

**Redevelopment Agreement**

**among**

**the City of Jacksonville,**

**the Downtown Investment Authority,**

**and**

**Duval 212, LLC**

## REDEVELOPMENT AGREEMENT

This **REDEVELOPMENT AGREEMENT** (this “Agreement”) is made this \_\_\_\_ day of \_\_\_\_\_, 2025 (the “Effective Date”), between the **CITY OF JACKSONVILLE**, a municipal corporation and a political subdivision of the State of Florida, (the “City”), the **DOWNTOWN INVESTMENT AUTHORITY**, a community redevelopment agency on behalf of the City of Jacksonville (the “DIA”) and **DUVAL 212, LLC**, a Florida limited liability company (the “Developer”). The term “Parties” as used in this Agreement means, collectively, the City, the DIA and the Developer; and each of the foregoing is, individually, a “Party”.

### Article 1. PRELIMINARY STATEMENTS

#### 1.1 The Project.

(a) Overview. The Developer is currently under contract to purchase approximately 0.35 acres of real property identified by Duval County Tax Collector Parcel Numbers 073559-0000, 073557-0000, 073556-0000, and 073555-0000 as further shown on **Exhibit B** attached hereto (collectively, the “Developer Parcel”), and has submitted a proposal to acquire and redevelop approximately 0.21 acres of vacant and improved real property owned by the City of Jacksonville, located adjacent to the Developer Parcel within the Downtown Northbank Community Redevelopment Area of Downtown Jacksonville Downtown, and identified by Duval County Tax Parcel Numbers 073558-0000, 073561-0000, and 073560-0000 as further shown on **Exhibit A** attached hereto (collectively, the “City Parcel” and together with the Developer Parcel, the “Project Parcel”). The development shall include, *inter alia*, the construction of improvements on the Project Parcel, which shall include an approximately seven-story, integrated mixed-income residential and commercial/retail building as designed by PQH Group Design, Inc., a structured parking garage on the first two levels of the Building estimated at approximately 33,300 square feet with 90 covered parking spaces, including approximately one dedicated parking space per residential unit of the Building with available parking spaces for the Building’s commercial tenants and property management staff, a total of eighty-five (85) residential units in the Building, including a minimum of seventy-five (75) affordable units designated for households earning at or below 80% of the Area Median Income (AMI) and ten (10) unrestricted market-rate units (consisting of not less than five (5) one-bedroom units and not less than three (3) two-bedroom units), and approximately 1,200 square feet of ground-floor Leasable Commercial/Retail Space located at the corner of Newnan St. N. and Duval Street E (collectively, the “Improvements” and together with all other obligations set forth in this Agreement, the “Project”).

#### 1.2 Authority.

The DIA was created by the City Council of the City of Jacksonville pursuant to Ordinance 2012-364-E. Pursuant to Chapter 163, Florida Statutes, and Section 55.104, Ordinance Code, the DIA is the sole development and community redevelopment agency for Downtown, as defined by Section 55.105, Ordinance Code and has also been designated as the public economic development agency as defined in Section 288.075, Florida Statutes, to promote the general business interests in Downtown. The DIA Board has authorized execution of this Agreement pursuant to DIA Resolution 2025-04-13 and DIA Resolution 2025-06-01 (together, the “DIA Resolution”), and the City Council has authorized the execution of this

Agreement pursuant to Ordinance 2025-\_\_\_\_-E. The terms of the DIA Resolution are incorporated herein by reference.

**1.3 City/DIA Determination.**

- (a) The City has determined that the Project is consistent with the goals of the City in that the Project will, among other things:
  - (i) increase capital investment in Downtown Jacksonville;
  - (ii) generate significant new ad valorem taxes, including significant new tax revenues for the public school system;
  - (iii) help meet the overall community goal of residential and business development and growth in Downtown Jacksonville; and
  - (iv) promote and encourage private Capital Investment of approximately \$28,987,000.
- (b) The DIA has determined that the Project furthers the Redevelopment Goals and Strategic Objectives contained in the adopted BID Plan for the Downtown Northbank CRA.

**1.4 Coordination by DIA.**

The City and the DIA hereby designate the Chief Executive Officer of the DIA to be the Project Coordinator who will, on behalf of the DIA and the City, coordinate with the Developer and administer this Agreement according to the terms and conditions contained herein and in the Exhibit(s) attached hereto and made a part hereof. It shall be the responsibility of the Developer to coordinate all Project related activities and all matters under this Agreement with the designated Project Coordinator, unless otherwise stated herein.

**1.5 Maximum Indebtedness.**

The maximum indebtedness of the City and the DIA for all fees, reimbursable items or other costs pursuant to this Agreement shall not exceed the total sum of SIX HUNDRED TEN THOUSAND AND NO/100 DOLLARS (\$610,000.00).

**1.6 Availability of Funds.**

Notwithstanding anything to the contrary herein, the City's and the DIA's obligations under this Agreement are contingent upon availability of lawfully appropriated funds for their respective obligations under this Agreement.

**Article 2.  
DEFINITIONS**

As used in this Agreement, the following terms shall have the meaning set opposite each:

2.1 **Affiliate.**

A person or entity, directly or indirectly, controlling, controlled by or under common control with a person or entity.

2.2 **AHS Loan.**

That certain Affordable Housing Support Loan from the DIA to Developer in an amount not to exceed Six Hundred Ten Thousand and No/100 Dollars (\$610,000.00), to be paid upon Substantial Completion of the Project, but in no event no later than 90 days following the date the Project is placed-in-service, as further detailed in Article 7 below.

2.3 **AHS Loan Period.**

That period of time from the disbursement of the AHS Loan through the final payment and satisfaction of all outstanding obligations under the AHS Loan documents.

2.4 **Area Median Income.**

Area Median Income means the median gross income for the area in which the Project is located as published annually by the U. S. Department of Housing and Urban Development.

2.5 **Building.**

An approximately seven-story, integrated mixed-income residential and commercial/retail building as designed by PQH Group Design, Inc. (PQH) and presented in the proposal to the DIA; provided that, any change in the design architect (PQH) or substantive changes to the design as presented in the proposal require approval by the CEO which may be withheld in his or her sole discretion.

2.6 **Capital Investment.**

Money invested by a developer to purchase items that may normally be capitalized by a developer in the normal conduct of its business to design, construct and develop a project, including hard costs for site improvement and construction of buildings and soft costs for architectural and engineering, whether direct or indirect, and land acquisition costs; provided that, for avoidance of doubt, Capital Investment shall not include any brokerage fees; any costs attributable to financing, including interest and carry costs; marketing costs; any developer or similar fees to the Developer or its Affiliate; reserves; tenant improvement costs; tenant allowances; or leasing commissions.

2.7 **CEO.**

The Chief Executive Officer of the DIA.

2.8 **City.**

The City of Jacksonville, Florida, a municipal corporation and a political subdivision of the State of Florida.

## 2.9 **City Parcel.**

Approximately 0.21 acres of real property consisting of three (3) City owned parcels identified as Duval County Tax Parcel Numbers 073558-0000, 073561-0000, and 073560-0000, with approximately 85 combined feet of frontage on Duval Street E between Newnan Street N and Market Street N., and as described on **Exhibit A.**

## 2.10 **Closing.**

Together, the closing of both the conveyance of the City Parcel (the “Acquisition Closing”) and the closing of the AHS Loan (the “AHS Loan Closing”).

## 2.11 **Commencement of Construction.**

The terms “Commence” or “Commenced” or “Commencing” Construction as used herein when referencing the Improvements or any portion thereof means the date when Developer submits documentation in form and substance acceptable to the DIA that it (i) has completed all pre-construction engineering and design and has obtained all necessary licenses, permits and governmental approvals to commence construction, (ii) has engaged the general contractors necessary so that physical construction of the Improvements may begin and proceed to completion without foreseeable interruption, (iii) has demonstrated it has the financial commitments and resources to complete the construction of the Improvements as may be approved by the DIA in its reasonable discretion, and (iv) has “broken ground” and begun physical, material construction (e.g., removal of vegetation or site preparation work or such other evidence of commencement of construction as may be approved by the Downtown Investment Authority in its reasonable discretion) of such Improvements on an ongoing basis without any Impermissible Delays (as defined in the Agreement).

## 2.12 **DDRB.**

The Downtown Development Review Board of the City.

## 2.13 **Developer Parcel.**

Approximately 0.35 acres of real property to be acquired by the Developer and identified by Duval County Tax Collector Parcel Numbers 073559-0000, 0735570000, 073556-0000, and 073555-0000 as further shown on **Exhibit B** attached hereto.

## 2.14 **DIA Board.**

The community redevelopment area board, and the governing body of the Authority created by ordinance to manage Downtown economic development, as the same shall be from time to time constituted, charged with the duty of governing the DIA CRA and such other duties as set forth in Chapter 55, City of Jacksonville *Ordinance Code*.

### 2.15 **Environmental Requirements.**

All federal, state, local, and foreign statutes, laws, regulations, ordinances, rules, judgments, orders, decrees, permits, concessions, grants, franchises, licenses, agreements or governmental restrictions relating to pollution and the protection of the environment or the release of any materials into the environment, including those related to Hazardous Materials (hereinafter defined) or wastes, air emissions and discharges to waste or public systems.

### 2.16 **FHFC.**

The term “FHFC” means the public corporation and public body corporate and politic created by Section 420.504, Florida Statutes, known as the Florida Housing Finance Corporation, which constitutes an entrepreneurial public corporation organized to provide and promote the public welfare by administering the governmental function of financing or refinancing housing and related facilities in the State of Florida.

### 2.17 **Hazardous Materials.**

The term “Hazardous Materials” shall mean any substance which is or contains (i) any “hazardous substance” as now or hereafter defined in the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (42 U.S.C. §9601 et seq.) (“CERCLA”) or any regulations promulgated under or pursuant to CERCLA; (ii) any “hazardous waste” as now or hereafter defined in the Resource Conservation and Recovery Act (42 U.S.C. §6901 et seq.) (“RCRA”) or regulations promulgated under or pursuant to RCRA; (iii) any substance regulated by the Toxic Substances Control Act (15 U.S.C. §2601 et seq.); (iv) gasoline, diesel fuel, or other petroleum hydrocarbons and any related break down constituents thereof; (v) asbestos and asbestos containing materials, in any form, whether friable or non-friable; (vi) polychlorinated biphenyls; (vii) radon gas; (viii) chlorinated solvents and any related breakdown constituents thereof; and (ix) any additional substances or materials which are now or hereafter classified or considered to hazardous or toxic under the common law. Hazardous Materials shall include, without limitation, any substance, the presence of which, (A) requires reporting, investigation, or remediation under Environmental Requirements; (B) causes or threatens to cause a nuisance on the property or adjacent property or poses or threatens to pose a hazard to the health or safety of persons on the property, the intended use thereof or adjacent property; or (C) which, if it emanated or migrated from the property, could constitute a trespass.

### 2.18 **Horizontal Improvements.**

Those certain horizontal improvements related to the Improvements on the Project Parcel including land clearing, environmental remediation, construction of building pads, installation and relocation of utilities, curbs, gutters, stormwater management systems.

### 2.19 **Impermissible Delay**

The term “Impermissible Delay” means failure of Developer to proceed with reasonable diligence with the construction of the applicable Improvements within the timeframe for Substantial Completion contemplated in this Agreement, or after commencement of the applicable Improvements, abandonment of or cessation of work on any portion of the Improvements at any time prior to the Completion of such

improvements for a period of more than thirty (30) consecutive business days, except in cases of Force Majeure. Notwithstanding the foregoing, any delay or cessation of any of the Improvements as to which Developer has been unable to secure the necessary permits and approvals after diligent efforts shall not be an Impermissible Delay, as long as Developer continues its diligent efforts to obtain such permits and approvals.

#### 2.20 **Improvements.**

Those certain improvements to be constructed on the Project Parcel, which shall include the Building, a structured parking garage on the first two levels of the Building estimated at approximately 33,300 square feet with approximately ninety (90) covered parking spaces, including approximately one dedicated parking space per residential unit of the Building with available parking spaces for the Building's commercial tenants and property management staff, a total of eighty-five (85) residential units in the Building, including a minimum of seventy-five (75) affordable units designated for households earning at or below 80% of the Area Median Income (AMI) and ten (10) unrestricted market-rate units (consisting of not less than five (5) one-bedroom units and not less than three (3) two-bedroom units), and approximately 1,200 square feet of Leasable Retail Space located at the corner of Newnan St. N. and Duval Street E, all subject to final DIA approval, not to be unreasonably withheld.

#### 2.21 **Leasable Commercial/Retail Space.**

The term "Leasable Commercial/Retail Space" means ground floor, street-facing commercial or retail tenant space intended to be leased to third party tenant(s) that may provide retail, restaurant, or commercial services of the type that would be beneficial to the general public on a routine basis.

#### 2.22 **Performance Schedule.**

The Performance Schedule set forth in Article 5.

#### 2.23 **Permit Approvals.**

The term "Permit Approvals" shall mean all permits and regulatory approvals needed for the construction of the Improvements which shall include final 10-set and DDRB approval for the Improvements.

#### 2.24 **Plans and Specifications.**

The Plans and Specifications for the construction of the Improvements as reviewed and approved by the DIA and the City and all amendments and modifications thereto as approved by the DIA to the extent approval is required.

#### 2.25 **Project Parcel.**

The Developer Parcel and the City Parcel, together.

#### 2.26 **Substantial Completion.**

“Substantially Completed”, “Substantial Completion” or “Completion” means that all permits have been finalized, a certificate of substantial completion has been issued by the contractor and verified by the architect of record, a temporary or permanent certificate of occupancy has been issued by the City of Jacksonville, if applicable, and the Improvements are available for use in accordance with their intended purpose; subject to commercially reasonable punch list items, completion of amenities, Leasable Commercial/Retail Space to a cold dark shell stage of completion, and similar items.

## **2.27 Vertical Improvements.**

“Vertical Improvements” means all of the buildings, structures, and other improvements, other than the Horizontal Improvements, to be constructed or installed on the Project Parcel.

Other capitalized terms not defined in this Article shall have the meanings assigned to them elsewhere in this Agreement.

## **Article 3. APPROVALS**

### **3.1 Approval of Agreement.**

By the execution hereof, the parties certify as follows:

- (a) Developer represents, warrants and certifies to the City and DIA that:
  - (i) the execution and delivery hereof has been approved by all parties whose approval is required under the terms of the governing documents creating the particular Developer entity;
  - (ii) this Agreement does not violate any of the terms or conditions of such governing documents and the Agreement is binding upon the Developer and enforceable against it in accordance with its terms;
  - (iii) the person or persons executing this Agreement on behalf of the Developer are duly authorized and fully empowered to execute the same for and on behalf of the Developer;
  - (iv) the Developer is duly authorized to transact business in the State of Florida and has received all necessary permits and authorizations required by appropriate governmental agencies as a condition to doing business in the State of Florida;
  - (v) the Developer, its business operations, and each person or entity with a direct or indirect ownership interest in the Developer are in material compliance with all federal, state, and local laws, to the extent applicable to the Project and which could have a material adverse effect on the Project and the Developer’s ability to complete the Project in accordance with this Agreement; and
  - (vi) the Developer is not owned or controlled by the government of a foreign country of concern as defined in Section 288.0071, Florida Statutes, and the Developer is



not an entity that is a partnership, association, corporation, organization, or other combination of persons organized under the laws of or having its principal place of business in a foreign country of concern, or a subsidiary of such entity.

- (b) The DIA certifies that the execution and delivery hereof is binding upon the DIA to the extent provided herein and enforceable against it in accordance with its terms.
- (c) The City certifies to Developer that the execution and delivery hereof is binding upon the City to the extent provided herein and enforceable against the City in accordance with the terms hereof.

#### **Article 4. CITY PARCEL CONVEYANCE**

##### **4.1 Conveyance of the City Parcel.**

The terms and conditions of this Article 4 shall govern the conveyance of the City Parcel pursuant to this Agreement.

##### **4.2 No Representations or Warranties by City or DIA; Acceptance of Parcels “As Is”.**

The City Parcel shall be conveyed in its “as-is”, “where is” condition, with all faults.

DEVELOPER ACKNOWLEDGES AND AGREES THAT, EXCEPT AS SET FORTH HEREIN OR IN ANY OF THE DOCUMENTS TO BE DELIVERED AT THE ACQUISITION CLOSING, CITY AND DIA HAVE NOT MADE, DO NOT MAKE AND SPECIFICALLY NEGATE AND DISCLAIM ANY REPRESENTATIONS, WARRANTIES, PROMISES, COVENANTS, AGREEMENTS OR GUARANTIES OF ANY KIND OR CHARACTER WHATSOEVER, WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, PAST, PRESENT OR FUTURE, OF, AS TO, CONCERNING OR WITH RESPECT TO (A) THE VALUE, NATURE, QUALITY OR CONDITION OF THE CITY PARCEL (INCLUDING WITHOUT LIMITATION, THE WATER, SOIL AND GEOLOGY), (B) ANY INCOME TO BE DERIVED FROM THE CITY PARCEL, (C) THE SUITABILITY OF THE CITY PARCEL FOR ANY AND ALL ACTIVITIES AND USES WHICH DEVELOPER MAY CONDUCT THEREON, (D) THE COMPLIANCE OF OR BY THE CITY PARCEL OR ITS OPERATION WITH ANY LAWS, RULES, ORDINANCES OR REGULATIONS OF ANY APPLICABLE GOVERNMENTAL AUTHORITY OR BODY, (E) THE HABITABILITY, MERCHANTABILITY, MARKETABILITY, PROFITABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF THE CITY PARCEL, (F) GOVERNMENTAL RIGHTS OF POLICE POWER OR EMINENT DOMAIN, (G) DEFECTS, LIENS, ENCUMBRANCES, ADVERSE CLAIMS OR OTHER MATTERS: (1) NOT KNOWN TO DEVELOPER AND NOT SHOWN BY THE PUBLIC RECORDS BUT KNOWN TO CITY OR DIA AND NOT DISCLOSED IN WRITING BY CITY AND DIA TO THE DEVELOPER PRIOR TO THE ACQUISITION CLOSING, (2) RESULTING IN NO LOSS OR DAMAGE TO DEVELOPER OR (3) ATTACHING OR CREATED SUBSEQUENT TO THE DATE OF THE ACQUISITION CLOSING, (H) VISIBLE AND APPARENT EASEMENTS AND ALL UNDERGROUND EASEMENTS, THE EXISTENCE OF WHICH MAY ARISE BY UNRECORDED GRANT OR BY USE, (I) ALL MATTERS THAT WOULD BE DISCLOSED BY A CURRENT

SURVEY OF THE CITY PARCEL, (J) THE MANNER OR QUALITY OF THE CONSTRUCTION OR MATERIALS, IF ANY, INCORPORATED INTO THE CITY PARCEL, (K) THE MANNER, QUALITY, STATE OF REPAIR OR LACK OF REPAIR OF THE CITY PARCEL, OR (L) ANY OTHER MATTER WITH RESPECT TO THE CITY PARCEL, AND SPECIFICALLY, THAT CITY OR DIA HAVE NOT MADE, DO NOT MAKE AND SPECIFICALLY DISCLAIM ANY REPRESENTATIONS REGARDING COMPLIANCE WITH ANY ENVIRONMENTAL PROTECTION, POLLUTION OR LAND USE, ZONING OR DEVELOPMENT OF REGIONAL IMPACT LAWS, RULES, REGULATIONS, ORDERS OR REQUIREMENTS, INCLUDING THE EXISTENCE IN OR ON THE CITY PARCEL OF HAZARDOUS MATERIALS. DEVELOPER FURTHER ACKNOWLEDGES THAT DEVELOPER IS RELYING SOLELY ON ITS OWN INVESTIGATION OF THE CITY PARCEL AND NOT ON ANY INFORMATION PROVIDED OR TO BE PROVIDED BY CITY OR DIA. AT THE ACQUISITION CLOSING DEVELOPER AGREES TO ACCEPT THE CITY PARCEL AND WAIVE ALL OBJECTIONS OR CLAIMS AGAINST CITY AND DIA (INCLUDING, BUT NOT LIMITED TO, ANY RIGHT OR CLAIM OF CONTRIBUTION) ARISING FROM OR RELATED TO THE CITY PARCEL OR TO ANY HAZARDOUS MATERIALS ON THE CITY PARCEL. DEVELOPER FURTHER ACKNOWLEDGES AND AGREES THAT ANY INFORMATION PROVIDED OR TO BE PROVIDED WITH RESPECT TO THE CITY PARCEL WAS OBTAINED FROM A VARIETY OF SOURCES AND THAT CITY AND DIA HAVE NOT MADE ANY INDEPENDENT INVESTIGATION OR VERIFICATION OF SUCH INFORMATION AND MAKE NO REPRESENTATIONS AS TO THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION. CITY AND DIA ARE NOT LIABLE OR BOUND IN ANY MANNER BY ANY VERBAL OR WRITTEN STATEMENTS, REPRESENTATIONS OR INFORMATION PERTAINING TO THE CITY PARCEL, OR THE OPERATION THEREOF, FURNISHED BY ANY REAL ESTATE BROKER, OFFICER, EMPLOYEE, AGENT, SERVANT OR OTHER PERSON. DEVELOPER FURTHER ACKNOWLEDGES AND AGREES THAT TO THE MAXIMUM EXTENT PERMITTED BY LAW, THE SALE OF THE CITY PARCEL AS PROVIDED FOR HEREIN IS MADE IN AN "AS IS" CONDITION AND BASIS WITH ALL FAULTS. IT IS UNDERSTOOD AND AGREED THAT THE PURCHASE PRICE HAS BEEN ADJUSTED BY PRIOR NEGOTIATION TO REFLECT THAT THE CITY PARCEL IS SOLD BY CITY AND PURCHASED BY DEVELOPER SUBJECT TO THE FOREGOING. THE PROVISIONS OF THIS SECTION SHALL SURVIVE THE ACQUISITION CLOSING, TERMINATION OR EXPIRATION OF THIS AGREEMENT.

#### **4.3 Environmental Risks.**

The Developer acknowledges that there are, or may be, certain environmental obligations and risks with respect to the City Parcel. After conveyance of the City Parcel, the Developer shall comply with all Environmental Requirements applicable to the City Parcel. The City and DIA make no representation or warranty as to whether the Developer's intended use of the City Parcel as set forth herein violates or complies with any of the Environmental Requirements. All financial and other obligations applicable to the real property owner under the Environmental Requirements, as between the City and DIA on one hand, and the Developer on the other hand, shall be the obligation of the Developer.

#### **4.4 Indemnity.**

Developer hereby expressly acknowledges that from and after the Acquisition Closing of the City Parcel, Developer shall be responsible for the proper maintenance and handling of any and all Hazardous Materials, if any, located in or on the City Parcel or in the Improvements located thereon in

accordance with all Environmental Requirements, including but not limited to the regulations at 40 C.F.R. Section 61 as authorized under the Clean Air Act and all regulations promulgated or to be promulgated under all other applicable local, state or federal laws, rules or regulations, as same may be amended from time to time. Furthermore, from and after the Acquisition Closing, Developer shall indemnify and hold DIA, the City, and their respective members, officials, officers, employees and agents harmless from and against any and all claims, costs, damages or other liability, including attorney's fees, incurred by DIA, the City, its members, officials, officers, employees and agents as a result of Developer's failure to comply with the requirements of this Section in connection with Developer's proper maintenance and handling of any and all Hazardous Materials, if any, located in or on the City Parcel. This Indemnification shall survive the Acquisition Closing and the expiration or earlier termination of this Agreement,

#### 4.5 **Release.**

Developer, on behalf of itself and its heirs, successors and assigns hereby waives, releases, acquits and forever discharges City and DIA, and their respective members, officials, officers, directors, employees, agents, attorneys, representatives, and any other persons acting on behalf of City or DIA and the successors and assigns of any of the preceding, of and from any and all claims, actions, causes of action, demands, rights, damages, costs, expenses or compensation whatsoever, direct or indirect, known or unknown, foreseen or unforeseen, which Developer or any of its heirs, successors or assigns now has or which may arise in the future on account of or in any way related to or in connection with any past, present, or future physical characteristic or condition of the City Parcel including, without limitation, any Hazardous Materials in, at, on, under or related to the City Parcel, or any violation or potential violation of any Environmental Requirement applicable thereto. Notwithstanding anything to the contrary set forth herein, this release shall survive the Acquisition Closing, and the termination or expiration of this Agreement.

#### 4.6 **Closing.**

- (a) Simultaneously with the execution of this Agreement, Developer, City and DIA are entering into an Agreement for Purchase and Sale (the "PSA") of the City Parcel. The PSA shall govern the Acquisition Closing and is included herein for reference as **Exhibit K**. If a future amendment to the PSA is required or necessary and is executed by the parties, then that amendment shall automatically be included herein as if originally made a part hereof with no further action needed.

Among other things, the PSA contemplates that, at Acquisition Closing:

- (i) City shall deliver a Quit Claim with right of reverter and applicable restrictive covenants as set forth in this Agreement (the "Quit Claim Deed"), in the form attached hereto as **Exhibit C**, executed by City quit-claiming the City Parcel to Developer. The Quit Claim Deed shall (i) restrict the use of the City Parcel to a mixed-income housing development, including retail, consistent with the adopted BID Plan and CRA Plan for Downtown, (ii) prohibit the City Parcel and the improvements located thereon, from being transferred to or owned by any tax-exempt entity, and (iii) contain a right of reverter in the event that Developer fails to Commence Construction of the Horizontal Improvements on or before the date that is the earlier of (1) three (3) months after the date that all Permit Approvals

have been received, and (2) fifteen (15) months after the Effective Date, subject to any extensions granted, cure periods or Force Majeure Events; and

- (ii) Developer shall execute and deliver to the City a Land Use Restriction Agreement (the “LURA”) encumbering the Project Parcel in the form attached hereto as **Exhibit D** providing that for a perpetual period the Project will include a total of eighty-five (85) residential units in the Building, including a minimum of seventy-five (75) affordable units designated for households earning at or below 80% of the Area Median Income (AMI) and ten (10) unrestricted market-rate units (consisting of not less than five (5) one-bedroom units and not less than three (3) two-bedroom units).

## **Article 5.**

### **PERFORMANCE SCHEDULE**

The City, the DIA and the Developer have jointly established the following dates for the performance of Developer’s obligations under this Agreement, subject to delays caused by Force Majeure (the “Performance Schedule”):

Obtain all Permit Approvals on or before the date that is twelve (12) months after the effective date of this Agreement.

Commencement of the Construction of Horizontal Improvements on or before the earlier of (i) the date that is three (3) months after the date that all Permit Approvals have been received, and (ii) the date that is fifteen (15) months after the Effective Date, and proceed diligently without Impermissible Delay until Substantial Completion.

Substantial Completion of the Improvements on or before the date that is twenty-four (24) months after the Commencement of Construction of the Horizontal Improvements.

The DIA, the City and the Developer have approved this Performance Schedule. By the execution hereof, and subject to the terms of this Agreement, the Developer hereby agrees to undertake and complete the Improvements in accordance with this Agreement and the Performance Schedule, and to comply with all of its obligations set forth herein. The CEO of the DIA shall have the authority to extend any and/or all of the aforementioned dates in this Performance Schedule for up to six (6) months for good cause shown by the Developer, in the CEO’s sole discretion. For purposes of clarity, an extension for a date related to a Commencement Date for the Improvements would automatically extend the Completion Date related to the Improvements.

## **Article 6.**

### **THE DEVELOPMENT**

## 6.1 **Improvements.**

(a) **Minimum Standards.** The Improvements shall comply with each of the following minimum requirements:

- (i) Include an approximately seven-story, integrated mixed-income residential and commercial/retail building as designed by PQH Group Design, Inc. (PQH) and presented in the proposal to the DIA; provided that, any change in the design architect (PQH) or substantive changes to the design as presented in the proposal require approval by the CEO which may be withheld in his or her reasonable discretion.
- (ii) Include a structured parking garage on the first two levels of the Building estimated at approximately 33,300 square feet with approximately ninety (90) covered parking spaces, including approximately one dedicated parking space per residential unit of the Building with available parking spaces for the Building's commercial tenants and property management staff.
- (iii) Include a total of eighty-five (85) residential units in the Building meeting the minimum set-aside requirements set forth in the Florida Housing Finance Corporation Request for Funding Applications 2025-202 Housing Credit Financing for Affordable Housing Developments Located in Broward, Duval, Hillsborough, Lee, Orange, Palm Beach, Pinellas, and Polk Counties (the "FHFC RFA") (or other such designation as may be issued by the FHFC), including a minimum of seventy-five (75) affordable units designated for households earning at or below 80% of the Area Median Income (AMI) and ten (10) unrestricted market-rate units (consisting of not less than five (5) one-bedroom units and not less than three (3) two-bedroom units.
- (iv) Include not less than 1,200 square feet of Leasable Retail Space on the ground-floor of the Building and located at the corner of Newnan St. N. and Duval Street E.

## 6.2 **Scope of Development.**

- (a) The Developer shall construct and develop or cause to be constructed and developed, in compliance with the times set forth in the Performance Schedule, all Improvements which the Developer is obligated to construct and develop under the Performance Schedule, the Plans and Specifications, and this Agreement.
- (b) Nothing contained in this Agreement or any other document attached hereto or contemplated hereby shall constitute or create any duty on or warranty by the City or the DIA regarding: (a) the accuracy or reasonableness of the Improvements; (b) the feasibility or quality of the construction documents for the Improvements; (c) the quality or condition of the work; or (d) the competence or qualifications of any third party furnishing services, labor or materials in connection with the construction of the Improvements. The Developer acknowledges that it has not relied and will not rely upon any experience, awareness or

expertise of the City or the DIA, or any City or DIA inspector, regarding the aforesaid matters.

- (c) The design and architectural features of the Improvements shall be substantially similar in all material respects to any renderings as granted final approval by DDRB.
- (d) The Developer shall construct all Improvements in accordance with all applicable building and permitting codes.

#### 6.3 **Cost of Development.**

The Developer shall pay the cost of constructing and developing the Improvements at no cost to the DIA or the City. Notwithstanding the foregoing, the DIA and City acknowledge that the AHS Loan is intended to be utilized to reimburse eligible expenses necessary for the construction of the Improvements.

#### 6.4 **Compliance with DDRB.**

The Improvements, and all other improvements constructed as a part of the Project, shall comply with the Downtown Zoning Overlay and be subject to DDRB final approval.

#### 6.5 **Approval by Other Governmental Agencies.**

All of the parties' respective rights and obligations under this Agreement are subject to and conditioned upon approval of the Project and all project documents by such other governmental agencies, whether state, local or federal, as have jurisdiction and may be required or entitled to approve them. Notwithstanding any provision of this Agreement to the contrary, neither the City nor the DIA guarantee approval of this Agreement or any aspect of the Project by any government authorities and agencies that are independent of the City.

#### 6.6 **Authority of DIA to Monitor Compliance.**

During all periods of design and construction, the CEO of the DIA or the CEO's designee shall have the authority to monitor compliance by the Developer with the provisions of this Agreement and the Project Documents. Insofar as practicable, the DIA shall coordinate such monitoring and supervising activity with those undertaken by the City so as to minimize duplicate activity. To that end, during the period of construction and with 48 hours prior notice to the Developer, representatives of the City and DIA shall have the right of access to the Project Parcel and to every structure on the Project Parcel during normal construction hours; provided, however, that the DIA shall perform any such monitoring and supervising activity in a manner so as not to delay the progress of construction.

#### 6.7 **Timing of Completion.**

The Improvements shall be completed substantially in accordance with the terms of this Agreement and the Performance Schedule.

## 6.8 **Construction and Operation Management.**

Except as otherwise expressly provided herein, the Developer shall have discretion and control, free from interference, interruption or disturbance, in all matters relating to the management, development, redevelopment, construction and operation of the Project, provided that the same shall, in any event, conform to and comply with the terms and conditions of this Agreement, and all applicable state and local laws, ordinances and regulations (including without limitation, applicable zoning, subdivision, building and fire codes). The Developer's discretion, control and authority with respect thereto shall include, without limitation, the following matters:

- (a) the construction and design of the Project, subject to the express terms and conditions of this Agreement;
- (b) the selection, approval, hiring and discharge of engineers, architects, contractors, subcontractors, professionals and other third parties (collectively the "Vendors") on such terms and conditions as the Developer deems appropriate; provided however, that to the extent that the DIA furnishes to the Developer the names and identities of Jacksonville-based Vendors, and to the extent that Developer has the need to enter into contracts with Vendors outside of persons employed by Developer or companies affiliated with or controlled by Developer or its principals, then Developer agrees to include all such Jacksonville-based Vendors in the process established by Developer for obtaining bids for any of the Improvements;
- (c) the negotiation and execution of contracts, agreements, easements and other documents with third parties, in form and substance satisfactory to Developer; and
- (d) the preparation of such budgets, cost estimates, financial projections, statements, information, and reports as the Developer deems appropriate.

## 6.9 **Resiliency.**

In collaboration with the City's Chief Resiliency Officer and the Florida Institute for Built Environment Resilience, the design of the Improvements shall include resiliency features, including to the extent practicable the design recommendations set forth in Resilient Jacksonville published in October 2023 and its update published in October 2024.

## 6.10 **Entitlements**

Developer's request for new Stormwater Credits and Mobility Fee Credits, for any development proposed on the Project Parcel are not guaranteed but will be processed in accordance with the applicable Ordinance Code and BID plan requirements and criteria, including applicable fees.

## 6.11 **Minimum Capital Investment.**

Notwithstanding anything in this Agreement to the contrary, the Developer shall provide evidence and documentation to the DIA sufficient to demonstrate a minimum Capital Investment in the Improvements in an amount of not less than \$28,987,000 (the "Minimum Capital Investment").

**Article 7.**  
**AFFORDABLE HOUSING SUPPORT LOAN**

**7.1 Affordable Housing Support Loan.**

Upon Substantial Completion of the Project, but in no event no later than ninety (90) days following the date the Project is placed-in-service, the DIA shall fund the AHS Loan in an amount not to exceed Six Hundred Ten Thousand and No/100 Dollars (\$610,000.00) to the Developer upon the following terms and conditions:

(a) **Conditions Precedent:** The DIA's obligation to fund the AHS Loan to the Developer is conditioned upon prior occurrence of the following:

(i) Selection of the Developer by the Jacksonville Housing Finance Authority as the Local Government Areas of Opportunity Designation (the "Designation") pursuant to Local Government Area of Opportunity Funding Loan Request NOFA 2025-1 in conjunction with the FHFC RFA.

(ii) An allocation of 9% low-income housing tax credits from the FHFC under the FHFC RFA has been met.

(iii) The Developer must document to the DIA that the requirements of the Minimum Capital Investment as set forth in Section 6.11 have been met.

(iv) The Developer must promptly furnish the DIA evidence satisfactory to the DIA that the Developer has acquired marketable title to the Project Parcel and applicable permits have been issued and the Improvements have been Substantially Completed and a temporary or permanent certificate of occupancy issued.

(v) Developer will have complied in all respects with the requirements under the DIA Resolution, and will have limited its use of the Live Local Act agency and authority to seeking a waiver of the height limitation restrictions as set forth in the DIA Resolution.

(vi) All property taxes on the Project and the Project Parcel must be current.

(vii) Additionally, the Developer shall take all action necessary to have any construction liens, judgment liens or other liens or encumbrances filed against the Project Parcel, other than the first mortgage or other encumbrances acceptable to the DIA in its sole discretion, released or transferred to bond within thirty (30) days of the date the Developer receives notice of the filing of such liens or encumbrances. If any such lien or encumbrance is filed, the City shall not be required to make any disbursement of the AHS Loan until such lien or encumbrance is bonded over or removed and the City receives a copy of the recorded release. The City shall not be obligated to disburse any of the AHS Loan to the Developer if, in the opinion of the City, any such disbursement or the Project or the Project Parcel would be subject to a construction lien or any other lien or



encumbrance other than inchoate construction liens. The Developer shall be fully and solely responsible for compliance in all respects whatsoever with the applicable construction lien laws.

(viii) Release of City funds shall be as set forth in Section 7.1(h), below. The DIA shall have received contractor's affidavits and construction lien releases related to the final payment application necessary to receive a temporary certificate of occupancy certified by the architect of record.

(ix) All outstanding principal and accrued interest on the AHS Loan shall be due and payable upon the sale, refinancing or transfer of the Project or the Project Parcel.

(x) The closing of the loan related to the Prime Mortgage and the loan related to the JHFA Mortgage shall occur prior to or simultaneously with the AHS Loan Closing.

(xi) There shall be no continuing default by the Developer under this Agreement.

(b) **Amount:** The principal amount of the AHS Loan shall be the actual amount required by the FHFC RFA that in no event shall exceed \$610,000.00.

(c) **Use of Proceeds:** The proceeds of the AHS Loan shall be used in connection with the Project located at the Project Parcel, for the purpose of providing long term financing for the Project.

(d) **Interest Rate:** Interest shall accrue and be paid on the outstanding balance of the AHS Loan at a rate of three percent (3.0%) per annum. The loan documents shall provide that, from and after the occurrence of any event of an uncured default under the loan documents, the AHS Loan shall accrue interest at the highest rate then permissible under Florida law, and the DIA may, without notice or demand, declare the entire principal sum then unpaid immediately due and payable.

(e) **Priority:** The AHS Loan will be secured by a mortgage in the amount of the AHS Loan subordinate only to a mortgage securing a senior construction or permanent loan(s) as reasonably approved by DIA staff (the "Prime Mortgage"), and any mortgage securing a Jacksonville Housing Finance Authority Loan related to the Improvements (the "JHFA Mortgage").

(f) **Terms of Repayment:** The term of the AHS Loan is twenty (20) years. Payments of the accrued interest on the AHS Loan shall be due semi-annually, provided that such payments shall be subject to the availability of cash flow. The principal balance of the AHS Loan, along with all accrued by unpaid interest, shall be due and payable at the end of the term of the AHS Loan, or upon the earlier sale, refinancing or transfer of the Project Parcel. The AHS Loan shall be disbursed within ninety (90) days after the date that the DIA receives a copy of the Temporary or Final Certificate of Occupancy allowing for the intended use of the Improvements.

(g) **Collateral:** The promissory note evidencing the AHS Loan shall be secured by a mortgage (the "Mortgage") in favor of the City and such other loan documents necessary or appropriate to secure the debt. The Mortgage shall be subordinate only to the Prime Mortgage and any JHFA

Mortgage.

(h) **Disbursement:** Disbursement shall be made as follows:

(i) Subject to satisfaction of the conditions precedent set forth in Section 7.1(a), AHS Loan proceeds will be disbursed lump sum in a single disbursement to Developer within ninety (90) days after the date that the DIA receives a copy of the final Temporary or Final Certificate of Occupancy allowing for the intended use of the Improvements.

(ii) The disbursement request shall be for the total undisbursed amount of the AHS Loan and shall be made after Substantial Completion of the Project and Improvements in accordance with this Agreement.

(iii) The disbursement request must be made on the form attached hereto as **Exhibit F**, as may be modified by the DIA.

## 7.2 **AHS Loan Documents**

(a) All documentation relating to the AHS Loan shall be prepared by counsel for the DIA and shall contain such representations, warranties, covenants, conditions (e.g. a due on sale clause), events of default, rights, remedies and other terms in addition to those specifically set forth herein as the DIA deems reasonably necessary or appropriate and shall otherwise be satisfactory in all respects to the DIA and its counsel.

(b) The loan documents shall include such audited and unaudited financial reporting requirements for the Developer and/or the Project as the DIA may require.

## 7.3 **Additional Requirements.**

In addition to the above, the following conditions must be met prior to the DIA's funding of the transactions contemplated herein:

(a) The Developer shall provide the DIA with any and all documents requested by the DIA at Developer's expense, evidencing the AHS Loan, which documents may include, without limitation, the following documents at or before the AHS Loan Closing:

- (i) Loan Agreement (the "Loan Agreement");
- (ii) Mortgage and Security Agreement;
- (ii) Promissory Note;
- (iii) Collateral Assignment of Rents and Leases;
- (iv) Borrower's Title and No Lien Affidavit;
- (v) Environmental Affidavit;

- (vi) Borrower's Certificate;
- (vii) Anti-Coercion Statement;
- (viii) Agreement to Provide Insurance;
- (ix) Title Commitment insuring DIA's mortgage, subject only to the Prime Mortgage and the JHFA Mortgage, and any other approved subordinate mortgages, if any, and to exceptions acceptable to the DIA in its sole but reasonable discretion;
- (x) SNDA with respect to any existing leases;
- (xi) Survey certified to DIA and City;
- (xii) Copies of licenses, permits, operating contracts;
- (xiii) Evidence of insurance with DIA listed as additional insured and loss payee in form and content acceptable to the DIA;
- (xiv) Consent of Prime Mortgage holder and JHFA Mortgage holder, if required;
- (xv) Opinion of Borrower's Counsel; and
- (xvi) Any other documents or reports requested by the DIA.

#### 7.4 **Fees and Costs.**

In addition to the Closing Costs, the Developer shall pay all of the DIA's fees, expenses and costs in connection with the documentation, closing, administration and collection of the AHS Loan, whether or not the transaction contemplated herein is consummated. Such costs include, without limitation, all attorney's fees and costs, filing fees, title review, intangible tax, recording fees, title, site inspection, survey, letter of credit fees and documentary stamp taxes, if any, which are incurred in connection with this Agreement or the negotiation, documentation and/or closing of the transaction contemplated by this Agreement, whether or not such transaction is closed.

#### 7.5 **Closing Conditions.**

Prior to making any disbursement under the AHS Loan, the DIA shall receive, at the Developer's expense, such additional items in form and substance satisfactory to the DIA and its counsel as deemed necessary or appropriate, including, without limitation, evidence that the Project has been and will be operated in accordance with all applicable environmental laws and regulations. The loan documents governing the AHS Loan will include, without limitation, such environmental representations, warranties, indemnities and other provisions as the DIA may reasonably require.

#### 7.6 **Prepayment.**

The AHS Loan may be repaid in full without penalty at any time and the funds are to be placed in the Downtown Economic Development Fund or such other fund as may be directed by the City Council.

#### 7.7 **Termination.**

At the AHS Loan Closing, the Developer shall certify to the DIA that none of the events listed below have occurred and are continuing, and if they are continuing, the DIA may, at its option, terminate the funding of the transaction contemplated hereunder by written notice to the Developer, at the address set forth in this Agreement, upon:

- (a) The commencement by or against the Developer of any bankruptcy, insolvency or similar proceedings.
- (b) The Developer's assignment for the benefit of its, its creditors, or admission in writing of its inability to pay its debts as they become due.
- (c) Any change in the financial condition of the Project, the Developer which is, in the sole discretion of the DIA, material and adverse.
- (d) If any statement or representation made by the Developer, or related to the Project in connection with or in support of the AHS Loan, shall prove untrue in any material respect.
- (e) Default by the Developer in the performance of any other material covenant, condition or agreement set forth in this Agreement.
- (f) Any default by the Developer under any other obligation owed by it to the DIA.

Any termination shall not affect the DIA's rights to enforce the provisions of this Agreement regarding costs and expenses or indemnification. All such rights shall survive any such termination.

Notwithstanding anything to the contrary in this Agreement, any approval for the AHS Loan will automatically terminate if the Developer is not selected for the Designation by the JHFA in the year in which the approval was granted.

#### 7.8 **Further Disclaimer.**

The AHS Loan shall not be deemed to constitute a debt, liability or obligation of the City, DIA or of the State of Florida or any political subdivision thereof within the meaning of any constitutional or statutory limitation, or a pledge of the faith and credit or taxing power of the City, DIA or the State of Florida or any political subdivision thereof, but shall be payable solely from the funds appropriated therefor. The City and DIA shall not be obligated to pay the AHS Loan or any installment thereof except from the non-ad valorem revenues or other legally available funds provided for that purpose, and neither the faith and credit nor the taxing power of the City, DIA or of the State of Florida or any political subdivision thereof is pledged to the payment of the AHS Loan or any installment thereof. The Developer,

and any person, firm, or entity claiming by, through or under the Developer, or any other person whomsoever, shall never have any right, directly or indirectly, to compel the exercise of the ad valorem taxing power of the City, DIA or of the State of Florida or any political subdivision thereof for the payment of the AHS Loan or any installment thereof.

## **Article 8. LIMITATION OF LIABILITY**

### **8.1 No Warranty by City or DIA.**

Nothing contained in this Agreement or any other document attached hereto or contemplated hereby shall constitute or create any duty on or warranty by City or the DIA regarding: (a) the accuracy or reasonableness of the Project budgets; (b) the feasibility or quality of the construction documents for the Project; (c) the proper application by the Developer of the AHS Loan; (d) the quality or condition of the work; or (e) the competence or qualifications of any third-party furnishing services, labor or materials in connection with the construction of the Project. The Developer acknowledges that it has not relied and will not rely upon any experience, awareness or expertise of the City or DIA, or any City or DIA inspector, regarding the aforesaid matters.

## **Article 9. JSEB PROGRAM**

### **9.1 Jacksonville Small and Emerging Businesses (JSEB) Program.**

The Developer, in further recognition of and consideration for the public funds provided to assist the Developer pursuant to this Agreement, hereby acknowledges the importance of affording to small and emerging vendors and contractors the full and reasonable opportunity to provide materials and services. Therefore, the Developer hereby agrees as follows:

- (a) The Developer shall obtain from the City's Procurement Division the list of certified Jacksonville Small and Emerging Businesses ("JSEB"), and shall exercise good faith, in accordance with Municipal Ordinance Code Sections 126.608 et seq., to enter into contracts with City certified JSEBs to provide materials or services in an aggregate amount of not less than \$122,000.00 which amount represents 20% of the City's and DIA's maximum contribution to the Project with respect to the development activities or operations of the Project over the term of this Agreement.
- (b) The Developer shall submit JSEB report(s) regarding the Developer's actual use of City certified JSEBs on the Project, (i) on the date of any request for DIA funds which are payable prior to the Completion of Construction, (ii) upon Completion of Construction. The form of the report to be used for the purposes of this Section is attached hereto as **Exhibit G** (the "JSEB REPORTING FORM").

**Article 10.**  
**REPORTING; SITE VISITS**

**10.1 Taxes.**

All property, business, and income taxes must be maintained in current status (subject to extensions permitted pursuant to applicable law) throughout the term of this Agreement, and throughout the term of the AHS Loan. Developer agrees to deed restrict the property from tax-exempt status for the life of the Project.

**10.2 Reporting.**

On a semi-annual basis, and prior to each March 1 and September 1 each year this Agreement is in effect, the Developer shall submit reports to the DIA regarding all activities affecting the implementation of this Agreement, including a narrative summary of progress on the Project, and documentation verifying compliance with this Agreement.

Samples of the general forms of these reports are attached hereto as **Exhibit H** (the “Annual Survey”); however, the specific data requested may vary from the forms attached.

The Developer’s obligation to submit such reports shall continue until the Developer has complied with all of the terms of this Agreement concerning the Project, including the construction and Substantial Completion of the Improvements.

Within thirty (30) days following a request of the DIA or the City, the Developer shall provide the DIA or the City with additional documentation and information relating to this Agreement as reasonably requested by the DIA or the City.

**10.3 Site Visits.**

Until such time as all of the Improvements have been Substantially Completed pursuant to this Agreement, Developer shall permit representatives from the DIA and other designated personnel, to monitor compliance by Developer with the provisions of this Agreement. With not less than 48 hours prior notice to Developer, representatives of DIA shall have the right on a monthly basis to tour the Project and access Developer’s records and employees related to the Project and this Agreement, during normal business hours, provided, however, that Developer shall have the right to have a representative of Developer present during any such inspection.

**10.4 Intentionally Deleted.**

**10.5 Promotion of Downtown Activities.**

During the AHS Loan Period, the Developer shall promote Downtown activities and events organized by the City to its residents using electronic or static bulletin boards, newsletters, emails, and/or other standardized methods of internal communication.

**Article 11.**  
**DEFAULTS AND REMEDIES**

**11.1    General.**

A default shall consist of the breach of any covenant, agreement, representation, provision, or warranty contained in (i) this Agreement (including, but not limited to, any failure to meet the reporting requirements described herein), (ii) the documents executed in connection with the Agreement and any other agreement between the DIA and the Developer related to the Project, or (iii) any document provided to the City or the DIA relating to the Project (collectively, the “Project Documents”). A default shall also exist if any event occurs or information becomes known which, in the reasonable judgment of the DIA, makes untrue, incorrect or misleading in any material respect any statement or information contained in any of the documents described in clauses (i) – (iii) above or causes such document to contain an untrue, incorrect or misleading statement of material fact or to omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

If any such default or breach occurs under this Agreement, the City and the DIA may at any time or from time to time proceed to protect and enforce all rights available to the City and the DIA under this Agreement by suit in equity, action at law or by any other appropriate proceeding whether for specific performance of any covenant or agreement contained in this Agreement, or damages, or other relief, or proceed to take any action authorized or permitted under applicable laws or regulations, including, but not limited to, terminating this Agreement. The City and the DIA shall not act upon a default until it has given the Developer written notice of the default and fifteen (15) business days within which to cure the default; provided, however, that the City and the DIA may delay any Closing immediately upon the occurrence of a default and throughout any notice or cure period. However, if any default cannot reasonably be cured within the initial fifteen (15) business days, Developer shall have a total of forty-five (45) days in which to cure such default, so long as Developer has commenced such cure within the initial fifteen (15) day period and is diligently proceeding to cure such default. Notwithstanding the foregoing, Developer shall immediately and automatically be in default, and neither the City nor the DIA shall be required to give Developer any notice or opportunity to cure such default (and thus the City and the DIA shall immediately be entitled to act upon such default), upon the occurrence of any of the following:

- (a) The entry of a decree or order by a court having jurisdiction in the premises adjudging the Developer or any guarantor (“Guarantor”) of Developer’s obligations hereunder or under the Project Documents, a bankrupt or insolvent, or approving as properly filed a petition seeking reorganization, arrangement, adjustment or composition of or in respect of the Developer or Guarantor under the United States Bankruptcy Code or any other applicable federal or state law, or appointing a receiver, liquidator, custodian, assignee, or sequestrator (or other similar official) of the Developer or Guarantor or of any substantial part of its property, or ordering the winding up or liquidation of its affairs, and the continuance of any such decree or order unstayed and in effect for a period of ninety (90) consecutive days; and
- (b) The institution by Developer or Guarantor of proceedings to be adjudicated a bankrupt or insolvent, or the consent by it to the institution of bankruptcy or insolvency proceedings against it, or the filing by it of a petition or answer or consent seeking reorganization or relief under the United States Bankruptcy Code or any other similar applicable federal or

state law, or the consent by it to the filing of any such petition or to the appointment of a receiver, liquidator, custodian, assignee, trustee or sequestrator (or other similar official) of the Developer or Guarantor or of any substantial part of its property, or the making by it of an assignment for the benefit of creditors, or the admission by it in writing of its inability to pay its debts generally as they become due.

#### 11.2 **Specific Defaults.**

Additionally, for any of the specific events of default described in this Section 0 below, the parties agree that the City's and DIA's damages recoverable from the Developer shall include, but not be limited to, the following:

- (a) In the event reporting requirements are not met in the time period specified in this Agreement, and such failure is not cured within thirty (30) days of the date such report is required to be submitted, the DIA will be entitled to withhold any further disbursements of the AHS Loan;
- (b) In the event all property, business, and income taxes are not timely paid throughout the term of this Agreement, and throughout the AHS Loan Period, the DIA will be entitled to withhold all further disbursements for the AHS Loan;
- (c) In the event the Developer restructures its ownership interest in the Developer entity, sells, refinances the Project Parcel, or any portion thereof, in such a way as to remove any equity injected prior to the AHS Loan Closing, or otherwise transfers any portion of the Building, the Improvements, the Project Parcel or any interest in the Developer entity (collectively, the "Sale") during the AHS Loan Period, the Developer shall pay to the DIA at closing of the Sale all outstanding obligations, including all outstanding principal and interest under the AHS Loan.
- (d) The maximum combined repayment due under this Section 0 shall not exceed the total amount of the AHS Loan actually paid to the Developer under this Agreement. The Developer's repayment obligation under this Section 11.2 shall survive the expiration or termination of this Agreement.

#### 11.3 **Performance Schedule Default.**

Notwithstanding anything in this Agreement to the contrary, in the event that the Developer fails to Commence and Substantially Complete the Project in accordance with the Performance Schedule, the Developer shall be deemed to have forfeited and waived its right to, and the DIA shall not be obligated to pay, any further amounts under the AHS Loan.

#### 11.4 **Parcel Reverter.**

Developer shall, at the Acquisition Closing, deliver the Reverter Deed (in the form attached to the Quit Claim Deed) conveying the City Parcel back to the City, to be held in escrow until such time as the DIA determines that any Condition (as defined in the Quit Claim Deed) has or has not been timely satisfied. Upon the DIA's determination that the Condition has been satisfied, the Reverter Deed shall be



automatically canceled and returned to the Developer. Upon the DIA's determination that the Condition has not been timely satisfied, the DIA may record the Reverter Deed in the public records of Duval County, Florida and contemporaneously deliver to the Developer written notice of the same. Within thirty (30) days thereafter, the Developer shall cause to be issued in the City's favor an owner's policy of title insurance for the fair market value of the City Parcel (as reasonable determined by DIA) without exception for any matters arising during Developer's ownership of the City Parcel and execute and deliver all documents in connection with the same and the Developer shall pay all closing costs related to the recording of the Reverter Deed and conveyance of the City Parcel including the documentary stamps, if applicable. The reverter with respect to the City Parcel shall be at no cost to the City or the DIA. Without limiting the foregoing and for avoidance of doubt, Developer expressly agrees to pay the premium for such owner's title policy, all related recording costs, any documentary stamps on the Reverter Deed, if applicable, the cost of surveys (or updates thereto), the cost to clear any title exceptions, Developer's attorney's fees, and all other closing costs in connection with the re-conveyance of the City Parcel.

Once the Developer has satisfied the Condition (as defined in the Quit Claim Deed) as determined by the DIA, upon request by the Developer, the City shall execute and record at Developer's expense a notice of termination of reverter rights with respect to the City Parcel and return the Reverter Deed to the Developer.

## **Article 12. GENERAL PROVISIONS**

### **12.1 Non-Foreign Entity Affidavit; Human Trafficking Affidavit.**

Notwithstanding anything in this Agreement to the contrary, as a condition precedent to the DIA's and the City's obligations under this Agreement, the Developer shall have provided to the City an executed and notarized non-foreign entity affidavit in form and substance satisfactory to the DIA and the City and substantially in the form attached as **Exhibit I** hereto and an executed and notarized human trafficking affidavit in form and substance satisfactory to the DIA and the City and substantially in the form attached as **Exhibit J**.

### **12.2 Non-liability of DIA Officials.**

No member, official or employee of the DIA or the City shall be personally liable to the Developer or to any Person with whom the Developer shall have entered into any contract, or to any other Person, in the event of any default or breach by the DIA or City, or for any amount which may become due to the Developer or any other Person under the terms of this Agreement.

### **12.3 Force Majeure.**

No party to this Agreement shall be deemed in default hereunder where such a default is based on a delay in performance as a result of war, insurrection, strikes, lockouts, riots, floods, earthquakes, fires, casualty, acts of God, acts of public enemy, epidemic, pandemic, quarantine restrictions, freight embargo, shortage of labor or materials, interruption of utilities service, lack of transportation, severe weather and other acts or failures beyond the control or without the control of any party (collectively, a "Force Majeure Event"); provided, however, that the extension of time granted for any delay caused by any of the foregoing shall not exceed the actual period of such delay and shall be proximately caused by such Force Majeure Event.

In the event of any delay or nonperformance resulting from such causes, the party affected shall notify the other in writing within seven (7) calendar days of the force majeure event. Such written notice shall describe the nature, cause, date of commencement, and the anticipated impact of such delay or nonperformance, shall indicate the extent, if any, to which it is anticipated that any delivery or completion dates will be thereby affected, and shall describe the actions taken to minimize the impact thereof.

12.4 **Notices.**

All notices to be given hereunder shall be in writing and personally delivered or sent by registered or certified mail, return receipt requested, or delivered by an air courier service utilizing return receipts to the parties at the following addresses (or to such other or further addresses as the parties may designate by like notice similarly sent) and such notices shall be deemed given and received for all purposes under this Agreement three (3) business days after the date same are deposited in the United States mail if sent by registered or certified mail, or the date actually received if sent by personal delivery or air courier service, except that notice of a change in address shall be effective only upon receipt.

(a) the DIA/City:

Downtown Investment Authority  
117 West Duval Street, Suite 310  
Jacksonville, Florida 32202  
Attn: Chief Executive Officer

With a copy to:

City of Jacksonville  
Office of the General Counsel  
City Hall-St. James Building  
117 West Duval Street, Suite 480  
Jacksonville, Florida 32202

(b) The Developer:

Duval 212, LLC  
3225 Aviation Avenue, 6<sup>th</sup> Floor  
Coconut Grove, Florida 33130  
Attention: Matthew Rieger  
Email: [mattr@htgf.com](mailto:mattr@htgf.com)

With a copy to:

Stearns Weaver Miller Weissler Alhadeff & Sitterson, P.A.  
Attention: Brian J. McDonough, Esq.  
150 West Flagler Street  
Suite 2200  
Miami, Florida 33130  
Email: [BMcDonough@stearnsweaver.com](mailto:BMcDonough@stearnsweaver.com)

Virginia “Ginny” Myrick  
4446-1A Hendricks Ave #389  
Jacksonville, Florida 32207  
Email: [ginny@cathedraldistrict-jax.org](mailto:ginny@cathedraldistrict-jax.org)

12.5 **Time.**

Time is of the essence in the performance by any party of its obligations hereunder.

12.6 **Entire Agreement.**

Notwithstanding anything to the contrary set forth in the PSA, including Section 21 of the PSA, this Agreement constitutes the entire understanding and agreement between the parties and supersedes all prior negotiations and agreements between them with respect to all or any of the matters contained herein.

12.7 **Amendment.**

This Agreement may be amended by the parties hereto only upon the execution of a written amendment or modification signed by the parties. Notwithstanding the foregoing, the Chief Executive Officer of the DIA is authorized on behalf of the DIA and the City to approve, in his or her sole discretion, any “technical” changes to this Agreement. Such “technical” changes include without limitation non-material modifications to legal descriptions and surveys, ingress and egress, easements and rights of way, Performance Schedule extensions (for up to six months), and design standards, as long as such modifications do not involve any increased financial obligation or liability to the DIA or the City.

#### 12.8 **Waivers.**

Except as otherwise provided herein, all waivers, amendments or modifications of this Agreement must be in writing and signed by all parties. Any failures or delays by any party in insisting upon strict performance of the provisions hereof or asserting any of its rights and remedies as to any default shall not constitute a waiver of any other default or of any such rights or remedies. Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the parties hereto are cumulative, and the exercise by any party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by any other party.

#### 12.9 **Indemnification.**

Developer shall indemnify, hold harmless and defend the DIA and the City, and each of its respective directors, officers, officials, members, agents, representatives and employees, from and against, without limitation, any loss, claim, suit, action, damage, injury, liability, fine, penalty, cost, and expense of whatsoever kind or nature (including without limitation court, investigation and defense costs and reasonable expert and attorneys' fees and costs) related to any suits and actions of any kind brought against the DIA or the City or other damages or losses incurred or sustained, or claimed to have been incurred or sustained, by any person or persons arising out of or in connection with: (i) any breach of any representation or warranty of Developer contained or provided in connection with this Agreement; (ii) any breach or violation of any covenant or other obligation or duty of Developer under this Agreement or under applicable law; (iii) any negligent act, error or omission, recklessness or intentionally wrongful conduct on the part of Developer or those under its control that causes injury (whether mental or corporeal) to persons (including death) or damage to property, whether arising out of or incidental to Developer's performance under this Agreement or relating to the Project, except to the extent caused by the sole negligence or willful misconduct of the DIA or the City or those for whom the DIA or the City is responsible. Nothing contained in this paragraph shall be construed as a waiver, expansion or alteration of the City's or the DIA's sovereign immunity beyond the limitations stated in Section 768.28, Florida Statutes.

This indemnification shall survive the expiration or termination (for any reason) of this Agreement and remain in full force and effect. The scope and terms of the indemnity obligations herein described are separate and apart from, and shall not be limited by any insurance provided pursuant to this Agreement or otherwise.

#### 12.10 **Severability.**

The invalidity, illegality or unenforceability of any one or more of the provisions of this Agreement shall not affect any other provisions of this Agreement, but this Agreement will be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

#### 12.11 **Compliance with State and Other Laws.**

In the performance of this Agreement, the Developer must comply with any and all applicable federal, state and local laws, rules and regulations, as the same exist and may be amended from time to time. Such laws, rules and regulations include, but are not limited to, Chapter 119, Florida Statutes (the

Public Records Act) and Section 286.011, Florida Statutes, (the Florida Sunshine Law). If any of the obligations of this Agreement are to be performed by a subcontractor, the provisions of this Section shall be incorporated into and become a part of the subcontract.

#### 12.12 **Non-Discrimination Provisions.**

In conformity with the requirements of Section 126.404, *Ordinance Code*, the Developer represents that it has adopted and will maintain a policy of non-discrimination against employees or applicants for employment on account of race, religion, sex, color, national origin, age or handicap, in all areas of employment relations, throughout the term of this Agreement. The Developer agrees that, on written request, it will permit reasonable access to its records of employment, employment advertisement, application forms and other pertinent data and records, by the Executive Director of the Human Rights Commission, or successor agency or commission, for the purpose of investigation to ascertain compliance with the nondiscrimination provisions of this Chapter 126, Part 4 of the *Ordinance Code*, *provided however*, that the Developer shall not be required to produce for inspection records covering periods of time more than one (1) year prior to the day and year first above written. The Developer agrees that, if any of its obligations to be provided pursuant to this Agreement are to be performed by a subcontractor, the provisions of this Section 12.12 shall be incorporated into and become a part of the subcontract.

#### 12.13 **Contingent Fees Prohibited.**

In conformity with Section 126.306, *Ordinance Code*, the Developer warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for the Developer, to solicit or secure this Agreement, and that it has not paid or agreed to pay any person, company, corporation, individual or firm, other than a bona fide employee working solely for the Developer, any fee, commission, percentage, gift, or any other consideration, contingent upon or resulting from the award or making of this Agreement. For the breach or violation of these provisions, the DIA and the City shall have the right to terminate this Agreement without liability and, at its discretion, to deduct from the contract price, or otherwise recover, the full amount of such fee, commission, percentage, gift or consideration.

#### 12.14 **Ethics.**

The Developer represents that it has reviewed the provisions of the Jacksonville Ethics Code, as codified in Chapter 602, *Ordinance Code*, and the provisions of the Jacksonville Purchasing Code, as codified in Chapter 126, *Ordinance Code*.

#### 12.15 **Conflict of Interest.**

The parties will follow the provisions of Section 126.110, *Ordinance Code* with respect to required disclosures by public officials who have or acquire a financial interest in a bid or contract with the DIA or the City, to the extent the parties are aware of the same.

#### 12.16 **Public Entity Crimes Notice.**

In conformity with the requirements of Section 126.104, *Ordinance Code* and Section 287.133, Florida Statutes, the Parties agree as follows:

The parties are aware and understand that a person or affiliate who has been placed on the State of Florida Convicted Vendor List, following a conviction for a public entity crime, may not submit a bid on a contract to provide any goods or services to a public entity; may not submit a bid on a contract with a public entity for the construction or repair of a public building or public work; may not submit bids on leases of real property to a public entity; may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity; and may not transact business with any public entity, in excess of \$35,000.00, for a period of thirty-six (36) months from the date of being placed on the Convicted Vendor List.

**12.17 Survival.**

Any obligations and duties that by their nature extend beyond the expiration or termination of this Agreement shall survive the expiration or termination of this Agreement and remain in effect. Without limiting the foregoing, all obligations for the payment of fees or other sums accruing up to the expiration or termination of this Agreement and all provisions relating to the DIA's or the City's right to conduct an audit shall survive the expiration or termination of this Agreement.

**12.18 Incorporation by Reference.**

All exhibits and other attachments to this Agreement that are referenced in this Agreement are by this reference made a part hereof and are incorporated herein.

**12.19 Order of Precedence.**

In the event of any conflict between or among the provisions of this Agreement and those of any exhibit attached hereto or of any amendment, the priority, in decreasing order of precedence shall be: 1) any fully executed amendment; 2) provisions in this Agreement; and 3) exhibits to this Agreement.

**12.20 Counterparts.**

This Agreement may be executed in several counterparts, each of which shall be deemed an original, and all of such counterparts together shall constitute one and the same instrument. Delivery of a counterpart by electronic means shall be valid and binding for all purposes.

**12.21 Independent Contractor.**

In the performance of this Agreement, the Developer will be acting in the capacity of an independent contractor and not as an agent, employee, partner, joint venturer or association of the City or the DIA. The Developer and its employees or agents shall be solely responsible for the means, method, technique, sequences and procedures utilized by the Developer in the performance of this Agreement.

**12.22 Retention of Records/Audit**

The Developer agrees:

- (a) To establish and maintain books, records and documents (including electronic storage media) sufficient to reflect all income and expenditures of funds provided by the City or the DIA under this Agreement.

- (b) To retain, with respect to the Project, all client records, financial records, supporting documents, statistical records, and any other documents (including electronic storage media) pertinent to this Agreement for a period of six (6) years after completion of the date of final payment by the City and the DIA under this Agreement, including auditable records pertaining to jobs filled by third-party employers. If an audit has been initiated and audit findings have not been resolved at the end of six (6) years, the records shall be retained until resolution of the audit findings or any litigation which may be based on the terms of this Agreement, at no additional cost to the City or the DIA.
- (c) Upon demand, at no additional cost to the City or the DIA, to facilitate the duplication and transfer of any records or documents during the required retention period.
- (d) To assure that these records shall be subject at all reasonable times to inspection, review, copying, or audit by personnel duly authorized by the City and the DIA, including but not limited to the City Council auditors.
- (e) At all reasonable times for as long as records are maintained, to allow persons duly authorized by the City or the DIA, including but not limited to the City Council auditors, full access to and the right to examine any of the Developer's contracts and related records and documents, regardless of the form in which kept.
- (f) To ensure that all related party transactions are disclosed to the City and the DIA.
- (g) To include the aforementioned audit, inspections, investigations and record keeping requirements in all subcontracts and assignments of this Agreement.
- (h) To permit persons duly authorized by the City or the DIA, including but not limited to the City Council auditors, to inspect and copy any records, papers, documents, facilities, goods and services of the Developer which are relevant to this Agreement, and to interview any employees and subcontractor employees of the Developer to assure the City and the DIA of the satisfactory performance of the terms and conditions of this Agreement. Following such review, the City or the DIA will deliver to the Developer a written report of its findings and request for development by the Developer of a corrective action plan where appropriate. The Developer hereby agrees to timely correct all deficiencies identified in the corrective action plan.
- (i) If the result of any audit by the City or DIA establishes that the amount of private Capital Investment has been overstated by five percent (5%) or more, the entire expense of the audit shall be borne by the Developer.
- (j) Additional monies due as a result of any audit or annual reconciliation shall be paid within thirty (30) days of date of the City or the DIA's invoice.
- (k) Should the annual reconciliation or any audit reveal that the Developer has overstated the amount of Capital Investment, and the Developer does not make restitution within thirty (30) days from the date of receipt of written notice from the City or the DIA, then, in

addition to any other remedies available to the City or the DIA, the City or the DIA may terminate this Agreement, solely at its option, by written notice to the Developer.

**12.23 Non-merger.**

None of the terms, covenants, agreements or conditions set forth in this Agreement shall be deemed to be merged with any deed conveying title to the Project Parcel.

**12.24 Exemption of DIA.**

Neither this Agreement nor the obligations imposed upon the City or the DIA hereunder shall be or constitute an indebtedness of the City or the DIA within the meaning of any constitutional, statutory or charter provisions requiring the City to levy ad valorem taxes nor a lien upon any properties of the City or the DIA. Payment or disbursement by the City or the DIA of any loan or grant amount hereunder is subject to the availability of lawfully appropriated funds. If funds are not available pursuant to a lawful appropriation thereof by the City Council and/or the DIA Board as applicable, this Agreement shall be void and the City and the DIA shall have no further obligations hereunder.

**12.25 Parties to Agreement; Successors and Assigns.**

This is an agreement solely between the City, the DIA and Developer. The execution and delivery hereof shall not be deemed to confer any rights or privileges on any person not a party hereto. This Agreement shall be binding upon Developer and Developer's successors and assigns, and shall inure to the benefit of the City and the DIA and their respective successors and assigns. However, Developer shall not assign, transfer or encumber its rights or obligations hereunder or under any document executed in connection herewith, without the prior written consent of the DIA, which consent may be withheld in the sole discretion of the DIA.

**12.26 Venue; Applicable Law.**

The rights, obligations and remedies of the parties specified under this Agreement shall be interpreted and governed in all respects by the laws of the State of Florida. All legal actions arising out of or connected with this Agreement must be instituted in the Circuit Court of Duval County, Florida, or in the Federal District Court for the Middle District of Florida, Jacksonville Division. The laws of the State of Florida shall govern the interpretation and enforcement of this Agreement. Each party shall be responsible for the payment of its own attorneys' fees and costs incurred in connection with the enforcement of the terms of this Agreement.

**12.27 Civil Rights.**

The Developer agrees to comply with all of the terms and requirements of the Civil Rights Act of 1964, as amended, and the Civil Rights Act of 1968, as amended, and the antidiscrimination provisions of Chapter 126, Part 4, of the City Ordinance Code, and further agrees that in its operation under this Agreement it will not discriminate against anyone on the basis of race, color, age, disability, sex or national origin.



12.28 **Further Assurances.**

Developer will, on request of the City or the DIA,

- (a) promptly correct any defect, error or omission herein or in any of the Project Documents;
- (b) execute, acknowledge, deliver, procure, record or file such further instruments and do such further acts deemed necessary, desirable or proper by the City or the DIA to carry out the purposes of the Project Documents and to identify and subject to the liens of the Project Documents any property intended to be covered thereby, including any renewals, additions, substitutions replacements, or appurtenances to the subject property;
- (c) execute, acknowledge, deliver, procure, file or record any documents or instruments deemed necessary, desirable or proper by the City or the DIA to protect the liens or the security interest under the Project Documents against the rights or interests of third persons; and
- (d) provide such certificates, documents, reports, information, affidavits and other instruments and do such further acts deemed necessary, desirable or proper by the City or the DIA to carry out the purposes of the Project Documents and this Agreement.

12.29 **Exhibits.**

In the event of a conflict between any provisions of this Agreement and any exhibit attached to or referenced in this Agreement, the provisions of this Agreement shall govern.

12.30 **Construction.**

All parties acknowledge that they have had meaningful input into the terms and conditions contained in this Agreement. Developer further acknowledges that it has had ample time to review this Agreement and related documents with counsel of its choice. Any doubtful or ambiguous provisions contained herein shall not be construed against the party who drafted the Agreement. Captions and headings in this Agreement are for convenience of reference only and shall not affect the construction of this Agreement.

12.31 **Further Authorizations.**

The parties acknowledge and agree that the Chief Executive Officer of the DIA is hereby authorized to execute any and all other contracts and documents and otherwise take all necessary action in connection with this Agreement and the Ordinance.

12.32 **Estoppel Certificate.**

Within ten (10) days after request therefor from either Developer, or from the City or DIA to the Developer, the Developer, City and DIA, as applicable, agree to execute and deliver to the applicable parties, or to such other addressee or addressees as a Developer or City or DIA may designate (and any such addressee may rely thereon), a statement in writing certifying (if true) that this Agreement as it relates to the Project is in full force and effect and unmodified or describing any modifications; that the Developer

(or City or DIA, as applicable) has performed all of its obligations under this Agreement arising prior to the date of the certificate, and making such other true representations as may be reasonably requested by Developer or City or DIA, as applicable.

12.33 **Attorney's Fees.**

Each party shall be responsible for its own attorneys' fees and costs in connection with the enforcement of or any legal action related to this Agreement.

12.34 **Termination.**

Notwithstanding anything contained to the contrary in this Agreement, following any termination of this Agreement by any party hereto pursuant to any right to terminate this Agreement contemplated hereunder, the parties shall not owe any further obligation to the other parties under this Agreement.

[Signatures appear on following pages]

**IN WITNESS WHEREOF**, this Agreement is executed the day and year above written.

**DOWNTOWN INVESTMENT AUTHORITY**

By: \_\_\_\_\_  
Name Printed: Colin Tarbert  
Its: Chief Executive Officer

**ATTEST:**

**CITY OF JACKSONVILLE**

By: \_\_\_\_\_  
James R. McCain, Jr.  
Corporation Secretary

By: \_\_\_\_\_  
Donna Deegan, Mayor

**FORM APPROVED:**

\_\_\_\_\_  
Office of the General Counsel  
GC-#1696838-v7-Duval\_212\_-\_HTK\_-\_RDA.DOCX

WITNESS:

**DUVAL 212, LLC**, a Florida limited liability company

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

By: HTG DUVAL 212 MANAGER, LLC  
a Florida limited liability company  
its Manager

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

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

Encumbrance and funding information for internal City use:

Account or POA Number: \_\_\_\_\_

1Cloud Account for Certification of Funds	Amount

In accordance with the *Ordinance Code* of the City of Jacksonville, I do hereby certify that there is an unexpended, unencumbered, and unimpounded balance in the appropriation sufficient to cover the foregoing agreement; however, this certification is not, nor shall it be interpreted as an encumbrance of funding under the contract. Actual encumbrances shall be made by subsequent purchase orders as specified in the contract.

The stated amount is the maximum fixed monetary amount of the contract. It shall not be encumbered by the contract. It shall be encumbered by one or more subsequently issued purchase orders that must reference the contract. All financial examinations and funds control checking will be made at the time such purchase orders are issued.

\_\_\_\_\_  
Director of Finance

City Contract Number: \_\_\_\_\_

## **LIST OF EXHIBITS**

Exhibit A	City Parcel
Exhibit B	Developer Parcel
Exhibit C	Quit Claim Deed with Right of Reverter and Restrictive Covenants
Exhibit D	Land Use Restriction Agreement
Exhibit E	Reserved
Exhibit F	Disbursement Request
Exhibit G	JSEB Reporting Form
Exhibit H	Annual Survey
Exhibit I	Non-Foreign Entity Affidavit
Exhibit J	Human Trafficking Affidavit
Exhibit K	Purchase and Sale Agreement

**EXHIBIT A**  
**Description of City Parcel**

[legal description to be added after survey]

**EXHIBIT B**  
**Developer Parcel**

[legal description to be added after survey]



**Exhibit C**

**Quit Claim Deed with Right of Reverter and Restrictive Covenants**

Prepared by and return to:

John Sawyer, Esq.  
City of Jacksonville  
Government Operations  
Office of General Counsel  
117 West Duval Street Suite 480  
Jacksonville, FL 32202

**Parcel Identification No.:** \_\_\_\_\_ - \_\_\_\_\_

**QUIT-CLAIM DEED WITH RIGHT OF REVERTER  
AND RESTRICTIVE COVENANTS**

**This Quit-Claim Deed with Right of Reverter and Restrictive Covenants** (“Deed”) is made this \_\_\_\_ day of \_\_\_\_\_, 202\_, between the **CITY OF JACKSONVILLE**, a municipal corporation, whose business address is c/o Office of General Counsel Government Operations Department, 117 West Duval Street Suite 480, Jacksonville, FL 32202 (“Grantor”), and **DUVAL 212, LLC**, a Florida limited liability company (“Grantee”).

**WITNESSETH:**

Grantor, for and in consideration of the sum of Ten and no/100 dollars (\$10.00) and other valuable considerations, receipt of which is hereby acknowledged, does hereby remise, release and quit-claim unto Grantee, its successors and assigns, all the right, title, interest, claim and demand which the Grantor has in and to the following described land, situate, lying and being in the County of Duval, State of Florida (the “Property”):

[Insert legal from survey and title commitment]

**TO HAVE AND HOLD** the same together with all and singular the appurtenances thereunto belonging or in anywise appertaining, and all the estate, right, title, interest, lien, equity and claim whatsoever of Grantor, either in law or in equity, to the only proper use, benefit and behoof of Grantee, its successors and assigns forever.

BY ACCEPTANCE OF THIS DEED, GRANTEE ACKNOWLEDGES THAT GRANTOR HAS NOT MADE, DOES NOT MAKE AND SPECIFICALLY NEGATES AND DISCLAIMS ANY REPRESENTATIONS, WARRANTIES, PROMISES, COVENANTS, AGREEMENTS OR GUARANTIES OF ANY KIND OR CHARACTER WHATSOEVER, WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, PAST, PRESENT OR FUTURE, OF, AS TO, CONCERNING OR WITH RESPECT TO (A) THE VALUE, NATURE, QUALITY OR CONDITION OF THE PROPERTY, INCLUDING, WITHOUT LIMITATION, THE WATER, SOIL AND GEOLOGY, (B) THE INCOME TO BE DERIVED FROM THE PROPERTY, (C) THE SUITABILITY OF THE PROPERTY FOR ANY AND

ALL ACTIVITIES AND USES WHICH GRANTEE MAY CONDUCT THEREON, (D) THE COMPLIANCE OF OR BY THE PROPERTY OR ITS OPERATION WITH ANY LAWS, RULES, ORDINANCES OR REGULATIONS OF ANY APPLICABLE GOVERNMENTAL AUTHORITY OR BODY, (E) THE HABITABILITY, MERCHANTABILITY, MARKETABILITY, PROFITABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF THE PROPERTY, (F) GOVERNMENTAL RIGHTS OF POLICE POWER OR EMINENT DOMAIN, (G) DEFECTS, LIENS, ENCUMBRANCES, ADVERSE CLAIMS OR OTHER MATTERS: (1) NOT KNOWN TO GRANTOR AND NOT SHOWN BY THE PUBLIC RECORDS BUT KNOWN TO GRANTEE AND NOT DISCLOSED IN WRITING BY THE GRANTEE TO THE GRANTOR PRIOR TO THE DATE HEREOF, (2) RESULTING IN NO LOSS OR DAMAGE TO GRANTEE, OR (3) ATTACHING OR CREATED SUBSEQUENT TO THE DATE HEREOF, (H) VISIBLE AND APPARENT EASEMENTS AND ALL UNDERGROUND EASEMENTS, THE EXISTENCE OF WHICH MAY ARISE BY UNRECORDED GRANT OR BY USE, (I) ALL MATTERS THAT WOULD BE DISCLOSED BY A CURRENT SURVEY OF THE PROPERTY, (J) THE MANNER OR QUALITY OF THE CONSTRUCTION OR MATERIALS, IF ANY, INCORPORATED INTO THE PROPERTY, (K) THE MANNER, QUALITY, STATE OF REPAIR OR LACK OF REPAIR OF THE PROPERTY, OR (L) ANY OTHER MATTER WITH RESPECT TO THE PROPERTY, AND SPECIFICALLY, THAT GRANTOR HAS NOT MADE, DOES NOT MAKE AND SPECIFICALLY DISCLAIMS ANY REPRESENTATIONS REGARDING COMPLIANCE WITH ANY ENVIRONMENTAL PROTECTION, POLLUTION OR LAND USE LAWS, RULES, REGULATIONS, ORDERS OR REQUIREMENTS, INCLUDING THE DISPOSAL OR EXISTENCE, IN OR ON THE PROPERTY, OF ANY HAZARDOUS MATERIALS AS DEFINED IN THE AGREEMENT (AS DEFINED HEREIN) PURSUANT TO WHICH THIS QUITCLAIM DEED IS DELIVERED. GRANTEE FURTHER ACKNOWLEDGES THAT TO THE MAXIMUM EXTENT PERMITTED BY LAW, THE CONVEYANCE OF THE PROPERTY IS MADE ON AN "AS IS" CONDITION AND BASIS WITH ALL FAULTS.

### **RIGHT OF REVERTER**

Grantor and Grantee are parties to that certain Redevelopment Agreement dated \_\_\_\_\_, 2025, (the "Agreement"), which requires Grantee to construct on the Property certain Improvements (as defined in the Agreement). The Agreement requires Grantee to Commence Construction of the Horizontal Improvements (as defined in the Agreement) on or before the date that is the earlier of (i) the date that is three (3) months after the date that all Permit Approvals have been received, and (ii) the date that is fifteen (15) months after the Effective Date of the Agreement subject to extensions granted by the DIA and Force Majeure (the "Condition"). The term "Commence Construction" means that Grantee (i) has completed all pre-construction engineering and design and has obtained all necessary licenses, permits and governmental approvals to commence construction, has engaged the general contractors necessary so that physical construction of the Improvements (as defined in the Agreement) may begin and proceed to completion without foreseeable interruption, and, (ii) has demonstrated it has the financial commitments and resources to complete the construction of the Improvements as may be approved by the Downtown Investment Authority in its reasonable discretion, and (iii) has "broken ground" and begun physical, material construction (e.g., removal of vegetation or site preparation work or such other evidence of commencement of construction as may be approved by the Downtown Investment Authority in its reasonable discretion) of such improvements on an ongoing basis without any Impermissible Delays (as defined in the Agreement).

Fee simple title to the Property shall, upon Grantor's execution and recording in the Duval County Public Records of the Special Warranty Deed in the form attached hereto as **Exhibit B** ("Reverter Deed"), revert to Grantor in the event of Grantee's failure to satisfy the Condition as required by the Agreement. At the time of such reversion to the Grantor, Grantee warrants that the title to the Property shall be free and clear of all liens, encumbrances, and other title matters, except for those in existence immediately prior to the conveyance of the Property to Grantee or other matters consented to by Grantor. Upon such failure by Grantee to timely satisfy the Condition, Grantor shall be entitled to record the Reverter Deed in the Duval County Public Records, and such Reverter Deed shall evidence the conveyance to Grantor of fee simple title to the Property without the requirement of any additional notice or act by Grantor or Grantee, except as may be expressly set forth in the Agreement. In the event the Grantee timely satisfies the Condition pursuant to the terms and conditions of the Agreement, then upon Grantee's request, Grantor shall execute and deliver to Grantee a release of this right of reverter in form reasonably acceptable to Grantee and Grantor.

### **RESTRICTIVE COVENANTS**

By acceptance and execution of this Deed, Grantee hereby agrees that the Property conveyed by this Deed shall not be used for any use other than a mixed-income housing development, including retail, consistent with the adopted BID Plan and CRA Plan for Downtown and the Downtown overlay, provided that, in no event shall the Property be used for any other use that would be exempt from payment of property taxes.

By acceptance and execution of this Deed, Grantee hereby agrees that the Property shall not be conveyed (i) to any person or entity other than an Affiliate of the Grantee without approval of the DIA, which may be withheld in its sole discretion, until the vertical construction of the Improvements are completed, provided that this restriction shall not prohibit a mortgagee from pursuing its rights under its mortgage, or (ii) to any person or entity that is tax-exempt.

These foregoing rights of reverter, restrictions and covenants shall be covenants running with title to the Property in perpetuity and in any deed of conveyance or leasehold estate of the Property or any portion thereof, the foregoing rights of reverter, restrictions and conditions shall be incorporated by reference in the deed conveying the Property. Notwithstanding the foregoing, such rights of reverter, restrictions and conditions shall expire immediately upon Grantor's recording of the Reverter Deed.

These rights of reverter, restrictions and covenants touch and concern the Property and shall be deemed to run with the land as covenants at law and equitable servitude, and extend to and are binding on Grantor and Grantee, and their respective heirs, administrators, devisees, successors, and assigns. The words "Grantor" and "Grantee" shall include all such persons, agencies, entities, and the like. The restrictions, stipulations, and covenants contained herein shall be inserted by Grantee verbatim in any deed or other legal instrument by which it divests itself of either the fee simple title or any other lesser estate in the Property or any part thereof.

Grantor and its successors and assigns shall have the right to institute suit to enjoin any violation of these rights of reverter, restrictions and covenants and to require, at the expense of Grantee, the restoration of the Property to the condition and appearance required under these covenants. The successful party shall be entitled to recover all costs or expenses incurred in connection with such a suit, including all court costs and attorney's fees.

The failure of Grantor or its successors and assigns to exercise any right or remedy granted under this instrument with respect to any particular violation of these covenants shall not have the effect of waiving or limiting the exercise of such right or remedy with respect to the identical (or similar) type of violation at any subsequent time or the effect of waiving or limiting the exercise of any other right or remedy.

The invalidity or unenforceability of any provision of this instrument shall not affect the validity or enforceability of any other provision of this instrument or any ancillary or supplementary agreement relating to the subject matter hereof.

**IN WITNESS WHEREOF**, Grantor and Grantee have caused this instrument to be executed in its name on the day and year first above written.

GRANTOR:

Signed, sealed, and delivered  
in the presence of:

**CITY OF JACKSONVILLE,  
FLORIDA**

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

By: \_\_\_\_\_  
Donna Deegan, Mayor

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

Attest: \_\_\_\_\_  
James R. McCain, Jr.  
Corporation Secretary

[Seal]

STATE OF FLORIDA

COUNTY OF DUVAL

The foregoing instrument was acknowledged before me by means of \_\_\_ physical presence or \_\_\_ online notarization, this \_\_\_\_\_ day of \_\_\_\_\_, 202\_, by Donna Deegan, as Mayor, and James B. McCain, Jr., as Corporation Secretary, respectively, of the City of Jacksonville, Florida, a municipal corporation and a political subdivision of the State of Florida. They are ( ) personally known to me or ( ) have produced \_\_\_\_\_ as identification.

\_\_\_\_\_  
Notary Public  
My commission expires:

FORM APPROVED:

\_\_\_\_\_  
Office of the General Counsel

**Exhibit A to Quitclaim Deed**

Property Description

[To be inserted after confirmation by survey.]

**Exhibit B to Quit Claim Deed**

**Reverter Deed**

Prepared by and return to:

John Sawyer, Esq.  
City of Jacksonville  
Office of General Counsel  
117 West Duval Street Suite 480  
Jacksonville, FL 32202

**Parcel Identification No.:** \_\_\_\_\_

**SPECIAL WARRANTY DEED**

This Special Warranty Deed is made this \_\_\_\_\_ day of \_\_\_\_\_ 202\_ by **DUVAL 212, LLC**, a Florida limited liability company, (“Grantor”) whose address is \_\_\_\_\_, to **CITY OF JACKSONVILLE**, a municipal corporation (“Grantee”), whose business address is c/o Office of General Counsel Government Operations Department, 117 West Duval Street Suite 480, Jacksonville, FL 32202.

**WITNESSETH:** Grantor, for and in consideration of the sum of Ten and No/100 Dollars (\$10.00) and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, hereby grants, bargains, sells, aliens, remises, releases, conveys, and confirms unto Grantee all that certain land situated in Duval County, Florida as more particularly described on Exhibit A attached hereto and incorporated herein by this reference (the “Property”).

**TOGETHER**, with all the tenements, hereditaments, and appurtenances thereto belonging or in anywise appertaining.

**TO HAVE AND TO HOLD**, the same in fee simple forever.

**AND**, Grantor hereby covenants with Grantee that Grantor is lawfully seized of the Property in fee simple; that Grantor has good right and lawful authority to sell and convey the Property; and Grantor hereby covenants that Grantor will warrant and defend title to the Property against the lawful claims of all persons claiming by, through, or under Grantor, but against none other; provided, however, this reference shall not serve to reimpose the same.

*[remainder of page intentionally left blank; signature page follows]*

**IN WITNESS WHEREOF**, Grantor has caused this Special Warranty Deed to be executed as of the day and year first above written.

Signed, sealed, and delivered  
in the presence of:

WITNESS:

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

Address: \_\_\_\_\_  
\_\_\_\_\_

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

Address: \_\_\_\_\_  
\_\_\_\_\_

**GRANTOR:**

**DUVAL 212, LLC**, a Florida limited liability  
company

By: HTG DUVAL 212 MANAGER, LLC  
a Florida limited liability company  
its Manager

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

**STATE OF FLORIDA**

**COUNTY OF DUVAL**

The foregoing instrument was acknowledged before me by means of (*check one*) ☐ physical presence or ☐ online notarization this \_\_\_\_\_ day of \_\_\_\_\_, 202\_, by Matthew Rieger, as Manager of HTG Duval 212 Manager, LLC, a Florida limited liability company, the Manager of **DUVAL 212, LLC**, a Florida limited liability company, on behalf of the Grantor. He or she is (*check one*) ☐ personally known to me or ☐ has produced \_\_\_\_\_ as identification.

\_\_\_\_\_  
Signature

Notary Public

My commission expires: \_\_\_\_\_

**EXHIBIT A TO REVERTER DEED**

**Legal Description of the Property**

[To be inserted after confirmation by survey]



**EXHIBIT D**  
**LAND USE RESTRICTION AGREEMENT**

Prepared by and return to:

John Sawyer, Esq.  
City of Jacksonville  
Office of General Counsel  
117 West Duval Street Suite 480  
Jacksonville, FL 32202

**Parcel Identification No.:** \_\_\_\_\_

**LAND USE RESTRICTION AGREEMENT**

This **LAND USE RESTRICTION AGREEMENT** (this “**Agreement**”), made and entered into as of \_\_\_\_\_, 2025, by and between the **CITY OF JACKSONVILLE** (the “**City**” or the “**Lender**”), a municipal corporation and a political subdivision of the State of Florida, whose mailing address is 117 West Duval Street, Suite 400, Jacksonville, Florida 32202 and **DUVAL 212, LLC**, a Florida limited liability company, and its successors and assigns, whose mailing address is \_\_\_\_\_ (the “**Owner**” or “**Borrower**”).

**RECITALS**

**WHEREAS**, the Borrower is the owner of certain real property (the “**Property**”) situated in Duval County, Florida, more particularly described on Exhibit “A” attached hereto and made a part hereof;

**WHEREAS**, the Lender has agreed to lend to the Borrower \_\_\_\_\_ NO/100 DOLLARS (\$\_\_\_\_\_) (the “**Loan**”) to finance a portion of the construction of an integrated mixed-income residential and commercial/retail building project with a 85 residential units (the “**Project**”) on the Property (the Property, the development, the fixtures and personal property and other amenities now or hereafter located on or used in connection with the Property are referred to collectively hereafter as the “**Premises**”), and pursuant to the terms of a Redevelopment Agreement dated \_\_\_\_\_ (as amended, modified, supplemented or restated from time to time, the “**RDA**”) and a Loan Agreement, dated of even date herewith by and between the Lender and the Borrower (as amended, modified, supplemented or restated from time to time, the “**Loan Agreement**”);

**WHEREAS**, as evidence of the Loan, the Borrower has executed and delivered to the Lender that certain Promissory Note dated of even date herewith (as amended, modified, supplemented or restated from time to time, the “**Note**”);

**WHEREAS**, as security for the payments and obligations required from the Borrower to the Lender under the Note, this Agreement and any and all related loan documents, the Borrower has executed, among other things, that certain Mortgage and Security Agreement dated of even date herewith (as amended, modified, supplemented or restated from time to time, the “**Mortgage**”) in favor of the Lender

encumbering the Premises and that certain Assignment of Leases, Rents and Contract Rights dated of even date herewith, from the Borrower assigning to the Lender all of its right, title and interest in and to all agreements for the leasing of the Project or any part thereof, if any, and all rents, issues and profits derived or to be derived from the Project (the “**Assignment of Leases and Rents**”);

**WHEREAS**, the Borrower acknowledges that this Agreement is necessary and covenants and agrees that in connection with the ownership and operation of the Project, it will comply, and, except as described herein, will require any subsequent purchaser of the Project to comply, with the terms of this Agreement and the covenants pertaining to the Borrower set forth in the Loan Agreement and by this reference incorporated herein; and

**WHEREAS**, this Agreement shall be properly filed and recorded by the Owner within the official records of Duval County, Florida, and shall constitute a restriction upon the use of the property subject to and in accordance with the terms contained herein;

**NOW, THEREFORE**, the Lender and the Borrower, each in consideration of the representations, covenants and agreements of the other set forth herein, mutually represent, covenant and agree as follows:

**SECTION 1. INCORPORATION OF RECITALS.** The above recitals are true and correct and are incorporated into and made a part hereof.

**SECTION 2. DEFINITIONS.** The capitalized terms used in this Agreement shall have the following meanings (capitalized but undefined terms shall be given the meanings set forth in the RDA):

“**Area Median Income**” means the median gross income for the area in which the Project is located as published annually by the U. S. Department of Housing and Urban Development.

“**Eligible Persons**” shall mean one or more natural persons or a family, irrespective of race, creed, religion, color, national origin, marital status, handicap or sex.

“**Land**” or “**Property**” means the real property described in **Exhibit A** attached hereto.

“**Loan Documents**” means collectively, the Note, the Mortgage, the Loan Agreement, this Agreement, the Assignment of Leases and Rents, and any other documents evidencing, securing or relating to the Loan as each may be amended, modified, supplemented or restated from time to time.

**SECTION 3. RESIDENTIAL DEVELOPMENT.** The Borrower hereby represents, covenants, warrants and agrees that:

(a) None of the units in the Project will at any time be (i) utilized on a transient basis, (ii) used as a hotel, motel, dormitory, fraternity or sorority house, rooming house, nursing home, hospital, sanitarium, rest home, trailer court or park, or (iii) rented for lease periods of less than six (6) months, and no part of the Project will be converted to condominium or co-operative ownership.

(b) All of the units in the Project will be rented or available for rent on a continuous basis to members of the general public and the Borrower will not give preference to any particular class or group

in renting the units in the Project, except to the extent that units are required to be leased or rented to Eligible Persons pursuant to this Agreement or to Persons with Special Needs as defined in 420.0004(13) Florida Statutes and pursuant to the FHFC RFA. Such Eligible Persons will have equal access to and enjoyment of all common facilities of the Project.

(c) The Land consists of a parcel of real property or parcels of real property that are contiguous except for the interposition of a road, street, stream or similar property.

(d) The Project shall promote Downtown activities and events organized by the City to its residents using electronic or static bulletin boards, newsletters, emails, and/or other standardized methods of internal communication.

(e) The Borrower shall remain in compliance with RDA and the Loan Documents and all other documents of even date herewith executed by Borrower in connection therewith (collectively, the “Documents”).

(f) The Borrower shall not discriminate on the basis of race, creed, religion, color, sex, familial status, national origin or handicap in the lease, use or occupancy of the Property, and otherwise comply with all fair housing laws and regulations. Age discrimination and discrimination against minor dependents, except if the unit is specifically being held for the elderly, are also not permitted.

(g) The Borrower hereby covenants and agrees that it will immediately withdraw from circulation any advertisement determined by the City to violate or be inconsistent with its policies and consents to the remedy of specific performance;

(h) During the Agreement term, rent controls shall not be allowed on any unit in the Property except as required in conjunction with this Agreement. This does not include federal rent restrictions as may be adjusted on an annual basis;

(i) The Borrower shall certify the gross income of all persons occupying the units set aside for rental households who shall have a household income less than or equal to eighty percent (80%) of the Area Median Income.

(j) The Borrower is seized of the Property in fee simple and has the right to create, establish, and impose covenants, restrictions, and conditions on the use of the Property set forth in this Agreement. The Borrower also covenants and warrants that the Property is free and clear of any and all liens, mortgages, or encumbrances that would be superior to, or could impair the Borrower’s rights to impose, the covenants, restrictions, and conditions on the use of the Property set forth in this Agreement.

**SECTION 4. ELIGIBLE PERSONS.** Borrower hereby represents, covenants and agrees as follows:

(a) That the Project is being constructed for the primary purpose of providing rental housing, and the Borrower, its successors or assigns, shall own, manage, and operate the Project as a mixed-use multi-family rental housing for Eligible Persons as set forth herein;

(b) That under this Agreement, for a perpetual period from the date that the first unit within the Project is occupied or, if occupied, from the date hereof: (i) not less than seventy-five (75) of the units within the Project shall be rented or held available for rental to households who shall have a household income less than or equal to eighty percent (80%) of the Area Median Income; and (ii) not less than ten (10) of the units (consisting of not less than five (5) one-bedroom units and not less than three (3) two-bedroom units) within the Project shall be rented or held available for rental at at-market rates.

**SECTION 5. COVENANTS TO RUN WITH THE LAND.** The covenants, reservations and restrictions set forth herein shall be deemed covenants running with the Land and shall pass to and be binding upon the Borrower's assigns and successors in title to the Land or the Project; provided, however, that upon the termination of this Agreement in accordance with the terms hereof said covenants, reservations and restrictions shall automatically and without further action expire. Each and every contract, deed or other instrument hereafter executed covering or conveying the Land or the Project or any portion thereof shall conclusively be held to have been executed, delivered and accepted subject to such covenants, reservations and restrictions, regardless of whether such covenants, reservations and restrictions are set forth in such contract, deed or other instruments. If a portion or portions of the Project are conveyed, all of such covenants, reservations and restrictions shall run to each portion of the Project.

**SECTION 6. TERM.** Notwithstanding the term of the RDA or the Loan Documents, this Agreement shall remain in full force and effect perpetually from the date that the first unit within the Project is occupied, or if occupied, from the date hereof.

**SECTION 7. BURDEN AND BENEFIT.** The Lender and the Borrower hereby declare their understanding and intent that the burden of the covenants set forth herein touch and concern the Land. The Lender and the Borrower hereby further declare their understanding and intent that the benefit of such covenants touch and concern the Land by enhancing and increasing the enjoyment and use of the Land and the Project by Eligible Persons, the intended beneficiaries of such covenants, reservations and restrictions.

**SECTION 8. UNIFORMITY; COMMON PLAN.** The covenants, reservations and restrictions hereof shall apply uniformly to the entire Project.

**SECTION 9. RELIANCE AND MONITORING.** The Borrower shall comply with the monitoring and reporting requirements set forth in the RDA. In performing its duties hereunder, the City may rely upon statements and certificates of the Borrower, and Eligible Tenants believed to be genuine and to have been executed by the proper person or persons, and upon audits of the books and records of the Borrower pertaining to occupancy of the Property. The City will monitor the Borrower's compliance with the requirements of this Agreement and the RDA.

**SECTION 10. SUBORDINATION AND FORECLOSURE.** The rights, duties, and obligations in this Agreement shall not be subordinated to the provisions of any mortgage or lien in favor of any third party except for the Prime Mortgage and the JHFA Mortgage. In the event of foreclosure of the Prime Mortgage or the JHFA Mortgage, this Agreement and all restrictions and requirements hereof shall be automatically terminated., provided that, such termination will cease to be in effect if, at any time following such event, the Borrower or its Affiliate, obtains an ownership interest in the Project for federal tax purposes.

**SECTION 11. REMEDIES; ENFORCEABILITY.** If the Borrower defaults (by its action or inaction) in the performance of its obligations under this Agreement or breaches any covenant, agreement or warranty of the Borrower set forth in this Agreement, and if such default remains uncured for a period of thirty (30) days after notice thereof shall have been given by the City to the Borrower (or for an extended period approved by the City if such default cannot be corrected within thirty (30) days, but the Borrower commences such correction within the initial thirty (30) days and thereafter diligently pursues the correction to completion within such extended time not to exceed 120 days), then the City may terminate all rights of Borrower under this Agreement and may take any other action at law or in equity or otherwise, whether for specific performance of any covenant in this Agreement or such other remedy as may be deemed most effectual by the City to enforce the obligation of the Borrower with respect to the Project. If the Borrower's default is not timely cured, then the City may declare a default under the Documents, and pursue all rights and remedies as provided in the Documents. Notwithstanding anything to the contrary herein, the City will have the right to seek injunctive relief and other appropriate available legal remedies, including, without limitation, specific performance of any covenants and requirements set forth in this Agreement concerning the development and operation of the Project.

Notwithstanding anything contained in this Agreement, the RDA, or the Loan Documents to the contrary, the occurrence of an event of default under this Agreement shall not impair, defeat or render invalid the lien of the Mortgage.

The obligations of any Borrower under this Agreement shall be personal to the person who was the Borrower at the time that an event, including, without limitation, any default or breach of this Agreement, occurred or was alleged to have occurred, and such person shall remain liable for any and all such obligations, including damages occasioned by such default or breach, even after such person ceases to be the Borrower of the Project. Accordingly, except as may be specifically agreed upon by such person, no subsequent Borrower of the Project shall be liable or obligated for the obligation of any prior Borrower (including the Borrower), including, but not limited to, any obligation for payment, indemnification or damages, for default or breach of this Agreement or otherwise. The Borrower of the Project at the time the obligation was incurred, including any obligation arising out of such default or breach of this Agreement, shall remain liable for any and all payments and damages occasioned by the Borrower even after such person ceases to be the Borrower of the Project.

## **SECTION 12. INDEMNIFICATION.**

The Borrower hereby covenants and agrees that it shall indemnify, hold harmless, and defend the City and its past, present and future members, officers, officials, employees and agents (each, an "Indemnified Party") from and against: any and all losses, costs, damages, expenses and liabilities of whatsoever nature or kind (including but not limited to, reasonable attorneys' fees, litigation and court costs related to trial and appellate proceedings, amounts paid in settlement and amounts paid to discharge judgments) directly or indirectly resulting from, arising out of, or related to, any act or omission of the Borrower or any of its agents, contractors, servants, employees or licensees in connection with the Documents or the Project, or arising out of the acquisition, design, rehabilitation, equipping, installation, operation, use, occupancy, maintenance, development, construction, operation, management or ownership of the Project, or the making of the Loan to the Borrower, except if caused by the gross negligence or willful misconduct of the Indemnified Party. In the event that any action or proceeding is brought against any Indemnified Party with respect to which indemnity may be sought hereunder, the Borrower, upon written notice from the Indemnified Party, shall assume the investigation and defense thereof, including

the employment of counsel and the payment of all expenses. This provision shall survive the termination or natural expiration of this Agreement. The Indemnified Party shall have the right to participate in the investigation and defense thereof and may employ separate counsel with or without the approval and consent of the Borrower.

**SECTION 13. FILING.** Upon execution and delivery by the parties hereto, the Borrower shall cause this Agreement and all amendments and supplements hereto to be recorded and filed in the office of the Clerk of Court for Duval County, Florida and in such manner and in such other places as the Lender may reasonably request, and shall pay all fees and charges incurred in connection therewith.

**SECTION 14. GOVERNING LAW AND VENUE.** This Agreement shall be governed by and construed in accordance with the laws of the State of Florida and venue for any legal action with respect thereto shall be Duval County, Florida.

**SECTION 15. AMENDMENTS.** This Agreement shall not be amended, revised, or terminated except by a written instrument, executed by the parties hereto or their successors in title, and duly recorded in the office of the Clerk of Court of Duval County, Florida.

**SECTION 16. NOTICES.** All notices to be given hereunder shall be in writing and personally delivered or sent by registered or certified mail, return receipt requested, or delivered by an air courier service utilizing return receipts to the parties at the following addresses (or to such other or further addresses as the parties may designate by like notice similarly sent) and such notices shall be deemed given and received for all purposes under this Agreement three (3) business days after the date same are deposited in the United States mail if sent by registered or certified mail, or the date actually received if sent by personal delivery or air courier service, except that notice of a change in address shall be effective only upon receipt.

(a) the Lender:

Downtown Investment Authority  
117 West Duval Street, Suite 310  
Jacksonville, Florida 32202  
Attn: Chief Executive Officer

With a copy to:

City of Jacksonville  
Office of the General Counsel  
City Hall-St. James Building  
117 West Duval Street, Suite 480  
Jacksonville, Florida 32202

(b) The Borrower:

Duval 212, LLC  
3225 Aviation Avenue, 6<sup>th</sup> Floor  
Coconut Grove, Florida 33130  
Attention: Matthew Rieger  
Email: [mattr@htgf.com](mailto:mattr@htgf.com)

With a copy to:

Stearns Weaver Miller Weissler Alhadeff & Sitterson, P.A.  
Brian McDonough, Esq.  
150 West Flagler Street  
Suite 2200  
Miami, Florida 33130  
Email: [BMcDonough@stearnsweaver.com](mailto:BMcDonough@stearnsweaver.com)

And

Virginia “Ginny” Myrick  
4446-1A Hendricks Ave #389  
Jacksonville, Florida 32207  
Email: [ginny@cathedraldistrict-jax.org](mailto:ginny@cathedraldistrict-jax.org)

**SECTION 17. SEVERABILITY.** If any provision hereof shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining portions hereof shall not in any way be affected or impaired thereby.

**SECTION 18. MULTIPLE COUNTERPARTS.** This Agreement may be simultaneously executed in multiple counterparts, all of which shall constitute one and the same instrument, and each of which shall be deemed to be an original.

*[remainder of page intentionally left blank; signature page follows]*

**IN WITNESS WHEREOF**, the Owner has caused this Agreement to be executed and delivered by the duly authorized officer(s) thereof as of the day and year first written above.

Signed, sealed, and delivered  
in the presence of:

WITNESS:

\_\_\_\_\_  
Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_

**OWNER:**

**DUVAL 212, LLC**, a Florida limited liability  
company

By: HTG DUVAL 212 MANAGER, LLC  
a Florida limited liability company  
its Manager

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

**STATE OF FLORIDA**

**COUNTY OF MIAMI-DADE**

The foregoing instrument was acknowledged before me by means of (*check one*) ☐ physical presence or ☐ online notarization this \_\_\_\_\_ day of \_\_\_\_\_, 202\_, by Matthew Rieger, as Manager of HTG Duval 212 Manager, LLC, a Florida limited liability company, the Manager of **DUVAL 212, LLC**, a Florida limited liability company, on behalf of the Owner. He or she is (*check one*) ☐ personally known to me or ☐ has produced \_\_\_\_\_ as identification.

\_\_\_\_\_  
Signature

Notary Public

My commission expires: \_\_\_\_\_



**IN WITNESS WHEREOF**, the Lender has caused this Agreement to be executed and delivered by the duly authorized officer(s) thereof as of the day and year first written above.

**LENDER:**

Signed, sealed, and delivered  
in the presence of:

**CITY OF JACKSONVILLE,  
FLORIDA**

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

By: \_\_\_\_\_  
Donna Deegan, Mayor

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

Attest: \_\_\_\_\_  
James R. McCain, Jr.  
Corporation Secretary

[Seal]

**STATE OF FLORIDA**

**COUNTY OF DUVAL**

The foregoing instrument was acknowledged before me by means of \_\_\_ physical presence or \_\_\_ online notarization, this \_\_\_\_\_ day of \_\_\_\_\_, 202\_, by Donna Deegan, as Mayor, and James B. McCain, Jr., as Corporation Secretary, respectively, of the City of Jacksonville, Florida, a municipal corporation and a political subdivision of the State of Florida. They are ( ) personally known to me or ( ) have produced \_\_\_\_\_ as identification.

\_\_\_\_\_  
Notary Public  
My commission expires:

FORM APPROVED:

\_\_\_\_\_  
Office of the General Counsel

**EXHIBIT A TO LURA**

**Legal Description of the Property**

[To be inserted after confirmation by survey]

**EXHIBIT E**  
**Reserved**

**Exhibit F**  
**Disbursement Request**  
**REQUEST FOR LOAN DISBURSEMENT FORM**

**CITY OF JACKSONVILLE, FLORIDA**  
**APPLICATION FOR PAYMENT NO. \_\_\_\_\_**

**PROJECT** \_\_\_\_\_ **BID NO.** \_\_\_\_\_ **CONTRACT NO.** \_\_\_\_\_

For Work accomplished through the date of \_\_\_\_\_.

**A. Contract and Change Orders**

1. Contract Amount..... \$ \_\_\_\_\_  
2. Executed Change Orders ..... + \$ \_\_\_\_\_  
3. Total Contract (1) + (2)..... \$ \_\_\_\_\_

**B. Work Accomplished**

4. Work performed on Contract Amount (1)..... \$ \_\_\_\_\_  
5. Work performed on Change Orders (2)..... + \$ \_\_\_\_\_  
6. Materials stored ..... + \$ \_\_\_\_\_  
7. Total Completed & Stored (4) + (5) + (6) ..... \$ \_\_\_\_\_  
8. Retainage 10% of Item (7), ..... - \$ \_\_\_\_\_  
9. .... Less Previous  
    Payments Made (or) Invoiced ..... - \$ \_\_\_\_\_  
10. Payment Amount Due this Application (7) — (8) — (10) \$ \_\_\_\_\_

(\*) This application for payment shall be supported with the Contractor's pay request and supporting documentation.

**[Developer certification and signatures on following page]**

### DEVELOPER'S CERTIFICATION

The undersigned DEVELOPER certifies that: (1) all items and amounts shown above are correct; (2) all Work performed and materials supplied fully comply with the terms and conditions of the Contract Documents; (3) all previous progress payments received from the CITY on account of Work done under the Contract referred to above have been applied to discharge in full all obligations of DEVELOPER incurred in connection with Work covered by prior Applications for Payment; (4) title to all materials and equipment incorporated in said Work or otherwise listed in or covered by this Application for Payment will pass to CITY at time of payment free and clear of all liens, claims, security interests and encumbrances; and (5) if applicable, the DEVELOPER has complied with all provisions of Part 6 of the Purchasing Code including the payment of a pro-rata share to Jacksonville Small Emerging Business (JSEB) of all payments previously received by the DEVELOPER.

Dated \_\_\_\_\_, 20\_\_

\_\_\_\_\_  
Developer Signature

By: \_\_\_\_\_

Name Printed: \_\_\_\_\_

\_\_\_\_\_  
Notary Public

Date

Approvals

\_\_\_\_\_

\_\_\_\_\_

Construction Inspector

\_\_\_\_\_

\_\_\_\_\_

Project Manager

\_\_\_\_\_

\_\_\_\_\_

City Engineer

**Exhibit G**  
**JSEB Reporting Form**

Business:

Goal: \$

Contact: \_\_\_\_\_

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

Date Contract Awarded	Contractor Name	Ethnicity (1)	Scope of Work (2)	Contract Amount	Amount Paid to Date	% of Work Completed to Date
		(1) AA – African American	(2) Examples: Masonry			
		HANA – Hispanic, Asian, Native American	Painting			
		WBE – Women	Site Clearing			
		C - Caucasian	Electrical			

**Exhibit H  
Annual Survey**

**Annual Survey**



Send completed form to:

Downtown Investment Authority  
Attn: Contract and Regulatory Compliance  
117 West Duval Street, Suite 310  
Jacksonville, Florida 32202

Fax: (904) 255-5309  
Email: [jcrescimbeni@coj.net](mailto:jcrescimbeni@coj.net)

**Year 1  
Annual Survey 20\_\_**

Please complete the form below as it relates to the project for which you may be entitled to receive DIA or State assistance. Should you have any questions, please call John Crescimbeni, Contract and Regulatory Compliance Manager, at (904) 255-5306.

Company Name: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

Primary Contact Name: \_\_\_\_\_

Primary Contact Title: \_\_\_\_\_

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

Signature: \_\_\_\_\_ Date of Report: \_\_\_\_\_

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

As of December 31, 202\_\_:

**I. CAPITAL INVESTMENT INFORMATION**

Project Land Costs	[3] \$
Project Structure Costs	[4] \$
Project Equipment Costs	[5] \$
Other Costs	[6] \$
Total Project Costs (sum [3] through [6])	\$





**Exhibit I**  
**NON-FOREIGN ENTITY AFFIDAVIT**

STATE OF FLORIDA  
COUNTY OF MIAMI-DADE

BEFORE ME, the undersigned authority, personally appeared \_\_\_\_\_, who being first duly sworn, on oath deposes and says under penalty of perjury that he/she is the \_\_\_\_\_ of \_\_\_\_\_, a Florida limited liability company ("Developer"), who is or may be a recipient of certain economic incentives from the **CITY OF JACKSONVILLE**, a political subdivision and municipal corporation of the State of Florida, and the **DOWNTOWN INVESTMENT AUTHORITY**, a community redevelopment agency on behalf of the City of Jacksonville, and hereby attests, affirms and certifies that (i) I am duly authorized and empowered and have sufficient knowledge to execute and deliver this Affidavit, (ii) Developer is not owned or controlled by the People's Republic of China, the Russian Federation, the Islamic Republic of Iran, the Democratic People's Republic of Korea, the Republic of Cuba, the Venezuelan regime of Nicolás Maduro, or the Syrian Arab Republic (collectively and individually, a "Foreign Country of Concern"), including any agency of or any other entity of significant control of such Foreign Country of Concern; where "controlled by" means having possession of the power to direct or cause the direction of the management or policies of a company, whether through ownership of securities, by contract, or otherwise, and a person or entity that directly or indirectly has the right to vote 25 percent or more of the voting interests of the Developer or that is entitled to 25 percent or more of its profits is presumed to control the foreign entity; and (iii) Developer is not an entity that is a partnership, association, corporation, organization, or other combination of persons organized under the laws of or having its principal place of business in a Foreign Country of Concern, or a subsidiary of such entity. The undersigned does hereby execute this affidavit for the purpose of complying with the provisions of Section 288.0071, Florida Statutes, Economic Incentives to Foreign Countries of Concern Prohibited.

DATED as of \_\_\_\_\_, 202\_.

**DUVAL 212, LLC**, a Florida limited liability company

By: HTG DUVAL 212 MANAGER, LLC  
a Florida limited liability company  
its Manager

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

STATE OF FLORIDA  
COUNTY OF MIAMI-DADE

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this \_\_\_\_ day of \_\_\_\_\_, 202\_, by Matthew Rieger, as Manager of HTG Duval 212 Manager, LLC, a Florida limited liability company, the Manager of DUVAL 212, LLC, a Florida limited liability company, on behalf of said company. Said individual ☐ is personally known to me or ☐ has produced \_\_\_\_\_ as identification.

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

NOTARY PUBLIC, State of Florida

Serial Number (if any) \_\_\_\_\_

My Commission Expires: \_\_\_\_\_

(SEAL)

**EXHIBIT J**  
**AFFIDAVIT OF COMPLIANCE WITH FLORIDA STATUTE**  
**SECTION 787.06, HUMAN TRAFFICKING**

1. I am over the age of 18 and I have personal knowledge of the matters set forth except as otherwise set forth herein.

2. I currently serve as \_\_\_\_\_ of \_\_\_\_\_, a Florida limited liability company (the "Company").

3. The Developer does not use coercion for labor or services, as those terms are defined in Florida Statute 787.06.

4. This declaration is made pursuant to Florida Statute 92.525. I understand that making a false statement in this declaration may subject me to criminal penalties. Therefore, under penalties of perjury, I declare that I have read the foregoing Human Trafficking Affidavit and that the facts stated herein are true.

Further Affiant sayeth naught.

Executed to be effective as of \_\_\_\_\_, 202\_.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Company

\_\_\_\_\_  
Phone Number

STATE OF FLORIDA

COUNTY OF MIAMI-DADE

The foregoing instrument was SWORN TO AND SUBSCRIBED before me by means of ☐ physical presence or ☐ online notarization, this \_\_\_\_ day of \_\_\_\_\_, 202\_, by \_\_\_\_\_ as \_\_\_\_\_ of \_\_\_\_\_, a Florida limited liability company, on behalf of said company. Said individual ☐ is personally known to me or ☐ has produced \_\_\_\_\_ as identification.

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

NOTARY PUBLIC, State of Florida

Serial Number (if any) \_\_\_\_\_

(SEAL)

My Commission Expires: \_\_\_\_\_

**EXHIBIT K**

**Purchase and Sale Agreement**

**(see attached)**

## **AGREEMENT FOR PURCHASE AND SALE**

This AGREEMENT FOR PURCHASE AND SALE (this "Agreement") is entered into by **CITY OF JACKSONVILLE**, a municipal corporation and a political subdivision of the State of Florida ("Seller"), the **DOWNTOWN INVESTMENT AUTHORITY**, a community redevelopment agency on behalf of the City of Jacksonville ("DIA") and **DUVAL 212, LLC**, a Florida limited liability company ("Buyer").

### **BACKGROUND:**

Seller is currently the owner of approximately 0.21 acres of land in the City of Jacksonville, Duval County, Florida, which is more particularly described in **Exhibit "A"** attached hereto and made a part hereof (the "Property"). The parties to this Agreement have agreed to the sale and purchase of the Property on the terms and conditions which are set forth in this Agreement.

### **AGREEMENT:**

1. **Purchase and Sale.** Subject to all of the terms and conditions of this Agreement, Seller will quit claim to Buyer, and Buyer will purchase from Seller, all of Buyer's rights, title and interest in the Property, and the benefit of all appurtenances, rights, easements and rights of way incident thereto, if any.

2. **Purchase Price.** The purchase price to be paid by Buyer to Seller for the Property is Ten and no/00 Dollars (\$10.00) (the "Purchase Price").

(a) **Payment of Purchase Price.** At the time of the Closing, Buyer will pay to Seller, by wire transfer of funds, the Purchase Price as adjusted for prorations and adjustments as set forth in this Agreement.

3. **Title and Title Insurance and Survey.**

(a) **Title.** Buyer may obtain a commitment (the "Title Commitment") for an owner's title insurance policy, together with legible copies of all documents referenced therein, issued by a title insurance company acceptable to Buyer ("Title Company"). Buyer shall have fifteen (15) business days from receipt of the Title Commitment and the Survey (as defined herein) in which to examine the condition of title. If Buyer fails to provide Seller with written notice of specific defects that make title to the Property other than as required by this Section 3 within such fifteen (15) business day period, then, for all purposes of this Agreement, Buyer shall be deemed to have accepted title in the condition described in the Title Commitment. Any title exceptions which are not objected to within such fifteen (15) business day period shall be deemed to be acceptable in all respects to Buyer. If Buyer timely notifies Seller of any objection to title exceptions then Seller may, but shall in no event be obligated to, cure the same, for which purpose Seller shall have a reasonable time in which to do so but in no event more than sixty (60) days from the receipt of Buyer's written notice that title is unacceptable. In the event Seller is unable or unwilling to satisfy said defects, then at the end of such sixty (60) day period, this Agreement shall be terminated and all parties hereto shall be released from any and all obligations and liabilities hereunder other than those that specifically survive hereunder. At any time prior to such

termination, Buyer may elect by written notice to Seller to waive any defects in title, in which event the Closing shall take place pursuant to this Agreement without any abatement whatsoever in the Purchase Price. In the event that any title exception shall appear subsequent to the date of the Title Commitment, Buyer shall have three (3) business days after receipt of any updates to the Title Commitment (including receipt of any documents referenced in such update) to object to any material matters disclosed therein which were not disclosed in the original Title Commitment, and the procedure for objecting to such matters shall be as set forth above.

(b) Survey. Buyer may, at Buyer's expense, order and subsequently obtain a current topographical and boundary survey of the Property (the "Survey"). Any encroachments shown shall be treated as a title defect and the terms and conditions set forth in Section 3(a) of this Agreement shall apply with respect thereto. Buyer shall notify Seller of survey defects within fifteen (15) business days following receipt of the Title Commitment and the Survey.

#### 4. Investigation Period.

(a) Buyer shall have the period beginning on the Effective Date and ending six (6) months after the Effective Date (the "Investigation Period") in which to determine that the Property can be developed for an integrated mixed-income residential and commercial/retail building as was presented in its proposal to the DIA, the design of which shall include, *inter alia*, a structured parking garage with approximately ninety (90) covered parking spaces, eighty-five (85) apartment units, and not less than 1,200 square feet of retail or commercial space (the "Contemplated Improvements"); provided that any change to the design requires approval by the CEO of the DIA. Among other things, Buyer shall be permitted to verify that (a) adequate utility service is or will be made available by a public utility company to a boundary of the Property; (b) municipal fees, including sewer and water connection fees, do not exceed an amount acceptable to Buyer; (c) there are not unusual soil conditions which would prohibit the standard construction practice for Buyer's intended use of the Property; (d) a market survey and financing feasibility study substantiates the need for a rental housing development in the area of the Property; and (e) all other matters (including, without limitation, the results of any physical inspections, environmental assessments, wetlands assessments, engineering studies and site plan studies) affecting or relating in any way to the Property are otherwise satisfactory to Buyer. Buyer shall be permitted access to the Property pursuant to a separate access agreement with DIA.

(b) If for any reason Buyer, in its sole and absolute discretion, determines that the Contemplated Improvements cannot be built on the Property, if Buyer has not obtained all Building Approvals (as hereinafter defined) required to build the Contemplated Improvements before the expiration of the Investigation Period, or that Buyer wishes to terminate this Agreement for any reason or no reason at all, then no later than the expiration of the Investigation Period, Buyer shall, in writing, notify Seller that it has elected not to proceed with the transaction contemplated hereby. Thereupon, the parties hereto shall be relieved of all liability under this Agreement other than those that specifically survive hereunder. In the event that Buyer fails to timely notify Seller in writing of its election not to proceed with the transaction contemplated hereby, Buyer shall be deemed to have elected to proceed. Following any inspections upon the Property, Buyer or Buyer's agents shall return the Property to the condition it existed immediately prior to such inspections, reasonable wear and tear excepted.

5. **Conditions Precedent to Buyer's Obligation to Close.** The Buyer's obligation to close is conditioned upon the prior occurrence or evidence of satisfaction at closing of the following, each of which may be waived by Buyer:

(a) **Acquisition of Developer Parcel.** Buyer is currently under contract to purchase approximately 0.35 acres of real property identified by Duval County Tax Collector Parcel Numbers 073559-0000, 073557-0000, 073556-0000, and 073555-0000 (collectively, the Developer Parcel"). As a condition precedent to Buyer's obligation to close hereunder, Buyer shall have obtained fee simple title of the Developer Parcel, or such acquisition shall occur simultaneously with the Closing contemplated herein.

(b) **Other.** All of the other conditions set forth in this Agreement to be satisfied prior to the Closing shall have been satisfied in all respects as required by the terms of this Agreement.

6. **Conditions Precedent to Seller's Obligation to Close.** The Seller's obligation to close is conditioned upon the prior occurrence of the following, each of which may be waived by Seller:

(a) Buyer shall have been selected by the Jacksonville Housing Finance Authority as the Local Government Areas of Opportunity Designation pursuant to Local Government Area of Opportunity Funding Loan Request NOFA 2025-1 in conjunction with the FHFC RFA.

(b) Buyer shall have obtained fee simple title of the Developer Parcel, or such acquisition shall occur simultaneously with the Closing contemplated herein

7. **Closing and Closing Costs.**

(a) **Closing Date.** The purchase and sale contemplated by this Agreement shall close (the "Closing") on or before three (3) months after the expiration of the Investigation Period commencing at 9:00 a.m. and concluding no later than 3:00 p.m. (the "Closing Date").

(b) **Closing Location.** The Closing will be held at the offices of DIA's counsel via mail-away closing.

(c) **Early Closing.** Notwithstanding anything contained herein to the contrary, but subject to the satisfaction of each of the conditions precedent to Seller's obligation to close, at any time prior to the scheduled Closing Date, Buyer in its sole discretion may elect to close this transaction. Buyer shall exercise this election by delivering to Seller written notice of Buyer's intention to close which notice shall set a closing date not more than thirty (30) days from the date of such notice.

(d) **Costs.** Seller shall pay for its in-house attorney's fees. Buyer shall pay for all other closing costs, including, without limitation, its legal fees, any documentary stamps on the deed, the cost of the recording of the deed, the owner's title insurance policy premium, any documentary stamp and intangible taxes on any mortgage, all costs to any loan obtained by Buyer in connection with the Property or Contemplated Improvements thereon, the cost of the Survey,



any title updates, title agent fees, the cost of any inspection, investigation and lien searches and all recording costs.

8. **Extensions.** The CEO of the DIA shall have the authority to extend the Investigation Period or the Closing Date for up to six (6) months for good cause shown by the Buyer, in the CEO's sole discretion.

9. **Seller's Deliveries.** Seller shall deliver to Buyer or the Title Company, to be held in escrow, at least five (5) days prior to the Closing copies of the following documents (with the exception of subsection (c) below which shall be delivered at Closing), dated as of the day of Closing, the delivery and accuracy of which shall be a condition to Buyer's obligation to consummate the transactions contemplated hereby:

(a) **Quit Claim Deed.** A quit claim deed (the "Deed") duly executed by Seller, in recordable form approved by the Seller, and (i) restricting the use of the Property to a mixed-income housing development, including retail, consistent with the adopted BID Plan and CRA Plan for Downtown, (ii) prohibiting the Property and the Contemplated Improvements located thereon, from being transferred to or owned by any tax-exempt entity, and (iii) containing a right of reverter in the event that Buyer fails to commence construction on or before the date that is earlier of (i) three (3) months after the date that all Permit Approvals have been received, and (ii) fifteen (15) months after the Effective Date, subject to extensions granted by the DIA and Force Majeure Events. The Deed shall include the legal description provided in the Title Commitment.

(b) **Affidavit.** Seller shall provide an owner's affidavit and a no-lien and exclusive possession affidavit in form and content customarily used in Duval County, Florida reasonably acceptable to the Title Company, sufficient for the issuance of the owner's title policy without exception for: (i) the "gap" period between title and recording, (ii) possible lien claims of mechanics, laborers, and materialmen, and (iii) for parties in possession. The affidavit shall relate to any activity of Seller at the Property within the period during which a mechanic's lien can be filed based on such activity prior to the Closing, and shall affirm that no parties other than Seller are in possession of the Property.

(c) **FIRPTA Affidavit.** In order to comply with the requirements of the Foreign Investment Real Property Tax Act of 1980 ("FIRPTA"), Seller will deliver to Buyer at the Closing Seller's affidavit under penalty of perjury stating Seller is not a "foreign person," as defined in Section 1445 of the Internal Revenue Code of 1986, as amended, and the United States Treasury Regulations promulgated thereunder.

(d) **Evidence of Authority.** A copy of such documents and resolutions as may be acceptable to the Title Company, so as to evidence the authority of the person signing the Deed and other documents to be executed by Seller at Closing and the power and authority of Seller to quit claim the Property to Buyer in accordance with this Agreement.

(e) **Closing Statement.** A closing statement setting forth the allocation of costs between Buyer and Seller.

(f) Other Documents. Any and all other documents as may be reasonably necessary or requested by Buyer in order to fully and completely consummate the transactions contemplated hereby pursuant to the terms of this Agreement.

10. **Buyer's Deliveries**. At the Closing, simultaneously with Seller's delivery of the documents as specified in this Agreement, Buyer shall:

(a) Purchase Price and Closing Costs. Payment of the Purchase Price and closing costs by wire transfer of funds, adjusted for the pro rations and other payments provided for in this Agreement.

(b) Buyer's Resolution. A resolution, consent or authorization, duly executed, authorizing Buyer to close the transaction contemplated hereby, the execution and delivery of any documents required in connection with Closing and the taking of all action to be taken by Buyer in connection with Closing.

(c) LURA. A Land Use Restriction Agreement encumbering the Property in recordable form and approved by the Seller which will be recorded upon Closing.

(d) Permits. All Building Approvals required to construct the Contemplated Improvements subject to the payment of impact and building permit fees shall be provided to the Seller as evidence of ability to construct the Contemplated Improvements.

(e) Notice of Commencement. A Notice of Commencement specifically tied to the approved permits to construct the Contemplated Improvements approved by the Seller and in recordable form, which will be recorded upon Closing.

(f) Closing Statement. A closing statement setting forth the allocation of closing costs and payment of which shall be made by wire transfer of immediately available U.S. funds upon Closing.

11. **Taxes and Prorations**. At the Closing, the taxes on the Property shall be prorated as of the Closing Date, between the parties on the basis of the taxes paid for the most recent year that have been assessed and billed without adjustment for any changes in assessed values or taxes after Closing.

12. **Possession**. Buyer shall be granted full possession of the Property as of the Closing vacant and free of any and all tenancies.

13. **Purchase "As Is"**. The Property shall be conveyed in its "as-is", "where is" condition, with all faults:

BUYER ACKNOWLEDGES AND AGREES THAT, EXCEPT AS SET FORTH HEREIN OR IN ANY OF THE DOCUMENTS TO BE DELIVERED AT CLOSING, SELLER AND DIA HAVE NOT MADE, DO NOT MAKE AND SPECIFICALLY NEGATE AND DISCLAIM ANY REPRESENTATIONS, WARRANTIES, PROMISES, COVENANTS, AGREEMENTS OR GUARANTIES OF ANY KIND OR CHARACTER WHATSOEVER, WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, PAST, PRESENT OR FUTURE,

OF, AS TO, CONCERNING OR WITH RESPECT TO (A) THE VALUE, NATURE, QUALITY OR CONDITION OF THE PROPERTY (INCLUDING WITHOUT LIMITATION, THE WATER, SOIL AND GEOLOGY), (B) ANY INCOME TO BE DERIVED FROM THE PROPERTY, (C) THE SUITABILITY OF THE PROPERTY FOR ANY AND ALL ACTIVITIES AND USES WHICH BUYER MAY CONDUCT THEREON, (D) THE COMPLIANCE OF OR BY THE PROPERTY OR ITS OPERATION WITH ANY LAWS, RULES, ORDINANCES OR REGULATIONS OF ANY APPLICABLE GOVERNMENTAL AUTHORITY OR BODY, (E) THE HABITABILITY, MERCHANTABILITY, MARKETABILITY, PROFITABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF THE PROPERTY, (F) GOVERNMENTAL RIGHTS OF POLICE POWER OR EMINENT DOMAIN, (G) DEFECTS, LIENS, ENCUMBRANCES, ADVERSE CLAIMS OR OTHER MATTERS: (1) NOT KNOWN TO BUYER AND NOT SHOWN BY THE PUBLIC RECORDS BUT KNOWN TO SELLER OR DIA AND NOT DISCLOSED IN WRITING BY SELLER AND DIA TO THE BUYER PRIOR TO THE CLOSING, (2) RESULTING IN NO LOSS OR DAMAGE TO BUYER OR (3) ATTACHING OR CREATED SUBSEQUENT TO THE DATE OF THE CLOSING, (H) VISIBLE AND APPARENT EASEMENTS AND ALL UNDERGROUND EASEMENTS, THE EXISTENCE OF WHICH MAY ARISE BY UNRECORDED GRANT OR BY USE, (I) ALL MATTERS THAT WOULD BE DISCLOSED BY A CURRENT SURVEY OF THE PROPERTY, (J) THE MANNER OR QUALITY OF THE CONSTRUCTION OR MATERIALS, IF ANY, INCORPORATED INTO THE PROPERTY, (K) THE MANNER, QUALITY, STATE OF REPAIR OR LACK OF REPAIR OF THE PROPERTY, OR (L) ANY OTHER MATTER WITH RESPECT TO THE PROPERTY, AND SPECIFICALLY, THAT SELLER OR DIA HAVE NOT MADE, DO NOT MAKE AND SPECIFICALLY DISCLAIM ANY REPRESENTATIONS REGARDING COMPLIANCE WITH ANY ENVIRONMENTAL PROTECTION, POLLUTION OR LAND USE, ZONING OR DEVELOPMENT OF REGIONAL IMPACT LAWS, RULES, REGULATIONS, ORDERS OR REQUIREMENTS, INCLUDING THE EXISTENCE IN OR ON THE PROPERTY OF HAZARDOUS MATERIALS. BUYER FURTHER ACKNOWLEDGES THAT BUYER IS RELYING SOLELY ON ITS OWN INVESTIGATION OF THE PROPERTY AND NOT ON ANY INFORMATION PROVIDED OR TO BE PROVIDED BY SELLER OR DIA. AT THE CLOSING BUYER AGREES TO ACCEPT THE PROPERTY AND WAIVE ALL OBJECTIONS OR CLAIMS AGAINST SELLER AND DIA (INCLUDING, BUT NOT LIMITED TO, ANY RIGHT OR CLAIM OF CONTRIBUTION) ARISING FROM OR RELATED TO THE PROPERTY OR TO ANY HAZARDOUS MATERIALS ON THE PROPERTY. BUYER FURTHER ACKNOWLEDGES AND AGREES THAT ANY INFORMATION PROVIDED OR TO BE PROVIDED WITH RESPECT TO THE PROPERTY WAS OBTAINED FROM A VARIETY OF SOURCES AND THAT SELLER AND DIA HAVE NOT MADE ANY INDEPENDENT INVESTIGATION OR VERIFICATION OF SUCH INFORMATION AND MAKE NO REPRESENTATIONS AS TO THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION. SELLER AND DIA ARE NOT LIABLE OR BOUND IN ANY MANNER BY ANY VERBAL OR WRITTEN STATEMENTS, REPRESENTATIONS OR INFORMATION PERTAINING TO THE PROPERTY, OR THE OPERATION THEREOF, FURNISHED BY ANY REAL ESTATE BROKER, OFFICER, EMPLOYEE, AGENT, SERVANT OR OTHER PERSON. BUYER FURTHER ACKNOWLEDGES AND AGREES THAT TO THE MAXIMUM EXTENT PERMITTED BY LAW, THE SALE OF THE PROPERTY AS PROVIDED FOR HEREIN IS MADE IN AN "AS

IS" CONDITION AND BASIS WITH ALL FAULTS. IT IS UNDERSTOOD AND AGREED THAT THE PURCHASE PRICE HAS BEEN ADJUSTED BY PRIOR NEGOTIATION TO REFLECT THAT THE PROPERTY IS SOLD BY SELLER AND PURCHASED BY BUYER SUBJECT TO THE FOREGOING. THE PROVISIONS OF THIS SECTION SHALL SURVIVE THE CLOSING, TERMINATION OR EXPIRATION OF THIS AGREEMENT.

14. **Moratoria.** If, at the time of the Closing, there are sewer, water, building or other moratoria in effect which would interfere with the immediate construction and occupancy of the Contemplated Improvements, then Buyer, at its sole option, may: (a) terminate this Agreement whereupon the parties shall be relieved from all further liabilities and obligations hereunder other than those that specifically survive hereunder or (b) close the transactions contemplated hereby without regard to the moratoria and without any adjustment in the Purchase Price or extension of the Closing date.

15. **Real Estate Commissions.** Buyer and Seller hereby warrant to each other that neither party are represented by a real estate broker or agent and that no other real estate commission shall be paid in connection with this transaction and each party shall indemnify the other from any claims of any parties claiming a commission by, under or through either party. This provision shall survive the Closing of the transaction.

16. **Condemnation.** In the event of the institution against the record owner of the Property of any proceedings, judicial, administrative or otherwise, relating to the taking, or to a proposed taking of any portion of the Property by eminent domain, condemnation or otherwise (which materially impairs the proposed development of the Property), prior to the Closing, or in the event of the taking of any portion of the Property by eminent domain, condemnation or otherwise, prior to the Closing, then Seller shall notify Buyer promptly and Buyer shall have the option, in its sole and absolute discretion, of either (a) terminating this Agreement whereupon the parties shall be relieved from all further liabilities and obligations hereunder other than those that specifically survive hereunder or (b) proceeding to the Closing in accordance with the terms of this Agreement, but at the Closing Seller shall assign to Buyer all of Seller's right, title and interest in, to and under any and all awards that have been or may be made with respect to such eminent domain proceeding or condemnation. Any such election hereunder must be made by Buyer within twenty (20) days of the notice furnished by Seller. If Buyer fails to make an election in writing, Buyer shall be deemed to have elected alternative (a) above.

17. **Loss or Damage.** Any loss or damage to the Property between the Effective Date and the Closing shall not void this Agreement or modify the provisions hereof, provided, that Seller shall repair such loss or damage to the Property prior to the Closing as a condition of Buyer's obligations to proceed to the Closing hereunder. In the event that Seller fails to repair such loss or damage prior to the Closing, Buyer may, at its sole election and option, terminate this Agreement.

18. **Default.**

(a) **Buyer Default.** If the transactions contemplated hereby do not close solely due to a refusal or default on the part of Buyer, then Seller may terminate this Agreement and Seller and Buyer shall be relieved from all further obligations under this Agreement, except those that survive by their terms, and Seller shall have no further claim against Buyer for specific

performance or for damages by reason of the failure of Buyer to close the transactions contemplated hereby.

(b) **Seller Default.** If the transactions contemplated hereby fail to close due to a default on the part of Seller, then at the option of Buyer, the Buyer may pursue an action for specific performance of this Agreement by Seller as its sole remedy as a result of Seller's default.

19. **Cure Period.** Prior to any claim of default being made, parties will have an opportunity to cure any alleged default. If a party fails to comply with any provision of this Agreement, the other party will deliver written notice to the non-complying party specifying the non-compliance. The non-complying party will have five (5) days after delivery of such notice to cure the non-compliance. Notice and cure shall not apply to failure to close.

20. **Escrow.** Escrow Agent, in receiving funds to hold in escrow hereunder, is authorized and agrees by acceptance thereof to promptly deposit and to hold same in escrow and to disburse same subject to clearance thereof in accordance with terms and conditions of this Agreement. Failure of clearance of funds shall not excuse performance by Buyer. In the event of doubt as to its duties or liabilities under the provisions of this Agreement, Escrow Agent may, in its sole discretion, continue to hold the monies which are the subject of this escrow until the parties mutually agree to the disbursement thereof, or until a judgment of a court of competent jurisdiction shall determine the rights of the parties thereto, or it may file an interpleader action and deposit all the monies then held pursuant to this Agreement with the Clerk of the Circuit Court of Duval County, Florida, and upon notifying all parties concerned of such action, all liability on the part of Escrow Agent shall fully terminate, except to the extent of accounting for any monies theretofore delivered out of escrow. In the event of any suit between Buyer and Seller wherein Escrow Agent is made a party by virtue of acting as escrow agent hereunder, or in the event of any suit wherein Escrow Agent interpleads the subject matter of this escrow, Escrow Agent shall be entitled to recover a reasonable attorneys' fee and costs incurred, said fees and costs to be charged and assessed as court cost in favor of the prevailing party. All parties agree that Escrow Agent shall not be liable to any party or person whomsoever for misdelivery to Buyer or Seller of monies subject to this escrow, unless such misdelivery shall be due to a willful breach of this Agreement or gross negligence on the part of Escrow Agent.

21. **Entire Agreement.** This Agreement, constitutes the entire agreement between the parties with respect to the transactions contemplated herein and supersedes all prior understandings or agreements between the parties.

22. **Binding Effect.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, devisees, personal representatives, successors and permitted assigns.

23. **Survival of Paragraphs.** The terms, conditions and warranties contained herein that state they specifically survive shall survive the Closing and delivery of the Deed or earlier termination of this Agreement as set forth herein.

24. **Waiver; Modification.** The failure by Buyer or Seller to insist upon or enforce any of their rights shall not constitute a waiver thereof, and nothing shall constitute a waiver of

Buyer's right to insist upon strict compliance with the terms of this Agreement. Either party may waive the benefit of any provision or condition for its benefit that is contained in this Agreement. No oral modification of this Agreement shall be binding upon the parties and any modification must be in writing and signed by the parties hereto.

25. **Governing Law; Venue.** This Agreement shall be governed by, and construed in accordance with the laws of, the State of Florida. The venue of any litigation arising out of this Agreement shall be Duval County, Florida.

26. **Headings.** The section headings as set forth in this Agreement are for convenience of reference only and shall not be deemed to vary the content of this Agreement or limit the provisions or scope of any section herein.

27. **Notices.** Any notice, request, demand, instruction or other communication to be given to either party, except where required by the terms of this Agreement to be delivered at the Closing, shall be in writing and shall be sent by registered or certified mail, return receipt requested, facsimile, electronic mail or by express overnight courier, as follows:

If to Buyer:

Duval 212, LLC  
c/o Housing Trust Group  
3225 Aviation Avenue, 6<sup>th</sup> Floor  
Coconut Grove, Florida 33133  
Attention: Mr. Matthew Rieger  
Telephone: (305) 860-8188  
Facsimile: (305) 639-8427  
Email: [matr@htgf.com](mailto:matr@htgf.com)

If to Seller:

Downtown Investment Authority  
Address: 117 West Duval Street, Suite 310  
Jacksonville, Florida 32202  
Attention: Chief Executive Officer

With a copy to:

City of Jacksonville  
Office of General Counsel  
City Hall-St. James Building  
117 West Duval Street, Suite 480  
Jacksonville, Florida 32202

Escrow Agent/Counsel  
to Buyer:

Stearns Weaver Miller  
Weissler Alhadeff & Sitterson, P.A.  
150 West Flagler Street, Suite 2200  
Miami, FL 33130  
Attention: Brian McDonough, Esq.  
Telephone: (305) 789-3350  
Email: [BMcDonough@stearnsweaver.com](mailto:BMcDonough@stearnsweaver.com)

Notice shall be deemed given if forwarded by certified mail through the facilities of the United States Postal Office on the day following the date that the notice in question is deposited in the facilities of the United States Postal Service. If notice is forwarded by express overnight courier, it shall be deemed given on the day following the date that the notice in question is deposited in the facilities of an express overnight courier. Notice may also be provided by confirmed facsimile or via electronic mail.

28. **Assignment.** This Agreement may be assigned by Buyer with prior written consent from the Seller. Seller may not assign its rights under this Agreement.

29. **Attorneys' Fees.** Each party shall be responsible for its own attorneys' fees and costs in connection with the enforcement of or any legal action related to this Agreement.

30. **Force Majeure.** No party to this Agreement shall be deemed in default hereunder where such a default is based on a delay in performance as a result of war, insurrection, strikes, lockouts, riots, floods, earthquakes, fires, casualty, acts of God, acts of public enemy, epidemic, pandemic, quarantine restrictions, freight embargo, shortage of labor or materials, interruption of utilities service, lack of transportation, severe weather and other acts or failures beyond the control or without the control of any party (collectively, a "Force Majeure Event"); provided, however, that the extension of time granted for any delay caused by any of the foregoing shall not exceed the actual period of such delay and shall be proximately caused by such Force Majeure Event.

In the event of any delay or nonperformance resulting from such causes, the party affected shall notify the other in writing within seven (7) calendar days of the force majeure event. Such written notice shall describe the nature, cause, date of commencement, and the anticipated impact of such delay or nonperformance, shall indicate the extent, if any, to which it is anticipated that any delivery or completion dates will be thereby affected, and shall describe the actions taken to minimize the impact thereof.

31. **Effective Date.** The effective date of this Agreement (the "Effective Date") shall be the date upon which the last party to execute this Agreement has delivered the fully executed Agreement to the other party in accordance with Section 27.

32. **Time of the Essence.** Time is of the essence with respect to each provision of this Agreement that requires action be taken by either party within a stated time period, or upon a specified date, provided, however, if the date for performance is on a Saturday, Sunday or federal holiday, the date for performance shall be extended to the next business day.

33. **Counterparts; Email or Facsimile Signatures.** This Agreement may be executed in multiple counterparts, each of which shall be deemed an original but all of which, together, shall constitute but one and the same instrument. This Agreement shall be effective when the parties have emailed or faxed their respective signatures either to the other party or to the other party's counsel. Email or facsimile signatures shall have the same legal effect as original signatures.

[SIGNATURES BEGIN ON THE NEXT PAGE]



IN WITNESS WHEREOF, Buyer, Seller and DIA have caused this Agreement to be executed and to be effective as of September \_\_\_\_, 2025.

**BUYER:**

**DUVAL 212, LLC**, a Florida limited liability company

By: HTG DUVAL 212 MANAGER, LLC, a  
Florida limited liability company  
its Manager

By: \_\_\_\_\_  
Matther Rieger, Manager

**SELLER:**

**CITY OF JACKSONVILLE**

ATTEST:

By: \_\_\_\_\_  
James R. McCain, Jr.  
Corporation Secretary

By: \_\_\_\_\_  
Donna Deegan, Mayor

FORM APPROVED:

\_\_\_\_\_  
Office of the General Counsel

**DIA:**

**DOWNTOWN INVESTMENT AUTHORITY**

By: \_\_\_\_\_  
Name Printed: Colin Tarbert  
Its: Chief Executive Officer

**EXHIBIT "A"**

The Property

[To be inserted after confirmation from survey]