



## Interoffice Memorandum

August 25, 2017

**AGENDA ITEM**

**TO:** Mayor Teresa Jacobs  
—AND—  
Board of County Commissioners

**FROM:** Jon V. Weiss, P.E., Director  
Community, Environmental and Development  
Services Department *JW.*

**CONTACT PERSON:** Mitchell Glasser, Manager  
Housing and Community Development Division  
407-836-5190

**SUBJECT:** September 19, 2017 – Consent Item  
SHIP and INVEST Agreement for Wayne Densch Center

Ability WDC, LLC, a Florida Limited Liability Company, through its managing agent, Ability Housing, LLC, a Florida non-profit organization, applied to the County for a loan under the State Housing Initiatives Partnership Program (SHIP) and INVEST Program. They requested \$1,000,000 of SHIP funds and \$1,000,000 of INVEST funds for the construction and rehabilitation of the Wayne Densch Center located at 100 Kingston Court in Orlando, Florida. The Project will create a 77-unit, affordable multi-family complex for homeless individuals and families. The total project cost is \$8.3 million and there are seven community partners participating in funding the project including Orange County.

The Wayne Densch Center was previously a transitional housing complex for homeless individuals and families and was donated to the Florida Hospital Foundation. The Florida Hospital Foundation entered into a 20-year lease with Ability Housing. Ability Housing will renovate the entire complex and create permanent affordable housing units for low and very low income households. A minimum of 71% of the units will be for homeless individuals and families.

The County will utilize the services of Neighborhood Lending Partners of Florida, Inc., to provide mortgage loan services including credit underwriting, construction

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SHIP and INVEST Agreement for Wayne Densch Center

and permanent loan closing and servicing. The agreement has been reviewed by the County Attorney's Office as to form.

**ACTION REQUESTED: Approval and execution of Agreement between Orange County, Florida, Ability WDC, LLC, and Neighborhood Lending Partners of Florida, Inc., regarding the State Housing Initiatives Partnership Program and INVEST Program for the construction and rehabilitation of the Wayne Densch Center in the amount of \$1,000,000 in SHIP Program funds and \$1,000,000 in INVEST Program funds. District 2**

JVWMG:er  
Attachment

**AGREEMENT  
BETWEEN ORANGE COUNTY, FLORIDA,  
ABILITY WDC, LLC, AND  
NEIGHBORHOOD LENDING PARTNERS OF FLORIDA, INC.,  
REGARDING THE  
STATE HOUSING INITIATIVES PARTNERSHIP PROGRAM AND  
INVEST PROGRAM**

THIS AGREEMENT is entered into by ORANGE COUNTY, Florida, a charter county and political subdivision of the State of Florida (hereinafter referred to as "the County"), Ability WDC, LLC a Florida limited liability company, through its managing agent, Ability Housing, LLC, a Florida not for profit corporation (hereinafter referred to as "Ability") and Neighborhood Lending Partners of Florida, Inc., a Florida not-for-profit corporation, (hereinafter referred to as "NLP"). Individually referred to as "Party" or collectively as "Parties."

**PREMISES**

WHEREAS, the Orange County Housing and Community Development Division (hereinafter referred to as the "Division") has been designated by the County for the receipt and use of State Housing Initiative Partnership ("SHIP") funds as provided in Chapter 420, Part VII, Florida Statutes (hereinafter referred to as the "State Housing Initiatives Partnership Act" or "SHIP Act"); and

WHEREAS, the Division has been designated by the County for the receipt and use of INVEST funds for affordable housing; and

WHEREAS, the County adopted Resolution 2015-M-10 for the administration of the Local Housing Assistance Plan under Florida's SHIP program; and

WHEREAS, the County desires to enter into this Agreement with Ability to rehabilitate the Wayne Densch Center, located at 100 Kingston Court, Orlando, FL 32810 and further described in **Exhibit A** attached hereto and incorporated herein, and create a 77-unit affordable, multi-family complex for formerly homeless individuals and families (hereinafter referred to as the "Project"); and

WHEREAS, the Project was donated to Florida Hospital Foundation on January 1, 2016 and Florida Hospital Foundation entered into a twenty (20) year lease with Ability to operate the Project, a copy of which is attached hereto and incorporated by reference as **Exhibit B** ("Lease"); and

WHEREAS, effective December 31, 2018, Ability has the right and option to have Florida Hospital Foundation convey ownership of the Project to Ability pursuant to the conditions set forth in the Lease; and

WHEREAS, the County desires to utilize the services of NLP and, by separate agreement and in accordance with the terms and conditions set forth herein, NLP has agreed to provide said Mortgage Loan Services, to facilitate the making of low-interest and or deferred loans to Ability to include credit underwriting, construction and permanent loan closings, and loan servicing; and

WHEREAS, the construction and rehabilitation of affordable, multi-family, rental properties are eligible activities under the SHIP and INVEST programs; and

WHEREAS, Ability will be the owner of the Project and will be subject to all terms and conditions contained within this Agreement; and

WHEREAS, Ability applied to the County for a loan under the SHIP Program for \$1,000,000 and INVEST Program for \$1,000,000 for the construction and rehabilitation of the Project.

WHEREAS, the Project fulfills the policies and goals as determined by the County, subject to completion by Ability of certain approval conditions, including, but not limited to, the placement of a Restrictive Covenant on the use of said Project property ("Property"), as described in **Exhibit C** attached hereto and incorporated herein; and

WHEREAS, the Parties desire to enter into this Agreement in order to set forth the conditions for receiving the Project Loan.

NOW, THEREFORE, in consideration of the Premises, which are hereby incorporated herein and made a part of this Agreement and the mutual covenants herein contained, the Parties hereby agree as follows:

## **I. DEFINITIONS**

For purposes of this Agreement, the following definitions shall be applicable throughout, except in those instances where the context requires otherwise:

- A. "Affordability Period" shall mean a twenty (20) year period after the last housing unit to be constructed under this Agreement is completed.
- B. "Homeless Household" is defined pursuant to Florida Statute §420.621(5) and shall mean an individual who lacks a fixed, regular, and adequate nighttime residence and includes an individual who:
  - (a) Is sharing the housing of other persons due to loss of housing, economic hardship, or a similar reason;
  - (b) Is living in a motel, hotel, travel trailer park, or camping ground due to a lack of alternative adequate accommodations;
  - (c) Is living in an emergency or transitional shelter;
  - (d) Has a primary nighttime residence that is a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings;

- (e) Is living in a car, park, public space, abandoned building, bus or train station, or similar setting; or
- (f) Is a migratory individual who qualifies as homeless because he or she is living in circumstances described in paragraphs (a)-(e).

The terms do not refer to an individual imprisoned pursuant to state or federal law or to individuals or families who are sharing housing due to cultural preferences, voluntary arrangements, or traditional networks of support. The terms include an individual who has been released from jail, prison, the juvenile justice system, the child welfare system, a mental health and developmental disability facility, a residential addiction treatment program, or a hospital, for whom no subsequent residence has been identified, and who lacks the resources and support network to obtain housing.

- C. "Loan Documents" shall mean the Note, Mortgage, Construction Loan Agreement, and any other documents associated with securing the Project Loan and restricting the use of the Project as described in this Agreement.
- D. "Low Income Household" shall mean an individual or family whose income does not exceed eighty percent (80%) of the Orlando's Area Median Income ("AMI") published annually by the U.S. Department of Housing and Urban Development ("HUD"), distributed by Florida Housing Finance Corporation ("FHFC"), and adjusted for family size.
- E. "Permanent Supportive Housing" shall mean permanent housing with indefinite leasing or rental assistance paired with supportive services to assist homeless persons with a disability or families with an adult or child member with a disability to achieve housing stability.
- F. "Project Completion" shall mean all necessary title transfer requirements have been met, all construction work has been performed and a Certificate of Completion and/or Certificate of Occupancy has been issued by the governmental authorities having jurisdiction, and a final certification by the qualified construction inspector that the improvements have been completed in substantial accordance with the Final Plans.
- G. "Project Loan" shall mean the County's allocation of one million dollars (\$1,000,000) from the SHIP program and one million dollars (\$1,000,000) from the INVEST program for construction and rehabilitation activities at the Project to be expended by Ability solely in accordance with the Construction Budget outlined in **Exhibit D**.
- H. "Unavoidable Delays" shall mean delays due to strikes, blackouts, acts of God, failure or inability to secure materials or labor by reason of priority or similar regulation or order of any governmental authority, enemy action, civil disturbance, fire, inclement weather which results in a local declaration of emergency under state law.

- I. "Very Low Income Household" shall mean an individual or family whose income does not exceed fifty percent (50%) of Orlando's AMI published annually by HUD, distributed by FHFC, and adjusted for family size.

## **II. DESCRIPTION OF PROJECT**

- A. Ability shall utilize the Project Loan along with private financing to rehabilitate seventy-seven (77) multi-family units all of which shall fall into one or more of the following categories: (i) forty-five (45) units will be affordable to Low Income Households; (ii) sixteen (16) units will be affordable to households whose income does not exceed sixty percent (60%) of Orlando's AMI; (iii) sixteen (16) units will be affordable to Very Low Income Households; (iv) fifty-four (54) units will be set aside for Homeless Households; and (v) thirty-nine (39) units will be operated as Permanent Supportive Housing. The rent and income restrictions for all of the 77-units shall comply with the applicable rent and income limits published by FHFC.
- B. Special Needs: Ability shall make available a minimum of eight (8) units for individuals with special needs, to include mobility, visual, hearing and or cognitive disabilities. The units shall include features that meet the requirements of the Fair Housing Act with regard to the following:
  1. Units shall be designed and constructed to have the entrance on an accessible route.
  2. An appropriate number of parking unit spaces on an accessible route shall be provided.
  3. Units shall have entrance design features to include minimum clear door widths to accommodate wheel chairs; low thresholds; clear maneuvering space inside and outside the entrance door; accessible door hardware; wide-angle peephole in the door; good illumination.
  4. Units shall be designed with an accessible route of travel throughout the unit and level hardware on all passage doors and each entrance door shall be constructed with weather protection materials.
  5. Units shall be designed with light switches with lever controls or rocker switches or toggle switches that do not require grasping or significant force. Electrical outlets, thermostats and other environmental controls will be installed in an accessible location.
  6. Unit bathrooms shall be designed and constructed with useable reinforced walls to allow for the installation of grab bars around toilet, tub, and shower stall and shower seat. Bathrooms shall be designed and constructed to allow wheelchair maneuverability about the space; bathrooms shall be designed and constructed with lever handles and hardware.
  7. Unit kitchens shall be designed and constructed that will allow wheelchair maneuverability about the space; unit kitchens shall be designed and constructed with lever hardware on kitchen sinks, front mounted controls on the range and cook top.

### III. GENERAL CONDITIONS

- A. Ability shall pay for a third-party appraisal of the Property demonstrating the current market appraised value prior to loan closing.
- B. Ability shall provide an updated financial commitment from a lender for other financing required for the Project which does not include the Project Loan. The firm commitment shall include funding terms, specific interest rates for permanent and/or construction loans.
- C. NLP will provide all services necessary to facilitate the Project Loan to include loan underwriting, loan closing, disbursement of loan proceeds and loan servicing. The Project Loan will be secured by a mortgage and promissory note. The Project Loan shall be subordinate to Ability's first mortgage financing. The requirements set forth herein shall be subordinate in all respects to the requirements of the first mortgage which proceeds are used to acquire, construct or renovate the Project. The County and NLP shall consent to and execute any requested commercially reasonable subordination and all rights of the County and obligations of Ability under these loans will be subject to the requirements and/or direction of the senior lender.
- D. Ability, at its sole cost and expense, shall supply NLP with all documentation including, but not limited to, mortgagee title insurance commitments, surveys, physical needs assessments, engineering reports, environmental assessments ("Phase 1" reports), plans and specifications and legal opinions, required to close on the Project Loan.
- E. Ability shall pay to NLP all fees and charges incurred in procuring and making the Project Loan, such fees shall include, but are not limited to, a \$2,750 application fee, a \$1,500 loan processing fee, and a one percent (1%) loan origination fee for the Project Loan.
- F. Subject to Unavoidable Delays, the completion of the Project should be no later than December 31, 2019 (the "Completion Date").

### IV. PAYMENTS AND LOAN TERMS

- A. The County has designated a total of two million dollars (\$2,000,000) towards the cost of the Project including one million dollars (\$1,000,000) from its SHIP funds and one million dollars (\$1,000,000) from its INVEST funds for construction and rehabilitation activities to be performed by Ability and to be expended solely in accordance with the Construction Budget outlined in **Exhibit D**. Ability may modify the budget line items in **Exhibit D** with written consent of the County's Housing and Community Development Division Manager. **An approved draw request shall be deemed consent.**

- B. The SHIP and INVEST funds allocated herein will be transferred to NLP. NLP will make the Project Loan to Ability and will disburse loan proceeds in one or more advances subject to the terms and conditions set forth herein. Ability expressly agrees to comply with all terms and conditions of this Agreement and the Loan Documents.
- C. The maturity date ("Maturity") of the Project Loan shall be twenty (20) years after the loan closing (the "Loan Term"). The Project Loan shall bear interest at one percent (1%). Interest-only payments will be required during the Loan Term. Any accrued, unpaid interest will be due and payable at Maturity. One million dollars (\$1,000,000) of the principal balance will be forgiven at Maturity, provided Ability meets all requirements of the Restrictive Covenant throughout the Affordability Period. The remaining one million dollar (\$1,000,000) principal will be due and payable at Maturity, unless the County chooses to extend the Loan Term and the Affordability Period.
- D. After the loan closing, NLP shall submit a written request to the County for SHIP and INVEST funds with the following documents:
1. Executed Commitment Letter
  2. Executed Note
  3. Executed Mortgage
  4. Executed Construction Loan Agreement
  5. Executed Closing Statement
  6. Title Commitment
- E. NLP shall immediately deposit the SHIP and INVEST funds into an interest bearing account with a bank selected by NLP. All interest earned in the escrow account shall be retained in the account and paid to the County after the Project is completed.
- F. Each Advance from NLP to Ability shall be deemed to be an advance under the Note. NLP may apply any amounts due Ability hereunder toward satisfaction of the terms and conditions of this Agreement, and amounts so applied shall be part of the Project Loan and shall be secured by the lien of the Mortgage, and all disbursements from any "contingency" categories shall be made at NLP's discretion after approval by the County pursuant to the terms of the Loan Documents. Such approval and discretion shall not be unreasonably withheld.

Additionally, upon request from NLP, Ability shall submit the following documents:

1. Invoices and reports on the actual work completed.
2. AIA documents may be used to support other documents for application and certificate of payment.
3. The final Advance under the Project Loan will be made after NLP and the County have made an on-site inspection.



4. Copies of releases of lien from all contractors, sub-contractors may be required by the County and/or NLP.
- G. If Ability fails to request disbursement of all funds secured by the Project Loan before the Completion Date, the County may, at its option and upon fifteen (15) days written notice to Ability, recoup part or all of any remaining funds. Funds that are recouped by the County shall no longer be available for advance hereunder to Ability.

## **V. CONSTRUCTION OF IMPROVEMENTS**

- A. Ability shall obtain all necessary governmental permits and approvals and shall cause construction of the improvements to begin no later than sixty (60) days after the loan closing and only after the recording of the Notice of Commencement, and shall cause such construction to be prosecuted with diligence and dispatch so that the construction of the improvements is completed in substantial accordance with the Final Plans, in form and content acceptable to the County and ready for occupancy on or before the Completion Date free and clear of all liens or claims for materials, labor, services, or other items furnished in the construction of the improvements, and in full compliance with all building, zoning and other applicable local, state and federal laws, ordinances and regulations. The Completion Date may be extended in writing for Unavoidable Delays but in no event for a period of time longer than ninety (90) cumulative days, unless such time period is extended in writing by the County and prior to the expiration of the ninety (90) day period.
- B. A complete set of the final plans and/or specification standards (the "Final Plans") shall be delivered to the County and NLP prior to beginning any work. All material changes in the Final Plans, including without limitation, change orders under the Construction Contract, require the prior written approval of NLP, which shall not be unreasonably withheld, conditioned, or delayed, and shall be approved, or deemed approved, by NLP within five (5) days after Ability provides such material changes to NLP. NLP shall consult with Orange County prior to approval of any change order exceeding \$100,000.
- C. The County, NLP and any other agent or representative of the County shall have the right to enter the Project during normal business hours, after reasonable notice to Ability, for the purpose of inspecting the work. Ability shall cause the General Contractor and all subcontractors and suppliers to cooperate with the County and their agents and representatives in the exercise of their rights and performance of their duties hereunder.

## **VI. INSURANCE REQUIREMENTS**

- A. Ability agrees to maintain, on a primary basis and at its sole expense, the following types of insurance coverage with limits and on forms (including endorsements) as described herein. These requirements, as well as the County's review or

acceptance of insurance maintained by Ability, are not intended to, and shall not in any manner limit or qualify the liabilities or obligations assumed by Ability under this Agreement.

- B. Ability shall require and ensure that each of its contractors, sub-contractors and consultants providing services hereunder (if any) procures and maintains until the completion of their respective services, insurance of the types and to the limits specified herein.
- C. Insurance carriers providing coverage required herein must be licensed to conduct business in the State of Florida and must possess a current A.M. Best's Financial Strength Rating of A- Class VIII or better.
- D. Required Coverage as stated in this Agreement and the Loan Documents:
  - 1. Workers' Compensation - Ability shall maintain coverage for its employees with statutory workers' compensation limits, and no less than \$100,000 each incident of bodily injury or disease for Employers' Liability. Said coverage shall include a waiver of subrogation in favor of the County. Elective exemptions as defined in Florida Statutes Chapter 440 will be considered on a case-by-case basis. Any agency/vendor using an employee leasing company shall complete the Leased Employee Affidavit (**Exhibit E**).
  - 2. Commercial General Liability - Ability shall maintain coverage issued on the most recent version of the ISO form as filed for use in Florida or its equivalent, with a limit of liability of not less than \$500,000 per occurrence. Ability further agrees coverage shall not contain any endorsement(s) excluding or limiting Product/Completed Operations, Contractual Liability, or Separation of Insureds. The General Aggregate limit shall either apply separately to this Agreement or shall be at least twice the required occurrence limit.
  - 3. Business Automobile Liability - Ability shall maintain coverage for all owned; non-owned and hired vehicles issued on the recent version of the ISO form as filed for use in Florida or its equivalent, with limits of not less than \$500,000 per accident. In the event Ability does not own automobiles, Ability shall maintain coverage for hired and non-owned auto liability, which may be satisfied by way of endorsement to the Commercial General Liability policy or separate Business Auto Liability policy.
  - 4. Professional Liability (if applicable) - Ability shall require architecture and engineering companies providing professional services to maintain professional liability (errors and omissions or medical malpractice) coverage with limits of not less than \$1,000,000 per occurrence.
- E. When a self-insured retention or deductible exceeds \$100,000, the County reserves the right to request a copy of Ability's most recent annual report or audited financial

statement. For policies written on a "Claims-Made" basis Ability agrees to maintain a retroactive date prior to or equal to the effective date of this Agreement. In the event the policy is canceled, not renewed, switched to occurrence form, or any other event which triggers the right to purchase a Supplemental Extended Reporting Period (SERP) during the life of this Agreement Ability agrees to purchase the SERP with a minimum reporting period of not less than two (2) years. Purchase of the SERP shall not relieve Ability of the obligation to provide replacement coverage.

- F. By entering into this Agreement, Ability agrees to provide a waiver of subrogation or waiver of transfer of rights of recovery, in favor of the County for the workers' compensation and general liability policies as required herein. When required by the insurer or should a policy condition not permit Ability to enter into a pre-loss Agreement to waive subrogation without an endorsement, then Ability agrees to notify the insurer and request the policy be endorsed with a Waiver of Subrogation or a Waiver of Transfer of Rights of Recovery Against Others endorsement.
- G. Ability agrees that the County should be declared as an Additional Insured with a CG 2010 Additional Insured, or its equivalent to all commercial general liability policies called for in this Agreement. The additional insured shall be listed in the name of Orange County Board of County Commissioners.
- H. Any request for an exception to these insurance requirements must be submitted in writing to the County for approval, which County may decline to approve in the County's sole discretion.
- I. Prior to execution and commencement of any operations/services provided under this Agreement, Ability shall provide the County and NLP with current certificates of insurance evidencing all required coverage. In addition to the certificates of insurance, Ability shall provide a Blanket Additional Insured Endorsement (**Exhibit F**) or Specific Additional Insured Endorsement (**Exhibit G**) and a Waiver of Subrogation (**Exhibit H**) or Waiver of Transfer of Rights of Recovery (**Exhibit I**) endorsements for each policy as required above. The certificates shall clearly indicate that Ability has obtained insurance of the type, amount and classification as required for strict compliance with this section. No material change or cancellation of the insurance shall be effective without thirty (30) days prior written notice to the County. Certificates shall specifically reference the respective contract number. The certificate holder shall read:

Orange County Board of County Commissioners  
Procurement Division  
400 E. South Street  
Orlando, Florida 32801

- J. If there are any claims for damages attributable to the negligence, errors or omissions of Ability, their contractors, subcontractors, agents or employees while providing the services called for herein, it is understood and agreed Ability shall

defend, indemnify and hold harmless the County from any and all losses, costs, liability, damages and expenses arising out of such claims or litigation asserted as a result hereof. However, Ability shall not be responsible for acts or omissions of the County, its agents or employees which result in bodily injury to persons or property.

## **VII. FAIR HOUSING**

- A. Recipients of funding from the SHIP and INVEST programs shall not discriminate against any person or family on the grounds of race, color, national origin, religion, familial status, sex, sexual orientation or disability. Ability shall comply with Human Rights Ordinance Chapter 22 of the Orange County Code.
- B. Ability shall comply with Affirmative Marketing and Minority Outreach as set forth in Human Rights Ordinance Chapter 22, Article IV Fair Housing of the Orange County Code and abide by the following:
  - 1. Ability shall provide rental information and attract eligible persons in the housing market area without regard to race, color, national origin, religion, sex, sexual orientation or disability; and
  - 2. Ability shall employ the Equal Housing Opportunity slogan, logo or statement in all solicitations for tenants, and posters with the logo will be prominently displayed at the Project.
- C. Ability shall maintain records of its affirmative marketing efforts and keep them available for review by the Division's staff.
- D. Ability shall assess the success of its affirmative action efforts and when applicable, undertake all necessary corrective actions as mandated by the County, when affirmative marketing requirements are not met.

## **VIII. RENTAL HOUSING RESTRICTIONS**

- A. The Project shall be rented solely to households as detailed in Section II of this Agreement.
- B. Ability's management company shall obtain from each prospective tenant a certification of income prior to admission to the Project. Source documentation for each adult household member shall be obtained to support income claims. The form of certification shall be as required by the FHFC.

A development which certifies one hundred percent (100%) of its units as low-income shall perform one annual income recertification effective upon the first anniversary of any household's move-in or initial certification. No additional income recertification shall be required by the Division; however, annual determination of student status shall be required for households comprised entirely of

students. Should the annual income recertification of such households result in non-compliance with income occupancy requirements, the next available unit must be rented to a qualifying household in order to ensure continuing compliance of the Project.

- C. All units shall be subject to the rent restrictions established for the Project. Rents shall comply with the federal rent guidelines released by HUD annually and provided for in **Exhibit J**. Any change in rent which would exceed the rent limits established herein must be submitted to the Division for approval. Ability shall give tenants at least thirty (30) days written notice before rent increases are implemented.
- D. All units shall be made affordable throughout the Affordability Period.
- E. All units shall be in compliance with Housing Quality Standards and property standards as outlined under 24 CFR 92.251, Accessibility Standards under 24 CFR 92.251(a)(3) and local code requirements for the duration of the Affordability Period.

Ability shall cooperate with the County by allowing inspections to certify compliance with Housing Quality Standards and local code requirements. These inspections will be conducted on each unit before occupancy and, thereafter, a sample of units will be inspected at a minimum every two (2) years.

- F. Ability shall have an on-going obligation during the Affordability Period to ensure that the Project complies with the applicable SHIP program requirements, set forth in SHIP Acts. The County reserves the right to ask for supplemental information when appropriate from Ability concerning such compliance.

## **IX. RECORDS AND REPORTS**

- A. During the construction of the Project, Ability shall provide to the County and NLP, Bi-Monthly Status Construction Report concerning the progress made on the Project. The information provided should be a narrative summary of progress including, but not limited to, the percentage of completion, selection of contractors, expenditures and such other information as required under this Agreement and as may be deemed appropriate by the County. Such report shall be due the tenth (10<sup>th</sup>) day of each month.
- B. Ability shall cooperate with the County and NLP in the implementation and maintenance of an evaluation system to monitor the Project. Such cooperation shall include, but not be limited to, periodic submission of tenant data reports, affirmative marketing efforts, and financial statements showing all Project expenditures, and annual tenant income re-certifications and other obligations in this Agreement.

## **X. MONITORING**

Ability shall do all things reasonably necessary to assist the Division in carrying out its monitoring responsibilities, which may include on-site inspections at the option of the County. Further, Ability shall regularly monitor its performance under this Agreement to ensure that time schedules are being met and other performance goals are being achieved.

## **XI. COMPLIANCE WITH APPLICABLE LAWS AND OTHER CONDITIONS**

- A. Ability has committed to use its best efforts to achieve and maintain Professional Services and Construction Services goals – twenty-seven percent (27%) and twenty-five percent (25%), M/WBE respectively, as stated in Orange County Ordinance No. 94.02 and amended by No. 2009-21.
- B. Ability shall not discriminate on the basis of age under the Age Discrimination Act of 1975 (42 U.S.C. §6101, et. seq.) and the implementing regulations contained in 24 CFR Part 146, and the implementing regulations contained in 24 CFR Part 8. Any contracts entered into by Ability shall include a provision for compliance with these regulations.
- C. Ability shall comply with 24 CFR §570.607, Executive Order 11246, as amended by Executive Orders 11375, 11478, 12086, and 12107 (Equal Employment Opportunity), and Executive Order 13279 (Equal Protection of the Laws for Faith Based Community Organizations) and the implementing regulations in 41 CFR Part 60, and the applicable provisions of the Equal Employment Opportunity Act. Any contracts entered into by Ability shall include a provision for requiring compliance with these regulations and will, in all solicitations or advertisements for employees' state it is an Equal Opportunity/Affirmative Action employer. Ability shall keep records and documentation demonstrating compliance with these regulations.
- D. Ability shall comply with the Architectural Barriers Act of 1968 (42 U.S.C. §§ 4151-4157), the Uniform Federal Accessibility Standards, as set forth in 24 CFR §570.614, the Americans with Disabilities Act of 1990 (42 U.S.C. §12131), and the implementing regulations in 24 CFR Part 8, and all state and local laws requiring physical and program accessibility to people with disabilities. Any contracts entered into by Ability shall include a provision for compliance with these regulations. Ability shall keep records demonstrating compliance with these regulations.
- E. In the procurement of supplies, equipment, construction and services, Ability shall comply with the conflict of interest rules in 24 CFR §84.42. Ability shall comply with the conflict of interest provisions contained in 24 CFR §570.611 for those cases not governed by 24 CFR §84.42. Such cases include the acquisition and disposition of real property and the provision of assistance by Ability to individuals, businesses, and other private entities under eligible activities that authorize such assistance (i.e. rehabilitation).

- F. The general rule regarding conflict of interest states that no officer or employee of Ability, or its designees or agents or consultants who exercise or have exercised any functions or responsibilities with respect to activities assisted with SHIP funds or who is in a position to participate in a decision making process or gain inside information with regard to these activities, may obtain a financial interest or benefit from a SHIP-assisted activity, or have an interest in any contract, subcontract or agreement with respect thereto, or the proceeds thereunder, either for themselves or those with whom such person has family or business ties, during such person's tenure and for one (1) year thereafter. Ability agrees and warrants that it will establish and adopt safeguards to prohibit members, officers, employees and the like from using positions for a purpose that is or gives the appearance of being motivated for private gain for themselves or others with whom they have family, business, or other ties. Ability shall also keep records supporting requests for waivers of conflicts and will be provided to the County upon request
- G. Ability shall provide a drug-free workplace. Ability shall comply with the Drug-Free Workplace Act of 1988 and implement regulations in 24 CFR Part 21 regarding maintenance of a drug-free workplace.
- H. Ability shall comply with the requirements set forth in 24 CFR §570.613 regarding eligibility restrictions for certain resident aliens.
- I. Ability shall comply with the debarment and suspension requirements set forth in 24 CFR Part 5 and 2 CFR Part 2424. Ability shall not enter into a contract with any person, agency or entity that is debarred, suspended or otherwise excluded from or ineligible for participation in federal assistance programs under Executive Order 12549 or 12689, "Debarment and Suspension," which is made a part of this Agreement by reference. In the event Ability has entered into a contract or subcontract with a debarred or suspended party, no Project Loan funds will be provided as reimbursement for the work done by that debarred or suspended contractor or subcontractor. Ability shall keep copies of the debarment and suspension certifications required by 2 CFR Part 2424, and will be provided to the County upon request.
- J. Ability agrees to comply with all applicable laws of the State of Florida and Orange County Code. In particular, Ability shall comply with all applicable building and zoning laws and regulations and obtain all necessary permits for intended improvements or activities for the Project.
- K. If the completed Project is not occupied by eligible tenants within six (6) months following Project Completion, the County will request that Ability submit marketing information and, if appropriate, a marketing plan. The County will require Ability repay the applicable portion of the Project Loan invested in any unit that has not been rented at least once to eligible tenants eighteen (18) months after Project Completion.



- L. Ability shall annually certify to the County that each building and all units in the Project are suitable for occupancy, and applicable codes, ordinances, and requirements are met.

## **XII. ADDITIONAL OWNER COVENANTS**

- A. Ability shall promptly comply with all federal, state and local laws, ordinances and regulations relating to the construction, use, and leasing of the Project, and shall obtain and keep in good standing all necessary licenses, permits and approvals required or desirable for construction and use of the Project.
- B. Ability will not knowingly engage in any activity or enter into any relationship which will give rise to any loan or brokerage commission with regard to the Project Loan, and Ability hereby agrees to indemnify NLP and the County from the claims of brokers arising by reason of the execution hereof or the consummation of the transactions contemplated hereby.
- C. Ability will, upon reasonable demand of NLP or the County, correct any material and substantial departure from the Final Plans not approved by NLP and the County, or perform any material condition to NLP or the County's obligations hereunder not satisfied or no longer satisfied. The advance of any proceeds of the Project Loan shall not constitute a waiver of NLP's or the County's right to require compliance with this covenant with respect to any such defects or material and substantial departures from the Final Plans not theretofore discovered by, or called to the attention of NLP, the County and the inspector, or with respect to Ability's failure to satisfy or continue to satisfy any condition under this Agreement, whether or not NLP required performance thereof. However, if any defects cited by or not approved by NLP or the County remain unresolved for more than sixty (60) days, then NLP may withhold future payment to Ability under this Agreement or the Loan Documents until the defect is resolved or cured to the reasonable satisfaction of NLP and the County.
- D. Ability shall establish and maintain a reasonable accounting system, which enables ready identification of Ability's cost of goods and use of funds. Such accounting system shall also include adequate records and documents to justify all prices for all items invoiced as well as all charges, expenses and costs incurred in providing the goods for at least five (5) years after completion of this Agreement. NLP and the County or its designee shall have access to such books, records, contracts, subcontract(s), financial operations, and documents of Ability as required to comply with this section for the purpose of inspection or audit upon reasonable notice during normal business hours at Ability's place of business.
- E. Ability shall cooperate with NLP in obtaining for NLP and the County the benefits of any insurance or other proceeds lawfully or equitably payable to it in connection with the transaction contemplated hereby and the collection of any indebtedness or obligation of Ability to NLP incurred hereunder (including the payment by Ability of the expense of an independent appraisal on behalf of NLP in case of a fire or other



casualty affecting the Project). The prosecution, settlement and use of insurance claims/proceeds shall be governed by the respective terms of the First Mortgage.

- F. Ability will do all acts and execute all documents for the better and more effective carrying out of the intent and purposes of this Agreement, as NLP and the County shall reasonably require from time to time, and will do such other acts reasonably necessary or desirable to preserve and protect the collateral at any time securing or intending to secure the Loan Documents, as NLP or the County may reasonably require.
- G. Ability will utilize the proceeds of the Project Loan solely for the construction and rehabilitation costs or other costs, as defined herein, and in Ability's fully executed Loan Documents, making withdrawals thereof at regular intervals.
- H. Ability shall not assign this Agreement or any interest therein, and any such assignment shall be void and of no effect.
- I. Ability, with respect solely to the land and the operation of the Project thereon, shall not incur new or additional liabilities that would constitute liens against the Project, other than as expressly provided herein and except for liabilities incurred in the ordinary course of business unless otherwise approved by the County.
- J. If for any reason the entire amount of the Project Loan is not used toward the permanent financing of the Project, the principal amount of the Project Loan shall be reduced by the amount of the unused or improperly used funds, which shall be retained by the County, and the principal sum of the Note shall be adjusted accordingly.
- K. Neither NLP nor the County shall be liable to materialmen, contractors, subcontractors, sub-subcontractors, laborers, suppliers or others for goods or services delivered by them in or upon or employed in the construction of the Project, or for any debts or claims accruing to any of said parties against Ability or against the land, and it is distinctly understood and agreed that there is no contractual relationship, either express or implied, between either NLP or the County, and any materialmen, contractors, sub-contractors, sub-subcontractors, craftsmen, laborers or any persons supplying any work, labor or material. Ability is not, and shall not be, the agent of either NLP or the County for any purpose, nor shall any of them be the agent of Ability for any purpose, except, as to both, as may be specifically set forth herein. Nothing in this Agreement or the Loan Documents shall be construed to make Ability, NLP and the County partners, or joint- or co-venturers, and the relationship of Ability with respect to NLP and the County shall at all times be that of debtor and creditor.

### **XIII. DEFAULT**

- A. Upon the occurrence of any of the following events and subject to any applicable notice and cure periods (an "Event of Default"), all obligations on the part of NLP and the County to make any further advance hereunder shall, if NLP elects, terminate, and NLP may at its option exercise any of its remedies set forth herein, but NLP may make any advances or partial advances after the occurrence of an Events of Default without thereby waiving the right to exercise such remedies without becoming liable to make any further advance. Upon the occurrence of an Event of Default under the Loan Documents, Ability shall have the benefit of all applicable notice and cure periods set forth herein.
- B. At loan closing, Ability shall assign to NLP all rights of Ability under its contract with the General Contractor and under its contracts with any other professionals. However, only after an Event of Default and the expiration of applicable cure periods, shall NLP have the option, in its sole discretion and in addition to any other rights and remedies NLP may have, to exercise their rights under this assignment. Nothing herein shall be construed, however, to require NLP to exercise any rights under this paragraph.
- C. If, prior to Project Completion, Ability fails to, or is unable to, satisfy or keep satisfied any condition within Ability's control to an advance under this Agreement for a period in excess of thirty (30) days after Ability's receipt from NLP of a written notice of such failure.
- D. If for any cause whatsoever other than Unavoidable Delays, (i) the construction of the improvements is at any time discontinued for more than sixty (60) consecutive business days after Ability's receipt of written notice from NLP of such discontinuance, or (ii) if the improvements, in the reasonable judgment of NLP, have not been completed in substantial accordance with the Final Plans, this Agreement and all applicable laws, rules, regulations and requirements of all governmental authorities having or claiming jurisdiction, now existing or hereafter enacted, adopted or promulgated, within thirty (30) days after Ability's receipt from NLP of written notice of such non-completion, or (iii) if the Certificate of Occupancy for the Project, or other certificates of compliance with zoning ordinances and building regulations, have not been issued within forty-five (45) days after the Completion Date, as the same may be extended.
- E. If Ability shall fail to keep, observe or perform any of the non-monetary terms, covenants, representations or warranties contained in this Agreement, within thirty (30) days after Ability's receipt of written notice from NLP of such failure (or such longer period if the cure of such failure shall reasonably take longer than thirty (30) days).

- F. If Ability shall fail to keep, observe or perform any of the monetary terms, covenants, representations or warranties contained in this Agreement within fifteen (15) business days after Ability's receipt of written notice from NLP of such failure.
- G. If any building permit or other governmental permit, license or approval required in connection with the Project is not maintained in full force and effect, expires or is cancelled and not reinstated or renewed within thirty (30) days of Ability's receipt from NLP of written notice of such cancellation or expiration, and such permit, license or approval is necessary for the stage of construction then ongoing, or for the operation of the Project once complete.
- H. If Ability has failed to comply with its obligations under the Loan Documents beyond all applicable notice and cure periods set forth in such Loan Documents, NLP shall give written notice to Ability of such failure, and Ability shall have thirty (30) additional days to cure such failure (or such longer period if the cure of such failure shall reasonably take longer than thirty (30) days).

#### **XIV. DEFAULT REMEDIES OF NLP AND THE COUNTY**

- A. Upon the occurrence of an Event of Default, unless cured, NLP and/or the County may, at their option, upon written notice to Ability, exercise any one or more of the following options:
  - 1. Cancel this Agreement.
  - 2. Commence an appropriate legal or equitable action to enforce Ability's performance of this Agreement.
  - 3. Accelerate the payment of any sums secured by the Loan Documents, and commence appropriate legal and equitable action to foreclose the Mortgage and collect all such amounts due by Ability under the Loan Documents.
  - 4. Exercise all rights under Ability's contracts with the General Contractor, the Architect and the Engineer, or employ others to complete the construction, and thereafter lease or let the Project; and take such action as may be reasonable to preserve and protect the Project and any construction materials stored thereon.
  - 5. Exercise any other rights or remedies that NLP or the County may have under the Loan Documents referred to in this Agreement or executed in connection with the Project Loan or which may be available under applicable law.
  - 6. Exercise any other options allowed by law for NLP or the County to protect their interest.

- B. No right, power or remedy of NLP or the County as provided in this Agreement is intended to be exclusive of any other right, power, or remedy of NLP or the County, but each and every such right, power and remedy shall be cumulative and concurrent and in addition to any other right, power or remedy available to NLP and the County now or hereafter existing at law or in equity and may be pursued separately, successively or concurrently at the sole discretion of NLP and/or the County. The failure of NLP or the County to exercise any such right, power or remedy, shall in no event, be construed as a waiver or release of any right, power or remedy thereof.

## **XV. GENERAL TERMS**

- A. The following shall be applicable throughout the period of this Agreement or thereafter as provided herein:

1. All conditions imposed on Ability hereunder are imposed solely and exclusively for the benefit of NLP and/or the County and its successors and assigns, and no other person shall have standing to require satisfaction of such conditions or be entitled to assume that NLP will make advances in the absence of strict compliance with any or all thereof, and no other person shall, under any circumstances, be deemed to be a beneficiary of this Agreement or the Loan Documents, any provisions of which may be freely waived in whole or in part by NLP or the County at any time if, in their sole discretion, if they deem it desirable to do so.

In particular, NLP and the County make no representations and assume no duties or obligations as to third parties concerning the quality of the construction by Ability of the improvements or the absence thereof of defects. All inspections and other services rendered by or on behalf of NLP or the County shall be rendered solely for the protection and benefit of NLP or the County. Neither Ability nor other third persons shall be entitled to claim any loss or damage against NLP or the County or against its agents or employees for failure to properly discharge their duties.

2. Nothing contained in this Agreement or the Loan Documents shall impose upon NLP or the County any obligation to oversee the proper use or application of any disbursements and advances of funds made pursuant to the Project Loan.
3. Ability shall indemnify NLP and the County, its directors, officers, members, officials, employees and agents, from any third party liability, claims or losses resulting from the (i) disbursement of the proceeds of the Project Loan to Ability or the General Contractor, or (ii) from the construction of the Project, and which third party liability, claims or losses are caused by the negligence or willful misconduct of Ability, but excluding misconduct, bad faith and/or negligence of NLP or the County. This provision shall survive the repayment of the Project Loan and shall continue in full force and effect so long as the possibility of such liability, claims, or losses exists.

4. The headings of the sections, paragraphs and subdivisions of this Agreement are for the convenience of reference only, and shall not limit or otherwise affect any of the terms hereof.
5. If performance of any provision hereof or any transaction related hereto is limited by law, then the obligation to be performed shall be reduced accordingly; and if any clause or provision herein contained operates or would prospectively operate to invalidate this Agreement in part, then the invalid part of said clause or provision only shall be held for naught, as though not contained herein, and the remainder of this Agreement shall remain operative and in full force and effect.
6. The laws of the State of Florida shall govern the interpretation and enforcement of this Agreement. Any and all legal action necessary to enforce the provisions of this Agreement will be held in Orange County, Florida. Venue for any litigation involving this Agreement shall be the Ninth Judicial Circuit Court in and for Orange County, Florida.
7. Whenever the singular or plural number, masculine or feminine or neuter gender is used herein, it shall equally include the others and shall apply jointly and severally.
8. If NLP or the County shall waive any provisions of this Agreement or the Loan Documents, or shall fail to enforce any of the conditions or provisions of this Agreement, such waiver shall not be deemed to be a continuing waiver and shall never be construed as such; and NLP or the County shall thereafter have the right to insist upon the enforcement of such conditions or provisions. Furthermore, no provision of this Agreement shall be amended, waived, modified, discharged or terminated, except by instrument in writing signed by the parties hereto.
9. All notices and other communications to be made or permitted to be made hereunder shall be in writing and shall be delivered to the addresses shown below or to such other addresses that the parties may provide to one another in accordance herewith. Such notices and other communications shall be given by any of the following means: (a) personal service; (b) national express air courier, provided such courier maintains written verification of actual delivery; (c) facsimile; or (d) U.S. Mail Certified Return Receipt. Any notice or other communication given by the means described in subsection (a), (b) or (d) above shall be deemed effective upon the date of receipt or the date of refusal to accept delivery by the party to whom such notice or other communication has been sent. Any notice or other communication given by the means described in subsection (c) above shall be deemed effective the date on which the facsimile transmission occurs or if such date is not a business day on the business day immediately following the date on which the facsimile transmission occurs. Any party may change said address by giving the other parties hereto notice of such change of address in accordance with the foregoing provisions.

As to the County: Housing and Community Development Division  
Attn: Manager  
525 East South Street, Orlando, FL 32801

Copy: Orange County Administrator  
201 South Rosalind Avenue, Orlando, FL 32801

As to Ability: Ability WDC, LLC  
76 South Laura Street, Suite 303, Jacksonville, FL 32202

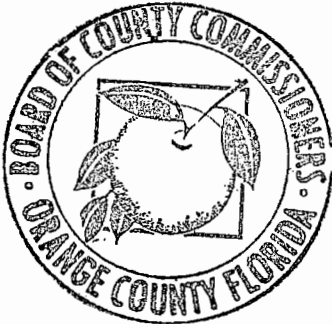
As to NLP: Neighborhood Lending Partners of Florida, Inc.  
3615 West Spruce Street, Tampa, FL 33607

10. This Agreement shall inure to the benefit of and be binding on the parties hereto and their heirs, legal representatives, successors and assigns; but nothing herein shall authorize the assignment hereof by Ability.
11. This Agreement may be executed in one or more counterparts, all of which shall constitute collectively but one and the same instrument.
12. Notwithstanding any other provision herein, all rights, title, interests, covenants and agreements herein are subject to the rights, title, interests, covenants and agreements of the First Mortgagee under their respective mortgage documents.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the dates set forth below.

**ORANGE COUNTY, FLORIDA**

By: Orange County Board of County Commissioners



By:

Teresa Jacobs

Orange County Mayor

Date: 9.19.17

ATTEST: Phil Diamond, CPA, Orange County Comptroller  
As Clerk of the Board of County Commissioners

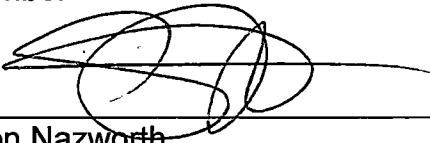
By:

Jessica Vaughn  
for Deputy Clerk

Date: SEP 19 2017

**ABILITY WDC, LLC,**  
a Florida limited liability company

By: **ABILITY HOUSING, INC.,**  
a Florida not-for-profit corporation,  
its sole member

By:   
Shannon Nazworth  
Chief Executive Officer & President

Date: 08/08/2017

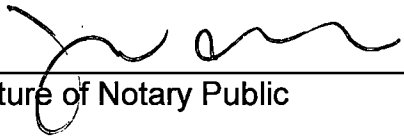
STATE OF FLORIDA  
COUNTY OF DUVAL

Personally appeared before me, the undersigned authority, Shannon Nazworth, well known to me and known by me to be the Chief Executive Officer & President of ABILITY HOUSING, INC., a Florida not-for-profit corporation, the sole member of ABILITY WDC, LLC a Florida limited liability company, and acknowledged before me that she was duly authorized so to do.

WITNESS my hand and official seal in the County and State last aforesaid this 8<sup>TH</sup> day of AUGUST, 2017.



JENNA EMMONS  
MY COMMISSION # FF 131670  
EXPIRES: June 15, 2018  
Bonded Thru Budget Notary Services

  
Signature of Notary Public  
JENNA EMMONS  
Name Printed or Stamped



NEIGHBORHOOD LENDING PARTNERS OF FLORIDA, INC.  
a Florida not-for-profit corporation

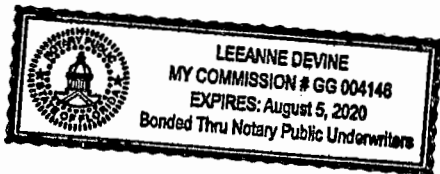
By: [Signature]  
CEO/President

Date: 8-8-17

STATE OF FLORIDA  
COUNTY OF ~~ORANGE~~ Hillsborough

Personally appeared before me, the undersigned authority, Debra Reyes, well known to me and known by me to be the CEO/President of NEIGHBORHOOD LENDING PARTNERS OF FLORIDA, INC., a Florida not-for-profit corporation, and acknowledged before me that he/she was duly authorized so to do.

WITNESS my hand and official seal in the County and State last aforesaid this 8<sup>th</sup> day of August, 2017.



[Signature]  
Signature of Notary Public

Leanne Devine  
Name Printed or Stamped

**EXHIBIT A  
LEGAL DESCRIPTION**

**Borrower:** Ability WDC, LLC  
76 South Laura Street, Suite 303  
Jacksonville, FL 32202

**Project:** Wayne Densch Center  
100, 110, 120, 130, 140, 160, 170 and 180 Kingston Court  
Orange County, Orlando, Florida 32810

**Legal Description:**

Units A,B,C,D,E,F,G and H, Building 1; Units A,B,C,D,E,F, G and H, Building 2; Units A,B,C,D,E,F,G and H, Building 3; Units A, B, C, D, E, F, G and H, Building 4; Units A, B, C, D, E, F, G and H, Building 5; Units A, B, C, D, E, F, G and H, Building 6; Units A B, C, D, E, F, G and H, Building 7; Units A, B, C, D, E, F, G and H, Building 8; KINGSTON COURT, a Condominium according to the Declaration of Condominium thereof, as recorded in Official Records Book 3344, pages 1256-1311, and amendment recorded in Official Records Book 3346, page 1158, and amendment recorded in Official Records Book 3490, page 2281, all in Public Records of Orange County, Florida. Together with all appurtenances pertaining to the units as described above, included, but not limited to an undivided interest in the common elements appurtenant thereto.

**EXHIBIT B**

**LEASE AGREEMENT**

**By and Between**

**SUNSYSTEM DEVELOPMENT CORPORATION,  
D/B/A FLORIDA HOSPITAL FOUNDATION**

**("Landlord")**

**And**

**ABILITY WDC, LLC**

**("Tenant")**

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## LEASE AGREEMENT

**THIS LEASE AGREEMENT** (this "**Lease**") is made and entered into as of January 1, 2016 (the "**Lease Commencement Date**") by and between **SUNSYSTEM DEVELOPMENT CORPORATION**, a Florida not-for-profit corporation, d/b/a **FLORIDA HOSPITAL FOUNDATION** ("**Landlord**") and **ABILITY WDC, LLC**, a Florida limited liability company, ("**Tenant**").

### WITNESSETH:

**WHEREAS**, Landlord owns approximately five (5) acres of real property located in Orlando, Orange County, Florida, which is more particularly described in **Exhibit "A"** attached hereto and made a part hereof by this reference (the "**Real Property**"); and

**WHEREAS**, Landlord owns eight (8) buildings, each containing eight (8) condominium units, and the common areas associated therewith, located entirely on and within the legal boundaries of the Real Property, and which have street addresses of 100, 110, 120, 130, 140, 160, 170 and 180 Kingston Court, Orlando Florida 32810, and which are collective known as the "**Wayne Densch Center**", and which are more particularly described in **Exhibit "B"** attached hereto and made a part hereof by this reference (the "**Buildings**", and together with the Real Property, the "**Premises**"); and

**WHEREAS**, Landlord desires to have Tenant operate housing for the benefit of the homeless community on the Premises; and

**WHEREAS**, Tenant desires to lease the Premises from Landlord, and Landlord desires to lease the Premises to Tenant according to the terms and conditions set forth herein; and

**WHEREAS**, Landlord and Tenant now desire to set forth in writing the terms and conditions of their agreement.

**NOW, THEREFORE**, for and in consideration of the mutual covenants herein made and the acts to be performed by the parties, the sufficiency of which is hereby acknowledged, Landlord and Tenant agree as follows:

### ARTICLE I: PREMISES AND POSSESSION

**Section 1.01 Premises**. In consideration of the payment of the rent and the keeping and performing of the covenants and agreements by Tenant hereinafter set forth, and upon the other terms and conditions contained herein, Landlord hereby leases unto Tenant, on an exclusive basis, the Premises.

**Section 1.02 Delivery of Possession**. The term of this Lease shall commence on the Lease Commencement Date. On the Lease Commencement Date, Landlord shall deliver to Tenant full and exclusive possession of the Premises in its current "**AS IS**" condition. If Landlord is unable to deliver possession of the Premises to Tenant on the Lease Commencement Date, and such



delay continues for thirty (30) days, Tenant may terminate the Lease without further liability hereunder upon providing written notice of such termination to Landlord.

**Section 1.03 Title.** Landlord represents and warrants that as of the Lease Commencement Date, (a) it owns fee simple title to the Premises, subject only to the matters of title identified in Exhibit "C" attached hereto and made a part hereof, (b) it has the sole, complete, and exclusive right to lease the Premises to Tenant, (c) no third parties have any rights (whether exercisable now or at any time in the future) of purchase, lease, occupancy, use or otherwise, to the Premises (or any portion thereof), (d) to Landlord's knowledge, all equipment, machinery, utilities, appliances and/or apparatus located in the Premises are in good working condition as of the date of Tenant's occupancy of the Premises, (e) to Landlord's knowledge, as of the Lease Commencement Date, there are no Hazardous Materials or substances in, around, or under the Premises, common areas, the Real Property and the Buildings, except as set forth in Exhibit "E" attached to the Lease and made a part hereof by this reference, and (f) to Landlord's knowledge, as of the Lease Commencement Date, the Premises, common areas, Real Property and Buildings are in compliance with all Legal Requirements.

## ARTICLE II: TERM

**Section 2.01 Initial Term.** Subject to the provisions hereof, Tenant shall have and hold the Premises for a term of twenty (20) years (the "Initial Term") commencing on the Lease Commencement Date, unless earlier terminated as provided herein. The Initial Term and, if applicable, the Renewal Term (as defined herein), shall collectively be known as the "Term".

**Section 2.02 Renewal Term.** At the end of the Initial Term, provided there are no uncured defaults by Tenant under this Lease, Tenant may elect to renew the Lease for an additional five (5) years, and the terms and conditions of the Lease shall remain the same as during the Initial Term, except the rent amount shall adjust as identified in Exhibit "D" attached hereto and made a part hereof by this reference. The renewal period subsequent to the Initial Term shall be known as a "Renewal Term".

## ARTICLE III: RENT

**Section 3.01 Agreement to Pay.** Tenant agrees to pay Landlord rent during the Term as provided in this Article III.

**Section 3.02 Rent.** Tenant shall pay Landlord rent for the Premises in the amounts set forth in the Rental Rate Addendum attached hereto as Exhibit "D". Tenant will pay rent in annually in advance on the first day of each Lease Year during the Term. The rent for any partial Lease Year shall be prorated on a per diem basis. Unless exempt, Tenant shall pay to Landlord all sales and use taxes payable with respect to the rent and all other sums payable under this Lease by Tenant and classified as rent by the taxing authorities. As used herein, the term "Lease Year" shall mean each twelve (12) month period during the Term, beginning on the Lease Commencement Date, and on each anniversary of such date thereafter during the Term.

**Section 3.03 Adjustment to Rent.** The rent shall be adjusted pursuant to **Exhibit "D"**.

**Section 3.04 Additional Rent.** All taxes, charges, costs and expenses which Tenant assumes or agrees to pay under any provision of this Lease (unless Tenant is exempt from such) shall constitute additional rent.

**Section 3.05 Net Lease.** This Lease is a "net" Lease. Accordingly, Tenant shall pay all expenses, costs, taxes, fees and charges arising in connection with the Premises during the Term arising as a result of Landlord's grant of the rights described in this Lease, including recording fees for the Short Form Lease Agreement attached hereto as **Exhibit "F"** and made a part hereof by this reference, intangible personal property taxes, ad valorem real estate taxes, costs of design and construction of interior alterations, costs of any leasehold title insurance policy obtained by Tenant, utility charges and all insurance premiums. Tenant shall pay all rent and all other charges due under this Lease without notice or demand.

**Section 3.06 Form of Payment.** All payments of rent and other sums required to be made to Landlord shall be in lawful money of the United States of America and shall be paid to Landlord at the address set forth in Article XVIII hereafter, or to such other person and/or at such other place as Landlord may designate from time to time in writing.

**Section 3.07 Late Payments.** In the event Tenant fails to pay any payment or installment of rent, additional rent or other sum due Landlord within ten (10) days after Tenant's receipt of written notice from Landlord that such installment or payment is overdue, such delinquent amount shall bear interest at a rate per annum (the "**Interest Rate**") equal to the lesser of (i) five percent (5%) over the then prime rate of Citibank, N.A. or (ii) the highest nonusurious rate permitted by Florida law until such time as payment thereof is made to Landlord.

#### **ARTICLE IV: USE OF THE PREMISES**

**Section 4.01 General Use of Premises.** Tenant covenants and agrees to only and solely use, manage and operate the Premises for the Wayne Densch Center for the benefit of the homeless community in Central Florida, and all other uses incidental thereto, and for no other use or purpose (the "**Project**"). The Buildings, and the housing on the Premises, must, during the Term, be named and called the "**Wayne Densch Center.**" Tenant shall carry on its business on the Premises in a reputable manner comparable to other housing for the benefit of the homeless community operated by Tenant throughout the State of Florida, and shall not do, omit, permit, or suffer to be done or exist upon the Premises anything which shall result in a nuisance, hazard, or bring about a breach of any provision of this Lease or any applicable present or future governmental or quasigovernmental laws, ordinances, rules, regulations, codes, or orders ("**Legal Requirements**").

**Section 4.02 No Referrals Required.** Landlord and Tenant expressly acknowledge and agree that this Lease is not entered into for the purpose of requiring or inducing referrals or patient admissions to any medical facility affiliated with Landlord.

**Section 4.03 Surrender of Improvements.** All permanent leasehold improvements (the "**Improvements**") constructed by Tenant during the Term (with the exception only of movable trade fixtures, furniture, furnishings, or other personal property owned by Tenant) shall be

surrendered to and become the absolute property of Landlord upon the expiration or earlier termination of this Lease, whether by expiration of time or otherwise as provided herein.

## **ARTICLE V: MAINTENANCE AND REPAIRS**

**Section 5.01 Maintenance and Repairs by Tenant.** Tenant hereby assumes the full, complete and sole responsibility for the renovation, condition, operation, repair, maintenance, operation and management of the Premises. Landlord shall not be required to furnish any services or facilities or to make any repairs, renovations or alterations in or to the Premises throughout the Term unless such repairs, renovations or alterations in or to the Premises are required as a result of the negligence or willful misconduct of Landlord. Tenant shall at all times during the Term, at its sole cost and expense, put, keep, repair and maintain the Premises in good and safe order, condition and repair and in compliance with all applicable law, whether now existing or hereinafter enacted. Tenant shall maintain the Premises in as good a condition as they exist on the Lease Commencement Date, ordinary wear and tear excepted.

**Section 5.02 Immediate Repairs by Tenant.** Tenant has heretofore conducted and performed inspections of the Premises, and, in September, 2015, Tenant performed a needs assessment of the Premises, including, specifically, the Buildings, and has identified certain capital improvements needs, renovations and repairs including, but not limited to, the addition of office areas on the Premises, that must be undertaken and completed as soon as reasonably practicable after the Lease Commencement Date. Accordingly, Tenant, at its sole cost and expense, agrees to permit (as may be required by local governing jurisdictions), commence and undertake such capital improvements needs, renovations and repairs, and to complete the same in good faith and with due diligence as soon as reasonably practicable thereafter.

## **ARTICLE VI: ALTERATIONS; SIGNAGE**

**Section 6.01 Alterations.** Other than those renovations, repairs, additions, and/or alterations required pursuant to Section 5.02 above, which Landlord hereby approves, and interior alterations and improvements within the Buildings, Tenant shall not, without obtaining Landlord's prior written consent, which shall not be unreasonably withheld, conditioned or delayed (and shall be deemed given if not rejected in writing and delivered to Tenant within ten (10) business days after receipt of request therefor), (a) make or construct any other buildings or improvements on the Real Property except for interior leasehold improvements and alterations within the Buildings which shall not require the prior written consent of Landlord (the "**Alterations**"), (b) make any structural changes to the Buildings which would materially adversely affect any of the systems and equipment located outside of the Buildings, or (c) install any fixtures outside the Buildings or otherwise materially alter the structure of the exterior of the Buildings. Any Alterations or improvements made by Tenant shall be done in a good and workmanlike manner and in accordance with all applicable laws and regulations. Upon expiration or termination of this Lease, all Alterations and improvements constructed by Tenant shall become the property of Landlord without the obligation to make any payment therefor. So long as this Lease remains in full force, any improvements or Alterations located on or constructed by Tenant anywhere on the Premises shall (except for those owned by tenants) be owned by Tenant.

**Section 6.02 Removal of Improvements.** Except in connection with restoration after a casualty or condemnation, Tenant shall not demolish, raze and/or remove any buildings and improvements now or hereafter erected on the Real Property without Landlord's prior written consent, which Landlord may condition or withhold in Landlord's sole and absolute discretion.

**Section 6.03 Signage; Use of Name.** Tenant, at its expense, shall be permitted to erect and construct signs anywhere on the Premises inside or outside the Buildings without the need for Landlord's approval as long as all signage identifies the housing operated on the Premises as the "Wayne Densch Center", and complies with applicable law.

## **ARTICLE VII: ATTORNMENT; RIGHT TO SHOW**

**Section 7.01 Attornment Agreement.** Tenant shall attorn to any successor of the Landlord and shall continue to observe and perform Tenant's obligations under this Lease and pay rent to whomsoever may be lawfully entitled to same from time to time, provided that Landlord's successor assumes in writing all of Landlord's liabilities, obligations and duties under this Lease.

**Section 7.02 Right to Show.** During the last eighteen (18) months of the Term of this Lease, upon providing Tenant with at least forty-eight (48) hours prior written notice, Tenant shall permit the Landlord or its agents to show the Real Property at any reasonable time or times, during business hours and with reasonable prior notice, to persons who may desire to purchase the same. During the last eighteen (18) months of the Term of this Lease, Landlord shall have the right to place upon the Real Property notices which offer the Premises for sale.

## **ARTICLE VIII: LANDLORD'S WARRANTIES**

**Section 8.01 General Warranties.** In addition to the representations and warranties in Section 1.03, Landlord warrants and represents, upon which warranty and representation Tenant has relied in the execution of this Lease, that the party named herein as Landlord is the sole owner of the Real Property and the Buildings in fee simple absolute, and that it has full right, authority and power to lease the Real Property and the Buildings unto Tenant for the Term hereof.

**Section 8.02 Quiet Use and Possession.** Upon the payment by Tenant of the rent provided in Article III and upon performance of the covenants and conditions by Tenant herein contained (subject to applicable notice and cure periods), Landlord covenants and warrants that Tenant shall and may peaceably and quietly have, hold and enjoy the Premises for the Term without hindrance or interruption and that Landlord will defend Tenant in such peaceful and quiet use and possession of the Premises against the claims of any person claiming under Landlord.

## **ARTICLE IX: COMPLIANCE WITH LAWS: HAZARDOUS MATERIALS**

**Section 9.01 Compliance with Laws.** During the Term, Tenant shall comply with and cause the Premises to be in compliance with all Legal Requirements applicable to the Premises.

**Section 9.02 Hazardous Materials.**

(a) Definitions. The term "**Hazardous Materials**" shall mean any waste, biomedical waste, trash, garbage, industrial by-product, chemical or hazardous substance

of any nature, including without limitation, radioactive materials, phenylchlorobenzenes (PCBs), asbestos, petroleum, materials known to cause cancer or reproductive problems and those materials, substances and/or wastes, including infectious waste, medical waste, and potentially infectious biomedical waste, which are or later become regulated by any local governmental authority, the State of Florida or the United States Government, pesticides, herbicides, pesticides or herbicide containers, untreated sewage, industrial process sludge, including, but not limited to, substances defined as "hazardous substances," "hazardous materials," "toxic substances" or "hazardous wastes" in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. §9601, et seq.; the Hazardous Materials Transportation Act, 49 U.S.C. §1801, et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. §6901, et seq.; all corresponding and related State of Florida and local statutes, ordinances and regulations, including, without limitation, any dealing with underground storage tanks; and any other environmental law, regulation or ordinance now existing or hereinafter enacted (collectively, the "**Environmental Requirements**").

(b) Use. Tenant hereby agrees that Tenant and Tenant's officers, directors, employees, representatives, agents, contractors, subcontractors, successors, assigns, lessees, sublessees, concessionaires, invitees and any other occupants of the Premises (for these purposes, "**Occupants**") shall comply with all applicable Environmental Requirements. The term "**Occupant**" shall exclude Landlord.

(c) Remediation of Hazardous Materials. If at any time during the Term any contamination of the Premises by Hazardous Materials shall occur where such contamination is caused by the act or omission of the Tenant or Occupants ("**Tenant Contamination**"), then Tenant, at its sole cost and expense, shall promptly and diligently remove such Hazardous Materials from the Premises. In addition to all other rights and remedies of the Landlord hereunder, if Tenant does not promptly and diligently take all steps to prepare and obtain all necessary approvals of a remediation plan for any Tenant's Contamination, Landlord, at its sole discretion, shall have the right, but not the obligation, to cause remediation to be accomplished, and Tenant shall reimburse Landlord within fifteen (15) business days of Landlord's demand for reimbursement of all amounts reasonably and actually paid by Landlord when said demand is accompanied by proof of payment by Landlord of the amounts demanded. Tenant's obligations under this Section 9.02 shall not apply to any condition or matter constituting a violation of any Environmental Requirements: (i) which existed prior to the commencement of Tenant's use or occupancy of the Premises; (ii) which was not caused, in whole or in part, by Tenant or Occupants; or (iii) to the extent such violation is caused by, or results from the acts, omissions or neglects of Landlord or Landlord's agents, employees, officers, partners, contractors, guests, or invitees.

**Section 9.03 Landlord's Representations, Warranties and Environmental Related Obligations.** Landlord represents and warrants to Tenant, that, as of the Lease Commencement Date, Landlord has no actual knowledge of any Hazardous Materials or underground storage tanks at or under the Real Property or the Buildings, except as set forth in **Exhibit "E"** attached hereto and made a part hereof, and Landlord has no actual knowledge of any current or pending investigations relating to, or potential release of Hazardous Materials from, under and/or onto,

the Real Property. In the event of a breach by Landlord of any of the representations and warranties contained in this Article IX, Landlord shall be liable to Tenant for money damages in an amount equal to Tenant's actual damages and losses.

**Section 9.04 Survival.** All representations, obligations, indemnities, and warranties made or given under this Article shall survive the expiration or earlier termination of this Lease.

## **ARTICLE X: CONSTRUCTION LIENS**

**Section 10.01 No Liens.** Tenant will not create or permit to be created or to remain, and will promptly discharge, at its sole cost and expense, any lien, encumbrance or charge upon the Premises, any part thereof or upon Tenant's leasehold interest, which arises out of the use or occupancy of the Premises by Tenant. If any such lien is filed against the Premises, Tenant shall indemnify, defend and hold Landlord harmless against any losses, claims or expenses (including, without limitation, reasonable attorneys' fees and costs) incurred as a result of the assertion of any such lien or claim of lien. Within thirty (30) days after notice of the filing thereof, Tenant shall cause such lien or claim to be released or discharged with respect to the Premises by payment or bonding. If Tenant fails to transfer or discharge the claim or lien, Landlord may transfer the claim or lien to bond or other security and Tenant shall pay Landlord all amounts so incurred. Tenant and Landlord agree to execute a Short Form Lease Agreement, in the form attached as Exhibit "F" and made a part hereof, to be recorded in the Public Records of Orange County, Florida for the purpose of giving notice of the existence of this Lease.

**Section 10.02 Contests.** Tenant shall not be required, nor shall Landlord have the right, to pay, discharge, or remove any charges, liens or encumbrances, or to comply with any Legal Requirements applicable to the Premises or any portion thereof, so long as Tenant contests the existence, amount or validity of the matter in question by appropriate proceedings. This right of Tenant to withhold performances while proceedings are pending shall apply only if Tenant's proceedings effectively prevent any sale, forfeiture or loss of the Premises that could otherwise result from Tenant's refusal to pay, discharge, or remove any charges, liens or encumbrances applicable to the Premises. Nothing contained in this Section shall be deemed to relieve Tenant from any obligation to pay the rent or other obligations hereunder not contested by Tenant. Tenant shall give such reasonable security as may be demanded by Landlord to insure ultimate payment of the amounts and compliance with the Legal Requirements contested. Landlord shall not be required to join in any contest by Tenant pursuant to this Section unless the law or regulations then in effect require that the proceeding be brought by or in the name of Landlord. In such event, Landlord shall join the proceedings or permit them to be brought in its name; however, Landlord will not be subjected to any liability for the payment of any costs or expenses in connection with any contest or proceedings and Tenant shall indemnify Landlord against and save Landlord harmless from any of such costs and expenses.

## **ARTICLE XI: TAXES, ASSESSMENTS AND OTHER CHARGES: UTILITIES**

**Section 11.01 Taxes, Assessments and Other Charges.** Unless exempt, Tenant shall pay, prior to delinquency all taxes, assessments, levies, fees, fines, penalties and all other governmental charges, general and special, ordinary and extraordinary, foreseen and unforeseen, which are during the Term, hereof, imposed or levied upon or assessed against the Premises, or any portion

thereof. Tenant shall not be required to pay any income or franchise taxes imposed on Landlord as a result of rent or additional rent paid by Tenant hereunder. If Tenant fails to pay any of the foregoing before such becomes delinquent, Landlord, after written notice to Tenant and Tenant's failure to cure within ten (10) business days after receipt of said written notice, may pay such delinquent taxes, assessments, levies, fees, fines, penalties and/or other governmental charges, and all expenditures and costs incurred thereby shall be payable by Tenant as additional rent hereunder within ten (10) business days after such written notice to Tenant. Tenant shall pay all amounts hereunder to the appropriate taxing and/or governmental authority. Tenant shall provide proof of payment to Landlord of any sums payable by Tenant hereunder within ten (10) business days of making payment for same.

**Section 11.02 Prorations.** All real estate taxes and assessments which are due and payable in the first year of the Term or within one (1) year after the expiration of the Term shall be prorated as of the Lease Commencement Date or the date of expiration, whichever is applicable, on the basis of the fiscal year with respect to which such taxes or assessment are assessed. Tenant shall be responsible for and shall pay the portion of such taxes relating to the period beginning with the Lease Commencement Date through and including the expiration of the Term. Landlord shall be responsible for paying any real property taxes and assessments attributable to the Premises to the Lease Commencement Date.

**Section 11.03 Utilities.** Tenant, at its sole cost and expense, shall obtain and promptly pay for all utility, communication and other services furnished to or consumed on the Premises, including, but not limited to, electricity, cable, gas, water, sewer, heat, telephone, janitorial, garbage collection, and all charges related to any of these services.

## **ARTICLE XII: INSURANCE; INDEMNIFICATION**

**Section 12.01 Tenant's Insurance.** Tenant shall, throughout the Term (and any other period when Tenant is in possession of the Premises), procure and maintain, at its sole cost and expense, the following insurance:

(a) Special form (formerly known as all risks) property insurance, naming Tenant and Landlord as insured parties, and any mortgagee of Landlord as additional insureds, containing a waiver of subrogation rights which Tenant's insurers may have against Landlord and against those for whom Landlord is in law responsible, including, without limitation, its directors, officers, agents, and employees. Such insurance shall insure the Buildings and all other improvements, as well the Real Property, in an amount not less than the full replacement cost thereof (new), with such cost to be adjusted no less than annually, with no coinsurance penalty provision. In the event Tenant is not able to obtain the insurance required in this subsection (a), Tenant shall immediately notify Landlord in writing, and Landlord shall procure and obtain such insurance, and Tenant shall reimburse Landlord for the cost thereof within ten (10) days of Landlord presenting to Tenant an invoice setting forth the cost of such insurance.

(b) Commercial general liability insurance against claims for personal injury or property damage commonly covered by comprehensive general liability insurance with endorsements for incidental malpractice, contractual, personal injury, owner's protective



liability, voluntary medical payments, products and completed operations, broad form property damage, and extended bodily injury, with commercially reasonable amounts for bodily injury, property damage, and voluntary medical payments acceptable to Landlord, but with limits of not less than \$2,000,000 for each occurrence, \$2,000,000 for personal injury and \$2,000,000 for general aggregate coverage; and shall include Landlord and any mortgagee of Landlord as additional insureds.

(c) Worker's compensation and employer's liability insurance in compliance with applicable Legal Requirements.

(d) If the Premises is located, in whole or in part, in a federally designated 100 year flood plain area, flood insurance for the Buildings in an amount equal to the lesser of (i) the full replacement value of the Buildings; or (ii) the maximum amount of insurance available for the Buildings under all federal and private flood insurance programs.

(e) In connection with any construction, Tenant shall maintain in full force and effect a builder's completed value risk policy ("**Builder's Risk Policy**") of insurance in a nonreporting form insuring against all "**Special Form**" risk of physical loss or damage to the improvements located at the Premises, including, but not limited to, risk of loss from fire and other hazards, collapse, transit coverage, vandalism, malicious mischief, theft, and sinkholes (if usually recommended in the area of the Premises). The Builder's Risk Policy shall include endorsements providing coverage for building materials and supplies and temporary premises. The Builder's Risk Policy shall be in the amount of the full replacement value of the improvements located at the Premises and shall contain a deductible amount acceptable to Landlord. Landlord shall be named as an additional insured. The Builder's Risk Policy shall include an endorsement permitting initial occupancy.

All policies referred to above shall (i) be taken out with insurers licensed to do business in the state of Florida and reasonably acceptable to Landlord; (ii) be in a form reasonably satisfactory to Landlord; (iii) be non-contributing with, and shall apply only as primary and not as excess to any other insurance available to Landlord; (iv) contain an undertaking by the insurers to notify Landlord not less than thirty (30) days prior to any material change, cancellation, or termination, and (v) with respect to subsection 12.01(a), contain replacement cost, demolition cost, and increased cost of construction endorsements. The following provisions shall apply if Landlord now or hereafter places a mortgage on the Premises or any part thereof: (1) Tenant shall obtain a standard form of lender's loss payable clause insuring the interest of the mortgagee; (2) Tenant shall deliver evidence of insurance to such mortgagee; (3) loss adjustment shall require the consent of the mortgagee; and (4) Tenant shall provide such other information and documents as may be required by the mortgagee. If (A) Tenant fails to take out or to keep in force any insurance referred to in this Section, or should any such insurance not be approved by Landlord, and (B) Tenant does not commence and continue to diligently cure such default within five (5) business days after written notice by Landlord to Tenant specifying the nature of such default, then Landlord has the right, without assuming any obligation in connection therewith, to obtain such insurance at the sole cost of Tenant and all outlays by Landlord shall be paid by Tenant to Landlord without prejudice to any other rights or remedies of Landlord under this Lease. Tenant shall not keep or use in the Premises any article



which may be prohibited by any fire or casualty insurance policy in force from time to time covering the Premises or any improvements thereon.

**Section 12.02 Evidence of Coverage and Payment of Premium.** Tenant further covenants and agrees that it will pay all premiums and charges on all of the above insurance promptly when the same become due, and if it shall fail to do so after notice within five (5) business days after notice thereof, Landlord may, but shall not be obligated to, place such insurance or pay the premiums and charge therefor, and, in the event of such payment, the amount paid shall be added as additional rent to the installment of rent next accruing or to any subsequent installment and shall be collectible as additional rent in the same manner and with the same remedies as if it has been originally reserved as rent.

**Section 12.03 Certificates.** Upon the commencement of the Term, Tenant shall deliver to Landlord certificates of insurance evidencing the insurance required to be maintained under this Article. Tenant also shall deliver to Landlord at least ten (10) days prior to the expiration date of any such policy or policies or any other policies required to be maintained under this Article (or of any renewal policy or policies), certificates for the renewal policies of such insurance. Tenant covenants to furnish Landlord promptly upon Landlord's request copies of insurance policies required to be maintained by Tenant hereunder, certified (if obtainable) by the insurance carrier or broker as being complete and current.

**Section 12.04 Waiver.** Landlord and Tenant each hereby release and waive all right each of them would have against the other, arising from or caused by any hazard covered by insurance required to be maintained hereunder on the Premises, excluding any liabilities related to any breach by Landlord of any representations and warranties contained in Article IX hereof. Anything in this Lease to the contrary notwithstanding, Landlord hereby releases and waives unto Tenant (including all partners, stockholders, officers, directors, employees and agents thereof), its successors and assigns, and Tenant hereby releases and waives unto Landlord (including all partners, stockholders, officers, directors, employees and agents thereof), its successors and assigns, all rights to claim damages for any injury, loss, cost or damage to the Buildings, the Premises, the Real Property or any other property, as long as the amount of such injury, loss, cost or damage is covered by insurance maintained or required to be maintained by the parties under the terms of this Lease. As respects all policies of insurance carried or maintained pursuant to this Lease and to the extent permitted under such policies, Tenant and Landlord each waive the insurance carriers' rights of subrogation.

**Section 12.05 Indemnification.** As additional consideration for Landlord leasing the Premises to Tenant as provided in this Lease, and in addition to any other obligations and responsibilities of Tenant set forth in this Lease, Tenant does hereby agree to indemnify and hold Landlord harmless from and against any and all costs, expenses, damages, losses, claims and liabilities of any kind and nature related to and/or arising out of, directly or indirectly, Tenant's occupancy, possession, operation, management, maintenance, and/or repair of the Premises or any part thereof, including, without limitation, attorney's fees and costs incurred by Landlord at trial, on appeal or in bankruptcy. Landlord does hereby agree to indemnify and hold Tenant harmless from and against any and all costs, expenses, damages, losses, claims and liabilities of any kind and nature related to and/or arising out of, directly or indirectly, Landlord's occupancy,

operation, acts or omissions in any portion of the Premises or any part thereof, including, without limitation, attorney's fees and costs incurred by Tenant at trial, on appeal or in bankruptcy.

### **ARTICLE XIII: ADDITIONAL COVENANTS OF TENANT**

**Section 13.01 Additional Covenants of Tenant.** Tenant covenants and agrees to the following additional requirements of Landlord in connection with the operation and management of the Wayne Densch Center on the Premises:

(a) Sublease to Landlord. Upon the written request of Landlord, Tenant agrees to sublease to Landlord up to five (5) units, or up to ten (10) beds, on the Premises for the time period or periods requested by Landlord, for a rental of FOUR HUNDRED FIFTY AND NO/100 DOLLARS (\$450.00) per month per bed, based on a minimum lease of one (1) year. The rental rate herein shall be reviewed annually and adjusted by Tenant in its commercially reasonable discretion. As additional consideration for Tenant subleasing to Landlord certain units on the Premises as aforesaid, Landlord does hereby agree to indemnify and hold Tenant harmless from and against any and all costs, expenses, damages, losses, claims and liabilities of any kind and nature related to and/or arising out of, directly or indirectly, Landlord's occupancy and possession of any such units on the Premises, including, without limitation, attorney's fees and costs incurred by Tenant at trial, on appeal or in bankruptcy.

(b) Operation and Management of the Wayne Densch Center. Tenant acknowledges that the Premises have heretofore been used for housing for the benefit of the homeless community in Central Florida, and that the Premises were donated to Landlord by the prior owner of the Premises upon the condition and with the understanding that the Premises would continue to be used for as housing for the benefit of the homeless community and be forever known as the "**Wayne Densch Center.**" Accordingly, Tenant acknowledges and agrees that the Premises are to be used solely for the operation and management of the Wayne Densch Center as housing for the benefit of the homeless community in Central Florida. In the performance of its responsibilities and obligations under this Lease, Tenant shall operate and manage the Wayne Densch Center consistent with the standards, processes and procedures utilized and followed by Tenant in the operation and management of its other housing for the benefit of the homeless community in Florida. Landlord shall have an appointed seat on the Board of Directors of the Wayne Densch Center.

(c) Intentionally Omitted.

(d) Tenant has represented to Landlord, and Tenant hereby confirms, that Tenant is a §501(c)(3) tax exempt, not-for-profit corporation. Tenant shall immediately and without delay inform Landlord to any change with respect to Tenant's §501(c)(3) status. Landlord hereby represents and warrants to Tenant that it is a §501(c)(3) tax exempt, not-for-profit corporation.

## **ARTICLE XIV: CONDEMNATION AND CASUALTY**

### **Section 14.01 Condemnation**

(a) Total Condemnation. If all of the Real Property, the Buildings, and any and/or all of any other buildings and improvements located thereon are taken by the exercise of the power of eminent domain, this Lease shall terminate as of the date possession is taken by the condemning authority, and prepaid rent or unpaid rent, and all other amounts due pursuant to the provisions of this Lease shall be prorated accordingly but shall no longer be due and owing as of the termination date. Determining whether the Real Property, the Buildings, and any other buildings and improvements located thereon are totally condemned shall be in the sole discretion of Landlord. The entire compensation award attributable to the Real Property, the Buildings, and any other buildings and improvements shall belong to Landlord.

(b) Partial Condemnation. If less than all of the Real Property, the Buildings, and any other buildings and improvements located thereon are taken by the exercise of the power of eminent domain, and sufficient portions of the Premises remain for Tenant to be able to exercise and enjoy its rights under this Lease, then, in such event, this Lease shall terminate as to the portions of the Premises taken as of the date possession is taken by the condemning authority, and prepaid rent or unpaid rent, and all other amounts due pursuant to the provisions of this Lease shall be prorated accordingly based on the ratio the portion of the Premises so taken bears to the remaining Premises not taken. Determining the foregoing shall be in the sole discretion of Landlord. The entire compensation award attributable to the Real Property, the Buildings, and any other buildings and improvements shall belong to Landlord.

(c) Cooperation in Making Claims. Landlord and Tenant shall, in connection with any eminent domain proceedings, cooperate in making all claims for damages and bringing suit or action.

**Section 14.02 Casualty, Obligation to Rebuild or Repair.** If any of the Buildings shall be damaged or rendered wholly or partially untenable by fire or other casualty during the Term, Landlord shall have the option, in its sole and absolute discretion, to either (i) rebuild or repair such damage or casualty such that the affected Building or Buildings are rebuilt and/or repaired to the condition existing immediately prior to such occurrence as is practical and reasonable, or (ii) terminate this Lease upon thirty (30) days written notice to Tenant. Tenant shall have the option of terminating the Lease if Landlord elects to repair and rebuild such damage or casualty, and Landlord has failed to repair or restore the damaged portions of the Premises within one hundred twenty (120) days of the damage or casualty.

## **ARTICLE XV: ASSIGNMENT: SUBLEASE**

**Section 15.01 Assignment or Sublease.** Except for subleases of housing units on the Premises and as otherwise expressly set forth herein, Tenant may not assign this Lease or any interest herein, by operation of law or otherwise, or sublet the Real Property or the Buildings, or any unit in any of the Buildings, without Landlord's prior written consent, which consent Landlord may

condition or withhold in Landlord's sole and absolute discretion; provided, however, notwithstanding the foregoing, Tenant shall have the right to grant subleases or licenses without Landlord's consent to homeless persons in the operation and management of the Wayne Densch Center to benefit the homeless community of Central Florida. Notwithstanding anything contained in this Lease to the contrary, Tenant may assign the Lease or sublease part or all of the Premises without Landlord's consent to: (i) any parent, subsidiary or affiliate of Tenant; (ii) any entity resulting from the merger or consolidation with Tenant; or (iii) any entity that acquires all or substantially all of Tenant's assets as a going concern of the business that is being conducted on the Premises.

## **ARTICLE XVI: DEFAULT**

**Section 16.01 Tenant Events of Default.** The occurrence of any one or more of the following events shall constitute an event of default by Tenant ("**Event of Default**") under this Lease:

(a) **Failure to Pay Rent.** A failure by Tenant to make any payment of rent which continues unremedied for a period of ten (10) days after written notice thereof is given to Tenant by Landlord, or any payment of additional rent or other sum herein required to be paid by Tenant which continues unremedied for a period of ten (10) days after written notice thereof is given to Tenant by Landlord; provided, however, that Tenant shall only be entitled to three (3) notices of nonpayment of rent during any twelve (12) month period.

(b) **Failure to Observe Lease Covenants.** A failure by Tenant to perform and observe, or a violation or breach of, any other provision in this Lease and such default shall continue for a period of thirty (30) days after written notice thereof is given by Landlord to Tenant, or if such default is of a nature that it cannot be reasonably cured within such period, such period shall be extended for such longer time as is reasonably necessary (but in no event beyond one hundred twenty (120) days), provided that Tenant has commenced to cure such default within said period of thirty (30) days and is actively, diligently, and in good faith proceeding with continuity to remedy such default, and further provided that any delay in curing such default shall not result in a material adverse effect on the value of the Real Property.

(c) **Bankruptcy or Debtor Relief.** Tenant shall (i) voluntarily be adjudicated a bankrupt or insolvent, (ii) consent to the appointment of a receiver or trustee for itself, (iii) file a petition in bankruptcy, or a petition or answer seeking reorganization under the Federal Bankruptcy Code, or a petition seeking relief under any other debtor relief law, or (iv) file a general assignment for the benefit of creditors, or there is filed against Tenant a petition in bankruptcy, or a petition or answer seeking reorganization under the Federal Bankruptcy Code, or any other applicable law or statute.

**Section 16.02 Remedies.** In the case of an Event of Default under this Lease by Tenant, then without prejudice to any other rights which it has pursuant to this Lease or at law or in equity, Landlord shall have the following rights and remedies, which are cumulative and not alternative:

(a) Landlord may cancel this Lease and retake possession of the Premises for Landlord's account, or may terminate Tenant's right to possession (without terminating this Lease), for the account of Tenant. In either event, Tenant shall then quit and surrender the Premises to Landlord. Tenant's liability under all of the provisions of this Lease shall continue notwithstanding any expiration and surrender, or any reentry, repossession, or disposition hereunder.

(b) Landlord may enter the Premises as agent of Tenant to take possession of any property of Tenant on the Premises, to store such property at the expense and risk of Tenant or to sell or otherwise dispose of such property in such manner as Landlord may see fit. Landlord shall not be liable in any way in connection with its actions pursuant to this Section, to the extent that its actions are in accordance with applicable Legal Requirements.

(c) If Tenant's right to possession is terminated (without terminating this Lease) under the provisions of this Section, Tenant shall remain liable (in addition to accrued liabilities) to the extent legally permissible for all rent and all of the charges Tenant would have been required to pay until the date this Lease would have expired had such cancellation not occurred. Tenant's liability for rent shall continue notwithstanding reentry or repossession of the Premises by Landlord.

(d) Landlord may relet all or any part of the Premises for all or any part of the unexpired portion of the Term of this Lease or for any longer period, and may accept any reasonable rent then attainable; grant any necessary concessions of rent, and agree to paint or make any special repairs, alterations, and decorations for any new Tenant as it may deem advisable in its sole and absolute discretion. Landlord shall be under no obligation to relet or to attempt to relet the Premises, except as expressly set forth below.

(e) Landlord may remedy or attempt to remedy any Event of Default of Tenant under this Lease for the account of Tenant and may enter upon the Premises for such purposes. Landlord shall not be liable to Tenant for any reasonable loss or damage caused by acts of Landlord in remedying or attempting to remedy such default and Tenant shall pay to Landlord all reasonable expenses incurred by Landlord in connection with remedying or attempting to remedy such default. Any expenses incurred by Landlord shall accrue interest from the date of payment by Landlord until repaid by Tenant at the highest rate permitted by law.

**Section 16.03 Landlord Events of Default.** If Landlord shall fail to observe or perform any provision hereof and such failure shall continue for thirty (30) days after written notice by Tenant to Landlord of such failure, then a default of Landlord shall exist under this Lease; provided, however, that in the case of any such failure which cannot with diligence be cured within such thirty (30) day period, if Landlord shall commence promptly to cure the same and thereafter prosecute the curing thereof with diligence, the time within which such failure may be cured shall be extended for such period as is necessary to complete the curing thereof with diligence.

**Section 16.04 Limitation on Damages.** Notwithstanding anything to the contrary contained herein, neither party to this Lease shall be liable hereunder to the other for special, incidental, consequential or punitive damages.

#### **ARTICLE XVII: ESTOPPEL CERTIFICATES: SUBORDINATION**

**Section 17.01 Estoppel Certificate.** Within twenty (20) days after request in writing by either party, the other party will furnish a written statement in form and substance reasonably acceptable to such requesting party, duly acknowledged, of the fact that this Lease is in full force and effect, the current rents payable hereunder, and that there are no uncured defaults hereunder by Landlord or Tenant, if such is the case, and such other matters as such requesting party may reasonably request.

**Section 17.02 Subordination; Attornment.** This Lease and all rights of Tenant shall be subject and subordinate to any and all mortgages, security agreements, or like instruments resulting from any financing, refinancing, or collateral financing (including renewals or extensions thereof), made or arranged by Landlord of its interests in all or any part of the Premises, from time to time in existence against the Premises, whether now existing or hereafter created. Such subordination shall not require any further instrument to evidence such subordination, except as expressly provided herein. The form of such subordination shall be made as reasonably required by Landlord or its lender. Tenant shall, if requested by such mortgagee, owner, or purchaser, or by any person succeeding to the interest of such mortgagee, owner, or purchaser, as the result of the enforcement of the remedies provided by law or the applicable security instrument held by such mortgagee, owner, or purchaser, automatically become Tenant of any such mortgagee, owner, purchaser, or successor in interest, without any change in the terms or other provisions of this Lease; provided, however, that said mortgagee, owner, purchaser, or successor shall not be bound by (a) any payment of rent or additional rent for more than one (1) month in advance, or (b) any security deposit not actually received by such mortgagee, owner, or purchaser, or successor, or (c) any amendment or modification in this Lease made without the consent of such mortgagee, or (d) any construction obligation, free rent, or other concession or monetary allowance, or (e) any set off, counterclaim, or the like otherwise available against Landlord, or (f) any act or omission of any prior landlord (including Landlord). Upon request by said mortgagee, owner, or purchaser, or successor, Tenant shall execute and deliver a commercially reasonable instrument or instruments confirming its attornment. Notwithstanding anything contained in this Lease to the contrary, Tenant's obligation to subordinate its interests or attorn to any mortgagee pursuant to this Section 17.02 is conditioned upon the mortgagee's agreement not to disturb Tenant's possession and quiet enjoyment of the Premises under this Lease so long as Tenant is in compliance with the terms of this Lease.

#### **ARTICLE XVIII: NOTICE PROVISIONS**

**Section 18.01 Notice.** Any notice to be given or to be served upon either Landlord or Tenant in connection with this Lease must be in writing and shall be deemed to have been sufficiently given or served for all purposes by hand delivery or by mailing the notice registered or certified mail, postage prepaid, return receipt requested, or by sending the same by Federal Express, Express Mail, or other comparable and reliable delivery service, and addressed as follows:

Landlord: SunSystem Development Corporation  
550 E. Rollins Street, 6th Floor  
Orlando, Florida 32803  
Attn: David Collis, Vice President & Chief Development Officer  
Telephone: (407) 303-2775  
Facsimile: (407) 303-2781

With copy to: GrayRobinson, P.A.  
301 East Pine Street, Suite 1400  
Orlando, Florida 32801  
Attn: Borron J. Owen, Jr. Esquire  
Telephone: (407) 843-8880  
Facsimile: (407) 244-5690

Tenant: Ability WDC, LLC  
76 S. Laura St., Suite 303  
Jacksonville, FL 32202  
Attn: Shannon Nazworth  
Telephone: 904-359-9650

With copy to: Driver, McAfee, Peek & Hawthorne, P.L.  
One Independent Drive, Suite 1200  
Jacksonville, Florida 32202  
Attn: Lawrence C. Gierum, Esq.  
Telephone: (904) 301-1269  
Facsimile: (904) 301-1279

or to such addresses as the parties hereto may from time to time designate in writing to the other party, and any such notice or demand shall be deemed to have been given or served at the time that the same shall be received. However, if the first attempt to serve notice is not received, then a second notice may be sent and the notice shall be deemed to be effective three (3) days after it was deposited in the United State mail or with a comparable and reliable delivery service.

#### **ARTICLE XIX: SURRENDER AND DELIVERY OF POSSESSION; HOLDING OVER**

**Section 19.01 Delivery of Possession.** At the end of the Term, whether by expiration, termination or otherwise, Tenant shall peacefully deliver up to Landlord possession of the Premises, reasonable wear and tear excepted.

**Section 19.02 Holding Over.** A holding over beyond the expiration of the Term of this Lease, whether with the Landlord's written consent or without the Landlord's consent, shall operate as an extension of this Lease on a month-to-month basis on the same terms and conditions in effect immediately prior to the expiration, except that, unless otherwise agreed between the parties, rent shall be one hundred fifty percent (150%) of the then monthly rent. If Tenant holds over with the written consent of Landlord, then the extended term may be terminated either by Landlord or Tenant by giving thirty (30) days written notice to the other. Nothing contained in this Section, however, shall be construed as a consent by Landlord to any hold over by Tenant, and Landlord

expressly reserves the right to require Tenant to surrender possession of the Premises to Landlord upon expiration or other termination of this Lease.

## **ARTICLE XX: MISCELLANEOUS**

**Section 20.01 Binding Effect.** The word "Landlord" as used in this Lease shall extend to and include each party comprising Landlord as well as any and all persons who at any time or from time to time during the Term of this Lease shall succeed to the interest and estate of Landlord in the Premises. All of the covenants, agreements, conditions, and stipulations contained herein shall inure to the benefit of and are binding upon Landlord and its successors, assigns, and grantees, and each of them who at any time or from time to time during the Term of this Lease shall succeed to the interest and estate of Landlord in the Premises hereby demised. The word "Tenant" as used in this Lease shall extend to and include each party comprising Tenant as well as any and all persons who at any time or from time to time during the Term of this Lease shall succeed to the interest and estate of Tenant in the Premises. All of the covenants, agreements, conditions, and stipulations contained herein shall inure to the benefit of and are binding upon Tenant and its successors, assigns, and grantees, and each of them who at any time or from time to time during the Term of this Lease shall succeed to the interest and estate of Tenant in the Premises hereby demised.

**Section 20.02 Modification.** The terms and conditions of this Lease shall not be altered, waived, modified or changed except by a written instrument, duly executed by the parties hereto.

**Section 20.03 Non-Waiver, Remedies Cumulative.** Failure of either party to complain of any act or omission on the part of the other party, no matter how long the same may continue, shall not be deemed to be a waiver by said party of any of its rights hereunder. No waiver by either party of any breach of any provision of this Lease shall be deemed a waiver of a breach of any other provision of this Lease or consent to any subsequent breach of the same or any other provision. If any action by either party shall require the consent or approval of the other party, the other party's consent to or approval of such action on any one occasion shall not be deemed a consent to or approval of said action on any subsequent occasion or consent to or approval of any other action on the same or any subsequent occasion. Any and all rights and remedies which either party may have under this Lease or by operation of law, either at law or in equity upon any breach, shall be distinct, separate and cumulative and shall not be deemed inconsistent with each other; and no one of them, whether exercised by said party or not, shall be deemed to be in exclusion of any other, and any two or more or all of such rights and remedies may be exercised at the same time.

**Section 20.04 Headings.** The article headings and subheadings herein are inserted only for convenience of reference and shall in no way define, limit or prescribe the scope or intent of any provisions of this Lease.

**Section 20.05 Covenants Running With Land.** All of the terms, covenants, conditions and provisions of this Lease shall be construed as covenants running with the land, and all rights



given to and obligations imposed upon the respective parties shall be construed as inuring to and binding upon the successors in interest and assigns of the parties hereto, respectively.

**Section 20.06 Short-Form Lease Agreement.** Landlord and Tenant each agree at any time at the request of the other, promptly to execute duplicate originals of any instrument in recordable form, which will constitute a short form of lease, setting forth a description of the Premises, the Term of this Lease, and any other portions thereof (excepting the rent provisions) as either party may request, in the form attached hereto as **Exhibit "F"** and made a part hereof by this reference.

**Section 20.07 Counterparts.** This Lease may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one and the same instrument. Facsimile signatures shall be binding and enforceable.

**Section 20.08 Enforcement; Prevailing Party Entitled to Costs.** If any party defaults under this Lease, the other party shall, provided it is a prevailing party, be entitled to recover all reasonable fees and costs incurred in pursuing its remedies under this Lease, including but not limited to, arbitration fees, reasonable attorneys' fees, court costs, and expert witness fees at trial, on appeal or in bankruptcy, all in addition to any other remedies or damages to which the non-defaulting party may be entitled. The term "**prevailing party**", as used herein, shall include without limitation, a party who obtains legal counsel and brings action against the other party by reason of the other party's breach or default and obtains substantially the relief sought, whether by compromise, settlement, or judgment.

**Section 20.09 Governing Law and Venue.** This Lease, and all terms hereunder shall be construed consistent with the laws of the state of Florida. The parties hereby agree and consent that (a) venue for any legal action authorized or brought hereunder shall be in Orange County, Florida, and (b) personal jurisdiction of the parties shall be vested in the Circuit Court of the Ninth Judicial Circuit in and for Orange County, Florida, or the Federal District Court for the Middle District of Florida, Orlando Division. In case of any controversy or dispute in the interpretation of this Lease, the parties agree and accept to be subjected to the jurisdiction and competence of the administrative authorities and courts, as applicable, of Orange County in the state of Florida, forsaking any other jurisdiction which either party may claim by virtue of its residency or other contacts.

**Section 20.10 Severability.** If any term, covenant or condition of this Lease or the application thereof to any person or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Lease or the application of such term, covenant or condition to persons and circumstances other than those to which it has been held invalid or unenforceable, shall not be affected thereby, and each term, covenant and condition of this Lease shall be valid and shall be enforced to the fullest extent permitted by law.

**Section 20.11 Entire Agreement.** This Lease embodies the entire agreement between Landlord and Tenant relating to the subject matter hereof, and supersedes all prior agreements and understandings with respect thereto.

**Section 20.12 Construction of Language.** The language in all parts of this Lease shall in all cases be construed as a whole according to its fair meaning and not strictly for or against either Landlord or Tenant. Each party has participated extensively in the negotiations concerning and drafting of this Lease, and each has been represented by legal counsel.

**Section 20.13 Radon Gas.** Radon is a naturally occurring radioactive gas, that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health unit.

**Section 20.14 Business Day.** Should any due date hereunder fall on a Saturday, Sunday or legal holiday, then such date shall be deemed timely if given on the first business day following such Saturday, Sunday or legal holiday.

**Section 20.15 Confidentiality.** Landlord and Tenant covenant and agree that the terms of this Lease are confidential and both parties shall use commercially reasonable efforts to keep the terms confidential; it being understood that disclosure to a party's agents, counsel, accountants, investors, lenders and prospective investors, business partners and prospective lenders is permitted. Neither party will permit its agents, consultants and advisors, employees and contractors to further disclose the terms of this Lease except to potential financial funding sources (whether equity or debt), or as may be required by law or to enforce or interpret the parties' respective rights and obligations under this Lease. All documents and information relating to the Lease provided by Landlord to Tenant shall be subject to the obligation of confidentiality above, unless Landlord shall authorize Tenant to disclose any matters relating to the Lease.

**Section 20.16 Waiver of Jury Trial.** Each party hereto irrevocably waives any and all rights it may have to demand a trial by jury for any action, proceeding or counterclaim arising out of or in any way related to this Lease or the relationship of the parties. This waiver extends to any and all rights to demand a trial by jury arising from any source, including but not limited to, the Constitution of the United States, the Constitution of any state, common law or any applicable statute or regulation. Each party hereby acknowledges that it is knowingly and voluntarily waiving the right to demand trial by jury.

**Section 20.17 Gender.** Feminine, neuter and masculine pronouns, and the plural and the singular, shall be construed to be and shall be interchangeable in any place or places in which the context may require such interchange.

**Section 20.18 No Commissions.** Landlord and Tenant represent and warrant to the other that neither has engaged, nor employed, nor dealt with any broker in connection with this Lease.

**Section 20.19 Recitals.** The Recitals set forth at the beginning of this Lease are true and correct and are incorporated herein by this reference.

**Section 20.20 Landlord's Lien.** Landlord hereby waives any statutory lien rights and any rights of distraint with respect to Tenant's personal property it has as of the date hereof or may acquire in the future.

**Section 20.21 Funding.** Landlord and Tenant agree to work together in good faith to diligently pursue public and private sources of funding for all aspects of the Project, including, but not limited to, the maintenance, repair, replacement and operation of the Project. In connection therewith, Landlord agrees to execute any documents reasonably necessary to obtain and maintain such funding. Notwithstanding anything contained in this Lease to the contrary, in the event Tenant determines, in its reasonable discretion, that at any time during the Term, as amended or extended, the aforementioned sources of funding are insufficient for the maintenance, repair, replacement and/or operation of the Project, then Tenant shall have the right to terminate this Lease upon providing one hundred eighty (180) days prior written notice of such termination to Landlord.

**Section 20.22 Early Termination.** Tenant shall have the right, upon written notice to Landlord, at least one hundred eighty (180) days in advance of the Early Termination Date (as hereinafter defined), to terminate the Lease (the "**Termination Right**") at any time during the Term, as amended or extended, if Tenant determines, in its reasonable discretion, that it is no longer feasible for Tenant to continue maintaining and operating the Project; provided that (i) the Early Termination Date must be the last day of the month in which such date occurs, and (ii) on the Early Termination Date there are no outstanding monies owed to Landlord under the Lease up through and including the Early Termination Date. As used herein, the term "**Early Termination Date**" shall mean the effective date of the Termination Right. The Termination Right shall be self-operative upon delivery of the aforementioned written notice. Time is of the essence regarding the Termination Right.

**Section 20.23 Option to Convey.** Effective as of the last day of the thirty-sixth (36th) month following the Lease Commencement Date, and at any time thereafter, provided that Tenant is not then in default under this Lease beyond all applicable notice and cure periods, Tenant shall have the right and option to have Landlord convey ownership of the Premises to Tenant upon the following terms and conditions:

(a) Landlord is reasonably satisfied that Tenant has operated and managed the Premises and the Project in a commercially reasonable manner consistent with the standards, processes and procedures utilized and followed by Tenant in the operation and management of its other housing for the benefit of the homeless community in Florida.

(b) Tenant agrees to lease to Landlord certain units or beds in the Project, as described in Section 13.01(a) above, on terms and conditions consistent with Section 13.01(a), for so long as requested by Landlord, provided there are no uncured defaults by Landlord under the terms of this lease of certain units or beds.

(c) The option to herein granted (the "**Option**") may be exercised by Tenant, at its option, by providing Landlord with written notice of its exercise of the Option. The closing of the conveyance of the Premises shall be consummated (the "**Closing**") as soon as reasonably practicable after the giving of such notice as the parties may mutually agree, or (in the absence of such agreement) on the first business day after the expiration of 45 days after the giving of Tenant's exercise notice. After the exercise of the Option, Tenant shall continue to pay all rental and other sums due under this Lease until and through the date of the Closing.

(d) At the Closing, Landlord shall convey good and marketable fee simple title to the Premises to Tenant by Special Warranty Deed or Deeds, free and clear of all indebtedness or liens of any kind (except for taxes which are the responsibility of Tenant under the terms of this Lease, including taxes for the calendar year of such conveyance which shall be assumed by Tenant without proration). Landlord shall also execute and deliver such other conveyances and assignments as shall be reasonably necessary to convey all of the Premises to Tenant. Rentals due under this Lease shall be prorated as of the Closing date.

(e) At the Closing, Landlord shall provide Tenant with an Owner's Policy of Title Insurance in the standard form for Florida real property, in the full amount of the purchase price of the Premises, such policy to be subject only to the exceptions approved by Tenant and exceptions which are encumbrances on the Premises as a result of the actions of Tenant, Tenant's agents, contractors or employees, or Tenant's consumer or judgment creditors, and shall be issued by a title insurance company doing business in Orange County, Florida and reasonably acceptable to both Landlord and Tenant. All title premiums and other expenses associated with issuing such policy shall be borne equally between Landlord and Tenant.

(f) The purchase price for the Premises under this Section 20.23 shall be the fair market value of the Premises at the time Tenant exercises its Option, as determined by an MAI appraisal performed by a properly licensed appraiser mutually selected by both Landlord and Tenant, excluding the unamortized value of any capital improvements, as determined by such MAI appraisal, made to the Premises by Tenant during the Term, unless Landlord and Tenant mutually agree to a lower purchase price in writing.

(g) The Option shall be exercisable in whole only.

(h) The Option may be assigned by Tenant pursuant to Section 15.01 hereof.

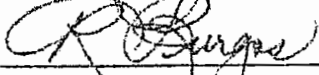
(i) If Landlord defaults in any of its obligations under the Option, Tenant shall have the right to (i) terminate the Option, or (ii) seek to enforce specific performance of Landlord's obligations under the Option. If Tenant defaults in its obligations under the Option once exercised, Landlord's sole remedies (in lieu of any other remedy which might otherwise be available to Landlord) will be to either terminate the Option, in which event the Option, but not the other portions of this Lease, shall terminate without further obligation on either party, or to specifically enforce Tenant's obligations under the Option.

(j) If there is a fire or other casualty loss in or to the Premises or condemnation of all or any portion of the Premises, and provided that Tenant is not then in default under this Lease, then Tenant may exercise the Option without reduction in the purchase price and otherwise in accordance with the provisions hereof, and at the Closing Landlord shall assign all of its rights and interests in and to any insurance proceeds or condemnation awards payable in connection with any such fire and other casualty loss or condemnation to Tenant, less any sums expended by Landlord for any repairs, rebuilding or restoration following and related to any such fire, other casualty loss or condemnation.

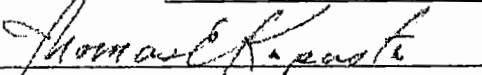
IN WITNESS WHEREOF, the parties hereto have set their hand and sealed the day and year first above written.

**LANDLORD**

Signed, sealed and delivered  
in the presence of:



Print Name: ADAIR R. BURGESS



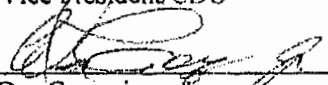
Print Name: THOMAS E. KAPUSTA

**SUNSYSTEM DEVELOPMENT  
CORPORATION**, a Florida not-for-profit  
corporation, d/b/a **FLORIDA HOSPITAL  
FOUNDATION**

By: 

Name: David S. Collis

Title: Vice President/CDO

By: 

Name: Des Cummings, Jr.

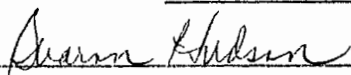
Title: President

**TENANT**

Signed, sealed and delivered  
in the presence of:



Print Name: JENNA EMMONS



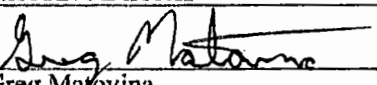
Print Name: SHARON HUDSON

**ABILITY WDC, LLC**

By: 

Name: Shannon Nazworth

Title: Executive Director

By: 

Name: Greg Matovina

Title: President

## **EXHIBIT "A"**

### **Legal Description of Real Property**

Units A, B, C, D, E, F, G and H, Building 1; Units A, B, C, D, E, F, G and H, Building 2; Units A, B, C, D, E, F, G and H, Building 3; Units A, B, C, D, E, F, G and H, Building 4; Units A, B, C, D, E, F, G and H, Building 5; Units A, B, C, D, E, F, G and H, Building 6; Units A, B, C, D, E, F, G and H, Building 7; Units A, B, C, D, E, F, G and H, Building 8; Kingston Court, a Condominium, according to the Declaration of Condominium recorded in Official Records Book 3344, Pages 1256 through 1311, and amendment recorded in Official Records Book 3346, Page 1158, and amendment recorded in Official Records Book 3490, Page 2281, all in Public Records of Orange County, Florida. Together with all appurtenances pertaining to the units as described above, including, but not limited to an undivided interest in the common elements appurtenant thereto.

Being assigned Orange County Tax Parcel Identification Numbers (for informational purposes):

34-21-29-6100-00-001; 34-21-29-6100-01-010; 34-21-29-6100-01-020; 34-21-29-6100-01-030;  
34-21-29-6100-01-040; 34-21-29-6100-01-050; 34-21-29-6100-01-060; 34-21-29-6100-01-070;  
34-21-29-6100-01-080; 34-21-29-6100-02-010; 34-21-29-6100-02-020; 34-21-29-6100-02-030;

34-21-29-6100-02-040; 34-21-29-6100-02-050; 34-21-29-6100-02-060; 34-21-29-6100-02-070;  
34-21-29-6100-02-080; 34-21-29-6100-03-010; 34-21-29-6100-03-020; 34-21-29-6100-03-030;  
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34-21-29-6100-03-080; 34-21-29-6100-04-010; 34-21-29-6100-04-020; 34-21-29-6100-04-030;  
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34-21-29-6100-06-080; 34-21-29-6100-07-010; 34-21-29-6100-07-020; 34-21-29-6100-07-030;  
34-21-29-6100-07-040; 34-21-29-6100-07-050; 34-21-29-6100-07-060; 34-21-29-6100-07-070;  
34-21-29-6100-07-080; 34-21-29-6100-08-010; 34-21-29-6100-08-020; 34-21-29-6100-08-030;

34-21-29-6100-08-040; 34-21-29-6100-08-050; 34-21-29-6100-08-060; 34-21-29-6100-08-070;  
34-21-29-6100-08-080

## **EXHIBIT "B"**

### **Description of Buildings**

Eight (8) buildings, each containing eight (8) condominium units, and the common areas associated therewith, which have street addresses of 100, 110, 120, 130, 140, 160, 170 and 180 Kingston Court, Orlando Florida 32810.

## **EXHIBIT "C"**

### **Matters of Title (Premises)**

1. Taxes and assessments for the year 2016 and subsequent years, which are not yet due and payable.
2. Terms, covenants, conditions, easements, restrictions, reservations and other provisions, including provisions which provide for a private charge or assessment, the prior approval of a future purchaser or occupant, according to that certain Declaration of Condominium, and the exhibits and attachments thereto recorded in Official Records Book 3344, Page 1256, and as amended in Official Records Book 3346, Page 1158 and Official Records Book 3490, Page 2281, together with the drawings, graphics and surveys pertaining to said Condominium, recorded in Condominium Plat Book 7, Page 136, as may be further amended.
3. Easement Agreement given to Orange Seminole Cablevision, recorded 9/15/1983 in Official Records Book 3419, Page 1087.
4. Easement given to Florida Power Corporation, recorded 12/09/1983 in Official Records Book 3449, Page 1468.
5. Easement given to Florida Power Corporation, recorded 7/24/1984 in Official Records Book 3533, Page 1433.
6. Terms and conditions of that certain Sewer Easement Agreement recorded 3/31/1988 in Official Records Book 3969, Page 923.



**EXHIBIT "D"**

**Rental Rate Addendum**

For the Initial Term as defined in Section 2.01 of the Lease, and any Renewal Term as defined in Section 2.02 of the Lease, the rent shall be ONE AND NO/100 DOLLARS (\$1.00) per year.

The first rent payment shall be due on the Lease Commencement Date and shall be prorated for the period of time from the Lease Commencement Date through the end of the first calendar month of the Term. Thereafter, all rent payments are payable on an annual basis and due in advance on the first day of the each year during the Initial Term and any Renewal Term. If the Lease terminates on any day other than the last day of a month, the final rent payment shall be prorated to account for the actual number of days in the month for which the Tenant is leasing the Premises.

**EXHIBIT "E"**

**Existing Environmental Conditions**

1. Those matters identified in that certain Limited Transaction Screening Report for Asbestos-Containing Materials prepared by AirQuest Environmental, Inc. on November 20, 2015 under AirQuest Project Number 15-01-10160.
2. Those matters identified in that certain Interior and Exterior Lead-Based Paint Screening Report prepared by AirQuest Environmental, Inc. on November 20, 2015 under AirQuest Project Number 15-15-10160.

The above-referenced reports were prepared at the request of Landlord and full copies thereof have been previously provided to Tenant.

## EXHIBIT "F"

This instrument prepared by  
Borron J. Owen, Jr.  
GrayRobinson, P.A.  
301 East Pine Street, Suite 1400  
Orlando, Florida 32801

### SHORT FORM LEASE AGREEMENT

**THIS SHORT FORM LEASE AGREEMENT** is executed by and between **SUNSYSTEM DEVELOPMENT CORPORATION**, a Florida not-for-profit corporation, d/b/a **FLORIDA HOSPITAL FOUNDATION**, whose address is 550 E. Rollins Street, 6th Floor, Orlando, Florida 32803 ("**Landlord**") and **ABILITY WDC, LLC**, a Florida limited liability company, whose address is \_\_\_\_\_ ("**Tenant**").

A. Landlord is the owner in fee simple of certain improved real property located in Orange County, Florida, more particularly described in Exhibit "A" attached hereto and made a part hereof (the "**Premises**").

B. Landlord and Tenant have entered into that certain Lease Agreement (the "**Lease**"), with an effective date of January 1, 2016 (the "**Lease Commencement Date**"), pursuant to which Tenant has leased the Premises from Landlord.

NOW, THEREFORE, for and in consideration of the premises, Landlord and Tenant do hereby agree and give notice as follows:

1. The Landlord has leased the Premises to the Tenant commencing on the Lease Commencement Date with an Initial Term of twenty (20) years and one (1) subsequent five (5) year Renewal Term. Pursuant to the Lease, Tenant has the option to request that Landlord convey the Premises to Tenant, as set forth more particularly in the Lease.

2. The interest of Tenant in and to the Premises is not subject to liens created by Tenant, and Tenant shall have no power or authority to create any lien or permit any lien to attach to Landlord's interest in the Premises. All contractors, subcontractors, material suppliers and other persons contracting with Tenant with respect to the Premises, or any other parties who may claim any lien against the Premises, are hereby charged with notice that they shall look solely to the Tenant's leasehold interest in the Premises to secure payment of any amounts due for work done or material furnished to the Premises or any portion thereof.

3. All capitalized terms not otherwise defined in this Short Form Lease Agreement shall have the meaning ascribed thereto in the Lease.

IN WITNESS WHEREOF, the parties hereto have set their hand and sealed the day and year first above written.

Signed, sealed and delivered  
in the presence of:

\_\_\_\_\_  
Print Name: \_\_\_\_\_

\_\_\_\_\_  
Print Name: \_\_\_\_\_

**LANDLORD**

**SUNSYSTEM DEVELOPMENT  
CORPORATION**, a Florida not-for-profit  
corporation, d/b/a **FLORIDA HOSPITAL  
FOUNDATION**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

[CORPORATE SEAL]

STATE OF FLORIDA  
COUNTY OF \_\_\_\_\_

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 201\_\_, by \_\_\_\_\_, as \_\_\_\_\_ of **SUNSYSTEM DEVELOPMENT CORPORATION**, a Florida not-for-profit corporation, **D/B/A FLORIDA HOSPITAL FOUNDATION**, who is personally known to me or has produced \_\_\_\_\_ (STATE) Drivers' License or \_\_\_\_\_ (indicate form of identification) (if left blank personal knowledge existed) as identification.

\_\_\_\_\_  
NOTARY PUBLIC  
My Commission Expires: \_\_\_\_\_

(NOTARY SEAL)

Signed, sealed and delivered  
in the presence of:

**TENANT**

\_\_\_\_\_  
Print Name: \_\_\_\_\_

**ABILITY WDC, LLC**, a Florida limited  
liability company

\_\_\_\_\_  
Print Name: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

[CORPORATE SEAL]

STATE OF FLORIDA  
COUNTY OF \_\_\_\_\_

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 201\_\_\_\_, by \_\_\_\_\_, as \_\_\_\_\_ of **ABILITY WDC, LLC**, a Florida limited liability company, who is personally known to me or has produced \_\_\_\_\_ (STATE) Drivers' License or \_\_\_\_\_ (indicate form of identification) (if left blank personal knowledge existed) as identification.

\_\_\_\_\_  
NOTARY PUBLIC  
My Commission Expires: \_\_\_\_\_

(NOTARY SEAL)

## **EXHIBIT "A" TO SHORT FORM LEASE AGREEMENT**

### **Legal Description of Real Property**

Units A, B, C, D, E, F, G and H, Building 1; Units A, B, C, D, E, F, G and H, Building 2; Units A, B, C, D, E, F, G and H, Building 3; Units A, B, C, D, E, F, G and H, Building 4; Units A, B, C, D, E, F, G and H, Building 5; Units A, B, C, D, E, F, G and H, Building 6; Units A, B, C, D, E, F, G and H, Building 7; Units A, B, C, D, E, F, G and H, Building 8; Kingston Court, a Condominium, according to the Declaration of Condominium recorded in Official Records Book 3344, Pages 1256 through 1311, and amendment recorded in Official Records Book 3346, Page 1158, and amendment recorded in Official Records Book 3490, Page 2281, all in Public Records of Orange County, Florida. Together with all appurtenances pertaining to the units as described above, including, but not limited to an undivided interest in the common elements appurtenant thereto.

Being assigned Orange County Tax Parcel Identification Numbers (for informational purposes):

34-21-29-6100-00-001; 34-21-29-6100-01-010; 34-21-29-6100-01-020; 34-21-29-6100-01-030;  
34-21-29-6100-01-040; 34-21-29-6100-01-050; 34-21-29-6100-01-060; 34-21-29-6100-01-070;  
34-21-29-6100-01-080; 34-21-29-6100-02-010; 34-21-29-6100-02-020; 34-21-29-6100-02-030;  
34-21-29-6100-02-040; 34-21-29-6100-02-050; 34-21-29-6100-02-060; 34-21-29-6100-02-070;  
34-21-29-6100-02-080; 34-21-29-6100-03-010; 34-21-29-6100-03-020; 34-21-29-6100-03-030;  
34-21-29-6100-03-040; 34-21-29-6100-03-050; 34-21-29-6100-03-060; 34-21-29-6100-03-070;  
34-21-29-6100-03-080; 34-21-29-6100-04-010; 34-21-29-6100-04-020; 34-21-29-6100-04-030;  
34-21-29-6100-04-040; 34-21-29-6100-04-050; 34-21-29-6100-04-060; 34-21-29-6100-04-070;  
34-21-29-6100-04-080; 34-21-29-6100-05-010; 34-21-29-6100-05-020; 34-21-29-6100-05-030;  
34-21-29-6100-05-040; 34-21-29-6100-05-050; 34-21-29-6100-05-060; 34-21-29-6100-05-070;  
34-21-29-6100-05-080; 34-21-29-6100-06-010; 34-21-29-6100-06-020; 34-21-29-6100-06-030;  
34-21-29-6100-06-040; 34-21-29-6100-06-050; 34-21-29-6100-06-060; 34-21-29-6100-06-070;  
34-21-29-6100-06-080; 34-21-29-6100-07-010; 34-21-29-6100-07-020; 34-21-29-6100-07-030;  
34-21-29-6100-07-040; 34-21-29-6100-07-050; 34-21-29-6100-07-060; 34-21-29-6100-07-070;  
34-21-29-6100-07-080; 34-21-29-6100-08-010; 34-21-29-6100-08-020; 34-21-29-6100-08-030;  
34-21-29-6100-08-040; 34-21-29-6100-08-050; 34-21-29-6100-08-060; 34-21-29-6100-08-070;  
34-21-29-6100-08-080

## **EXHIBIT C**

### **RESTRICTIVE COVENANT WAYNE DENSCH CENTER**

Ability WDC, LLC ("Ability") agrees that, in consideration of the receipt of two million dollars (\$2,000,000) in SHIP and INVEST funds (the "Funding Amount") paid by Orange County, Florida (the "County") to Ability for the purposes of constructing or rehabilitating the units for the hereinafter described Project, located on land more particularly described on the attached Exhibit "A" (the "Land") the following restrictive covenant shall run with the Land until the later of: twenty (20) years from the date a certificate of completion or Certificate of Occupancy has been issued by the County for the Wayne Densch Center ("Project").

The Project shall be used to provide seventy-seven (77) affordable, multi-family units must meet the following guidelines:

1. Forty-five (45) units will be affordable to Low Income Households. Sixteen (16) units will be affordable to households whose income does not exceed sixty percent (60%) of Orlando's AMI. Sixteen (16) units will be affordable to Very Low Income Households. Fifty-four (54) units will be set aside for Homeless Households. Thirty-nine (39) units will be operated as Permanent Supportive Housing. The rent and income restrictions shall comply with the applicable rent and income limits published by FHFC
2. The Project shall be sold or refinanced with this restrictive covenant in place. A breach of these covenants shall entitle the County (and/or its agent, NLP), after thirty (30) days' notice and opportunity to cure to Ability (or its successors and assigns), to require immediate repayment of all funds paid under this Agreement.
3. The restrictions and covenants set forth herein shall be subordinate in all respects to the liens of a first mortgage and a second mortgage (collectively, the "Mortgages") whose proceeds are used to construct or renovate the Project. Provided that any holder of the Mortgages, or its respective successors and assigns (the "Mortgagee"), have given the Manager of the Division written notice of a default under the Mortgages and Ability has not cured the default within thirty (30) days after such notice is sent, any such Mortgagee may foreclose on its Mortgage on the Project or obtain a deed-in-lieu-of-foreclosure, and the affordability restrictions and repayment obligations herein shall thereafter have no further force and effect against the Project and shall automatically terminate at the time such Mortgagee obtains the title to the Project. Upon written request from any Mortgagee, the County agrees to execute a recordable release of these covenants under such circumstances.
4. The party seeking a release of these covenants and restrictions shall pay all costs of preparing and recording such release.

**EXHIBIT D  
CONSTRUCTION BUDGET**

<b>COST CATEGORY</b>	<b>PROJECT TOTAL COST</b>	<b>Acquisition Donation (WDC, Inc.)</b>	<b>First Mortgage (FCLF)</b>	<b>Project Loan (Orange County via NLP)</b>	<b>Grants (Various)</b>	<b>Deferred Developer Fee (Ability Housing)</b>
<b>ACQUISITION COSTS</b>						
Existing Building	2,142,000.00	2,142,000.00				
Land	238,000.00	238,000.00				
<b>Subtotal</b>	<b>\$ 2,380,000.00</b>	<b>2,380,000.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>HARD COSTS</b>						
Site Improvements	11,808.00				11,808.00	
Rehabilitation	3,713,215.77		1,195,638.00	1,773,944.00	743,633.77	
Community Center	507,150.00				507,150.00	
GC Fee-Profit/Overhead/Gen Req (14%)	592,504.33		201,808.00	200,806.00	189,890.33	
Hard Cost Contingency (5%)	241,233.90		199,000.00		42,233.90	
<b>Subtotal</b>	<b>\$ 5,065,912.00</b>	<b>-</b>	<b>1,596,446.00</b>	<b>1,974,750.00</b>	<b>1,494,716.00</b>	<b>-</b>
<b>SOFT COSTS</b>						
Appraisal/Market Study	7,000.00				7,000.00	
Architect's Fee	226,100.00				226,100.00	
Building Permits/Fees	47,000.00				47,000.00	
Environmental Reports	5,400.00				5,400.00	
Inspection Fees/Loan Admin	5,700.00				5,700.00	
Legal Fees	27,661.00				27,661.00	
Loan Fees	42,150.00		16,900.00	25,250.00		
Marketing/Advertising	5,580.00				5,580.00	
Physical Needs Assessment	31,778.00				31,778.00	
Survey	8,000.00				8,000.00	
Title Insurance/Recording Fees	44,990.00				44,990.00	
Utility Connection Fee	5,000.00				5,000.00	
Soft Cost Contingency	11,075.00				11,075.00	
<b>Subtotal</b>	<b>\$ 467,434.00</b>	<b>-</b>	<b>16,900.00</b>	<b>25,250.00</b>	<b>425,284.00</b>	<b>-</b>
<b>DEVELOPER FEE (16%)</b>	<b>\$ 885,335.36</b>		<b>686,654.00</b>			<b>198,681.36</b>
<b>TOTAL</b>	<b>\$ 8,798,681.36</b>	<b>2,380,000.00</b>	<b>2,300,000.00</b>	<b>2,000,000.00</b>	<b>1,920,000.00</b>	<b>198,681.36</b>



**EXHIBIT E**  
**LEASED EMPLOYEE AFFIDAVIT**

I affirm that an employee leasing company provides my workers' compensation coverage. I further understand that my contract with the employee leasing company limits my workers' compensation coverage to enrolled worksite employees only. My leasing arrangement does not cover un-enrolled worksite employees, independent contractors, uninsured subcontractors or casual labor exposure.

I hereby certify that 100 percent of my workers are covered as worksite employees with the employee leasing company. I certify that I do not hire any casual or uninsured labor outside the employee leasing arrangement. I agree to notify the County in the event that I have any workers not covered by the employee leasing workers' compensation policy. In the event that I have any workers not subject to the employee leasing arrangement, I agree to obtain a separate workers' compensation policy to cover these workers. I further agree to provide the County with a certificate of insurance providing proof of workers' compensation coverage prior to these workers entering any County jobsite.

I further agree to notify the County terminates with the employee leasing company and I understand that I am required to furnish proof of replacement workers' compensation coverage prior to the termination of the employee leasing arrangement.

I certify that I have workers' compensation coverage for through the employee leasing arrangement specified below:

Name of Employee Leasing Company: \_\_\_\_\_

Workers' Compensation Carrier: \_\_\_\_\_

A.M. Best Rating of Carrier: \_\_\_\_\_

Inception Date of Leasing Arrangement: \_\_\_\_\_

I further agree to notify the County in the event that I switch employee-leasing companies. I recognize that I have an obligation to supply an updated workers' compensation certificate to the County that documents the change of carrier.

Name of Contractor: \_\_\_\_\_

Signature of Owner/Officer \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**EXHIBIT F**  
**BLANKET ADDITIONAL INSURED ENDORSEMENT**

COMMERCIAL GENERAL LIABILITY  
CC 20 26 07 04

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED - DESIGNATED  
PERSON OR ORGANIZATION**

This endorsement modifies Insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s)
<b><i>The following are additional insureds under the Professional Liability section of this policy (already Included under the GL by form #86571).</i></b>
YOUR MEDICAL DIRECTORS AND ADMINISTRATORS, INCLUDING PROFESSIONAL PERSONS, BUT ONLY WHILE ACTING WITHIN THE SCOPE OF THEIR DUTIES FOR THE NAMED INSURED AS MEDICAL DIRECTORS AND ADMINISTRATORS;
AN INDEPENDENT CONTRACTOR IS AN INSURED ONLY FOR THE CONDUCT OF YOUR BUSINESS AND SOLELY WHILE PERFORMING SERVICES FOR A CLIENT OF THE NAMED INSURED, BUT SOLELY WITHIN THE SCOPE OF SERVICES CONTEMPLATED BY THE NAMED INSURED;
STUDENTS IN TRAINING WHILE PERFORMING DUTIES AS INSTRUCTED BY THE NAMED INSURED;
ANY ENTITY YOU ARE REQUIRED IN A WRITTEN CONTRACT (HEREINAFTER CALLED ADDITIONAL INSURED) TO NAME AS AN INSURED IS AN INSURED BUT ONLY WITH RESPECT TO LIABILITY ARISING OUT OF YOUR PREMISES OR OPERATIONS;
information required to complete this Schedule, if not shown above, will be shown in the Declarations

**Section II - Who Is An insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising Injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

- A. In the performance of your ongoing operations; or
- B. In connection with your premises owned by you or rented by you.

**EXHIBIT G**  
**SPECIFIC ADDITIONAL INSURED ENDORSEMENT**

POLICY NUMBER:

COMMERCIAL GENERAL LIABILITY

---

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ADDITIONAL INSURED - DESIGNATED  
PERSON OR ORGANIZATION**

---

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

<b>Name Of Additional Insured Person(s) Or Organization(s)</b>
ORANGE COUNTY 201 S ROSALIND AVE ORLANDO, FL 32801
<small>Information required to complete this Schedule, if not shown above, will be shown in the Declarations.</small>

**Section II - Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

- A. In the performance of your ongoing operations; or
- B. In connection with your premises owned by or rented to you.

**EXHIBIT H  
WAIVER OF SUBROGATION**

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**WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY      WC 00 03 13**

**2nd Reprint**

***Effective April 1, 1984***

**Advisory**

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**WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT**

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This Agreement applies only to the extent that you perform work under a written contract that requires you to obtain this Agreement from us.)

This Agreement shall not operate directly or indirectly to benefit anyone not named in the Schedule.

Schedule

© 1983 National Council on Compensation Insurance, Inc.

© NCCI Holdings, Inc.

**EXHIBIT I  
WAIVER OF RIGHTS OF RECOVERY**

POLICY NUMBER:

COMMERCIAL GENERAL LIABILITY  
CG 24 04 10 93

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**WAIVER OF TRANSFER OF RIGHTS OF RECOVERY  
AGAINST OTHERS TO US**

This endorsement modifies insurance provided under the following:  
COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

Name of Person or Organization:

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

The TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US Condition (Section IV - COMMERCIAL GENERAL LIABILITY CONDITIONS) is amended by the addition of the following:

We waive any right of recovery we may have against the person or organization shown in the Schedule above because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a contract with that person or organization and included in the "products-completed operations hazard". This waiver applies only to the person or organization shown in the Schedule above.

**EXHIBIT J  
RENT LIMITS**

The schedule below is to be used in establishing maximum rents. These figures represent maximum gross rents, which must include an allowance for utilities.

**Orlando's Area Median Income 2017**

Unit Type	50% AMI	60% AMI	80% AMI
1-bedroom	548	657	876
2-bedroom	657	789	1,051

Rent limits are published annually by HUD, and may change annually based on changes to the Orlando's Area Median Income.