

P. 2014.011
01/15/14

NEIGHBORHOOD STABILIZATION PROGRAM (NSP-1 AND NSP-3) DEVELOPER AGREEMENT

THIS DEVELOPER AGREEMENT is made and entered into this 5 day of Feb, 2014 by and between the City of Hollywood, a municipal corporation of the State of Florida (hereinafter "City") and The Broward Alliance for Neighborhood Development, Inc., a non-profit corporation authorized to do business in the State of Florida (hereinafter "Developer")

WITNESSETH:

WHEREAS, the United States Congress enacted the Housing and Economic Recovery Act of 2008 (HERA); and

WHEREAS, the grant program associated with HERA is commonly referred to as the Neighborhood Stabilization Program (NSP-1); and

WHEREAS, the purpose of the NSP-1 is to assist state and local governments in addressing the effects of abandoned and foreclosed properties within the City's communities; and

WHEREAS, the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 provided for an additional \$1 billion in funding for the Neighborhood Stabilization Program (NSP-3) that was originally established under the Housing and Economic Recovery Act of 2008; and

WHEREAS, the United States Department of Housing and Urban Development (HUD) awarded grants to States and selected local governments to mitigate the negative impact of the nation's economic decline and housing market collapse, stabilize and revitalize communities/areas hit the hardest; and

WHEREAS, HUD's NSP programs, authorized under Division B, Title III of the Housing and Economic Recovery Act (HERA) of 2008 and the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act) of 2010, provide emergency assistance to state and local governments to acquire and redevelop foreclosed properties that might otherwise become sources of abandonment and blight within their communities; and

WHEREAS, the NSP funding allows States and local governments to purchase foreclosed or abandoned homes and to rehabilitate, resell, or redevelop these homes in order to stabilize neighborhoods and stem the decline of house values of neighboring homes; and

WHEREAS, the City of Hollywood has received NSP funds from HUD for the purpose of assisting in the redevelopment of abandoned and foreclosed homes for “very low”, “low”, “moderate”, and “middle” income buyers within the City of Hollywood (as such terms are defined by federal, state and local government guidelines); and

WHEREAS, the Primary Impact/Target Area is located within the Community Redevelopment Area Downtown District (Downtown CRA); and

WHEREAS, the City seeks to partner with the Downtown CRA to remove slum and blight and to achieve mutual neighborhood revitalization objectives; and

WHEREAS, the City seeks to create a “showcase” neighborhood that leverages multiple area investments; and

WHEREAS, the City desires to engage the Developer to assist the City in using the NSP funding in accordance with the applicable notices, regulations, and guidance from HUD, to purchase and rehabilitate qualified foreclosed and abandoned homes within the City with the purpose of reselling such homes to qualified buyers pursuant to the federal, state and local guidelines; and

WHEREAS, the City and Developer desire to set forth the respective responsibilities in undertaking the purpose of NSP and utilizing the funds awarded by HUD;

NOW, THEREFORE, in consideration of the mutual promises, covenants, and agreements herein contained and other valuable consideration, the receipt of which is acknowledged, the City and Developer do hereby agree as follows:

ARTICLE I **DEFINITIONS**

1.1. All terms set forth under Division B, Title III of HERA as more specifically set forth in 73 Federal Register 194 and 24 CFR 570 and the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 as more specifically set forth in 75 Federal Register 64322 and 24 CFR 570 are hereby incorporated herein by reference and are made a part of this Developer Agreement.

1.2 The following terms for purposes of this Developer Agreement shall have the following meanings:

City shall mean the City of Hollywood, Florida.

Department shall mean the City's Department of Community and Economic Development.

Developer shall mean the Broward Alliance for Neighborhood Development, Inc.

ARTICLE II **SCOPE OF PROJECT**

2.1 Delivery of Services. The Developer shall be responsible for the delivery of NSP-1 and NSP-3 activities as set forth herein and in accordance with the provisions of this Developer Agreement and the City's Fiscal Year 2008/2009 Substantial Amendment to the One Year Acton Plan which is incorporated herein by reference, in a manner satisfactory to the City. All of the services required hereunder will be performed by the Developer and all personnel engaged in the work shall be fully qualified and shall be authorized under State and local law to perform such work.

2.2. Scope of Services. The Developer shall be responsible for carrying out the City's NSP-1 and NSP-3 Program Activities which includes the acquisition, rehabilitation and resale of foreclosed and abandoned homes as more specifically set forth in Exhibit "A" attached hereto and incorporated herein by reference.

2.3 Developer agrees to implement the scope of services set forth in Exhibit "A", immediately upon City's Notice to Proceed issued by the Department and shall provide the agreed upon services for the term of this Agreement. Developer shall review each NSP assisted property's scope of work for compliance with the requirements set forth herein.

2.4 Eligible properties: Developer will acquire only properties designated in NSP-1 and NSP-3 target areas that are eligible for rehabilitation or redevelopment as affordable residential properties. Emphasis shall be place on acquiring clustered sites that contain multiple properties. Properties acquired must be abandoned or foreclosed upon, blighted, vacant lots, or vacant residential structures, as defined in the NSP-1 and NSP-3 Program Guidelines. Residential structures will be rehabilitated unless they are declared blighted or economically infeasible to rehabilitate. A new home may be reconstructed on a vacant lot acquired or a vacant lot resulting from the acquisition and demolition of a property as described above.

2.5 Designated target areas: Developer may carry out this activity only in the following NSP-1/NSP-3 target area census tract: 804.03, 805, 901, 903, 904.01, 904.02, 905.02, 906, 911, 912.01, 912.92, 913, 914, 916, 917, 918, and 919. Developer shall make its best efforts, to the extent feasible, to cluster properties within the designated target areas census tracts when acquiring properties as more specifically defined in Exhibit "A", Project Description and Scope of Services.

2.6 Property Acquisition and Rehabilitation: Prior to the commencement of any property acquisition (including but not executing a purchase agreement) and rehabilitation work under this Developer Agreement, Developer shall submit to the Department, for written approval, an individual scope of work for each qualified NSP-1 or NSP-3 assisted property attached to a Work Authorization form in substantially the form attached hereto and incorporated by reference as Exhibit "H." The Department will base its approval upon an assessment of NSP-1/NSP-3 compliance, financial feasibility, conformity to expenditure limits described herein, and the potential marketability of the property. In addition, properties must be located in the NSP-1/NSP-3 target areas as described herein. The Developer shall adhere to the Maximum NSP-1/NSP-3 expenditure per dwelling as set forth below:

Maximum NSP-1/NSP-3 expenditure per dwelling unit: Developer may spend no more than \$218,000.00 on any single dwelling unit, unless the Department gives written approval for an additional amount due to the strategic value of a property for the NSP Program or unforeseen costs that were beyond the control of the Developer.

2.7 Work Authorization: Each Work Authorization shall contain a scope of work with the following minimum information and requirements:

a. A description of the property to be acquired, including postal address and legal description. The property shall fall within the qualified census tract as set forth in subsection 2.5 above.

b. A property inspection completed within thirty (30) days from the date of execution of a Contract for the Sale and Purchase of Real Estate, addressing the condition of the major elements of the assisted property, including electrical, mechanical, plumbing, roofing, structural, and cosmetic features and/or systems.

Developer is responsible for completing site-specific environmental reviews and submitting them to the City or an agency designated by the City for approval.

c. A property appraisal issued prior to the date of execution of a Contract of Sale and Purchase of Real Estate, and completed by a state certified real estate appraiser.

d. A Contract for Sale and Purchase of Real Estate shall contain a sales price no greater than Ninety-nine percent (99%) of the property's current appraised value, pursuant to HERA, Title III, Section 2301(d)(1) and NSP Bridge Notice [Docket No. FR-5255-N-02] dated June 11, 2009. Department shall not approve any Work Authorization for property acquisition which contains a sale price greater than 99% of the property's current appraised value.

e. An acquisition budget establishing the amount of compensation to be paid by Developer for property acquisition. This amount shall constitute a guaranteed maximum amount payable by City under this Developer Agreement. In the event the guaranteed maximum amount is exceeded at the time of closing, the Work Authorization shall be terminated, and Developer shall be paid in full for all work completed in accordance with this Agreement and properly documented up to that time. The information contained in the acquisition budget shall be in sufficient detail so as to identify the various cost elements associated with the property acquisition including closing costs, title and property insurance.

f. A timeline established for completion of the property acquisition work to be undertaken by Developer.

g. A description of the work to be undertaken in the form of written specifications for housing rehabilitation work, which shall include itemized cost estimates for work to be completed. The written work specifications shall include all items necessary to bring the property into compliance with appropriate state and local building codes.

h. A rehabilitation budget establishing the amount of compensation to be paid by City. This amount shall constitute a guaranteed maximum amount payable by the City under this Developer Agreement. In the event the budget comes in higher than anticipated and City does not approve an increase in the guaranteed maximum amount, and the need for such increase is not the fault of Developer, the Work Authorization approved by City shall be terminated, and Developer shall be paid in full for all work completed in accordance with this Developer Agreement and properly documented at that time, but shall in no case exceed the guaranteed maximum amount. The information contained in a Project Budget established for each individual scope of work shall be in sufficient detail so as to identify the various cost elements.

i. Any additional instructions or provisions relating to the work authorized pursuant to this Developer Agreement.

j. Work Authorizations shall be dated, serially numbered and signed.

k. Work Authorizations for property acquisition and rehabilitation shall be signed by the Department Director and Developer.

l. No change orders are allowed. In the event that revisions in housing rehabilitation needs necessitate a change in the individual Project's budget, City shall terminate the existing Work Authorization, and execute a new Work Authorization for the remaining work.

m. No allowable Project acquisition costs, other than those necessary to prepare each Work Authorization, shall be incurred without a fully executed Work Authorization by City for each Project acquisition costs.

n. Developer shall complete, at City's request, each individual Work Authorization assigned whether or not such completion could cause work to be performed beyond the term of this Agreement.

o. Any work performed by Developer without City approval shall be Developer's responsibility and not the responsibility of the City or the individual homeowner.

2.8. Developer understands and agrees to be bound by each Work Authorization including related project scope, budget and schedule, and shall perform all services in a timely fashion. Failure to maintain the overall Project Budget, as set forth in Exhibit "B", or the overall Project Schedule as set forth in Exhibit "D" attached hereto and incorporated herein by reference, shall warrant a full review by the Department.

2.9 The Department Director may issue a Stop Order to Developer which shall halt all work under a specific Work Authorization and Notice to Proceed in the event that the work is not being done according to the Work Authorization and Notice to Proceed or when, in the Director's judgment, Developer, or its subcontractor, has violated the terms of this Developer Agreement.

2.10 In the event that Developer is unable to complete any of the scope of services because of delays resulting from untimely review and approval by the Department or other governmental authorities having jurisdiction over the specific Project, and such delays are not the sole fault of the Developer, Developer may request in writing, and the Department Director may grant a reasonable time extension for the completion of the services.

2.11 Developer shall ensure that all services to be performed on a NSP-3 assisted property under this Developer Agreement shall be performed by State or locally certified and bonded general contractors registered as vendors with the City's Procurement Division, and that the property receives industry standard warranties for such services and work performed.

2.12 Performance Monitoring. The Department will monitor the performance of Developer against the Scope of Services set forth in Exhibit "A". Substandard performance as determined by the Department will constitute noncompliance with this Developer Agreement. If action to correct such substandard performance is not taken by the Developer within the period set forth in the notification sent by the Department to the Developer, the City may take steps to suspend or terminate this Developer Agreement as set forth herein.

2.13 Notwithstanding the above, Developer shall provide the Department with Monthly Progress reports in accordance with Article V herein. The Monthly Progress Reports shall be submitted in the form attached as Exhibit "C".

2.14 Developer shall notify the Department Director or his/her designee at least forty-eight (48) hours in advance of the date that the work on an individual property will be initiated in order that subsequent on-site monitoring visits may be conducted by the Department.

2.15 At closing on each NSP-1/NSP-3 assisted property, Developer shall execute and City shall record at Developer's expense (but not from the Developer's fee) a Mortgage and Promissory Note in an amount equal to the NSP-3 Funds provided by City for the cost of acquisition for such NSP-1/NSP-3 assisted property, said Mortgage and Promissory Note are attached respectively as Exhibit "F" and Attachment "1" to Exhibit F".

2.16 Prior to the Department's approval of a Work Authorization for rehabilitation on a NSP-1 or NSP-3 assisted property, Developer shall execute and City shall record at Developer's Expense (but not from Developer's Fee as more specifically set forth in the Work Authorization Form), an additional Mortgage and Promissory Note in an amount equal to NSP-1 or NSP-3 Funds to be provided by City to Developer on a reimbursement basis as provided for herein, for the cost of rehabilitation for such NSP-1/NSP-3 assisted property; said Mortgage and Promissory Note are attached respectively as Exhibit "F" and Attachment "2" to Exhibit "F". In the event the Department approves additional rehabilitation costs for an individual Project, Developer agrees to execute an Amended and Restated Mortgage and Promissory Note, and thereafter, City shall record same at Developer's expense (but not from Developer's Fee).

ARTICLE III SINGLE-FAMILY HOMEOWNERSHIP UNITS

3.1 Property Disposition and Sale. At the time the NSP-1/NSP-3 assisted property is ready for sale, any all real estate signage to be used by Developer or a Real Estate Agent must comply with the City's sign regulations. Following the completion of rehabilitation, and prior to Developer's transfer of a NSP-1/NSP-3 assisted property to an Income Eligible Homebuyer as determined by City, Developer shall submit to the Department for tis approval a complete file, to include an executed contract, current appraisal of property and first mortgage documentation and shall comply with the following:

a. The executed Contract must contain a sales price not greater than the cost of acquisition and rehabilitation of the property authorized in Section 2.5 (Work Authorization). The Department shall not approve any sale of property which contains a sale price greater than the cost of acquisition and rehabilitation. Developer shall execute each Contract for Sale and Purchase Agreement as the "Seller". Developer shall convey title to the property by Warranty Deed to an Income Eligible Homebuyer and

include a Declaration of Restrictive Covenants in the form attached hereto and incorporated herein by reference as Exhibit "G". The Declaration of Restrictive Covenants shall remain upon the NSP-1/NSP-3 assisted property for the Long Term Affordability Period of thirty (30) years, as required by HERA, Title III, Section 2301(f)(3)(B). Should any NSP-1/NSP-3 assisted property fail to remain affordable during the Long Term Affordability Period, such event shall be deemed an event of default under this Developer Agreement and the Declaration of Restrictive Covenants, the terms of which may be strictly enforced against the Income Eligible Homebuyer. The affordability restrictions may, in the sole discretion of the City, terminate upon foreclosure or transfer in lieu of foreclosure or upon repayment of NSP-1/NSP-3 funds to City by Band.

b. A HUD-1 form shall be approved by the Department prior to conveyance of title to the property by Developer. No property sale and disposition costs shall be incurred other than those normal and customary to complete the disposition of said property.

3.2 At the time of sale of an NSP-1/NSP-3 assisted property, Developer shall remit to City all net proceeds from the sale of the property most commonly identified as "Cash to Seller," or Line 603 on a form HUD-1 Settlement Statement. The HUD-1 Settlement Statement must identify NSP-3 as the funding source for the transaction. Net proceeds of sale are defined as follows:

- a. The sale price of the home;
- b. (Minus) the amount of any Homeowner Subsidy provided to buyer and described on the settlement statement;
- c. (Minus) Developer costs of sale as documented by the settlement statement, including but not limited to real estate broker fees and seller-paid closing costs;
- d. (Minus) The current fair market value of any real property contributed by Developer (e.g. a lot or home), in accordance with the provisions of the Program Manual. (Developer cannot be reimbursed for NSP-1/NSP-3 funded acquisition costs).
- e. (Plus) Any reimbursements to Developer of costs previously paid or reimbursed with NSP-1/NSP-3 funds, such as pro-rated taxes and assessments.

Following the sale of the NSP-1 or NSP-3 assisted property, and upon City receipt of the net proceeds, City shall execute and record at Developer's expense (but not from Developer's Fee as more specifically set forth in the Work Authorization Form), a Satisfaction of Mortgage releasing the property from the liens addressed in Section 2.13

3.3 Upon selling any single-family home(s), all financing shall revolve in an NSP-1 or NSP-3 account to be used as set forth in Exhibit "A" of this Agreement.

3.4. In the event that the homebuyer is not able to qualify for private market financing to cover the Maximum Allowable Sales Price set forth herein, the homebuyer shall be eligible for a City minimum subsidy in amount of \$5,000.00 and may qualify for an additional subsidy of up to 25% of the purchase price of the property to a maximum of \$40,000.00.

If the homebuyer is eligible for a subsidy, then the total amount of the subsidy will be recaptured and the obligation secured by the homebuyer executing a Mortgage and Promissory Note with a 0% deferred interest rate to become due and payable upon the sale, transfers or other disposition of the property or when the property is no longer the principal residence of the homebuyer. The Mortgage and Note term shall be for a thirty (30) Long Term Affordability Period.

Minimum cash contribution by buyer: Each buyer of an NSP-1 or NSP-3 home will provide a minimum of 3% of the purchase price amount in cash toward the combined down payment and closing costs.

3.5 Developer hereby acknowledges that the City will be promoting this Project through a marketing campaign which may include promotional material consisting of before and after photographs of the NSP-1/NSP-3 assisted properties and the new homebuyers at the subject properties upon the closing of the sale. Developer will provide City with the before and after photograph of the NSP-3 assisted properties in a jpeg format (digital format). Developer shall make its best efforts to arrange for the new homebuyers to be present at the NSP-1/NSP-3 property and participate in the photo shoot.

ARTICLE IV TERM OF AGREEMENT

The term of this Developer Agreement shall commence on January 2013 and shall expire on February, 2015. The rights and obligations of each party to this Developer Agreement shall not be effective and no party shall be bound by the terms of this Developer Agreement unless and until each party has executed this Agreement. It is hereby understood and agreed to by Developer that all NSP-1/NSP-3 funding must be committed prior to March 14, 2014. The Developer must close on property and submit draw requests for acquisition funds by March 14, 2014. City reserves the right to extend this Developer Agreement beyond the contract dates stated above.

ARTICLE V FUNDING AND METHOD OF PAYMENT

5.1 The total NSP investment for this Agreement is \$1,286,567.00. Said NSP funding is provided as follows: (1) NSP-3 funding in an amount not to exceed

\$551,805.00; and (2) NSP-1 funding in an amount not to exceed \$734,7620.00. City shall loan to Developer NSP funds on a reimbursement basis as provided for herein for the sole and express purpose of undertaking the activities as set forth in Exhibit "A" in accordance with the specific Work Authorizations approved by the Department for each individual project. NSP funds will be made available to the Developer on a project by project basis. The loan shall be a lien for each NSP-1/NSP-3 assisted property until the property is sold to an Income Eligible Homebuyer.

5.1.1 City shall pay Developer a Developer Fee of 15% of the Total Project Cost as described in Exhibit "B" for the Project, for the administration of each individual Project property acquisition, housing rehabilitation, and sale activities, including but not limited to: conducting individual site project management, making on-site visits, handling dispute resolutions and lien matters, obtaining and maintaining the Project documentation as required under this Developer Agreement. Developer may earn no other fee or profit from the sale of an nsp-1/NSP-3 assisted dwelling unit.

5.1.2 Developer may submit an invoice to City upon the purchase of an NSP-1/NSP-3 assisted property for acquisition and related closing costs as reflected on HUD-1 Settlement Statement to be present to the City's Department at least seven (7) business days, excluding federally recognized holidays, prior to closing.

5.2 Developer's expenditures for project deliverables will be limited as set forth in Article II above and as follows, unless changes to the limits are agreed to in writing by the City and Developer for a particular property:

a. The minimum number of homes to be acquired, rehabilitated and resold shall consist of three (3) separate single family homes.

b. **Approval and funding of demolition costs:** Primary structures on properties acquired or contributed may not be demolished unless they are declared as blighted by the City. Unless otherwise agreed to in writing, Developer must fund the cost of demolition, if any, out of the funding that is made available in this Developer Agreement or from the Developer's own resources.

5.3 Notwithstanding the above, Developer's compensation including the developer fee referenced in subsections 5.1.1.above, shall not exceed the fee set forth in Exhibit "B".

5.4 Developer shall invoice City on the following basis:

a. Developer shall provide City, no more than monthly, with an original Request for Payment Form attached hereto as Exhibit "H" accompanied by proper documentation and shall be submitted to the Department for approval no later than thirty (30) days.

b. For purposes of this section, copies of invoices, receipts, or other evidence of indebtedness and releases and/or waivers of subcontractors and material persons shall be considered proper documentation. Invoices shall not be honored if received by City later than sixty (60) days after expiration or termination of this Developer Agreement.

c. If Developer has awarded a contract to a subcontractor, Developer shall submit a copy of the subcontractor's invoice stating the services which were rendered and the date upon which services were rendered.

d. Developer, or its authorized representative, shall certify the work that is being invoiced has been completed and done in a workperson like manner satisfying all governmental regulations including but not limited to the Florida Building Code.

5.5 Upon receiving properly formatted Request for Payment Forms, reports and other materials as described in this Article, the Department Director or his/her designee shall audit such invoices and reports to determine whether the services invoiced have been completed and that the services are proper for payment. Upon determination by the Department Director or his/her designee that the services invoiced have been received or completed and are proper, payment shall be processed. In the event that any of Developer's subcontractors have not been paid for their work on a Project or waivers of lien have not been obtained by the subcontractors, City may, in its sole discretion, pay the subcontractors the amount due and deduct that amount from that being invoiced by Developer.

5.6 Other limits on expenditures: Other acquisitions, rehabilitation/construction and soft costs described in Exhibit "A" are not subject to per-home cost limits on a line-item basis, but must be reasonable and ordinary costs of development and, in the aggregate, must conform to the per-home cost limits and average costs described elsewhere in this Section 1(A)(4). No NSP-1/NSP-3 funds may be spent for purchases of equipment or furnishings.

5.7 Accounting for expenditures: Developer will account for total NSP-1/NSP-3 expenditures per home by means of assigning an accounting code for NSP-1 funded or reimbursed expenses for each property and other accounting code, if applicable, for non-NSP-1 funded expenditures (if any). Developer shall also assign an accounting code for NSP-3 funded or reimbursed expenses for each property and another accounting code, if applicable, for non-NSP-3 funded expenditures (if any). At the time of sale of an NSP-1/NSP-3 assisted home, Developer will provide City with a complete accounting of the respective NSP-1/NSP-3 expenditures for that home and non-NSP-1 or non-NSP-3 expenditures, if any. The separate accounting of NSP-1/NSP-3 and other

funds used is required for establishing the maximum allowed sale price and will provide necessary financial data on NSP-3 funded expenditures in the event of a HUD audit of program activities.

5.8 Approval and funding of demolition costs: Primary structures on properties acquired or contributed may not be demolished unless they are declared as blighted by the City. Unless otherwise agreed to in writing, Developer must fund the cost of demolition, if any, out of the funding that is made available in this Developer Agreement or from the Developer's own resources

5.9 Under no circumstances will the City be responsible or liable to make any payment(s) beyond this maximum sum for eligible expenditures and encumbrances. The City agrees to make payments in accordance with the requirements of Federal Register Vol. 75 No. 201 and Federal Regulations 24 CFR 570. Developer agrees to expend funds in accordance with Exhibit "B" of this Agreement.

ARTICLE VI **INCOME ELIGIBILITY REQUIREMENTS**

In accordance with section 2301(f)(3)(A) of the Housing and Economic Recovery Act of 2008 (HERA), Public Law 110-329, the Developer will use all NSP-3 funds to assist individuals and families whose incomes do not exceed 120% percent of area median income. The City is responsible for ensuring that 25 percent of the total NSP-3 grant is used for the purchase and redevelopment of abandoned and foreclosed upon homes or residential properties to house individuals and families who incomes do not exceed 50 percent of area median income, as required by HERA. The Developer will use NSP-3 funding for individuals and families at or below the 50 percent area median income if required by provisions in this Developer Agreement.

ARTICLE VII **RECORDKEEPING**

7.1 Developer shall maintain records sufficient to meet the requirements of Federal Register Vol. 73 No. 194 and Federal Regulation 24 CFR 570. All records and reports required herein shall be retained and made accessible to the City.

7.2 Developer shall maintain records specific to each individual lot and individual unit so that all disbursements with regard to each loan can be reconciled with each house.

7.3 All original records pertinent to this Agreement shall be retained by Developer for seven (7) years following the date of termination of this Agreement or of submission of the final close-out report, whichever is later, with the following exception:

If any litigation, claim or audit is started before the expiration of the seven (7) year period and extends beyond the seven (7) year period, the records will be maintained until all litigation, claims or audit findings involving the records have been resolved.

7.4 All records, including supporting documentation of all program costs, shall be sufficient to determine compliance with the requirements and objectives of Exhibit "A" and all other applicable laws and regulations.

7.5 Developer its employees or agents, including all subcontractors or consultants to be paid from funds provided under this Agreement shall allow access to its records at reasonable times to the City, its employees, and agents, the State of Florida and the U.S. Department of Housing and Urban Development in accordance with 24 CFR 85.42(e). . "Reasonable" shall mean during normal business hours of 8:00 a.m. to 5:00 p.m., local time, on Monday through Friday. "Agents" shall include, but not be limited to, City employees and auditors retained by the City.

ARTICLE VIII REPORTS

8.1 At a minimum, Developer shall provide the City with monthly reports and a close-out report. Developer shall comply with any additional reporting requirements contained in Exhibit "D" of this Developer Agreement.

8.2 Monthly reports are due to be received by the City as stated in Exhibit "C" of this agreement until submission of the administrative close-out report.

8.3 The close-out report is due thirty (30) days after termination of this Agreement or upon completion of the activities contained in this Agreement.

8.4 If all required reports and copies prescribed above, are not sent to the City or are not completed in a manner acceptable to the City, the City may withhold further payments until they are completed or may take such other action as set forth herein. The City may terminate the Agreement with Developer if reports are not received within ten (10) days after written notice by the City. "Acceptable to the city" means that the work product was completed in accordance with generally accepted principles and is consistent with the Budget and Scope of Work.

8.5 Upon reasonable notice, Developer shall provide such additional program updates or information as may be required by the City

8.6 Developer will provide any and all reports necessary for the City to meet its reporting requirements under the Dodd-Frank Wall Street Reform and consumer Protection Act of 2010 as more specifically set forth in 75 Federal Register 64322 and 24 CFR 570.

ARTICLE IX
AUDIT REQUIREMENTS

9.1 Developer agrees to maintain financial procedures and support documents, in accordance with generally accepted accounting principles, to account for the receipt and expenditure of funds under this Agreement.

9.2 These records shall be available at all reasonable times for inspection, review, or audit by the City and other personnel duly authorized by the City. "Reasonable" shall be construed according to circumstances, but ordinarily shall mean normal business hours of 8:00 a.m. to 5:00 p.m., local time, Monday through Friday.

9.3 Developer shall also provide the City or other authorized persons with the records, reports or financial statements upon request for the purposes of auditing and monitoring the funds awarded under this Agreement.

9.4 Developer shall provide to City organization-wide annual financial statements prepared in accordance with generally acceptable accounting principal and audited by an Independent Certified Public Accountant license by the State of Florida. Said audit is to determine the capacity of the Developer to fiscally manage the activities set forth in Exhibit "A". Developer shall comply with the audit requirements of OMB Circular A-133 entitled, "Audits of States, Local Government and Non-Profit Organizations. The financial statements shall include a statement of financial position, a statement of activities and a statement of cash flows. All loan funds from City should be shown via explicit disclosure in the annual financial statements and/or the accompanying notes to the financial statements. The cash match and in-kind contributions should also be shown. The audit shall be submitted to the City no later than December 1st of each year, and all costs of such audit shall be borne by the Developer. To ensure compliance with these auditing requirements, Developer should initiate the audit process prior to the end of the fiscal year. In addition to the requirements set forth herein, Developer shall provide the City with an annual financial audit report which meets the following:

(a) The annual financial audit report shall include all management letters and Developer's response to all findings, including corrective actions to be taken.

(b) The annual financial audit report shall include a schedule of financial assistance specifically identifying all Agreement and grant revenue by the sponsoring City and Agreement number.

(c) The complete financial audit report, including all items specified above, shall be sent directly to:

City of Hollywood
Attn: The Department of Financial Services
2600 Hollywood Boulevard
Hollywood, Florida 33020

(d) In the event the audit shows that the entire funds, or any portion thereof, was not spent in accordance with the conditions of this Agreement, Developer shall be held liable for reimbursement to the City of all funds not spent in accordance with these applicable regulations and Agreement provisions within thirty (30) days after the City has notified Developer of such non-compliance.

9.5 Late submission of financial statements or management letters shall result in suspension of payment under this Developer Agreement until the required documentation is received and accepted by City. Suspension of payment shall not excuse Developer from continued delivery of services, although City will pay no invoices during the period of suspension.

9.6 Any corrections to the financial statements requested by City shall be made by Developer and submitted to the Department within sixty (60) days after City's written request is received by Developer.

9.7 Developer shall retain all financial records, supporting documents, statistical records, and any other documents pertinent to this contract for a period of seven (7) years after the date of submission of the final expenditures report. However, if litigation or an audit has been initiated prior to the expiration of the seven (7) year period, the records shall be retained until the litigation or audit findings have been resolved.

9.8 Developer acknowledges that this is a federally assisted Project. Failure to complete the Project in accordance with this Developer Agreement, whether voluntarily or otherwise, constitutes a material breach of this Developer Agreement, and any NSP-3 Funds expended by City pursuant to this Developer Agreement for the Project shall be repaid in full to the City from nonfederal resources if Developer has not cured the breach to City's satisfaction within the time period set forth by City in its Notice to Developer provided in accordance with Article VI, Notices. Developer agrees that this provision shall survive the expiration or earlier termination of this Developer Agreement.

ARTICLE X **ASSURANCES**

10.1 Developer shall comply with all applicable Federal, State and Local laws, ordinances, codes and regulations, including but not limited to the Davis-Bacon Act and the Rules and Regulations of HUD, as may be amended from time to time, and 24 CFR

Part 92, as may be amended from time to time. Any conflict or inconsistency between the above Federal, State and Local guidelines or regulations, and this Developer Agreement shall be resolved in favor of the more restrictive guidelines or regulations.

10.2 Developer shall act in accordance with Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which states that no person in the United States shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which Developer receives State financial assistance and will immediately take any measures necessary to effectuate this Developer Agreement.

10.3 Developer shall establish safeguards to prohibit employees from using positions for a purpose that is or gives the appearance of being motivated by a desire for private gain for themselves or others, particularly those with whom they have family, business or other ties.

10.4 Developer has been retained to provide services which may result in interaction with the community and/or other City of Hollywood vendors. The City of Hollywood desires to maintain an atmosphere of utmost respect, integrity and civility. Any Contractor retained by the City of Hollywood or any Subcontractors of the Contractor (while performing work for the City) shall not commit any act which will bring the Contractor into public disrepute, contempt, scandal, ridicule, or that will tend to shock, insult or offend the community or public morals or decency or which reflects unfavorably on the City.

It is further acknowledged that the Contractor's and/or Subcontractor's failure to comply with this provision, as determined in the sole discretion of the City Manager, will cause the City to incur irrefutable harm in amounts which are impossible to compute or ascertain with certainty as a basis for recovery of actual damages, and that liquidated damages represent a fair, reasonable and appropriate estimate thereof. Accordingly, in lieu of actual damages for such harm, the Contractor agrees that liquidated damages may be assessed and recovered by the City against the Contractor and/or its Subcontractors without the City being required to present any evidence of the amount or character of actual damages sustained by reason thereof; therefore Contractor shall be liable to City for payment of liquidated damages in the amount of \$100.00 per instance of the violation. Such damages are intended to represent the actual damages and Contractor and/or its Subcontractors shall pay them to the City without limiting the City's right to terminate this Contract.

This provision shall be included in any contracts between the Contractor and its Subcontractor.

10.5 Developer shall be bound by these standard terms and conditions contained in this Developer Agreement and such other rules, regulations or requirements as City my

reasonably impose, in addition to the aforementioned assurances provided at, or subsequent to the execution of this Developer Agreement by the parties.

10.6 Pursuant to the requirements of Federal Register Notice 75 FR 64322 as it pertains to vicinity hiring, Developer shall, to the maximum extent feasible, use qualified vendors or subcontractors and employ persons that are located within the identified NSP-3 Program areas as defined in Exhibit "A", and shall require same of its subcontractors.

10.7 Developer agrees to comply with Section 3 of the Housing and Urban Development Act of 1968 and also require same of its subcontractors.

10.8 Developer agrees to comply with the Property Standards requirements set forth in 24 CFR 92.251 as well as the City of Hollywood's Ordinance No. 2011-06 attached hereto and incorporated herein by reference which establishes mandatory green building practices for new construction and major renovations, and disaster mitigation and also require the same of its subcontractors.

ARTICLE XI FINANCIAL RESPONSIBILITY

11.1 Developer agrees that if it, or any of its subcontractors, have caused any funds to be expended in violation of this Developer Agreement, Developer shall be responsible to refund such money in full to City, and if this Developer Agreement is still in force, any subsequent request for payment shall be withheld by City until paid.

11.2 In the event that Developer fails to expend NSP-1/NSP-3 funds as indicated with regard to the goals and delivery schedule set forth in Exhibit "A", City in its sole discretion may recapture a portion or all of the Developer's total NSP-1/NSP-3 funding allocation. The portion recaptured will be equal to City's estimate of the amount of NSP-1/NSP-3 funds that would remain unspent by the spending deadlines described herein, based on Developer's activities to date and capacity to complete the work. Further, the amount of Developer's NSP-1/NSP-3 funding allocation that is not obligated or expended by the deadlines set forth in this Development Agreement will be recaptured immediately unless the City grants a brief extension of the deadline in writing on extenuating circumstances and compelling evidence that obligations will be completed during the extended period.

11.3 Developer shall have an adequate financial system and internal fiscal controls in accordance with City requirements.

ARTICLE XII INDEMNIFICATION AND INSURANCE

12.1 Indemnification by Developer. Developer shall at all times hereafter indemnify, hold harmless and, at the City Attorney's option, defend or pay for an attorney selected by the City Attorney to defend City, its officers, agents, servants, and employees from and against any and all causes of action, demands, claims, losses, liabilities and expenditures of any kind, including attorney fees, court costs, and expenses caused or alleged to be caused by the intentional or negligent act of, or omission of, Developer, its employees, agents, servants, or officers, accruing, resulting from, or related to the subject matter of this Developer Agreement, including without limitation, any and all claims, losses, liabilities, expenditures, demands, or causes of action of any nature whatsoever resulting from injuries or damages sustained by any person or property. In the event of a lawsuit or other proceeding is brought against City by reason of such claim, cause of action or demand, Developer shall, upon written notice from City, resist and defend such lawsuit or proceeding by counsel satisfactory to City or, at City's option, pay for an attorney selected by the City Attorney to defend City. To the extent considered necessary by the Department Director and City Attorney, any sums due Developer under this Developer Agreement may be retained by City until all of City's claims for indemnification under this Developer Agreement have been settled or otherwise resolved; and any amount withheld shall not be subject to payment of interest by City. Such obligation to indemnify and hold harmless shall continue notwithstanding any negligence or comparative negligence on the part of the CITY relating to such loss or damage and shall include all costs, expenses and liabilities incurred by the CITY in connection with any such claim, suit, action or cause of action, including the investigation thereof and the defense of any action or proceeding brought thereon and any order, judgment or decree which may be entered in any such action or proceeding or as a result thereof. Nothing in this Agreement shall be construed to affect in any way the City's rights, privileges, and immunities under the doctrine of "sovereign immunity" and as set forth in Section 768.28, Florida Statutes. The provisions and obligations of this section shall survive the expiration or earlier termination of this Developer Agreement.

The City gives as independent and specific consideration the sum of \$10.00 for the granting of this indemnification/hold harmless. The receipt and sufficiency of this consideration is acknowledged by Developer. If applicable, construction and/or design work funded by this Agreement shall be interpreted to comply with the applicable provisions of §725.06 and §725.08, Florida Statutes. This indemnification/hold harmless shall not include claims arising directly from the gross negligence, willful, wanton, or intentional misconduct or act of the City, its employees or agents. This indemnity/hold

harmless shall be limited to either the construction cost of the project or \$1,000,000.00, whichever is less.

12.2 Indemnification by Developer's Contractor(s). In the event Developer contracts with a third party to provide any of the services for the Project set forth herein, any contract with such third party shall include the following provisions:

a. Indemnification: Developer's contractor shall indemnify and hold harmless City, its officers, agents and employees, from and against any and all claims, causes of actions, demands, liabilities, damages, losses, expenditures and costs, including but not limited to, reasonable attorney fees, to the extent caused by the negligence, recklessness, or intentionally wrongful conduct of Developer's contractor, and other persons employed or utilized by Developer's Contractor in the performance of the Developer Agreement between Developer and City, incorporated herein by reference. These indemnifications shall survive the term of the Developer Agreement. to the extent permitted by law, in the event that any action or proceeding is brought against City by reason of any such claim, demand or cause of action, Developer's Contractor shall, upon written notice from City, resist and defend such action or proceeding by counsel satisfactory to the City. Such obligation to indemnify and hold harmless shall continue notwithstanding any negligence or comparative negligence on the part of the CITY relating to such loss or damage and shall include all costs, expenses and liabilities incurred by the CITY in connection with any such claim, suit, action or cause of action, including the investigation thereof and the defense of any action or proceeding brought thereon and any order, judgment or decree which may be entered in any such action or proceeding or as a result thereof. Nothing in this Agreement shall be construed to affect in any way the City's rights, privileges, and immunities under the doctrine of "sovereign immunity" and as set forth in Section 768.28, Florida Statutes.

b. To the extent permitted by law, the indemnification provided above shall obligate Developer's Contractor to defend, at its own expense, to and through appellate, supplemental, or bankruptcy proceedings, or to provide for such defense, at City's option, any and all claims of liability and all suits and actions of every name and description covered by this Subsection 12.2. a. above, which may be brought against the City, whether services were performed by Developer's Contractor or persons employed or utilized by Developer's Contractor.

c. In order to insure the indemnification obligation noted above, Developer's Contractor shall, at a minimum, provide, pay for, and maintain in full force at all times during the term of the Developer Agreement (unless otherwise provided), the insurance coverage set forth in Subsection 12.3 herein.

12.3 Insurance Requirements for Developer.

a. Developer shall maintain for the term of this Developer Agreement, Commercial Liability Insurance coverage in the minimum amount of Five Hundred Thousand Dollars (\$500,000.00) for each occurrence combined single limit bodily injury and property damage. Such policy shall include coverage for Developer's premises, operations and independent contractors. City shall be named as an additional insured in such policy.

b. Developer shall maintain Employer's Liability Insurance with limits of not less than:

\$100,000 Bodily Injury, by Accident
\$500,000 Bodily Injury by Disease, policy limits
\$100,000 Bodily Injury by Disease, each employee

c. The insurance required herein shall be evidenced by a Certificate of Insurance which provides City with a thirty (30) day prior written notice of cancellation or non-renewal. Developer shall deliver, together with the Certificate of Insurance, a letter from the agent or broker placing such insurance, certifying that the coverage provided meets the coverage required under this Developer Agreement.

12.4 Insurance Requirements for Developer's Contractor(s).

a. In the event that Developer elects to enter into an agreement with a Contractor(s) to perform work for the Project referenced in this Developer Agreement, Developer agrees to include in its contract with the successful Contractor(s) the requirements set forth below in favor of the City in addition to any Developer requirements and Developer further agrees to provide City, prior to commencement of any activities or work, Certificates of Insurance evidencing compliance with the following requirements:

Contractor agrees to maintain, on a primary basis and at its sole expense, at all times during the life of this Contract the following insurance coverages, limits, including endorsements described herein. The requirements contained herein, as well as a Developer's or city's review or acceptance of insurance maintained by Contractor is not intended to and shall not in any manner limit or qualify the liabilities or obligations assumed by Contractor under this Contract and the Developer Agreement between Developer and City which is herein incorporated by reference.

1. Commercial Liability Insurance. Contractor agrees to maintain Commercial General Liability coverage at a limit of not less than Five Hundred Thousand Dollars (\$500,000.00) each occurrence and Five Hundred Thousand Dollars (\$500,000.00) Aggregate. Contractor agrees its coverage will not contain any restrictive

endorsement(s) excluding or limiting Product/Completed Operations, Independent Contractors, Broad Form Property Damage, Contractual Liability or Cross Liability. Coverage must also include Premises and/or Operations Coverages. City shall be named as an additional insured in such policy.

2. **Business Automobile Liability.** Contractor agrees to maintain Business Automobile Liability coverage at a limit of not less than Five Hundred Thousand Dollars (\$500,000.00) each occurrence. Coverage shall include liability for owned, non-owned, hired and any auto, if applicable. City shall be named as an additional insured in such policy.

3. **Workers Compensation and Employers Liability.** Contractor agrees to maintain Employer's Liability Insurance with limits of not less than:

- \$100,000 Bodily Injury, by Accident
- \$500,000 Bodily Injury by Disease, policy limits
- \$100,000 Bodily Injury by Disease, each employee

4. **Property (Installation) Floater.** Developer's general contractor shall be required to maintain in force, at Contractor's expense, an Installation Floater covering labor, materials and equipment to be used for completion of the completion of the work performed under this contract and the Developer Agreement against all risks of direct physical loss for an amount equal to the full amount of the contract improvements. The coverage shall be "All Risk" coverage including installation and transit for One Hundred Percent (100%) of the "installed replacement cost value" covering City as a named additional insured, with a deductible of not more than Ten Thousand Dollars (\$10,000.00) each claim.

5. **Certificates of Insurance.** Contractor agrees to provide Developer with a Certificate(s) of Insurance evidencing that all coverage, limits and endorsements required herein are maintained and in full force and effect. . Contractor shall deliver, together with the Certificate of Insurance, a letter from the agent or broker placing such insurance, certifying that the coverage provided meets the coverage required under the Contract and Developer Agreement.

12.5 In the event of loss, Developer shall give prompt notice to the insurance carrier and City. City may make proof of loss if not made promptly by Developer.

12.6 Unless the parties agree otherwise in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, provided such restoration or repair is economically feasible and City's interest is not thereby impaired. If such restoration is not economically feasible or if City's interest would be impaired, the insurance proceeds shall be applied to the sums contemplated by this Developer Agreement, with the excess, if any, paid to Developer. If the Property is abandoned by Developer or if Developer fails to respond to City within thirty (30) days from the date

notice is mailed by City that the insurance carrier offers to settle the claim for insurance benefits, City is authorized to collect and apply the insurance proceeds at City's option either to restoration or repair of the Property or the sums contemplated under this Developer Agreement and the Developer relinquishes any and all rights and claims under the insurance policy and settlement of claim.

12.7 Developer shall furnish to City all Certificates of Insurance or endorsements evidencing the insurance coverage required by this Article prior to beginning performance of work under this Developer Agreement.

12.8 Developer shall require its Contractor(s) to provide Builder's Risk/Installation Floater in the amount of One Hundred Percent (100%) of replacement value of the completed structure. Such Builders Risk/Installation Floater policy shall be all risk form with a deductible amount not to exceed Ten Thousand Dollars (\$10,000.00) each claim and loss payable clause to include City of Hollywood, Florida.

12.9 All policies must be endorsed to provide City with at least thirty (30) days' notice of cancellation and/or restriction. If any of the insurance coverage will expire prior to the required term, copies of renewal policies shall be furnished at least thirty (30) days prior to the date of their expiration. Developer shall deliver, together with the Certificate of Insurance, a letter from the agent or broker placing such insurance, certifying that the coverage provided meets the coverage required under this Developer Agreement.

ARTICLE XIII **CITY'S RESPONSIBILITIES**

City shall be responsible for the following tasks and deliverables:

13.1 Approving each property purchase as described herein and in the Program Manual.

13.2 Completing Tier 1 environmental assessments and providing Tier 1 clearances for all NSP-3 target areas, as well as approving site-specific environmental reviews

13.3 Management of all draws of NSP-3 funds from HUD and payment of valid and properly documented requests from Developer.

13.4 Reporting to HUD via Disaster Reporting Government Reporting (DRGR) system, using, in part, data provided by the Developer.

13.5 Monitoring all program activities of Developer to assure compliance with the terms of this Agreement including all NSP-3 requirements.

13.6 Processing requests for disbursements of NSP-3 funds, including necessary construction inspections, in a timely manner. City will clearly and promptly describe any deficiencies identified by City that prevent a disbursement or a portion of a

disbursement from being approved. Upon the request of Developer, City must promptly itemize and describe such deficiencies in writing.

13.7 Ensure that information required by the Recovery Act is reported in the DRGR system or on www.FederalReporting.gov in a timely manner. City shall comply with the NSP-3 performance reporting requirements and with any additional reporting requirements announced by HUD at any time during the duration of this Developer Agreement.

ARTICLE XIV **MAINTENANCE OF EFFORT**

The intent and purpose of this Agreement is to increase the availability of Developer's services. This Agreement is not to substitute for or replace existing or planned projects or activities of Developer. Developer agrees to maintain a level of activities and expenditures, planned or existing, for projects similar to those being assisted under this Agreement which is not less than that level existing prior to this Agreement.

ARTICLE XV **TERMINATION**

In the event of termination, Developer shall not be relieved of liability to the City for damages sustained by the City by virtue of any breach of a contract by Developer, and the City may withhold any payment to Developer until such time as the exact amount of damages due to the City from Developer is determined.

15.1. Termination of Suspension of Payments of Agreement for Cause If through any cause, Developer shall fail to fulfill in a timely and proper manner, its obligations under this Agreement, or if Developer shall violate any of the covenants, Agreements, Work Authorizations, or stipulations of this Agreement, or its exhibits or applicable laws governing its activities under this agreement the City shall thereupon have the right to terminate this Agreement or suspend payment in whole or part by giving written notice to Developer of such termination or suspension of payment and specify the effective date thereof, at least five (5) working days before the effective date of termination or suspension. If payments are withheld, the Department shall specify in writing the actions that must be taken by Developer as a condition precedent to resumption of payments and shall specify a reasonable date for compliance.

15.2. Termination for Convenience of City

The City may terminate this Agreement at any time by giving at least ten (10) working days' notice in writing from the City to Developer. If this Agreement is terminated by the City as provided herein, Developer will be paid for allowable services and allowable expenses of this Agreement until the effective date of termination.

In the event the grant to the City under Title III, of the Housing and Economic Recovery Act of 2008 is suspended or terminated, this Agreement shall be suspended or terminated effective on the date HUD specifies.

ARTICLE XVI NOTICE

All notices provided under or pursuant to this Agreement shall be in writing, either by hand delivery, or first class, certified mail, return receipt requested, to the representative identified below.

B.A.N.D. Coalition Contract Manager for this Agreement is:

Bonnye Deese
B.A.N.D.
3625 West Broward Boulevard, Suite #110
Lauderhill, Florida 33312

The Representative of the City responsible for the administration of this Agreement is:

Davon Barbour
Director of Community and Economic Development
2600 Hollywood Boulevard, Room 203
Hollywood, Florida 33020

In the event that different representatives are designated by either party after execution of this Agreement, notice of the name, title and address of the new representative will be rendered as provided in (17) (a) above.

ARTICLE XVII OTHER PROVISIONS

17.1 The validity of this Agreement is subject to the truth and accuracy of all the information and representations in the application, and in all materials submitted or provided by Developer in this Agreement, in any subsequent submission or response to City request, or in any submission or response to fulfill the requirements of this Agreement, and such information, representations, and material are incorporated by reference. The lack of accuracy thereof or any material changes shall, at the option of the City and with thirty (30) days written notice to Developer, cause the termination of this Agreement and the release of the City from all its obligations to Developer.

17.2 The Agreement shall be construed under the laws of the State of Florida, and venue for any actions arising out of this Agreement shall lie in Broward County. If any provision hereof is in conflict with any applicable statute or rule, or is otherwise

unenforceable, then such provision shall be deemed null and void to the extent of such conflict, and shall be deemed severable, but shall not invalidate any other provision of this Agreement.

17.3 No waiver by the City of any right or remedy granted hereunder or failure to insist on strict performance by Developer shall affect or extend or act as a waiver of any other right or remedy of the City hereunder, or affect the subsequent exercise of the same right or remedy by the City for any further or subsequent default by Developer. Any power of approval or disapproval granted to the City under the terms of this Agreement shall survive the terms and life of this Agreement as a whole.

17.4 Independent Contractor. Developer is an independent contractor under this Developer Agreement. Services provided by Developer shall be performed by employee of Band and subject to supervision by Developer, and shall not be deemed officers, employees or agents of City. Personnel policies, tax responsibilities, social security and health insurance, employee benefits, purchasing policies and other similar administrative procedures applicable to services rendered under this Developer Agreement shall be those of Developer, which policies of Developer shall not conflict with City, or State of Florida policies, rules or regulations relating to the use of NSP-3 Funds provided for under this Developer Agreement.

17.5 Developer shall not transfer or assign the performance of services called for in this Developer Agreement. However, this Developer Agreement shall run to the City or its successors.

17.6 All reports, plans, surveys, information, documents, maps, and other data procedures developed, prepared, assembled or completed by Developer for the purposes of this Developer Agreement shall become the property of City without restriction, reservation or limitation of their use and shall be made available by Developer at any time upon request by City or the Department. Upon completion of all work contemplated under this Developer Agreement, copies of all of the above data shall be delivered to the Department Director upon the Director's written request.

ARTICLE XVIII

ADDITIONAL CITY AND STATE OF FLORIDA REQUIREMENTS

The Department will have the right under this Developer Agreement to suspend or terminate payments until Developer complies with any applicable additional conditions that may be imposed by the City or the State of Florida at any time during the term of this Agreement.

ARTICLE XIX
MERGER, TERMS, AND CONDITIONS

The Agreement contains, when executed together with the Exhibits all the terms and conditions agreed upon by the parties. This agreement may not be amended or modified except by a written agreement signed by the parties hereto.

ARTICLE XX
ATTACHMENTS AND EXHIBITS

The following documents are herein incorporated by reference and made part hereof, and shall constitute and be referred to as the contract; and all of said documents taken as a whole constitute the contract between the parties hereto and are as fully a part of the contract as if they were set forth verbatim and at length herein:

- (1) This Agreement, including Exhibits A, B, C, and D;
- (2) B.A.N.D. Coalition Certificates of Insurance;
- (3) Federal Register Vol. 75 No. 201;
- (4) Federal Regulations 24 CFR 570 and other applicable federal requirements referenced by 24 CFR 570.
- (5) The City of Hollywood NSP-3 Substantial Amendment approved by Resolution R-2011-024.

The City agrees to make payments in accordance with the requirements of Federal Register Vol. 75 No. 201 and Federal Regulations 24 CFR 570. B.A.N.D. Coalition agrees to expend funds in accordance with Exhibit "B" of this Agreement.

ARTICLE XXI
SPECIAL NSP-3 PROGRAM CONDITIONS

21.1 Use of NSP-3 Funds. The NSP-3 funds governed by this Developer Agreement shall be used to perform the tasks listed in Exhibit "A" and for no other purpose. Exhibit "A" lists the tasks to be performed in completing the project, a schedule for completing the tasks and the budget for completing the tasks. All NSP-3 funds governed by this Agreement shall be used in a manner that is consistent with the provisions of Federal Register Vol. 75 No. 201 and Federal Regulations 24 CFR 570. Developer shall conform to NSP-3 mandated ratio requirements concerning very- low, low-, and moderate-income beneficiaries as determined by the City.

21.2 Affordability. With respect to each property assisted with NSP-3 funds, Developer shall require compliance with the requirements of Federal Register Vol. 75 No. 201 and

Federal Regulations 24 CFR 570 as applicable, in appropriate provisions in contracts, deed restrictions, contracts, or other documents.

21.3 Project Requirement. The project funded under this Developer Agreement shall meet all relevant requirements of Federal Register Vol. 75 No. 201 and Federal Regulations 24 CFR 570, inclusive.

21.4 Housing Quality Standard. All housing, assisted with NSP-3 funds shall meet the requirements of Federal Register Vol. 75 No. 201 and Federal Regulations 24 CFR 570 for the duration of this Agreement of any modifications or amendments hereto.

21.5 Non-Discrimination. B.A.N.D. Coalition shall not discriminate against any person or family on the grounds of race, color, national origin, age, sex, religion, family status, handicap, nor against persons or families on the basis of their having minor children. Developer further agrees to meet with all applicable equal opportunity and fair housing requirements.

21.6 Enforcement of Developer Agreement. All participants receiving a NSP-3 loan shall first be required to sign an agreement with the City pertaining to affordability requirements.

21.7 Reversion of Assets. Upon expiration or termination of this Agreement, all NSP-3 funds remaining on hand on the date of expiration or termination shall revert to the City.

ARTICLE XXII **CONFLICT OF INTEREST**

Developer covenants that no person who presently exercises any functions or responsibilities in connection with the Project(s) has any personal financial interest, direct or indirect, in the Project during their tenure or for one (1) year thereafter, which would conflict in any manner or degree with the performance of this Developer Agreement and that no person having any conflict of interest shall be employed or subcontracted. Any possible conflict of interest on the part of Developer or its employees, shall be disclosed in writing to Department. It shall not be deemed a conflict as long as all purchasing for consumable equipment, capital equipment, and services are obtained in conformance with this article.

However, this article shall be interpreted in such a manner so as not to unduly impede the statutory requirement that maximum opportunity is to be provided for employment of, and participation by, lower income residents of the Project(s) target area(s)

ARTICLE XXIII
CONSENT TO JURISDICTION

Developer hereby irrevocably submits to the jurisdiction of any Florida state or federal court in any action or proceeding arising out of or relating to this Developer Agreement, and hereby irrevocably agrees that all claims in respect to such action or proceeding may be heard and determined in such court. Each party further agrees that venue of any action arising out of or relating to this Developer Agreement shall lie in Broward County.

Developer agrees that in addition to all other remedies, its obligations contained herein shall be subject to the remedy of specific performance by appropriate action commenced in a court of competent jurisdiction.

ARTICLE XXIV
LEGAL PROVISIONS DEEMED INCLUDED

Each and every provision of any law and clause required by law to be inserted in this Developer Agreement shall be deemed to be inserted herein, and this Developer Agreement shall be read and enforced as though it were included herein and if, through mistake or otherwise, any such provision is not inserted or is not correctly inserted, then upon application of either party this Developer Agreement shall forthwith be amended to make such insertion.

(The remainder of this page is intentionally left blank.)

IN WITNESS WHEREOF, the parties hereto have made and executed this Agreement on the day and year first above written: CITY OF HOLLYWOOD through its CITY COMMISSION, signing by and through its Mayor, authorized to execute same by commission action on the 15th day of January, 2013, and B.A.N.D. COALITION, INC. signing by and through its Executive Director duly authorized to execute same.

CITY OF HOLLYWOOD, a municipal corporation of the State of Florida

BY: 
PETER BOBER, MAYOR

ATTEST:


PATRICIA A. CERNY, MMC
CITY CLERK

APPROVED BY:


MATTHEW LALLA, DIRECTOR
DEPARTMENT OF FINANCIAL
SERVICES

APPROVED AS TO FORM AND LEGALITY
FOR THE USE AND RELIANCE OF THE CITY
OF HOLLYWOOD, FLORIDA, ONLY.


JEFFREY P. SHEFFEL, CITY ATTORNEY


NEIGHBORHOOD STABILIZATION PROGRAM NSP-3 DEVELOPER AGREEMENT

THE BROWARD ALLIANCE FOR
NEIGHBORHOOD DEVELOPMENT,
INC. (B.A.N.D. COALITION)

ATTEST:



Corporate Secretary

BY: 

Print Name Bonnie Deese
Title: Executive Director

EXHIBIT "A"

PROJECT DESCRIPTION AND SCOPE OF SERVICES

The City of Hollywood is committed to the economic vitality, preservation and stabilization of its neighborhoods. To this end, the City seeks to undertake an acquisition, rehabilitation, and resale program of foreclosed properties in partnership with a proven affordable housing Developer. The initiative will result in improved housing stock and enhanced curb appeal for neighborhood residents. Additionally, the resulting improvements will inspire rehabilitation of surrounding properties. Finally, the initiative will contribute to the removal of blighted properties that have destabilized residential real estate market conditions. The Developer shall be responsible for the delivery of NSP-3 activities as set forth herein and in accordance with the provisions of this Developer Agreement and the City's Fiscal Year 2008/2009 Substantial Amendment to the One Year Action Plan which is incorporated herein by reference, in a manner satisfactory to the City. All of the services required hereunder will be performed by the Developer and all personnel engaged in the work shall be fully qualified and shall be authorized under State and local law to perform such work.

I. Primary Impact/Target Area: Census Tract 903 Block Groups 4, 5, and 6 (Royal Poinciana). If properties are not available for acquisition within the Primary Impact/Target Area within a reasonable period of time to adhere to NSP-3 expenditure requirements, the Developer shall use the remainder of the NSP-3 eligible target area (excluding Census Tract 919 Block Groups 4 and 5 Parkside) as a secondary target area as follows:

NSP-3 Eligible Areas: Census

Tracts 804.03, 805, 901, 903, 904.01, 904.02, 905.02, 906, 911, 912.01, 912.02, 913, 914, 916, 917, 918, 919 (excluding Block Group 4 and Block Group 5 Parkside for the purposes of this agreement)

Target Group: The target population includes NSP-3 eligible families of low to moderate incomes.

Program Description: All property acquired by the Developer must meet the eligibility requirements of NSP-3 legislation and shall have title vested in The Broward Alliance for Neighborhood Development until a home is rehabilitated and sold to an NSP-3 eligible buyer.

II. Acquisition

The Developer may acquire single family foreclosed and abandoned homes throughout the NSP-3 eligibility area. However, the Developer and the City agree that clustering opportunities are priority. Therefore, at the direction of the Community and Economic Development Director, the Developer shall focus its efforts on certain desired locations

as pointed out by the Director. The Developer may not execute a purchase agreement for a property to be acquired and developed or contribute a Developer -owned property to this program without first obtaining written approval by City through the Department. To request this approval, the Developer will provide the Department with a property description, proof of abandoned, foreclosed or vacant status as applicable, preliminary plans and specifications for rehabilitation or construction works, a preliminary development cost, an estimate of sale price, and an estimate of net sales proceeds including line item estimates of sales and marketing costs, closing costs and financing to be provided to the buyer.

The Developer shall be responsible to:

- Identify eligible properties for purchase.
- Obtain an appraisal of the property to ensure offer price meets with NSP-3 legislation.
- Develop preliminary rehabilitation cost estimate.
- Notify the City of its target property and get written approval to for purchase.
- Invoice the City for the all acquisition costs relative to the property at least seven (7) business days prior to the closing date.

III. Rehabilitation

The Developer shall be fully responsible for rehabilitating the subject property. Within thirty (30) days from the date of execution of a contract for the sale and purchase of real estate, the Developer shall complete and submit to the City a full property inspection and work write-up addressing the condition of the major elements of the assisted property, including electrical, mechanical, plumbing, roofing, structural, and cosmetic features and/or systems. The Property Inspection shall also include a timeline for completion, and an itemized cost estimate. The Developer shall complete an Inspection Form which is attached hereto as Attachment "1" to Exhibit "A" for each property. The Developer shall rehabilitate acquired foreclosed and abandoned properties to the most restrictive of the NSP-3 program, the Florida Building Code, or the City's Green Building Practices for New Construction and Major Renovations to Existing Structures as set forth in the City's adopted ordinances which includes but is not limited to:

In a rehabilitation of an acquired single-family detached dwelling or duplex that triggers a major renovation, it is mandatory that the Developer choose a minimum of five (5) of the approved green practices as set forth below. For purposes of this Agreement, a major renovation is defined as repairs and/or alterations made within any 12 month period to areas exceeding 50% of the gross aggregate floor area of a building. The approved green practices are as follows:

a. Sanitation system for pools that reduces chlorine usage – To claim this item, a system that eliminates the use of liquid chlorine by recycling a salt alternative or a system that reduces the amount of liquid chlorine required by using ionization technology must be used. An ultra violet and ozone system that sterilizes the water without the use of chemicals is also acceptable. Systems must be shown on plans and verified by the plumbing inspector on site at final inspection.

b. No garbage disposal - No disposal should be shown on plans and no disposal should be present at time of final building inspection.

c. All Energy Star Appliances – All permanent appliances in the residence that can be Energy Star rated must be so rated to claim this item. This includes refrigerator, stove, washing machine, dryer, etc. Items not covered are countertop appliances such as toasters, mixers, etc. Energy Star appliances must be verified by the building inspector on site at final inspection.

d. No shower with more than one shower head and all low flow shower heads- Low flow shower heads are rated at a maximum flow of 25 gallons per minute at 80 psi water pressure. One shower head per shower and low flow shower heads must be shown on plumbing plans and verified by the plumbing inspector on site at final inspection.

e. Central Vacuum System (CVS) – CVS canister shall be located in non-air conditioned space and shown on plans accordingly. CVS systems must be verified by the building inspector on site at final inspection.

f. Washer and Dryer outside of air conditioned space – Washer and dryer outside of air conditioned space must be shown on plans and verified by the building inspector on site at final inspection.

g. Energy Star Qualified Homes - Owner shall submit proof of application and the retainer retention of an energy star rater. A copy of the Energy Star Home Certificate shall be submitted to the Building Inspector upon receipt prior to final certificate of occupancy.

h. Recycling - A dedicated storage area for a garbage bin and a recycle bin sized to fit both must be shown on the plans. Dedicated storage space shall be verified by the plans examiner. Plans for kitchen must include pullout recycle and garbage bins built into the cabinets. Pullout bins built into the cabinets shall be verified by the plans examiner at permit review and by the building inspector at final inspection.

IV. Property Disposition

The Developer agrees to verify to the City that each home purchaser meets NSP-3 eligibility requirements before the signing of the Developer's contract. A zero percent (0%) deferred mortgage and Deed Restriction shall be placed on each lot securing any subsidy provided to the buyer. The Developer shall forgive the mortgage at the end of the NSP-3 affordability period. The Affordability Period must meet the affordability requirements for not less than the applicable period specified in the following table, beginning after project completion. The executed Contract must contain a sales price not greater than the cost of acquisition and rehabilitation of the property authorized in Section 2.5 (Work Authorization).

Homeownership assistance NSP-3 amount per-unit	Minimum period of affordability in years
Under \$15,000	5
\$15,000 to \$40,000	10
Over \$40,000	15

The Developer will be responsible to:

- Identify eligible buyers
- Identify appropriate housing counseling facilities
- Create closing documents sufficient to satisfy all NSP-3 requirements
- Close on loan

All program requirements apply to the original \$1,286,567. and continue to apply to all accruals, proceeds, and income realized as a result of the use of the original \$1,286,567.00

EXHIBIT "B"

BUDGET

I. Acquisition

Prior to the commencement of any property acquisition (including but not executing a purchase agreement) and rehabilitation work under this Developer Agreement, the Developer shall submit to the Department, for written approval, an Acquisition Budget in sufficient detail so as to identify the various cost elements associated with the property acquisition including closing costs, title and property insurance. In addition, the Developer shall include an individual preliminary scope of work and cost estimate for the rehabilitation work to be done for each qualified NSP-3 property. The sum total of these amounts shall represent the Projected Total Project Cost. Both items shall be attached to a Work Authorization form.

As part of the Development Fee, the Developer shall be paid 2% of the Projected Total Project Cost as part of the purchase transaction at closing of the purchase of the property.

II. Rehabilitation

As part of the Development Fee, the Developer will be paid an additional 2% of the Total Project Cost upon the issuance of all required building permits.

As part of the Development Fee, the Developer will be paid an additional 3% of the Total Project Cost upon verified completion of two-thirds (2/3) completion of the project.

III. Property Disposition

As the remainder of the Development Fee, 8% of the Total Project Development Cost shall be paid to the Developer at contract for sale of the NSP-3 assisted property to an Income Eligible Homebuyer.

The Developer agrees to aid in the dissemination of information and promotional materials relative to City of Hollywood initiatives. This includes, but is not limited, to making available information and promotional materials relative to City of Hollywood initiatives in the Developer's offices and/or project sites. In addition, the Developer shall provide a complete mailing list of clientele with the exception of the clients where confidentiality is mandatory. The Developer shall provide such information in a form sufficient so that the City may direct-mail information and promotional materials. The

Developer shall make available staff that can provide referral services complete with appropriate contact person for City of Hollywood initiatives.

EXHIBIT "C"
Progress Reports

Beginning the first day of the second program month and each month thereafter, BAND will submit program performance reports to the Community and Economic Development Department. The report shall explain any problems encountered with the project's implementation, and clearly indicate the names and addresses of those individuals who are homeowners as a result of this project.

EXHIBIT "D"
Timetable/Schedule for Project

Work Task	Completion Date
Identify Properties and get written approval from City	1/15/2015
Submit Rehab Specifications	2/15/2015
Identify Buyers	2/15/2010
Start Construction	3/15/2015
Obtain Final Inspection	5/15/2015
Close on homes	6/15/2015

EXHIBIT "E"
OMB CIRCULARS A-110 AND A-133

Circulars are available at 2600 Hollywood Blvd. Suite 203

EXHIBIT "F"

MORTGAGE

NEIGHBORHOOD STABILIZATION PROGRAM

CITY OF HOLLYWOOD, FLORIDA

THIS MORTGAGE to secure Neighborhood Stabilization Program 3 (NSP3) financing ("Mortgage") is made this ____ day of _____, 20__, between BROWARD ALLIANCE FOR NEIGHBORHOOD DEVELOPMENT, INC. ("Mortgagor"), and CITY OF HOLLYWOOD, a political subdivision of the state of Florida ("Mortgagee"), collectively referred to as "the Parties."

WHEREAS, Mortgagor is indebted to Mortgagee in the principal sum of _____ Dollars (\$_____.00) in NSP3 Funds; which indebtedness is evidenced by Mortgagor's Promissory Note dated _____, 20__ ("Promissory Note"), providing for a forgivable deferred loan, hereinafter referred to as the ("Loan"), as provided for in the Promissory Note; NOW, THEREFORE,

To secure to Mortgagee (a) the payment of the Loan, and all extensions and modifications of the Note, (b) the performance of Mortgagor's covenants and agreements under this Mortgage and the Note, attached hereto as Attachment "A," (c) compliance with the terms and conditions outlined in the NSP3 Funding Agreement, executed by the Parties on ____ day of _____, 20__, incorporated herein by reference; (the Note, this Mortgage, the NSP3 Funding Agreement, and all other documents evidencing and/or securing the Loan being hereinafter referred to as the "Loan Documents"). Mortgagor mortgages, grants, and conveys to Mortgagee the property described in Attachment "A" or "B," [NOTE: insert correct letter based on whether Mortgage is for acquisition or rehabilitation] located in Broward County, Florida, together with all improvements now or later erected on the property, and all easements, rights, appurtenances, rents, royalties, mineral, oil and gas rights and profits, water, water rights, and water stock, and all fixtures now or later attached to the property, all of which, including replacements and additions, shall be deemed to be and remain a part of the property covered by this Mortgage; and all of the foregoing shall constitute and refer to the "Property."

Mortgagor covenants that Mortgagor is lawfully seized of the estate conveyed and has the right to mortgage, grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Mortgagor warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

This Mortgage is expressly made subject and subordinate to the terms and conditions specified in that certain mortgage from Mortgagor to _____ ("First Mortgagee"), dated _____, recorded in the Official Records of Broward County, Florida ("First Mortgage") securing that certain Promissory Note having an original principal face amount of \$ _____ (\$_____), dated _____, ("First Note"), made by Mortgagor payable to the First Mortgagee. [NOTE: The above provision is applicable only to the Mortgage to be executed by BAND for NSP3 Funds provided by COUNTY for rehabilitation of the NSP3-assisted properties].

UNIFORM COVENANTS. The Parties covenant and agree as follows:

1. **Payment of Note.** Mortgagor shall pay when due all amounts evidenced by the Note. Payment due under the Note and this Mortgage shall be made in U.S. currency. However, if any check or other instrument received by Mortgagee as payment under the Note or this Mortgage is returned to Mortgagee unpaid, Mortgagee may require that any or all subsequent payments due under the Note and this Mortgage be made in one or more of the following forms, as selected by Mortgagee: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality or entity; or (d) electronic funds transfer.

Payments are deemed received by Mortgagee when received at the location designated in the Note or at such other location as may be designated by Mortgagee in accordance with the notice provision. Mortgagee may return any payment or partial payment if the payment or partial payments are insufficient to bring the Loan current. Mortgagee may accept any payment or partial payment insufficient to bring the Loan current, without waiver of any rights or prejudice to its rights to refuse such payment or partial payments in the future, but Mortgagee is not obligated to apply such payments at the time such payments are accepted.

2. **Charges; Liens.** Mortgagor shall pay all taxes, assessments and other charges, fines and impositions attributable to the Property which may attain a priority over this Mortgage. Mortgagor shall promptly furnish to Mortgagee receipts, or other such documents acceptable to Mortgagee, evidencing such payments.

Mortgagor shall not voluntarily create, or permit or suffer to be created or to exist, on or against the mortgaged property, or any part, any lien superior to the lien of this Mortgage, exclusive of the lien or liens, if any to which this Mortgage is expressly subject as set forth above.

3. **Hazard Insurance.** Mortgagor shall keep the improvements now existing or later erected on the Property insured against loss by fire and such other hazards included within the term "extended coverage," and any other hazards including, but not limited to earthquakes, floods, for which insurance is required and as Mortgagee may require, in such amounts and for such periods as Mortgagee may require; provided, that Mortgagee shall not require that the amount of such coverage exceed that amount of coverage required to pay the sums secured by this Mortgage.

Unless otherwise required by Mortgagee, all such insurance shall be affected by Standard Fire and Extended Coverage Insurance policies, in amounts not less than necessary to comply with the coinsurance clause percentage of the value applicable to the location and character of the Property to be covered. All such insurance shall be carried in companies approved by Mortgagee and all policies therefore shall be in such form and shall have attached loss payable clauses in favor of Mortgagee and any other party as shall be satisfactory to Mortgagee. The insurance carrier providing the insurance shall be chosen by Mortgagor, subject to Mortgagee's approval; provided that such approval shall not be unreasonably withheld.

All insurance policies and renewals shall be in a form acceptable to Mortgagee and shall include a standard mortgage clause in favor of and in a form acceptable to Mortgagee. Mortgagor shall promptly furnish to Mortgagee all renewal notices and all receipts of paid premiums. In the event of loss, Mortgagor shall give prompt notice to the insurance carrier and Mortgagee, and Mortgagee may make proof of loss if not made promptly by Mortgagor.

Unless the Parties otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, provided such restoration or repair is economically feasible and the security of this Mortgage is not impaired. If such restoration or repair is not economically feasible or if the security of this Mortgage would be impaired, the insurance proceeds shall be applied to the sums secured by this Mortgage, with the excess, if any, paid to Mortgagor. If the Property is abandoned by Mortgagor or if Mortgagor fails to respond to Mortgagee within thirty (30) days after notice by Mortgagee to

Mortgagor that the insurance carrier offers to settle a claim for insurance benefits, Mortgagee is authorized to collect and apply insurance proceeds at Mortgagee's option either to restoration or repair of the Property or to the sums secured by this Mortgage.

During such repair and restoration period, Mortgagee shall have the right to hold such insurance proceeds until Mortgagee has had an opportunity to inspect such Property to ensure the work has been completed to Mortgagee's satisfaction, provided that such inspection shall be undertaken promptly.

If the Property is acquired by Mortgagee, all right, title and interest of Mortgagor in and to any insurance policies and in and to the proceeds (to the extent of the sums secured by this Mortgage immediately prior to such sale or acquisition) resulting from damage to the Property prior to the sale or acquisition shall pass to Mortgagee.

Mortgagee or its agent may make reasonable entries upon and inspections of the Property. If it has reasonable cause, Mortgagee may inspect the interior of the Property including improvements, if applicable. Mortgagee shall give Mortgagor notice at the time of or prior to such an interior inspection specifying such reasonable cause.

4. **Preservation and Maintenance of Property.** Mortgagor shall keep the Property in good repair and shall not permit or commit waste, impairment, or deterioration of the Property, and will promptly comply with all the requirements of federal, state and local governments pertaining to such property or any part. No building or other structure or improvement, fixture or personal property mortgaged shall be removed or demolished without the written consent of Mortgagee. Mortgagor shall not make, permit or suffer any alteration or addition to any building or other structure or improvement now or which may later be erected or installed upon the mortgaged property, or any part, nor will Mortgagor use, or permit or suffer the use of, any of the mortgaged property for any purpose other than the purpose or purposes for which the same is now intended to be used, without the prior written consent of Mortgagee.

5. **Protection of Mortgagee's Security.** Mortgagee may, at its option, upon notice to Mortgagor, make such appearances, disburse such sums and take such action as is necessary to protect Mortgagee's interest, if Mortgagor fails to perform the covenants or agreements contained in this Mortgage and/or the NSP3 Funding Agreement executed between the parties, or if any action or proceeding is commenced which materially affects Mortgagee's interests in the Property, including but not limited to, eminent domain, insolvency, code enforcement, or arrangements or proceedings involving a bankruptcy.

6. **Note Due.** The total amount of the Note shall become due at the sole option of Mortgagee: (a) after Mortgagor's failure to demonstrate to Mortgagee, within ten (10) calendar days after demand, receipts showing payment of all taxes, water rates, sewer rates and assessments; or (b) after the actual or threatened alteration, demolition or removal of any building on the Property without the written consent of Mortgagee; or (c) after the transfer or assignment of the Property or, any part thereof, without the written consent of Mortgagee; or (d) if the buildings on the Property are not maintained in reasonably good repair after Mortgagor is given notice and demand to cure within a reasonable time as determined by Mortgagee under the circumstances; or (e) after failure to comply with any requirement or order or notice of violation of law or ordinance issued by any governmental department claiming jurisdiction over the Property upon notice of said failure by Mortgagee and failure to comply with thirty (30) calendar days of notice by Mortgagee; or (f) in the event of the removal, demolition or destruction in whole or in part of any of the fixtures, chattels or articles of personal property covered, unless the same are promptly replaced by similar fixtures, chattels and articles of personal property at least equal in quality and condition to those replaced, free from chattel mortgages or other encumbrances and free from any reservation of title; or (g) if Mortgagor fails to keep, observe and perform any of the other covenants, conditions or agreements contained in this Mortgage or the NSP3 Funding Agreement after Mortgagor is given notice and a demand to cure as provided in Section 16.

7. **Actions or Proceedings Commenced.** If any action or proceeding is commenced (except an action to foreclose this mortgage or to collect the debt secured by this Mortgage), to which

action or proceeding Mortgagee is made a party, or in which it becomes necessary to defend or uphold the lien of this Mortgage, all sums paid by Mortgagee for the expense of any litigation to prosecute or defend the rights and lien created by this Mortgage (including reasonable attorneys' fees), shall be paid by Mortgagor, together with interest at the statutory rate per annum, and any such sum including the related interest shall be a lien on the Property, prior to any right, or title to, interest in or claim upon the Property attaching or accruing subsequent to the lien of this Mortgage, and shall be deemed to be secured by this Mortgage. In any action or proceeding to foreclose this Mortgage, or to recover or collect the debt secured by this Mortgage, the provisions of law respecting the recovering of costs, disbursements and allowances shall prevail unaffected by this covenant.

8. **Mortgagor's Applications.** Mortgagor shall be in default if, during the Loan application process, Mortgagor or any persons or entities acting at the direction of Mortgagor or with Mortgagor's knowledge or consent, gives materially false, misleading, or inaccurate information or statements to Mortgagee (or failed to provide Mortgagee with material information) in connection with the Loan. Material representations include, but are not limited to, representations concerning occupancy of the Property by Income Eligible Homebuyers as set forth and agreed to in the NSP3 Funding Agreement.

9. **Condemnation.** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property or any part, or for conveyance in lieu of condemnation, are assigned and shall be paid to Mortgagee. The proceeds referred to in this paragraph shall be applied to the sums secured by this Mortgage with the excess, if any, paid to Mortgagor. If the Property is abandoned by Mortgagor, or if, after notice by Mortgagee to Mortgagor that the condemnor offers to make an award or settle a claim for damages, Mortgagor fails to respond to Mortgagee within thirty (30) days after the date the notice is mailed, Mortgagee is authorized to collect and apply the proceeds, at Mortgagee's option, either to restoration or repair of the Property, to the sums secured by this Mortgage.

10. **Mortgagor Not Released; Forbearance by Mortgagee Not a Waiver.** Extension of time for payment or modification or amortization of the sums secured by this Mortgage granted by Mortgagee to any successor in interest of Mortgagor shall not operate to release, in any manner, the liability of the original Mortgagor and Mortgagor's successor in interest. Mortgagee shall not be required to commence proceedings against such successor or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Mortgage by reason of any demand made by the original Mortgagor and Mortgagor's successors in interest. Any forbearance by Mortgagee for exercising any right or remedy, including, without limitation, Mortgagee's acceptance of payments from third persons, entities or successors in interest or in amounts less than the amount then due, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any right or remedy.

11. **Remedies Cumulative.** All remedies provided in this Mortgage are distinct and cumulative to any other right or remedy under this Mortgage or afforded by law or equity, and may be exercised concurrently, independently or successively.

12. **Joint and Several Liability; Successors and Assigns Bound; Captions.** Mortgagor covenants and agrees that Mortgagor's obligations and liability shall be joint and several. Any successor in interest of Mortgagor who assumes Mortgagor's obligations under this Mortgage in writing, and is approved by Mortgagee, shall obtain all of Mortgagor's rights and benefits under this Mortgage. Mortgagor shall not be released from Mortgagor's obligations and liability under this Mortgage unless Mortgagee agrees to such release in writing. The covenants and agreements of this Mortgage shall bind and benefit the successors and assigns of Mortgagee. The captions and headings of the paragraphs of this Mortgage are for convenience only and are not to be used to interpret or define any specific provision.

13. **Notice.** All notices given by Mortgagor or Mortgagee in connection with this Mortgage must be in writing. Any notice to Mortgagor in connection with this Mortgage shall be deemed to have been given to Mortgagor when mailed by first class mail or when actually delivered to Mortgagor's notice address if sent by other means. The notice address shall be the Property address unless Mortgagor has

designated a substitute notice address by notice to Mortgagee. Mortgagor shall promptly notify Mortgagee of Mortgagor's change of address. If Mortgagee specifies a procedure for reporting Mortgagor's change of address, then Mortgagor shall only report a change of address through that specified procedure. There may be only one designated notice address under this Mortgage at any one time. Any notice to Mortgagee shall be given by delivering it or by mailing it by first class mail to Mortgagee's address unless Mortgagee has designated another address by notice to Mortgagor. Any notice in connection with this Mortgage shall not be deemed to have been given to Mortgagee until actually received by Mortgagee. If any notice required by this Mortgage is also required under Florida law, the Florida law requirement will satisfy the corresponding requirement under this Mortgage.

14. **Governing Law; Severability; Rules of Construction.** This Mortgage shall be governed by federal law and the law of the jurisdiction in which the Property is located. All rights and obligations contained in this Mortgage are subject to any requirements and limitations of Florida law. Florida law might explicitly or implicitly allow the parties to agree by contract or it might be silent, but such silence shall not be construed as a prohibition against agreement by contract. In the event that any provision or clause of this Mortgage or the Note conflicts with Florida law, such conflict shall not affect other provisions of this Mortgage or the Note which can be given effect without the conflicting provision, and to this end the provisions of this Mortgage and the Note are declared to be severable.

As used in this Mortgage: (a) words of the masculine gender shall mean and include corresponding neuter words or words of the feminine gender; (b) words in the singular shall mean and include the plural and vice versa; and (c) the word "may" gives sole discretion without any obligation to take any action.

15. **Transfer of the Property; Assumption.** No part of the Property or any interest in the Property shall be sold or transferred by Mortgagor without Mortgagee's consent consistent with Paragraph 21. If Mortgagor sells or transfers any interest or part in the Property, the sums secured by this Mortgage shall become immediately due and payable. If the amount becomes due and payable, Mortgagee shall mail Mortgagor notice of acceleration. Such Notice shall provide a period of not less than thirty (30) days from the date the notice is received within which Mortgagor may pay the sums declared due. If Mortgagor fails to pay such sums prior to the expiration of such period, Mortgagee may without further notice or demand on Mortgagor, invoke any available legal remedies.

NONUNIFORM COVENANTS. Mortgagor and Mortgagee further covenant and agree as follows:

16. **Acceleration; Remedies.** Upon Mortgagor's breach of any covenant in this Mortgage, the NSP3 Funding Agreement referenced above or the Note, including the covenants to pay, when due, any sums secured by this Mortgage shall be accelerated. Mortgagee prior to acceleration shall mail notice to Mortgagor as provided in paragraph 13 specifying: (1) the breach; (2) the action required to cure such breach; (3) a date, not less than thirty (30) days from the date the notice is received by Mortgagor, by which such breach must be cured; and (4) that failure to cure such breach on or before the date specified in the notice may result in any action in law or equity, as Mortgagee determines to be most effectual to enforce Mortgagor's obligations, including an action for specific performance, acceleration of the sums secured by this Mortgage, foreclosure by judicial proceeding and sale of the Property. If the breach is not cured on or before the date specified in the notice, Mortgagee at Mortgagee's option may declare all the sums secured by this Mortgage to be immediately due and payable without further demand and may foreclose this Mortgage by judicial proceeding. Mortgagee shall be entitled to collect in such proceeding all expenses of foreclosure, including but not limited to, reasonable attorney's fees, court costs and costs of documentary evidence, abstracts and title reports.

17. **Mortgagor's Right to Reinstate.** Notwithstanding Mortgagee's acceleration of the sums secured by this Mortgage, Mortgagor shall have the right to have any proceedings begun by Mortgagee to enforce this Mortgage discontinued at any time prior to an entry of a judgment enforcing this Mortgage if: (a) Mortgagor pays Mortgagee all sums which would be then due under this Mortgage, had no acceleration occurred; (b) Mortgagor cures all breaches of this Mortgage including the NSP3 Funding Agreement; (c) Mortgagor pays all reasonable expenses incurred by Mortgagee in enforcing the

covenants and agreements of Mortgagor contained in this Mortgage and the NSP3 Funding Agreement, including but not limited to attorney's fees; and (d) Mortgagor takes such action as Mortgagee may reasonably require to assure that the lien of this Mortgage, Mortgagee's interest in the Property and Mortgagor's obligation to pay the sums secured by this Mortgage and comply with the terms of the NSP3 Funding Agreement shall remain in full force and effect.

18. **Default.** After the happening of any default, Mortgagor shall, upon demand of Mortgagee, surrender possession of the Property to Mortgagee, and Mortgagee may enter such property, and let the same and collect all rents which are due or to become due, and apply the same, after payment of all charges and expenses on account of indebtedness secured by this Agreement, and all such rents and all leases existing at the time of such default are assigned to Mortgagee as further security for the payment of the indebtedness secured; and Mortgagee may also dispossess, by the usual summary proceedings, any tenant defaulting in the payment of any rent to Mortgagee.

In the event that Mortgagor occupies the mortgaged Property or any part, Mortgagor agrees to surrender possession of such Property to Mortgagee immediately after any such default, such possession shall be as a tenant of Mortgagee, and Mortgagor shall pay in advance, upon demand by Mortgagee, as a reasonable monthly rental for the premises occupied by Mortgagor, an amount at least equivalent to one twelfth (1/12) of the aggregate of the twelve (12) monthly installments payable in the current calendar year, plus the actual amount of the annual ground rent, if any taxes, assessments, water rates, other governmental charges, and insurance premiums payable in connection with the mortgaged property during such year, and upon the failure of Mortgagor to pay such monthly rental, Mortgagor may also be dispossessed by the usual summary proceedings applicable to tenants. This covenant shall become effective immediately upon the happening of any such default, as determined in the sole discretion of Mortgagee, who shall give notice of such determination of Mortgagor, and in the case of foreclosure and the appointment of a receiver of the rents, the covenant shall inure to the benefit of such receiver.

19. **Appointment of a Receiver.** Mortgagee in any action to foreclose this Mortgage shall be entitled to the appointment of a receiver without notice, as a matter of right and without regard to the value of the mortgaged property, or the solvency or insolvency of Mortgagor or other party liable for the payment of the Note and other indebtedness secured by this Mortgage.

20. **Occupancy.** Mortgagor agrees and understands that the NSP3 funding is being loaned to increase the availability of affordable multi-family residential rental units by complementing and expanding existing low income housing initiatives to reduce the cost of housing for Low Income Households. As a result, Mortgagor agrees to construct, occupy, and/or use the Property as required by the rules and regulations of the United States Department of Housing and Urban Development for the NSP3 Program and to ensure that the occupants in any units in a NSP3-assisted property is qualified as an Income Eligible Homebuyer as described in the NSP3 Funding Agreement.

21. **Transfer of the Property or a Beneficial Interest in Mortgagor.** "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Mortgagor at a future date to a purchaser.

If all or any part of the Property or any interest in the Property is sold or transferred (or if Mortgagor is not a natural person and a beneficial interest in Mortgagor is sold or transferred) without Mortgagee's prior written consent, Mortgagee may require immediate payment in full of all sums secured by this Mortgage. However, this option shall not be exercised by Mortgagee if such exercise is prohibited by federal and state law.

If Mortgagee exercises this option, Mortgagee shall give Mortgagor notice of acceleration. The notice shall provide a period of not less than thirty (30) days from the date the notice is given in accordance with Section 13 within which Mortgagor must pay all sums secured by this Mortgage. If Mortgagor fails to pay these sums prior to the expiration of this period, Mortgagee may invoke any remedies permitted by this Mortgage without further notice or demand on Mortgagor.

22. **Mortgagor's Right to Reinstate After Acceleration.** If Mortgagor meets certain conditions, Mortgagor shall have the right to have enforcement of this Mortgage discontinued at any time prior to the earliest of: (a) five (5) days before sale of the Property pursuant to any power of sale contained in this Mortgage; (b) such other period as federal and state law might specify for the termination of Mortgagor's right to reinstate; or (c) entry of a judgment enforcing this Mortgage. Those conditions are that Mortgagor: (a) pays Mortgagee all sums which then would be due under this Mortgage and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Mortgage, including, but not limited to, reasonable attorneys' fees, property inspection and valuation fees, and other fees incurred for the purpose of protecting Mortgagee's interest in the Property and rights under this Mortgage; and (d) takes such action as Mortgagee may reasonably require to assure that Mortgagee's interest in the Property and rights under this Mortgage, and Mortgagor's obligation to pay the sums secured by this Mortgage, shall continue unchanged. Mortgagee may require that Mortgagor pay such reinstatement sums and expenses in one or more of the following forms, as selected by Mortgagee: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, secured instrument and obligations shall remain fully effective as if no acceleration had occurred.

Neither Mortgagor nor Mortgagee may commence, join, or be joined to any judicial action (as either an individual litigant or the member of a class) that arises from the other party's actions pursuant to this Mortgage or that alleges that the other party has breached any provision of, or any duty owed by reason of, this Mortgage, until such Mortgagor or Mortgagee has notified the other party of such alleged breach and afforded the other party a reasonable period after the giving of such notice to take corrective action. If Florida law provides a time period which must elapse before certain action can be taken, that time period will be deemed to be reasonable for purposes of this paragraph.

23. **Hazardous Substances.** As used in this Section: (a) "Hazardous Substances" are those substances defined as toxic or hazardous substances, pollutants, or wastes by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials; (b) "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection; (c) "Environmental Cleanup" includes any response action, remedial action, or removal action, as defined in Environmental Law; and (d) an "Environmental Condition" means a condition that can cause, contribute to, or otherwise trigger an Environmental Cleanup.

Mortgagor shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances, or threaten to release any Hazardous Substances, on or in the Property. Mortgagor shall not do, nor allow anyone else to do, anything affecting the Property (a) that is in violation of any Environmental Law, (b) which creates an Environmental Condition, or (c) which, due to the presence, use, or release of a Hazardous Substance, creates a condition that adversely affects the value of the Property. The preceding two (2) sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property (including, but not limited to, hazardous substances in consumer products).

Mortgagor shall promptly give Mortgagee written notice of (a) any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Mortgagor has actual knowledge, (b) any Environmental Condition, including but not limited to, any spilling, leaking, discharge, release or threat of release of any Hazardous Substance, and (c) any condition caused by the presence, use or release of a Hazardous Substance which adversely affects the value of the Property. If Mortgagor learns, or is notified by any governmental or regulatory authority, or any private party, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Mortgagor shall promptly

take all necessary remedial actions in accordance with Environmental Law. Nothing in this Mortgage shall create any obligation on Mortgagee for an Environmental Cleanup.

24. **Satisfaction.** Upon payment or reduction of all sums secured by this Mortgage and performance of all requirements under the NSP3 Funding Agreement, Mortgagee shall prepare and execute a Satisfaction of Mortgage. Mortgagor shall pay all costs of recordation, if any.

25. **Attorneys' Fees.** As used in this Mortgage and the Note, attorneys' fees shall include those awarded by a trial court, an appellate court and any attorneys' fees incurred in a bankruptcy proceeding.

26. **Jury Trial Waiver.** Mortgagor waives any right to a trial by jury in any action, proceeding, claim, or counterclaim, whether in contract or tort, at law or in equity, arising out of, or in any way related to, this Mortgage, NSP3 Funding Agreement or the Note.

27. **Recordation.** This Mortgage shall be recorded by Mortgagee, at Mortgagor's expense, in the Public Records of Broward County, Florida.

28. **Mortgagor's Copy.** Mortgagor shall be given one (1) copy of the Note and of this Mortgage.

(The remainder of this page is intentionally left blank.)

BY SIGNING BELOW, Mortgagor accepts and agrees to the terms and covenants contained in this Mortgage and in any Rider executed by Mortgagor and recorded with it.

IN WITNESS WHEREOF, MORTGAGOR, BAND Community Land Trust, Inc. has executed this Mortgage.

MORTGAGOR

WITNESSES:

Signature

Signature

Broward Alliance for Neighborhood Development

By: _____

Name: _____

Title: _____

STATE OF FLORIDA)
) SS
COUNTY OF BROWARD)

The foregoing instrument was acknowledged before me this ____ day of _____, 20__, by _____, who is personally known to me or who has produced _____ as identification.

Print Name: _____

Notary Public, State of Florida at Large

Commission No. _____

My Commission Expires:

ATTACHMENT "A" TO EXHIBIT "F"

NEIGHBORHOOD STABILIZATION PROGRAM 3
PROMISSORY NOTE
(Acquisition)

CITY OF HOLLYWOOD, FLORIDA

FOR VALUE RECEIVED the undersigned, Broward Alliance for Neighborhood Development Inc., a Florida not for profit corporation ("MAKER"), promises to pay to the order of CITY OF HOLLYWOOD, a political subdivision of the State of Florida, together with any other HOLDER ("HOLDER") at Governmental Center, 115 South Andrews Avenue, Fort Lauderdale, Florida 33301, or such other place as HOLDER may from time to time designate in writing, an amount of _____ Dollars (\$00,000.00) in NSP3 Funds, to be paid in lawful money of the United States of America, as follows:

1. The Property securing such transaction is legally described as: See Exhibit "A" attached.
2. The Loan being provided by HOLDER to MAKER under this Promissory Note is a forgivable deferred Loan which amounts shall be paid by HOLDER on behalf of MAKER at closing as defined in and in such a manner as provided for in the NSP3 Funding Agreement entered into by HOLDER and MAKER dated _____, 2013 ("NSP3 Funding Agreement"). The Loan shall not be subject to the payment of interest.
3. No payments shall be due under this Promissory Note and the Loan shall be due and payable at the thirtieth (30th) anniversary date of the execution of this Promissory Note by MAKER (the "Maturity Date," which Maturity Date may be extended in the Mortgagee's sole and absolute discretion as set forth in the last sentence of this Section 3) unless an Acceleration Event (as hereinafter defined) occurs. If an Acceleration Event occurs, the total amount of NSP3 Funds provided to MAKER by HOLDER shall be due and payable to HOLDER under this Promissory Note. Notwithstanding anything contained herein to the contrary, the entire principal balance and interest, if any, shall be forgivable on or after the Maturity Date in Mortgagee's sole and absolute discretion.
4. If MAKER fails to utilize the Property for the purpose stated in the Mortgage or the NSP3 Funding Agreement, or fails to comply with the terms and conditions of the Mortgage and/or the NSP3 Funding Agreement (each deemed an "Acceleration Event"), including the thirty (30) year Long Term Affordability period related to the NSP3-assisted property, or where any unit in the NSP3-assisted property is no longer occupied by an Income Eligible Homebuyer as defined in the NSP3 Funding Agreement, such Acceleration Event shall be deemed a violation of this Promissory Note. In such event, the total amount of NSP3 Funds previously provided to MAKER under this Promissory Note shall become due and payable to HOLDER at the address specified in the NSP3 Funding Agreement after MAKER is given notice and a demand to cure as provided for in Section 16 of the Mortgage.
5. Notwithstanding Section 3 above, if, MAKER transfers title to the Property without HOLDER's written consent as provided for in Section 21 of the Mortgage, the total amount of NSP3 Funds previously provided to MAKER under this Promissory Note shall immediately become due and payable to HOLDER as provided for in Section 15 of the Mortgage at the address specified in the NSP3 Funding Agreement.
6. If suit is instituted by HOLDER to recover under this Promissory Note, the undersigned agrees to pay all costs of such collection including reasonable attorney's fees and court costs. If this Promissory Note is reduced to judgment, such judgment shall bear the statutory interest rate on judgments.
7. This Promissory Note is secured by the Mortgage executed by MAKER to Broward County, of even date herewith, and recorded in the Official Public Records of Broward County, Florida.

8. Demand, protest and notice of demand and protest are waived and the undersigned waives, to the extent authorized by law, any and all exemption rights which otherwise would apply to the debt evidenced by this Promissory Note.

9. If MAKER performs all covenants and conditions of this Promissory Note and the NSP3 Funding Agreement and if there has been no Acceleration Event on or before the Maturity Date, the HOLDER may, in its sole and absolute discretion, forgive the amount due under this Note on the Maturity Date.

MAKER

STATE OF FLORIDA)
) SS
COUNTY OF BROWARD)

The foregoing instrument was acknowledged before me this _____ day of _____, 20__, by _____ who is personally known to me or who has produced _____ as identification.

Print Name: _____

Notary Public, State of Florida at Large

Commission No. _____

My Commission Expires:

**EXHIBIT "A" TO PROMISSORY NOTE
(Acquisition)
LEGAL DESCRIPTION**

ATTACHMENT "B" TO EXHIBIT "F"

NEIGHBORHOOD STABILIZATION PROGRAM 3
PROMISSORY NOTE
(Rehabilitation)

CITY OF HOLLYWOOD, FLORIDA

FOR VALUE RECEIVED the undersigned, Broward Alliance for Neighborhood Development Inc., a Florida not for profit corporation ("MAKER"), promises to pay to the order of BROWARD COUNTY, a subdivision of the State of Florida, together with any other HOLDER ("HOLDER") at Governmental Center, 115 South Andrews Avenue, Fort Lauderdale, Florida 33301, or such other place as HOLDER may from time to time designate in writing, an amount up to _____ Dollars (\$00,000.00) in NSP3 Funds, to be paid in lawful money of the United States of America, as follows:

1. The Property securing such transaction is legally described as: See Exhibit "A" attached.
2. The Loan being provided by HOLDER to MAKER under this Promissory Note is a forgivable deferred Loan which amounts shall be paid by HOLDER to MAKER on a reimbursement basis for Eligible Costs as defined in and in such a manner as provided for in the NSP3 Funding Agreement entered into by HOLDER and MAKER dated _____, 2013. The Loan shall not be subject to the payment of interest.
3. No payments shall be due under this Promissory Note and the Loan shall be due and payable at the thirtieth (30th) anniversary date of the execution of this Promissory Note by MAKER (the "Maturity Date," which Maturity Date may be extended in the Mortgagee's sole and absolute discretion as set forth in the last sentence of this Section 3) unless an Acceleration Event (as hereinafter defined) occurs. If an Acceleration Event occurs, the total amount of NSP3 Funds provided to MAKER by HOLDER shall be due and payable to HOLDER under this Promissory Note. Notwithstanding anything contained herein to the contrary, the entire principal balance and interest, if any, shall be forgivable on or after the Maturity Date in Mortgagee's sole and absolute discretion.
4. If MAKER fails to utilize the Property for the purpose stated in the Mortgage or the NSP3 Funding Agreement, or fails to comply with the terms and conditions of the Mortgage and/or the NSP3 Funding Agreement (each deemed an "Acceleration Event"), including the thirty (30) year Long Term Affordability period relating to the NSP3-assisted property, or where any unit in the NSP3-assisted property is no longer occupied by an Income Eligible Homebuyer as defined in the NSP3 Funding Agreement, such Acceleration Event shall be deemed a violation of this Promissory Note. In such event, the total amount of NSP3 funds previously provided to MAKER under this Promissory Note shall become due and payable to HOLDER at the address specified in the NSP3 Funding Agreement after MAKER is given notice and a demand to cure as provided for in Section 16 of the Mortgage.
5. Notwithstanding Section 3 above, if, MAKER transfers title to the Property without HOLDER's written consent as provided for in Section 21 of the Mortgage, the total amount of NSP3 Funds previously provided to MAKER under this Promissory Note shall immediately become due and payable to HOLDER as provided for in Section 15 of the Mortgage at the address specified in the NSP3 Funding Agreement.
6. If suit is instituted by HOLDER to recover under this Promissory Note, the undersigned agrees to pay all costs of such collection including reasonable attorney's fees and court costs. If this Promissory Note is reduced to judgment, such judgment shall bear the statutory interest rate on judgments.
7. This Promissory Note is secured by the Mortgage executed by MAKER to Broward County, of even date herewith, and recorded in the Official Public Records of Broward County, Florida.

8. Demand, protest and notice of demand and protest are waived and the undersigned waives, to the extent authorized by law, any and all exemption rights which otherwise would apply to the debt evidenced by this Promissory Note.

9. If MAKER performs all covenants and conditions of this Promissory Note and the NSP3 Funding Agreement and if there has been no Acceleration Event on or before the Maturity Date, the HOLDER may, in its sole and absolute discretion, forgive the amount due under this Note on the Maturity Date.

MAKER

STATE OF FLORIDA)
) SS
COUNTY OF BROWARD)

The foregoing instrument was acknowledged before me this _____ day of _____, 20_, by _____ who is personally known to me or who has produced _____ as identification.

Print Name: _____

Notary Public, State of Florida at Large

Commission No. _____

My Commission Expires:

**EXHIBIT "A" TO PROMISSORY NOTE
(Rehabilitation)
LEGAL DESCRIPTION**

**EXHIBIT G
DECLARATION OF RESTRICTIONS**

WHEN RECORDED MAIL TO:

CITY OF HOLLYWOOD
Department of Community and Economic Development
2600 Hollywood Boulevard, Room #203
Hollywood, FL 33020

DECLARATION OF RESTRICTIONS

THIS DECLARATION OF RESTRICTIONS ("Declaration"), is executed as of this _____, by BORROWER(S) FULL NAME ("DECLARANT"), or assignees, in favor of the CITY OF HOLLYWOOD, acting by and through its Department of Community and Economic Development ("CITY").

WHEREAS, DECLARANT is the owner of the real estate in the County of Broward, State of Florida, consisting of PCN FOLIO NUMBER, which is more particularly described in Exhibit "A", attached hereto and made a part hereof (the "Property"); and

WHEREAS, pursuant to a certain Neighborhood Stabilization Program Agreement dated April 14th 2010, incorporated herein, ("NSP Agreement"), and instruments referenced therein, DECLARANT agrees to utilize, and the CITY agrees to provide, certain NSP Funds from the United States Department of Housing and Urban Development, to DECLARANT for certain affordable housing (the "Project"), upon the Property to be sold and maintained as affordable to low, moderate or middle-income families, subject to the terms and conditions set forth in the NSP Agreement; and

WHEREAS, the NSP regulations promulgated by HUD, and the NSP Agreement impose certain affordability requirements upon property benefited thereby, which affordability restrictions shall be enforceable by "recapture terms" as they appear in 24 CFR 92.254(a)(4)(ii), incorporated herein by reference; and

WHEREAS, these restrictions are intended to bind all purchasers and their successors.

NOW, THEREFORE, DECLARANT declares that the Project home upon the Property is held, and will be held, transferred, encumbered, used, sold, conveyed and occupied, subject to the covenants, restrictions, and limitations set forth in this Declaration, all of which are declared and agreed to be in furtherance of the plan for the construction, sale and occupancy of the home upon the Property. All of the restrictions,

covenants and limitations will run with the land and will be binding on all parties having or acquiring any right, title or interest in the Project home upon the Property, or any part thereof, will inure to the benefit of the future Owners of the home or any part thereof, the United States and the CITY, and will be enforceable by any of them. Any purchaser under a contract of sale covering any right, title or interest in any part of the Project Home upon the Property, by accepting a deed or a contract of sale or agreement of purchase, accepts the document subject to, and agrees to be bound by, any and all restrictions, covenant, and limitations set forth in this Declaration for the period of thirty (30) years constituting the Affordability Period.

Period of Affordability: The Neighborhood Stabilization Program requires the City to set periods of affordability as provided NSP regulations. The minimum period of affordability is described in a graduated scale based on level of assistance at 24 CFR 92.254 (a)(4), and terminating events are described in 24 CFR 92.254 (5)(i)(A) both of which, are incorporated herein by reference, without limitation.

1. **Declarations.** Declaring hereby declares that the home upon the Property is, and shall be, subject to the covenants and restrictions hereinafter set forth, all of which are declared to be in furtherance of the Project and the NSP Agreement, and are established and agreed upon for the purpose of enhancing and protecting the value of the Project Property and in consideration for CITY entering into the NSP agreement with DECLARANT/assignees. All terms not otherwise defined herein shall have the meaning ascribed to such term in the NSP Agreement.

2. **Restrictions.** The following covenants and restrictions on the use and enjoyment of the Project home upon the Property shall be in addition to any other covenants and restrictions affecting the Project Property, and all such covenants and restrictions are for the benefit and protection of CITY, and shall run with the home upon the Property and inure to the benefit of and be enforceable by CITY. These covenants and restrictions are as follows:

a. DECLARANT, agree(s) that the Project Property shall be used as a Principal Residence.

b. **Recapture Requirements.** Should the Project Property not continue to be the principal residence of the family purchasing the Property/home as affordable housing then the entire financial assistance provided by the CITY and allocated to the Property/home, including all NSP Program Funding assistance, shall immediately come due and must be repaid to/recaptured by the CITY's NSP Program Trust Fund and thereupon the balance of the affordability restrictions shall be released. Item (a) above is hereinafter referred to as the Covenant and Restrictions.

3. **Enforcement of Restrictions.** Without waiver or limitation, the CITY shall be entitled to injunctive or other equitable relief against any violation, or attempted violation, of any Covenant and Restriction, and shall, in addition, be entitled to damages for any injuries or losses resulting from any violations thereof.

4. Benefit. This Declaration shall run with and bind the Project Property for a term commencing on the date of this Declaration, as recorded in the Office of the Clerk of Courts, Broward County, State of Florida, and expiring upon the expiration of the Affordability Period. The failure or delay at any time of CITY or any other person entitled to enforce this Declaration shall, in no event, be deemed a waiver of the same, or of the right to enforce the same at any time or from time to time thereafter, or an estoppel against the enforcement thereof.

5. Costs and Attorney's Fees. In any proceeding arising because of failure of DECLARANT or any future owner of the Project homes upon the Property to comply with the Covenant and Restrictions required by this Declaration, as may be amended from time to time, CITY shall be entitled to recover its costs and reasonable attorney's fees incurred in connection with such default or failure.

6. Waiver. DECLARANT may not exempt itself from liability for failure to comply with the Covenant and Restrictions required in this Declaration.

7. Severability. The invalidity of the Covenant and Restrictions or any other covenant, restriction, condition, limitation or other provision of this Declaration shall not impair or affect in any manner the validity, enforceability, or effect of the rest of this Declaration and each shall be enforceable to the greatest extent permitted by law.

8. Pronouns. Any reference to the masculine, feminine, or neuter gender herein shall, unless the context clearly requires the contrary, be deemed to refer to and include all genders. Words in the singular shall include and refer to the plural, and vice-versa, as appropriate.

9. Interpretation. The captions and titles of the various articles, sections, subsections, paragraphs, and subparagraphs of this Declaration are inserted herein for ease and convenience of reference only and shall not be used as an aid in interpreting or construing this Declaration or any provision hereof.

10. Amendment. No amendment or modification of this Declaration shall be permitted without the prior written consent of the CITY.

11. Recordation. DECLARANT acknowledges that this Declaration will be filed of record in the Office of the Clerk of Courts, of Broward County, Florida.

12. Capitalized Terms. All capitalized terms used in this Declaration, unless otherwise defined herein, shall have the meanings assigned to such terms in that certain NSP Agreement by and between DECLARANT and CITY, of even date.

13. Headings. The headings of the articles, sections, and paragraphs used in this Agreement are for convenience only and shall not be read or construed to affect the meaning or construction of any provision.

IN WITNESS WHEREOF, DECLARANT has executed this Declaration of Restrictions on the date first written above.

DECLARANT

BY: _____
BORROWER(S) FULL NAME

DATE: CURRENT DATE

BY: _____
BORROWER(S) FULL NAME

DATE: CURRENT DATE

EXHIBIT "H"

**Work
Authorization and
Notice to Proceed**

No. _____

Property Address:
Contractor: Broward Alliance for Neighborhood Development (BAND)
Project Title: **NSP3**
Municipality Contact:

This Work Authorization and Notice to Proceed is between City of Hollywood, Florida and Contractor, and as required pursuant to the NSP Funding Agreement executed by the City of Hollywood Commissioners on _____.

The Work Authorization Notice to Proceed provides for NSP property acquisition services consistent with the City of Hollywood's Action Plan and the agreement referenced above and as specifically described in the attached Work Specification scope (Attachment A). The time period for this Work Authorization and Notice to Proceed will consist of 120 calendar days after receipt of permit.

Total Budget (Acquisition Costs, Title Fees, Soft Costs, and Developer Fee)	Developer Fee	Total Amount to be Recorded in Lien (Total Budget minus Developer Fee)	Department Name
			Community and Economic Development

City of Hollywood

through its Department of Community and Economic Development:
By:

Signature _____ Date _____ Title: Community Development Administrator

Developer

By: _____ Date _____ Witness: _____ Date _____
Print Name: _____ Date _____ Witness: _____ Date _____

NOTES:

DEVELOPER BUDGET

PROPERTY ADDRESS: _____

Hollywood, FL _____

Acquisition Costs: _____

Title Fees: _____

Soft Costs: _____

Rehabilitation Cost Estimate: _____

Contingency: _____

Sub Total (Lien Amount) _____

Developer Fee _____

Total Amount Requested _____