

Revised HOME LOAN Modification Term Sheet

Existing HOME Loan Terms: Amended and Restated Renewal Consolidation Note dated November 25, 2010 in the principal amount of \$382,200; 1/15th forgiveness each year; zero percent (0%) interest; 3rd lien position

Existing Borrower: Community Connections of Jacksonville, Inc., a Florida not-for-profit corporation

New Borrower: Cathedral District Jax, Inc., a Florida not-for-profit corporation, or a special purpose entity owned and controlled by Cathedral District Jax, Inc.

Project Description: Rental Housing Facility with approximately 445 40 residential units (unit number is preliminary and subject to change based on development plans) for which at least fifteen (15) will be reserved for tenants at or below 80% Area Median Income.

Modified Note Term: ~~40~~ 17 years (November 25, 2017 until November 25, ~~2027~~ 2034)

Modified Note Principal Amount: \$235,200.00

Note Interest Rate: Zero percent (0%)

Modified Forgiveness Terms: ~~One tenth (1/10th) of the principal amount, or \$23,520.00, shall be forgiven at the end of each year beginning in 2018 during the Note term as long as the New Borrower is in compliance with the loan documents (i.e., promissory note, assignment and assumption, mortgage, loan agreement, land use restriction)~~ Ten percent (10%) of the principal amount, or \$23,520.00, shall be forgiven annually commencing on the first year anniversary date of the beginning of the Affordability Period (defined below)

Modified Lien Position: HOME loan will be in 3rd lien position (remain in 3rd)

Subordination Terms: HOME loan will be subordinated to the initial first lender and then to a subsequent conventional first lender; form of subordination to be negotiated and approved by the Office of General Counsel

Required Affordability Period and Land Use Restriction: New Borrower shall execute a land use restriction in favor of the City in a form approved by the City that will require

fifteen ~~percent~~ (15%) of the Project units to be rented or held available for rental at 80% “Area Median Income” for ten (10) years from the date ~~of New Borrower’s loan closing with the initial first lender~~ the Project is issued a certificate of completion (“Affordability Period”)

Project Commencement Date: Building permits issued by the City for the Project must be obtained within ~~two (2)~~ three (3) years from the date of the ~~loan closing between New Borrower’s subsequent property transfer and the initial first lender~~

Project Completion Date: Project must be completed within ~~three (3)~~ two (2) years from project commencement date as evidenced by a certificate of occupancy

Event of Default: Any violation of the loan document terms, including, but not limited to, the terms of the promissory note, assignment and assumption agreement, mortgage, as modified, loan agreement, and land use restriction agreement will permit the City to declare all outstanding amounts under the note immediately due and payable and/or exercise its rights and remedies under its mortgage, subject to the terms of any subordination agreement, in addition to any other remedies available under the loan documents

Other Conditions: New Borrower shall be required to execute an assignment and assumption agreement, loan agreement, promissory note, and land use restriction agreement pursuant to this term sheet and such other documents that may be reasonably required in a form approved by the City

Subsequent Property Transfer: Property may not be transferred without the prior written consent of the City. City may approve a transfer of the Property to a for profit entity (“subsequent transferee”) without further City Council approval subject to such for profit entity executing an assignment and assumption, promissory note, loan agreement and such other loan modification documents in a form approved by the City. The subsequent transferee shall be required to assume the existing outstanding principal balance on the SHIP Loan at the time of transfer. The New Borrower shall transfer the Property on or before December 31, 2020.

Title Insurance:

New Borrower (and any subsequent transferee assuming the HOME loan) shall provide the City with a loan policy from a national title insurance company insuring the City's mortgage as a third lien position subjected to permitted encumbrances as approved by the City

Loan Modification Closing Costs:

New Borrower (and any subsequent transferee assuming the HOME loan) shall pay all loan closing modification costs, including, but not limited to, recording fees, title insurance fees, attorneys fees and documentary stamp taxes, if any

Revised SHIP LOAN Modification Term Sheet

Existing SHIP Loan Terms: Amended and Restated Renewal Note dated November 25, 2010 in the principal amount of \$218,204.86; 1/15th forgiveness each year; zero percent (0%) interest; 1st lien position

Existing Borrower: Community Connections of Jacksonville, Inc., a Florida not-for-profit corporation

New Borrower: Cathedral District Jax, Inc., a Florida not-for-profit corporation, or a special purpose entity owned and controlled by Cathedral District Jax, Inc.

Project Description: Rental Housing Facility with approximately ~~115~~ 40 residential units (unit number is preliminary and subject to change based on development plans) for which at least fifteen (15) will be reserved for tenants at or below 80% Area Median Income.

Modified Note Term: ~~10~~ 17 years (November 25, 2017 until November 25, ~~2027~~ 2034)

Modified Note Principal Amount: \$134,279.91

Note Interest Rate: Zero percent (0%)

Modified Forgiveness Terms: ~~One tenth (1/10th) of the principal amount, or \$13,427.99, shall be forgiven at the end of each year beginning in 2018 during the Note term as long as the New Borrower is in compliance with the loan documents (i.e., promissory note, assignment and assumption, mortgage, loan agreement, land use restriction)~~ Ten percent (10%) of the principal amount, or \$13,427.99, shall be forgiven annually commencing on the first year anniversary date of the beginning of the Affordability Period (defined below)

Modified Lien Position: SHIP loan will be in 2nd lien position

Subordination Terms: SHIP loan will be subordinated to the initial first lender and then to a subsequent conventional first lender; form of subordination to be negotiated and approved by the Office of General Counsel

Required Affordability Period and Land Use Restriction: New Borrower shall execute a land use restriction in favor of the City in a form approved by the City that will require

fifteen ~~percent~~ (15%) of the Project units to be rented or held available for rental at 80% “Area Median Income” for ten (10) years from the date ~~of New Borrower’s loan closing with the initial first lender~~ the Project is issued a certificate of completion (“Affordability Period”)

Project Commencement Date: Building permits issued by the City for the Project must be obtained within ~~two (2)~~ three (3) years from the date of the ~~loan closing between New Borrower’s subsequent property transfer and the initial first lender~~

Project Completion Date: Project must be completed within ~~three (3)~~ two (2) years from project commencement date as evidenced by a certificate of occupancy

Event of Default: Any violation of the loan document terms, including, but not limited to, the terms of the promissory note, assignment and assumption agreement, mortgage, as modified, loan agreement, and land use restriction agreement will permit the City to declare all outstanding amounts under the note immediately due and payable and/or exercise its rights and remedies under its mortgage, subject to the terms of any subordination agreement, in addition to any other remedies available under the loan documents

Other Conditions: New Borrower shall be required to execute an assignment and assumption agreement, loan agreement, promissory note, and land use restriction agreement pursuant to this term sheet and such other documents that may be reasonably required in a form approved by the City

Subsequent Property Transfer: Property may not be transferred without the prior written consent of the City. City may approve a transfer of the Property to a for profit entity (“subsequent transferee”) without further City Council approval subject to such for profit entity executing an assignment and assumption, promissory note, loan agreement and such other loan modification documents in a form approved by the City. The subsequent transferee shall be required to assume the existing outstanding principal balance on the SHIP Loan at the time of transfer. The New Borrower shall transfer the Property on or before December 31, 2020.

Title Insurance:

New Borrower (and any subsequent transferee assuming the SHIP loan) shall provide the City with a loan policy from a national title insurance company insuring the City's mortgage as a second lien position subjected to permitted encumbrances as approved by the City

Loan Modification Closing Costs:

New Borrower (and any subsequent transferee assuming the SHIP loan) shall pay all loan closing modification costs, including, but not limited to, recording fees, title insurance fees, attorneys fees and documentary stamp taxes, if any