

ECONOMIC DEVELOPMENT AGREEMENT

This **ECONOMIC DEVELOPMENT AGREEMENT** (this “Agreement”) is made this ___ day of _____, 2026 (the “Effective Date”), between the **CITY OF JACKSONVILLE**, a municipal corporation and a political subdivision of the State of Florida (the “City”) and **CAMPBELL COVE, LTD.**, a Florida limited partnership (the “Company”).

Article 1. PRELIMINARY STATEMENTS

1.1 The Project.

The Company proposes to construct a 240 unit mixed-income apartment community on approximately 12 acres of property located generally at 11000 Beach Boulevard, Jacksonville, Florida as more particularly described on **Exhibit A** attached hereto (the “Project Parcel”). The improvements described on **Exhibit B** attached hereto (the “Improvements”) located or to be located on the Project Parcel and the obligations of the Company under this Agreement are collectively referred to herein as the “Project.” The proposed Project includes the purchase of the Project Parcel and construction of the Improvements thereon. The Project is expected to represent an estimated private Capital Investment, inclusive of low-income housing tax credits, of \$56,500,000 by or on behalf of the Company.

1.2 Authority.

The City Council has authorized execution of this Agreement pursuant to City Ordinance 2026-150-E (the “Ordinance”).

1.3 City Determination.

The City has determined that the Project is consistent with the goals of the City in that the Project will, among other things:

- (a) generate significant new ad valorem taxes, including significant new tax revenues for the public school system;
- (b) help meet the overall community goal of affordable housing in Jacksonville; and
- (c) create induced and indirect job effects which will have a positive impact on local small businesses.

1.4 Jacksonville Small and Emerging Business Program.

As more fully described in City Ordinance 2004-602-E, the City has determined that it is important to the economic health of the community that whenever a company receives incentives from the City, that company provides contracting opportunities to the maximum extent possible to small and emerging businesses in Duval County as described in Section 6.1.

1.5 Coordination by City.

The City hereby designates the Director of the Neighborhoods Department of the City or his or her designee to be the Project Coordinator who will, on behalf of the City, coordinate with the Company 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 Company to coordinate all project related activities and all matters under this Agreement with the designated Project Coordinator, unless otherwise stated herein. Notwithstanding the foregoing or any other statements herein to the contrary, the City has no separate liability under this Agreement.

1.6 Maximum Indebtedness.

The maximum indebtedness of the City for all fees, reimbursable items or other cost pursuant to this Agreement shall not exceed the sum of FIVE MILLION AND NO/100 DOLLARS (\$5,000,000.00).

1.7 Availability of Funds.

The City's obligations under this Agreement are contingent upon availability of lawfully appropriated funds for the Project and this Agreement.

**Article 2.
DEFINITIONS**

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

2.1 Capital Investment.

Money invested by a company in the Project that may normally be capitalized by a company in the normal conduct of its business.

2.2 City Council.

The body politic, as the same shall be from time to time constituted, charged with the duty of governing the City.

2.3 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 Company (i) has completed all pre-construction engineering and design; obtained all necessary licenses, permits and governmental approvals to commence construction of the Improvements; engaged the general (i.e., prime) contractor and ordered such equipment and supplies as the general contractor reasonably deems necessary so that physical construction of the Improvements may begin and proceed to completion without foreseeable interruption; and (ii) has submitted to the City evidence of construction financing or other financial

resources obtained by Company sufficient to complete the construction of the Improvements; and (iii) has “broken ground” and begun physical, material construction (e.g., site preparation work or such other evidence of commencement of construction as may be approved by the City in its reasonable discretion) of the Improvements on an ongoing basis without any Impermissible Delays (defined herein).

2.4 Impermissible Delays.

The term “Impermissible Delay” means failure of Company 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 Substantial Completion of such improvements for a period of more than forty (40) consecutive calendar days, except in cases of a Force Majeure Event. Notwithstanding the foregoing, any delay or cessation of any of the Improvements as to which Company has been unable to secure the necessary permits and approvals after diligent efforts shall not be an Impermissible Delay, as long as Company continues its diligent efforts to obtain such permits and approvals.

2.5 Improvements.

All of the improvements that are incorporated into the Project on the Project Parcel, as defined in Section 1.1 hereof and as shown on **Exhibit B** attached hereto.

2.6 Minimum Capital Investment.

The Improvements shall have a minimum, private Capital Investment in the amount of \$30,000,000.00.

2.7 Substantial Completion.

“Substantially Completed”, “Substantial Completion” or “Completion” means that, with respect to the Improvements, 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, if applicable, so that the Improvements are available for use in accordance with its intended purpose, without material interference from uncompleted work and subject to commercially reasonable punch list items, completion of tenant improvements and similar items.

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

Article 3.
APPROVALS; PERFORMANCE SCHEDULES

3.1 Performance Schedule.

The Company and the City have jointly established the following dates for the performance of each party's respective obligations under this Agreement (herein called the "Performance Schedule"):

Commencement of Construction – on or before September 1, 2026.

Substantial Completion of Construction – on or before May 1, 2028.

The City and the Company have approved this Performance Schedule. By the execution hereof, and subject to the terms of this Agreement, the Company hereby agrees to undertake and complete the construction and development of the Project in accordance with this Agreement and the Performance Schedule, and to comply with all of the Company's obligations set forth herein.

3.2 Approval of Agreement.

By the execution hereof, the parties certify as follows:

- (a) Company certifies 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 Company entity;
 - (ii) this Agreement does not violate any of the terms or conditions of such governing documents and the Agreement is binding upon the Company and enforceable against it in accordance with its terms;
 - (iii) the person or persons executing this Agreement on behalf of the Company are duly authorized and fully empowered to execute the same for and on behalf of the Company;
 - (iv) the Company and each entity composing the Company 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; and
 - (v) the Company, its business operations, and each person or entity composing the Company are in compliance with all federal, state and local laws.
- (b) The City certifies that the execution and delivery hereof is binding upon the City to the extent provided herein and enforceable against it in accordance with its terms.

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Article 4.
DEVELOPMENT LOAN

4.1 Development Loan; Terms and Conditions.

The City shall make a Development Loan to Company in the amount of \$5,000,000 (as the same may be adjusted pursuant to Section 4.5 hereof, the “Loan”) upon Substantial Completion of the Improvements more particularly described on **Exhibit B** attached hereto, subject to the terms and conditions set forth in the Project Loan Commitment Letter attached hereto as **Exhibit C** and in accordance with the following terms and conditions:

- (a) **Conditions Precedent:** The City’s obligation to pay the Loan to the Company is conditioned upon prior occurrence of the following:
- (i) The Company must promptly furnish the City evidence satisfactory to the City that Company has acquired the Project Parcel and Substantially Completed the Improvements in accordance with this Agreement and all applicable laws.
 - (ii) Company shall provide cost certifications and related documentation to the City, certified by the engineer or architect of record (which certification may be based in part on the final application for payment from the general contractor that is signed by the architect of record) and the Chief Financial Officer of Company or relevant affiliated entities, as applicable, to demonstrate the Company’s Minimum Capital Investment in the Improvements, including the final breakdown of funding sources and dollar amounts.
 - (iii) All property taxes on the Project and the Project Parcel must be current.
 - (iv) Additionally, Company shall take all action necessary to have any construction liens, judgment liens or other liens or encumbrances filed against the subject property (other than the Project’s mortgages), and other encumbrances acceptable to the City in its sole discretion, released or transferred to bond within thirty (30) days of the date the Company 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 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 Loan funds to the Company 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. Company shall be fully and solely responsible for compliance in all respects whatsoever with the applicable construction lien laws.

- (v) Release of City funds shall be on a lump-sum basis after Substantial Completion of the Improvements. The City shall have received the certifications and documentation set forth in Section 4.1(a)(ii) above, including, without limitation, site inspections and inspection reports that may be required in the reasonable discretion of the City.
- (vi) All outstanding principal and accrued interest on the Loan shall be due and payable upon the sale or transfer of the Project or the Project Parcel.
- (b) **Amount:** The principal amount of the Loan is \$5,000,000, subject to adjustment as set forth in Section 4.5 hereof.
- (c) **Use of Proceeds:** The proceeds of the Loan shall be used solely to partially satisfy the construction loan as to the Improvements. The Company will pay the costs of the Improvements exceeding the amount of the Loan.
- (d) **Interest Rate:** Interest shall accrue on all loan disbursements at the rate of 1% 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 Loan shall accrue interest at the rate of ten percent (10%) per annum.
- (e) **Terms of Repayment:** The term of the Loan is twenty (20) years from the date of Loan Disbursement. The interest rate is one percent (1%) per annum. A balloon payment in the outstanding principal balance of the loan estimated to be \$5,000,000 is due and payable at the end of the 20-year term. The first Loan payment is due on the first day of the month following the date of the Loan disbursement. Monthly loan payments of interest only are due and payable on the first day of each month thereafter. Principal plus any and all remaining accrued interest will be due in full at maturity. If, in any year during the loan term, Campbell Cove GP, LLC, as the General Partner, and any successor thereto of the Company, and JDR Lender, LLC and CSM Lender, LLC, collectively receive distributions and/or loan interest payments in excess of \$500,000, this excess shall be due and payable to the City to reduce the outstanding principal balance.
- (f) **Security/Collateral:** The Loan shall be secured by a second priority mortgage and security agreement (the "Mortgage"), which Mortgage shall grant a security interest in the real and tangible personal property of Company at the Project Parcel in favor of the City, a promissory note, a security agreement, guaranty of recourse obligations agreement of Company, and such other loan documents necessary or appropriate in the discretion of the City to secure the debt. The Mortgage shall be subordinate only to a mortgage (the "First Mortgage") in favor of the Project's construction lender or permanent financing lender, as applicable (the "First Lender"). The construction loan First Mortgage shall secure an indebtedness not in excess of \$45,000,000, and the permanent loan first mortgage amount shall not exceed \$26,000,000, and Company shall have caused the First Lender to execute

a recordable limitation of future advances under the First Mortgage limiting advances under the First Note to \$0.00 except for protective future advances.

4.2 Loan Documents.

- (a) All documentation relating to the Loan shall be prepared by counsel for the City 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 City deems reasonably necessary or appropriate and shall otherwise be satisfactory in all respects to the City and its counsel.
- (b) The loan documents shall include such audited and unaudited financial reporting requirements for the Company and/or the Project as the City may require.

4.3 Additional Requirements. In addition to the above, the following conditions must be met prior to the City's funding of the transactions contemplated herein:

- (a) The Company shall provide the City with any and all documents reasonably requested by the City at Company's expense, which may include, without limitation, the following documents at or before closing on the Loan:
 - (i) Mortgage and Security Agreement;
 - (ii) Promissory Note;
 - (iii) Collateral Assignment of Rents and Leases;
 - (iv) Collateral Assignment of Contracts, Licenses and Permits;
 - (v) Company's Title and No Lien Affidavit;
 - (vi) Environmental Affidavit;
 - (vii) Company's Certificate;
 - (viii) Anti-Coercion Statement;
 - (ix) Agreement to Provide Insurance;
 - (x) Title Policy insuring City's mortgage, subject only to exceptions acceptable to the City in its sole discretion;
 - (xi) Survey certified to City;

- (xii) Environmental Phase I certified to City;
- (xiii) Appraisal addressed to City;
- (xiv) Copies of licenses, permits, operating contracts;
- (xv) Evidence of insurance with City listed as additional insured and loss payee in form and content acceptable to the City;
- (xvi) Opinion of Company's Counsel; and
- (xvii) Any other documents or reports reasonably requested by the City.

4.4 Fees and Costs.

The Company shall pay all of the City's fees, out-of-pocket expenses and costs in connection with the documentation, closing, and administration of the 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, loan policies of title insurance, site inspection, survey, letter of credit fees and documentary stamp taxes, if any, which are incurred in connection with this Agreement, the Loan or the negotiation, documentation and/or closing of the transaction contemplated by this Agreement, whether or not such transaction is closed.

4.5 Closing Conditions.

Prior to making any disbursement under the Loan, the City shall receive, at the Company's expense, such additional items in form and substance satisfactory to the City 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. If the Company does not satisfy the Minimum Capital Investment in accordance with Section 4.1(a)(ii) hereof, then the principal amount of the Loan shall reduce on a pro rata basis with any shortfall below the Minimum Capital Investment amount. The loan documents governing the Loan will include, without limitation, such environmental representations, warranties, indemnities and other provisions as the City may reasonably require.

4.6 Prepayment.

The Loan may be repaid in full or in part without penalty at any time.

4.7 Termination.

At the Loan closing, the Company shall certify to the City that none of the events listed below have occurred, and the City may, at its option, terminate the funding of the transaction contemplated hereunder by written notice to the Company, at the address set forth in Section 10.3 of this Agreement, upon:

- (a) The commencement by or against the Company or any affiliate (as such term is defined in Rule 405 under the Securities Act of 1933, as amended, "Affiliate") of any bankruptcy, insolvency or similar proceedings.
- (b) The Company' or any Affiliate's assignment for the benefit of its, his or her creditors, or admission in writing of its, his or her inability to pay its, his or her debts as they become due.
- (c) Any change in the financial condition of the Project, the Company or any Affiliates which is, in the sole discretion of the City, material and adverse.
- (d) If any statement or representation made by the Company or related to the Project in connection with or in support of the Loan, shall prove untrue in any material respect.
- (e) Default by the Company in the performance of any other material covenant, condition or agreement set forth in this Agreement.
- (f) Any default by the Company or any Affiliates under any other obligation owed by any of them to the City.

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

4.8 Further Disclaimer.

The Loan shall not be deemed to constitute a debt, liability or obligation of the City 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 or the State of Florida or any political subdivision thereof, but shall be payable solely from the funds appropriated therefor. The City shall not be obligated to pay the 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 or of the State of Florida or any political subdivision thereof is pledged to the payment of the Loan or any installment thereof. The Company, and any person, firm, or entity claiming by, through or under the Company, 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 or of the State of Florida or any political subdivision thereof for the payment of the Loan or any installment thereof.

Article 5.
THE DEVELOPMENT

5.1 Scope of Development.

- (a) The Company shall construct and develop or cause to be constructed and developed, in substantial compliance with the times set forth in the Performance Schedule, all Improvements which the Company is obligated to construct and develop under the Performance Schedule and this Agreement.
- (b) The Company shall construct all Improvements in accordance with all applicable building and permitting codes.

5.2 Cost of Development.

Except as otherwise set forth in this Agreement, the Company shall pay the cost of constructing and developing the Improvements at no cost to the City.

5.3 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, the City does not guarantee approval of this Agreement or any aspect of the Project by any government authorities and agencies that are independent of the City.

5.4 Authority of City to Monitor Compliance.

During all periods of design and construction, the Economic Development Officer of the City, the Director of Neighborhoods, and the City's Director of Planning and Development shall have the authority to monitor compliance by the Company with the provisions of this Agreement and the Project Documents. Insofar as practicable, the City shall coordinate such monitoring and supervising activity so as to minimize duplicate activity. To that end, during the period of construction and with prior notice to the Company, representatives of the City shall have the right of access to the Project Parcel and to every structure on the Project Parcel during normal construction hours.

5.5 Timing of Completion.

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

5.6 Construction and Operation Management.

Except as otherwise expressly provided herein, the Company 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 Company'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 Company deems appropriate; provided however, that to the extent that the City furnishes to the Company the names and identities of Jacksonville-based Vendors, including without limitation Jacksonville-based minority Vendors, and to the extent that Company has the need to enter into contracts with Vendors outside of persons employed by Company or companies affiliated with or controlled by Company or its principals, then Company agrees to include all such Jacksonville-based Vendors in the process established by Company 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 Company; and
- (d) the preparation of such budgets, cost estimates, financial projections, statements, information, and reports as the Company deems appropriate.

Article 6. JSEB PROGRAM

6.1 Jacksonville Small and Emerging Businesses (JSEB) Program.

The Company, in further recognition of and consideration for the public funds provided to assist the Company 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 ("Opportunity"). Therefore, the Company hereby agrees as follows:

- (a) The Company 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 \$1,000,000 which amount represents 20% of the City'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 Company shall submit JSEB report(s) regarding the Company's actual use of City certified JSEBs on the Project, (i) on the date of any request for City funds which are payable prior to the Completion of Construction, and (ii) upon Completion of Construction. The form of the report to be used for the purposes of this section is attached hereto as **Exhibit D** (the "JSEB REPORTING FORM").

Article 7. REPORTING; SITE VISITS

7.1 Financial Statements.

On an annual basis for the term of the Loan, the Company shall submit to the City audited year-end financial statements prepared in accordance with Generally Accepted Auditing Standards (GAAS) and such other documentation as necessary to demonstrate the annual distributions and/or loan interest payments as necessary to verify compliance with Section 4.1(e) above, within 120 days of calendar year end.

7.2 Annual Survey.

On an annual basis, and prior to March 1 each year this Agreement and/or Loan is in effect or outstanding, the Company shall submit reports to the City in form and content satisfactory to City in its reasonable discretion regarding the status of construction of the Improvements and all other activities affecting the implementation of this Agreement, including a narrative summary of progress on the Project. Samples of the general form of the report is attached hereto as **Exhibit E** (the "Annual Survey"). The City reserves the right to request specific data that may vary from the foregoing.

7.3 Rental Rate and AMI Unit Mix Verification.

On an annual basis for the term of the Loan, the Company shall submit to the City documentation verifying the rental rates and AMI unit mix as set forth on **Exhibit B** attached hereto.

The Company's obligation to submit such reports shall continue until the Company has complied with all of the terms of this Agreement concerning the Project and the Loan.

Within thirty (30) days following the request of the City, the Company shall provide the City with additional information reasonably requested by the City.

7.4 Site Visits.

For so long as City has any payment obligations to Company pursuant to this Agreement, Company shall permit representatives from the City and other designated City personnel, to monitor

compliance by Company with the provisions of this Agreement. With prior notice to Company, representatives of City shall have the right to tour the Project, during normal business hours, provided, however, that Company shall have the right to have a representative of Company present during any such inspection.

Article 8. DEFAULTS AND REMEDIES

8.1 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), or (ii) the documents executed in connection with the Agreement and any other agreement between the City and the Company related to the Project (collectively, the “Documents”). A default shall also exist if any event occurs or verified information becomes known which, in the reasonable judgment of the City, makes untrue, incorrect or misleading in any material respect any statement or information contained in any of the documents described in clauses (i) – (ii) 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 may refuse to pay any portion of the Loan and, additionally, may at any time or from time to time proceed to protect and enforce all rights available to the City 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 shall not act upon a default until it has given the Company written notice of the default and thirty (30) business days within which to cure the default. However, if any default cannot reasonably be cured within the initial thirty (30) business days, Company shall have a total of sixty (60) days in which to cure such default, so long as Company has commenced and is diligently proceeding to cure such default within the initial thirty (30) day period. In no event shall the City be liable to Company for any punitive, speculative, or consequential damages of any kind. Notwithstanding the foregoing, Company shall immediately and automatically be in default, and the City shall not be required to give Company any notice or opportunity to cure such default (and thus the City 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 Company or any guarantor (“Guarantor”) of Company’s obligations hereunder or under the Documents, a bankrupt or insolvent, or approving as properly filed a petition seeking reorganization, arrangement, adjustment or composition of or in respect of the Company 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 Company 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 90 consecutive days; and

- (b) The institution by Company 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 Company 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.

8.2 Specific Defaults.

Additionally, for any of the specific events of default described in this Section 8.2 below, the parties agree that the City's damages recoverable from the Company shall include, but not be limited to, the following:

- (a) in the event reporting requirements are not met in the time period specified in Article 7 of this Agreement, the Loan shall be due and payable in full;
- (b) in the event the Company sells, leases or otherwise transfers the Project or Project Parcel during the term of the Loan, the Loan shall be due and payable at the closing of the sale;
- (c) in the event that, during any year of the Loan term, the Project no longer qualifies as affordable housing based on the limits set by the United States Department of Housing and Urban Development (HUD) and the Florida Housing Finance Corporation (FHFC), the Loan shall be due and payable to the City within thirty (30) days of notification to the Company.

The maximum combined repayment due under this Section 8.2 shall not exceed the total amount of the Loan actually paid to the Company under this Agreement, plus any accrued interest or late fees at that time.

8.3 Liens, Security Interests, Prejudgment Interest.

Receipt by the City of the Loan repayment in full shall be a condition precedent to the release of any lien or security interest held by the City pursuant to the terms of this Agreement.

The City is also entitled to prejudgment interest from the date of default plus costs and attorney's fees incurred by the City.

Article 9.
ANTI-SPECULATION AND ASSIGNMENT PROVISIONS

9.1 Purpose.

The Company represents and agrees that its undertakings pursuant to this Agreement are for the purpose of developing the Project Parcel pursuant to this Agreement, and not for speculation in land holding. The Company further recognizes, in view of the importance of the development of the Project Parcel to the general health and welfare of the City and that the qualifications, financial strength and identity of the principal shareholders and executive officers of the Company are of particular concern to the City.

9.2 Assignment; Limitation on Conveyance.

The Company agrees that, until the later of (a) substantial completion of the Project, (b) repayment by Company to City of the Loan, it shall not, without the prior written consent of the City, assign, transfer or convey (i) the Project or any portion thereof, (ii) the Project Parcel or any portion thereof, (iii) this Agreement or any provision hereof, or (iv) a controlling interest in the Company. If any such prohibited assignment, transfer or conveyance is made, the obligation of the City to pay any further amounts under the Loan shall immediately terminate and the outstanding balance of the loan will be immediately due and payable to the City. Notwithstanding any language to the contrary contained herein, the Company may assign this Agreement to an entity that is owned and or controlled by the principals of the Company (the "Assignee") as long as the Assignee assumes the Company's obligations under this Agreement and enters into an assignment and assumption agreement in form and content acceptable to the City in its reasonable discretion.

Article 10.
GENERAL PROVISIONS

10.1 Non-liability of City Officials.

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

10.2 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, and in no event shall any of the foregoing excuse any financial liability of a party.

In the event of any delay or nonperformance resulting from such causes, the party affected shall notify the other in writing within ten (10) business 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.

10.3 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 City:

City of Jacksonville
Housing and Community Development Division
214 N. Hogan Street, 7th Floor
Jacksonville, FL 32202
Attn: _____

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 Company:

Campbell Cove, Ltd.
1649 Atlantic Boulevard
Jacksonville, Florida 32207
Attn: Jason O. Floyd

With a copy to:
Driver, McAfee, Hawthorne & Diebenow PLLC
One Independent Drive, Suite 1200
Jacksonville, Florida 32202
Attn: Steven Diebenow

10.4 Time.

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

10.5 Entire Agreement.

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.

10.6 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 Director of the Neighborhoods Department of the City is authorized on behalf of 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 schedules (provided that no performance schedule may be extended for more than twelve months without City Council approval), and design standards, as long as such modifications do not involve any increased financial obligation or liability to the City.

10.7 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.

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10.8 Indemnification.

Company shall indemnify, hold harmless and defend the City 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 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 Company contained or provided in connection with this Agreement; (ii) any breach or violation of any covenant or other obligation or duty of Company under this Agreement or under applicable law; (iii) any negligent act, error or omission, recklessness or intentionally wrongful conduct on the part of Company 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 Company's performance under this Agreement or relating to the Project, except to the extent cause by the sole negligence of the City. Nothing contained in this paragraph shall be construed as a waiver, expansion or alteration of the City'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. The term "City" as used in this Section 10.8 shall include all City's members, officers, officials, employees and agents.

10.9 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.

10.10 Compliance with State and Other Laws.

In the performance of this Agreement, the Company 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.

10.11 Non-Discrimination Provisions.

In conformity with the requirements of Section 126.404, *Ordinance Code*, the Company 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 Company 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 Company 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 Company 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 10.11 shall be incorporated into and become a part of the subcontract.

10.12 Contingent Fees Prohibited.

In conformity with Section 287.055, Florida Statutes, the Company warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for the Company, 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 Company, 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 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.

10.13 Ethics.

The Company 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*.

10.14 Conflict of Interest.

The parties will follow the provisions of Section 126.112, *Ordinance Code* with respect to required disclosures by public officials who have or acquire a financial interest in a bid or contract with the City, to the extent the parties are aware of the same.

10.15 Public Entity Crimes Notice.

In conformity with the requirements of Section 126.111, *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.

10.16 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 City's right to conduct an audit shall survive the expiration or termination of this Agreement.

10.17 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.

10.18 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.

10.19 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.

10.20 Independent Contractor.

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

10.21 Retention of Records/Audit

The Company 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 under this Agreement.
- (b) To retain 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 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.
- (c) Upon demand, at no additional cost to the City, 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, 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, including but not limited to the City Council auditors, full access to and the right to examine any of the Company'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.
 - (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, including but not limited to the City Council auditors, to inspect and copy any records, papers, documents, facilities, goods and services of the Company which are relevant to this Agreement, and to interview any employees and subcontractor employees of the Company to assure the City of the satisfactory performance of the terms and conditions of this Agreement. Following such review, the City will deliver to the Company a written report of its findings and request for development by the Company of a corrective action plan where appropriate. The Company hereby agrees to timely correct all deficiencies identified in the corrective action plan.
 - (i) If the result of any audit by the City establishes that the number of New Jobs, number of Permanent Jobs, or 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 Company.
 - (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's invoice.
 - (k) Should the annual reconciliation or any audit reveal that the Company has overstated the amount of the Minimum Capital Investment, and the Company does not make restitution within thirty (30) days from the date of receipt of written notice from the City, then, in addition to any other remedies available to the City, the City may terminate this Agreement, solely at its option, by written notice to the Company.

10.22 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.

10.23 Exemption of City.

Neither this Agreement nor the obligations imposed upon the City hereunder shall be or constitute an indebtedness of the City 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. Payment or disbursement by the City of any loan 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, this Agreement shall be void and the City shall have no further obligations hereunder.

10.24 Parties to Agreement; Successors and Assigns.

This is an agreement solely between the City and Company. 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 Company and Company's successors and assigns, and shall inure to the benefit of the City and its successors and assigns. However, subject to Section 9.2 hereof, Company 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 City, which consent may be withheld in the sole discretion of the City. Notwithstanding any language to the contrary contained herein, the Company may assign this Agreement to an entity that is owned and or controlled by the principals of the Company (the "Assignee") as long as the Assignee assumes the Company's obligations under this Agreement and enters into an assignment and assumption agreement in form and content acceptable to the City in its reasonable discretion.

10.25 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. Except as stated elsewhere in 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.

10.26 Civil Rights.

The Company 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.

10.27 Further Assurances.

Company will, on request of the City,

- (a) promptly correct any defect, error or omission herein or in any document executed in connection herewith (collectively 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 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 reasonably deemed necessary, desirable or proper by the City 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 to carry out the purposes of the Project Documents and this Agreement.

10.28 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.

10.29 Construction.

All parties acknowledge that they have had meaningful input into the terms and conditions contained in this Agreement. Company 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.

10.30 Further Authorizations.

The parties acknowledge and agree that the Mayor of the City, or her designee, and the City’s Corporation Secretary, or their respective designees, are 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.

10.31 Estoppel Certificate.

On twenty (20) days written request from the other party, either party shall execute and deliver to the other party an estoppel letter stating that this Agreement is: (i) unmodified and in full force and effect, or in full force and effect as modified, and stating the modification; (ii) the amount of Loan actually paid to Company and the remaining portion of the Loan for which Company remains eligible; and (iii) that there are not, to that party’s actual knowledge, any uncured Events of Default, or events which with the passage of time would become an Event of Default, on the part of the other party, or specifying existing Event(s) of Default.

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

ATTEST:

CITY OF JACKSONVILLE

By: _____
Daren Anderson
Corporation Secretary

By: _____
Donna Deegan, Mayor

WITNESS:

CAMPBELL COVE, LTD., a Florida limited partnership

Print Name: _____

By: Campbell Cove GP, LLC, a Florida limited liability company, its general partner

Print Name: _____

By: Vestcor, Inc., a Florida corporation, its manager

Form Approved:

By: _____
Name:
Title:

Office of General Counsel

GC-#1716692-v7-Campbell_Cove_EDA -
_11000_Beach_Boulevard.docx

Encumbrance and funding information for internal City use:

Account or POA Number: _____

1Cloud Account for Certification of Funds	Amount

This above stated amount is the maximum fixed monetary amount of the foregoing Contract. It shall not be encumbered by the foregoing Contract. It shall be encumbered by one (1) or more subsequently issued purchase order(s) that must reference the foregoing Contract. All financial examinations and funds control checking will be made at the time such purchase order(s) are issued.

In accordance with Section 24.103(e), of the *Jacksonville Ordinance Code*, I do hereby certify that there is an unexpended, unencumbered and unimpounded balance in the appropriation sufficient to cover the foregoing Contract; provided however, this certification is not nor shall it be interpreted as an encumbrance of funding under this Contract. Actual encumbrance[s] shall be made by subsequent purchase order[s], as specified in said Contract.

Director of Finance
City Contract Number: _____

LIST OF EXHIBITS

Exhibit A Description of the Project Parcel

Exhibit B Improvements

Exhibit C Loan Commitment Letter

Exhibit D JSEB Reporting Form

Exhibit E Annual Survey

Exhibit A
Description of Project Parcel

A portion of property located at 11000 Beach Boulevard, R.E. #: 165412-2000, more fully described below.

PART OF GOVERNMENT LOT 13, SECTION 31, TOWNSHIP 2 SOUTH, RANGE 28 EAST, DUVAL COUNTY, FLORIDA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

FOR A POINT OF REFERENCE, COMMENCE AT THE NORTHEAST CORNER OF THOSE LANDS DESCRIBED IN OFFICIAL RECORDS BOOK 16344, PAGE 1945, OF THE CURRENT PUBLIC RECORDS OF DUVAL COUNTY, FLORIDA, SAID POINT BEING ON THE SOUTH LINE OF BEACH BOULEVARD (A 200.0 FOOT RIGHT-OF-WAY); THENCE SOUTH 01°52'00" EAST, ALONG THE EAST LINE OF SAID LANDS DESCRIBED IN OFFICIAL RECORDS BOOK 16344, PAGE 1945, A DISTANCE OF 251.76 FEET TO THE POINT OF BEGINNING; THENCE CONTINUE DEPARTING SAID EAST LINE, RUN NORTH 88°08'00" EAST, A DISTANCE OF 315.24 FEET; THENCE NORTH 01°52'00" WEST, A DISTANCE OF 13.46 FEET; THENCE NORTH 88°08'00" EAST, A DISTANCE OF 145.81 FEET; THENCE SOUTH 71°43'59" EAST, A DISTANCE OF 41.49 FEET TO THE WEST LINE OF A 60 FOOT DRAINAGE EASEMENT AS RECORDED IN OFFICIAL RECORDS BOOK 4754, PAGE 142, OF SAID PUBLIC RECORDS; THENCE SOUTH 01°52'00" EAST, ALONG SAID WEST LINE, A DISTANCE OF 927.97 FEET TO A POINT ON THE NORTH LINE OF SAID 60 FOOT DRAINAGE EASEMENT; THENCE SOUTH 87°30'28" WEST, ALONG SAID NORTH LINE, AND ALONG THE NORTH LINE OF THOSE LANDS DESCRIBED IN OFFICIAL RECORDS BOOK 16344, PAGE 1945 OF SAID PUBLIC RECORDS, A DISTANCE OF 500.03 FEET TO A POINT ON THE AFORESAID EAST LINE OF SAID LANDS; THENCE NORTH 01°52'00" WEST, ALONG SAID EAST LINE, A DISTANCE OF 934.25 FEET TO THE POINT OF BEGINNING.

Exhibit B Improvements

The multi-family improvements component of the Improvements will be a total of 240 units with mix of 1-, 2-, and 3- bedroom units, with all units set aside for households that are at or below 60% of the area median income (“AMI”). The rental rates and income limits will be based upon the annual schedules provided by the United States Department of Housing and Urban Development (HUD) and the Florida Housing Finance Corporation (FHFC).

The projected sources and uses for the Improvements are summarized as follows:

Uses of Funds:

• Construction Hard Costs	\$36,000,000
• Hard Cost Contingency	1,000,000
• Development Soft Costs	12,150,000
• Land	<u>7,350,000</u>
Total	\$ 56,500,000

Construction Sources of Funds

• First Mortgage	\$42,000,000
• Subordinate/3 rd mortgage	5,000,000
• Investor Equity (LIHTC)	<u>9,500,000</u>
Total	\$56,500,000

Permanent Sources of Funds:

• First Mortgage	\$23,000,000
• Investor Equity (LIHTC)	23,500,000
• City Loan / Second Mortgage	5,000,000
• Subordinate/3 rd mortgage	<u>5,000,000</u>
Total	\$56,500,000

Exhibit C
Commitment Letter for Loan

DEVELOPMENT LOAN

The City of Jacksonville agrees to provide a Development Loan to the Company to support the construction of the proposed Improvements described on **Exhibit B** upon the following terms and conditions:

- LOAN AMOUNT:** \$5,000,000
- INTEREST RATE:** 1.0% Per Annum
- LOAN TERM:** Twenty (20) Years
- LOAN AMORTIZATION:** Balloon Loan
- LOAN PAYMENTS:** Interest-only through maturity, payable monthly on the first day of each month during the loan term. Balloon payment due at conclusion of 20- year term.
- LATE CHARGE:** If any schedule payment hereunder is ten (10) or more days late, the Company shall pay a late fee equal to ten percent (10%) of the unpaid portion of the scheduled payment.
- EST. MONTHLY PAYMENT:** \$4,166.66 (\$50,000.00 annually)
- LOAN SECURITY:** Second Mortgage on Project Parcel located at 11000 Beach Blvd, subordinate only to the First Mortgage. The Construction Loan First Mortgage amount shall not exceed \$45,000,000. The Permanent Loan First Mortgage amount shall not exceed \$26,000,000. Second lien interest on all machinery, equipment, furniture, fixtures, inventory, accounts receivable and any other collateral subordinate to the interests of the First Lender.
- LOAN GUARANTY:** The Loan shall be secured by a guaranty of recourse obligations agreement of Company by The Vestcor Companies, Inc., subordinate to the interests of First Lender.
- BALLOON PAYMENT:** The remaining balance of the loan, estimated at \$5,000,000, will become due and payable 20 years after the date of Loan disbursement.
- LOAN CLOSING COSTS:** Company is responsible for payment of all closing costs associated with the Loan including attorney fees, loan document preparation, recording and filing fees, documentary stamps to be collected at loan closing. Estimate of closing costs to be provided prior to loan closing. Closing expenses may be deducted from the loan amount disbursed at closing.
- GENERAL REQUIREMENTS:** The Project shall be audited annually, and such audits will be provided to the City. If, in any year during the loan term, the General Partner of the Company or JDR Lender, LLC or CSM Lender, LLC, collectively receive distributions and/or loan interest payments in excess of \$500,000, this excess shall be due and payable to the City to reduce the outstanding principal balance.

Exhibit E

Annual Survey 2026

Please complete the form below as it relates to the project for which you received City or State assistance. Should you have any questions, please call (904) 255-8200 or email HCDDComments@coj.net. Send completed form to: City of Jacksonville, Housing and Community Development Division, 214 N. Hogan Street, 7th Floor, Jacksonville, FL 32202, Fax: (904) 255-8209, Email: HCDDComments@coj.net.

Company name: _____

Mailing Address: _____

Primary Contact Name: _____

Primary Contact Title: _____

Phone: _____ Email: _____

Signature: _____ Reporting Date: _____

As of 12/31/2025:

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])	\$

I. ASSESSED PROPERTY VALUE

Assessed Value of Property on 2025 Duval County Property Tax Bill:	
Real Property	[7] \$
Personal Property	[8] \$
Total of [7] & [8]	\$
Amount of Taxes Paid: \$	Date Taxes Paid:

