

**COMMUNITY SERVICES FUNDING AGREEMENT
BETWEEN SEMINOLE COUNTY AND HABITAT FOR HUMANITY OF SEMINOLE
COUNTY AND GREATER APOPKA, FLORIDA, INC.**

THIS AGREEMENT is made and entered this _____ day of _____, 20____, by and between **SEMINOLE COUNTY**, a political subdivision of the State of Florida, whose address is Seminole County Services Building, 1101 E. 1st Street, Sanford, Florida 32771, hereinafter referred to as “**COUNTY**”, and **HABITAT FOR HUMANITY OF SEMINOLE COUNTY AND GREATER APOPKA, FLORIDA, INC.**, a Florida Not For Profit corporation, whose address is 251 Maitland Ave, Altamonte Springs, Florida 32701, hereinafter referred to as “**PROVIDER**”.

WITNESSETH:

WHEREAS, **PROVIDER** is a nonprofit housing organization dedicated to building and improving homes in Seminole County, partnering with individuals and families in need of a decent and affordable place to live; and

WHEREAS, **COUNTY**, as part of its Attainable Housing Strategic Plan, has identified **PROVIDER** as a key partner in addressing the attainable housing crisis in Seminole County; and

WHEREAS, **COUNTY** and **PROVIDER** in collaboration with Habitat for Humanity of Marion County Community Land Trust (“**Land Trust**”), have developed a comprehensive plan to construct additional housing with the County; and

WHEREAS, the **Land Trust** operates by acquiring and holding land to provide homeownership opportunities for low and moderate-income families, ensuring that the land remains dedicated to affordable housing in perpetuity; and

WHEREAS, COUNTY has donated five parcels of property to the Land Trust under the agreement that PROVIDER will develop housing on these parcels, guaranteeing that these homes remain affordable through the Land Trust's stewardship; and

WHEREAS, COUNTY has allocated funds to PROVIDER specifically for the construction of affordable homes on these donated parcels, recognizing the critical need to increase the stock of attainable housing; and

WHEREAS, PROVIDER has agreed to accept these funds in exchange for constructing affordable housing on the donated parcels; and

WHEREAS, COUNTY, PROVIDER, and the Land Trust have formalized this partnership with the primary goal of expanding attainable housing options in Seminole County, ensuring long-term affordability and stability for the community;

NOW, THEREFORE, in consideration of the mutual covenants, promises, and representations contained in this Agreement and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

Section 1. Recitals. The above recitals are true and correct and form a material part of the agreement upon which the parties have relied.

Section 2. Term. This Agreement takes effect on the date of execution by COUNTY and continues for a period of two years or until completion of the project required under this Agreement, whichever occurs first.

Section 3. Termination. This Agreement may be terminated by either party at any time, with or without cause, upon not less than thirty (30) days prior written notice delivered to the other party as provided for in this Agreement or, at the option of COUNTY, immediately in the event that PROVIDER fails to fulfill any of the terms, understandings, or covenants of this Agreement. COUNTY will not be obligated to pay for any services provided or costs incurred by PROVIDER

after PROVIDER has received notice of termination. Upon termination, PROVIDER must immediately refund to COUNTY, or otherwise utilize as COUNTY directs, any unused funds provided under this Agreement. Any requirements set forth in Sections 6, 7 and 10 of this Agreement will survive the term of this Agreement as a whole.

Section 4. PROVIDER Responsibilities. As part of its duties under this Agreement, PROVIDER shall:

(a) Design, develop, and construct affordable housing units on the donated parcels particularly identified in Exhibit A, the County's Donation Agreement with the Land Trust, and in accordance with the Scope of Services, attached to and incorporated in this Agreement as Exhibit B; and

(b) Adhere to all applicable local, state, and federal building codes and regulations, as well as any specific standards established by COUNTY and the Land Trust to ensure affordability and sustainability; and

(c) Submit regular progress reports to COUNTY, detailing the status of the construction, use of the funds, and any issues or delays encountered; and

(d) Maintain detailed financial records and provide a full accounting of the use of these funds upon request by COUNTY; and

(e) Coordinate closely with the Land Trust to align on the goals, processes, and requirements set forth in the memorandum of understanding between PROVIDER and Land Trust, attached to this Agreement as Exhibit C.

Section 5. Liability and Indemnification.

(a) PROVIDER will hold harmless and indemnify COUNTY from and against any and all liability, loss, claims, damages, costs, attorney's fees and expenses of whatsoever kind, type or nature which COUNTY may sustain, suffer or incur, or be required to pay by reason of the loss of any monies paid to PROVIDER or whomsoever resulting out of PROVIDER's fraud, defalcation,

dishonesty, or failure of PROVIDER to comply with applicable laws or regulations; or by reason of, or as a result of any willful or negligent act or omission of PROVIDER in the performance of this Agreement or any part of this Agreement, or as may otherwise result in any way or instance whatsoever arising from this Agreement.

(b) Each party to this Agreement is responsible for all personal injury and property damage attributable to the negligent acts or omissions arising out of this Agreement of that party and the officers, employees, and agents of that party.

(c) The parties further agree that nothing contained in this Agreement will be construed or interpreted as denying to any party any remedy or defense available to the parties under the laws of the State of Florida, nor as a waiver of COUNTY's sovereign immunity and the limitation of damages as provided in Section 768.28, Florida Statutes (2023), as that statute may be amended from time to time.

Section 6. Billing and Payment. COUNTY agrees to provide PROVIDER up to a maximum sum of THREE HUNDRED SEVENTY-FIVE DOLLARS AND ZERO CENTS (\$375,000) (the "Funds") for all services provided under this Agreement by PROVIDER during the term of this Agreement. This sum is payable for the term of this Agreement upon:

(a) Receipt by COUNTY of a payment request. Such request for payment must only be for services specifically provided for in this Agreement; and

(b) Verification by COUNTY's Community Services Department staff that the services for which reimbursement is sought are in accordance with service projections as described in Exhibit B and that PROVIDER has complied with the reporting requirements contained in this Agreement.

(c) Payment requests must be sent to:

Project Manager

Seminole County Community Services Department
520 W. Lake Mary Boulevard, Suite 100
Sanford, FL 32773

(d) Verification by COUNTY's Community Services Department Project Manager that the services for which reimbursement is sought is at or above forty percent (40%) expended by the end of the sixth month of this executed Agreement. PROVIDER reimbursement expenditures below forty percent (40%) are subject to review, upon which COUNTY has the expressed authority to capture and reallocate remaining funding, provided written notification is given to PROVIDER within thirty (30) days of the intended capture and reallocation.

(e) Seminole County's Community Services Department Project Manager will verify that submitted reports, Exhibit D and D-1 and associated supporting documentation are accurate. If the reports are incorrect, COUNTY staff will make the necessary corrections and return the request for revision(s). PROVIDER has 5 business days to make the revisions and return. If the revisions are not returned within the allotted timeframe, a zero dollar request for payment will be recorded for that month and PROVIDER will not be reimbursed for that month.

Section 7. Reporting Requirements.

(a) PROVIDER must submit a Request for Payment Form in the format attached to and incorporated in this Agreement as Exhibit D, along with a Program Performance Report in the format attached to and incorporated in this Agreement as Exhibit D1 to COUNTY on or before the 15th day of each month. Any monthly reports as outlined in this Section (Exhibits D and D1), submitted after the 15th day of each month, will require written justification for the delayed submission.

(1) PROVIDER must submit Exhibits D and D1 delineating for the preceding month the following:

(A) a list of objectives and projected service levels to benefit COUNTY;

(B) statistics representing that month's achievements and services provided to COUNTY including, if applicable, the number of clients served, and the number of programs and activities provided;

(C) statistics showing the cumulative achievements and services provided to COUNTY to date;

(D) the percent of projections achieved to date; and

(E) a narrative assessment of progress toward accomplishing goals and objectives for service to COUNTY. This assessment must be in paragraph form and include information as to the general progress of PROVIDER, any problems relating to the services to be provided pursuant to this Agreement that might exist for PROVIDER, and special comments on particular program components.

(b) PROVIDER will submit such additional information as required by COUNTY to assess program effectiveness.

Section 8. Unavailability of Funds. If COUNTY learns that funding from the State of Florida or the Federal Government cannot be obtained or continued on a matching basis, if applicable, this Agreement may be terminated immediately, at the option of COUNTY, by written notice of termination to PROVIDER as provided in this Agreement. COUNTY will not be obligated to pay for any services provided or costs incurred by PROVIDER after PROVIDER has received notice of termination. In the event there are any unused COUNTY funds, PROVIDER must promptly refund those funds to COUNTY or otherwise use those funds as COUNTY directs.

Section 9. Access to Records. PROVIDER must allow COUNTY, its duly authorized agent, and the public access to PROVIDER's records as are pertinent to all services provided under this Agreement at reasonable times and under reasonable conditions for inspection and examination in accordance with Chapter 119, Florida Statutes (2023), as that statute may be

amended from time to time, and the Health Insurance Portability and Accountability Act of 1996 (HIPAA), Public Law 104-191.

Section 10. Audit. PROVIDER must submit to COUNTY an audit report for the term of this Agreement on or before December 31, 2026, or within ninety (90) days following the termination of this Agreement, whichever occurs earlier.

Section 11. Notices. Whenever either party desires to give notice unto the other, it must be given in writing by certified United States mail, with return receipt requested, and sent to:

For COUNTY:

Seminole County Community Services Department
520 W. Lake Mary Boulevard, Suite 100
Sanford, FL 32773

For PROVIDER:

Seminole County Habitat for Humanity
251 Maitland Ave
Altamonte Springs, FL 32701



Either of the parties may change, by written notice as provided above, the person or address for receipt of notice.

Section 12. Project Publicity. PROVIDER will recognize the Seminole County Board of County Commissioners for its contribution in promotional material and at any events or workshops for which funds are allocated. Any news release or other type of publicity pertaining to the scope of services performed must recognize COUNTY as a sponsor. In written materials, the reference of the Board of County Commissioners must appear in the same size letters and font type as the name of any other funding sources.

Section 13. Default. If any of the following Events of Default occur, COUNTY has the option to exercise any of its remedies set forth in Section 14, Remedies. Events of Default, include:

(a) If any warranty or representation made by PROVIDER in this Agreement becomes false or misleading in any respect, or if PROVIDER fails to keep or perform any of the obligations, terms or covenants in this Agreement and has not cured them in timely fashion, or is unable or unwilling to meet its obligations under this Agreement;

(b) If any reports required by this Agreement have not been submitted to COUNTY timely or have been submitted with incorrect, incomplete, or insufficient information; or

(c) If PROVIDER has failed to perform and complete on time any of its obligations under this Agreement.

Section 14. Remedies. If an Event of Default occurs, then COUNTY may, after thirty (30) days written notice to PROVIDER and upon PROVIDER's failure to cure within those thirty (30) days, exercise any one or more of the following remedies, either concurrently or consecutively:

(a) Terminate this Agreement in accordance with Section 3, Termination;

(b) Begin an appropriate legal or equitable action to enforce performance of this Agreement;

(c) Withhold or suspend allocation of all or any part of the Funds;

(d) Require that PROVIDER refund to COUNTY any Funds used for ineligible purposes under the laws, rules, regulations, or guidance governing the use of these Funds, including this Agreement;

(e) Exercise any corrective or remedial actions, to include but not be limited to:

(1) request additional information from the PROVIDER to determine the reasons for or the extent of non-compliance or lack of performance,

(2) issue a written warning to advise that more serious measures may be taken if the situation is not corrected,

(3) advise the PROVIDER to suspend, discontinue or refrain from incurring costs for any activities in question,

(4) require the PROVIDER to repay COUNTY for the amount of costs incurred for any items determined to be ineligible, or

(f) The COUNTY may exercise any other rights or remedies which may be available under law. Pursuing any of the above remedies will not prevent COUNTY from pursuing any other remedies in this Agreement or provided at law or in equity. If COUNTY waives any right or remedy in this Agreement or fails to insist on strict performance by PROVIDER, it will not affect, extend or waive any other right or remedy of COUNTY, or affect the later exercise of the same right or remedy by COUNTY for any other default by PROVIDER.

Section 15. Assignments. Neither party to this Agreement will assign this Agreement or any interest arising from this Agreement without the written consent of the other.

Section 16. Entire Agreement.

(a) It is understood and agreed that the entire agreement of the parties is contained within this document, and that this Agreement supersedes all oral agreements and negotiations between the parties relating to the subject matter of this Agreement, as well as any previous agreements presently in effect between the parties relating to the subject matter of this Agreement.

(b) Any alterations, amendments, deletions, or waivers of the provisions of this Agreement will be valid only when expressed in writing and duly signed by the parties.

Section 17. Compliance with Laws and Regulations. In providing all services pursuant to this Agreement, PROVIDER must abide by all statutes, ordinances, rules, and regulations pertaining to or regulating the provisions of services, including those now in effect and hereafter adopted. Any violation of those statutes, ordinances, rules, or regulations will constitute a material

breach of this Agreement and will entitle COUNTY to terminate this Agreement immediately upon delivery of written notice of termination to PROVIDER as provided for in this Agreement.

Section 18. Disclaimer of Third Party Beneficiaries. This Agreement is made for the sole benefit of the parties of this Agreement and their respective successors and assigns and is not intended to and will not benefit any third party. No third party will have any rights under this Agreement as a result of this Agreement or any right to enforce any provisions of this Agreement.

Section 19. Governing Law. This Agreement will be governed by the laws of the State of Florida and the ordinances, resolutions, and policies of COUNTY not prohibited thereby. The parties to this Agreement consent to venue in the Circuit Court in and for Seminole County, Florida, as to State actions and the United States District Court for the Middle District of Florida, Orlando Division, as to Federal actions.

Section 20. Interpretation. PROVIDER and COUNTY agree that all words, terms, and conditions contained in this Agreement are to be read in concert, each with the other, and that a provision contained under one heading may be considered to be equally applicable under another in the interpretation of this Agreement.

Section 21. Equal Opportunity. PROVIDER agrees that it will not discriminate against any eligible person receiving services under this Agreement because of race, color, religion, sex, age, national origin, or disability and will take steps to ensure an eligible person receives these services without regard to race, color, religion, sex, age, national origin, or disability.

Section 22. Severability. If any one or more of the covenants or provisions of this Agreement is held to be contrary to any express provision of law, or contrary to the policy of express law, though not expressly prohibited, or against public policy, or is, for any reason whatsoever, held invalid, then such covenants or provisions will be null and void, will be deemed

separable from the remaining covenants or provisions of this Agreement, and will, in no way, affect the validity of the remaining covenants or provisions of this Agreement.

Section 23. Counterparts and Headings. This Agreement may be executed simultaneously and in any number of counterparts, each of which will be deemed an original, but all of which will constitute one and the same instrument. The headings in this Agreement set out are for convenience and reference only and will not be deemed a part of this Agreement.

Section 24. Independent Contractors. It is agreed that nothing contained in this Agreement is intended or should be construed in any manner as creating or establishing a relationship of co-partners between the parties, or as constituting PROVIDER, including its officers, employees, and agents, the agent, representative, or employee of COUNTY for any purpose or in any manner whatsoever. The parties are to be and will remain independent contractors with respect to all matters pertinent to this Agreement.

Section 25. Exhibits. Exhibits A, B, C, D, D1 and E to this Agreement are deemed to be incorporated into this Agreement as if fully set forth verbatim into the body of this Agreement.

Section 26. Conflict of Interest.

(a) The parties agree they will not engage in any action that would create a conflict of interest in the performance of their obligations pursuant to this Agreement or which would violate or cause others to violate the provisions of Part III, Chapter 112, Florida Statutes (2023), as that statute may be amended from time to time, or Section 220.115, Seminole County Code, relating to ethics in government.

(b) The parties hereby certify that no officer, agent, or employee of the respective parties has any material interest (as defined in Section 112.312(15), Florida Statutes (2023), as that statute may be amended from time to time, as over 5%) either directly or indirectly, in the business

of the party to be conducted under this Agreement, and that no such person will have any such interest at any time during the term of this Agreement.

(c) The parties hereby agree that Federal or State monies, which may be received as a result of activities performed pursuant to this Agreement, will not be used for the purpose of lobbying any branch of government, agency, or employee of the Federal or State government.

Section 27. Public Records Law.

(a) PROVIDER acknowledges COUNTY's obligations under Article 1, Section 24, Florida Constitution and Chapter 119, Florida Statutes, to release public records to members of the public upon request. PROVIDER acknowledges that COUNTY is required to comply with Article 1, Section 24, Florida Constitution and Chapter 119, Florida Statutes (2023), as that statute may be amended from time to time, in the handling of the materials created under this Agreement and that said statute controls over the terms of this Agreement. Upon COUNTY's request, PROVIDER will provide COUNTY with all requested public records in PROVIDER's possession, or will allow COUNTY to inspect or copy the requested records within a reasonable time and at a cost that does not exceed costs as provided under Chapter 119, Florida Statutes.

(b) PROVIDER specifically acknowledges its obligations to comply with Section 119.071, Florida Statutes, (2023), as that statute may be amended from time to time, with regard to public records and must:

(1) keep and maintain public records that ordinarily and necessarily would be required by COUNTY in order to perform the services required under this Agreement;

(2) provide the public with access to public records on the same terms and conditions that COUNTY would provide the records and at a cost that does not exceed the cost provided in Chapter 119, Florida Statutes, or as otherwise provided by law;

(3) ensure public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed, except as authorized by law; and

(4) Upon termination of this Agreement, PROVIDER will transfer, at no cost to COUNTY, all public records in possession of PROVIDER, or keep and maintain public records required by COUNTY under this Agreement. If PROVIDER transfers all public records to COUNTY upon completion of this Agreement, PROVIDER must destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If PROVIDER keeps and maintains the public records upon completion of this Agreement, PROVIDER must meet all applicable requirements for retaining public records. All records stored electronically must be provided to COUNTY, upon request of COUNTY, in a format that is compatible with the information technology systems of COUNTY.

(c) Failure to comply with this Section will be deemed a material breach of this Agreement for which COUNTY may terminate this Agreement immediately upon written notice to PROVIDER. PROVIDER may also be subject to statutory penalties as set forth in Section 119.10, Florida Statutes.

(d) IF PROVIDER HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO PROVIDER'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, PROVIDER MAY CONTACT COMMUNITY SERVICES DEPARTMENT, PAM MARTIN, 407-665-2302, PMARTIN@SEMINOLECOUNTYFL.GOV, 520 W. LAKE MARY BOULEVARD, SUITE 100, SANFORD, FL 32773.

IN WITNESS WHEREOF, the parties to this Agreement have caused their names to be affixed to this Agreement by the proper officers of those parties for the purpose expressed in this Agreement on the day and year first above written.

ATTEST:

HABITAT FOR HUMANITY
OF SEMINOLE COUNTY AND GREATER
APOPKA, FLORIDA, INC.

Kelly Pisciotta
Witness

Kelly Pisciotta
Print Name

Idalia Nunez
Witness

Idalia Nunez
Print Name

By: Penny Seater
PENNY SEATER, CEO

Date: 6/21/2024

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BOARD OF COUNTY COMMISSIONERS
SEMINOLE COUNTY, FLORIDA

ATTEST:

GRANT MALOY
Clerk to the Board of
County Commissioners of
Seminole County, Florida.

By: _____
JAY ZEMBOWER, Chairman

Date: _____

For the use and reliance of
Seminole County only.

As authorized for execution by the Board of
County Commissioners at its _____,
20____, regular meeting.

Approved as to form and
legal sufficiency.

County Attorney

GLK

5/22/24 6/21/24

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Attachments:

- Exhibit A – Donation Agreement
- Exhibit B – Scope of Services
- Exhibit C – MOU (Seminole Habitat for Humanity & Land Trust)
- Exhibit D – Request for Payment Form
- Exhibit D1 – Program Performance Report



Exhibit A

**DONATION AGREEMENT
(BETWEEN HABITAT FOR HUMANITY OF MARION COUNTY COMMUNITY LAND
TRUST AND SEMINOLE COUNTY)**

THIS DONATION AGREEMENT (*this "Agreement"*) is made and entered into effective as of the ____ day of ____, 2024 (the "*Effective Date*"), by and between **SEMINOLE COUNTY**, a charter county and political subdivision of the State of Florida, whose address is Seminole County Services Building, 1101 East 1st Street, Sanford, Florida 32771, in this Agreement referred to as "*Donor*," and **HABITAT FOR HUMANITY OF MARION COUNTY COMMUNITY LAND TRUST (LAND TRUST)**, a not-for-profit corporation, registered in the State of Florida, whose address is 1321 SE 25th Loop, Suite 103, Ocala, Florida 34471, in this Agreement referred to as "*Donee*."

RECITALS

- A. WHEREAS, Donor is a charter county and political subdivision of the State of Florida.
- B. WHEREAS, Donor owns certain real property located in Seminole County, Florida, which real property is more particularly described in Exhibit A, attached and incorporated into this Agreement, together with any and all hereditaments and appurtenances (collectively, the "*Property*").
- C. WHEREAS, Donee is a certified community land trust which holds and leases property for affordable housing.
- D. WHEREAS, Donor desires to donate the Property to Donee, and Donee desires to accept donation of the Property, subject to terms, covenants and conditions of this Agreement and the terms of the **Land Trust**, as referenced and incorporated to this Agreement as Exhibit B. Donor will deed the Property to Donee, as illustrated by Exhibit C.

NOW, THEREFORE, for and in consideration of foregoing recitals and the mutual covenants and conditions contained in this Agreement, Donor hereby agrees to convey to Donee the Property conditioned upon the following terms and conditions:

ARTICLE 1.

DONATION OF THE PROPERTY & FEE ASSOCIATED WITH LAND TRUST

- 1) **Donation of the Property**. Upon the terms, covenants and conditions set forth in this Agreement, Donor agrees to donate to Donee the Property, inclusive of all improvements, and Donee agrees to accept the donation of the Property from Donor.
- 2) **Yearly Maintenance Fee**. Donor agrees to pay Donee a yearly fee of TWO-HUNDRED DOLLARS (\$200.00) in exchange for Donee to keep this Property in the land trust. Should this yearly fee increase, Donee agrees to request this increase in writing to Donor.

- 3) **“AS IS” Donation.** Donee acknowledges and agrees that, except as expressly set forth in this agreement and any document delivered to Donee by Donor, Donor has not made, and specifically negates and disclaims, any representations, warranties regarding any aspect of the property, including without limitation: (A) the value, nature, quality or physical condition of the property; (B) the income to be derived from the property; (C) the compliance of the property or its operation with any laws, rules, ordinances or regulations of any applicable governmental authority or body; (D) the habitability, merchantability, marketability, profitability or fitness for a particular purpose of the property; (E) the manner, quality, state of repair or lack of repair of the property; or (G) compliance of the property with any environmental protection, pollution or land use laws, rules, regulations, orders or requirements, including the existence in or on the property of hazardous materials. Additionally, except as expressly set forth in this agreement or any of the documents delivered by Donor to Donee, no person acting on behalf of Donor is authorized to make, and by execution of this Agreement, Donee acknowledges that no person has made any representation warranty, covenant or agreement regarding the Property or the Donation contemplated in this Agreement. Donee acknowledges and agrees that to the maximum extent permitted by law, the donation of the Property is made on an “as is” basis with all faults. Donee assumes the risk that adverse past, present or future physical characteristics and conditions of the property may not have been revealed by Donor’s disclosures. The provisions of this section shall survive any termination of this agreement.
- 4) **Revisionary Interest.** Donee agrees that if Donee ceases to exist as a community land trust for the purposes of providing affordable housing, then upon written notice by Donor to Donee electing to exercise its rights pursuant to this section, title to the Property shall revert back to Donor and the reversionary interest shall not be subject to any reservations, conveyances, easements, options, leaseholds or other matters affecting such portion of the Property which were made or created after the date of this Agreement.

ARTICLE 2. REPRESENTATIONS, COVENANTS AND WARRANTIES

- 1) **Donor’s Representation, Covenants and Warranties.** Donor represents, warrants and covenants to Donee as follows:
- a. **Donor’s Authority:** Donor is a charter county and political subdivision of the State of Florida and has all requisite power and authority to execute this Agreement and such other documents as may be necessary or desirable to perform its obligations under this Agreement.
 - b. **All Required Action Taken.** All action required pursuant to this Agreement and necessary to effectuate the donation contemplated in this Agreement has been or will be taken with reasonable promptness and in good faith by Donor and its representatives and agents.

2) **Donee's Representation, Covenants and Warranties.** Donee represents, warrants and covenants to Donor as follows:

- a. **Donee's Authority.** Donee is a Florida not-for-profit corporation organized under the law of Florida, and has all requisite power and authority to execute this Agreement and such other documents as may be necessary or desirable to perform its obligations.
- b. **All Required Action Taken.** All action required pursuant to this Agreement and necessary to effectuate the donation has been or will be taken with reasonable promptness and in good faith by Donee and its representatives and agents.

ARTICLE 3. RELEASE OF CLAIMS

1) **Release of Claims.** Donee hereby covenants and agrees to release and not to sue Donor, its officers, directors, attorneys, agents and employees (the "Released Parties") as a result of any and all claims regarding the condition of the Property, including any and all claims and causes of action existing as of the date of Donor's delivery of the Deed for the Property to Donee and any claims and causes of action, whether at common law or by federal, state, county or municipal law or ordinance. The provisions of this paragraph shall survive the conveyance of the Property.

ARTICLE 4. GENERAL PROVISIONS


- 1) **Entire Agreement.** This Agreement constitutes the entire and complete agreement between the parties and supersedes any prior oral or written agreements between the parties with respect to the Property. It is expressly agreed that there are no verbal understandings or agreements which in any way change the terms, covenants and conditions set forth in this Agreement, and that no modification of this Agreement and no waiver of any of its terms and conditions shall be effective unless made in writing and duly executed by Donor and Donee.
- 2) **Binding Effect.** The Agreement shall become effective and shall be binding on the parties only after it has been signed by both Donee and Donor. This Agreement and all covenants, terms and provisions contained in the Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns. The restrictions, covenants and easements set forth in the Deed shall burden and run with Property.
- 3) **Controlling Law.** This Agreement has been made and entered into under the laws of the State of Florida. These laws shall control the interpretation of this Agreement.

- 4) **Counterparts.** This Agreement may be executed in one or more counterparts which together shall constitute one and the same Agreement and shall be binding on the parties.
- 5) **Assignment.** Donee may not assign its interest in this Agreement without the prior approval of the Donor.
- 6) **Expense of Parties.** In the event of litigation between the parties arising under or in connection with this Agreement, the prevailing party shall have the right to recover its reasonable attorney's fees and expenses from the non-prevailing party. Except as otherwise specifically provided in this Agreement, each party hereto will pay and bear its own expenses and fees in connection with this Agreement and the donation contemplated by this Agreement.
- 7) **Effective Date.** The term "Effective Date" shall mean and refer to the date upon which this Agreement is executed by the last party to sign, as indicated by the dates set forth below in the signatory page.
- 8) **Exhibits.** Any reference to any exhibit, addendum, or attachment refers to the applicable exhibit, addendum or attachment attached to this Agreement, and all such exhibits, addenda or attachments shall constitute a part of this Agreement and are expressly incorporated by reference and made a part of this Agreement.
- 9) **Conflicts.** In the event of a conflict between any provision of this Agreement and any provision of the Deed, the latter provision in time shall control to the extent of a conflict.

IN WITNESS WHEREOF, the parties have made and executed this Agreement for the purposes stated above.

ATTEST:

Habitat For Humanity of Marion County
Community Land Trust



Signature

By: 

ROB PETERS, Director

J. M. NUTREBER

Print Name

4/16/24

Date



Signature

Quentin M Grose

Print Name

[Balance of this page intentionally blank; signatory page continues on Page 5.]

SEMINOLE COUNTY, FLORIDA

Pam Martin
Witness
Pam Martin
Print Name

By: Allison Thall
ALLISON THALL,
Director of Community Services

Date: 5/15/2024

Tadine Diaz
Witness
Tadine Diaz
Print Name

For the use and reliance of
Seminole County only.

As authorized for execution by the Board of
County Commissioners at its February 28,
2023, regular meeting.

Approved as to form and
legal sufficiency.

[Signature]
County Attorney



GLK/
4/15/24

Attachments:

- Exhibit "A" – Legal description
- Exhibit "B" – Land Trust Bylaws & Ground Lease
- Exhibit "C" – Deed

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EXHIBIT A TO DONATION AGREEMENT

Legal Description of Property

A. Parcel ID: 12-20-30-503-0300-0030

LOT 3 BLK 3 (LESS E 10 FT FOR RD)
FLORA HEIGHTS
PB 3 PG 19

B. Parcel ID: 12-20-30-503-0300-0040

LOT 4 BLK 3 (LESS E 10 FT FOR RD)
FLORA HEIGHTS
PB 3 PG 19

C. Parcel ID: 12-20-30-503-0300-0050

LOT 5 BLK 3 (LESS E 10 FT FOR RD)
FLORA HEIGHTS
PB 3 PG 19

D. Parcel ID: 12-20-30-503-0300-0060

LOT 6 BLK 3 (LESS E 10 FT FOR RD)
FLORA HEIGHTS
PB 3 PG 19

EXHIBIT B TO DONATION AGREEMENT

**HABITAT FOR HUMANITY OF MARION COUNTY
COMMUNITY LAND TRUST, INC.
BYLAWS**

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2. Purpose
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6. Registered Office and Agent
7. Other Offices

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1. General Powers and Authority of the Board
2. Number, Term & Qualifications
3. Election of Members
4. Resignation of Directors
5. Removal of Directors
6. Vacancies
7. Chairperson and Vice-Chairperson
8. No Compensation

ARTICLE III: Meetings of Directors

1. Place of Meetings
2. Annual Meeting
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**HABITAT FOR HUMANITY OF MARION COUNTY
COMMUNITY LAND TRUST, INC.
BYLAWS**

ARTICLE I: NAME, PURPOSE AND OFFICES

1. **Name.** The name of this organization shall be Habitat for Humanity of Marion County Community Land Trust, Inc., hereinafter referred to as the "Corporation," which is a wholly owned subsidiary of Habitat for Humanity of Marion County, Inc.
2. **Purpose.** The purpose of the Corporation shall be:
 - (a) To demonstrate the love of Jesus Christ. We undertake our work to demonstrate the love and teachings of Jesus, acting in all ways in accord with the belief that God's love and grace abound for all, and that we must be "hands and feet" of that love and grace in our world. We believe that, through faith, the miniscule can be multiplied to accomplish the magnificent, and that, in faith, respectful relationships can grow among all people.
 - (b) To focus on shelter. We have chosen, as our means of manifesting God's love, to create opportunities for all people to live in decent, durable shelter. We put faith into action by helping to build, renovate or preserve homes, and by partnering with others to accelerate and broaden access to affordable housing as a foundation for breaking the cycle of poverty.
 - (c) To advocate for affordable housing. In response to the prophet Micah's call to do justice, to love mercy and to walk humbly with God, we promote decent, affordable housing for all, and we support the global community's commitment to housing as a basic human right. We will advocate for just and fair housing policy to eliminate the constraints that contribute to poverty housing. And, in all of our work, we will seek to put shelter on hearts and minds in such powerful ways that poverty housing becomes socially, politically and religiously unacceptable.
 - (d) To promote dignity and hope. We believe that no one lives in dignity until everyone can live in dignity. We believe that every person has something to contribute and something to gain from creating communities in which all people have decent, affordable places to live. We believe that dignity and hope are best achieved through equitable, accountable partnerships.
 - (e) To support sustainable and transformational development. We view our work as successful when it transforms lives and promotes positive and lasting social, economic and spiritual change within a community; when it is based on mutual trust and fully shared accomplishment; and when it demonstrates responsible stewardship of all resources entrusted to us.
 - (f) To receive, maintain, and accept as assets of the corporation, any property, whether real, personal, or mixed, by way of gift, bequest, devise or purchase from any person,

firm, trust, or corporation, to be held, administered, and disposed of exclusively for charitable, religious, educational, and scientific purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code, as amended, and in accordance with and pursuant to the provisions of these articles of incorporation; but no gift, bequest, devise or purchase of any such property shall be received or made and accepted if it is conditioned or limited in such manner as shall require the disposition of income or principal to any organization other than a charitable organization or for any purposes of the charitable purposes which would jeopardize the status of the corporation as an entity exempt from federal income tax pursuant to the relevant provisions of the Internal Revenue Code, as amended; and

- (g) To exclusively promote and carry on any other religious, charitable, or educational purposes and activities for which corporations may be organized and operated under the relevant provisions of the Internal Revenue Code, as amended under the State of Florida Nonprofit Corporation Act.

3. No Members

The Corporation shall have no members.

4. Geographical Service Area

The geographic service area of the CLT's activities include: Marion County, Florida.

5. Principal Office

The principal office of the corporation shall be located in Marion County, Florida at the address designated in the most recent annual report filed with the Secretary of State for the State of Florida. The Corporation shall maintain at its principal office a copy of the corporate records specified in number 7 of Article VI.

6. Registered Office and Agent

The registered office of the corporation is required by law to be maintained in the State of Florida and may, but need not, be identical with the principal office. The corporation shall maintain a registered agent whose office is identical with the registered office. The corporation may change its registered office or registered agent from time to time in the matter required by law.

7. Other Offices

The corporation shall have offices at such other places within the State of Florida as the board of directors from time to time may determine or as the affairs of the corporation may require.

ARTICLE II: BOARD OF DIRECTORS

1. General powers and authority of the board

All corporate powers shall be exercised by or under the authority of, and the affairs of the corporation managed under the direction of the board of directors, which is the same board as its owner, Habitat for Humanity of Marion County, Inc.

2. Number, term, and qualifications

The authorized number of directors of the corporation shall be not less than twelve (12) nor more than twenty-four (24), as the board of directors shall determine from time to time. Each director shall serve for a term of four (4) years and until his or her successor is elected and qualified or until such director's earlier death, resignation, incapacity to serve, or removal. Directors elected after the initial terms shall be elected for a term of four years. A duly elected and qualified director shall not be eligible for reelection to the board of directors for more than two four-year terms, or for a partial term of more than one (1) year and one full four (4) year term. Directors must be individual residents of the State of Florida.

3. Election of directors

Except as provided in Section 3.6 below relating to vacancies, directors shall be elected by the board of directors at the annual meeting of the board of directors. The nominating committee shall present a slate of nominees as directors. Nominations may also be made by directors from the floor. Those persons who receive a plurality of the votes cast shall be deemed to have been elected. If any director then holding office so demands, the election of directors shall be by secret ballot.

4. Resignation of directors

A director may resign by delivering written notice to the board of directors, Chairperson or Secretary of the corporation. A resignation is effective when the notice is received unless the notice specifies a later effective date. If a resignation is made effective at a later date, the board of directors may fill the pending vacancy before the effective date if the board provides that the successor does not take office until the effective date.

5. Removal of directors

A director may be removed without cause by the vote of two-thirds (2/3) of the directors then in office. In addition, a director may be removed by affirmative vote of a majority of the directors then in office, if the director has three unexcused absences in a year from regular meetings of the board of directors.

6. Vacancies

If a vacancy occurs on the board of directors, including a vacancy resulting from an increase in the number of directors, the board of directors may fill the vacancy, provided that if the directors remaining in office constitute fewer than a quorum of the board, they may fill the vacancy only by the affirmative vote of a majority of all the directors remaining in office or by the sole remaining director. Absent any express condition to the contrary at the time of election, a director elected to fill a vacancy shall hold office until the end of the unexpired term that such director is filling, or, if earlier, until such director's death, resignation, removal or disqualification. However, if the board so provides at the time the vacancy is filled, the board of directors may elect a director to fill a vacancy until the next annual meeting of the board of directors or until such director's successor is elected and qualifies.

7. Chairperson and Vice-Chairperson

The Chairperson of the board of the directors shall preside at all meetings of the board of directors and perform other duties as may be prescribed from time to time by the board. The Vice-Chairperson of the board of directors, in the absence of the Chairperson, or in the event of death, inability or refusal to act of the Chairperson, shall preside at all meetings of the board.

8. No compensation

The board of directors shall not permit compensation of directors for their services as such.

ARTICLE III: MEETINGS OF DIRECTORS

1. Place of meetings

All meetings of the board of directors shall be held in Marion County, Florida, or at such place as the board of directors may determine.

2. Annual meeting

The annual meeting of the board of directors, for the purpose of electing directors and officers, approving a budget for the year, and transacting other business, shall be held at 4 PM on the third Tuesday of May of each year, or at such other time as the board of directors may determine.

3. Regular meetings

Additional regular meetings of the board of directors shall be held at 4 PM on the third Tuesday of each month of each year, or at such other time as the board of directors may determine.

4. Special meetings

Special meetings of the board of directors may be called by or at the request of the Chairperson or twenty percent (20%) of the directors then in office. Such meetings must be held within Marion County, Florida.

5. Notice of meetings

Regular meetings of the board of directors may be held without notice if the date, time and place of the meeting previously have been fixed by the board; otherwise, regular meetings must be preceded by at least two (2) days' notice to each director of date, time and place, but not the purpose, of the meeting. Special meetings of the board of directors must be preceded by at least two (2) days' notice to each director of the date, time, place and purpose of the meeting. Notice required by the foregoing provisions may be given by any usual means of communication and may be oral or written. However, any board action to remove a director or to approve a matter that would require approval by the members if the corporation had members, shall not be valid unless each director is given at least seven (7) days' written notice that the matter will be voted upon at a directors' meeting or unless notice is waived pursuant to Section 4.6 below. Oral notice is effective when communicated, if communicated in a comprehensible manner.

Written notice, if in a comprehensible form, is effective at the earliest of the following: (a) when received, (b) five (5) days after its deposit in the United States mail, as evidenced by the postmark, if mailed correctly or certified mail, return receipt requested, and the receipt is signed by or on behalf of the addressee; or, (c) thirty (30) days after its deposit in the United States mail, as evidenced by the postmark, if mailed correctly addressed and with other than first class, registered or certified postage affixed. Written notice is correctly addressed to a director if addressed to the director's address shown in the corporation's current list of directors.

6. Waiver of notice

A director may at any time waive any notice required by law or these bylaws. Except as hereinafter provided in this section, the waiver must be in writing, signed by the director entitled to the notice, and filed with the minutes or the corporate records. A director's attendance at or participation in a meeting waives any required notice of the meeting unless the director upon arriving at the meeting or prior to the vote on a matter not noticed in conformity with law or these bylaws objects to lack of notice and does not thereafter vote for or assent to the objected to action.

7. Quorum and Voting

A quorum of the board of directors consists of a majority of the directors currently in office.

8. Manner of acting

If a quorum is present when a vote is taken, the affirmative vote of a majority of director's present is the act of the board of directors, unless the vote of a greater number of directors is required by law or these bylaws. A director may not vote or act by proxy at any meeting of directors.

9. Presumption of assent

A director of the corporation who is present at a meeting of the board of directors or a committee of the board of directors when corporate action is taken is deemed to have assented to the action taken unless: (a) such director objects at the beginning of the meeting (or promptly upon arrival) to holding it or transacting business at the meeting; or, (b) such director's dissent or abstention from the action taken is entered in the minutes of the meeting; or, (c) such director delivers written notice of dissent or abstention to the presiding officer of the meeting before adjournment or to the corporation immediately after adjournment of the meeting. The right of dissent or abstention is not available to a director who votes in favor of the action taken.

10. Meeting via communications equipment

The board of directors may permit any or all directors to participate in an annual, regular or special meeting by, or conduct the meeting through the use of, any means of communication by which all directors participating may simultaneously hear each other during the meeting. A director participating in a meeting by this means is deemed to be present in person at the meeting.

11. Action without meeting

Action required or permitted by law or these bylaws to be taken at a meeting of the board of directors may be taken without a meeting if the action is taken by all of the duly elected and qualified directors of the corporation. The action must be evidenced by one or more written consents describing the action taken, signed by each director and included in the minutes filed with the corporate records reflecting the action taken. Action taken under this section is effective when the last director signs the consent, unless the consent specifies a different effective date. A consent signed under this section thus has the effect of a meeting vote and may be described as such in any document.

12. Director conflict of interest transactions

A conflict of interest transaction is a transaction with the corporation in which a director of the corporation has a direct or indirect interest. For purposes of this section a director has an

indirect interest in a transaction if: (a) another entity in which a director has a material interest or in which the director is a general partner is a party to the transaction, or (b) another entity of which the director is a director, officer, or trustee is party to the transaction. A conflict of interest transaction is not voidable on the basis of imposing liability on the director if the transaction was fair at the time it was entered into or is approved in advance as hereinafter provided. A transaction in which a director has a conflict of interest may be approved in advance by the vote of the board of directors or a committee of the board if: (a) the material facts of the transaction and the directors' interest are disclosed or known to the board of committee of the board and (b) the directors approving the transaction in good faith reasonably believe that the transaction is fair to the corporation. For the purposes of this section, a conflict of interest transaction is approved if it receives the affirmative vote of a majority of the directors on the board or on the committee who have no direct or indirect interest in the transaction, but a transaction may not be approved under this section by a single director. If a majority of the directors on the board who have neither direct nor indirect interest in the transaction vote to approve the transaction, a quorum is present for the purpose of taking action under this section. The presence of or a vote cast by a director with a direct or indirect interest in the transaction does not affect the validity of any action taken under this section if the transaction is otherwise approved as hereinabove provided.

13. Duties of the Board of Directors

The Board of Directors shall carry out the purposes of the Corporation, which is a wholly owned subsidiary of Habitat for Humanity of Marion County, Inc, and, as such, this board comprises of the same board leadership and members that will be responsible for the general management of the affairs of the Corporation in accordance with these Bylaws. Specifically, the Board shall:

- a. Acquire such parcels of land, with or without buildings and other improvements, through donation, purchase, or otherwise, as the Board shall determine that it is useful and prudent to acquire in furtherance of the purposes of the Corporation.
- b. Convey the right to use land, through leases or other limited conveyances, in accordance with the provisions of Articles V and VI of these Bylaws.
- c. Convey ownership of housing and other improvements on the Corporation's land to qualified lessees, as possible, in accordance with the provisions of Articles V and VI of these Bylaws.
- d. Exercise, as appropriate, the Corporation's option to repurchase (or arrange for the resale of) housing and other improvements on the Corporation's land on which the corporation holds a purchase option.
- e. Develop the resources necessary for the operation of the Corporation and for the acquisition and development of land and housing.

ARTICLE IV: OFFICERS

1. Number

The officers of the corporation shall consist of a Chairperson, Vice-Chairperson, President, Secretary, Treasurer, and such assistant secretaries, treasurers and other officers as are elected by the board of directors from time to time. No more than one (1) of the five (5) principal offices may be held by the same person.

2. Election of Officers

Except as provided in this Section 5.2 relating to vacancies, officers shall be elected by the board of directors at the annual meeting of the board of directors. The nominating committee shall present a slate of nominees as officers. Nominations may also be made by directors from the floor. Those persons who receive a plurality of the votes cast shall be deemed to have been elected. If any director then holding office so demands, the election of officers shall be by secret ballot.

All nominees for the Chairperson, Vice-Chairperson, Secretary, and Treasurer positions must be members of the board of directors. Each officer shall hold office for a period of one (1) year, or until such officer's death, resignation, or removal, or until such officer's successor is elected. No person may be elected to serve for more than three (3) successive terms in the office of Chairperson or in the office of Vice-Chairperson. No person may be elected to serve for more than six (6) successive terms in the office of Secretary or in the office of Treasurer. The board of directors may elect assistant secretaries, assistant treasurers and other officers at such time or times as the need may arise, in the manner prescribed for other officers in this Section 5.2.

A vacancy occurring in a position of officer of the corporation may be filled at any time by the board of directors. The term of an officer elected to fill a vacancy shall expire at the end of the unexpired term that such officer is filling.

3. Resignation and removal

An officer may resign at any time by delivering notice to the corporation. A resignation is effective when the notice is effective unless the notice specifies a future effective date. If a resignation is made effective at a future effective date and the board of directors accepts the future effective date, the board of directors may fill the pending vacancy before the effective date if the board provides that the successor does not take office until the effective date. The board of directors may remove any officer at any time with or without cause.

4. Contract rights of officers

The election of an officer does not itself create contract rights. An officer's removal does not affect the officer's contract rights, if any, with the officer.

5. President

The President, who also holds the title of Executive Director, shall be the chief executive officer of the corporation and, subject to the control of the board of directors, shall supervise and control the management of the corporation in accordance with these bylaws. The board of directors shall elect the President and approve any compensation and benefits for the President. Duties of the President shall include: (a) hiring, supervising and firing employees, according to board established job descriptions and policies, (b) coordinating the activities of the operating

committees; (c) representing the corporation in the community; (d) overseeing the building projects of the corporation; (e) supervising the administrative functions of the corporation; and, (f) in general, performing such other duties incident to the office of President and other such duties as may be assigned from time to time by the board of directors. The President may not serve on the board of directors or any board committee, except in a non-voting, *ex-officio* capacity.

The President may sign, as may the Secretary or any other proper officer of the corporation so authorized by the board of directors, any deeds, leases, mortgages, bonds, contracts, or other instruments which lawfully may be executed on behalf of the corporation, except where signing and execution thereof expressly shall be delegated by the board of directors to some other officer or agent of the corporation, or where required by law or these bylaws to be otherwise signed and executed.

6. Secretary

The Secretary shall: (a) cause to be prepared minutes of all meetings of the board of directors and the executive committee; (b) authenticate records of the corporation when requested to do so; (c) give all notices required by law and by these bylaws; (d) have general charge of the corporate books and records and of the corporate seal, and affix the corporate seal to any lawfully executed instrument requiring it; (e) sign such instruments as may require signature; (f) cause such corporate reports as may be required by state law to be prepared and filed in a timely

manner; and (g) in general, perform all duties incident to the office of Secretary and such other duties as may be assigned from time to time by the Chairperson or the board of directors.

7. Assistant secretaries

In the absence of the Secretary or in the event of death, inability, or refusal to act of the Secretary, the assistant secretaries, in the order of their length of service as assistant secretaries, unless otherwise determined by the board of directors, shall perform the duties of the Secretary and, when so acting, shall have all the powers of and be subject to all the restrictions upon the Secretary. They shall perform such other duties as may be assigned to them by the Secretary, the Chairperson or the board of directors.

8. Treasurer

The Treasurer shall: (a) have custody of all funds and securities belonging to the corporation and receive, deposit or disburse the same under the direction of the board of directors; (b) keep full and accurate accounts of the finances of the corporation in books especially provided for that purpose; (c) cause such returns, reports and/or schedules as may be required by the Internal Revenue Service and the state taxing authorities to be prepared and filed in a timely manner; (d) cause a true balance sheet (statement of the assets, liabilities and fund balance) of the corporation as of the close of each fiscal year and true statements of activity (support and revenue, expenses, and changes in fund balance), functional expenses, and cash flows for such fiscal year, all in reasonable detail, to be prepared and submitted to the board of directors; and, (e) in general, perform all duties incident to the office of Treasurer and such other duties as maybe assigned from time to time by the Chairperson or the board of directors.

9. Assistant treasurers

In the absence of the Treasurer or in the event of death, inability, or refusal to act of the Treasurer, the assistant treasurers, in the order of their length of service as assistant treasurers, unless otherwise determined by the board of directors, shall perform the duties of the Treasurer and, when so acting, shall have all the powers of and be subject to all the restrictions upon the Treasurer. They shall perform such other duties as may be assigned to them by the Treasurer, the Chairperson or the board of directors.

10. No compensation

With the exception of the President, the principal and assistant officers of the corporation described in the foregoing sections shall not be compensated for their services as such.

ARTICLE V: COMMITTEES

1. Board committees in general

The board of directors may create one or more committees of the board, in addition to the executive committee established by these bylaws. Committees of the board shall be composed solely of individuals currently serving as duly elected and qualified directors of the corporation. Each committee of the board shall consist of at least two directors, who shall be appointed by the Chairperson and approved by a majority of all the directors in office when the action is taken. The provisions of Article IV of these bylaws, which govern meetings of the board of directors, shall apply to committees of the board and their members as well, except that no committee of the board shall be required to have an annual meeting or scheduled regular meetings. To the extent specified or authorized by the board of directors or in these bylaws, each committee of the board may exercise the authority of the board. A committee of the board may not however: (a) authorize distributions; (b) approve or recommend dissolution, merger or the sale, pledge or transfer of all or substantially all of the corporation's assets; (c) elect, appoint or remove directors or fill vacancies on the board or on any committee of the board or, (d) adopt, amend or repeal the articles of incorporation or any bylaws.

2. Executive committee

The executive committee, which is a committee of the board, shall consist of the principal officers of the corporation and up to three (3) additional directors appointed by the Chairperson, to serve in such capacity until the next annual meeting of the board of directors, provided that the appointment of additional directors must be approved by a majority of all the directors in office when such action is taken. The Chairperson of the board of directors shall serve as the Chairperson of the executive committee and shall preside at all of its meetings. Except to the extent prohibited or limited by Section 6.1 above or by resolution of the board of directors, the executive committee may exercise the authority of the board of directors at such times as the board is not in session. In addition, the executive committee shall perform the functions described below.

(a) Finance and budget functions

In performing this function, the committee shall: (i) oversee the implementation and administration of policies and procedures for handling and accounting for the finances of the corporation; (ii) prepare an annual revenue and expense budget for submission to the

full board of directors; (iii) monitor the implementation of the budget, and (iv) when necessary, make recommendations to the board of directors regarding adjustments to the budget.

(b) *Human resources functions*

In performing this function, the committee shall oversee the implementation and administration of policies and procedures relating to volunteers and employees, if any, of the corporation.

(c) *Strategic and long-range planning functions*

In performing this function, the committee shall: (i) coordinate the strategic and long-range planning activities and (ii) monitor and evaluate the performance of the corporation with respect to the achievement of its mission, purposes and goals.

4. Non-board committees in general

The board of directors may create one or more non-board committees, in addition to the operating committees established by these bylaws, and delegate non-board functions to such committees. Non-board committees may include both directors and individuals who are not directors of the corporation. Non-board committees may not exercise the authority of the board.

ARTICLE VI: GENERAL PROVISIONS

1. Corporate seal

The corporate seal shall be in such form as the board of directors may from time to time determine.

2. Fiscal year

This fiscal year of the corporation shall begin on July 1 and end on June 30 of each year.

3. Financial reports

The books of the corporation shall be closed as of the end of each fiscal year and financial statements shall be prepared and submitted to the board of directors. In the discretion of the board of directors and subject to the requirements of any state laws, the corporation may engage an independent certified public accountant to audit or review the financial statements.

4. Corporate minutes and records

The corporation shall keep as permanent records minutes of all meetings of its board of directors, a record of all actions taken by the directors without a meeting, and a record of all actions taken by the executive committee and any other committees of the board of directors. The corporation shall maintain its records in written form or in another form capable of conversion into written form within a reasonable time. The corporation shall keep a copy of the following records at its principal office: (a) its articles of incorporation or restated articles of incorporation and all amendments to them currently in effect; (b) its bylaws or restated bylaws and all amendments to them currently in effect; (c) a list of the names and business or home addresses of its current directors and officers; and, (d) its most recent annual report [delivered to the secretary of state, as required by the State of Florida Nonprofit Corporation Act. The minutes and records described above shall be made available for inspection by current directors of the corporation during normal business hours. In addition to the extent required by applicable

law, the corporation shall make available for inspection during regular business hours, by an individual, copies of: (i) any application filed with any letter or other document issued by the Internal Revenue Service with respect to the tax exempt status of the corporation and, (ii) the annual returns filed with the Internal Revenue Service for the three most recent years (to the extent the corporation is required to file such returns); provided that the names and addresses of contributors to the corporation may be kept confidential.

5. Investments

The corporation shall have the right to retain all or any part of any securities or property acquired by it in whatever manner, and to invest and reinvest any funds held by it, according to the judgment of the board of directors without being restricted to the class of investments which a director or trustee is or may hereafter be permitted by law to make or any similar restriction; provided that no action shall be taken by or on behalf of the corporation if such action is a forbidden activity or would result in the denial of tax exempt status under Section 501(c)(3) of the Internal Revenue Code, as amended.

6. Checks and drafts

All checks, drafts or other orders for the payment of money issued in the name of the corporation shall be signed by such officer or officers, agent or agents of the corporation and in such manner as shall from time to time be determined by resolution of the board of directors provided that any check, draft or other order for the payment of an amount in excess of fifteen hundred dollars (\$1,500) shall require two (2) authorized signatures.

7. Prohibited activities

The corporation is organized as a nonprofit corporation exclusively for charitable, religious, educational and scientific purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code, as Amended. No part of the net earnings of the corporation shall inure to the benefit of, or be distributable to its members, trustees, directors, officers, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in these articles of incorporation. No substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in or intervene in any political campaign on behalf of or in opposition to any candidate for public office. Anything contained in these bylaws to the contrary notwithstanding, the corporation shall not carry on or otherwise engage in any activities not permitted to be carried on or engaged in by (i) a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, as amended, or any corresponding section of the future tax code; (ii) a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue code, as amended, or any corresponding section of any future tax code; or (iii) a corporation organized and existing under the State of Florida Nonprofit Corporation Act.

8. No loans to or guaranties for directors

The corporation may not lend money to or guarantee the obligation of a director or officer of the corporation, but the fact that a loan or guarantee is made in violation of this section does not affect the borrower's liability on the loan.

9. Indemnification

The corporation shall indemnify a director who was wholly successful, on the merits or otherwise, in the defense of any proceeding to which the director was a party because he or she is or was a director of the corporation, against reasonable expenses actually incurred by the director in connection with the extant as a director. In addition, if an individual is made a party to a proceeding because the individual is or was a director, officer, employee or agent of the corporation, the board of directors may, to the extent permitted by law, authorize the corporation to advance expenses to such individual and/or indemnify such individual against liability incurred in the proceeding.

ARTICLE VII: DISSOLUTION & WINDING UP

1. Winding Up.

In the event that dissolution and/or winding up of Habitat for Humanity of Marion County, Inc. is necessary, the Board shall oversee such process and ensure compliance with all relevant provisions of the State of Florida and other applicable state and federal laws.

2. Assets.

Upon dissolution of Habitat for Humanity of Marion County, Inc., the assets of Habitat for Humanity of Marion County, Inc. are permanently committed to a tax-exempt organization for purposes set forth in its Articles of Incorporation and Bylaws. In the event of dissolution, the assets, after payments of debt, will be, as determined by the board of directors, given, transferred, donated, or assigned to (i) Habitat for Humanity International, Inc., a Georgia Nonprofit Corporation and a corporation exempt from taxation under Section 501(c)(3) of the Internal Revenue Code, as amended; or (ii) any other organization(s) which itself has tax-exempt status under the Section 501(c)(3) of the Internal Revenue Code and whose mission is similar to the mission of Habitat for Humanity of Marion County, Inc.

ARTICLE VIII: AMENDMENTS TO BYLAWS

1. Amendments

These bylaws may be amended or repealed, and new bylaws may be adopted by the board of directors. The corporation shall provide at least seven (7) days' written notice of any meeting of directors at which an amendment is to be approved, unless notice is waived pursuant to Section 4.6 above. The notice must state that the purpose or one of the purposes of the meeting is to consider a proposed amendment to the bylaws and contain or be accompanied by a copy or summary of the amendment or state the general nature of the amendment. Any amendment must be approved by two-thirds (2/3) of the directors in office at the time the amendment must be approved, and by at least a majority of the directors in office at the time the amendment is adopted.

ARTICLE IX: STEWARDSHIP OF LAND

1. Principles of Land Use

The Board of Directors shall oversee the use of land owned by the Corporation and shall convey the right to use such land so as to facilitate access to land and affordable housing as documented by the Corporation's current Ground Lease for low to moderate income people. In so doing, the Board shall be guided by the following principles:

- a. The Board shall consider the needs of potential lessees and shall attempt to affect a just distribution of land use rights.
- b. The Board shall convey land use rights on terms that will preserve affordable access to land and housing for future low to moderate income residents of the community.
- c. The Board shall convey land use rights in a manner that will promote the long-term well-being of the community and the long-term health of the environment.

2. Encumbrance of Land

The decision to mortgage or otherwise encumber land owned by the Corporation shall require the approval of the Board of Directors. Any such encumbrance shall be subordinated to any ground leases relating to such land.

3. Sale of Land

The sale of land does not conform with the philosophy and purposes of the Corporation. Accordingly, land shall not be sold except in extraordinary circumstances, and then only in accordance with the following guidelines.

- a. A parcel of land may be sold pursuant to a resolution adopted by an affirmative vote by at least two thirds of the entire Board of Directors at a regular or special Board meeting, provided that (i) the Corporation has owned the parcel for no more than sixty (60) days at the time the vote is taken, (ii) the parcel is not leased to any party, and (iii) the resolution states that the location or character of the parcel is determined to be such that the charitable purposes of the Corporation are best served by selling the land and applying the proceeds to the support of other activities serving those purposes.
- b. In all other circumstances a parcel of land may be sold only with an affirmative vote by at least two thirds of the entire Board of Directors at a regular or special Board meeting, provided that written notice of such meeting has described the proposed sale and the reason for the proposal.
- c. If any of the Corporation's land is to be sold to any person or entity other than a not-for-profit corporation or public agency sharing the purposes of the CLT, any ground lessees on that land shall have the opportunity to exercise a right of first refusal to purchase the land that they have been leasing from the CLT.

ARTICLE X: OWNERSHIP OF HOUSING AND OTHER IMPROVEMENTS LOCATED ON THE CORPORATION'S LAND, AND LIMITATIONS ON RESALE

1. Ownership of Housing and Improvements on the Corporation's Land

In accordance with the purposes of the Corporation, the Board of Directors shall take appropriate measures to promote and facilitate the ownership of housing and other improvements on the Corporation's land by low to moderate income people. These measures may include, but are not limited to, provisions for the sale of housing to such people; provisions

for financing the acquisition of housing by such people, including direct loans by the Corporation; and provision for grants or other subsidies that will lower the cost of housing for such people.

2. Preservation of Affordability It is a purpose of the Corporation to preserve the affordability of housing and other improvements for low to moderate income people in the future. Accordingly, when land is leased for such purpose, the Board of Directors shall assure that, as a condition of the lease, housing on the land may be resold only to the Corporation or to another low to moderate income person and only for a price limited by a "resale formula" as described in Section 3 below. However, notwithstanding the foregoing, the Board of Directors may choose, for reasons consistent with the charitable purposes of the Corporation, to lease certain parcels of land for uses that do not require continued affordability for low to moderate income people, and in such cases the resale restrictions described above shall not be required as a condition of the lease.

3. The Resale Formula Whenever its purpose is to preserve affordability, the Corporation shall restrict the price that ground lessees may receive when they sell housing and other improvements located on the land that is leased to them by the Corporation. A policy establishing such restrictions in the form of a "resale formula" shall be adopted by the Board of Directors of the Corporation, in accordance with the following principles:

- a. To the extent possible, the formula shall allow the seller to receive a price based on the value that the seller has actually invested in the property being sold.
- b. To the extent possible, the formula shall limit the price of the property to an amount that will be affordable for other low to moderate income people at the time of the transfer of ownership.

4. Procedures for Adoption of the Resale Formula

The adoption of the resale formula shall require an affirmative vote by at least two thirds of the entire Board of Directors at any regular or special Board meeting, provided that written notice of such meeting has set forth the proposed formula with an explanation thereof.

5. Procedures for Altering the Resale Formula

The consistent long-term application of a resale formula is essential to the purposes of the Corporation. Accordingly, the resale formula shall not be altered unless the Board of Directors of the Corporation determine that the current formula presents an obstacle to the achievement of the purposes of the Corporation. In such event, the resale formula may be altered only by a two-thirds vote of the entire Board of Directors.

6. Land Appraiser Requirement to Comply with Florida Statute 193.018 Property Appraiser (Amended January 22, 2011)

193.018 Land owned by a community land trust used to provide affordable housing; assessment; structural improvements, condominium parcels, and cooperative parcels. -

- (1) As used in this section, the term "community land trust" means a nonprofit entity that is

qualified as charitable under s. 501(c)(3) of the Internal Revenue Code and has as one of its purposes the acquisition of land to be held in perpetuity for the primary purpose of providing affordable homeownership.

(2) A community land trust may convey structural improvements, condominium parcels, or cooperative parcels, that are located on specific parcels of land that are identified by a legal description contained in and subject to a ground lease having a term of at least 99 years, for the purpose of providing affordable housing to natural persons or families who meet the extremely-low-income, very-low-income, low-income, or moderate-income limits specified in s. 420.0004, or the income limits for workforce housing, as defined in s. 420.5095(3). A community land trust shall retain a preemptive option to purchase any structural improvements, condominium parcels, or cooperative parcels on the land at a price determined by a formula specified in the ground lease which is designed to ensure that the structural improvements, condominium parcels, or cooperative parcels remain affordable.

(3) In arriving at just valuation under s. 193.011, a structural improvement, condominium parcel, or cooperative parcel providing affordable housing on land owned by a community land trust, and the land owned by a community land trust that is subject to a 99-year or longer ground lease, shall be assessed using the following criteria:

(a) The amount a willing purchaser would pay a willing seller for the land is limited to an amount commensurate with the terms of the ground lease that restricts the use of the land to the provision of affordable housing in perpetuity.

(b) The amount a willing purchaser would pay a willing seller for resale-restricted improvements, condominium parcels, or cooperative parcels is limited to the amount determined by the formula in the ground lease.

(c) If the ground lease and all amendments and supplements thereto, or a memorandum documenting how such lease and amendments or supplements restrict the price at which the improvements, condominium parcels, or cooperative parcels may be sold, is recorded in the official public records of the county in which the leased land is located, the recorded lease and any amendments and supplements, or the recorded memorandum, shall be deemed a land use regulation during the term of the lease as amended or supplemented.

History.—s. 16, ch. 2009-96; s. 2, ch. 2011-15; s. 35, ch. 2020-27.

Adopted by the Board of Directors of _____ on the ___ day of _____, 20__.

Signed _____

By: _____
Secretary

**HABITAT FOR HUMANITY MARION COUNTY
COMMUNITY LAND TRUST, INC. (HFHMCCLT)
GROUND LEASE**

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Exhibit INITIAL APPRAISAL

HABITAT FOR HUMANITY MARION COUNTY COMMUNITY LAND TRUST, INC.

GROUND LEASE

THIS LEASE ("this Lease" or "the Lease") entered into this ___th day of April 2022, between HABITAT FOR HUMANITY MARION COUNTY COMMUNITY LAND TRUST, INC. ("HFHMCCLT") and SARAH B. YEAGER, a single person ("Homeowner").

RECITALS

A. The HFHMCCLT is organized exclusively for charitable purposes, including the purpose of providing homeownership opportunities for low and moderate-income people who would otherwise be unable to afford homeownership.

B. A goal of the HFHMCCLT is to preserve affordable homeownership opportunities through the long-term leasing of land under owner-occupied homes.

C. The Leased Land described in this Lease has been acquired and is being leased by the HFHMCCLT in furtherance of this goal.

D. The Homeowner shares the purposes of the HFHMCCLT and has agreed to enter into this Lease not only to obtain the benefits of homeownership, but also to further the charitable purposes of the HFHMCCLT.

E. Homeowner and HFHMCCLT recognize the special nature of the terms of this Lease, and each of them accepts these terms, including those terms that affect the marketing and resale price of the property now being purchased by the Homeowner.

F. Homeowner and HFHMCCLT agree that the terms of this Lease further their shared goals over an extended period of time and through a succession of owners.

NOW THEREFORE, Homeowner and HFHMCCLT agree on all of the terms and conditions of this Lease as set forth below.

DEFINITIONS: Homeowner and HFHMCCLT agree on the following definitions of key terms used in this Lease.

Leased Land: the parcel of land, described in Exhibit: LEASED LAND, that is leased to the Homeowner.

Home: the residential structure and other permanent improvements located on the Leased Land and owned by the Homeowner, including both the original Home described in Exhibit: DEED, and all permanent improvements added thereafter by Homeowner at Homeowner's expense.

Base Price: the total price that is paid for the Home by the Homeowner (including the amount provided by a first mortgage loan but not including subsidy in the form of deferred loans to the Homeowner).

Purchase Option Price: the maximum price the Homeowner is allowed to receive for the sale of the Home and the Homeowner's right to possess, occupy and use the Leased Land, as defined in Article 10 of this Lease.

Lease Fee: The monthly fee that the Homeowner pays to the HFHMCCLT for the continuing use of the Leased Land and any additional amounts that the HFHMCCLT charges to the Homeowner for reasons permitted by this Lease.

Permitted Mortgage: A mortgage on the Home and the Homeowner's right to possess, occupy and use the Leased Land granted to a lender by the Homeowner with the HFHMCCLT's Permission. The Homeowner may not mortgage the HFHMCCLT's interest in the Leased Land and may not grant any mortgage without HFHMCCLT's permission.

Event of Default: Any violation of the terms of the Lease unless it has been corrected ("cured") by Homeowner or the holder of a Permitted Mortgage in the specified period of time after a written Notice of Default has been given by HFHMCCLT.

ARTICLE 1: Homeowner's Letter of Agreement and Attorney's Letter of Acknowledgment are Attached as Exhibits.

Attached as Exhibit HOMEOWNER'S LETTER OF AGREEMENT AND ATTORNEY'S LETTER OF ACKNOWLEDGMENT and made part of this Lease by reference are a Letter of Agreement from the Homeowner, describing the Homeowner's understanding and acceptance of this Lease (including the parts of the Lease that affect the resale of the Home), and a Letter of Acknowledgment from the Homeowner's attorney, describing the attorney's review of the Lease with the Homeowner.

ARTICLE 2: Leasing of Rights to the Land

2.1 HFHMCCLT LEASES THE LAND TO HOMEOWNER: The HFHMCCLT hereby leases to the Homeowner, and Homeowner hereby accepts, the right to possess, occupy and use the Leased Land (described in the attached Exhibit LEASED LAND) in accordance with the terms of this Lease. HFHMCCLT has furnished to Homeowner a copy of the most current title report, if any, obtained by HFHMCCLT for the Leased Land, and Homeowner accepts title to the Leased Land in its condition "as is" as of the signing of this Lease.

2.2 MINERAL RIGHTS NOT LEASED TO HOMEOWNER: HFHMCCLT does not lease to Homeowner the right to remove from the Leased Land any minerals lying beneath the Leased Land's surface. Ownership of such minerals remains with the HFHMCCLT, but the HFHMCCLT shall not remove any such minerals from the Leased Land without the Homeowner's written permission.

ARTICLE 3: Term of Lease, Change of Land Owner

3.1 TERM OF LEASE IS 99 YEARS: This Lease shall remain in effect for 99 years, beginning on the ____ day of April 2022, and ending on the 31st day of March 2122, unless ended sooner or renewed as provided below.

3.2 HOMEOWNER CAN RENEW LEASE FOR ANOTHER 99 YEARS: Homeowner may renew this Lease for one additional period of 99 years. The HFHMCCLT may change the terms of the Lease for the renewal period prior to the beginning of the renewal period but

only if these changes do not materially and adversely interfere with the rights possessed by Homeowner under the Lease. Not more than 365 nor less than 180 days before the last day of the first 99- year period, HFHMCCLT shall give Homeowner a written notice that states the date of the expiration of the first 99-year period and the conditions for renewal as set forth in the following paragraph (“the Expiration Notice”). The Expiration Notice shall also describe any changes that HFHMCCLT intends to make in the Lease for the renewal period as permitted above.

The Homeowner shall then have the right to renew the Lease only if the following conditions are met: (a) within 60 days of receipt of the Expiration Notice, the Homeowner shall give HFHMCCLT written notice stating the Homeowner’s desire to renew (“the Renewal Notice”); (b) this Lease shall be in effect on the last day of the original 99-year term, and (c) the Homeowner shall not be in default under this Lease or under any Permitted Mortgage on the last day of the original 99-year term.

When Homeowner has exercised the option to renew, Homeowner and HFHMCCLT shall sign a memorandum stating that the option has been exercised. The memorandum shall comply with the requirements for a notice of lease as stated in Section 14.12 below. The HFHMCCLT shall record this memorandum in accordance with the requirements of law promptly after the beginning of the renewal period.

3.3 WHAT HAPPENS IF HFHMCCLT DECIDES TO SELL THE LEASED LAND: If ownership of the Leased Land is ever transferred by HFHMCCLT (whether voluntarily or involuntarily) to any other person or institution, this Lease shall not cease, but shall remain binding on the new land- owner as well as the Homeowner. If HFHMCCLT agrees to transfer the Leased Land to any person or institution other than a non-profit corporation, charitable trust, government agency or other similar institution sharing the goals described in the Recitals above, the Homeowner shall have a right of first refusal to purchase the Leased Land. The details of this right shall be as stated in the attached Exhibit FIRST REFUSAL. Any sale or other transfer contrary to this Section 3.3 shall be null and void.

ARTICLE 4: Use of Leased Land

4.1 HOMEOWNER MAY USE THE HOME ONLY FOR RESIDENTIAL AND RELATED PURPOSES: Homeowner shall use, and allow others to use, the Home and Leased Land only for residential purposes and any activities related to residential use that were permitted by local zoning law when the Lease was signed, as indicated in the attached Exhibit ZONING.

4.2 HOMEOWNER MUST USE THE HOME AND LEASED LAND RESPONSIBLY AND IN COMPLIANCE WITH THE LAW: Homeowner shall use the Home and Leased Land in a way that will not cause harm to others or create any public nuisance. Homeowner shall dispose of all waste in a safe and sanitary manner. Homeowner shall maintain all parts of the Home and Leased Land in safe, sound and habitable condition, in full compliance with all laws and regulations, and in the condition that is required to maintain the insurance coverage required by Section 9.4 of this Lease.

4.3 HOMEOWNER IS RESPONSIBLE FOR USE BY OTHERS: Homeowner shall be responsible for the use of the Home and Leased Land by all residents and visitors and anyone else using the Leased Land with Homeowner’s permission and shall make all such people aware of the restrictions on use set forth in this Lease.

4.4 HOMEOWNER MUST OCCUPY THE HOME FOR AT LEAST 11 MONTHS EACH YEAR: Homeowner shall occupy the Home for at least 11 months of each year of this Lease, unless otherwise agreed by HFHMCCLT. Occupancy by Homeowner's child, spouse, co-owner or domestic partner or other persons approved by HFHMCCLT shall be considered occupancy by Homeowner. Neither compliance with the occupancy requirement nor HFHMCCLT's permission for an extended period of non-occupancy constitutes permission to sublease the Leased Land and Home, which is addressed in Section 4.5 below.

4.5 LEASED LAND MAY NOT BE SUBLEASED WITHOUT HFHMCCLT'S PERMISSION. Except as otherwise provided in Article 8 and Article 10, Homeowner shall not sublease, sell, or otherwise convey any of Homeowner's rights under this Lease, for any period of time, without the written permission of HFHMCCLT. Homeowner agrees that HFHMCCLT shall have the right to withhold such consent in order to further the purposes of this Lease.

If permission for subleasing is granted, the sublease shall be subject to the following conditions.

- a) Any sublease shall be subject to all of the terms of this Lease.
- b) The rental or occupancy fee charged the sub-lessee shall not be more than the amount of the Lease Fee charged the Homeowner by the HFHMCCLT, plus an amount approved by HFHMCCLT to cover Homeowner's costs in owning the Home, including but not limited to the cost of property taxes, homeowner's insurance, termite bond and mortgage payments.

4.6 HFHMCCLT HAS A RIGHT TO INSPECT THE LEASED LAND: The HFHMCCLT may inspect any part of the Leased Land except the interiors of fully enclosed buildings, at any reasonable time, after notifying the Homeowner at least 24 hours before the planned inspection. No more than 6 regular inspections may be carried out in a single year, except in the case of an emergency. In an emergency, the HFHMCCLT may inspect any part of the Leased Land except the interiors of fully enclosed buildings, after making reasonable efforts to inform the Homeowner before the inspection.

If the HFHMCCLT has received an Intent-To-Sell Notice (as described in Section 10.4 below), then the HFHMCCLT has the right to inspect the interiors of all fully enclosed buildings to determine their condition prior to the sale. The HFHMCCLT must notify the Homeowner at least 24 hours before carrying out such inspection.

4.7 HOMEOWNER HAS A RIGHT TO QUIET ENJOYMENT: Homeowner has the right to quiet enjoyment of the Leased Land. The HFHMCCLT has no desire or intention to interfere with the personal lives, associations, expressions, or actions of the Homeowner in any way not permitted by this Lease.

ARTICLE 5: Lease Fee

5.1 AMOUNT OF LEASE FEE: The Homeowner shall pay a monthly Lease Fee in an amount equal to the sum of a Land Use Fee of \$35.00 to be paid in return for the continuing right to possess, occupy and use the Leased Land.

5.2 WHEN THE LEASE FEE IS TO BE PAID: The Lease Fee shall be payable to HFHMCCLT on the first day of each month for as long as this Lease remains in effect, unless the Lease Fee is to be escrowed and paid by a Permitted Mortgagee, in which case payment shall be made as directed by that Mortgagee.

5.3 HOW THE AMOUNT OF THE LAND USE FEE HAS BEEN DETERMINED: The amount of the Land Use Fee stated in Section 5.1 above has been determined as follows. First, the approximate monthly fair rental value of the Leased Land has been established, as of the beginning of the Lease term, recognizing that the fair rental value is reduced by certain restrictions imposed by the Lease on the use of the Land. Then the affordability of this monthly amount for the Homeowner has been analyzed and, if necessary, the Land Use has been reduced to an amount considered to be affordable for Homeowner.

5.4 HFHMCCLT MAY REDUCE OR SUSPEND THE LEASE FEE TO IMPROVE AFFORDABILITY: HFHMCCLT may reduce or suspend the total amount of the Lease Fee for a period of time for the purpose of improving the affordability of the Homeowner's monthly housing costs. Any such reduction or suspension must be in writing and signed by HFHMCCLT.

5.5 FEES MAY BE INCREASED FROM TIME TO TIME: The HFHMCCLT may increase the amount of the Land Use Fee from time to time, but not more often than once every 5 years. Each time such amounts are increased, the total percentage of increase since the date this Lease was signed shall not be greater than the percentage of increase, over the same period of time, in the Consumer Price Index for the South urban wage earners and clerical workers for the urban area in which the Leased Land is located, or, if none, for urban areas the population size of 350,000.

5.6 LAND USE FEE WILL BE INCREASED IF RESTRICTIONS ARE REMOVED: If, for any reason, the provisions of Article 10 regarding transfers of the Home or Sections 4.4 and 4.5 regarding occupancy and subleasing are suspended or invalidated for any period of time, then during that time the Land Use Fee shall be increased to an amount calculated by HFHMCCLT to equal the fair rental value of the Leased Land for use not restricted by the suspended provisions, but initially an amount not exceeding 250.00 dollars. Such increase shall become effective upon HFHMCCLT's written notice to Homeowner. Thereafter, for so long as these restrictions are not reinstated in the Lease, the HFHMCCLT may, from time to time, further increase the amount of such Land Use Fee, provided that the amount of the Land Use Fee does not exceed the fair rental value of the property, and provided that such increases do not occur more often than once in every 3 years.

5.7 IF PAYMENT IS LATE, INTEREST CAN BE CHARGED: If the HFHMCCLT has not received any monthly installment of the Lease Fee on or before the date on which the such installment first becomes payable under this Lease (the "Due Date"), the HFHMCCLT may require Homeowner to pay a late fee for each month past the Due Date through and including the date such payment or installment is received by HFHMCCLT, at an amount not to exceed \$5.00 per month. Such late fee shall be deemed additional Lease Fee and shall be paid by Homeowner to HFHMCCLT upon demand; provided, however, that HFHMCCLT shall waive any such late fee that would otherwise be payable to HFHMCCLT if such payment of the Lease Fee is received by HFHMCCLT on or before the thirtieth (30th) day after the Due Date.

5.8 HFHMCCLT CAN COLLECT UNPAID FEES WHEN HOME IS SOLD: In the event that any amount of payable Lease Fee remains unpaid when the Home is sold, the outstanding amount of payable Lease Fee, including any interest as provided above, shall be paid to HFHMCCLT out of any proceeds from the sale that would otherwise be due to Homeowner. The HFHMCCLT shall have, and the Homeowner hereby consents to, a lien upon the Home for any unpaid Lease Fee. Such lien shall be prior to all other liens and encumbrances on the Home except (a) liens and encumbrances recorded before the recording of this Lease, (b) Permitted Mortgages as defined in section 8.1 below; and (c) liens for real property taxes and other governmental assessments or charges against the Home.

ARTICLE 6: Taxes and Assessments

6.1 HOMEOWNER IS RESPONSIBLE FOR PAYING ALL TAXES AND ASSESSMENTS: Homeowner shall pay directly, when due, all taxes and governmental assessments that relate to the Home and the Leased Land (including any taxes relating to the HFHMCCLT's interest in the Leased Land).

6.2 HFHMCCLT WILL PASS ON ANY TAX BILLS IT RECEIVES TO HOMEOWNER: In the event that the local taxing authority bills HFHMCCLT for any portion of the taxes on the Home or Leased Land, HFHMCCLT shall pass the bill to Homeowner and Homeowner shall promptly pay this bill.

6.3 HOMEOWNER HAS A RIGHT TO CONTEST TAXES: Homeowner shall have the right to contest the amount or validity of any taxes relating to the Home and Leased Land. Upon receiving a reasonable request from Homeowner for assistance in this matter, HFHMCCLT shall join in contesting such taxes. All costs of such proceedings shall be paid by Homeowner.

6.4 IF HOMEOWNER FAILS TO PAY TAXES, HFHMCCLT MAY INCREASE LEASE FEE: In the event that Homeowner fails to pay the taxes or other charges described in Section 6.1 above, HFHMCCLT may increase Homeowner's Lease Fee to offset the amount of taxes and other charges owed by Homeowner. Upon collecting any such amount, HFHMCCLT shall pay the amount collected to the taxing authority in a timely manner.

6.5 PARTY THAT PAYS TAXES MUST SHOW PROOF: When either party pays taxes relating to the Home or Leased Land, that party shall furnish satisfactory evidence of the payment to the other party. A photocopy of a receipt shall be the usual method of furnishing such evidence.

ARTICLE 7: The Home

7.1 HOMEOWNER OWNS THE HOUSE AND ALL OTHER IMPROVEMENTS ON THE LEASED LAND: All structures, including the house, fixtures, and other improvements purchased, constructed, or installed by the Homeowner on any part of the Leased Land at any time during the term of this Lease (collectively, the "Home") shall be property of the Homeowner. Title to the Home shall be and remain vested in the Homeowner. However, Homeowner's rights of ownership are limited by certain provisions of this Lease, including provisions regarding the sale or leasing of the Home by the Homeowner and the

HFHMCCLT's option to purchase the Home. In addition, Homeowner shall not remove any part of the Home from the Leased Land without HFHMCCLT's prior written consent.

7.2 HOMEOWNER PURCHASES HOME WHEN SIGNING LEASE: Upon the signing of this Lease, Homeowner is simultaneously purchasing the Home located at that time on the Leased Land, as described in the Deed, a copy of which is attached to this Lease as Exhibit: DEED.

7.3 CONSTRUCTION CARRIED OUT BY HOMEOWNER MUST COMPLY WITH CERTAIN REQUIREMENTS: Any construction in connection with the Home is permitted only if the following requirements are met: (a) all costs shall be paid for by the Homeowner; (b) all construction shall be performed in a professional manner and shall comply with all applicable laws and regulations; (c) all changes in the Home shall be consistent with the permitted uses described in Article 4; (d) the footprint, square-footage, or height of the house shall not be increased and new structures shall not be built or installed on the Leased Land without the prior written consent of HFHMCCLT.

For any construction requiring HFHMCCLT's prior written consent, Homeowner shall submit a written request to the HFHMCCLT. Such request shall include:

- a) a written statement of the reasons for undertaking the construction;
- b) a set of drawings (floor plan and elevations) showing the dimensions of the proposed construction;
- c) a list of the necessary materials, with quantities needed; a statement of who will do the work;

If the HFHMCCLT finds it needs additional information, it shall request such information from Homeowner within two weeks of receipt of Homeowner's request. The HFHMCCLT then, within two weeks of receiving all necessary information (including any additional information it may have requested) shall give Homeowner either its written consent or a written statement of its reasons for not consenting. Before construction can begin, Homeowner shall provide HFHMCCLT with copies of all necessary building permits, if not previously provided.

7.4 HOMEOWNER MAY NOT ALLOW STATUTORY LIENS TO REMAIN AGAINST LEASED LAND OR HOME: No lien of any type shall attach to the HFHMCCLT's title to the Leased Land. Homeowner shall not permit any statutory or similar lien to be filed against the Leased Land or the Home which remains more than 60 days after it has been filed. Homeowner shall take action to discharge such lien, whether by means of payment, deposit, bond, court order, or other means permitted by law. If Homeowner fails to discharge such lien within the 60-day period, then Homeowner shall immediately notify HFHMCCLT of such failure. HFHMCCLT shall have the right to discharge the lien by paying the amount in question. Homeowner may, at Homeowner's expense, contest the validity of any such asserted lien, provided Homeowner has furnished a bond or other acceptable surety in an amount sufficient to release the Leased Land from such lien. Any amounts paid by HFHMCCLT to discharge such liens shall be treated as an additional Lease Fee payable by Homeowner upon demand.

7.5 HOMEOWNER IS RESPONSIBLE FOR SERVICES, MAINTENANCE AND REPAIRS: Homeowner hereby assumes responsibility for furnishing all services or facilities on the Leased Land, including but not limited to heat, electricity, air conditioning and water. HFHMCCLT shall not be required to furnish any services or facilities or to make any repairs to the Home. Homeowner shall maintain the Home and Leased Land as required by Section 4.2 above and shall see that all necessary repairs and replacements are accomplished when needed.

7.6 WHEN LEASE ENDS, OWNERSHIP REVERTS TO HFHMCCLT, WHICH SHALL REIMBURSE HOMEOWNER: Upon the expiration or termination of this Lease, ownership of the Home shall revert to HFHMCCLT. Upon thus assuming title to the Home, HFHMCCLT shall promptly pay Homeowner and Permitted Mortgagee(s), as follows: **FIRST**, HFHMCCLT shall pay any Permitted Mortgagee(s) the full amount owed to such mortgagee(s) by Homeowner; **SECOND**, HFHMCCLT shall pay the Homeowner the balance of the Purchase Option Price calculated in accordance with Article 10 below, as of the time of reversion of ownership, less the total amount of any unpaid Lease Fee and any other amounts owed to the HFHMCCLT under the terms of this Lease. The Homeowner shall be responsible for any costs necessary to clear any additional liens or other charges related to the Home which may be assessed against the Home. If the Homeowner fails to clear such liens or charges, the balance due the Homeowner shall also be reduced by the amount necessary to release such liens or charges, including reasonable attorney's fees incurred by the HFHMCCLT.

ARTICLE 8: Financing

8.1 HOMEOWNER CANNOT MORTGAGE THE HOME WITHOUT HFHMCCLT'S PERMISSION: The Homeowner may mortgage the Home only with the written permission of HFHMCCLT. Any mortgage permitted in writing by the HFHMCCLT is defined as a Permitted Mortgage, and the holder of such a mortgage or deed of trust is defined as a Permitted Mortgagee.

8.2 BY SIGNING LEASE, HFHMCCLT GIVES PERMISSION FOR ORIGINAL MORTGAGE. By signing this Lease, HFHMCCLT gives written permission for any mortgage signed by the Homeowner effective on the day this Lease is signed for the purpose of financing Homeowner's purchase of the Home.

8.3 HOMEOWNER MUST GET SPECIFIC PERMISSION FOR REFINANCING OR OTHER SUBSEQUENT MORTGAGES. If, at any time subsequent to the purchase of the Home and signing of the Lease, the Homeowner seeks a loan that is to be secured by a mortgage on the Home (to refinance an existing Permitted Mortgage or to finance home repairs or for any other purpose), Homeowner must inform HFHMCCLT, in writing, of the proposed terms and conditions of such mortgage loan at least 15 business days prior to the expected closing of the loan. The information to be provided to the HFHMCCLT must include:

- a. the name of the proposed lender;
- b. Homeowner's reason for requesting the loan;
- c. the principal amount of the proposed loan and the total mortgage debt that will result from the combination of the loan and existing mortgage debt, if any;

- d. expected closing costs;
- e. the rate of interest;
- f. the repayment schedule;
- g. a copy of the appraisal commissioned in connection with the loan request.

HFHMCCLT may also require Homeowner to submit additional information. HFHMCCLT will not permit such a mortgage loan if the loan increases Homeowner's annual mortgage payment to exceed 30% of the then annual income of the Homeowner, or if the terms of the transaction otherwise threaten the interests of either the Homeowner or the HFHMCCLT. In addition, HFHMCCLT will not permit such a mortgage loan if the loan increases the total mortgage debt to an amount greater than 80% of the current Purchase Option Price, as calculated according to Article 10.

8.4 HFHMCCLT IS REQUIRED TO PERMIT A "STANDARD PERMITTED MORTGAGE." The HFHMCCLT shall be required to permit any mortgage for which the mortgagee has signed a "Standard Permitted Mortgage Agreement" as set forth in "Exhibit: Permitted Mortgages, Part C," and for which the loan secured thereby does not increase Homeowner's total mortgage debt to an amount greater than 80% of the current Purchase Option Price so that the Homeowner's annual payments do not exceed 30% of the then total income of the Homeowner.

8.5 A PERMITTED MORTGAGEE HAS CERTAIN OBLIGATIONS UNDER THE LEASE. Any Permitted Mortgagee shall be bound by each of the requirements stated in "Exhibit: Permitted Mortgages, Part A, Obligations of Permitted Mortgagee," which is made a part of this Lease by reference, unless the particular requirement is removed, contradicted or modified by a Rider to this Lease signed by the Homeowner and the HFHMCCLT to modify the terms of the Lease during the term of the Permitted Mortgage.

8.6 A PERMITTED MORTGAGEE HAS CERTAIN RIGHTS UNDER THE LEASE. Any Permitted Mortgagee shall have all of the rights and protections stated in "Exhibit: Permitted Mortgages, Part B, Rights of Permitted Mortgagee," which is made a part of this Lease by reference.

8.7 IN THE EVENT OF FORECLOSURE, ANY PROCEEDS IN EXCESS OF THE PURCHASE OPTION PRICE WILL GO TO HFHMCCLT. Homeowner and HFHMCCLT recognize that it would be contrary to the purposes of this agreement if Homeowner could receive more than the Purchase Option Price as the result of the foreclosure of a mortgage. Therefore, Homeowner hereby irrevocably assigns to HFHMCCLT all net proceeds of sale of the Home that would otherwise have been payable to Homeowner and that exceed the amount of net proceeds that Homeowner would have received if the property had been sold for the Purchase Option Price, calculated as described in Section 10.10 below. Homeowner authorizes and instructs the Permitted Mortgagee, or any party conducting any sale, to pay such excess amount directly to HFHMCCLT. If, for any reason, such excess amount is paid to Homeowner, Homeowner hereby agrees to promptly pay such amount to HFHMCCLT.

ARTICLE 9: Liability, Insurance, Damage and Destruction, Eminent Domain

9.1 HOMEOWNER ASSUMES ALL LIABILITY. Homeowner assumes all responsibility and liability related to Homeowner's possession, occupancy and use of the Leased Land.

9.2 HOMEOWNER MUST DEFEND HFHMCCLT AGAINST ALL CLAIMS OF LIABILITY. Homeowner shall defend, indemnify and hold HFHMCCLT harmless against all liability and claims of liability for injury or damage to person or property from any cause on or about the Leased Land. Homeowner waives all claims against HFHMCCLT for injury or damage on or about the Leased Land. However, HFHMCCLT shall remain liable for injury or damage due to the grossly negligent or intentional acts or omissions of HFHMCCLT or HFHMCCLT's agents or employees.

9.3 HOMEOWNER MUST REIMBURSE HFHMCCLT. In the event the HFHMCCLT shall be required to pay any sum that is the Homeowner's responsibility or liability, the Homeowner shall reimburse the HFHMCCLT for such payment and for reasonable expenses caused thereby.

9.4 HOMEOWNER MUST INSURE THE HOME AGAINST LOSS AND MUST MAINTAIN LIABILITY INSURANCE ON HOME AND LEASED LAND. Homeowner shall, at Homeowner's expense, keep the Home continuously insured against "all risks" of physical loss, using Insurance Services Office (ISO) Form HO 00 03, or its equivalent, for the full replacement value of the Home, and in any event in an amount that will not incur a coinsurance penalty. The amount of such insured replacement value must be approved by the HFHMCCLT prior to the commencement of the Lease. Thereafter, if the HFHMCCLT determines that the replacement value to be insured should be increased, the HFHMCCLT shall inform the Homeowner of such required increase at least 30 days prior to the next date on which the insurance policy is to be renewed, and the Homeowner shall assure that the renewal includes such change. If Homeowner wishes to decrease the amount of replacement value to be insured, Homeowner shall inform the HFHMCCLT of the proposed change at least 30 days prior to the time such change would take effect. The change shall not take effect without HFHMCCLT's approval. Should the Home lie in a flood hazard zone as defined by the National Flood Insurance Plan, the Homeowner shall keep in full force and effect flood insurance in the maximum amount available.

The Homeowner shall also, at its sole expense, maintain in full force and effect public liability insurance using ISO Form HO 00 03 or its equivalent in the amount of \$300,000 per occurrence and in the aggregate. The HFHMCCLT shall be named as an additional insured using ISO Form HO 04 41 or its equivalent, and certificates of insurance shall be delivered to the HFHMCCLT prior to the commencement of the Lease and at each anniversary date thereof.

The dollar amounts of such coverage may be increased from time to time at the HFHMCCLT's request but not more often than once in any one-year period. HFHMCCLT shall inform the Homeowner of such required increase in coverage at least 30 days prior to the next date on which the insurance policy is to be renewed, and the Homeowner shall assure that the renewal includes such change. The amount of such increase in coverage shall be based on current trends in homeowner's liability insurance coverage in the area in which the Home is located.

9.5 WHAT HAPPENS IF HOME IS DAMAGED OR DESTROYED. Except as provided below, in the event of fire or other damage to the Home, Homeowner shall take all steps necessary to assure the repair of such damage and the restoration of the Home to its condition immediately prior to the damage. All such repairs and restoration shall be completed as

promptly as possible. Homeowner shall also promptly take all steps necessary to assure that the Leased Land is safe and that the damaged Home does not constitute a danger to persons or property.

If Homeowner, based on professional estimates, determines either (a) that full repair and restoration is physically impossible, or (b) that the available insurance proceeds will pay for less than the full cost of necessary repairs and that Homeowner cannot otherwise afford to cover the balance of the cost of repairs, then Homeowner shall notify HFHMCCLT of this problem, and HFHMCCLT may then help to resolve the problem. Methods used to resolve the problem may include efforts to increase the available insurance proceeds, efforts to reduce the cost of necessary repairs, efforts to arrange affordable financing covering the costs of repair not covered by insurance proceeds, and any other methods agreed upon by both Homeowner and HFHMCCLT.

If Homeowner and HFHMCCLT cannot agree on a way of restoring the Home in the absence of adequate insurance proceeds, then Homeowner may give HFHMCCLT written notice of intent to terminate the Lease. The date of actual termination shall be no less than 60 days after the date of Homeowner's notice of intent to terminate. Upon termination, any insurance proceeds payable to Homeowner for damage to the Home shall be paid as follows.

FIRST, to the expenses of their collection;

SECOND, to any Permitted Mortgagee(s), to the extent required by the Permitted Mortgagee(s);

THIRD, to the expenses of enclosing or razing the remains of the Home and clearing debris;

FOURTH, to the HFHMCCLT for any amounts owed under this Lease;

FIFTH, to the Homeowner, up to an amount equal to the Purchase Option Price, as of the day prior to the loss, less any amounts paid with respect to the second, third, and fourth clauses above;

SIXTH, the balance, if any, to the HFHMCCLT.

9.6 WHAT HAPPENS IF SOME OR ALL OF THE LAND IS TAKEN FOR PUBLIC USE.

If all of the Leased Land is taken by eminent domain or otherwise for public purposes, or if so much of the Leased Land is taken that the Home is lost or damaged beyond repair, the Lease shall terminate as of the date when Homeowner is required to give up possession of the Leased Land. Upon such termination, the entire amount of any award(s) paid shall be allocated in the way described in Section 9.5 above for insurance proceeds.

In the event of a taking of a portion of the Leased Land that does not result in damage to the Home or significant reduction in the usefulness or desirability of the Leased Land for residential purposes, then any monetary compensation for such taking shall be allocated entirely to HFHMCCLT.

In the event of a taking of a portion of the Leased Land that results in damage to the Home only to such an extent that the Home can reasonably be restored to a residential use consistent with this Lease, then the damage shall be treated as damage is treated in Section 9.5 above, and monetary compensation shall be allocated as insurance proceeds are to be allocated under Section 9.5.

9.7 IF PART OF THE LAND IS TAKEN, THE LEASE FEE MAY BE REDUCED. In the event of any taking that reduces the size of the Leased Land but does not result in the termination of the Lease, HFHMCCLT shall reassess the fair rental value of the remaining Land and shall adjust the Lease Fee if necessary to assure that the monthly fee does not

exceed the monthly fair rental value of the Land for use as restricted by the Lease.

9.8 IF LEASE IS TERMINATED BY DAMAGE, DESTRUCTION OR TAKING, HFHMCCLT WILL TRY TO HELP HOMEOWNER BUY ANOTHER HFHMCCLT HOME. If this Lease is terminated as a result of damage, destruction or taking, HFHMCCLT shall take reasonable steps to allow Homeowner to purchase another home on another parcel of leased land owned by HFHMCCLT if such home can reasonably be made available. If Homeowner purchases such a home, Homeowner agrees to apply any proceeds or award received by Homeowner to the purchase of the home. Homeowner understands that there are numerous reasons why it may not be possible to make such a home available and shall have no claim against HFHMCCLT if such a home is not made available.

ARTICLE 10: Transfer of the Home

10.1 INTENT OF THIS ARTICLE IS TO PRESERVE AFFORDABILITY: Homeowner and HFHMCCLT agree that the provisions of this Article 10 are intended to preserve the affordability of the Home for lower income households and expand access to homeownership opportunities for such households.

10.2 HOMEOWNER MAY TRANSFER HOME ONLY TO HFHMCCLT OR QUALIFIED PERSONS: Homeowner may transfer the Home only to the HFHMCCLT or an Income-Qualified Person as defined below or otherwise only as explicitly permitted by the provisions of this Article 10. All such transfers are to be completed only in strict compliance with this Article 10. Any purported transfer that does not follow the procedures set forth below, except in the case of a transfer to a Permitted Mortgagee in lieu of foreclosure, shall be null and void.

“Income-Qualified Person” shall mean a person or group of persons whose household income does not exceed eighty percent (80%) of the median household income for the applicable Standard Metropolitan Statistical Area or County as calculated and adjusted for household size from time to time by the U.S. Department of Housing and Urban Development (HUD) or any successor.

10.3 THE HOME MAY BE TRANSFERRED TO CERTAIN HEIRS OF HOMEOWNER: If Homeowner dies (or if the last surviving co-owner of the Home dies), the executor or personal representative of Homeowner’s estate shall notify HFHMCCLT within ninety (90) days of the date of the death. Upon receiving such notice HFHMCCLT shall consent to a transfer of the Home and Homeowner’s rights to the Leased Land to one or more of the possible heirs of Homeowner listed below as “a,” “b,” or “c,” provided that a Letter of Agreement and a Letter of Attorney’s Acknowledgment (as described in Article 1 above) are submitted to HFHMCCLT to be attached to the Lease when it is transferred to the heirs.

- a) the spouse or domestic partner of the Homeowner; or
- b) the child or children of the Homeowner; or
- c) member(s) of the Homeowner’s household who have resided in the Home for at least one year immediately prior to Homeowner’s death.

Any other heirs, legatees or devisees of Homeowner, in addition to submitting Letters of Agreement and Attorney's Acknowledgment as provided above, must demonstrate to HFHMCCLT's satisfaction that they are Income-Qualified Persons as defined above. If they cannot demonstrate that they are Income-Qualified Persons, they shall not be entitled to possession of the Home but must transfer the Home in accordance with the provisions of this Article 10.

10.4 HOMEOWNER'S NOTICE OF INTENT TO SELL: In the event that Homeowner wishes to sell Homeowner's Property, Homeowner shall notify HFHMCCLT in writing of such wish (the Intent-to-Sell Notice). This Notice shall include a statement as to whether Homeowner wishes to recommend a prospective buyer as of the date of the Notice.

10.5 AFTER RECEIVING NOTICE, HFHMCCLT SHALL COMMISSION AN APPRAISAL: No later than ten (10) days after HFHMCCLT's receipt of Homeowner's Intent-to-Sell Notice, HFHMCCLT shall commission a market valuation of the Leased Land and the Home (The Appraisal) to be performed by a duly licensed appraiser who is acceptable to HFHMCCLT and Homeowner. HFHMCCLT shall pay the cost of such Appraisal. The Appraisal shall be conducted by analysis and comparison of comparable properties as though title to Leased Land and Home were held in fee simple absolute by a single party, disregarding all of the restrictions of this Lease on the use, occupancy and transfer of the property. The Appraisal shall state the values contributed by the Leased Land and by the Home (consisting of improvements only) as separate amounts. Copies of the Appraisal are to be provided to both HFHMCCLT and Homeowner.

10.6 HFHMCCLT HAS AN OPTION TO PURCHASE THE HOME. Upon receipt of an Intent-to-Sell Notice from Homeowner, HFHMCCLT shall have the option to purchase the Home at the Purchase Option Price calculated as set forth below. The Purchase Option is designed to further the purpose of preserving the affordability of the Home for succeeding Income-Qualified Persons while taking fair account of the investment by the Homeowner.

If HFHMCCLT elects to purchase the Home, HFHMCCLT shall exercise the Purchase Option by notifying Homeowner, in writing, of such election (the Notice of Exercise of Option) within forty-five (45) days of the receipt of the Appraisal, or the Option shall expire. Having given such notice, HFHMCCLT may either proceed to purchase the Home directly or may assign the Purchase Option to an Income-Qualified Person.

The purchase (by HFHMCCLT or HFHMCCLT's assignee) must be completed within sixty (60) days of HFHMCCLT's Notice of Exercise of Option, or Homeowner may sell the Home and Homeowner's rights to the Leased Land as provided in Section 10.7 below. The time permitted for the completion of the purchase may be extended by mutual agreement of HFHMCCLT and Homeowner.

Homeowner may recommend to HFHMCCLT a prospective buyer who is an Income-Qualified Person and is prepared to submit Letters of Agreement and Attorney's Acknowledgment indicating informed acceptance of the terms of this Lease. HFHMCCLT shall make reasonable efforts to arrange for the assignment of the Purchase Option to such

person, unless HFHMCCLT determines that its charitable mission is better served by retaining the Home for another purpose or transferring the Home to another party.

10.7 IF PURCHASE OPTION EXPIRES, HOMEOWNER MAY SELL ON CERTAIN TERMS: If the Purchase Option has expired or if HFHMCCLT has failed to complete the purchase within the sixty-day period allowed by Section 10.6 above, Homeowner may sell the Home to any Income-Qualified Person for not more than the then applicable Purchase Option Price.

10.8 AFTER ONE YEAR HFHMCCLT SHALL HAVE POWER OF ATTORNEY TO CONDUCT SALE: If HFHMCCLT does not exercise its option and complete the purchase of Homeowner's Property as described above, and if Homeowner (a) is not then residing in the Home and (b) continues to hold Homeowner's Property out for sale but is unable to locate a buyer and execute a binding purchase and sale agreement within one year of the date of the Intent to Sell Notice, Homeowner does hereby appoint HFHMCCLT its attorney in fact to seek a buyer, negotiate a reasonable price that furthers the purposes of this Lease, sell the property, and pay to the Homeowner the proceeds of sale, minus HFHMCCLT's costs of sale and any other sums owed HFHMCCLT by Homeowner.

10.9 PURCHASE OPTION PRICE EQUALS LESSER OF APPRAISED VALUE OR FORMULA PRICE: In no event may the Home be sold for a price that exceeds the Purchase Option Price. The Purchase Option Price shall be the lesser of (a) the value of the Home (consisting of improvements only) as determined by the Appraisal commissioned and conducted as provided in 10.5 above or (b) the price calculated in accordance with the formula described below (the Formula Price).

10.10 HOW THE FORMULA PRICE IS CALCULATED: The Formula Price shall be equal to Homeowner's Base Price, as stated below, plus a share of the increased market value of the improvements based upon the months of ownership as stated in the chart below.

Homeowner's Base Price: The parties agree that the Homeowner's Base Price for Homeowner's Property as of the signing of this Lease is \$126,000.00 (excluding land).

Initial Appraised Value: The parties agree that the appraised value of the Home at the time of Homeowner's purchase (the Initial Appraised Value) is \$126,000.00 (excluding land), as documented by the appraiser's report attached to this Lease as Exhibit INITIAL APPRAISAL.

Increase in Market Value: The increase in market value of the Home equals the appraised value of the Home at time of sale, calculated according to Section 10.5 above, minus the Initial Appraised Value.

Homeowner's share of Increase in Market Value: Homeowner's share of the increase in the market value is based upon the number of years of ownership. If Lease expires less than 20 years old homeowner will receive 25% of the increase; between 20 years but less than 30 years, it increases to 30%; and if it expires 30 years and over it increases to 35%.

Summary of Formula Price: The formula price equals homeowner's Base Price plus homeowner's Share of Increase in Market Value.

Example of Mathematical Calculation of Sales Proceeds: Homeowner is moving away after living in the home for 15 years. **THIS IS AN EXAMPLE.** The initial appraisal was \$126,000 (excluding land) and the HFHMCCLT commissioned an appraiser who placed a current value at \$136,000 (excluding land). Since the base price of \$126,000 plus the homeowner's percentage of shared equity of \$2,500 is less than the new appraised price plus homeowner's percentage of \$2,500, the formula price in 10.9 ($\$126,000 + \$2,500 = 128,500$) will be the used for the new sales price). Pay offs will be the first mortgage at purchase was \$66,000 amortized over 30 years at an estimated 4.75% interest rate and the payoff is \$44,262. A 50 year single payment 0% non-amortizing second mortgage from Florida Housing Finance Corporation for \$35,000. A 30 year single payment 0% non-amortizing loan third mortgage from Habitat for Humanity of Marion County, Inc. mortgage of \$29,384. Based upon the chart above, the owner will receive 25% of the increased value and Habitat will receive 75%.

Current Appraisal	\$146,000
Less: Appraisal at Purchase	\$136,000
Increase in Value	\$10,000

Homeowner's Percentage	25%
Homeowner's Shared Equity	\$2,500
Habitat's Percentage	75%
Habitat's Shared Equity	\$7,500

Sales Price	\$128,500
Less: Mortgage Payoff	\$44,262
Less: FL Housing Finance	\$35,000
Less: Habitat 3 rd Mortgage	\$29,384
Less: Habitat's Equity	<u>\$7,500</u>
Homeowner's Proceeds	
Before Closing Costs	\$12,354

10.11 **QUALIFIED PURCHASER SHALL RECEIVE NEW LEASE:** The HFHMCCLT shall issue a new lease to any person who purchases the Home in accordance with the terms of this Article.

10. The terms of such lease shall be the same as those of new leases issued to homebuyers at that time for land not previously leased by the HFHMCCLT.

10.12 **PURCHASER MAY BE CHARGED A LEASE RE-ISSUANCE FEE.** In the event that Homeowner sells the home to a party other than the HFHMCCLT (whether directly to such party or as a result of HFHMCCLT's assignment of its Purchase Option to such party), the price to be paid by such purchaser shall include, in addition to the Purchase Option Price, at the discretion of the HFHMCCLT, a lease re-issuance fee to compensate the HFHMCCLT for carrying out its responsibilities with regard to issuing a new lease. The amount of the lease re-issuance fee shall be no more than 5% of the Purchase Option Price.

10.13 HOMEOWNER REQUIRED TO MAKE NECESSARY REPAIRS AT TRANSFER:
The Homeowner is required to make necessary repairs when they voluntarily transfer the Home as follows:

- a) The person purchasing the Home ("Buyer") shall, prior to purchasing the Home, hire at their sole expense, a building inspector with a current Home Inspector license from the Florida Department of Business and Professional Regulation to assess the condition of the Home and prepare a written report of the condition ("Inspection Report"). The Homeowner shall cooperate fully with the inspection.
- b) The Buyer shall provide a copy of the Inspection Report to Buyer's lender (if any), the Homeowner, and the HFHMCCLT within 10 days after receiving the Inspection Report.
- c) Homeowner shall repair specific reported defects or conditions necessary to bring the Home into full compliance with Sections 4.2 and 7.5 above prior to transferring the Home.
- d) Homeowner shall bear the full cost of the necessary repairs and replacements. However, upon Homeowner's written request, the HFHMCCLT may allow the Homeowner to pay all or a portion of the repair costs after transfer, from Homeowner's proceeds of sale, if Homeowner cannot afford to pay such costs prior to the transfer. In such event, either (i) 150% of the unpaid estimated cost of repairs or (ii) 100% of the unpaid cost of completed repairs shall be withheld from Homeowner's proceeds of sale in a HFHMCCLT-approved escrow account.
- e) Homeowner shall allow HFHMCCLT, Buyer, and Buyer's building inspector and lender's representative to inspect the repairs prior to closing to determine that the repairs have been satisfactorily completed.
- f) Upon sale or other transfer, Homeowner shall either (i) transfer the Home with all originally purchased appliances or replacements in the Home in good working order or (ii) reduce the Purchase Option Price by the market value of any such appliances that are not left with the Home in good working order.

ARTICLE 11: RESERVED

ARTICLE 12: DEFAULT

12.1 WHAT HAPPENS IF HOMEOWNER FAILS TO MAKE PAYMENTS TO THE HFHMCCLT THAT ARE REQUIRED BY THE LEASE: It shall be an event of default if Homeowner fails to pay the Lease Fee or other charges required by the terms of this Lease and such failure is not cured by Homeowner or a Permitted Mortgagee within thirty (30) days after notice of such failure is given by HFHMCCLT to Homeowner and Permitted Mortgagee. However, if Homeowner makes a good faith partial payment of at least two-thirds (2/3) of the amount owed during the 30-day cure period, then the cure period shall be extended by an additional 30 days.

12.2 WHAT HAPPENS IF HOMEOWNER VIOLATES OTHER (NONMONETARY) TERMS OF THE LEASE: It shall be an event of default if Homeowner fails to abide by any other requirement or restriction stated in this Lease, and such failure is not cured by Homeowner or a Permitted Mortgagee within sixty (60) days after notice of such failure is given by HFHMCCLT to Homeowner and Permitted Mortgagee. However, if Homeowner or Permitted Mortgagee has begun to cure such default within the 60-day cure period and is

continuing such cure with due diligence but cannot complete the cure within the 60-day cure period, the cure period shall be extended for as much additional time as may be reasonably required to complete the cure.

12.3 WHAT HAPPENS IF HOMEOWNER DEFAULTS AS A RESULT OF JUDICIAL PROCESS: It shall be an event of default if the estate hereby created is taken on execution or by other process of law, or if Homeowner is judicially declared bankrupt or insolvent according to law, or if any assignment is made of the property of Homeowner for the benefit of creditors, or if a receiver, trustee in involuntary bankruptcy or other similar officer is appointed to take charge of any substantial part of the Home or Homeowner's interest in the Leased Land by a court of competent jurisdiction, or if a petition is filed for the reorganization of Homeowner under any provisions of the Bankruptcy Act now or hereafter enacted, or if Homeowner files a petition for such reorganization, or for arrangements under any provision of the Bankruptcy Act now or hereafter enacted and providing a plan for a debtor to settle, satisfy or extend the time for payment of debts.

12.4 A DEFAULT (UNCURED VIOLATION) GIVES HFHMCCLT THE RIGHT TO TERMINATE THE LEASE OR EXERCISE ITS PURCHASE OPTION:

a) **TERMINATION:** In the case of any of the events of default described above, HFHMCCLT may terminate this lease and initiate summary proceedings under applicable law against Homeowner, and HFHMCCLT shall have all the rights and remedies consistent with such laws and resulting court orders to enter the Leased Land and Home and repossess the entire Leased Land and Home, and expel Homeowner and those claiming rights through Homeowner. In addition, HFHMCCLT shall have such additional rights and remedies to recover from Homeowner arrears of rent and damages from any preceding breach of any covenant of this Lease. If this Lease is terminated by HFHMCCLT pursuant to an Event of Default, then, as provided in Section 7.7 above, upon thus assuming title to the Home, HFHMCCLT shall pay to Homeowner and any Permitted Mortgagee an amount equal to the Purchase Option Price calculated in accordance with Section 10.9 above, as of the time of reversion of ownership, less the total amount of any unpaid Lease Fee and any other amounts owed to the HFHMCCLT under the terms of this Lease and all reasonable costs (including reasonable attorneys' fees) incurred by HFHMCCLT in pursuit of its remedies under this Lease.

If HFHMCCLT elects to terminate the Lease, then the Permitted Mortgagee shall have the right (subject to Article 8 above and the attached Exhibit: Permitted Mortgages) to postpone and extend the specified date for the termination of the Lease for a period sufficient to enable the Permitted Mortgagee or its designee to acquire Homeowner's interest in the Home and the Leased Land by foreclosure of its mortgage or otherwise.

b) **EXERCISE OF OPTION:** In the case of any of the events of default described above, Homeowner hereby grants to the HFHMCCLT (or its assignee) the option to purchase the Home for the Purchase Option Price as such price is defined in Article 10 above. Within thirty (30) days after the expiration of any applicable cure period as established in Sections 12.1 or 12.2 above or within 30 days after any of the events constituting an Event of Default under Section 12.3 above, HFHMCCLT shall notify the Homeowner and the Permitted Mortgagee(s) of its decision to exercise its option to purchase under this Section 12.4(b). Not later than ninety (90) days after the HFHMCCLT gives notice to the Homeowner of the HFHMCCLT's intent to exercise its option under this Section 12.4(a), the HFHMCCLT or its assignee shall purchase the Home for the Purchase

Option Price.

12.5 WHAT HAPPENS IF HFHMCCLT DEFAULTS: HFHMCCLT shall in no event be in default in the performance of any of its obligations under the Lease unless and until HFHMCCLT has failed to perform such obligations within sixty (60) days, or such additional time as is reasonably required to correct any default, after notice by Homeowner to HFHMCCLT properly specifying HFHMCCLT's failure to perform any such obligation.

ARTICLE 13: Mediation and Arbitration

13.1 Nothing in this Lease shall be construed as preventing the parties from utilizing any process of mediation or arbitration in which the parties agree to engage for the purpose of resolving a dispute.

13.2 Homeowner and HFHMCCLT shall each pay one half (50%) of any costs incurred in carrying out mediation or arbitration in which the parties have agreed to engage.

ARTICLE 14: GENERAL PROVISIONS

14.1 HFHMCCLT NOTICES: Whenever this Lease requires either party to give notice to the other, the notice shall be given in writing and delivered in person or mailed, by certified or registered mail, return receipt requested, to the party at the address set forth below, or such other address designated by like written notice:

If to Habitat for Humanity of Marion County Community Land Trust, Inc.
Address: 1321 SE 25th Loop, Suite 103, Ocala, Florida 34471

If to Sarah B. Yeager
Address: 21 Juniper Trak, Ocala, Florida 34480

All notices, demands, and requests shall be effective upon being deposited in the United States Mail or, in the case of personal delivery, upon actual receipt.

14.2 NO BROKERAGE: Homeowner warrants that it has not dealt with any real estate broker in connection with the purchase of the Home. If any claim is made against HFHMCCLT regarding dealings with brokers Homeowner shall defend HFHMCCLT against such claim with counsel of HFHMCCLT's selection and shall reimburse HFHMCCLT for any loss, cost or damage which may result from such claim.

14.3 SEVERABILITY AND DURATION OF LEASE: If any part of this Lease is unenforceable or invalid, such material shall be read out of this Lease and shall not affect the validity of any other part of this Lease or give rise to any cause of action of Homeowner or HFHMCCLT against the other, and the remainder of this Lease shall be valid and enforced to the fullest extent permitted by law. It is the intention of the parties that HFHMCCLT's option to purchase and all other rights of both parties under this Lease shall continue in effect for the full term of this Lease and any renewal thereof and shall be considered to be coupled with an interest. In the event any such option or right shall be construed to be subject to any rule of law limiting the duration of such option or right, the time period for the exercising of such option or right shall be construed to expire twenty (20) years after the death of the last

survivor of the following persons:

- the spouse or domestic partner of the Homeowner; or
- the child or children of the Homeowner; or
- member(s) of the Homeowner's household who have resided in the Home for at least one year immediately prior to Homeowner's death.

Any other heirs, legatees or devisees of Homeowner, in addition to submitting Letters of Agreement and Attorney's Acknowledgment as provided above, must demonstrate to HFHMCCLT's satisfaction that they are Income-Qualified Persons as defined above. If they cannot demonstrate that they are Income-Qualified Persons, they shall not be entitled to possession of the Home but must transfer the Home in accordance with the provisions of this Article 10.

14.4 RIGHT OF FIRST REFUSAL IN LIEU OF OPTION: If the provisions of the purchase option set forth in Article 10 of this Lease shall, for any reason, become unenforceable, HFHMCCLT shall nevertheless have a right of first refusal to purchase the Home at the highest documented bona fide purchase price offer made to Homeowner. Such right shall be as specified in Exhibit FIRST REFUSAL. Any sale or transfer contrary to this Section, when applicable, shall be null and void.

14.5 WAIVER: The waiver by HFHMCCLT at any time of any requirement or restriction in this Lease, or the failure of HFHMCCLT to take action with respect to any breach of any such requirement or restriction, shall not be deemed to be a waiver of such requirement or restriction with regard to any subsequent breach of such requirement or restriction, or of any other requirement or restriction in the Lease. HFHMCCLT may grant waivers in the terms of this Lease, but such waivers must be in writing and signed by HFHMCCLT before being effective.

The subsequent acceptance of Lease Fee payments by HFHMCCLT shall not be deemed to be a waiver of any preceding breach by Homeowner of any requirement or restriction in this Lease, other than the failure of the Homeowner to pay the particular Lease Fee so accepted, regardless of HFHMCCLT's knowledge of such preceding breach at the time of acceptance of such Lease Fee payment.

14.6 HFHMCCLT'S RIGHT TO PROSECUTE OR DEFEND: HFHMCCLT shall have the right, but shall have no obligation, to prosecute or defend, in its own or the Homeowner's name, any actions or proceedings appropriate to the protection of its own or Homeowner's interest in the Leased Land. Whenever requested by HFHMCCLT, Homeowner shall give HFHMCCLT all reasonable aid in any such action or proceeding.

14.7 CONSTRUCTION: Whenever in this Lease a pronoun is used it shall be construed to represent either the singular or the plural, masculine or feminine, as the case shall demand.

14.8 HEADINGS AND TABLE OF CONTENTS: The headings, subheadings and table of contents appearing in this Lease are for convenience only and are not a part of this Lease and do not in any way limit or amplify the terms or conditions of this Lease.

14.9 PARTIES BOUND: This Lease sets forth the entire agreement between HFHMCCLT

and Homeowner with respect to the leasing of the Land; it is binding upon and inures to the benefit of these parties and, in accordance with the provisions of this Lease, their respective successors in interest. This Lease may be altered or amended only by written notice executed by HFHMCCLT and Homeowner or their legal representatives or, in accordance with the provisions of this Lease, their successors in interest.

14.10 GOVERNING LAW: This Lease shall be interpreted in accordance with and governed by the laws of Florida. The language in all parts of this Lease shall be, in all cases, construed according to its fair meaning and not strictly for or against HFHMCCLT or Homeowner.

14.11 RECORDING: The parties agree, as an alternative to the recording of this Lease, to execute a so-called Notice of Lease or Short Form Lease in form recordable and complying with applicable law and reasonably satisfactory to HFHMCCLT's attorneys. In no event shall such document state the rent or other charges payable by Homeowner under this Lease; and any such document shall expressly state that it is executed pursuant to the provisions contained in this Lease and is not intended to vary the terms and conditions of this Lease.

IN WITNESS WHEREOF, the parties have executed this lease at Ocala, Florida on the day and year first above written.

Habitat for Humanity Marion County
Community Land Trust, Inc.

By: _____
David L. Layman, President & CEO

Witness

Witness

Sarah B. Yeager

State of Florida
County of Marion

The foregoing Ground Lease was acknowledged before me by means of X physical presence or _____ online notarization this _____ day of April 2022 by David L. Layman, President & CEO of Habitat for Humanity Marion County Community Land Trust, Inc., a Florida Not for Profit Corporation.

Seal

Signature of Notary

Printed Name of Notary

Personally Known OR Produced Identification _____ Type of Identification
Provided _____

State of Florida
County of Marion

The foregoing Ground Lease was acknowledged before me by means of physical presence or
 online notarization this _____ day of April 2022 by Sarah B. Yeager.

Seal

Signature of Notary

Printed Name of Notary

Personally Known _____ OR Produced Identification _____ Type of Identification
Provided _____

EXHIBIT A

Leasehold Interest Pursuant to the Ground Lease:

A leasehold interest only (not fee simple title), together with all improvements now or hereafter located on the property in that certain land situated in the County of Marion, State of Florida and more particularly described as follows:

Lot 2, Block 638 of SILVER SPRINGS SHORES Unit No. 25, according to the plat thereof as recorded in Plat Book J, Pages 202-208, of the Public Records of Marion County, Florida

9025-0638-02

Letter of Agreement

To Habitat for Humanity Marion County Community Land Trust, Inc. (HFHMCCLT)

Date: _____th, 2022

This letter is given to the HFHMCCLT to become an exhibit to a Lease between the HFHMCCLT and me. I will be leasing a parcel of land from the HFHMCCLT and will be buying the home that sits on that parcel of land. I will therefore become what is described in the Lease as a "the Homeowner."

My legal counsel, _____, has explained to me the terms and conditions of the Lease and other legal documents that are part of this transaction. I understand the way these terms and conditions will affect my rights as a HFHMCCLT homeowner, now and in the future.

In particular I understand and agree with the following points:

One of the goals of the HFHMCCLT is to keep HFHMCCLT homes affordable for lower income households from one HFHMCCLT homeowner to the next. I support this goal as a HFHMCCLT homeowner.

The terms and conditions of my Lease will keep my home affordable for future "income-qualified persons" (as defined in the Lease). If and when I want to sell my home, the lease requires that I sell it either to the HFHMCCLT or to another income-qualified person. The terms and conditions of the lease also limit the price for which I can sell the home, in order to keep it affordable for such income-qualified persons.

It is also a goal of the HFHMCCLT to promote resident ownership of HFHMCCLT homes. For this reason, my Lease requires that, if I and my family move out of our home permanently, we must sell it. We cannot continue to own it as absentee owners.

I understand that I can leave my home to my child or children or other members of my household and that, after my death, they can own the home for as long as they want to live in it and abide by the terms of the Lease, or they can sell it on the terms permitted by the Lease.

As a HFHMCCLT homeowner it is my desire to see the terms of the Lease and related documents honored. I consider these terms fair to me and others.

Sincerely,

Sarah B. Yeager

Letter of Attorney's Acknowledgment

I, _____, have been independently employed by Sarah B. Yeager (hereinafter "the Client") who intends to purchase a house and other improvements (the "Home") on land to be leased from Habitat for Humanity Marion County Community Land Trust, Inc. (HFHMCCLT). The house and land are located at 19 Juniper Trak, Ocala, Florida 34480

In connection with the contemplated purchase of the Home and the leasing of the land, I reviewed with the Client the following documents:

- a) this Letter of Attorney's Acknowledgment and a Letter of Agreement from the Client;
- b) a proposed Deed conveying the Home to the Client;
- c) a proposed Ground Lease conveying the "Leased Land" to the Client;
- d) other written materials provided by the HFHMCCLT.

The Client has received full and complete information and advice regarding this conveyance and the foregoing documents. In my review of these documents my purpose has been to reasonably inform the Client of the present and foreseeable risks and legal consequences of the contemplated transaction.

The Client is entering the aforesaid transaction in reliance on her own judgment and upon her investigation of the facts. The advice and information provided by me was an integral element of such investigation.

Name

Date

Title

Firm/Address

EXHIBIT

This instrument was prepared by
record and return to:

THERESA HALL
Affiliated Title of Central Florida, Ltd.
2701 SE Maricamp Road, #101

Rec. \$
Doc. \$

SPECIAL WARRANTY DEED/BILL OF SALE
(Improvements Only)

This Special Warranty Deed/Bill of Sale is made the ___ day of April 2022, between Habitat for Humanity Marion County Community Land Trust, Inc., a non-profit corporation, whose post office address is P.O. Box 5578, Ocala, Florida 34478, as Grantor, and Sarah B. Yeager, a single person, as Grantees whose post office address is, 19 Juniper Trak, Ocala, Florida 34480, as Grantee:

WITNESSETH:

First party, for and in consideration of the sum of TEN AND NO/100 DOLLARS (\$10.00) and other valuable considerations, receipt whereof is hereby acknowledged, does hereby grant, convey, and transfer to Grantee the buildings and improvements only, presently erected on, or located on, the real property described in the attached Exhibit "A" Structure Location description.

It is the intention of the parties that the real property referenced above and described on the attached Exhibit "A" underlying the buildings and improvements conveyed herein shall remain the property of the Grantor and that this Special Warranty Deed/Bill of Sale conveys only such buildings and improvements as are presently erected upon said real property, and no interest in the real property itself.

This conveyance is made expressly subject to that certain Ground Lease between Habitat for Humanity Marion County Community Land Trust, Inc., as Lessor/Landlord and the Grantee as Lessee/Tenant, dated April ___, 2022 as evidenced by that certain lease recorded prior to this Special Warranty Deed/Bill of Sale.

IN WITNESS WHEREOF, first party has signed and sealed the day and year first written above.

Signed, sealed and delivered
in our presence as witnesses:

Habitat for Humanity Marion County
Community Land Trust, Inc.

Print Name: _____

By: _____
Printed Name: David L. Layman
As: President & CEO

Print Name: _____

STATE OF FLORIDA
COUNTY OF MARION

The foregoing instrument was acknowledged by me by means of X physical presence or _____
online notarization this _____th day of April 2022, by David L. Layman, President & CEO of
Habitat for Humanity Marion County Community Land Trust, Inc., a Florida nonprofit
corporation, on behalf of said corporation.

(NOTARY SEAL)

Signature of Notary

Name of Notary Printed

Personally Known _____ OR Produced Identification _____ Type of ID _____

EXHIBIT A

(To Special Warranty Deed/Bill of Sale):

All improvements now or hereafter located on the property in that certain land situated in the County of Marion, State of Florida and more particularly described as follows:

Lot 2, Block 638 of SILVER SPRINGS SHORES Unit No. 25, according to the plat thereof as recorded in Plat Book J, Pages 202-208, of the Public Records of Marion County, Florida

9025-0638-02

PERMITTED MORTGAGES

The rights and provisions set forth in this Exhibit shall be understood to be provisions of Section 8.2 of the of the Lease. All terminology used in this Exhibit shall have the meaning assigned to it in the Lease.

A. OBLIGATIONS OF PERMITTED MORTGAGEE. Any Permitted Mortgagee shall be bound by each of the following requirements unless the particular requirement is removed, contradicted or modified by a rider to this Lease signed by the Homeowner and the HABITAT FOR HUMANITY MARION COUNTY COMMUNITY LAND TRUST, INC., (HFHMCCLT) to modify the terms of the Lease during the term of the Permitted Mortgage.

1. If Permitted Mortgagee sends a notice of default to the Homeowner because the Homeowner has failed to comply with the terms of the Permitted Mortgage, the Permitted Mortgagee shall, at the same time, send a copy of that notice to the HFHMCCLT. Upon receiving a copy of the notice of default and within that period of time in which the Homeowner has a right to cure such default (the "cure period"), the HFHMCCLT shall have the right to cure the default on the Homeowner's behalf, provided that all current payments due the Permitted Mortgagee since the notice of default was given are made to the Permitted Mortgagee.
2. If, after the cure period has expired, the Permitted Mortgagee intends to accelerate the note secured by the Permitted Mortgage or begin foreclosure proceedings under the Permitted Mortgage, the Permitted Mortgagee shall first notify HFHMCCLT of its intention to do so, and HFHMCCLT shall then have the right, upon notifying the Permitted Mortgagee within thirty (30) days of receipt of such notice, to acquire the Permitted Mortgage by paying off the debt secured by the Permitted Mortgage.
3. If the Permitted Mortgagee acquires title to the Home through foreclosure or acceptance of a deed in lieu of foreclosure, the Permitted Mortgagee shall give HFHMCCLT written notice of such acquisition and HFHMCCLT shall then have an option to purchase the Home from the Permitted Mortgagee for the full amount owing to the Permitted Mortgagee under the Permitted Mortgage. To exercise this option to purchase, HFHMCCLT must give written notice to the Permitted Mortgagee of HFHMCCLT's intent to purchase the Home within thirty (30) days following HFHMCCLT's receipt of the Permitted Mortgagee's notice. HFHMCCLT must then complete the purchase of the Home within sixty (60) days of having given written notice of its intent to purchase. If HFHMCCLT does not complete the purchase within this 60-day period, the Permitted Mortgagee shall be free to sell the Home to another person.
4. Nothing in the Permitted Mortgage or related documents shall be construed as giving Permitted Mortgagee a claim on HFHMCCLT's interest in the Leased Land, or as assigning any form of liability to the HFHMCCLT with regard to the Leased Land, the Home, or the Permitted Mortgage.
5. Nothing in the Permitted Mortgage or related documents shall be

construed as rendering HFHMCCLT or any subsequent Mortgagee of HFHMCCLT's interest in this Lease, or their respective heirs, executors, successors or assigns, personally liable for the payment of the debt secured by the Permitted Mortgage or any part thereof.

6. The Permitted Mortgagee shall not look to HFHMCCLT or HFHMCCLT's interest in the Leased Land, but will look solely to Homeowner, Homeowner's interest in the Leased Land, and the Home for the payment of the debt secured thereby or any part thereof. (It is the intention of the parties hereto that HFHMCCLT's consent to such the Permitted Mortgage shall be without any liability on the part of HFHMCCLT for any deficiency judgment.)

7. In the event any part of the Security is taken in condemnation or by right of eminent domain, the proceeds of the award shall be paid over to the Permitted Mortgagee in accordance with the provisions of ARTICLE 9 hereof.

8. HFHMCCLT shall not be obligated to execute an assignment of the Lease Fee or other rent payable by Homeowner under the terms of this Lease.

B. RIGHTS OF PERMITTED MORTGAGEE. The rights of a Permitted Mortgagee as referenced under Section 8.6 of the Lease to which this Exhibit is attached shall be as set forth below.

1. Any Permitted Mortgagee shall, without further consent by HFHMCCLT, have the right to (a) cure any default under this Lease, and perform any obligation required under this Lease, such cure or performance being effective as if it had been performed by Homeowner; (b) acquire and convey, assign, transfer and exercise any right, remedy or privilege granted to Homeowner by this Lease or otherwise by law, subject to the provisions, if any, in the Permitted Mortgage, which may limit any exercise of any such right, remedy or privilege; and (c) rely upon and enforce any provisions of the Lease to the extent that such provisions are for the benefit of a Permitted Mortgagee.

2. A Permitted Mortgagee shall not be required, as a condition to the exercise of its rights under the Lease, to assume personal liability for the payment and performance of the obligations of the Homeowner under the Lease. Any such payment or performance or other act by Permitted Mortgagee under the Lease shall not be construed as an agreement by Permitted Mortgagee to assume such personal liability except to the extent Permitted Mortgagee actually takes possession of the Home and Leased Land. In the event Permitted Mortgagee does take possession of the Home and Leased Land and thereupon transfers such property, any such transferee shall be required to enter into a written agreement assuming such personal liability and upon any such assumption the Permitted Mortgagee shall automatically be released from personal liability under the Lease.

3. In the event that title to the estates of both HFHMCCLT and Homeowner are acquired at any time by the same person or persons, no merger of these estates shall occur without the prior written declaration of merger by Permitted

Mortgagee, so long as Permitted Mortgagee owns any interest in the Security or in a Permitted Mortgage.

4. If the Lease is terminated for any reason, or in the event of the rejection or disaffirmance of the Lease pursuant to bankruptcy law or other law affecting creditors' rights, HFHMCCLT shall enter into a new lease for the Leased Land with the Permitted Mortgagee (or with any party designated by the Permitted Mortgagee, subject to HFHMCCLT's approval, which approval shall not be unreasonably withheld), not more than thirty (30) days after the request of the Permitted Mortgagee. Such lease shall be for the remainder of the term of the Lease, effective as of the date of such termination, rejection or disaffirmance, and upon all the terms and provisions contained in the Lease. However, the Permitted Mortgagee shall make a written request to HFHMCCLT for such new lease within sixty (60) days after the effective date of such termination, rejection or disaffirmance, as the case may be. Such written request shall be accompanied by a copy of such new lease, duly executed and acknowledged by the Permitted Mortgagee or the party designated by the Permitted Mortgagee to be the Homeowner thereunder. Any new lease made pursuant to this Section shall have the same priority with respect to other interests in the Land as the Lease. The provisions of this Section shall survive the termination, rejection or disaffirmance of the Lease and shall continue in full effect thereafter to the same extent as if this Section were independent and an independent contract made by HFHMCCLT, Homeowner and the Permitted Mortgagee.

5. The HFHMCCLT shall have no right to terminate the Lease during such time as the Permitted Mortgagee has commenced foreclosure in accordance with the provisions of the Lease and is diligently pursuing the same.

6. In the event that HFHMCCLT sends a notice of default under the Lease to Homeowner, HFHMCCLT shall also send a notice of Homeowner's default to the Permitted Mortgagee. Such notice shall be given in the manner set forth in Section 14.2 of the Lease to the Permitted Mortgagee at the address which has been given by the Permitted Mortgagee to HFHMCCLT by a written notice to HFHMCCLT sent in the manner set forth in said Section 14.2 of the Lease.

7. In the event of foreclosure sale by a Permitted Mortgagee or the delivery of a deed to a Permitted Mortgagee in lieu of foreclosure in accordance with the provisions of the Lease, at the election of the Permitted Mortgagee the provisions of Article 10, Sections 10.1 through 10.11 shall be deleted and thereupon shall be of no further force or effect as to only so much of the Security so foreclosed upon or transferred.

8. Before becoming effective, any amendments to this Lease must be approved in writing by Permitted Mortgagee, which approval shall not be unreasonably withheld. If Permitted Mortgagee has neither approved nor rejected a proposed amendment within 60 days of its submission to Permitted Mortgagee, then the proposed amendment shall be deemed to be approved.

C. STANDARD PERMITTED MORTGAGE AGREEMENT. A Standard Permitted Mortgage Agreement, as identified in Section 8.4 of this Lease, shall be written as follows, and shall be signed by Mortgagee and

Homeowner.

This Agreement is made by and among:

Habitat for Humanity of Marion County, Inc (Mortgagee) and Sarah B. Yeager ("Homeowner"),

Whereas:

- a) Habitat for Humanity Marion County Community Land Trust, Inc., (HFHMCCLT) and Homeowner have entered, or are entering, into a ground lease ("the Lease"), conveying to Homeowner a leasehold interest in the Land located at 19 Juniper Trak, Ocala, Florida 34480 ("the Leased Land"); and Homeowner has purchased, or is purchasing, the Home located on the Leased Land ("the Home").
- b) The Mortgagee has been asked to provide certain financing to the Homeowner, and is being granted concurrently herewith a mortgage and security interest (the "Mortgage") in the Leased Land and Home, all as more particularly set forth in the Mortgage, attached hereto in the attached Exhibit A Leasehold Interest.
- c) The Ground Lease states that the Homeowner may mortgage the Leased Land only with the written consent of HFHMCCLT. The Ground Lease further provides that HFHMCCLT is required to give such consent only if the Mortgagee signs this Standard Permitted Mortgage Agreement and thereby agrees to certain conditions that are stipulated herein ("the Stipulated Conditions").

Now, therefore, the Homeowner/Mortgagor and the Mortgagee hereby agree that the terms and conditions of the Mortgage shall include the Stipulated Conditions stated below.

Stipulated Conditions:

1) If Mortgagee sends a notice of default to the Homeowner because the Homeowner has failed to comply with the terms of the Mortgage, the Mortgagee shall, at the same time, send a copy of that notice to the HFHMCCLT. Upon receiving a copy of the notice of default and within that period of time in which the Homeowner has a right to cure such default (the "cure period"), the HFHMCCLT shall have the right to cure the default on the Homeowner's behalf, provided that all current payments due the Permitted Mortgagee since the notice of default was given are made to the Mortgagee.

2) If, after such cure period, the Mortgagee intends to accelerate the note secured by the Mortgage or initiate foreclosure proceedings under the Mortgage, in accordance with the provisions of the Lease, the Mortgagee shall first notify HFHMCCLT of its intention to do so and HFHMCCLT shall have the right, but not the obligation, upon notifying the Mortgagee within thirty (30) days of receipt of said notice, to purchase the Mortgagee loans and to take assignment of the Mortgage.

3) If the Mortgagee acquires title to the Home and Homeowner's interest in the Leased Land through foreclosure or acceptance of a deed in lieu of foreclosure, the Mortgagee shall give the HFHMCCLT written notice of such acquisition and the HFHMCCLT shall have an option to purchase the Home and Homeowner's interest in the Leased Land from the Mortgagee for the full amount owing to the Mortgagee; provided, however, that the HFHMCCLT notifies the Mortgagee in writing of the HFHMCCLT's intent to make such purchase within thirty (30) days following the HFHMCCLT's receipt of the Mortgagee's notice of such acquisition of the Home and Homeowner's interest in the Leased Land; further provided that HFHMCCLT shall complete such purchase within sixty (60) days of having given written notice of its intent to purchase; and provided that, if the HFHMCCLT does not complete the purchase within such period, the Mortgagee shall be free to sell the Home and Homeowner's interest in the Leased Land to another person;

4) Nothing in the Mortgage or related documents shall be construed as giving the Mortgagee a claim on HFHMCCLT's interest in the Leased Land, or as assigning any form of liability to the HFHMCCLT with regard to the Leased Land, the Home, or the Mortgage.

5) Nothing in the Mortgage shall be construed as rendering HFHMCCLT or any subsequent holder of the HFHMCCLT's interest in and to the Lease, or their respective heirs, executors, successors or assigns, personally liable for the payment of the debt evidenced by such note and such Mortgage or any part thereof.

6) The Mortgagee shall not look to HFHMCCLT or HFHMCCLT's interest in the Leased Land but will look solely to Homeowner and Homeowner's interest in the Leased Land and the Home for the payment of the debt secured by the Mortgage. (It is the intention of the parties hereto that HFHMCCLT's consent to the Mortgage shall be without any liability on the part of HFHMCCLT for any deficiency judgment.)

7) In the event that any part of the Leased Land is taken in condemnation or by right of eminent domain, the proceeds of the award shall be paid over to the Mortgagee in accordance with the provisions of Article 9 of the Lease.

8) Nothing in the Mortgage shall obligate HFHMCCLT to execute an assignment of the Lease Fee or other rent payable by Homeowner under the terms of this Lease.

By:

----- for Mortgagee Date: _____

----- for Homeowner/Mortgagor Date: _____

----- for Homeowner/Mortgagor Date: _____

FIRST REFUSAL

Whenever any party under the Lease shall have a right of first refusal as to certain property, the following procedures shall apply. If the owner of the property offering it for sale ("Offering Party") shall within the term of the Lease receive a bona fide third party offer to purchase the property which such Offering Party is willing to accept, the holder of the right of first refusal (the "Holder") shall have the following rights:

- a) Offering Party shall give written notice of such offer ("the Notice of Offer") to Holder setting forth (a) the name and address of the prospective purchaser of the property, (b) the purchase price offered by the prospective purchaser and (c) all other terms and conditions of the sale. Holder shall have a period of forty-five (45) days after the receipt of the Notice of Offer ("the Election Period") within which to exercise the right of first refusal by giving notice of intent to purchase the property ("the Notice of Intent to Purchase") for the same price and on the same terms and conditions set forth in the Notice of Offer. Such Notice of Intent to Purchase shall be given in writing to the Offering Party within the Election Period.
- b) If Holder exercises the right to purchase the property, such purchase shall be completed within sixty (60) days after the Notice of Intent to Purchase is given by Holder (or if the Notice of Offer shall specify a later date for closing, such date) by performance of the terms and conditions of the Notice of Offer, including payment of the purchase price provided therein.
- c) Should Holder fail to exercise the right of first refusal within the Election Period, then the Offering Party shall have the right (subject to any other applicable restrictions in the Lease) to go forward with the sale which the Offering Party desires to accept, and to sell the property within one (1) year following the expiration of the Election Period on terms and conditions which are not materially more favorable to the purchaser than those set forth in the Notice. If the sale is not consummated within such one-year period, the Offering Party's right so to sell shall end, and all of the foregoing provisions of this section shall be applied again to any future offer, all as aforesaid. If a sale is consummated within such one-year period, the purchaser shall purchase subject to the Holder having a renewed right of first refusal in said property.

Other Exhibits to be Attached as Appropriate

Exhibit A - LAND [Correct legal description of area of Leased Land and appurtenant title rights and obligations.]

Exhibit ZONING [Setting forth applicable zoning restrictions as of the commencement of the Lease]

Exhibit RESTRICTIONS [To be attached when necessary to stipulate use restrictions not included under Zoning]

Exhibit INITIAL APPRAISAL [Received in required disclosures]

RIDER TO CLT MODEL GROUND LEASE-HOME PROGRAM

TIDS RIDER TO CLT MODEL GROUND LEASE - HOME PROGRAM ("this Rider") entered into this _th day of April 2022 is attached to and made a part of that certain CLT Model Ground Lease dated April_, 2022 ("Lease"), between HABITAT FOR HUMANITY MARION COUNTY COMMUNITY LAND TRUST, INC., ("CLT") and SARAH B. YEAGER ("Homeowner"), for certain land ("Leased Land") which is improved with a home owned by Homeowner having the address 21 Juniper Trak, Ocala, Florida 34480 ("Home") as further described in the Lease.

RECITALS

A. To make the Home more affordable to the Homeowner, the CLT's development of the Leased Land and Home were financed in whole or in part with \$35,000.00 (the "HOME Funds") provided by Marion County, Florida (the "Participating Jurisdiction").

B. The HOME Funds were made available under the HOME Investment Partnerships Program, established pursuant to Title II of the Cranston-Gonzalez National Affordable Housing Act of 1990, 42 U.S.C. Section 12701 *et seq.*, and are subject to the rules and regulations promulgated thereunder, all as amended from time to time ("HOME Program" or "HOME").

C. Most requirements of the HOME Program are already included in the Lease, but a few HOME requirements are not. There are also a few ways in which the requirements of the HOME Program differ from the Lease. The purpose of this Rider is to point out those additional HOME requirements and to modify those Lease provisions that differ from the HOME Program to make them consistent with HOME.

NOW THEREFORE, Homeowner and CLT agree that the following provisions are hereby incorporated into the Lease:

1. Term of Rider:

HOME Affo r dability Period 24 CFR 92.254(a)(4). The amount of HOME Funds is between \$15,000 and \$40,000; as a result, the affordability provisions of this Rider shall apply for fifteen (10) years after the project completion, which the parties agree is the date of this Rider ("HOME Affordability Period"). When the HOME Affordability Period expires, as long as the Homebuyer has fully complied with the terms of this Rider, this Rider shall terminate and be of no further force or effect. That said, all provisions of the Lease, including all affordability and transfer restrictions, shall continue in full force and effect

2. Amendments to Lease: This Rider amends the terms of the Lease as follows:

- a. Article 4.4 "HOMEOWNER MUST OCCUPY THE HOME FOR AT LEAST _____ MONTHS EACH YEAR:" is hereby deleted and the following is inserted in lieu thereof:

“Article 4.4. HOMEOWNER MUST OCCUPY THE HOME AS PRINCIPAL RESIDENCE: The Home must be the principal residence of the Homeowner. Occupancy by Homeowner’s child, spouse [or domestic partner, in states with such legislation] or other persons approved by CLT shall be considered occupancy by Homeowner.”

- b. **Article 4.5 “LEASED LAND MAY NOT BE SUBLEASED WITHOUT CLT’S PERMISSION” is hereby deleted and replaced with the following:**

“Subleasing Not Permitted. As long as this Rider is in effect, the Homeowner may not sublease the Leased Land.”

- c. **Article 5.1 “AMOUNT OF LEASE FEE” is hereby deleted and replaced with the following:**

“5.1 AMOUNT OF LEASE FEE: The Homeowner shall pay a monthly Lease Fee in an amount equal to the sum of (a) a Land Use Fee of \$35.00 to be paid in return for the continuing right to possess, occupy, and use the Lease Land. The Homeowner may choose to also pay a Repair Reserve Fee of \$ N/A to be held by CLT and used for the purpose of preserving the physical quality of the Home for the long term in accordance with Section 7.6 below. As long as this Rider is in effect, the Homeowner will not be required to pay a Repair Reserve Fee. If the Homeowner wishes to participate in the Repair Reserve Fund addressed in Section 7.6 of the Lease, the Homeowner may elect to pay the Repair Reserve Fee. If the Homeowner does not pay the Repair Reserve Fee, the Homeowner will have no right to obtain funds from the Repair Reserve Fund.”

- d. **Article 7.3 “CONSTRUCTION CARRIED OUT BY HOMEOWNER MUST COMPLY WITH CERTAIN REQUIREMENTS” is hereby amended to add the following to the end of such provision:**

“Capital Improvements Definition and Approval Required. (24 CFR Sec. 92.254(a)(5)(i)). As long as this Rider is in effect, “Capital Improvements” shall mean any improvements that change the number of bedrooms or the footprint, square-footage, or height of the Home, or increase or decrease the number of structures on the Leased Land, or the installation of an in-ground pool on the Leased Land, or any other improvement with a cost that would exceed 5% of the Base Price, all of which must be approved by CLT in advance under Article 7.3 of the Lease.

These sentences are added to the end of Article 7.3 of the Lease: Homeowner must also obtain the prior written consent of CLT before commencing work on any Capital Improvements. CLT may give or withhold consent for Capital Improvements in its sole and absolute discretion, and in any event will not give consent until Homeowner and CLT have agreed in writing on the value or the method to establish the value to be ascribed to such Capital Improvements at the time of a future sale of the Home (in the event such sale takes place during the HOME Affordability Period) (the “Value Added by Capital Improvements”).”

- e. Article 10.2 "HOMEOWNER MAY TRANSFER THE HOME ONLY TO CLT OR QUALIFIED PERSONS" is hereby amended to replace the definition of "Income Qualified Person" and insert the following:

"Income-Qualified Person Definition (24 CFR Sec. 92.254(a)(3)). As long as this Rider is in effect, the term "Income-Qualified Person" shall mean: a homebuyer whose family's annual income, at the time of contract signing, does not exceed 80 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families, and who has received housing counseling from a HUD-certified housing counselor. Also, an individual who is a student who is not eligible to receive Section 8 assistance under 24 CFR 5.612 cannot be an "Income-Qualified Person."

- f. Article 10.3 "THE HOME MAY BE TRANSFERRED TO CERTAIN HEIRS OF HOMEOWNER" is hereby amended to add the following:

Inheritance of the Home by Heirs of Homeowner is Limited. As long as this Rider is in effect, the Home may only be transferred to heirs of the Homeowner if they meet the requirements of an Income-Qualified Person in Section 2e of this Rider, in addition to meeting the requirements of Section 10.3 of the Lease. Any heir who does not meet those requirements shall not be entitled to possession of the Home but must transfer the Home in accordance with the provisions of Article 10 in the Lease.

- g. "HOW THE FORMULA PRICE IS CALCULATED" is hereby amended to add the following:

How the Formula Price is Calculated (24 CFR 92.254(a)(5)(i)). At the time of any sale during the HOME Affordability Period the Homeowner must receive a "Fair Return on Investment" (including the Homeowner's investment and any approved Capital Improvements) and ensure that the Home will remain affordable to a reasonable range of Income-Qualified Persons. As long as this Rider is in effect, the following provisions will be incorporated into the Lease:

When calculating the Purchase Option Price and Formula Price under Article 10, the Value Added by Capital Improvements shall be added to each except when using an appraisal-based formula, as the Value Added by Capital Improvements will be captured by the appraisal.

- h. "PURCHASER MAY BE CHARGED A TRANSFER FEE" is hereby deleted and the following is inserted in lieu thereof:

"Transfer Fee is Not Permitted. As long as this Rider is in effect, neither the Homeowner nor Purchaser will be charged a transfer fee or lease reissuance fee."

3. **Stricter Provisions to Govern.** In the event of any inconsistency between the terms of this Rider and the terms of the Lease, the more restrictive terms shall govern and control.

[Signature Pages to Follow]

SIGNATURE PAGE – HOME RIDER

IN WITNESS WHEREOF, the parties have caused this Rider to Model CLT Lease – HOME Loan to be executed on the dates indicated below for the purpose of providing notice of the Lease and to provide an instrument for recording.

CLT:

Habitat for Humanity Marion County Community Land Trust, Inc.

By:
Name: David L. Layman
Title: President & CEO

STATE OF FLORIDA
COUNTY OF MARION

The foregoing instrument was acknowledged by me by means of X physical presence or ___ online notarization this ___th day of April 2022, by David L. Layman, President & CEO of Habitat for Humanity Marion County Community Land Trust, Inc., a Florida nonprofit corporation, on behalf of said corporation.

Signature of Notary

(NOTARY SEAL)

Printed Name of Notary

Personally Known X OR Produced Identification ___ Type of ID _ _____

SIGNATURE PAGE – HOME RIDER

HOMEOWNER:

Sarah B. Yeager

**STATE OF FLORIDA
COUNTY OF MARION**

The foregoing instrument was acknowledged before me by means of X physical presence or _____
online notarization this _____th day of April 2022 by Sarah B. Yeager

Signature of Notary

NOTARY SEAL

Printed Name of Notary

Personally Known _____ OR Produced Identification _____ Type of Identification Produced

Community Land Trust Ground Lease Rider

[For use with CLT ground leases substantially based on either the Institute for Community Economics or the National Community Land Trust Network model ground lease as identified in Fannie Mae's *Selling Guide*]

THIS COMMUNITY LAND TRUST GROUND LEASE RIDER (the "Rider") is made this ____ day of _____, and amends and supplements a certain ground lease (referred to herein as "the CLT Ground Lease") dated _____ that is by and between _____ as lessor (herein referred to as "the "Lessor" but may otherwise be referred to in the CLT Ground Lease as the "CLT") and _____, as lessee (herein referred to as "the "Lessee" but may otherwise be referred to in the CLT Ground Lease as "Homeowner"). This Rider shall be deemed incorporated into the CLT Ground Lease, and the CLT Ground Lease as amended by this Rider, shall hereafter be referred to as the "Lease," unless otherwise indicated.

The CLT Ground Lease is a long-term lease of the Lessor's fee interest in the land located at _____, referred to herein as the "Leased Land," as improved by a residential structure or unit, referred to herein as the "Improvements." The Leased Land and the Improvements are collectively referred to herein as the "Leased Premises."

This Rider amends the CLT Ground Lease for the purpose of enabling the Lessee to obtain Fannie Mae financing in the form of a mortgage or deed of trust given this ____ day of _____ by Lessee to _____ (the "Specified Mortgage"), and the interest of the Specified Mortgagee in the Leased Premises as secured by such mortgage or deed of trust may be referred to herein as the "Leasehold Estate." The Specified Mortgage is recognized by Lessor as a "Permitted Mortgage" (or as such concept is otherwise defined) under the CLT Ground Lease, and the holder of the Specified Mortgage (the "Specified Mortgagee") is recognized as a "Permitted Mortgagee" (or as such concept is otherwise defined) under the CLT Ground Lease.

ADDITIONAL COVENANTS. Notwithstanding anything to the contrary contained in the CLT Ground Lease, and in addition to the covenants and agreements made in the CLT Ground Lease, the Lessor and the Lessee further covenant and agree, so long (but only so long) as the Specified Mortgagee, its successors and assigns shall have an interest in the Leased Premises, as a holder of the Specified Mortgage or as an owner of the Lessee's interest pursuant to any sale after or in lieu of foreclosure, the following provisions shall apply to the CLT Ground Lease as modifications thereof:

A. **No. Assignment or Transfer.** The making of the Specified Mortgage shall not be deemed to constitute an assignment or transfer of the Lease or Leasehold Estate so as to require the Specified Mortgagee to assume the performance of any of the Lessee's obligations under the Lease.

B. **Status of the Fee Estate.** The Lessor represents and warrants that there is no existing mortgage on the fee estate, and so long as the Specified Mortgage shall remain on the Leased Premises, the Lessor and the Lessee shall not subordinate the Lease to any mortgage or lien that may hereafter be placed on the fee estate. Notwithstanding the foregoing, a state- or local-government entity ("Government Entity") may hold a prior recorded interest (represented by recorded covenants, a mortgage or deed of trust, other lien) on the fee estate if the Government Entity has agreed that in the event it (including its successors and assigns) succeeds to the interest of the Lessor under the Lease by any remedy available to the Government Entity by law or pursuant to its lien, the Government Entity shall recognize all the terms of the Lease and this Rider as though the Government Entity were acting as the Lessor. Such recognition

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must include, but is not limited to, the provisions of this Rider whereby all provisions of the Lease regarding (a) occupancy of the Leased Premises as a primary residence by the Lessee, (b) limitation on assignment of, or sublease under, the Lease, (c) the price at which the Leasehold Estate may be transferred, and (d) the income of successive transferees, assignees or successors, shall, in the event of foreclosure or assignment in lieu of foreclosure of the Specified Mortgage, be of no further force or effect with respect to such Specified Mortgagee or its successive transferees, assignees or successors. Further, in such event of the Government Entity succeeding to the interests of the Lessor, the Lessee hereby agrees to recognize the Government Entity as exercising all rights and privileges of the Government Entity as lessor under the Lease and this Rider.

Such agreement by the Government Entity may be evidenced by the agreement between the Government Entity and the Lessor under which the Government Entity's prior recorded interest is derived, or by use of a recognition agreement derived from a sample the Specified Mortgagee may obtain from Fannie Mae. Irrespective of any interest by a Government Entity, the Specified Mortgage shall constitute a first leasehold lien on the Leased Premises, and shall have priority over the Lessor's reversionary interest. If the Lessor conveys title to the Leased Land while the Specified Mortgage remains on the Leased Premises, the Lease shall remain in effect with the same priority thereto.

C. Termination, Forfeiture and Modification of Lease. There shall be no termination, forfeiture, or modification of the Lease, except as provided in this Rider, without the prior written consent of the Specified Mortgagee. The Lessor and Lessee shall amend the Lease from time to time as reasonably requested by the Specified Mortgagee, as long as the requested changes do not change the periodic fee, charge or payment due the Lessor for the rights accorded the Lessee under the Lease (the "Ground Lease Fee"), and do not materially or adversely affect the rights of Lessor or Lessee or their respective interests in the Leased Premises. An adjustment of the Ground Lease Fee may be made by the Lessor as provided in the Lease, without prior approval of the Specified Mortgagee, so long as written notice has been delivered to the Specified Mortgagee at least 60 days prior to the effective date of such adjustment with respect to adjustments other than those (i) that were scheduled at the time the Specified Mortgage was given, and (ii) reflecting routine, periodic updates to variable expenses such as property taxes and liability insurance premiums; provided, however, that the Specified Mortgagee shall have the right to arbitrate (as provided herein) any dispute as to an adjustment of the Ground Lease Fee.

D. New Lease. In the event the Lessee's interest in the Lease has been terminated, forfeited, or surrendered as provided in the Lease, and the Specified Mortgage remains outstanding, a new Lease shall automatically be created between the Lessor and the Specified Mortgagee, which Lease shall be for the remainder of the term of the Lease, with the same priority thereto, and shall be subject to the same terms of the Lease as would be applicable pursuant to Section E.1. below where the Specified Mortgagee had accelerated its note, foreclosed on the Specified Mortgage, taken an assignment in lieu of foreclosure, or exercised its other remedies for default.

E. Mortgage Default or Foreclosure. Subject to the following, upon the occurrence of an event of default under the Specified Mortgage (as determined by the Specified Mortgagee—an "Event of Default"), and without the consent of the Lessor, the Specified Mortgagee shall be permitted to accelerate its note, foreclose on the Specified Mortgage, take an assignment in lieu of foreclosure, or exercise its other remedies for default.

Further:

1. Upon the occurrence of an Event of Default under the Specified Mortgage, the Lessee shall immediately notify the Lessor of such Event of Default and shall submit to Lessor copies of all notices the Lessee received from the Specified Mortgagee relating thereto. The Specified Mortgagee

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and the Lessor shall endeavor to communicate and cooperate in efforts to deal with the circumstances of the Event of Default and the actions the parties may take relating thereto; provided, however, the Specified Mortgagee shall have no obligation to give formal legal notice of the Event of Default to the Lessor.

2. The Lessee and the Specified Mortgagee agree that the Lessor shall have the right, but not the obligation, to cure an Event of Default in the Lessee's name and on the Lessee's behalf. If such cure is not effective and continuing, nothing herein shall be construed to prevent or delay the Specified Mortgagee from its pursuit of foreclosure and any other available remedies. The Lessee shall be responsible to the Lessor for all payments made, and expenses incurred, by the Lessor in curing such default.
3. Should the Lessor not choose to cure an Event of Default as specified above, the Lessor shall nevertheless have the option to purchase from the Specified Mortgagee its interest in the Leasehold Estate on the Leased Premises for the full amount owing to the Specified Mortgagee under the Specified Mortgage as of the date of closing of the purchase, upon written notice given by the Specified Mortgagee (the "Mortgagee Option Notice") not later than 60 days following acquisition of title to the Leasehold Estate by the Specified Mortgagee by foreclosure or by an assignment in lieu of foreclosure; provided, however, the Specified Mortgagee may give such written notice following the occurrence of an Event of Default under the Specified Mortgage and prior to the completion of foreclosure proceedings. If the Lessor elects to exercise such option to purchase, the Lessor shall give written notice to the Specified Mortgagee of the Lessor's intent to purchase the Leasehold Estate (the "Lessor Option Notice") within 45 days following the Specified Mortgagee's giving of the Mortgagee Option Notice; provided, however, at the option of the Lessor, in the event the Mortgagee Option Notice is given prior to the completion of foreclosure proceedings by the Specified Mortgagee, the Lessor shall, within such 45-day period, be able to give a written notice to the Specified Mortgagee that it will delay giving the Lessor Option Notice until a date that is not later than 30 days following written notice from the Specified Mortgagee of its acquisition of title to its interest in the Leasehold Estate on the Leased Premises.

The Lessor shall complete the purchase of the Specified Mortgagee's interest in the Leasehold Estate within 60 days of giving the Lessor Option Notice. If the Lessor does not complete the purchase within the allotted 60 days, the Specified Mortgagee shall be free to sell its interest to another person or entity. Further, if the Lessor does not complete the purchase within the allotted 60 days, the Lessor agrees to pay to the Specified Mortgagee its costs of holding its interest in the Leasehold Estate from the date of the Lessor Option Notice until the expiration of such 60-day period. If the Lessor does not purchase the Specified Mortgagee's interest in the Leasehold Estate as described herein, the Leasehold Estate may be transferred, mortgaged and sublet an unlimited number of times, and the Lessor shall not require a credit review or impose other qualifying criteria on any such transferee, mortgagee or sublessee.

4. In the event of foreclosure or assignment in lieu of foreclosure, which results in the conveyance of the Leasehold Estate on the Leased Premises from the Lessee, any adjustment of the Ground Lease Fee to reflect then current fair market rental value as provided in the Lease, shall be subject to the approval of the Specified Mortgagee. The Specified Mortgagee and the Lessor shall attempt to resolve any dispute concerning such adjustment of the Ground Lease Fee, through the normal interaction of the parties, or through formal mediation as the case may warrant. If the dispute remains unresolved, the Specified Mortgagee and the Lessor shall submit the dispute as to the fair market rental value to binding arbitration.
5. In the event the Specified Mortgagee acquires title to the Leasehold Estate on the Leased Premises through foreclosure or assignment in lieu of foreclosure of the Specified Mortgage, all provisions of the Lease regarding (a) occupancy of the Leased Premises as a primary residence by the Lessee, (b)

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any limitation on the assignment of, or sublease under, the Lease, (c) any obligation to target certain populations in marketing the Leasehold Estate to potential transferees, (d) the price at which the Leasehold Estate on the Leased Premises may be transferred, and (e) the income of successive transferees, and their successors and assigns, shall be of no further force or effect with respect to such Specified Mortgagee or its successive transferees, assignees or successors. The foregoing sentence shall not be construed to invalidate other Lease provisions regarding permitted use of the Leased Premises. Any transfer or assignment of the Leasehold Estate encumbered by the Specified Mortgage as provided for in this paragraph shall be deemed a permitted sale, transfer or assignment of the Lease and the Leasehold Estate. Further, in such event, the Leasehold Estate may be transferred, mortgaged and sublet an unlimited number of times, and the Lessor shall not require a credit review or impose other qualifying criteria on any such transferee, mortgagee or sublessee.

F. Lease Default. There shall be no forfeiture or termination of the Lease except for (i) the nonpayment of amounts due under the Lease, and (ii) violation of one or more provisions of the Lease addressing the following: (a) prohibition or restrictions on the sale or transfer of the Lessee's interest (however, non-sale transfers resulting from marriage, divorce, death of a spouse, or a transfer otherwise permitted by applicable federal law, may not constitute a basis for default under the Lease, though the Lessor may require such transferee to agree to assume the transferor's obligations under the Lease), and (b) requirement that the Lessee occupy the Leased Premises as primary residence. Provided, however, such forfeiture or termination shall be subject to the Specified Mortgagee's right to cure a monetary default, or otherwise foreclose or take an assignment of the Leasehold Estate in lieu of foreclosure with respect to the Lessee's monetary or non-monetary default. Notwithstanding the foregoing, nothing herein shall be construed to require the Specified Mortgagee to cure any non-monetary default. Further, the Specified Mortgagee shall become subrogated to any and all rights of the Lessee with respect to such curing of a default. If the Lessee's default shall be cured as provided in the Lease, and the Specified Mortgagee shall discontinue its foreclosure or assignment in lieu of foreclosure proceedings, the Lease shall continue in full force and effect as if the Lessee had not defaulted. A default by the Lessee under the Lease shall constitute a default under the Specified Mortgage.

G. Lease Default Notice. Notwithstanding the notice requirements provided in the Lease, no default notice by the Lessor shall be deemed to have been given unless and until a copy thereof shall have been so given to the Specified Mortgagee.

H. Insurance. All insurance policies covering the Improvements shall by endorsement name the Specified Mortgagee as an additional insured and loss payee, and provide the Specified Mortgagee with 30 days' cancellation notice.

I. Casualty and Condemnation. If the Leased Premises are destroyed or taken to such an extent that the Lease is to be terminated the insurance proceeds or condemnation award, as the case may be, shall be applied first in an amount sufficient to satisfy the Specified Mortgage. Upon the termination of the Lease as a result of a partial destruction or a condemnation of less than the entire Leased Premises, the total insurance proceeds or condemnation award, as the case may be, shall be paid to an appointed trustee, who shall first apply such insurance proceeds or condemnation award in accordance with the Specified Mortgage for restoration of the Improvements (if such trustee determines that the Improvements may reasonably be restored to a residential use consistent with the Lease), with the balance of such insurance proceeds or condemnation award to be allocated between the Lessor and Lessee as otherwise provided in the Lease. The Specified Mortgagee shall be entitled to participate in (i) the adjustment of all casualty losses and (ii) all condemnation proceedings and settlement discussions. Any insurance proceeds or condemnation award shall be applied in accordance with the Specified Mortgage. The Specified

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Mortgagee shall also be entitled to participate in the adjustment of the Ground Lease Fee as a result of a partial destruction or taking.

J. Force Majeure. The Lessee shall not be in default where performance is delayed or prevented by "Acts of God," war, civil commotion, strikes, labor disputes or the like.

K. Easements and Alterations. Additions to and alternations in the Improvements may be made as provided in the Lease, as long as the value of the Leased Premises is not diminished. The Lessor, as owner of the fee interest in the Leased Land, shall join in all easements, permits and applications necessary for such development of the Leased Premises as is permitted under the Lease, provided that the Lessor shall have no liability or obligation under such easement, permit or application.

L. Arbitration. The Specified Mortgagee shall have the right to participate in any arbitration or legal proceedings between the Lessor and the Lessee. Any arbitration proceedings shall be conducted in accordance with arbitration statutes applicable in the state where the Leased Premises are located.

M. Merger. If the estates of the Lessor and Lessee are at any time owned by the same person, so long as the Specified Mortgagee has any interest in the security or in the Specified Mortgage, such person shall take all necessary steps to ensure that the Specified Mortgage constitutes a first lien on the combined estate.

N. Sublease. There shall be no modification, cancellation, or surrender of any subleases, or prepayment of rent thereunder without the consent of the Specified Mortgagee. If the Specified Mortgagee forecloses on the Leased Premises, or takes an assignment in lieu of foreclosure, all subtenants shall attorn to such Specified Mortgagee or its assignee.

O. Estoppel Certificate. The Lessor shall, from time to time, with 10 days written notice from the Specified Mortgagee, certify by written instrument, duly executed and acknowledged, to such Specified Mortgagee that the Lease has not been amended, the Lease is in full force and effect, that neither party is in default thereunder, and shall certify as to the existence of any offsets, counterclaims or defenses on the part of the Lessee.

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P. Conflict. In the event of a conflict between the terms and provisions of this Rider and the terms and provisions of the Lease, the terms and provisions of this Rider shall control.

BY SIGNING BELOW, the Lessor and the Lessee accept and agree to the terms and conditions of this Rider.

IN WITNESS WHEREOF, the parties have executed this Rider at _____, on the day and year first written above.

LESSOR:

By: _____

Title: _____

LESSEE:

(Add notaries)

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Instructions

Community Land Trust Ground Lease Rider

The Community Land Trust (CLT) Ground Lease Rider ensures the ground lease conforms to Fannie Mae's guidelines for mortgages secured by properties held under a community land trust ground lease.

Lenders should ensure their CLT partners approve the use of the revised version of Form 2100 (3/06 rev. 12/10). Loans are not eligible for purchase if delivered with prior versions of this form.

Copies
Original.

Printing Instructions

The PDF version of the form must be printed on letter size paper, using portrait format.

Instructions

The Community Land Trust Ground Lease Rider must be executed by both the lessor and lessee and must be recorded along with the ground lease.

**Community Land Trust
Ground Lease Rider**

THIS COMMUNITY LAND TRUST GROUND LEASE RIDER (the "Rider") is made this ___ day of April ____, 2022, and amends and supplements a certain ground lease (the "CLT Ground Lease") dated April ____, 2022, that is by and between Sarah B. Yeager, a single person, as lessor (herein referred to as the "Lessor" but may otherwise be referred to in the CLT Ground Lease as the "CLT") and Habitat for Humanity Marion County Community Land Trust, Inc, as lessee (herein referred to as the "Lessee" but may otherwise be referred to in the CLT Ground Lease as "Homeowner"). This Rider shall be deemed incorporated into the CLT Ground Lease, and the CLT Ground Lease as amended by this Rider, shall hereafter be referred to as the "Lease," unless otherwise indicated.

The CLT Ground Lease is a long-term lease of the Lessor's fee interest in the land located at 21 Juniper Track, Ocala, Florida 34472, referred to herein as the "Leased Land," as improved by a residential structure or unit referred to herein as the "Improvements." The Leased Land and the Improvements are collectively referred to herein as the "Leased Premises".

This Rider amends the CLT Ground Lease for the purpose of enabling the Lessee to obtain financing eligible for sale to Freddie Mac in the form of a mortgage or deed of trust (the "Specified Mortgage") given this ___ day of April 2022 by Lessee to AmeriFirst Financial Corporation (including its successors and assigns, and any indorsee of the promissory note secured by such Specified Mortgage, the "Specified Mortgagee"), and the interest of the holder of the of the Specified Mortgage in the Leased Premises as secured by such Specified Mortgage may be referred to herein as the "Leasehold Estate." The Specified Mortgage is recognized by Lessor as a "Permitted Mortgage" (or as such concept is otherwise defined) under the CLT Ground Lease, and the Specified Mortgage is recognized as a "Permitted Mortgagee" (or as such concept is otherwise defined) under the CLT Ground Lease.

ADDITIONAL COVENANTS. Notwithstanding anything to the contrary contained in the CLT Ground Lease, and in addition to the covenants and agreements made in the CLT Ground Lease, the Lessor and the Lessee further covenant and agree, so long (but only so long) as the Specified Mortgagee shall have an interest in the Leased Premises as a holder of the Specified Mortgage or as an owner of the Lessee's interest pursuant to any foreclosure sale or assignment in lieu of foreclosure, the following provisions shall apply to the CLT Ground Lease as modifications thereof:

- A. No Assignment or Transfer.** The making of the Specified Mortgage shall not be deemed to constitute an assignment or transfer of the Lease or Leasehold Estate so as to require the Specified Mortgagee to assume the performance of any of the Lessee's obligations under the Lease.
- B. Status of the Fee Estate.** The Lessor represents and warrants that there is no existing mortgage on the fee estate, and so long as the Specified Mortgage shall remain on the Leased Premises, the Lessor and the Lessee shall not subordinate the Lease to any mortgage or lien that may hereafter be placed on the fee estate. Notwithstanding the foregoing, a state- or local-government entity ("Government Entity") may hold a prior recorded interest (represented by recorded covenants, a mortgage or deed of trust, other lien) on the fee estate if the Government Entity has agreed that in the event it (including its successors and assigns) succeeds to the interest of the Lessor under the Lease by any remedy available to the Government Entity by law or pursuant to its lien, the Government Entity shall recognize all the terms of the Lease and this Rider as though the

Government Entity were acting as the Lessor. Such recognition must include, but is not limited to, the provisions of this Rider whereby all provisions of the Lease regarding (a) occupancy of the Leased Premises as a primary residence by the Lessee, (b) limitation on assignment of, or sublease under, the Lease, (c) the price at which the Leasehold Estate may be transferred, and (d) the income of successive transferees, assignees or successors, shall, in the event of foreclosure or recordation of assignment in lieu of foreclosure of the Specified Mortgage, be of no further force or effect with respect to such Specified Mortgagee. Further, in such event of the Government Entity succeeding to the interests of the Lessor, the Lessee hereby agrees to recognize the Government Entity as exercising all rights and privileges of the Government Entity as lessor under the Lease and this Rider.

Such agreement by the Government Entity may be evidenced by the agreement between the Government Entity and the Lessor under which the Government Entity's prior recorded interest is derived, or by use of a recognition agreement derived from a sample the Specified Mortgagee may obtain from Freddie Mac. Irrespective of any interest by a Government Entity, the Specified Mortgage shall constitute a first leasehold lien on the Leased Premises and shall have priority over the Lessor's reversionary interest. If the Lessor conveys title to the Leased Land while the Specified Mortgage remains on the Leased Premises, the Lease shall remain in effect with the same priority thereto.

- C. Termination, Forfeiture and Modification of Lease.** There shall be no termination, forfeiture, or modification of the Lease, except as provided in this Rider, without the prior written consent of the Specified Mortgagee. The Lessor and Lessee shall amend the Lease from time to time as reasonably requested by the Specified Mortgagee, as long as the requested changes do not change the periodic fee, charge or payment due the Lessor for the rights accorded the Lessee under the Lease (the "Ground Lease Fee"), and do not materially or adversely affect the rights of Lessor or Lessee or their respective interests in the Leased Premises. An adjustment of the Ground Lease Fee may be made by the Lessor as provided in the Lease, without prior approval of the Specified Mortgagee, so long as written notice has been delivered to the Specified Mortgagee at least 60 days prior to the effective date of such adjustment with respect to adjustments other than those (i) that were scheduled at the time the Specified Mortgage was given, and (ii) reflecting routine, periodic updates to variable expenses such as property taxes and liability insurance premiums; provided, however, that the Specified Mortgagee shall have the right to arbitrate (as provided herein) any dispute as to an adjustment of the Ground Lease Fee.
- D. New Lease.** In the event the Lessee's interest in the Lease has been terminated, forfeited, or surrendered as provided in the Lease, and the Specified Mortgage remains outstanding, a new Lease shall automatically be created between the Lessor and the Specified Mortgagee, which Lease shall be for the remainder of the term of the Lease, with the same priority thereto, and shall be subject to the same terms of the Lease as would be applicable pursuant to Section E.1. below where the Specified Mortgagee had accelerated its note, foreclosed on the Specified Mortgage, taken an assignment in lieu of foreclosure, or exercised its other remedies for default.
- E. Mortgage Default or Foreclosure.** Subject to the following, upon the occurrence of an event of default under the Specified Mortgage or a determination that the Lessee is in imminent default (as determined by the Specified Mortgagee or its mortgage servicer—an "Event of Default"), and without the consent of the Lessor, the Specified Mortgagee or its mortgage servicer may enter into any loss mitigation option, such as a repayment plan, forbearance plan, or loan modification agreement, accelerate its note, foreclose on the Specified Mortgage, take an assignment in lieu of foreclosure, or exercise its other remedies for default. In addition, in the event the Specified Mortgagee or its mortgage servicer enters into a loan modification agreement to extend the term of the Specified Mortgage, Lessor agrees to amend the Lease to extend its expiration date to at least five years beyond the modified term of the Specified Mortgage.

Further:

1. Upon the occurrence of an Event of Default under the Specified Mortgage, the Lessee shall immediately notify the Lessor of such Event of Default and shall submit to Lessor copies of all notices the Lessee received from the Specified Mortgagee relating thereto. The Specified Mortgagee and the Lessor shall endeavor to communicate and cooperate in efforts to deal with the circumstances of the Event of Default and the actions the parties may take relating thereto.
2. The Lessee and the Specified Mortgagee agree that the Lessor shall have the right, but not the obligation, to cure an Event of Default in the Lessee's name and on the Lessee's behalf. If such cure is not effective and continuing, nothing herein shall be construed to prevent or delay the Specified Mortgagee from its pursuit of foreclosure and any other available remedies. The Lessee shall be responsible to the Lessor for all payments made, and expenses incurred, by the Lessor in curing such default.
3. Should the Lessor not choose to cure an Event of Default as specified above, the Lessor shall nevertheless have the option to purchase from the Specified Mortgagee its interest in the Leasehold Estate on the Leased Premises for the full amount owing to the Specified Mortgagee under the Specified Mortgage as of the date of closing of the purchase, upon written notice given by the Specified Mortgagee (the "Mortgagee Option Notice") not later than 60 days following, and no earlier than, acquisition of title to the Leasehold Estate by the Specified Mortgagee by foreclosure or by an assignment in lieu of foreclosure; provided, however, the Specified Mortgagee may give such Mortgagee Option Notice following the occurrence of an Event of Default under the Specified Mortgage and prior to the completion of foreclosure proceedings. If the Lessor elects to exercise such option to purchase, the Lessor shall give written notice to the Specified Mortgagee, or, as applicable, its successors or assigns, of the Lessor's intent to purchase the Leasehold Estate (the "Lessor Option Notice") within 45 days following the Specified Mortgagee's giving of the Mortgagee Option Notice; provided, however, at the option of the Lessor, in the event the Mortgagee Option Notice is given prior to the completion of foreclosure by the Specified Mortgagee, the Lessor shall, within such 45-day period, be able to give a written notice to the Specified Mortgagee that it will delay giving the Lessor Option Notice until a date that is not later than 30 days following written notice from the Specified Mortgagee of its acquisition of title to its interest in the Leasehold Estate on the Leased Premises.

The Lessor shall complete the purchase of the Specified Mortgagee's interest in the Leasehold Estate within 60 days of giving the Lessor Option Notice. If the Lessor does not complete the purchase within the allotted 60 days, the Specified Mortgagee shall be free to sell its interest to another person or entity. If the Lessor does not purchase the Specified Mortgagee's interest in the Leasehold Estate as described herein, the Leasehold Estate may be transferred, mortgaged and sublet an unlimited number of times, and the Lessor shall not require a credit review or impose other qualifying criteria on any such transferee, mortgagee or sublessee.

4. In the event of foreclosure or assignment in lieu of foreclosure, which results in the conveyance of the Leasehold Estate on the Leased Premises from the Lessee, any adjustment of the Ground Lease Fee to reflect the current fair market rental value as provided in the Lease, shall be subject to the approval of the Specified Mortgagee. The Specified Mortgagee and the Lessor shall attempt to resolve any dispute concerning such adjustment of the Ground Lease Fee, through the normal interaction of the parties, or through formal mediation as the case may warrant. If the dispute remains unresolved, the Specified Mortgagee and the Lessor shall submit the dispute as to the fair market rental value to binding arbitration.
5. In the event the Specified Mortgagee acquires title to the Leasehold Estate on the Leased

Premises through foreclosure or assignment in lieu of foreclosure of the Specified Mortgage upon foreclosure (or the expiration of any application redemption period) or upon recordation of assignment in lieu of foreclosure, if applicable, all provisions of the Lease regarding (a) occupancy of the Leased Premises as a primary residence by the Lessee, (b) any limitation on the assignment of, or sublease under, the Lease, (c) any obligation to target certain populations in marketing the Leasehold Estate to potential transferees, (d) the price at which the Leasehold Estate on the Leased Premises may be transferred, and (e) the income of successive transferees, and their successors and assigns, shall be of no further force or effect with respect to such Specified Mortgage. The foregoing sentence shall not be construed to invalidate other Lease provisions regarding permitted use of the Leased Premises. Any transfer or assignment of the Leasehold Estate encumbered by the Specified Mortgage as provided for in this paragraph shall be deemed a permitted sale, transfer or assignment of the Lease and the Leasehold Estate. Further, in such event, the Leasehold Estate may be transferred, mortgaged and sublet an unlimited number of times, and the Lessor shall not require a credit review or impose other qualifying criteria on any such transferee, mortgagee or sublessee.

- F. Lease Default.** There shall be no forfeiture or termination of the Lease except for (i) the nonpayment of amounts due under the Lease, and (ii) violation of one or more provisions of the Lease addressing the following: (a) prohibition or restrictions on the sale or transfer of the Lessee's interest (however, non-sale transfers protected under the Gam St. Germain Act or otherwise permitted under Freddie Mac's *Single-Family Seller/Servicer Guide* ("Guide") (see e.g., Guide Sections 8406.3 and 8406.4), as amended from time to time, may not constitute a basis for default under the Lease, though the Lessor may require such transferee to agree to assume the transferor's obligations under the Lease when an assumption of the Specified Mortgage would be required under Freddie Mac's Guide (see e.g., Guide Chapter 8406), and (b) requirement that the Lessee occupy the Leased Premises as primary residence. Provided, however, such forfeiture or termination shall be subject to the Specified Mortgagee's right to cure a monetary default, or otherwise foreclose or take an assignment of the Leasehold Estate in lieu of foreclosure with respect to the Lessee's monetary or non-monetary default. Notwithstanding the foregoing, nothing herein shall be construed to require the Specified Mortgagee to cure any non-monetary default. Further, the Specified Mortgagee shall become subrogated to any and all rights of the Lessee with respect to such curing of a default. If the Lessee's default shall be cured as provided in the Lease, and the Specified Mortgagee shall discontinue its foreclosure or assignment in lieu of foreclosure proceedings, the Lease shall continue in full force and effect as if the Lessee had not defaulted. A default by the Lessee under the Lease shall constitute a default under the Specified Mortgage.
- G. Lease Default Notice.** Notwithstanding the notice requirements provided in the Lease, no default notice by the Lessor shall be deemed to have been given unless and until a copy thereof shall have been so given to the Specified Mortgagee or its mortgage servicer.
- H. Insurance.** All insurance policies covering the Improvements shall by endorsement name the Specified Mortgagee as an additional insured and loss payee, and provide the Specified Mortgagee with 30 days' cancellation notice.
- I. Casualty and Condemnation.** If the Leased Premises are destroyed or taken to such an extent that the Lease is to be terminated, the insurance proceeds or condemnation award, as the case may be, shall be applied first in an amount sufficient to satisfy the Specified Mortgage. Upon the termination of the Lease as a result of a partial destruction or a condemnation of less than the entire Leased Premises, the total insurance proceeds or condemnation award, as the case may be, shall be paid to an appointed trustee, who shall first apply such insurance proceeds or condemnation award in accordance with the Specified Mortgage for restoration of the Improvements (if such trustee determines that the Improvements may reasonably be restored to a residential use consistent with the Lease), with the balance of such insurance proceeds or

condemnation award to be allocated between the Lessor and Lessee as otherwise provided in the Lease. The Specified Mortgagee or its mortgage servicer shall be entitled to participate in (i) the adjustment of all casualty losses and (ii) all condemnation proceedings and settlement discussions. Any insurance proceeds or condemnation award shall be applied in accordance with the Specified Mortgage. The Specified Mortgagee or its mortgage servicer shall also be entitled to participate in the adjustment of the Ground Lease Fee as a result of a partial destruction or taking.

- J. Force Majeure.** The Lessee shall not be in default where performance is delayed or prevented by "Acts of God," war, civil commotion, strikes, labor disputes or the like.
- K. Easements and Alterations.** Additions to and alternations in the Improvements may be made as provided in the Lease, as long as the value of the Leased Premises is not diminished. The Lessor, as owner of the fee interest in the Leased Land, shall join in all easements, permits and applications necessary for such development of the Leased Premises as is permitted under the Lease, provided that the Lessor shall have no liability or obligation under such easement, permit or application.
- L. Arbitration.** The Specified Mortgagee shall have the right to participate in any arbitration or legal proceedings between the Lessor and the Lessee. Any arbitration proceedings shall be conducted in accordance with arbitration statutes applicable in the state where the Leased Premises are located.
- M. Merger.** If the estates of the Lessor and Lessee are at any time owned by the same person, so long as the Specified Mortgagee has any interest in the security or in the Specified Mortgage, such person shall take all necessary steps to ensure that the Specified Mortgage constitutes a first lien on the combined estate.
- N. Sublease.** There shall be no modification, cancellation, or surrender of any subleases, or prepayment of rent thereunder without the consent of the Specified Mortgagee. If the Specified Mortgagee forecloses on the Leased Premises, or takes and records an assignment in lieu of foreclosure, all subtenants shall attorn to such Specified Mortgagee or its assignee.
- O. Estoppel Certificate.** The Lessor shall, from time to time, with 10 days written notice from the Specified Mortgagee, certify by written instrument, duly executed and acknowledged, to such Specified Mortgagee that the Lease has not been amended, the Lease is in full force and effect, that neither party is in default thereunder, and shall certify as to the existence of any offsets, counterclaims or defenses on the part of the Lessee.
- P. Conflict.** In the event of a conflict between the terms and provisions of this Rider and the terms and provisions of the Lease, the terms and provisions of this Rider shall control.

BY SIGNING BELOW, the Lessor and the Lessee accept and agree to the terms and conditions of this Rider.

IN WITNESS WHEREOF, the parties have executed this Rider at Ocala, Florida, on the day and year first written above.

LESSOR:

David L. Layman
By: Title: President & CEO

LESSEE:

Sarah B. Yeager

STATE OF FLORIDA
COUNTY OF MARION

The foregoing instrument was acknowledged before me by means of X physical presence or _____ online notarization this _____ day of April 2022 by David L. Layman, as President and CEO of Habitat for Humanity Marion County Community Land Trust, Inc., a Florida nonprofit corporation.

Signature of Notary

NOTARY SEAL

Printed Name of Notary

Personally Known _____ OR Produced Identification _____ Type of Identification Produced

STATE OF FLORIDA
COUNTY OF MARION

The foregoing instrument was acknowledged before me by means of X physical presence or _____ online notarization this _____ th day of April 2022 by Sarah B. Yeager.

Signature of Notary

NOTARY SEAL

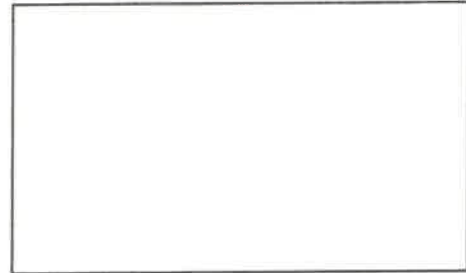
Printed Name of Notary

Personally Known _____ OR Produced Identification _____ Type of Identification Produced

EXHIBIT C TO DONATION AGREEMENT

DEED

This document was prepared by:
Gerlin Kahn, Esq.
County Attorney's Office
Seminole County Government
1101 E. 1st Street
Sanford, FL 32771



Please return to:
Seminole County Community Services Dept.
520 W. Lake Mary Blvd. Suite 300
Sanford, FL 32773

**COUNTY DEED
COUNTY OF SEMINOLE, FLORIDA**

THIS COUNTY DEED is made this ____ day of _____, 20____, by **SEMINOLE COUNTY**, a political subdivision of the State of Florida, whose address is Seminole County Services Building, 1101 E. 1st Street, Sanford, Florida 32771, hereinafter called the "GRANTOR", and **HABITAT FOR HUMANITY OF MARION COUNTY COMMUNITY LAND TRUST (LAND TRUST)**, a Florida Not for Profit corporation, whose address is 815 South French Ave, Sanford, Florida 32771, hereinafter called the "GRANTEE".

W I T N E S S E T H:

THAT GRANTOR for and in consideration of the sum of TEN DOLLAR (\$10.00) in hand paid by GRANTEE, the receipt of which is hereby acknowledged, does hereby grant, bargain and sell to GRANTEE, its heirs and assigns forever, the following described land lying and being in Seminole County, Florida, to wit:

Parcel ID: 12-20-30-503-0300-0030

LOT 3 BLK 3 (LESS E 10 FT FOR RD)
FLORA HEIGHTS
PB 3 PG 19

Parcel ID: 12-20-30-503-0300-0040

LOT 4 BLK 3 (LESS E 10 FT FOR RD)
FLORA HEIGHTS
PB 3 PG 19

Parcel ID: 12-20-30-503-0300-0050

LOT 5 BLK 3 (LESS E 10 FT FOR RD)
FLORA HEIGHTS
PB 3 PG 19

Parcel ID: 12-20-30-503-0300-0060

LOT 6 BLK 3 (LESS E 10 FT FOR RD)
FLORA HEIGHTS
PB 3 PG 19

(hereinafter referred to as the "Property").

This conveyance shall be construed as a determinable fee simple subject to the terms and conditions of Habitat for Humanity of Marion County Community Land Trust.

IN WITNESS WHEREOF, the GRANTOR has caused these presents to be executed in its name by its Board of County Commissioners acting by the Chairman of said Board, the day and year aforesaid.

ATTEST:

BOARD OF COUNTY COMMISSIONERS
SEMINOLE COUNTY, FLORIDA

GRANT MALOY
Clerk to the Board of
County Commissioners of
Seminole County, Florida.

By: _____
JAY ZEMBOWER, Chairman

Date: _____

For the use and reliance of
Seminole County only.

As authorized for execution by the Board of
County Commissioners at its **February 28,**
2023, regular meeting.

Approved as to form and
legal sufficiency.

County Attorney
GLK
4/15/24

COMMUNITY SERVICES DEPARTMENT
COMMUNITY DEVELOPMENT DIVISION



EXHIBIT B: SCOPE OF SERVICES

TIME FOR COMPLETION

Project schedule format as follows:

The home must be completed and have the Certificate of Occupancy from the Building Official, no later than the final completion date stated in the Community Services Funding Agreement. The following allowances will be incorporated into the total building time. Construction must start within 12 months of the fully execution date of the Community Services Funding Agreement.

1. 90 days will be allowed for permits, variances, and mobilization.
2. 180 days will be allowed for construction.
3. 60 days will be allowed for final close out of the project.
4. Total time from Notice of Commencement to close will be 12 months.

Change Orders for time must be submitted for approval to the Attainable Housing Program Manager.

The Developer or his designated contractor is responsible for the following:

Plans/Permitting:

- Provide house plans, approved by Seminole County Community Development, which will be used for permitting and construction of the new home. See details below.
- Once project has been awarded proposed plans and plot plan with elevations must be presented to the Attainable Housing Program Manager for approval **prior** to being submitted to the Building Department having jurisdiction.
- Contractor responsible for all documents required for permitting. Contractor responsible for all applicable fees and charges pertaining to insurance, permits (including septic if required), variances, architect / design, engineering, and utility connections. In addition, contractor will be responsible for obtaining pre-demolition assessments, if necessary or demolition permits.
- Surveys, including appropriate spot grades, proposed and final grades.
- Contractor will be responsible to meet or exceed any elevation requirements as put forward by Seminole County, the permitting jurisdiction, City of Sanford, Zoning, Public Works or land management.
- Variances (setback, septic or well if required)

Work:

- Abandonment of old septic tanks, wells or drain fields if required.
- New septic systems and wells (if required), sewer connections, water meter fees and or relocation of water meter.
- Contractor responsible to provide portable sanitary facilities for the duration of the project.

- Provide and maintain a job site dumpster.
- A temporary power pole is required unless circumstances prevent.

Safety:

- Safety: Contractor will be responsible for recognizing and remediating all safety hazards in and around the home during construction activities. Safety procedures to be in place until a Certificate of Occupancy is issued on the home. These procedures include, but are not limited to the following:
 - The work site shall be maintained in a clean and orderly manner.
 - Debris shall be placed in a proper container daily
 - No materials or construction debris shall be stored in any ill-mannered fashion or location not suitable for its contents.
 - Re-bar caps shall be installed on any exposed steel rod ends.
 - Hard Hats.
 - No damaged power cords, frayed or broken grounds
 - OSHA approved ladders
 - Lanyards for fall protection (over 6' above ground)
 - Properly installed scaffold

Warranty:

- Developer is required to provide a warranty on all materials used and/or labor performed to install such materials for a period of not less than **one year**. Roof installations will be warranted for a period of **5 years**. A structural warranty will be required on the new home for a period of **10 years**.

Standard Features:

- Air-conditioned space shall be approximately 1,300 square feet, plus or minus 100 square feet. It **must** have a **minimum three (3) bedrooms and two 2 baths.**
- New home **will have** at least an attached one car garage.
- Termite Protection: Shall be provided by a registered termiticide and comply with current FBC requirements. A certificate will be provided to the Permitting Jurisdiction at final inspection for issuance of C.O.
- House will be designed with a hip roof.
- Provide pre-manufactured truss system that shall cover (incorporate) the front porch. The trusses over the porch shall be supported by a structural header, wood posts or block columns at the front edge of the porch slab.

Exterior Requirements:

- House to be centered on lot if conditions permit.
- Home to be constructed on a stem wall foundation at a minimum of 4 courses (3 block and 1 chair).
- Front entry (porch): Front porch to be approximately 80 square feet.
- Rear patio slab to be approximately 8' x 10' (80 sq. ft.)

- Provide a sliding glass door at the rear patio location.
- House to be constructed with block exterior walls.
- Haul away and proper disposal of all debris.
- Lot will be fully covered with Bahia grass (at a minimum) to cover final lot grading and disturbed areas.
- Exterior block walls will be stucco finish.
- Trees and landscaping will be alive and healthy when house is complete, and project closed out. These items will not be warranted after close out.
- Sod will be alive and healthy when house is complete, and project closed out. These items will not be warranted after close out.
- Roof will consist of thirty-year architectural mildew / algae resistant asphalt shingles and will comply with all current FBC requirements. Color selected from a minimum of 4 sample selections supplied by Contractor. White is not an option.
- Provide and install white aluminum fascia and vented soffit on all overhangs.
- Exterior hinge door (front door) will be a six panel, fiberglass clad, pre-hung, inswing door. Door will NOT have a glass insert.
- Windows will be white vinyl clad single hung windows. All windows will be one over one (no muntins).

Interior Requirements:

- Interior hallways to be a minimum of 36" wide.
- Interior door style to be 6 panel pre-hung. Hardware (including hinges) will be brushed nickel throughout. Doorknob (passage and privacy) to be lever style.
- Stainless Steel appliance package to include a new Range, Over the Range Microwave, Refrigerator with ice maker, and Dishwasher. Other appliance to include a garbage disposal and Washer/Dryer hook ups.
- Kitchen cabinets will have solid wood face frame and solid wood door and drawers.
- Vanity cabinets shall be same style and color as Kitchen selection.
- Counter tops to be hard surface with a standard 4" backsplash installed.
- Vanity tops to be white, cultured marble or Corian with integrated sink and overflow protection.
- All floor surfaces under air, including bathrooms and closets, shall have porcelain or ceramic floor tile, size shall be minimum 18" x 18" or luxury vinyl plank.
- All bath shower / tub units will be white.
- ADA toilet in both baths with 1.28 GPF, elongated, white.
- All plumbing trim will be brushed nickel finish.

Exhibit C

MEMORANDUM OF UNDERSTANDING

Between

**Habitat for Humanity of Seminole County & Greater
Apopka, Inc.**

and

Habitat for Humanity Marion County Community Land Trust, Inc.

Regarding

**Transfer of Land or Affordable homes in the State of
Florida**

This Memorandum of Understanding (MOU) is made on March 20, 2024 between Habitat for Humanity of Seminole County & Greater Apopka, Inc. (Developer) and Habitat for Humanity Marion County Community Land Trust, Inc. (HFHMCCLT) for the purpose of facilitating the successful transfer of certain newly constructed affordable homes or for land to be held to develop in the future for affordable housing under the land trust model.

Background

WHEREAS Habitat for Humanity of Seminole County & Greater Apopka, Inc. (Developer) is committed to building homes that are affordable in the State of Florida; and,

WHEREAS HFHMCCLT is an organization that seeks to maintain permanently affordable homeownership opportunities for low and moderate-income households using the land trust model, wherein HFHMCCLT retains ownership of the land for future development or from new homeowner's share earned equity to ensure affordability for future buyers; and,

NOW THEREFORE Developer agrees to sell the land under these homes for a price of \$10.00 per home or parcel of land through the HFHMCCLT model pursuant to the terms and conditions contained in this MOU.

Obligations

Developer and HFHMCCLT acknowledge that no contractual relationship currently exists between the organizations but agree to work together in accordance with their common missions to create affordable homeownership opportunities for low-income households.

Responsibilities

Developer and HFHMCCLT will be responsible for the following actions as described below:

a. *Construction*

Developer will bring forth a parcel of land for future construction of affordable home(s) or will complete construction on the homes, secure a certificate of occupancy and prepare the homes for sale.

b. Marketing of the Home to an Eligible Homebuyer

- HFHMCCLT will assist Developer in setting a sales price for the home using the appraisal resale formula for the ground lease.
- HFHMCCLT will provide the Developer with the form of ground lease.
- Developer will market the homes and work to identify income-qualified buyers ready to enter into contracts for the sale of the homes.
- HFHMCCLT has an addendum for the standard purchase contract that includes the terms of its program which it will share with Developer and its listing agent, if any.
- HFHMCCLT will provide resources to Developer to educate, inform and answer the questions of any potential buyers of the homes.
- Developer will identify and pay for an attorney that will walk the contracted buyer through the ground lease and answer any questions. HFHMCCLT will work with this attorney to familiarize them with the ground lease.

c. Closing

- HFHMCCLT's legal, title and closing costs will be paid for by the Developer or landowner. HFHMCCLT will not incur any closing costs associated with this transfer.
- A HFHMCCLT nominal administrative fee will be paid by the Developer at the time of closing.
- HFHMCCLT will provide the Developer or landowner with informational and programmatic materials including a Lessee Manual.
- At the time of closing, a simultaneous closing will take place between HFHMCCLT and Developer or landowner (for the land) and the homebuyer and Developer (for the home) will execute and record a ground lease with the homebuyer.

Scope of Service:

Habitat for Humanity Marion County Community Land Trust (HFHMCCLT) is a Certified community land trust that is willing to allow the 3500 Sanford Ave Non-Profit Housing Development, consisting of 5 parcels, to be placed in our Community Land Trust.

Habitat for Humanity of Seminole County & Greater Apopka, Inc. has been awarded the 5 lots in the scope of the project to construct affordable homes.

The 5 lots will be deeded to: Habitat for Humanity Marion County Community Land Trust, Inc.

All costs for transfer of land shall be paid by Habitat for Humanity of Seminole County & Greater Apopka, Inc.

Annual property taxes and any other costs of the land shall be paid by Habitat for Humanity of Seminole County & Greater Apopka, Inc.

The monthly lease fee required in the lease shall be paid to HFHMCCLT who will retain those funds in a restricted account for the use of any Seminole County & Greater Apopka, Inc. CLT purchases. If an owner of the improvements wishes to sell, Seminole can exercise their first right of refusal to purchase the home and pay the owner based upon the calculation in section 10.10 of the lease. If there are several leases Seminole can combine their any or all lease fees for the purchase.

Habitat for Humanity of Seminole County & Greater Apopka, Inc. shall provide an acceptable hold harmless agreement to HFHMCCLT along with providing an additional insured clause on their insurance policy with a \$1,000,000 liability limit.

As the eminent substantial completion of each home arrives, HFHMCCLT will prepare and record a Special Warranty Deed/Bill of Sales and a separate lease for that new homeowner.

The homeowner shall provide an insurance policy with HFHMCCLT as an additional insured.

At the request from Habitat for Humanity of Seminole County & Greater Apopka, Inc., any one or all the lots can be assigned to another community land trust or extinguished at no charge.

IN WITNESS THEREOF, the Developer and HFHMCCLT have affixed the signatures of their representatives below.

Developer:

Habitat for Humanity of Seminole County & Greater Apopka, Inc.



Community Land Trust:

Habitat for Humanity Marion County Community Land Trust, Inc.



EXHIBIT D

**SEMINOLE COUNTY/HABITAT FOR HUMANITY OF SEMINOLE COUNTY AND GREATER APOPKA
COMMUNITY SERVICES FUNDING AGREEMENT**

REQUEST FOR PAYMENT

Budget: \$375,000.00

Subrecipient: Habitat for Humanity of Seminole County and Greater Apopka

Name of Activity/Project: Single-Family New Construction Affordable Housing Development

Payment Request: _____

	Description	Award Amount	Amount this Request	Amount Previously Paid	Balance Remaining
Draw Request # _____		\$ 375,000.00	\$	\$	\$ 375,000.00

*Attach a copy of all supporting documentation for this Request for Payment

Signature Authority (Print Name and Title): _____

Signature: _____

Date: _____

Exhibit D-1
Program Performance Report

A. Property Information **Date of Report:** _____

Developer: _____

Person Preparing Report: _____

Signature: _____ Title: _____

Project Title: _____

Project Address: _____

Project Start Date	Estimated Completion Date	Actual Completion Date

B. Budget Information	<u>Project Cost</u>	<u>Funds Expended to Date</u>	<u>Percentage</u>
County Funding	\$ _____	\$ _____	_____ %
Other Funding <small>(Name Source)</small>	\$ _____	\$ _____	_____ %
Total Project	\$ _____	\$ _____	_____ %

C. Describe specific work tasks and qualified accomplishments completed this month.

D. Describe successes or challenges encountered with the project this period.

E. Discuss any anticipated challenges or concerns with project: Identity any technical assistance needed and/or requested from County staff.

F. Discuss any advertisements or marketing campaigns attempted. Provide copies of marketing materials distributed to the community. Please see Section 11 of the Agreement regarding Project Publicity.