in favor of the **City of Orlando**, a Florida municipal corporation (hereinafter referred to as "City").

WHEREAS, the City has been designated by the United States Department of Housing and Urban Development ("HUD") as a participating jurisdiction for the receipt and use of funds as provided by the HOME Investment Partnerships Program (hereinafter referred to as "HOME Program"), as provided in 24 CFR Part 92; and,

WHEREAS, Owner is the fee simple owner of Anvil-Richard Allen Gardens Apartments, an existing apartment complex of thirty (30) units, located on the property located at 720 Carter Street, Orlando, Florida, more particularly described as follows:

Lot 2, Suncharm Subdivision, as per plat thereof, recorded in Plat Book "35", Page80, Public Records of Orange County, Florida.

and

Lot 5, Western Terrance First Addition, as per plat thereof, recorded in Plat Book "H" Page 64, Public Records of Orange County, Florida.

(hereinafter the "Property"); and,

WHEREAS, on August 19, 2015, the City and Owner entered into a HOME Program

Agreement wherein federal HOME funds were provided to rehabilitate the Property and pursuant to federal regulations, 24 CFR §92.252 requires that certain affordability requirements be met for a certain period of time on 27 HOME-assisted units;

WHEREAS, on August 28, 2015, a Declaration of Restrictive Covenant Containing Rent and Income Restrictions was recorded in Official Records Book 10977, Page 6544 of the Public Records of Orange County, Florida, for the 27 HOME-assisted units;

WHEREAS, Owner and City wish to ensure that the HOME-assisted units continue to be maintained as affordable housing for rent to Very Low, Sixty Percent and Low Income families, as applicable, at Affordable rents for a period of not less than ten (10) years, regardless of any subsequent changes in ownership of the Property.

NOW, THEREFORE, Owner declares that said Property shall be held, transferred, encumbered, used, sold, conveyed, and occupied, subject to the covenants hereinafter set forth expressly and exclusively for the use and benefit of said Property and of each and every person or entity who now or in the future owns any portion or portions of the Property.

1. 1. **RESTRICTION OF USE TO AFFORDABLE HOUSING.** The 27 HOME-Assisted units must be rented and occupied and are restricted as follows: six (6) units [2-bedroom/1 bath units] shall be rented and occupied by Very Low Income (50% median income or less within the Orlando Metropolitan Statistical Area) families at Affordable rents (LOW Home rents), all as from time to time defined by HUD, or any successor entity, at such minimum and maximum rental rates determined by HUD and approved by the City of Orlando's Housing and Community Development Department; nineteen (19) units: eighteen (18) [2-bedroom/1 bath units] and one (1) [1 bedroom-1 bath unit] shall be rented to and occupied by Sixty Percent Income (60% of median income or less within the Orlando Metropolitan Statistical Area) families at Affordable rents (HIGH Home rents), as from time to time defined by HUD, at such minimum and maximum rental rates determined by HUD and approved by the City of Orlando's Housing and Community Development Department; and two (2) units [2-bedroom/1 bath] shall be rented to and occupied by Low Income families (80% of median income or less within the Orlando Metropolitan Statistical Area) at Affordable rents (High HOME rents); all in the manner as described herein and the Budget and all according to the income limits published annually by HUD based upon the Annual Income of the household.) The Project must at all times meet the property standards set forth in 24 CFR §92.251 and meet the accessibility requirements contained in 24 CFR Part 8, and all applicable local codes, or such successive

regulations which may be adopted by HUD. The HOME Program Agreement executed by and between ANVIL-RICHARD ALLEN GARDENS, INC. and the City of Orlando dated August 19, 2015 on file with the City Clerk's Office and the City's Housing and Community Development Department, (400 South Orange Avenue, Orlando, Florida, 32802), as amended by the First Amendment to HOME Program Agreement also on file with the City Clerk's Office and the City's Housing and Community Development Department, contains additional requirements and restrictions and are hereby incorporated herein by reference and made a part hereof, including the terms and definitions contained therein. All terms not defined herein shall have the meaning described to said terms in the Home Program Agreement, as amended by the First Amendment.

2. **BINDING NATURE OF COVENANTS.** These covenants shall run with the land and shall be binding on all parties and all persons claiming under them for a period of ten (10) years from the date of Project Completion (the "Affordability Period") as that term is defined in 24 CFR Part 92 and the HOME Program Agreement, as amended by the First Amendment to Home Program Agreement between Owner and the City.

3. **ENFORCEMENT OF DECLARATION OF RESTRICTIVE COVENANT.** Enforcement of the foregoing restrictive covenant shall be by proceedings at law or in equity against any person or persons violating or attempting to violate such covenant to restrain violation. Such action may be brought by the City of Orlando, or by the United States Department of Housing and Urban Development.

4. **ATTORNEYS' FEES.** Any person who successfully brings an action for enforcement of this Restrictive Covenant shall be entitled to recover attorneys' fees and costs for such action, including any successful appellate proceedings, from the then owner of the affected portion or portions of the Property.

IN WITNESS WHEREOF, Owner has executed this Declaration of Covenants and Restrictions, the day and year first above written.

Signed in the presence of Two Witnesses: **Anvil-Richard Allen Gardens, Inc. a Florida Non-Profit Corporation (Seal)**

Signature
Print Name: _____

By: _____
Robert Ansley, President

Date: _____

Signature
Print Name: _____

CORPORATE ACKNOWLEDGMENT

STATE OF FLORIDA
COUNTY OF ORANGE

THE FOREGOING was acknowledged before me this _____ day of _____, 2016, by **Robert Ansley**, as President of Anvil-Richard Allen Gardens, Inc., a Florida non-profit corporation. He/She is personally known to me or who has produced _____ as identification.

NOTARY PUBLIC
Print Name: _____
My Commission Expires:

APPROVED AS TO FORM AND LEGALITY
for the use and reliance of the
City of Orlando, Florida, only.

_____, 2016.

Chief Assistant City Attorney