

## **PROMISSORY NOTE**

As of \_\_\_\_\_, 2024

\$2,700,000.00

**FOR VALUE RECEIVED**, the undersigned, **HTG PARAMOUNT, LTD.**, a Florida limited partnership ("**Borrower**"), with a mailing address of 3225 Aviation Avenue, 6<sup>th</sup> Floor, Coconut Grove, FL 33133, promises to pay to the order of **CITY OF HOLLYWOOD**, a Florida municipal corporation, together with any other holder hereof ("**City**"), at 2600 Hollywood Boulevard, Room 419, Hollywood, FL 33020, Attention: City Manager, or such other place as the City may from time to time designate in writing, the principal sum of TWO MILLION SEVEN HUNDRED THOUSAND AND NO/100 DOLLARS (\$2,700,000.00) (the "**Principal**"), plus interest on the outstanding principal balance at the rate set forth in the next paragraph from the date hereof, to be paid in lawful money of the United States of America in accordance with the terms of this Promissory Note (the "**Note**").

Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to such terms in that certain Loan Agreement dated on or about the date of this Note between the Borrower and the City (the "**Loan Agreement**").

The entire unpaid principal amount of the Note, together with all accrued and unpaid interest, shall be due and payable on the date that is the earliest of (i) five (5) years from the date hereof; (ii) two (2) years from the date of Credit Underwriting Invitation; or (iii) the closing of the Construction Financing (the "**Maturity Date**"), subject in all respects to the provisions of Section 4.03 of the Loan Agreement. Interest shall accrue on the unpaid Principal balance hereunder at the annual interest rate of 1.00%, simple interest (the "**Interest Rate**"). Interest shall be computed on an annual basis, regardless of the actual number of days elapsed over the calendar year. The principal balance of the loan is non-amortizing during the term of this Note. Notwithstanding anything in the immediately preceding sentence to the contrary, upon the occurrence of a Funding Commitment Default, the Principal and all accrued but unpaid interest shall be paid to the City within one hundred and twenty (120) days after Borrower's receipt of written notice from the City of such Funding Commitment Default unless the Borrower exercises its rights under Section 14.01(a)(4) of the Loan Agreement.

This Note is secured, in part, by a Mortgage and Security Agreement (the "**Mortgage**") encumbering certain real property located in Broward County, Florida, as more particularly described in the Mortgage. The Loan Agreement, the Mortgage and all other agreements, instruments and documents delivered in connection with this Note are collectively referred to as the "**Loan Documents**."

This Note has been executed and delivered in, and is to be governed by and construed under the laws of, the State of Florida, as amended, except as modified by the laws and regulations of the United States of America.

Borrower shall have no obligation to pay interest or payments in the nature of interest in excess of the maximum rate of interest allowed to be contracted for by law, as changed from time to time, applicable to this Note (the "**Maximum Rate**"). Any interest in excess of the Maximum Rate

paid by Borrower (“**Excess Sum**”) shall be credited as a payment of Principal, or, if Borrower so requests, returned to Borrower, or, if the indebtedness and other obligations evidenced by this Note have been paid in full, returned to Borrower together with interest at the same rate as was paid by Borrower during such period. Any Excess Sum credited to Principal shall be credited as of the date paid to the City. The Maximum Rate varies from time to time and from time to time there may be no specific maximum rate. The City may, without such action constituting a breach of any obligations to Borrower, seek judicial determination of the Maximum Rate of interest, and its obligation to pay or credit any proposed excess sum to Borrower.

This Note may be prepaid in whole or in part at any time by Borrower without premium or penalty. Acceptance of partial payments or payments marked “payment in full” or “in satisfaction” or words to similar effect shall not affect the duty of Borrower to pay all obligations due, and shall not affect the right of the City to pursue all remedies available to it under the Loan Documents.

All payments hereunder shall be applied in accordance with the Loan Agreement.

Any notice to be given or to be served upon any party in connection with this Note, whether required or otherwise, may be given in any manner permitted under the Loan Agreement.

Borrower and the City (by its acceptance of this Note) agree that the prevailing party in any dispute relating to this Note or the Mortgage shall be immediately reimbursed all fees and costs, including reasonable attorneys’ fees and experts’ fees and costs, incurred in connection with such dispute.

Notwithstanding anything to the contrary contained in this Note or in the Mortgage, the City expressly agrees that the liability of the Borrower and/or any of the Borrower’s directors, officers, members, partners, representatives, agents, employees, heirs, affiliates, successors and assigns, under this Note and the Mortgage shall be strictly and absolutely limited to the property encumbered under the Mortgage, and the leases, rents, profits and issues thereof and any other collateral securing the repayment of this Note. The City shall not seek any deficiency judgment against Borrower, it being understood and agreed that neither Borrower nor any of its members shall have any personal liability for the payment of the indebtedness and obligations evidenced by the Loan Documents and such indebtedness shall be considered non-recourse to Borrower.

THE BORROWER WAIVES TRIAL BY JURY IN ANY COURT IN ANY SUIT, ACTION, PROCEEDING OR ANY MATTER ARISING IN CONNECTION WITH OR IN ANY WAY RELATED TO THIS NOTE OR THE FINANCING TRANSACTION OF WHICH THIS NOTE IS A PART, OR THE DEFENSE OR ENFORCEMENT OF ANY OF THE CITY’S RIGHTS AND REMEDIES IN CONNECTION THEREWITH. THE BORROWER ACKNOWLEDGES THAT IT MAKES THIS WAIVER KNOWINGLY, VOLUNTARILY, WITHOUT DURESS AND ONLY AFTER EXTENSIVE CONSIDERATION OF THE RAMIFICATIONS OF THIS WAIVER WITH ITS ATTORNEYS.

Whenever the context so requires, the neutral gender includes the feminine and/or masculine, as the case may be, and the singular number includes the plural, and the plural number includes the singular.

*[INTENTIONALLY LEFT BLANK]*

**WHEREFORE**, Borrower has executed this Note as of the first date mentioned above.

**BORROWER:**

HTG PARAMOUNT, LTD., a Florida limited partnership

By: HTG Paramount, LLC, a Florida limited liability company, its general partner

By: \_\_\_\_\_  
Matthew Rieger, Manager

[Promissory Note – City of Hollywood]