

**Prepared by & Return to:**  
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**DECLARATION OF GROUND LEASE WITH QUALIFIED LESSEE**  
**ECO VILLAGE DUNEDIN**

Bright Community Trust, Inc., a Florida not-for-profit corporation, as Trustee of the Pinellas County Community Housing Program Land Trust-Lorraine Leland ("Lessor") whose principal address is 2605 Enterprise Road East, Suite 230, Clearwater, Florida 33759 ("Lessor") does hereby make the following declarations, which are effective as of the 7<sup>th</sup> day of October, 2016 ("Effective Date") and further files for record this Declaration of Ground Lease with Qualified Lessee (the "Declaration") as follows:

WHEREAS, the Lessor is also the lessor under that certain Ground Lease by and between Lessor and Eco Village Dunedin, LLC, a Florida Limited Liability Company ("Ground Lessee"), whose principal address is 8200 Bryan Dairy Road, Suite 320, Largo, Florida 33777, dated the 10<sup>th</sup> day of May, 2012 (the "Master Ground Lease") as evidenced by that certain Memorandum of Ground Lease recorded on the 9<sup>th</sup> day of August, 2012 in Official Record Book 17678, Page 1818, Public Records of Pinellas County, Florida ; as amended by a Restatement of Ground Lease by and between Lessor and Ground Lessee, with an effective date of the 28th day of August, 2015,(the "Restated Master Ground Lease"), as evidenced by that certain Memorandum of Restated Ground Lease recorded on the 28<sup>th</sup> day of August, 2015 in Official Record Book 18902, Page 1315, Public Records of Pinellas County, Florida (the "Amended Master Ground Lease"); and

WHEREAS, the purpose of this Declaration is to place on the Public Records of Pinellas County the terms, conditions and covenants that will be binding upon homeowners who qualify to be a lessee under the terms and conditions of this Declaration and subsequent Memorandum of Ground Lease to be entered into between Lessor and each homeowner ( each homeowner being referred to as a "Lessee"); and

WHEREAS, the Lessor is organized exclusively for charitable purposes, including the development and preservation of decent, affordable housing and the creation of homeownership opportunities for low and moderate income households who otherwise would be denied such opportunities because of limited financial resources; and

WHEREAS, the Lessor shall enter into a Memorandum of Ground Lease with the homeowner described therein as the Lessee under the Ground Lease incorporating the terms and conditions of this Declaration.

WHEREAS, the terms, conditions and covenants of this Declaration shall run with the Land as hereinafter described, and incorporated by reference in each Memorandum of Ground Lease as if more specifically set forth therein.

WHEREAS, the terms, conditions and covenants of this Declaration and the terms, conditions and covenants of the Memorandum of Ground Lease shall constitute the terms, conditions and covenants of the Ground Lease by and between the Lessor and Lessee.

WHEREAS, Lessee shares the purposes and goals of the Lessor and acknowledges the Ground Lease not only to obtain those benefits to which the Lessee is entitled under the Ground Lease, but also to further the charitable purposes of the Lessor;

WHEREAS, Lessee and Lessor agree that the terms of this Ground Lease further their shared goals over an extended period of time and through a succession of homeowners.

NOW, THEREFORE, for and in consideration of the foregoing recitals, the mutual covenants of Lessor and Lessee, the payment of rents by the Lessee, and of other good and valuable consideration, the receipt and sufficiency of which are acknowledged, Lessor and Lessee agree as follows:

## **ARTICLE 1. BACKGROUND**

The Ground Lessee has leased land from the Lessor to develop twenty five(25) lots upon which townhomes are to be constructed, which Land is legally described on the attached **Exhibit "A"** (the "Land"). The Qualified Lessee is to acquire a townhome and related improvements ("Improvements") to be constructed on a lot described in the Memorandum of Ground Lease for that leased premises, and may obtain permitted financing as described in Article 8 hereof. Simultaneously upon the closing of the sale of a Townhome to a Qualified Lessee, Lessor shall execute a Partial Release of Master Ground Lease in the form attached as **Exhibit I**.

## **ARTICLE 2. LEASED PREMISES**

**2.01 Leased Premises.** Lessor, in consideration of the rents to be received and the terms and conditions of the Ground Lease, does hereby lease unto Lessee, and Lessee does hereby lease from Lessor, the Land described in the Memorandum of Ground Lease by and between the Lessor and Lessee ("Leased Premises"), together with easements, to the extent reasonably required for the use and enjoyment of the Leased Premises. The Leased Premises is legally described in the Memorandum of Ground Lease.

**2.02 Reservation of Water and Mineral Rights.** Lessor reserves to itself all the water, minerals and other extractive resources of the Leased Premises. This reservation shall not diminish the right of the Lessee under the Ground Lease to occupy and freely use the Leased Premises and Improvements. Any eventual extraction by the Lessor of water, minerals or other extractive resources shall be carried out with as little disruption to the Lessee as is reasonably possible. In instances requiring a material disruption of the Lessee's right of use and occupancy of the Leased Premises and Improvements, the Lessor shall not make such extraction without the consent of the Lessee.

**2.03 Ownership/Reversion of Leased Premises.** Lessee reserves all rights of ownership of the Improvements on the Leased Premises subject to the terms and conditions of the Ground Lease. All buildings, structures, amenities, fixtures, furnishings, inventory, machinery, equipment and other assets placed, constructed or installed on the Leased Premises by Lessee shall be personal property, and Lessee shall have and retain the legal title thereto through the term of the Ground Lease at the end of the Initial Term (as defined below), provided that there are no events of default or other events which cause an early termination of the Ground Lease, upon the stated expiration date of ninety-nine (99) years from

the Commencement Date, as such may be extended pursuant to Section 3.02, as defined below, Lessee (and all sublessee or other occupants of the Leased Premises) shall deliver and surrender to Lessor possession of the Leased Premises; and Lessee (and all sublessees, owners, and occupants of the Improvements) shall deliver and surrender to Lessor possession of, and title to, all Improvements.

**2.04 Condition of the Leased Premises.** Lessor leases and Lessee accepts the Leased Premises "as is", "where is", and with "all faults" as of the execution of the Ground Lease. Lessee acknowledges that Lessor has not made and will not make, nor shall Lessor be deemed to have made, any warranty or representation, expressed or implied, with respect to the Leased Premises, including any warranty or representation as to its fitness for any particular use or purpose. Lessee acknowledges that the Leased Premises is of its selection and that the Leased Premises has been inspected by Lessee and is satisfactory to it. In the event of any defect or deficiency in any of the Leased Premises, of any nature, whether latent or patent, Lessor shall not have any responsibility or liability with respect thereto or for any incidental or consequential damages (including strict liability in tort). The provisions of this section have been negotiated, and are intended to be a complete exclusion and negation of any warranties by Lessor, expressed or implied, with respect to the Leased Premises, arising pursuant to any law now or hereafter in effect.

**2.05. Stipulation and Acknowledgment.** Lessee stipulates to having received the Question and Answer Rider to this Declaration and marked **Exhibit "B"** (the "Q&A's"), for the purpose of setting forth their respective review and understanding of the Ground Lease and related documents.

### **ARTICLE 3. DURATION OF THE GROUND LEASE**

**3.01 Initial Term.** The initial term of the Ground Lease shall be for the remaining portion of the ninety-nine (99) year period commencing on the Effective Date of this Declaration ("Commencement Date") and terminating at 12:00 midnight on the same day and month ninety-nine (99) years thereafter ("Initial Term"). Lessee and Lessor shall execute a Memorandum of Ground Lease acknowledging this Declaration and terms and conditions of the Ground Lease and otherwise complying with requirements of law for an effective Memorandum of Ground Lease, substantially in the form attached as **Exhibit "C"**. The Memorandum of Ground Lease shall be recorded in the official records of Pinellas County, Florida, on or promptly after the Commencement Date set forth in each Memorandum of Ground Lease.

**3.02 Lessee's Option to Extend Term.** Lessee may extend the Initial Term of the Ground Lease for one (1) additional period of ninety-nine (99) years, subject to all of the provisions of the Ground Lease, provided that Lessor may make changes to the terms of the Ground Lease for the renewal period, prior to the beginning of such renewal period, but only if such changes do not materially and adversely impair Lessee's rights under the Ground Lease. Not more than 365 days nor less than 180 days before the last day of the current term, Lessor shall give Lessee written notice, stating the expiration date of the Ground Lease, describing any changes that Lessor intends to make to the terms of the Ground Lease as permitted above, and reiterating the conditions for renewal as set forth immediately below ("Expiration Notice").

Lessee's right to exercise the option to extend the Initial Term is subject to the following conditions: (a) within sixty (60) days of receipt of the Expiration Notice, Lessee shall give Lessor written notice, irrevocably exercising the option to extend the Initial Term ("Extension Notice"); (b) the Ground Lease shall be in effect at the time the Extension Notice is given and on the last day of the term; (c) there shall not be an uncured Event of Default by Lessee under the Ground Lease or under any loan documents between Lessee and any Permitted Mortgagee at the time the Extension Notice is given and on the last day of the term.

When Lessee has rightfully exercised the option to extend the Initial Term, each party shall execute a new Memorandum of Ground Lease, acknowledging the fact that the option has been exercised and otherwise complying with the requirements of law for an effective memorandum of lease,

and such memorandum of lease shall be recorded in accordance with the requirements of law on or promptly after the commencement date of such renewal.

### **3.03 INTENTIONALLY OMITTED**

**3.04 Lessee's Right of First Refusal to Purchase** In the event that ownership of the Leased Premises is conveyed or transferred (whether voluntarily or involuntarily) by Lessor to any other person or entity, the Ground Lease shall not cease, but shall remain binding and unaffected. In the event that Lessor desires or attempts to convey ownership of the Leased Premises to any person or entity other than a charitable trust, land trust, governmental agency, instrumentality or district of a governmental agency, or other similar entity sharing the goals described in the Recitals above (other than as security for a mortgage loan), the Lessee shall have a right of first refusal to purchase the Leased Premises. This right shall be as specified in the attached **Exhibit "D"**. Any sale or other transfer contrary to this Section 3.04 shall be null and void.

## **ARTICLE 4. USE OF LEASED PREMISES AND IMPROVEMENTS**

**4.01 Residential Owner Occupied Use Only.** Lessee shall use, and shall cause all occupants to use the Leased Premises and Improvements only for owner occupied affordable single family housing and any incidental activities that are permitted by applicable zoning law and any covenants, conditions and restrictions described in any indenture or plat pertaining to the subdivision in which the Leased Premises is located including, but not limited to the Land Use & Affordability Requirements and Restrictions described in Exhibit "H" attached hereto.

**4.02 Responsible Use and Compliance with Law.** Lessee shall use the Leased Premises and Improvements, in a manner so as not to cause actual harm to others or create any nuisances, public or private; and shall dispose of any and all waste in a safe and sanitary manner. Lessee shall maintain the Leased Premises and Improvements in good, safe, and habitable condition in all respects, except for normal wear and tear, in full compliance with all applicable laws and regulations, and in such condition as is required to maintain the insurance coverage required in the Ground Lease.

**4.03 Lessee's Representations and Warranties.** The Lessee warrants and represents to Lessor as follows:

4.03.1 **Homestead.** Lessee shall use, and allow others to use the Improvements and Leased Premises only for residential purposes. Lessee must occupy the Improvements as a permanent full-time homesteaded residence. Occupancy by Lessee's child, children, spouse or other persons approved by Lessor shall be considered occupancy by Lessee. Neither compliance with the occupancy requirement nor Lessor's permission for an extended period of non-occupancy constitutes permission to sublease the Leased Premises and Improvements.

4.03.2 **Use.** Lessee shall use the Improvements and Leased Premises and a way that will not cause harm to others and create any public nuisance. Lessee shall dispose of all waste in a safe and sanitary manner. Lessee shall maintain all parts of the Improvements and Leased Premises 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 4.01 of this Declaration.

4.03.3 **Responsibility.** Lessee shall be responsible for the use of the Improvements and Leased Premises by all residents and visitors and anyone else using the Improvements and Leased Premises with Lessee's permission and shall make all such people aware of the restrictions on use set forth in Exhibit "H" of this Declaration.

4.03.4 **Sublease.** Lessee shall not sublease, sell or otherwise convey any of Lessee's rights under the Ground Lease for any period of time.

4.03.5 **Full Disclosure.** Lessee reconfirms that no representation, statement or warranty by the Lessee contained in the Ground Lease, the Memorandum of Ground Lease or in any exhibit attached hereto contains any untrue statement or omits a material fact necessary to make such statement of fact therein misleading.

**4.04 Occupancy.** The Leased Premises and Improvements shall be occupied only as permanent full-time primary residence, and shall not be rented or leased at any time unless otherwise agreed by Lessor. As an indication of compliance with this Section by Lessee, the Lessee must maintain homestead exemption status under §196.031, Florida Statutes (as amended) as a requirement of the Ground Lease.

**4.05 Inspection.** Lessor may inspect any portion of the Leased Premises at any reasonable time, and in any reasonable manner, upon at least forty-eight (48) hours prior written notice to Lessee. In the event of an emergency, or in the event of a code or zoning violation resulting in a citation or fine, Lessor may inspect any portion of the Leased Premises or Improvements, except the interior(s) of individually-owned and occupied units, without notice, providing that Lessor shall make reasonable efforts to provide advance notice to Lessee.

**4.06 Lessee's Right to Peaceful Enjoyment.** Lessee has the right to undisturbed enjoyment of the Leased Premises and Improvements, and Lessor has no desire or intention to interfere with the personal lives, associations, expressions, or actions of Lessee, or the owner/occupants of the home, subject to the provisions of the Ground Lease.

**4.07. Compliance with Law.** Lessee agrees to comply with all laws, ordinances, and regulations now in effect or enacted hereafter related to the use or occupancy of all or any part of the Leased Premises and Improvements at all times during the term of the Ground Lease, at its own expense, in connection with any use that Lessee may make of the Leased Premises and Improvements.

**4.08 Reversion of Ownership.** Upon the expiration or termination of the Ground Lease, ownership of the Improvements shall vest in the Lessor without any further action..

## **ARTICLE 5. GROUND LEASE FEE**

**5.01 Ground Lease Fee.** Lessee shall pay to Lessor a base annual Ground Lease Fee ("Ground Lease Fee", "Rent", or "Base Rent") in the amount set forth in the Memorandum of Ground Lease. The acceptance by Lessor of monies from Lessee as rent or other sums due shall not be an admission of the accuracy or the sufficiency of the amount of such rent or other sums due nor shall it be deemed a waiver by Lessor of any right or claim to additional or further rent or other sums due.

**5.02 Payment of Ground Lease Fee.** The annual Ground Lease Fee shall be payable to Lessor monthly, without notice or demand, and without abatement, deduction or offset for any reason unless specifically provided herein, commencing with a first payment due on the first day of the first month following the date of the Memorandum of Lease, and on the first day of each month of every year thereafter for as long as the Ground Lease remains in effect (subject to the adjustments as provided in Section 5.05 below). Ground Lease Fees shall be payable in lawful money of the United States to Lessor at the address stated herein or to such other persons or at such other places as Lessor may designate in writing.

In the event that any amount of payable Ground Lease Fee remains unpaid when the Improvements are sold and the Ground Lease is terminated or assigned to another party, the amount

of payable Ground Lease Fee shall be paid to Lessor out of any proceeds from the sale of the Improvements otherwise due to Lessee at the time of such sale.

**5.03 Calculation of Ground Lease Fee.** The Ground Lease Fee specified in Section 5.01 above has been established as the fair rental value of the Leased Premises as of the commencement of the Ground Lease term, recognizing that use of the Leased Premises is restricted by some of the provisions of the Ground Lease.

**5.04 Reduction, Delay or Waiver of Ground Lease Fee.** At the sole discretion of Lessor, the Ground Lease Fee may be prorated, reduced, delayed or waived entirely at any time and from time to time. Any such reduction, delay or waiver must be in writing and signed by Lessor before being effective.

**5.05 Adjustment of Ground Lease Fee.** Unless otherwise stipulated by applicable law, the Ground Lease Fee stated in Section 5.01 above, as adjusted in the way provided below, shall be applicable during the entire term of the Ground Lease. However, in the event that, for any reason, the provisions of Article 10 or Article 11 regarding transfers of the Improvements or Sections 4.01 or 4.04 regarding occupancy are suspended or invalidated for any period of time, then during that time, the Ground Lease Fee may be increased to an amount equal to the then current fair market rental value of the Leased Premises for use not restricted by the provisions of the suspended portions of the Ground Lease. In such event, Lessor shall notify Lessee of the amount calculated in this way, and the Ground Lease Fee shall then be this amount.

In order to keep the Ground Lease Fee reasonably current, the amount specified in Section 5.01 shall be recalculated every third (3rd) year during the term of the Ground Lease through the following process. The base rent shall be adjusted by multiplying the then-current base rent by a factor based on the percent change in the level of the unadjusted Consumer Price Index CPI-U (All Urban Consumers - U.S. City Average - All Items), index base period 1982-84=100, as issued by the U.S. Bureau of Labor Statistics of the U.S. Department of Labor ("CPI"). The percentage of base rent increase or decrease will be calculated by first determining the CPI point change between the first year of the recalculation period and the final year, and then the percent change. The base rent will then be increased or decreased by the resulting inflationary or deflationary factor, and shall remain unchanged until such time as the base Ground Lease Fee is again recalculated as provided herein. However, at no time shall the base rent be decreased from the initial rate established under Section 5.01 by the foregoing computation. Pursuant to this provision, the percentage of any base rent increase or decrease is subject to a minimum of three percent (3%) and a maximum of six percent (6%) for any three (3) year adjustment period. If publication of the CPI is discontinued, the most nearly comparable successor index shall be used.

Lessor shall notify Lessee promptly upon recalculation of the new Ground Lease Fee amount, and if Lessee does not state objections to the recalculated amount within thirty (30) days after receipt of this notice, the Ground Lease Fee shall then be as stated by Lessor in the notice. If Lessee does state objections to the recalculated Ground Lease Fee, and Lessor and Lessee are then unable to agree on a recalculated Ground Lease Fee within fifteen (15) days of Lessor's receipt of Lessee's objection, the dispute shall be resolved according to the arbitration process set forth in Article 13 below, except that the arbitrators chosen by each party shall be ones with experience in the valuation of real estate. Upon the final determination of the recalculated Ground Lease Fee in accordance with the terms of this Section, Lessor shall maintain in its file a notarized certification of the amount of such recalculated Ground Lease Fee and the process by which it was determined.

**5.06 Late Charges.** Lessee acknowledges that late payment by Lessee to Lessor of Ground Lease Fees and other sums due hereunder will cause Lessor to incur costs not contemplated by the Ground Lease, the exact amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to, processing and accounting charges, as well as late charges which may

be imposed on Lessor by the terms of any mortgage or trust deed covering the Leased Premises. Accordingly, if any installment of Ground Lease Fees or any other sum due from Lessee shall not be received by Lessor or Lessor's designee within five (5) days after such amount shall be due, then, without any requirement for notice to Lessee, Lessee shall pay to Lessor a monthly late charge of five percent (5%) of the monthly amount due, but in no event less than Fifteen and No/100 Dollars (\$15.00).

**5.07 Interest on Past Due Obligations.** Except as expressly provided herein, any amounts payable to Lessor by Lessee and not paid when due shall bear interest at the Default Rate of ten percent (10%) per annum from the date due; however, interest shall not accrue on late charges incurred by Lessee. Payment of interest shall not excuse or cure any default by Lessee under the Ground Lease. Notwithstanding any other term or provision hereof, in no event shall the total of all amounts paid hereunder by Lessee and deemed to be interest exceed the amount permitted by applicable usury laws, and in the event Lessee's payment of interest in excess of such permitted amount, the excess shall be applied towards damages incurred by Lessor or returned to Lessee, at Lessor's option.

**5.08 Collection of Unpaid Fees.** In the event that any amount of the Ground Lease Fee remains unpaid when the Improvements are sold, the outstanding amount of the payable Ground Lease Fee, including any interest as provided above, shall be paid to Lessor out of any proceeds from the sale that would otherwise be due to the Lessee. The Lessor shall have, and the Lessee hereby consents to, a lien upon the Improvements for any unpaid Ground Lease Fee. Such lien shall be prior to all other liens and encumbrances on the Improvements, except (a) liens and encumbrances recorded before the recording of the Ground Lease, (b) permitted mortgages as defined in Article 8 below; and (c) liens for real property taxes and other governmental taxes or charges against the Improvements.

## ARTICLE 6. TAXES AND ASSESSMENTS

**6.01 Lessee's Obligation.** Lessee agrees to pay to the appropriate governmental agencies all taxes, assessments, impositions, or all other claims, fines, or charges (collectively called "taxes") that relate to the Improvements and the Leased Premises (including the leasehold estate conveyed by the Ground Lease), and which may constitute or may be reduced to a lien upon the Leased Premises, including, but not limited to, water charges and sewer charges, and ad-valorem taxes, before the same shall become delinquent. Lessee shall be responsible for the payment of any personal property or ad valorem real property taxes that are levied upon the Leased Premises. Unless otherwise agreed upon in Article 1 of the Ground Lease, Lessee shall not be obligated for any taxes or assessments predating the commencement of the Ground Lease.

**6.02 Taxes or Assessments on Leased Premises and Improvements.** In the event that the local taxing authority bills Lessor for taxes or assessments on the Leased Premises or Improvements, Lessor shall pass the bill for this expense to Lessee and Lessee shall promptly pay this bill directly to the local taxing authority. If the State or any other political subdivision of the State assesses or levies a tax or assessment against the Lessor on the Ground Lease Fees or Rents, including increases pursuant to the adjustment of Ground Lease Fee in Section 5.05, the Lessee shall pay and discharge such taxes levied against the Lessor. Notwithstanding the foregoing, under no circumstances shall Lessee be liable for payment of any income taxes imposed upon Lessor, or any successor to Lessor. Lessee may, at its own expense, make application to such taxing authority for any reductions or exemptions for which it may be eligible.

**6.03 Lessee's Right to Contest.** Lessee shall have the right, in its own name or in Lessor's name where appropriate, but at its own cost and expense, to contest the amount or validity of any taxes or assessments relating to the Improvements and the Leased Premises. Lessor shall, upon written

request by Lessee, join in any such proceedings if Lessor reasonably determines that it is necessary or convenient for Lessor to do so; the costs and expenses of such proceedings shall be paid by Lessee. If Lessee shall contest such tax assessment, or other imposition, the time within which the Ground Lease requires such payment shall be extended until such contest or application has been finally determined; however, Lessee shall be responsible for any penalty imposed by the taxing authority resulting from the late payment of taxes or assessments.

**6.04 Payments in Event of Delinquency.** In the event that Lessee fails to pay the taxes or other charges specified in Section 6.01 above, Lessor may increase Lessee's Ground Lease Fee in an amount that will offset the cost of any delinquent and current taxes or other charges relating to the Improvements and the Leased Premises. Upon collecting any such amount, Lessor shall pay the amount collected to the taxing authority in a timely manner.

**6.05 Proof of Compliance.** Concurrently with the payment of any taxes, assessments, and charges required or permitted by the provisions of the Ground Lease, each party shall furnish evidence satisfactory to the other documenting the payment. A photocopy of a receipt for such charges showing payment prior to the due date shall be the usual method of furnishing such evidence.

## **ARTICLE 7. IMPROVEMENTS**

**7.01 Ownership.** Title to all of the Improvements shall be and remain vested in the Lessee or the occupant/owners of such Improvements during the term of the Ground Lease. Nothing in this language, however, is intended to impair or preclude in any fashion all of Lessor's rights and remedies as provided in the Ground Lease in relation to a default of the Ground Lease by Lessee. In addition, Lessee shall not remove any part of the Improvements from the Leased Premises without Lessor's prior written consent.

**7.02 Construction and Alteration.** There shall be no above ground or below ground swimming pools or spas constructed on the Leased Premises. Any other construction in connection with an existing or new Improvement(s) is subject to the following conditions: (a) all costs shall be borne and paid for by the Lessee; (b) all construction shall be performed in a worker-like manner and shall comply with all applicable laws and regulations; (c) all construction shall be consistent with the permitted uses set forth in the Ground Lease; (d) the exterior (including height) of such Improvements shall not be increased or expanded and new Improvements shall not be constructed without the prior written consent of Lessor, who shall not unreasonably withhold such consent; and (e) Lessee shall furnish to Lessor a copy of any plans and all building permits for such construction prior to commencing construction. For any construction requiring Lessor's prior written consent, Lessee shall submit written requests to the Lessor. Such request shall include:

- 7.02.1 a written statement of the reasons for undertaking the construction;
- 7.02.2 a set of drawings, floor plans and elevations showing the dimensions of the proposed construction;
- 7.02.3 a list of the necessary materials, with quantities needed;
- 7.02.4 a statement describing the person or entity to perform the work

Should the Lessor find that it needs additional information, Lessor shall request such information from the Lessee within two (2) weeks of receipt of Lessee's request. The Lessor, then, within two (2) weeks of receiving all necessary information (including any additional information it may have requested) shall give Lessee either its written consent or a written statement of its reasons for

not consenting. Before construction can begin, Lessee shall provide Lessor with copies of all necessary building permits, if not previously provided.

**7.03 Prohibition of Liens.** As provided in §713.10, Florida Statutes, Lessor's interest in the Leased Premises shall not be subject to liens resulting from improvements or non-payment of charges and fees by Lessee, and Lessee shall notify any contractor making such improvements or repairs of this provision. An appropriate notice of this provision may be recorded by Lessor in the official records of the County in accordance with said statute, without Lessee's joinder or consent. Any Notice of Commencement recorded by Lessee must specify that only Lessee's leasehold interest, and not Lessor's fee simple interest, in the Leased Premises is subject to the Notice of Commencement and any liens arising from Lessee's improvements to or on the Leased Premises.

No lien of any type shall attach to Lessor's title to the Leased Premises or to Lessor's interest in the Leased Premises or to any other property owned by the Lessor. Lessee shall not permit any statutory or similar lien to be filed against the Leased Premises, or any interest of Lessor or Lessee which remains more than sixty (60) days after it has been filed. Lessee shall cause any such lien to be discharged of record by payment, deposit, bond, order of a court of competent jurisdiction or as otherwise permitted by law. If Lessee fails to cause such lien to be discharged within the sixty (60)-day period, then, in addition to any other right or remedy, Lessor may, but shall not be obligated to, discharge the lien by paying the amount in question. Lessee may, at Lessee's expense, contest the validity of any such asserted lien, provided Lessee has furnished a bond in an amount sufficient to release the Leased Premises and/or Improvements from such lien. Any amounts paid by Lessor to discharge such liens shall be deemed to be an additional Ground Lease Fee payable by Lessee upon demand.

**7.04 Maintenance and Services.** Lessee shall, at Lessee's sole expense, maintain the Leased Premises and all Improvements as required by the Ground Lease. Lessor shall not be required to furnish any services or facilities, including but not limited to heat, electricity, air conditioning, water, sewer, surface water management systems, roadway or other infrastructure improvements, or to make any repairs to the Leased Premises or Improvements, and Lessee hereby assumes sole responsibility for furnishing all services or facilities. Lessee shall pay all utilities used, provided or supplied upon or in connection with the development, construction and operation of the Subdivision, including, but not limited to, all charges for gas, electricity, telephone and other communication services, water and sewer service charges, and all sanitation fees or charges levied or charged against the Leased Premises or Improvements during the term of the Ground Lease.

## ARTICLE 8. FINANCING

**8.01 Permitted Mortgage.** Lessee may mortgage the Improvements and its Leasehold Interest in the Leased Premises in accordance with the Permitted Mortgage terms set forth in the "Standard Permitted Mortgage Agreement" attached as **Exhibit "E"**. Not less than fifteen (15) days prior to the date on which Lessee (or a prospective successor Lessee who has contracted to purchase the Improvements) requests Lessor's consent for a mortgage to be effective, Lessee (or prospective successor Lessee) shall furnish to Lessor copies of every document to be executed in connection with the transaction represented by such mortgage. Lessor will consent to any mortgage, and in doing so shall designate such mortgage as a "**Permitted Mortgage**". However, Lessor shall consent to a mortgage only if (a) at the time such copies of documents are submitted and at the time proposed by Lessee (or prospective Lessee) for the execution of such documents, no default is then outstanding; and (b) the mortgage so submitted is a Permitted Mortgage as defined in the attached **Exhibit "E"**. At Lessor's option, Lessee shall pay to Lessor as additional Ground Lease Fee, any and all reasonable fees, costs and expenses, including, without limitation, reasonable attorneys' fees, incurred by Lessor in connection with any mortgage documentation review and any Permitted Mortgage. By executing the Memorandum of Ground Lease, Lessor thereby gives written permission for any mortgage or deed of trust signed by the Lessee effective on the day that the Memorandum of Ground Lease is executed.

**8.02 Refinancing or Other Subsequent Mortgages.** If, at any time subsequent to the purchase of the Improvements and signing of the Memorandum of Ground Lease, the Lessee seeks a loan that is to be secured by a mortgage on the Improvements (to refinance any existing Permitted Mortgage) or to finance repairs or for any other purpose approved by the Lessor, Lessee must inform Lessor, in writing of the proposed terms and conditions of such mortgage loan at least thirty (30) business days prior to the expected closing date of the loan. The information to be provided to the Lessor must include:

- 8.02.1 the name of the proposed lender;
- 8.02.2 Lessee's reason for requesting the loan;
- 8.02.3 the principal amount of the proposed loan and the total mortgage debt that will result from the combination of the loan and any existing mortgage debt, if any;
- 8.02.4 expected closing costs;
- 8.02.5 the rate of interest;
- 8.02.6 the repayment schedule;
- 8.02.7 a copy of the appraisal commissioned in connection with the loan request

Lessor may also require Lessee to submit additional information as deemed necessary by the Lessor. Lessor will not permit such a mortgage loan if the loan increases Lessee's total mortgage debt to an amount greater than ninety percent (90%) of the then current Purchase Option Price, calculated in accordance with Article 10 below or if the terms of the transaction otherwise adversely affect the interests of either the Lessee or the Lessor in Lessor's sole and absolute determination.

**8.03 Rights of Permitted Mortgagee.** Any holder of a Permitted Mortgage (a "Permitted Mortgagee") shall have the rights identified and defined the "**Standard Permitted Mortgage Agreement**" as set forth in **Exhibit "E"** attached hereto, and for which the loan secured thereby does not increase Lessee's total mortgage debt in an amount greater than ninety percent (90%) of the then current Purchase Option Price calculated in accordance with Article 10 below.

**8.04 Permitted Mortgagee Obligations under the Ground Lease.** Any Permitted Mortgagee shall be bound by each of the requirements stated in the Standard Permitted Mortgage Agreement the terms of which shall be incorporated in the Ground Lease by reference, unless a particular requirement is removed, contradicted or modified by any rider to the Ground Lease signed by the Lessee and Lessor to modify the terms of the Ground Lease during the term of the Permitted Mortgage.

**8.05 Foreclosure by Permitted Mortgagee.** In the event of judgment in foreclosure, in favor of the Permitted Mortgagee, or the delivery of a deed by the Lessee to the Permitted Mortgagee in lieu of foreclosure, or the Permitted Mortgage is assigned to the Secretary of the Department of Housing and Urban Development, the provisions of Article 10, Sections 10.01 and 10.02 shall be deleted and thereafter shall be of no further force or effect as to the Improvements transferred to the Permitted Mortgagee through foreclosure, or a deed in lieu of foreclosure or by assignment to the Secretary of the Department of Housing and Urban Development.

**8.06 Removal of Certain Provisions Pursuant to Foreclosure.** 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 Ground Lease, at the election of a Permitted Mortgagee, the

provisions of Article 10 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.

**8.07 Lessor's Right to Proceeds in Excess of Purchase Option Price.** The parties recognize that it would be contrary to the fundamental concept of the Ground Lease and an incentive to abuse Lessee's authorization to encumber its leasehold interest with a Permitted Mortgage if Lessee could realize more than the Purchase Option Price as a result of any foreclosure of any mortgage. Accordingly, Lessee hereby irrevocably assigns to Lessor any and all net proceeds of sale of the Improvements remaining after payment of costs of foreclosure and satisfaction of the lien of any Permitted Mortgagee which would otherwise have been paid to Lessee, and authorizes and instructs the Permitted Mortgagee or any party conducting any sale to pay the amount of said excess proceeds directly to Lessor. In the event that, for any reason, such excess proceeds are paid to Lessee, Lessee agrees to promptly pay the amount of such excess proceeds to Lessor.

**8.08 Amendments Subject to Approval by Permitted Mortgagee.** Any amendments to the Ground Lease shall be subject to the written approval of a Permitted Mortgagee, which approval shall not be unreasonably withheld or delayed. The passage of thirty (30) days after submittal to a Permitted Mortgagee of a proposed amendment without written approval or disapproval by a Permitted Mortgagee shall be deemed approval thereof.

**8.09 Community Land Trust Ground Lease Rider.** In the event the Lessee secures financing from a mortgage lender through a Federal program such as Fannie Mae or the United States Department of Veteran Affairs ("VA"), then, the Lessor and Lessee shall execute a "Community Land Trust Ground Lease Rider" substantially in the form attached hereto as **Exhibit "F"** which shall be attached to the Memorandum of Ground Lease evidencing the Ground Lease between the Lessor and the Lessee obtaining such financing. The mortgagee providing funds through a Federal program shall be deemed a "Specified Mortgagee" and is recognized by the Lessor as a Permitted Mortgagee and the mortgage shall be deemed a "Specified Mortgage".

## **ARTICLE 9. LIABILITY, INSURANCE, DAMAGE AND DESTRUCTION, EMINENT DOMAIN**

**9.01 Lessee's Liability.** Lessee assumes sole responsibility and liability to all persons and authorities related to its possession, occupancy, and use of the Leased Premises and Improvements.

**9.02 Indemnification of Lessor.** Lessee shall defend, indemnify and hold Lessor harmless from and against any and all liability and claims of liability for injury, expense, damages and claims to person or property from any cause on or about the Leased Premises and Improvements. Such indemnity includes but is not limited to, all damages, claims, losses, liabilities, costs, remediation costs and expenses, including but not limited to, reasonable legal accounting, consulting, engineering and other expenses, which may be asserted against, imposed upon, or incurred by Lessor, its successors and assigns, by any person or entity, caused by Lessee's use and occupancy of the Leased Premises or Improvements, including liability arising out of or in connection with any and all federal, state and local Environmental Law, as more fully set forth in the attached **Exhibit "G"**. Lessee waives all claims against Lessor for such injury or damage. However, Lessor shall remain liable (and Lessee shall not indemnify and defend Lessor against such liability or waive such claims of liability) for injury or damage due to the grossly negligent or intentional acts or omissions of Lessor, or Lessor's agents or employees.

**9.03 Payment by Lessor.** In the event that Lessor shall be required to pay any sum that is Lessee's responsibility or liability, Lessee shall promptly reimburse Lessor for such payment and for reasonable expenses caused thereby.

**9.04 Insurance on Improvements and Leased Premises.** Lessee shall, at Lessee's expense, keep the Improvements 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 Improvements, 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 Lessor prior to the commencement of the Lease. Thereafter, if the Lessor determines that the replacement value to be insured should be increased, the Lessor shall inform the Lessee of such required increase at least 30 days prior to the next date on which the insurance policy is to be renewed, and the Lessee shall assure that the renewal includes such change. If Lessee wishes to decrease the amount of replacement value to be insured, Lessee shall inform the Lessor of the proposed change at least 30 days prior to the time such change would take effect. The change shall not take effect without Lessor's approval. Should the Improvements lie in a flood hazard zone as defined by the National Flood Insurance Plan, the Lessee shall keep in full force and effect flood insurance in the maximum amount available. The Lessee 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 One Hundred Thousand and No/100 Dollars (\$100,000.00) per occurrence and in the aggregate. The Lessor 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 Lessor 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 Lessor's request but not more often than once in any one-year period. Lessor shall inform the Lessee 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 Lessee shall assure that the renewal includes such change. The amount of such increase in coverage shall be based on current trends in Lessee's liability insurance coverage in the area in which the Improvements is located.

**9.05 Damage or Destruction.** In the event of loss, Lessee shall give prompt notice to the insurance carrier. In the event of a substantial loss to the Improvements, such notice shall also be given to the Lessor. Except as provided below, in the event of fire or other damage to the Improvements, Lessee shall take all steps necessary to assure the repair of such damage and the restoration of the Improvements to their condition immediately prior to the damage. All such repairs and restoration shall be completed as promptly as possible. Lessee shall also promptly take all steps necessary to assure that the Leased Premises and Improvements are safe and that such damages do not constitute a danger to persons or property.

If Lessee, using reasonable judgment and relying on professional estimates, determines either (a) that full repair and restoration of the Improvements is physically impossible, or (b) that the available insurance proceeds will pay for less than Eighty Percent (80%) of the cost of repair and restoration (provided Lessee has fulfilled all of the hazard insurance requirements set forth in Section 9.04 above), then Lessee may terminate the Ground Lease by written notice to Lessor given not later than sixty (60) days after the event that caused the damage. However, such termination shall not be effective until forty-five (45) days after the date upon which the notice is received by Lessor. During this forty-five (45) day period, Lessor may seek an adjustment from the insurer so as to increase the available insurance proceeds to an amount covering at least Eighty Percent (80%) of the cost of repair and restoration. If successful in securing such an adjustment, Lessor may render Lessee's termination notice null and void by written notice to Lessee within such forty-five (45) day period. If Lessor fails to nullify the termination notice in this way, then the Ground Lease shall terminate at the expiration of the forty-five (45) day period, and any insurance proceeds payable to Lessee on account of such damage shall be paid to the Permitted Mortgagee, as required by the Permitted Mortgage; the balance of such proceeds, if any, shall be paid to Lessor. Provided however, if the Lessee is unsuccessful in securing the funds necessary to satisfy any shortfall of the costs of repair and restoration, then, Lessee shall notify Lessor of its inability to provide the shortfall, then Lessor may, but shall not be obligated to assist the Lessee. Methods used to assist the Lessee may include efforts by the Lessor to increase the available insurance proceeds, efforts to reduce the cost of necessary repairs, efforts to arrange affordable financing covering the cost of repair not covered by insurance proceeds, and any other methods agreed upon by both the Lessee and the Lessor. If Lessee and Lessor cannot agree on a way of restoring the home in the absence of adequate insurance proceeds, then Lessee may give Lessor written notice of intent to terminate the Lease. The

date of actual termination shall be no less than sixty (60) days after the Lessee's notice to terminate. Upon termination, any insurance proceeds payable to Lessee for damage to the Improvements shall be paid as follows:

- 9.05.1 to the expenses incurred in the collection of the insurance proceeds;
- 9.05.2 to the balance of any amounts due any Permitted Mortgagee(s), to the extent required by the Permitted Mortgagee(s);
- 9.05.3 to the expenses of enclosing or raising the remains of the Improvements and clearing debris;
- 9.05.4 to the Lessor for any amounts owed under the Ground Lease;
- 9.05.5 to the Lessee, 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 Sections 9.05.2, 9.05.3 and 9.05.4 above;
- 9.05.6 the balance, if any, to the Lessor.

**9.06 Eminent Domain and Public Dedication.**

- a. In the event that only a portion of the Leased Premises or of the Improvements on, under, above or appurtenant to the Leased Premises are taken in fee in condemnation by any competent authority, or by right of eminent domain, and if a reasonable amount of construction or reconstruction of the remainder of the Improvements will constitute, in Lessee's and Lessor's reasonable judgment, a suitable and practical improvement for the remaining Leased Premises within the scope of the intent of the parties to the Ground Lease, the Ground Lease and the term of it shall not cease or terminate but shall remain in full force and effect with respect to the portion of the Leased Premises and Improvements on, under, above and appurtenant to the Leased Premises not so taken or condemned, and in such event:
  - i. Lessor shall have the right to and shall be entitled to receive directly from the condemning authority in its entirety, that portion of the award which is hereinafter defined and referred to as the "**Land Award**" below, and neither the Lessee nor any Permitted Mortgagee shall be entitled to receive any part of the Land Award;
  - ii. Lessee shall have the right to and shall be entitled to receive directly from the condemning authority that portion of the award which is defined and referred to as the "**Improvements Award**" below, as such portion of the award shall have been fixed and determined by the court or such other lawful authority so authorized to do;
  - iii. The Lessee and the Permitted Mortgagee, if any, shall have the right to participate in any condemnation proceedings affecting the Leased Premises in any way and in any arbitration with respect to any condemnation affecting the Leased Premises for the purpose of protecting the rights of the Lessee and of the Permitted Mortgagee and to be represented by attorneys and experts of their own choosing or who may be the same as the attorneys or experts of the Lessor, in the absolute discretion of the Lessee and Permitted Mortgagee;
  - iv. The Lessee, within ninety (90) days from the date of receipt of the Improvements Award at its own cost and expense, shall commence restoration of the remaining Improvements to a

suitable and practical improvement upon the remaining Leased Premises in Lessee's reasonable judgment;

v. Commencing on the first of the month immediately following the date on which title to the portion of the Leased Premises so taken vested in the condemning authority, the Ground Rent payable during the then existing term shall be reduced by an amount equal to the amount of Ground Rent multiplied by a fraction, the numerator of which is equal to the number of square feet of Leased Premises taken by the condemning authority and the denominator of which is the total number of square feet of Leased Premises immediately prior to such taking.

b. In the event the entire Leased Premises and Improvements on, under, above and appurtenant to the Leased Premises are taken in condemnation by any competent authority or by right of eminent domain, the Ground Lease shall expire and terminate upon the date when title vests in the condemning authority.

c. If a portion of the Leased Premises and Improvements is so taken in condemnation as aforesaid and if the portion so taken is such that a reasonable amount of construction or reconstruction of the Improvements on, under, above and appurtenant to the Leased Premises not so taken will not constitute a suitable and practical improvement for the remaining Leased Premises in Lessee's and Lessor's reasonable judgment, for the purposes of the parties to the Ground Lease, Lessee shall have the right to terminate the Ground Lease upon thirty (30) days written notice to Lessor. If the Ground Lease expires and terminates for any such reason, the rights and interests of the parties shall be determined as follows:

i. Lessor shall have the right to and shall be entitled to receive directly from the condemning authority, that portion of the award, which is defined and referred to below as the "**Land Award**", and neither the Lessee nor the Permitted Mortgagee shall be entitled to receive any part of the Land Award;

ii. Lessee shall have the right to and shall be entitled to receive directly from the condemning authority that portion of the award, which is defined and referred to below as the "**Improvements Award**", as such portion of the award shall have been fixed and determined by the court or such other lawful authority so authorized to do;

iii. If an award were made for additional elements of damage, it shall be paid to and retained by Lessee subject to rights of the Permitted Mortgagee;

iv. If the court or such other lawful authority as may be authorized to fix and determine the awards fails to fix and determine, separately and apart, the Land Award and the Improvements Award, such awards shall be determined and fixed by written agreement mutually entered into by and among the Lessor, the Lessee and the Permitted Mortgagee, if any, and if they are unable to agree within twenty (20) days after entry of the judgment or decree in the said proceedings, the controversy shall be referred to arbitration for determination in the manner provided in Article 13 of the Ground Lease.

d. Lessee shall be entitled to make a separate claim against the condemning authority for the value of its ground leasehold interest, its monthly expenses, lost business, moving expenses, and any personal property lost or taken.

e. **Land Award.** The term "**Land Award**" shall mean that portion of the award in condemnation or change of grade proceedings which represents the value of the Leased Premises and of any subsurface installations of sanitary sewers, storm

sewers, water systems pipes, landscaping, and the curbing, surfacing and other improvements to the private streets which may be taken, the consequential damages to any part of the Leased Premises that may not be taken, the diminution of the assemblage or plottage value of the Leased Premises not so taken and all other elements and factors of damage to the Leased Premises and other Improvement items listed above in this definition.

f. **Improvements Award.** The term "**Improvements Award**" shall mean that portion of the award in condemnation proceedings which represents the value of the Improvements on, above or below the Leased Premises or damages for the taking of any part thereof and the consequential damages to any part of any buildings and other Improvements that may not be taken, including the award, if any, for the cost of removing and demolishing that part of any buildings and other Improvements not so taken provided the Ground Lease is not terminated. The Improvements Award shall include any award for any damage, injury or loss of any kind, nature or description to the ground leasehold estate of the Lessee or to the unexpired term thereof or to the right to any extension or extensions of the Ground Lease.

**9.07 Reassessment of Rental Value.** In the event of any taking that reduces the size of the Leased Premises and Improvements but does not result in the termination of the Ground Lease, Lessor shall reassess the fair rental value of the remaining Leased Premises and shall adjust the Ground Lease Fee, if necessary, to assure that the Ground Lease Fee does not exceed the fair rental value of the Leased Premises for use as restricted by the Ground Lease.

## **ARTICLE 10: TRANSFER OF THE IMPROVEMENTS**

**10.1 Preservation Affordability:** Lessee and Lessor agree that the provisions of this Article 10 are intended to preserve the affordability of the Improvements for lower income households and expand access to homeownership opportunities for such households.

**10.2 Limited Transfer Rights to Lessor or Qualified Persons:** Lessee may transfer the Improvements only to the Lessor 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 by a judgment in foreclosure or by deed in lieu of foreclosure, and shall be null and void.

**10.3 Transfer to Lessee's Heirs:** If Lessee dies (or if the last surviving co-owner of the Improvements dies), the executor or personal representative of Lessee's estate shall notify Lessor within ninety (90) days of the date of the death. Upon receiving such notice Lessor shall consent to a transfer of the Improvements and Lessee's rights to the Leased Premises to one or more of the possible heirs of Lessee listed below as "a," "b," or "c," provided that a receipt of the Q&A's described in Section 2.05 is submitted to Lessor to be attached to a Memorandum of Ground Lease between the Lessor and successor Lessee when it is transferred to the heirs, a) the spouse of the Lessee; or b) the child or children of the Lessee; or c) member(s) of the Lessee's household who have resided in the Improvements for at least one year immediately prior to Lessee's death. Any other heirs, legatees or devisees of Lessee, in addition to submitting the Q&A's, must demonstrate to Lessor's satisfaction that they are Income-Qualified Persons as defined by the Lessor based on parameters of the applicable funding source used in the original acquisition of the property. If they cannot demonstrate that they are Income-Qualified Persons, they shall not be entitled to possession of the Improvements but must transfer the Improvements in accordance with the provisions of this Article 10.

**10.4 Lessee's Notice of Intent to Sell:** In the event that Lessee wishes to sell the Improvements, Lessee shall notify Lessor, in writing, of such wish (the Intent-to-Sell Notice).

**10.5 Appraisal:** No later than ten (10) days after Lessor's receipt of Lessee's Intent-to-Sell Notice, Lessor shall commission a market valuation of the Leased Land and the Improvements (the "Appraisal") to be performed by a duly licensed appraiser who is acceptable to Lessor and Lessee. Lessor 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 Improvements 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 Improvements (consisting of improvements only) as separate amounts. Copies of the Appraisal are to be provided to both Lessor and Lessee.

**10.6 Lessee's Right to Designate a Qualified Buyer:** Lessee may, no later than ten days following receipt of the Appraisal, notify Lessor in writing that Lessee has identified a prospective buyer. If Lessee has thus identified a prospective buyer, then, within thirty (30) days of receipt of the Appraisal, Lessee shall furnish to Lessor, or cause to be furnished to Lessor, the following information and documents: (1) the number of people in the prospective buyer's household, (2) such documentation of household income as Lessor's policies then require for confirmation of a buyer's income-eligibility, (3) Receipt of Q&A's indicating informed acceptance of the terms of this Lease, in form and substance similar to the Q&A's in **Exhibit "B"** attached hereto; and (4) a statement of the price and other proposed terms of sale. No sale or other disposition shall be effective unless and until Lessor, within thirty (30) days of receipt of all of the documents listed in the paragraph above, confirms in writing that the prospective buyer is an income-qualified person who understands and accepts the terms of the Lease and that the price and other terms of sale are consistent with the terms of the Lease. If Lessor determines that the proposed buyer or proposed sale are not permitted under the terms of the Lease, then Lessor shall respond with written notice to Lessee of this determination. If Lessor fails to respond in writing within thirty (30) days of its receipt of the required documents, in accordance with this Section 10.6 within the required thirty (30) day period as provided above, then Lessee shall provide Lessor with a second notice marked, at the top of the notice letter in bold capitals in at least 14 point print "**FAILURE TO RESPOND TO THIS LETTER WITHIN FIFTEEN (15) DAYS WILL RESULT IN LESSOR PERMITTING THE PROPOSED BUYER OR PROPOSED SALE.**" If Lessor shall fail to respond within fifteen (15) days after such second letter then Lessor shall be deemed to have permitted the proposed buyer or the proposed sale described in such notice.. Upon receipt of Lessor's approval as described above, Lessee may proceed to sell the Improvements to the prospective buyer. Simultaneously with the closing of such sale, Lessor shall issue a new Memorandum of Ground Lease as provided in Section 10.11 below). Lessee shall complete such sale within sixty (60) days of receipt of approval, or deemed approval of the proposed sale.

**10.7 Lessor's Purchase Option.** Upon receipt of an Intent to Sell Notice from Lessee, Lessor shall have the option to purchase said Improvements (the "Purchase Option") at the Purchase Option Price calculated as set forth below, unless Lessee has identified a prospective buyer and is proceeding to seek approval of such buyer and to sell to such buyer in accordance with the provisions of Section 10.6 above. The Purchase Option is designed to further the purpose of preserving the affordability of the Improvements for succeeding Income-Qualified Persons while taking fair account of the investment of labor and capital by the Lessee. Lessee and Lessor agree to cooperate in furthering such purposes by facilitating the sale of the Improvements to an Income-Qualified Person. Such purposes are understood to be accomplished, without Lessor having otherwise exercised the Purchase Option, if the Improvements are sold, in accordance with Section 10.6 above, to a buyer identified by Lessee. Lessor shall not exercise the Purchase Option directly during such time as Lessee is proceeding to sell to a prospective buyer in accordance with Section 10.6. The Lessor may exercise the Purchase Option within a forty-five (45) day period beginning ten days after Lessee's

receipt of the Appraisal unless Lessee has, during such ten-day period, given notice identifying a prospective buyer. If Lessee has identified a prospective buyer but for any reason the sale to such prospective buyer cannot be completed, then Lessor may exercise the Purchase Option within a forty-five (45) day period beginning at such time as it is established that sale to such prospective buyer cannot be completed. In either case, to exercise the Purchase Option, Lessor shall, within the applicable forty-five-day period, notify Lessee in writing of its election to purchase the Improvements ("Notice of Exercise of Purchase Option"). If Lessor gives Notice of Exercise of Purchase Option to Lessee, Lessor shall then complete the purchase of the Improvements within sixty (60) days of the date on which it gives such notice. If Lessor either fails to give such notice within the time permitted or fails to complete the purchase within the time permitted, Lessee may sell the Improvements as provided in Section 10.8 below. Purchase of the Improvements pursuant to the Purchase Option may be accomplished by Lessor's giving Notice of Exercise of Purchase Option and thereupon assigning the Option to an Income-Qualified Person who then completes the purchase of the Improvements within sixty days of the date of the exercise of the Purchase Option. The time permitted for the completion of the purchase of the Improvements may be extended by mutual agreement of Lessor and Lessee.

**10.8 Expiration of Purchase Option:** If the Purchase Option has expired or if Lessor has failed to complete the purchase within the sixty-day period allowed by Section 10.7 above, Lessee may sell the Improvements to any Income-Qualified Person for not more than the then applicable Purchase Option Price.

**10.9 Power of Attorney to Conduct Sale:** If Lessor does not exercise its option and complete the purchase of the Improvements as described above, and if Lessee (a) is not then residing in the Improvements and (b) continues to hold the Improvements 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, Lessee does hereby appoint Lessor its attorney in fact to seek a buyer, negotiate a reasonable price that furthers the purposes of this Ground Lease, sell the property, and pay to the Lessee the proceeds of sale, minus Lessor's costs of sale and any other sums owed any mortgagee or Lessor by Lessee.

**10.10 Purchase Option Price:** In no event may the Improvements 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 Improvements 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).

**10.11 Formula Price.** The Formula Price shall be equal to the Purchase Price paid by the Lessee for the Improvements plus a share of the increased market value of the Improvements, if any, plus Zero Percent (0%) if the Improvements are sold two (2) years or less from the date of purchase; or Three Percent (3%) for each complete year beginning in the third (3<sup>rd</sup>) year of ownership, if the Improvements are sold after two (2) years from the date of purchase.

**10.12 Qualified Purchasers New Ground Lease:** The Lessor and new Lessee shall execute a new Memorandum of Ground Lease in accordance with the terms of this Article 10. Such new Ground Lease shall be substantially the same as the Ground Lease in the rights, benefits and obligations assigned to Lessee and Lessor.

**10.13 Transfer Fee:** In the event that Lessee sells the Improvements to a party other than the Lessor (whether directly to such party or as a result of Lessor'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 Lessor, a transfer fee to compensate the Lessor for carrying out its responsibilities with regard to the transaction. The amount of the transfer fee shall be no more than 1% of the Purchase Option Price.

**10.14 Requirement to make Necessary Repairs at Transfer:**

The Lessee is required to make necessary repairs when Lessee voluntarily transfers the Improvements as follows:

10.14.1 The buyer purchasing the Improvements ("Buyer") shall, prior to purchasing the Improvements, hire at her sole expense a building inspector with a licensed Improvements Inspector to assess the condition of the Improvements and prepare a written report of the condition ("Inspection Report"). The Lessee shall cooperate fully with the inspection.

10.14.2 The Buyer shall provide a copy of the Inspection Report to Buyer's lender (if any), the Lessee and the Lessor within 10 days after receiving the Inspection Report.

10.14.3 Lessee shall repair specific reported defects or conditions necessary to bring Improvements into full compliance with Sections 4.02 and 7.04 above prior to transferring the Improvements.

10.14.4 Lessee shall bear the full cost of the necessary repairs and replacements. However, upon Lessee's written request, the Lessor may allow the Lessee to pay all or a portion of the repair costs after transfer, from Lessee's proceeds of sale, if Lessee 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 Lessee's proceeds of sale in a Lessor-approved escrow account.

10.14.5 Lessee shall allow Lessor, 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.

10.14.6 Upon sale or other transfer, Lessee shall either (i) transfer the Improvements with all originally purchased appliances or replacements thereof 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 Improvements in good working order.

**10.15 Right of First Refusal in Lieu of Option.** If the provisions of the Purchase Option set forth in Section 10.7 above shall, for any reason become unenforceable, Lessor shall nevertheless have the right of first refusal to purchase the Improvements at the highest documented bona fide purchase price offer made to the Lessee. Such right shall be as specified in **Exhibit "D"** pertaining to said right of first refusal. Any sale or transfer contrary to this Section, when applicable, shall be null and void.

**ARTICLE 11. ASSIGNMENT AND SUBLICENSE**

Other than as provided pursuant to Sections 4.04 and 10 of the Ground Lease, Lessee shall not assign, sub-lease, sell or otherwise convey all or any portion of the Improvements or Lessee's rights under the Ground Lease without the prior written consent of Lessor. Lessee agrees that Lessor shall have broad and full discretion to withhold such consent in order to further the mutual purposes and goals set forth in the Ground Lease.

**ARTICLE 12. DEFAULT**

The occurrence of any one or more of the following events shall constitute a material default and breach by Lessee of the Ground Lease:

**12.01 Monetary Default by Lessee.** It shall be an event of default if Lessee fails to make any payment of Ground Lease Fees or any other payment required to be made by Lessee under the terms of the Ground Lease, or any mortgage encumbering the Improvements or Lessee's interest in

the Ground Lease, and such failure is not cured by Lessee within thirty (30) days after written notice of such failure is given by Lessor to Lessee and Permitted Mortgagee. In the event that Lessor serves Lessee with a notice to pay Ground Lease Fees or vacate pursuant to applicable unlawful detainer or other statutes, such notice shall also constitute the notice required herein.

**12.02 Non-Monetary Default by Lessee.** It shall be an event of default if (a) Lessee fails to abide by any other material term or condition of the Ground Lease, and such failure is not cured by Lessee or a Permitted Mortgagee within thirty (30) days after notice of such failure is given by Lessor to Lessee and Permitted Mortgagee; (b) the Improvements or Leased Premises are abandoned by Lessee; (c) Lessor discovers that any financial statement, representation, warranty, or other information given to Lessor by Lessee, in connection with the Ground Lease, was materially false or misleading when made or furnished; (d) an encumbrance that is otherwise not a "Permitted Mortgage" or otherwise consented to by the Lessor attaches to the Leased Premises and/or Improvements;; or (e) Lessee is in default or an event of default is declared pursuant to any Permitted Mortgage or any mortgage, security agreement, or evidence of indebtedness approved in accordance with Section 8.02 above that relates to the Leased Premises or Improvements, which is not cured by Lessee within thirty (30) days after Lessee's receipt of written notice by Lessor, and opportunity to cure. However, in the case where the Lessee or Permitted Mortgagee has commenced to cure such default within such thirty (30) day period and is continuing such cure with all due diligence, but cannot by the exercise of due diligence cure such default within such period, such period shall be extended for such additional period as may be reasonably required under the circumstances to complete such cure.

**12.03 Default by Lessee Resulting from Judicial Process.** It shall be an event of default if the estate hereby created is taken on execution or by other process of law, including but not limited to (a) the making by Lessee of any general arrangement or assignment for the benefit of creditors; (b) Lessee becomes a "debtor" as defined under the Federal Bankruptcy Code or any successor statute thereto or any other statute affording debtor relief, whether state or federal, (unless, in the case of a petition filed against Lessee, the same is dismissed within thirty (30) days), or admits in writing its present or prospective insolvency or inability to pay its debts as they mature, or is unable to or does not pay a material portion (in numbers or dollar amount) of its debts as they mature; (c) the appointment of a trustee or receiver to take possession of all or a substantial portion of the Improvements or of Lessee's interest in the Ground Lease; (d) the attachment, execution or other judicial seizure of all or a substantial portion of the Improvements or of Lessee's interest in the Ground Lease; or (e) the entry of a judgment against Lessee which affects Lessee's ability to conduct its business in the ordinary course; provided, however, to the extent that any provision of this Subsection is contrary to any applicable law, such provision shall be of no force or effect to such extent only.

**12.04 Termination.** In the case of any of the events described above, after at least sixty (60) days prior written notice by Lessor to Lessee and opportunity to cure, Lessor may terminate the Ground Lease and initiate summary proceedings against Lessee. Pursuant to such proceedings, Lessor may enter any part of the Leased Premises and Improvements which are not otherwise occupied by the persons or families who acquired the interests in the single-family home on the Leased Premises, repossess the entire Leased Premises, take possession of unoccupied Improvements, and expel Lessee without prejudice to any remedies which might otherwise be used for arrears of rent or preceding breach of covenant. Notwithstanding the foregoing, Lessor's non-disturbance covenants set forth in Section 12.08 shall survive any such termination of the Ground Lease.

If the Ground Lease is terminated by Lessor, or if Lessor takes possession of the Leased Premises and/or Improvements pursuant to an Event of Default, the Lessee agrees to pay and be liable for any unpaid Ground Lease Fee, damages which may be due or sustained prior to or in connection with such termination or possession, and all reasonable costs, fees and expenses (including, without limitation, reasonable attorneys' fees including paralegal fees) incurred by Lessor in pursuit of its remedies under the Ground Lease. If Lessor elects to terminate the Ground Lease,

then the Permitted Mortgagee shall have the right (subject to Article 8 above) to postpone and extend the specified date for the termination of the Ground Lease for a period sufficient to enable a Permitted Mortgagee or its designee to acquire Lessee's interest in the Ground Lease by foreclosure of its mortgage or otherwise.

**12.05 Default by Lessor.** Lessor shall in no event be in default in the performance of any of its obligations under the Ground Lease unless and until Lessor has failed to perform such obligations within forty five (45) days after receipt of written notice by Lessee, and opportunity to cure, or such additional time as is reasonably required to correct any default, after notice by Lessee to Lessor properly specifying Lessor's failure to perform any such obligation.

**12.06 Remedies.** In the event of any default or breach hereof by Lessee, after written notice and opportunity to cure, Lessor may (but shall not be obligated to) at any time thereafter, with or without further notice or demand and without limiting Lessor in the exercise of any right or remedy which Lessor may have by reason of such default or breach:

12.06.1 Declare all Ground Lease Fees, rents and charges immediately due and payable and all such Ground Lease Fees, rents and fixed charges to the end of the term of the Ground Lease shall be accelerated, and Lessor may at once take action to collect the same from the Lessee by appropriate means. In the event of acceleration of all Ground Lease Fees, rents and other charges due, which cannot be exactly determined as the of the date of acceleration and/or any judgment the amount of said Ground Lease Fees, rents and other charges shall be as determined by Lessor in a reasonable manner based on information such as previous fluctuations in the Consumer Price Index and the like.

12.06.2 Terminate Lessee's right to possession of the Leased Premises by any lawful means, in which case the Ground Lease shall terminate and Lessee shall immediately surrender possession of (i) the Leased Premises, and (ii) the Improvements which are not otherwise occupied by the persons or families who acquired the interests in the single-family home on the Leased Premises, to Lessor. Lessor will take possession of an unoccupied home as a fiduciary for Lessee or other owner of such home. In such event, Lessor shall be entitled to recover from Lessee all damages incurred by Lessor by reason of Lessee's default, including accrued rent, the cost of recovering possession of the Leased Premises and Improvements, and the expenses of reletting, including necessary renovations and alterations, reasonable attorney's fees (including paralegal fees), and any real estate commission actually paid;

12.06.3 Reenter and take possession of the Leased Premises and Improvements, which are not otherwise occupied and owned by the persons or families who acquired the interests in the single-family home on the Leased Premises as a fiduciary for Lessee or other owner of such home. Lessor shall be entitled to bring such actions or proceedings for the recovery of any deficits due to Lessor as it may deem advisable, without being obligated to wait until the end of the term, and commencement or maintenance of any one or more actions shall not bar Lessor from bringing other or subsequent actions for further accruals, nor shall anything done by Lessor pursuant to this Section limit or prohibit Lessor's right at any time to pursue other remedies of Lessor hereunder;

12.06.4 Perform any of Lessee's obligations on behalf of Lessee in such manner as Lessor shall deem reasonable, including payment of any amounts necessary to perform such obligation or obtain legal advice, and all expenses incurred by Lessor in connection with the foregoing, as well as any other amounts necessary to compensate Lessor for all detriment caused by Lessee's failure to perform, which in the ordinary course would be likely to result there from, shall be immediately due and payable from Lessee to Lessor, with interest at the Default Rate. Such performance by Lessor shall not cure the default of Lessee and Lessor may proceed to pursue any or all remedies available to Lessor on account of Lessee's default. If necessary, Lessor may enter (i) the

Leased Premises and (ii) the Improvements which are not otherwise occupied by the persons or families who acquired the interests in the single-family home on the Leased Premises, after ten (10) days prior written notice to Lessee (except in the case of emergency, in which case no notice shall be required), perform any of Lessee's obligations of which Lessee is in default; and/or

12.06.5 Pursue any other remedy now or hereafter available to Lessor under state or federal laws, local ordinance, or judicial decisions. Unpaid installments of rent and other unpaid monetary obligations of Lessee under the terms hereof shall bear interest from the date due, at the Default Rate.

12.06.6 In the case of any event of default, which is not cured within the applicable curative period, the Lessee hereby grants to the Lessor (or its assignee) the option to purchase the Improvements for the Purchase Option Price as such price is defined in Article 10 above. The exercise of the option by the Lessor shall be in lieu of any of the remedies set forth above. Within thirty (30) days after the expiration of any applicable cure period as established in Sections 12.01 and 12.02 above or within thirty (30) days after any of the events constituting an event of default under section 12.03 above, Lessor shall notify the Lessee and the Permitted Mortgagee(s) of its decision to exercise its option to purchase under this Section 12.06.6. Not later than ninety (90) days after Lessor gives notice to the Lessee of Lessor's intent to exercise its option under this Section 12.06.6, the Lessor or its assignee shall purchase the Improvements for the Purchase Option Price.

**12.07 No Waiver.** No reentry or taking possession of the Leased Premises and Improvements by Lessor shall be construed as an election on its part to terminate the Ground Lease, accept a surrender of the Leased Premises and Improvements, or release Lessee from any obligations hereunder, unless a written notice of such intention has been given to Lessee by Lessor. Notwithstanding any such reletting or reentry or taking possession, Lessor may at any time thereafter elect to terminate the Ground Lease for a previous default. Pursuit of any of the foregoing remedies shall not preclude the pursuit of any other remedies herein provided or any other remedies provided by law, nor shall the pursuit of any remedy herein provided constitute a forfeiture or waiver of any fees due to Lessor hereunder, or of any damages accruing to Lessor by reason of the violation of any of the terms, provisions and covenants herein contained.

Lessor's acceptance of Ground Lease Fees or additional fees following any event of default hereunder shall not be construed as Lessor's waiver of such event of default. No waiver by Lessor of any violation or breach of any of the terms, provisions, and covenants herein contained shall be deemed or construed to constitute a waiver of any other or subsequent violation or breach of any of the terms, provisions, and covenants herein contained. Forbearance by Lessor to enforce one or more of the remedies herein provided upon an event of default shall not be deemed or construed to constitute a waiver of any other or subsequent violation or default. The loss or damage that Lessor may suffer by reason of termination of the Ground Lease or the deficiency from any reletting as provided for above shall include the expense of repossession and any repairs or remodeling undertaken by Lessor following possession.

Should Lessor at any time terminate the Ground Lease for any default, in addition to any other remedy Lessor may have, Lessor may recover from Lessee all damages incurred by Lessor by reason of such default, including the cost of recovering the Leased Premises and the Improvements, and the loss of Ground Lease Fees for the remainder of the Ground Lease term. Lessor's consent to, or approval of, any act shall not be deemed to render unnecessary the obtaining of Lessor's consent to, or approval of, any subsequent act by Lessee. The delivery of keys to any employee or agent of Lessor shall not operate as a termination hereof or a surrender of the Leased Premises or Improvements.

## **ARTICLE 13. MEDIATION AND ARBITRATION PROCESS**

**13.01 Arbitration Process.** Should any grievance or dispute arise between Lessor and Lessee concerning the terms of the Ground Lease which cannot be resolved by normal interaction, the following arbitration procedure shall be used.

Lessor or Lessee shall give written notice to the other of its selection of a disinterested arbitrator. Within fifteen (15) days of the receipt of this written notice, the other party may give written notice to the first party appointing a disinterested arbitrator of its own choice. These two arbitrators shall select a third arbitrator. If the other party fails to name an arbitrator within fifteen days of receiving the notice from the first party, the arbitrator selected by the first party shall be the sole arbitrator.

The arbitrator or arbitrators shall hold a hearing in Pinellas County, Florida within thirty (30) days after the initial written notice by the initiator of the arbitration process, at which Lessor and Lessee shall have an opportunity to present evidence and question witnesses in the presence of each other. As soon as reasonably possible, and in no event later than fifteen (15) days after the hearing, the arbitration panel shall make a written report to Lessor and Lessee of its findings and decisions, including a personal statement by each arbitrator of his/her decision and the reasons for it. The arbitrators shall decide the dispute or claim in accordance with the substantive law of the jurisdiction and what is just and equitable under the circumstances. The decisions and awards of the majority of the arbitration panel, including the award of attorney fees, shall be binding and final.

**13.02 Mediation Process.** In lieu of selecting the Arbitration Process, the Lessor and Lessee shall have the option of selecting a mediator to mediate any disputes between the Lessor and the Lessee. If the Lessor and Lessee cannot agree on the selection of a mediator within fifteen (15) days of the receipt of a written notice from the other party requesting mediation, then, the Arbitration Process set forth in Section 13.01 above shall be mandatory.

## **ARTICLE 14. GENERAL PROVISIONS**

**14.01 Notices.** Except for any notice required under applicable law to be given in another manner, any notice provided for in the Ground Lease shall be given by mailing such notice to a party's address as stated below or at such other address as a party may designate by notice to the other party as provided in this Article 14. Any notice provided for in the Ground Lease shall be given personally or served by a party, by mailing the same to the other party by registered or certified mail, postage prepaid, return receipt requested, or sent by overnight courier such as FedEx or UPS, or by messenger delivery (provided a receipt is given), addressed to a party at the address set forth below, or at such other address as a party may from time to time designate by notice given to the other party in the manner as provided in this Article 14. Every such notice, demand, request or other communication under the Ground Lease shall be deemed to have been given or served for all purposes when delivered personally or when a receipt is obtained, or twenty-four (24) hours after the time that the same shall be deposited in the United States Mail, postage prepaid, or delivered to the overnight courier in the manner set forth above.

As to Lessor:

Bright Community Trust, Inc.  
As Trustee of the Pinellas County Community  
Housing Program Land Trust – Lorraine Leland  
2605 Enterprise Road East, Suite 230  
Clearwater, FL 33759  
Attention: CLT Administrator

with a copy to:

Christopher C. Sanders  
Sanders Law Group, P.A.  
2958 First Avenue  
St. Petersburg, Florida 33713

As to Lessee:

At Lessee's Address  
Set forth in the Memorandum of Ground Lease

**14.02 No Brokerage.** Lessee warrants that it has not dealt with any broker in connection with the consummation of the Ground Lease, and in the event any claim is made against Lessor relative to dealings with brokers, Lessee shall defend the claim against Lessor with counsel of Lessor's selection and shall save harmless and indemnify Lessor on account of loss, cost or damage which may arise by reason of any such claim.

**14.03 Severability and Duration.** If any part of the Ground Lease is unenforceable or invalid, such material shall be read out of the Ground Lease and shall not affect the validity of any other part of the Ground Lease or give rise to any cause of action of Lessee or Lessor against the other, and the remainder of the Ground Lease shall be valid and enforced to the fullest extent permitted by law. It is the intention of the parties that their respective options to purchase and all other rights under the Ground Lease shall continue in effect for the full term of the Ground Lease and any renewal thereof, and such options and other rights 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 ninety-nine (99) years from the commencement of the Ground Lease.

**14.04 Waiver.** The waiver by a party at any given time of any term or condition of the Ground Lease, or the failure of a party to take action with respect to any breach of any such term or condition, shall not be deemed to be a waiver of such term or condition with regard to any subsequent breach of such term or condition, or of any other term or condition of the Ground Lease. A party may grant waivers in the terms of the Ground Lease, but such waivers must be in writing and signed by the party before being effective. Lessor's subsequent acceptance of Ground Lease Fee or other payments shall not be deemed to be a waiver of any preceding breach by Lessee of any term or condition of the Ground Lease, other than the failure of Lessee to pay the particular fee so accepted, regardless of Lessor's knowledge of such preceding breach at the time of acceptance of such payment.

**14.05 Lessor's Right to Prosecute or Defend.** Lessor shall have the right, but not the obligation, to prosecute or defend, in its own or the Lessee's name, any actions or proceedings appropriate to the protection of its title to and interest in, and the Lessee's interest in, the Leased Premises and Improvements. Whenever requested by Lessor, Lessee shall give Lessor all reasonable aid in such action or proceeding. This right shall not preclude or exclude all rights of Lessee to prosecute or defend any actions or proceedings appropriate to the protection of Lessee's title to and interest in the Leased Premises and Improvements.

**14.06 Construction.** Whenever in the Ground Lease a pronoun is used it shall be construed to represent either singular or the plural, masculine or feminine, as the case shall demand.

**14.07 Captions and Table of Contents.** The captions appearing in the Ground Lease are for convenience only, and are not a part of the Ground Lease and do not in any way limit or amplify the terms or conditions of the Ground Lease.

**14.08 Parties Bound.** The Ground Lease sets forth the entire agreement between Lessor and Lessee with respect to the leasing of the Leased Premises and Lessee's ownership and interest in the Improvements; it is binding upon and inures to the benefit of these parties and, in accordance with the provisions of the Ground Lease, their respective successors in interest. The Ground Lease may be altered or amended only by written notice executed by Lessor and Lessee or their legal representatives or, in accordance with the provisions of the Ground Lease, their successors in interest. The provisions of the Ground Lease shall have no bearing or affect on any other agreements or warranties between Lessee and Lessor, except as otherwise stated herein.

**14.9 Governing Law.** The Ground Lease shall be interpreted in accordance with and governed by the laws of Florida. The language in all parts of the Ground Lease shall be, in all cases, construed according to its fair meaning and not strictly for or against Lessor or Lessee.

**14.10 Ground Lease Recordation.** The parties agree, that the recording of the Memorandum of Ground Lease substantially in the form attached as **Exhibit "C"** shall be in lieu of the Lessee signing and recording a separate Ground Lease and that the recording of the Memorandum of Ground Lease, which incorporates the terms and conditions of this Declaration shall be tantamount to the recording of a Ground Lease.

**14.11 Estoppels.** At any time and from time to time upon the written request of Lessor, Lessee, or any mortgage lender, Lessor or Lessee, as the case may be, shall deliver to the party requesting the same a certificate executed in recordable form stating (a) whether or not the Ground Lease is in full force and effect; (b) whether or not Lessee has exercised any rights to renew the term of the Ground Lease and the date on which the Ground Lease will terminate; (c) whether or not the Ground Lease has been modified or amended in any way, and attaching a copy of such modification or amendment; (d) whether or not any defaults exist under the Ground Lease to the knowledge of the party executing the certificate, and specifying the nature of such defaults, if any; (e) the status of Ground Lease Fee payments; and (f) any other facts regarding the operation of the Ground Lease which the Lessor, Lessee, or mortgage lender may reasonably request.

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

**14.13 Covenants and Land Use Restrictions.** The Leased Premises is encumbered by the covenants, land use and affordability requirements restrictions set forth in Exhibit "H" attached hereto, and will be governed by the homeowner's association rules and regulations promulgated thereunder. By executing a Memorandum of Ground Lease, the Lessee and any successor Lessee covenants and agrees to abide by said restrictions, rules and regulations whether or not said restrictions, rules and regulations are set forth or disclosed in the Declaration, the Memorandum of Ground Lease, any deed or other document affecting the Leased Premises.

**14.14 Amendments.** The Lessor reserves the right to amend the terms and conditions of this Declaration, which amendment shall be binding upon any Lessee and Permitted Mortgagee in existence at the time of the amendment if said Lessee executes an amendment to the Ground Lease evidenced by an amended Memorandum of Ground Lease, and the Lessor has complied with the terms and conditions of Section 8.07 of the Declaration. Any amendment to the Declaration recorded of record prior to the date of any Memorandum of Ground Lease by and between the Lessor and a Lessee shall be binding on that Lessee and applicable Permitted Mortgagee recording its mortgage subsequent to the date of the amendment. In no event shall any amendment be enforceable against a Permitted Mortgagee or any lender approved under Section 8.02 of the Declaration if the amendment contains

provisions that are in violation of the terms and conditions of Article 8 or the Standard Permitted Mortgage Agreement.

**14.15 Additional Property** The Lessor reserves the right to add additional property adjacent to or contiguous with the Project as such term is defined in the Restated Master Ground Lease, which additional property may be integrated with the Project as one common community. In no event shall the Lessor be required to obtain the consent of any Lessee, Permitted Mortgagee or any lender approved under Section 8.02 of the Declaration in order to add additional property.

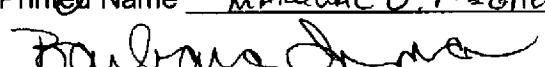
[Signatures begin on following page]

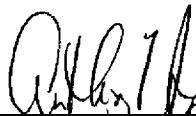
**IN WITNESS WHEREOF**, Lessor as Declarant has executed this Declaration as of the Effective Date of the        day of October, 2016.

**LESSOR:**

Bright Community Trust, Inc., a Florida not-for-profit corporation, as Trustee of the Pinellas County Community Housing Program Land Trust-Lorraine Leland

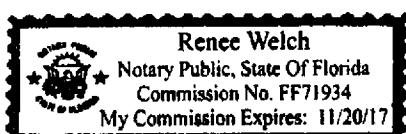
**WITNESSES (Two Required):**

  
Printed Name MARQUISE D. MCGHEE  
  
Printed Name Barbara Inman

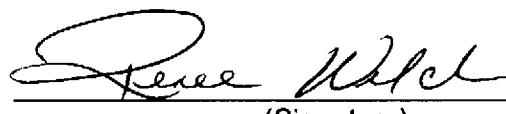
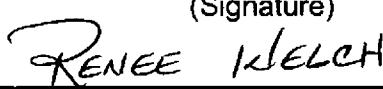
By:   
Printed Name Anthony M. Jones  
Its: President/CEO

STATE OF FLORIDA}  
PINELLAS COUNTY

The foregoing instrument was acknowledged before me this 7 day of October, 2016 by ANTHONY JONES, as PRESIDENT/CEO of Bright Community Trust, Inc. as Trustee of the Pinellas County Community Housing Program Land Trust-Lorraine Leland on behalf of the Trust, who is  personally known to me or who has  produced a driver's license as identification and did not take an oath.



(NOTARY STAMP/SEAL ABOVE)

  
(Signature)  
  
(Name of Notary, typed, printed or stamped)

#598248

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**EXHIBIT "A"**

**Legal Description of Land**

The West 200.00 feet of Lot 3, SARAH J. LEWIS SUBDIVISION, as recorded in Plat Book 3, Page 5, of the Public Records of Hillsborough County, Florida, of which Pinellas County was formerly a part, LESS the West 5.00 feet and the South 50.00 feet for road right of way, more particularly described as follows:

Commence at the center of Section 27, Township 28 South, Range 15 East, thence run S 00° 11' 11" E along the north south centerline of said Section 27, 270.53 feet; thence S 89° 28' 01" E, 30.00 feet for the Point of Beginning, thence continue S 89° 28' 01" E, 195.02 feet; thence S 00 11' 11" E, 160.00 feet; thence N 89° 28' 01" W, 195.02 feet; thence N 00° 11' 11" W, 160.00 feet for the Point of Beginning.

**AND**

Lot 6, LESS the South 30.00 feet thereof, SARAH J. LEWIS SUBDIVISION, as recorded in Plat Book 3, Page 5, of the Public Records of Hillsborough County, Florida, of which Pinellas County was formerly a part, LESS the West 5.00 feet and North 25.00 feet for road right of way, as more particularly described as follows:

Commence at the center of Section 27, Township 28 South, Range 15 E, thence run S 00° 11' 11" E along the north south centerline of said Section 27, 270.53 feet; thence S 89° 28' 01" E, 30.00 feet; thence S 00° 11' 11" E, 235.00 feet for the Point of Beginning; thence S 89° 28' 01" E, 644.09 feet to the west right of way of Martin Luther King Jr. Ave; thence S 11° 54' 44" W along said west right of way 158.53 feet; thence 89° 28' 01" W, 610.86 feet; thence N 00° 11' 11" W, 155.43 feet for the Point of Beginning.

**ALSO KNOWN AS:**

Lots 1 through 25, ECOVILLAGE DUNEDIN, together with all of the common areas appurtenant thereto, according to the plat thereof recorded in Plat Book 140, Page 104, Public Records of Pinellas County, Florida.

**EXHIBIT "B"**

**Q&A**

1. Q: Who is Eco Village Dunedin, LLC, a Florida limited liability company?

A: Eco Village Dunedin, LLC has entered into a Lease with Bright Community Trust, Inc., as Trustee of the Pinellas County Housing Program Land Trust – Lorraine Leland and has been authorized to be the “Developer” and construct 25 townhomes and sell the townhomes to you, and simultaneously with the closing of the sale of the townhome to you, Bright Community Trust, Inc., as Trustee of the Pinellas County Housing Program Land Trust-Lorraine Leland as Lessor shall lease the lot to you under the terms of a Ground Lease.

---

2. Q: What is the goal of the Pinellas Community Housing Foundation’s Community Housing Program Land Trust Program?

A: The goal of the Community Housing Program Land Trust is to preserve affordable home ownership opportunities through the leasing of land to the homeowner (Lessee) under a Ground Lease. Removing the cost of land greatly reduces the sales price and creates more buying power for the homebuyer. Homeowners of a Land Trust home enjoy the same rights as traditional homeownership and a resale restriction keeps the home affordable for future homebuyers. Land trust homeowners own the home (Improvement) and pay a modest monthly lease fee for the land. (Article 1)

---

3. Q: What is the term of the Lease?

A: The term of the Lease is approximately 99 years and the lease may be transferred to eligible heirs. (Article 3)

---

4. Q: Can the homeowner renew the Lease term?

A: Yes, the initial term of the Lease can be renewed for one additional period of 99 years as long as the homeowner has met all of the requirements of the Ground Lease. (Article 3)

---

5. Q: Can the homeowner sell their home (Improvement)?

A: Yes, the homeowner can sell their home (Improvement) as long as the requirements in the Ground Lease are met including the income requirements for the next buyer. (Article 10)

---

6. Q: What if the potential buyer is not an income-qualified person?

A: The Land Trust program provides an exciting affordable homeownership opportunity for income-qualified individuals. This eligibility feature helps ensure the same opportunities for future buyers. If a potential buyer does not qualify due to income, they will not be able to purchase the home. (Article 10)

---

7. Q: What is my rent for the land being leased?

A: The homeowner (pays a Ground Lease Fee as outlined in the Memorandum of Agreement. The Ground Lease Fee may be adjusted every three years, with a maximum potential increase of 6%. (Article 5)

---

8. Q: What other charges does the homeowner pay?

A: In addition to the Ground Lease Fee, the homeowner must pay the traditional costs of homeownership including: sales tax, real estate taxes, insurance, and regular maintenance and upkeep of the home. (Article 6), together with their pro rata share of the annual assessment for the Common Expenses as defined in Article VII, and Article VIII of the Declaration of Covenants, Conditions and Restrictions for Eco Village Dunedin.

---

9. Q: Are there any penalties for not paying the rent on time?

A: In the event the homeowner fails to pay the rent on time there is a late fee in the amount of five (5)% of the monthly amount due, but in no event less than Fifteen and No/100 Dollars (\$15.00) and interest in the amount of 10% per year from the due date. (Article 5)

---

10. Q: May the homeowner make any additions to their home or other improvements?

A: Homeowners may make additions and improvements to their home once they obtain the prior written consent of the Lessor and follow the requirements outlined in the Ground Lease. The addition of in-ground pools, above-ground pools and spas is not allowed. (Article 7)

---

11. Q: What happens at the end of the lease term of 99 years, or early termination?

A: At the end of the lease term, the home reverts to the (Lessor). In the event of a default, the homeowner should immediately contact the (Lessor) to discuss available options. If the default cannot be corrected, the home (Improvement) may revert back to the Land Trust (Lessor) as outlined in the Ground Lease. (Articles 3 & 12)

---

12. Q: Can the homeowner refinance the home (Improvements)?

A: Homeowners may seek refinancing as long as the terms and conditions comply with the standards for a Permitted Mortgage as outlined in the Ground Lease. (Article 8)

---

13. Q: Can the homeowner assign or sublease the Ground Lease?

A: The homeowner may not assign, sublease, or sell the home or any of the homeowner's rights under the Ground Lease without the prior written consent of the Lessor. (Article 11)

---

14. Q: What happens if there is a dispute between the homeowner and the Lessor?

A: In the event of a dispute between the homeowner and the Lessor, the Ground Lease provides for both mediation and arbitration. (Article 13)

---

15. Q: Are there any other restrictions pertaining to the land and Improvements?

A: In addition to the terms, covenants and conditions set forth in the Ground Lease, other restrictions may apply. At the time of the closing of the sale of the townhome, the Lessor will provide the homeowner with a title insurance commitment which will reference any additional restrictions.

**EXHIBIT "C"**

**MEMORANDUM OF GROUND LEASE WITH QUALIFIED LESSEE**

THIS MEMORANDUM OF GROUND LEASE WITH QUALIFIED LESSEE ("Memorandum") is made and entered into this «INPUT» day of «INPUT», «INPUT», by and between «INPUT» and «INPUT», [Option] «INPUT» spouse. ("Lessee"), whose principal address is «INPUT» and Bright Community Trust, Inc. a Florida not-for-profit corporation, as Trustee of the Pinellas County Community Housing Program Land Trust-Lorraine Leland, ("Lessor") whose principal address is 2605 Enterprise Road East, Suite 230, Clearwater Florida 33759

**WITNESSETH:**

Lessor is the owner of certain real property located on Lorraine Leland Street between Douglas Avenue and Martin Luther King Jr. Avenue in Dunedin in Pinellas County, Florida, a portion of which is to be leased to Lessee (the **Leased Premises**) and legally described as:

**Legal Description**

[Insert Legal Description]  
«INPUT»

Lessee has executed a Declaration of Ground Lease With Qualified Lessee having an effective date as of the \_\_\_\_\_ day of \_\_\_\_\_, 2016, recorded on the \_\_\_\_\_ day of \_\_\_\_\_, 2016, and recorded in the Official Record Book \_\_\_\_\_ Page \_\_\_\_\_, Public Records of Pinellas County, Florida (the "Declaration of Ground Lease").

The terms, conditions, covenants, obligations and restrictions of the Declaration of Ground Lease are hereby incorporated in this Memorandum by and between Lessor and Lessee as if more specifically set forth herein and as amended from time to time as permitted in the Declaration of Ground Lease and shall constitute the terms and conditions of the Ground Lease by and between Lessor and Lessee (the "Ground Lease").

The provisions of the Ground Lease include the following:

**1. Duration of the Ground Lease.**

**1.01 Initial Term.** The initial term of this Ground Lease shall be for the remaining portion of the ninety-nine (99) year period commencing on the effective date of the Declaration of Ground Lease ("the **Commencement Date**") and terminating at 12:00 midnight on the same day and month ninety-nine (99) years thereafter ("Initial Term").

**1.02 Lessee's Option to Extend Term.** Lessee may extend the Initial Term of the Ground Lease for one (1) additional period of ninety-nine (99) years, subject to all of the provisions of the Ground Lease, as amended in accordance with the terms and conditions of Section 3.02 of the Declaration.

**2. Use of Leased Premises and Improvements.** Lessee shall use, and shall cause all occupants to use the Leased Premises and Improvements only for owner occupied affordable single family housing and any incidental activities that are permitted by applicable zoning law and any covenants, conditions

and restrictions described in any indenture or plat pertaining to the subdivision in which the Leased Premises is located.

**3. Ground Lease Fee.**

**3.01** Lessee shall pay to Lessor a base annual Ground Lease Fee (the "Ground Lease Fee"), also described as "Rent", or "Base Rent" in the amount of ~~Three Hundred and~~ No/100 Dollars ("\$300.00") for the initial three (3) years of the Ground Lease. The acceptance by Lessor of monies from Lessee as Rent or other sums due shall not be an admission of the accuracy or sufficiency of the amount of such Rent or other sums due nor shall it be deemed a waiver by Lessor of any right or claim to additional or further Rent or other sums due.

**3.02** In order to keep the Ground Lease Fee reasonably current, the amount specified in Section 3.01 shall be recalculated every three (3) years during the term of the Ground Lease through the process described in Section 5.05 of the Declaration.

**3.03** Lessee shall pay a monthly late charge of 5% of the monthly amount due, but in no event less than Fifteen and No/100 Dollars (\$15.00) in accordance with Section 5.06 of the Declaration.

**3.04** Any amounts payable to Lessor by Lessee and not paid when due shall bear interest at the default rate of ten percent (10%) per annum from the due date in accordance with Section 5.07 of the Declaration.

**4. Taxes and Assessments.** Lessee agrees to pay to the appropriate governmental agencies all taxes, assessments, impositions, or all other claims, fines or charges (collectively "Taxes") that relate to the Improvements and the Leased Premises in accordance with the terms and provisions of Article 6 of the Declaration.

**5. Improvements.** Simultaneously with the execution of this Memorandum of Ground Lease, the developer has conveyed to the Lessee the Improvements located on the Leased Premises and Lessee shall abide by the terms and conditions of ownership, construction, maintenance and alteration provided in Article 7 of the Declaration. Upon the expiration or termination of the Ground Lease, ownership of the Improvements shall revert to the Lessor.

**6. Financing.** This Ground Lease prohibits the Lessee from mortgaging any Improvements on the Leased Premises and/or mortgaging Lessee's leasehold interest in the Leased Premises without the consent of the Lessor as provided in Article 8 of the Declaration.

**7. Insurance.** Lessee assumes sole responsibility and liability to all persons and authorities related to its possession, occupancy and use of the Leased Premises and Improvements and shall indemnify the Lessor in accordance with the terms and conditions set forth in Section 9.02 of the Declaration. Lessee shall obtain liability and casualty insurance in accordance with the terms and conditions of Article 9 of the Declaration.

**8. Transfer of the Improvements.** This Ground Lease requires that in the event Lessee intends to sell the Leased Premises and/or assign its interest in the Ground Lease to a party that is otherwise not an owner/occupant of an affordable housing single-family home, Lessee shall notify Lessor of such intent, at which time Lessor shall have the option to purchase the Improvements on the terms and conditions contained in the Declaration. The Improvements may not be conveyed to a third party without compliance with the terms of Article 10 of the Declaration.

**9. Assignment and Sublease.** This Ground Lease stipulates that except as otherwise provided in the Declaration, Lessee's interest in the Leased Premises or the Improvements shall not be assigned or subleased without the prior written consent of the Lessor as required in Article 11 of the Declaration.

**10. Liens and other Encumbrances.** Pursuant to Section 713.10, Florida Statutes and Section 7.03 of the Declaration, no liens for services, labor, or materials shall attach to Lessor's title to the Leased Premises.

**11. Default.** The occurrence of any one or more of the events of default set forth in Article 12 of the Declaration shall constitute a default under the terms and conditions of the Ground Lease.

**12. Remedies.** Any event of default which is not cured within the applicable curative period set forth in Article 12 of the Declaration will result in the Lessor having the right to exercise any of its remedies set forth in Section 12.06 of the Declaration.

**13. Amendment.** The Ground Lease may only be amended in accordance with the terms and conditions set forth in Section 14.14 of the Declaration.

**14. Recording.** The Declaration requires that this Memorandum of Ground Lease be recorded in the official public records of Pinellas County, Florida and the terms of the Declaration together with the terms of this Memorandum of Ground Lease shall constitute the terms and conditions of the Ground Lease by and between the Lessor and Lessee, their successor and assigns.

**15. Ratification and Confirmation.** Except for the terms and conditions set forth in this Memorandum of Ground Lease, the terms and conditions set forth in the Declaration, as amended are hereby ratified and confirmed and in full force and affect.

**16. Notices.** Except for any notice required under applicable law to be given in another manner, any notice provided for in the Ground Lease shall be given by mailing such notice to a party's address as stated below or at such other address as a party may designate by notice to the other party as provided in Article 14 of the Declaration. Any notice provided for in the Ground Lease shall be given personally or served by a party, by mailing the same to the other party by registered or certified mail, postage prepaid, return receipt requested, or sent by overnight courier such as FedEx or UPS, or by messenger delivery (provided a receipt is given), addressed to a party at the address set forth below, or at such other address as a party may from time to time designate by notice given to the other party in the manner as provided in Article 14 of the Declaration. Every such notice, demand, request or other communication under the Ground Lease shall be deemed to have been given or served for all purposes when delivered personally or when a receipt is obtained, or twenty-four (24) hours after the time that the same shall be deposited in the United States Mail, postage prepaid, or delivered to the overnight courier in the manner set forth above.

As to Lessor: Bright Community Trust, Inc. a Florida  
not-for-profit corporation, as Trustee  
of the Pinellas County Community Housing  
Program Land Trust-Lorraine Leland  
2605 Enterprise Road East, Suite 230  
Clearwater, Florida 33759

with a copy to: \_\_\_\_\_

As to Lessee: \_\_\_\_\_

This Memorandum is executed pursuant to the provisions contained in the Declaration and is not intended to vary the terms and conditions of the Declaration, but is intended only to give notice of such Ground Lease and the provisions of it as they pertain to this Lessee, their successors and assigns.

IN WITNESS WHEREOF, the undersigned have executed this Memorandum.

WITNESSES (Two Required):

**LESSEE:**

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

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

«INPUT»

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

(Seal)

STATE OF FLORIDA}  
PINELLAS COUNTY

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 201 by  
«INPUT» who is ( ) personally known to me or who has ( ) produced a driver's license as  
identification and did not take an oath.

\_\_\_\_\_  
(Signature)

(NOTARY STAMP/SEAL ABOVE)

\_\_\_\_\_  
(Name of Notary, typed, printed or stamped)

WITNESSES (Two Required):

**LESSOR:**

Bright Community Trust, Inc. a Florida not-for-profit corporation, as Trustee of the Pinellas County Community Housing Program Land Trust-Lorraine Leland

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

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

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

Its: \_\_\_\_\_

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

STATE OF FLORIDA}  
PINELLAS COUNTY

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 201 \_\_\_\_\_ by \_\_\_\_\_, as Bright Community Trust, Inc. a Florida not-for-profit corporation, as Trustee of the Pinellas County Community Housing Program Land Trust-Lorraine Leland on behalf of the Trust., who is ( ) personally known to me or who has ( ) produced a driver's license as identification and did not take an oath.

\_\_\_\_\_  
(Signature)

(NOTARY STAMP/SEAL ABOVE)

\_\_\_\_\_  
(Name of Notary, typed, printed or stamped)

**Exhibit "D"**  
**RIGHT OF FIRST REFUSAL**

Whenever any party under the Ground 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 Ground 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 Ground 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.

**Exhibit "E"**

**STANDARD PERMITTED MORTGAGE AGREEMENT**

The rights and provisions set forth in this Exhibit shall be understood to be provisions of the Declaration to which the Exhibit is attached. All terminology used in this Exhibit shall have the meaning assigned to it in the Ground 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 Memorandum of Ground Lease signed by the Lessee and the Lessor to modify the terms of the Ground Lease affecting that Lessee during the term of the Permitted Mortgage.

1. If Permitted Mortgagee sends a notice of default to the Lessee because the Lessee 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 Lessor. Upon receiving a copy of the notice of default and within that period of time in which the Lessee has a right to cure such default (the "cure period"), the Lessor shall have the right to cure the default on the Lessee's behalf, provided that all current payments due the Permitted Mortgage 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 or seek a deed in lieu of foreclosure under the Permitted Mortgage, the Permitted Mortgagee shall first notify Lessor of its intention to do so, and Lessor 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, or one of its affiliates and/or assigns, acquires title to the Improvements through foreclosure or acceptance of a deed in lieu of foreclosure, the Permitted Mortgagee shall give Lessor written notice of such acquisition and Lessor shall then have an option to purchase the Improvements from the Permitted Mortgagee for the full amount owing to the Permitted Mortgagee under the Permitted Mortgage. To exercise this option to purchase, Lessor must give written notice to the Permitted Mortgagee of Lessor's intent to purchase the Improvements within thirty (30) days following Lessor's receipt of the Permitted Mortgagee's notice. Lessor must then complete the purchase of the Improvements within sixty (60) days of having given written notice of its intent to purchase. If Lessor does not complete the purchase within this 60-day period, the Permitted Mortgagee shall be free to sell the Improvements to another person.
4. Nothing in the Permitted Mortgage or related documents shall be construed as giving Permitted Mortgagee a claim on Lessor's interest in the Leased Premises, or as assigning any form of liability to the Trustee with regard to the Leased Premises, the Improvements, or the Permitted Mortgage.
5. Nothing in the Permitted Mortgage or related documents shall be construed as rendering Lessor or any subsequent Mortgagee of Lessor'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 Lessor or Lessor's interest in the Leased Premises, but will look solely to Lessee, Lessee's interest in the Leased Premises, and the Improvements for the payment of the debt secured thereby or any part thereof. (It is the intention of the parties hereto that Lessor's consent to such the Permitted Mortgage shall be without any liability on the part of Lessor 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 of the Declaration.

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

**B. RIGHTS OF PERMITTED MORTGAGEE.** The rights of a Permitted Mortgagee as referenced under **Section 8.03** of the Declaration to which this Exhibit is attached shall be as set forth below.

1. Any Permitted Mortgagee shall, without further consent by Lessor, 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 Lessee; (b) acquire and convey, assign, transfer and exercise any right, remedy or privilege granted to Lessee by this Ground 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 Ground 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 Ground Lease, to assume personal liability for the payment and performance of the obligations of the Lessee under the Ground 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 Improvements and Leased Premises. In the event Permitted Mortgagee does take possession of the Improvements and Leased Premises 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 Ground Lease.

3. In the event that title to the estates of both Lessor and Lessee 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 Ground Lease is terminated for any reason, or in the event of the rejection or disaffirmance of the Ground Lease pursuant to bankruptcy law or other law affecting creditors' rights, Lessor shall enter into a new lease for the Leased Premises with the Permitted Mortgagee (or with any party designated by the Permitted Mortgagee, not more than thirty (30)days after the request of the Permitted Mortgagee. Such new Ground Lease shall be for the remainder of the term of the Ground Lease, effective as of the date of such termination, rejection or disaffirmance, and upon all the terms and provisions contained in the Ground Lease. However, the Permitted Mortgagee shall make a written request to LESSOR 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 a new Memorandum of Ground Lease, duly executed and acknowledged by the Permitted Mortgagee or the party designated by the Permitted Mortgagee to be the Lessee thereunder. Any new lease made pursuant to this Section shall have the same priority with respect to other interests in the Premises as the Ground Lease. The provisions of this Section shall survive the termination, rejection or disaffirmance of the Ground Lease and shall continue in full effect thereafter to the same extent as if this Section were independent and an independent contract made by Lessor, Lessee and the Permitted Mortgagee.

5. The Lessor shall have no right to terminate the Ground Lease during such time as the Permitted Mortgagee has commenced foreclosure in accordance with the provisions of the Ground Lease and is diligently pursuing the same.
6. In the event that Lessor sends a notice of default under the Ground Lease to Lessee, Lessor shall also send a notice of Lessee's default to Permitted Mortgagee. Such notice shall be given in the manner set forth in the Ground Lease to the Permitted Mortgagee at the address which has been given by the Permitted Mortgagee to Lessor by a written notice to Lessor sent in the manner set forth in the Ground 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, or the Permitted Mortgage is assigned to the Secretary of the Department of Housing and Urban Development in accordance with the provisions of the Ground Lease, the provisions of Article 10, Sections 10.01 and 10.02 shall be deleted and thereupon shall be of no further force or effect as to only so much of the security or collateral so foreclosed upon or transferred.
8. Before becoming effective, any amendments to the Ground 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 thirty (30) 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 8.03 of the Ground Lease, shall be written as follows, and shall be signed by Mortgagee and Lessee.

*This Agreement is made by and between: \_\_\_\_\_ (Mortgagee,  
Lender) Pinellas Community Housing Foundation, Inc. and  
\_\_\_\_\_  
(“Lessee”), \_\_\_\_\_*

**Whereas:**

- a) \_\_\_\_\_ Lessor (the “Lessor”) and Lessee have entered, or are entering, into a Ground Lease (“the Lease”), conveying to Lessee a leasehold interest in the Leased Premises located at \_\_\_\_\_ (“the Leased Premises”); and Lessee has purchased, or is purchasing, the Improvements located on the Leased Premises (“the Improvements”).
- b) The Mortgagee has been asked to provide certain financing to the Lessee, and is being granted concurrently herewith a mortgage and security interest (the “Mortgage”) in the Leased Premises and Improvements, all as more particularly set forth in the Mortgage, attached hereto as Schedule A.
- c) The Ground Lease states that the Lessee may mortgage the Leased Premises only with the written consent of Lessor. The Ground Lease further provides that Lessor 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 Lessee/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 Lessee because the Lessee 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 Lessor. Upon receiving a copy of the notice of default and within that period of time in which the Lessee has a right to cure such default (the “cure period”), the Lessor shall have the right to cure the default on the Lessee'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 or a deed in lieu of foreclosure under the Mortgage, in accordance with the provisions of the Lease, the Mortgagee shall first notify Lessor of its intention to do so and Lessor 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, or one of its affiliates and/or assigns, acquires title to the Improvements and Lessee's interest in the Leased Premises through foreclosure or acceptance of a deed in lieu of foreclosure, the Mortgagee shall give the Lessor written notice of such acquisition and the Lessor shall have an option to purchase the Improvements and Lessee's interest in the Leased Premises from the Mortgagee for the full amount owing to the Mortgagee; provided, however, that the Lessor notifies the Mortgagee in writing of the Lessor's intent to make such purchase within thirty (30) days following the Lessor's receipt of the Mortgagee's notice of such acquisition of the Improvements and Lessee's interest in the Leased Premises; further provided that Lessor shall complete such purchase within sixty (60) days of having given written notice of its intent to purchase; and provided that, if the Lessor does not complete the purchase within such period, the Mortgagee shall be free to sell the Improvements and Lessee's interest in the Leased Premises to another person;

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

5) Nothing in the Mortgage shall be construed as rendering Lessor or any subsequent holder of the Lessor'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 Lessor or Lessor's interest in the Leased Premises, but will look solely to Lessee and Lessee's interest in the Leased Premises and the Improvements for the payment of the debt secured by the Mortgage. (It is the intention of the parties hereto that Lessor's consent to the Mortgage shall be without any liability on the part of Lessor for any deficiency judgment.)

7) In the event that any part of the Leased Premises 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, Section 9.06 of the Declaration.

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

**IN WITNESS WHEREOF:**

**MORTGAGEE:**

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

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

**WITNESSES (Two Required):**

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

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

**EXHIBIT "F"**

**COMMUNITY LAND TRUST GROUND LEASE RIDER**  
**(Ecovillage Dunedin)**

THIS COMMUNITY LAND TRUST GROUND LEASE RIDER (the "Rider") is made this \_\_\_\_\_ day of \_\_\_\_\_, 2016, and amends and supplements a certain ground lease (referred to herein as "the Declaration") dated \_\_\_\_\_, 2016 that is by and between **Bright Community Trust, Inc, a Florida not-for-profit corporation, as Trustee of the Pinellas County Community Housing Program Land Trust-Lorraine Leland**, as lessor (herein referred to as "the "Lessor" but may otherwise be referred to in the Declaration as the "CLT") and \_\_\_\_\_, as lessee (herein referred to as "the "Lessee" but may otherwise be referred to in the Declaration as "Homeowner"). This Rider shall be deemed incorporated into the Declaration, and the Declaration as amended by this Rider, shall hereafter be referred to as the "Lease" or "Ground Lease", unless otherwise indicated.

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

This Rider amends the Declaration 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 \_\_\_\_\_, 2016, by Lessee to \_\_\_\_\_ (the "Specified Mortgage"), and the interest of the Specified Mortgagee in the Lease 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 Declaration, 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 Declaration.

**ADDITIONAL COVENANTS.** Notwithstanding anything to the contrary contained in the Declaration, and in addition to the covenants and agreements made in the Declaration, 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 Declaration 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 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 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 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 the Ground 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 on 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 as least sixty (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 Mortgagee 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 exercise 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 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 the 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 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 the 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) 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, (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 or 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 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 and 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 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 condemnations award to be allocated between the Lessor and the 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 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 alterations in the Improvements may be made as provided in the Ground Lease, as long as the value of the Leased Premises and Improvements are not diminished. The Lessor, as owner of only the Leased Premises, shall join in all easements, permits and applications necessary for such development of the Leased Premises and the Improvements as is permitted under the Ground Lease, provided that 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 is located.

**M. Merger.** If the estates of 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 Improvements, or takes an assignment in lieu of foreclosure, all subtenants shall agree to continue as a tenant to the Specified Mortgagee or its assignee.

**O. Estoppels Certificate.** The Lessor shall, from time to time, within ten (10) days written notice from the Specified Mortgagee, certify by written instrument, duly executed and acknowledged, to such Specified Mortgagee that the Ground Lease has not been amended, the Ground Lease is in full force and effect, that neither party is in default there under, 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 Ground Lease, the terms and provisions of this Rider shall control.

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

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

WITNESSES (Two Required):

**LESSOR:**

**Bright Community Trust, Inc.,**  
a Florida not-for-profit corporation  
As Trustee of the Pinellas County  
Community Housing Program Land  
Trust- Lorraine Leland

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

By: \_\_\_\_\_  
Anthony Jones, President

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

(Seal)

STATE OF FLORIDA}  
PINELLAS COUNTY}

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2016 by Anthony Jones, as President of Bright Community Trust, Inc., who is ( ) personally known to me or who has ( ) produced a driver's license as identification and did not take an oath.

\_\_\_\_\_  
(Signature)

(NOTARY STAMP/SEAL ABOVE)

\_\_\_\_\_  
(Name of Notary, typed, printed or stamped)

WITNESSES (Two Required):

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

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

LESSEE:

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

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

STATE OF FLORIDA}  
PINELLAS COUNTY}

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2016 by \_\_\_\_\_, who is ( ) personally known to me or who has ( ) produced a driver's license as identification and did not take an oath.

\_\_\_\_\_  
(Signature)

(NOTARY STAMP/SEAL ABOVE)

\_\_\_\_\_  
(Name of Notary, typed, printed)

**EXHIBIT "G"**

**ENVIRONMENTAL REQUIREMENTS AND RESTRICTIONS**

The following restrictions are additional stipulations of the Ground Lease:

**A. HAZARDOUS CONTAMINATION**

- 1. Hazardous Contamination.** Lessee shall not use, generate, manufacture, produce, store, release, discharge or dispose of, on, under or about the Leased Premises and Improvements (the Leased Premises and Improvements are sometimes collectively referred to as the "Property"), or transport to or from the Property, any Hazardous Substance (as defined below), or allow any other person or entity to do so. Lessee shall keep and maintain the Leased Premises and Improvements in compliance with, and shall not cause or permit the Property to be in violation of, any Environmental Laws (as defined below).
- 2. Lessee Notice.** Lessee shall give prompt notice to Lessor of (a) any proceeding or inquiry by any governmental authority (including without limitation the Florida Environmental Protection Agency or Florida Department of Health and Rehabilitative Services) with respect to the presence of any Hazardous Substance on the Leased Premises and Improvements, or the migration thereof from or to other property; (b) all claims made or threatened by any third party against Lessee, Lessor, the Leased Premises or Improvements relating to any loss or injury resulting from any Hazardous Substance; and (c) Lessee's discovery of any occurrence or condition on any real property adjoining or in the vicinity of the Property that could cause the Leased Premises and Improvements, or any part thereof to be subject to any restrictions on the ownership, occupancy, transferability or use of the Leased Premises and Improvements under any Environmental Law or any regulation adopted in accordance therewith.
- 3. Hold Harmless and Indemnification.** (a) Lessee shall protect, indemnify and hold harmless Lessor, its directors, officers, employees, agents, successors and assigns from and against any and all loss, damage, cost, expense or liability (including attorneys' fees and costs) directly or indirectly arising out of or attributable to the use, generation, manufacture, production, storage, release, threatened release, discharge, disposal, transport or presence of a Hazardous Substance on, under, about, to or from the Leased Premises and Improvements, including without limitation all foreseeable consequential damages and the costs of any necessary repair, cleanup or detoxification of the Leased Premises and Improvements, in any way arising from the acts of Lessee, its managers and employees; and (b) Lessor shall protect, indemnify and hold harmless Lessee, its directors, officers, employees, agents, successors and assigns from and against any and all loss, damage, cost, expense or liability (including attorneys' fees and costs) directly or indirectly arising out of or attributable to the use, generation, manufacture, production, storage, release, threatened release, discharge, disposal, transport or presence of a Hazardous Substance on, under, about, to or from the Leased Premises and Improvements, including without limitation all foreseeable consequential damages and the costs of any necessary repair, cleanup or detoxification of the Leased Premises and Improvements, in any way arising from the acts of Lessor, its managers and employees.
- 4. Environmental Laws.** "Environmental Laws" shall mean any federal, state or local law, statute, ordinance or regulation pertaining to health, industrial hygiene, or the environmental conditions on, under or about the Leased Premises and Improvements, including without limitation the Comprehensive Environmental Response Compensation and Liability Act of

1980, as amended from time to time ("CERCLA"), 42 U.S.C. Sections 9601 et seq., and the Resource Conservation and Recovery Act of 1976, as amended from time to time ("RCRA"), 42 U.S.C. Sections 6901 et seq. The term **"Hazardous Substance"** shall include without limitation: (a) those substances included within the definition of "hazardous substances," "hazardous materials," "toxic substances," or "solid waste" in CERCLA, RCRA, and the Hazardous Materials Transportation Act, 49 U.S.C. Sections 1801 et seq., and in the regulations promulgated pursuant to said laws; (b) those substances defined as "hazardous wastes" in any Florida Statute and in regulations promulgated pursuant to any Florida Statute; (c) those substances listed in U.S. Department of Transportation Table 49 CFR 172.101, as amended, or by the U.S. Environmental Protection Agency (or any successor agency) as hazardous substances (40 CFR Part 302, as amended); (d) such other substances, materials and wastes which are or become regulated under applicable local, state or federal law, or which are classified as hazardous or toxic under federal, state or local laws or regulations; and (e) any material, waste or substance which is (1) petroleum, (2) asbestos, (3) polychlorinated biphenyls, (4) designated as a "hazardous substance" pursuant to Section 311 of the Clean Water Act, 33 U.S.C. Sections 1251 et seq., or listed pursuant to Section 307 of the Clean Water Act, (5) flammable explosive, or (6) radioactive materials.

5. **Lessor's Right of Inspection.** Lessor shall have the reasonable right to inspect the Property (except the interiors of individually owned and occupied Units) and audit Lessee's operations thereon to ascertain Lessee's compliance with the provisions of the Ground Lease at any reasonable time. Lessor shall have the right, but not the obligation, to enter upon the Property and perform any obligation of Lessee hereunder of which Lessee is in default, including without limitation any remediation necessary due to environmental impact of Lessee's operations on the Property, without waiving or reducing Lessee's liability for Lessee's default hereunder.
6. **Survival.** All of the terms and provisions of this Section shall survive expiration or termination of this Ground Lease for any reason whatsoever.

Ownership Housing Development are attached hereto and incorporated herein by reference.

**EXHIBIT "H"**

**LAND USE & AFFORDABILITY REQUIREMENTS AND RESTRICTIONS**

This Ground Lease is subject and subordinate to the Declaration of Covenants, Conditions and Restrictions for Eco Village Dunedin dated the 10th day of May 2012, recorded in Official Record Book 17669, at Page 347, among the Public Records of Pinellas County, Florida, as amended by that certain First Amendment to Declaration of Covenants, Conditions and Restrictions for Eco Village Dunedin, dated the 27th day of August, 2012, recorded in Official Record Book 17704, at Page 1584, among the Public Records of Pinellas County, Florida.

**Exhibit "I"**

**Partial Release of Memorandum of Ground Lease**

**This instrument was prepared by and return to:**

**Christopher C. Sanders, Esquire**  
**Sanders Law Group, PA**  
**2958 First Avenue North**  
**St. Petersburg, Florida 33713**

**PARTIAL RELEASE OF MEMORANDUM OF GROUND LEASE**

**WHEREAS**, Bright Community Trust, as Trustee of the Pinellas County Community Housing Program Land Trust- Lorraine Leland ("Lessor") and Eco Village Dunedin, LLC, a Florida limited liability company ("Lessee") are parties to that certain Restatement of Ground Lease dated on or about August 28, 2015 (the "Master Ground Lease") which is evidenced of record by that certain Memorandum of Ground Lease dated May 10, 2012 and recorded on August 9, 2012 in Official Record Book 17678, Page 1818, Public Records of Pinellas County, Florida; as amended by that certain Memorandum of Restated Ground Lease dated as of and recorded on August 28, 2015 in Official Record Book 18902, Page 1315, Public Records of Pinellas County, Florida (collectively, the "Memorandum of Master Ground Lease"); and

**WHEREAS**, on \_\_\_\_\_, 2016 Lessor executed that certain Declaration of Ground Lease With Qualified Lessee which was recorded on \_\_\_\_\_, 2016 in Official Record Book \_\_\_\_\_, Page \_\_\_\_\_, Public Records of Pinellas County, Florida (the "Declaration"); and

**WHEREAS**, the Master Ground Lease provides that upon Lessee's closing the sale of a Townhome to a Qualified Lessee (as such term is defined in the Master Ground Lease), Lessor shall simultaneously enter into a Memorandum of Ground Lease with the Qualified Lessee for the affected Lot (the "Memorandum"), and the affected Lot shall be released from the Master Ground Lease, and shall thereafter be governed solely by the terms and conditions of the Declaration and the corresponding Memorandum; and

**WHEREAS**, on \_\_\_\_\_, 2016, Lessee closed the sale of a Townhome to a Qualified Lessee, and Lessor and Qualified Lessee entered into a Memorandum for the Lot described on the attached Exhibit "A" (the "Townhome Lot").

**NOW, THEREFORE**, in consideration of the premises, the undersigned Lessor and Lessee do hereby release and discharge the Townhome Lot from the encumbrance of the Master Ground Lease and corresponding Memorandum of Master Ground Lease..

**THE UNDERSIGNED COVENANTS** that they are the sole and unconditional holders as Lessor and Lessee under the Master Ground Lease, and having the lawful right to do so, hereby execute this Partial Release on behalf of their successors and assigns as their interest may appear, it being intended that they shall be bound by this Partial Release.

EXECUTED this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Bright Community Trust, Inc., a Florida not-for-profit corporation, as Trustee of the Pinellas County Community Housing Program Land Trust-Lorraine Leland

WITNESSES:

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

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

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

Its: \_\_\_\_\_

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

STATE OF FLORIDA}  
PINELLAS COUNTY

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 201\_\_\_\_ by \_\_\_\_\_, as \_\_\_\_\_ of Bright Community Trust, Inc. as Trustee of the Pinellas County Community Housing Program Land Trust-Lorraine Leland on behalf of the Trust, who is ( ) personally known to me or who has ( ) produced a driver's license as identification and did not take an oath.

\_\_\_\_\_

WITNESSES:

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

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

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

Its: \_\_\_\_\_

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

STATE OF FLORIDA}  
PINELLAS COUNTY

The foregoing instrument was acknowledged before me this day of \_\_\_\_\_, 2016 by \_\_\_\_\_ for Eco Village Dunedin, LLC, a Florida limited liability company, on behalf of the company, who has produced \_\_\_\_\_ as identification.