

**MASTER DEVELOPMENT AGREEMENT**  
**BETWEEN**  
**THE SCHOOL BOARD OF MIAMI-DADE COUNTY**  
**AND**  
**RUDG, LLC**

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## MASTER DEVELOPMENT AGREEMENT

**RUDG, LLC**, a Florida limited liability company, or its affiliate (the “**Developer**”), and **THE SCHOOL BOARD OF MIAMI-DADE COUNTY**, a body corporate and politic existing under the laws of the State of Florida (“**MDCPS**”), hereby enter into this Master Development Agreement (this “**Agreement**”), effective as of \_\_\_\_\_, \_\_\_\_\_ (the “**Effective Date**”), to memorialize certain business terms, conditions and agreements regarding the development of the J.R.E. Lee site located at 6521 S.W. 62 Avenue and 6601 S.W. 62 Avenue in Miami-Dade County, Florida (the “**Development**”).

### **1. Definitions.**

- (a) “**A/E**” shall have the meaning set forth in Section 4(b)(7).
- (b) “**Agreement**” shall have the meaning set forth in the introductory paragraph of this Agreement.
- (c) “**Capitalized Lease Payment**” means the one-time payment of One Hundred Thousand Dollars (\$100,000) payable pursuant to the Ground Lease.
- (d) “**Commercial Component**” shall have the meaning set forth in Section 3(a).
- (e) “**Construction Completion**” shall mean the earlier of the receipt of a temporary certificate of occupancy or the receipt of a permanent certificate of occupancy.
- (f) “**Cure Period**” shall have the meaning set forth in Section 10.
- (g) “**Default Notice**” shall have the meaning set forth in Section 10.
- (h) “**Developer**” shall have the meaning set forth in the introductory paragraph of this Agreement.
- (i) “**Developer Fee**” shall have the meaning set forth in Section 5(a).
- (j) “**Development**” shall have the meaning set forth in the introductory paragraph of this Agreement.
- (k) “**Development Budget**” shall have the meaning set forth in Section 3(a).
- (l) “**Development Plan**” shall have the meaning set forth in Section 4(a)(1).
- (m) “**Development Schedule**” shall have the meaning set forth in Section 3(a).
- (n) “**Economic Unavoidable Delay**” shall mean (i) delays due to strikes; acts of God; pandemics or other public health crises (including the economic consequences of same) that impact the Development; (ii) floods; fires; any act, neglect or failure to perform of or by MDCPS (to the

extent that it affects performance by Developer); (iii) enemy action; civil disturbance; sabotage; restraint by court or public authority; (iv) extraordinary economic or political conditions or events that result in a significant decline in economic activity that impairs access to debt or equity markets by developers of development projects in the United States or South Florida similar to the portion of the Development being developed or that allows committed debt or equity participants to terminate their debt or equity commitment, such as a temporary or long term liquidity crisis or recession, or (v) new duties, taxes, or other charges imposed as a result of geopolitical actions that result in a material increase in the construction costs for the Development.

- (o) **“Education Facility”** shall have the meaning set forth in Section 3(a).
- (p) **“Effective Date”** shall have the meaning set forth in the introductory paragraph of this Agreement.
- (q) **“Effective Termination Date”** shall have the meaning set forth in Section 7(g)(i).
- (r) **“Event of Infeasibility”** shall have the meaning set forth in Section 8(b).
- (s) **“FHFC”** shall mean the Florida Housing Finance Corporation.
- (t) **“Financial Benefits”** shall have the meaning set forth in Section 4(b)(11).
- (u) **“Financial Closing”** shall mean closing on construction financing for the Development.
- (v) **“Force Majeure Event”** shall have the meaning set forth in Section 8(c).
- (w) **“Ground Lease”** shall have the meaning set forth in Section 3(a).
- (x) **“LIHTC”** shall mean the Federal Low-Income Housing Tax Credit under Section 42 of the Internal Revenue Code.
- (y) **“Management Agent”** shall have the meaning set forth in Section 7(a).
- (z) **“Management Agreement”** shall have the meaning set forth in Section 7(a).
- (aa) **“Material Changes”** shall have the meaning set forth in Section 3(a).
- (bb) **“MDCPS Net Cash Flow Participation”** shall have the meaning set forth in Section 5(c).
- (cc) **“Owner Entity”** shall have the meaning set forth in Section 3(b).
- (dd) **“Parking Garage”** shall have the meaning set forth in Section 3(a).
- (ee) **“Participation Fee”** shall have the meaning set forth in Section 3(a).

(ff) “**Property**” shall mean that certain real property located at 6521 S.W. 62 Avenue and 6601 S.W. 62 Avenue in Miami-Dade County, Florida , as legally described in the Ground Lease.

(gg) “**Qualified Opportunity Fund**” shall mean an investment vehicle that is organized for the purpose of investing in qualified opportunity zone property in accordance with the requirements of 26 U.S.C. § 1400Z-2.

(hh) “**Redevelopment Plan**” shall have the meaning set forth in Section 3(a).

(ii) “**Residential Component**” shall have the meaning set forth in Section 3(a).

(jj) “**School Board**” shall mean the governing body of Miami-Dade County Public Schools.

(kk) “**Scope of Work**” shall have the meaning set forth in Section 3(a).

(ll) “**Termination for Cause**” shall have the meaning set forth in Section 8(c).

(mm) “**Unit Mix**” shall have the meaning set forth in Section 3(a).

## 2. **Nature of Agreement.**

This Agreement sets forth the principal terms that have been agreed to by the parties concerning the Development. It is anticipated that this Agreement will constitute the “Master Development Agreement” for the development and construction of the Development. The parties are executing this Agreement to establish the principal terms of the transaction in order to enable both parties to proceed with an understanding of their obligations and agreements with regard to the Development.

This Agreement is intended to provide an overall framework for a cooperative, public-private, highly coordinated approach to the implementation of the redevelopment plan of the Development. MDCPS and the Developer agree to work with each other in good faith to execute any subsequent agreements that may be needed to complete the Development.

## 3. **Development Feasibility and Structure.**

(a) **Development Overview.** The parties hereby agree that the Development shall be a newly constructed mixed-income, mixed-use development consisting of approximately 355 residential units (the “**Residential Component**”), approximately 12,500 square feet of commercial retail space (the “**Commercial Component**”), an approximately 25,000 square foot education facility (the “**Education Facility**”), and an approximately 455 space structured parking garage (the “**Parking Garage**”). The Residential Component will include low-income, affordable, and/or workforce housing, and may include market-rate housing, in accordance with the final Development Plan approved by MDCPS pursuant to Section 4(a)(1) of this Agreement. The Education Facility shall be constructed by Developer at Developer’s sole cost and expense and, upon completion, shall be operated and maintained by MDCPS in a manner that qualifies as a “community service facility” under Section 42 of the Internal Revenue Code, for the benefit of the

general public and the residents of the Residential Component, subject to separate occupancy or use agreements with respect thereto. All or a portion of the Commercial Component may be utilized by MDCPS for civic, educational, administrative, or community purposes, subject to separate occupancy or use agreements. Any portion of the Commercial Component or Education Facility not required or used by MDCPS for the foregoing purposes may be subleased by Developer to retail subtenants, subject to the limitations, terms and conditions set forth in the Ground Lease. The Parking Garage will serve the Residential Component, the Commercial Component, and MDCPS school and other civic uses, subject to a separate parking or access agreement between MDCPS and the Developer.

(b) The preliminary schematic plans for the Development are attached hereto at **Exhibit A** (hereinafter referred to as the “**Scope of Work**”). These preliminary Schematic Plans are subject to change as set forth in Section 4(b). An initial development budget for the Development will be attached (as set forth below) hereto as **Exhibit B** (hereinafter referred to as the “**Development Budget**”), and will include a pre-development budget. An initial development schedule will be attached (as set forth below) hereto as **Exhibit C** (hereinafter referred to as the “**Development Schedule**”). A description of the unit types, sizes and targeted income levels (the “**Unit Mix**”) for the Development is attached as **Exhibit D**. A list of key Development team members is attached as **Exhibit E**. The Scope of Work, Development Budget, Development Schedule, and the Unit Mix shall be referred to as the “**Redevelopment Plan**.”

(c) The Developer will submit the Development Budget and Development Schedule to MDCPS within one hundred twenty (120) days after the Effective Date for MDCPS’s review, comment and approval. Upon approval of the Development Budget and Development Schedule by MDCPS, each will be incorporated hereto, respectively, as **Exhibit B** and **Exhibit C**. If MDCPS has not provided the Developer with written notice of its approval of the Development Budget and Development Schedule or with any written comments with respect thereto within the later of thirty (30) days of submission, MDCPS shall be deemed to have consented to the Development Budget and Development Schedule.

(d) Following MDCPS’s approval (or deemed approval) of the Development Budget and Development Schedule, Developer shall be required to obtain MDCPS’s approval, such approval not to be unreasonably withheld, only with respect to Material Changes to the Redevelopment Plan and as Material Changes become necessary. At a minimum, written notice of any Development updates shall be provided in monthly intervals. After MDCPS provides MDCPS’s approval (or deemed approval) of the Redevelopment Plan, any other changes, other than Material Changes, shall be deemed effective upon the Developer providing to MDCPS written notice of said change(s). Subject to the preceding sentence, the following shall be considered “**Material Changes**”:

(1) Prior to Financial Closing, an increase in the Development Budget by more than ten percent (10%), net of inflation as determined by the R. S. Means City Cost Index for Miami; or

(2) Prior to Financial Closing, changes to the Development Schedule that delay Construction Completion or lease-up by more than ninety (90) calendar days.

If MDCPS has not provided the Developer with written notice of its approval of any submitted Material Change(s) to the Redevelopment Plan or with any written comments to any such submitted Material Change(s) within thirty (30) days of submission, MDCPS shall be deemed to have consented to any such Material Change(s) to the Redevelopment Plan.

Furthermore, contemporaneously with the execution of this Agreement, a Ground Lease was executed by and between MDCPS and the Developer to reflect the site control granted to the Developer with respect to the Development (the “**Ground Lease**,” as such may be amended and/or restated from time-to-time).

(e) Ownership Entities for Rental Phase and Selection of Investor. The Developer may form an ownership entity to own the Development or the Developer may own the Development (an “**Owner Entity**”). The Owner Entity will have a managing member that will be a limited liability company controlled by the Developer. The principal equity interests in the Owner Entity may be owned by a LIHTC investor and/or Qualified Opportunity Fund that is selected by the Developer and subject to approval by MDCPS, not to be unreasonably withheld, within thirty (30) calendar days.

(f) Notwithstanding the foregoing set forth in Sections 3(a) through 3(b), this Agreement and the parties’ obligations hereunder are contingent upon the final approval of this Agreement by the School Board, which shall be within the School Board’s sole discretion. If the Board, in its sole discretion, does not approve this Agreement, this Agreement shall be null and void.

(g) Due Diligence Period. Developer shall promptly proceed to conduct studies, testing and evaluations on the Property, including but not limited to, assessments of soil and subsurface conditions, utility services, environmental audits, title review, reports and commitments and surveys of the Property that are required by applicable laws or that Developer, in its reasonable discretion, determines to be necessary or prudent. Developer shall be allowed a period of one hundred eighty (180) days from the Effective Date to complete such studies, subject to Economic Unavoidable Delays and extensions of time approved by the MDCPS in writing (“Due Diligence Period”). If during that period of time, Property conditions are found to exist which 1) would prevent or significantly and materially impair the Development as proposed, or which would materially increase the cost of the Development, 2) were not previously disclosed by MDCPS, and 3) could not reasonably be foreseen by Developer as of the Effective Date, then in addition to any other rights Developer has hereunder, Developer shall have the following rights:

1) The right to terminate this Agreement by giving written notice to MDCPS at any time during the Due Diligence Period. In such event this Agreement shall terminate fifteen (15) business days following MDCPS’s receipt of notice of termination; or

2) The right to propose an agreement with MDCPS which provides for an equitable means of remediating the unforeseen conditions such that the Development may be developed substantially as proposed by Developer. Such proposal must be submitted to MDCPS in writing within thirty (30) days after discovery and notification by Developer to MDCPS of the unforeseen conditions, subject to Economic Unavoidable Delays and extensions of time approved by the MDCPS in writing. MDCPS shall have the right, in its sole discretion, to determine the final form

of any such agreement, which shall be in writing, or to reject any such proposal. Failure of the parties to agree to such agreement within thirty (30) days of MDCPS's receipt of Developer's proposal, subject to Economic Unavoidable Delays and extensions of time approved by the MDCPS in writing, shall (i) result in the termination of this Agreement or (ii) the parties can agree to allow Developer to develop the project in substantially the form described in this Agreement; or

3) The right to request a redesign of the Development as may be reasonably required as a result of the unforeseen conditions found and request an equitable adjustment in the financial terms thereof, based upon the reduction in the amount and character of the space or other aspect of the Development described in this Agreement, which will be denied to Developer as a result of the unforeseen conditions. Such request and adjustment, as may be negotiated and amended, must be approved by the MDCPS in its sole but reasonable discretion and agreed to by the parties in writing within thirty (30) days after discovery and notification by the Developer to MDCPS of the unforeseen conditions, subject to Economic Unavoidable Delays and extensions of time approved by the MDCPS in writing. Failure of the Parties to agree to such adjustment within such period of time shall (i) result in the termination of this Agreement or (ii) the parties can agree, if feasible, to allow Developer to develop the project in substantially the form described in this Agreement.

4) In the event that this Agreement is terminated as provided above, Developer shall restore the Property to repair any damage caused by Developer to the satisfaction of MDCPS, which shall not be unreasonably withheld.

5) In the event that this Agreement is not terminated, Developer shall promptly make any design revisions to the Development necessitated by the unforeseen conditions and submit the revisions to the MDCPS for its approval. Such revisions and adjustments shall not delay the Financial Closing for a period longer than one hundred and twenty (120) calendar days, subject to Economic Unavoidable Delays and extensions of such period of time granted by the MDCPS in writing.

6) The rights provided by this Section shall not apply to any conditions which are discovered after the Due Diligence Period.

#### **4. Development Responsibilities.**

(a) Developer Responsibilities. As more specifically set forth herein, the Developer (which, for purposes of this Section 4, will be deemed, if applicable, to be the Owner Entity to which Developer has entered into a Ground Lease with the intent for such entity to develop all or a portion of the Property) shall be responsible for development services in connection with the new construction work of the Development. The Developer shall be responsible to manage and maintain the continued occupancy of the Development, exclusive of the Education Facility, upon Construction Completion of the Development, as well as carrying out all other work for which Developer is responsible, as such responsibilities are detailed in this Agreement. The actual services to be delivered by the Developer shall include all development services reasonably required to complete the construction of the Development and, except as

otherwise provided herein and to the extent applicable, to cause each Owner Entity to facilitate the construction of the Development, including, but not limited to:

(1) establishing phasing and timetables, structuring and securing financing and obtaining necessary city and county approvals, and hiring a general contractor or construction manager. Not less than ten (10) calendar days prior to submission of any funding applications, the Developer shall submit to MDCPS a complete draft development plan (each, a “**Development Plan**”), including Scope of Work, Development Budget, Development Schedule and Unit Mix. If the Development Plan incorporates Material Changes to the Redevelopment Plan, then MDCPS shall approve any modifications to a Development Plan within ten (10) business days after MDCPS receives the Development Plan.

(2) providing financing to the project (other than financing which is the responsibility of MDCPS, as such financing is identified in this Agreement) and identifying and securing additional financing, including completing funding applications for available local, state, and federal funding, as mutually agreed upon by MDCPS and the Developer;

(3) providing all required third-party guarantees, including investor and completion guarantees;

(4) providing identification of all sources and uses of funding, cost estimates, and confirming the appropriateness of all budget line items, assisting in preparing or coordinating all documents necessary for closing of the financing in accordance with applicable requirements; collaborating with MDCPS to finalize documents; scheduling the Financial Closing;

(5) entering into contracts or agreements, consistent with the terms of this Agreement, necessary or convenient for Construction Completion of the Development, which contracts or agreements may be assigned, as appropriate, by the Developer to the related Owner Entity at or prior to the Financial Closing. Awards shall be made to the bidder or offeror whose bid or offer is most advantageous to the Development, taking into consideration price, quality and other factors deemed by the Developer to be relevant;

(6) determining all necessary governmental approvals for such plans;

(7) carrying out pre-construction and construction activities, including demolition (as applicable), geotechnical testing, environmental testing and remediation (as applicable), design and engineering of the Development, guaranteeing Construction Completion of same without Material Changes to the Development Budget or Development Schedule, and ensuring compliance with all applicable laws, rules and regulations;

(8) carrying out property management of the Development pursuant to a Management Agreement, which the Developer and MDCPS will create and mutually agree on within one hundred twenty (120) days after the Effective Date, and will then be incorporated hereto as **Exhibit F**. If MDCPS has not provided the Developer with written notice of its approval of the Management Agreement or with any written comments with respect thereto within the later of (i) ninety (90) days of submission, or (ii) one hundred twenty (120) days following the execution of this Agreement, MDCPS shall be deemed to have consented to the Management Agreement

attached hereto and made a part hereof as **Exhibit F** to this Agreement; Developer shall assist MDCPS with all reporting and coordination requirements and submissions required for the project;

(9) maintaining regular communication and attending monthly progress meetings with MDCPS regarding its development activities, and providing written monthly reports to include: (a) current month's activities; (b) next month's planned activities; (c) schedule narratives (including any changes); (d) financing summary of status; and (e) pending issues; and

(10) establishing a detailed scope of work, in conjunction with MDCPS, for the new construction work and submitting the same for MDCPS approval.

(b) Design, Construction, and Accessibility Requirements.

(1) The Developer and MDCPS shall conduct value engineering reviews during design and construction document phases to minimize construction cost and maximize scope of work to be done with allocated funding for the Education Facility. MDCPS will have access to design drawings for the Education Facility, may provide comments and requests to changes in design, finishes and all aspects of the design development process, and may participate in the design decision making process for all material design and development programming decisions for the Education Facility.

(2) The Developer will provide MDCPS with all cost certifications and reports for the Education Facility from the investor and lender and MDCPS will have the opportunity to review and comment on such certifications and reports.

(3) MDCPS will have the opportunity to approve all change orders for the Education Facility that require the approval of the investor and the lender (i.e., in excess of those minimum thresholds per occurrence and in the aggregate that do require the approval of the investor and lender), such approvals not to be unreasonably withheld or delayed.

(4) The Developer shall provide a construction schedule for the Education Facility using a Gantt chart format (or another format reasonably acceptable to MDCPS) indicating all activities (e.g. event, task, and trade).

(5) The Developer shall ensure unit design layout allocates proper circulation space and sustains suitable linear wall allocation for proper functioning and furniture layout.

(6) The Developer shall provide to MDCPS supporting documentation, such as Notice to Proceed ("NTP") to contractors/sub-contractor and Certificates of Occupancy or Completion, as applicable.

(7) With respect to the Education Facility, the Developer and its consultants shall carefully review all change orders, contingency adjustments and/or any other additional costs (herein change orders) to confirm that these are appropriate and to minimize said costs whenever possible. Such review shall include, but not be limited to, compliance with contract documents, the party requesting the change order, and the reason for such request (justification), hidden or unforeseen conditions, architect/engineer ("A/E") error and/or omissions, critical path analysis for time extensions and other contract requirements.

When change orders for the Education Facility involve time extensions, the Developer and its consultants shall also carefully review and confirm that these are appropriate and shall minimize wherever possible time extensions. Time extension reviews shall include an evaluation of the critical path analysis to confirm whether the time extension has impacted the critical path.

(8) With respect to the Education Facility, the Developer shall carefully review and coordinate the work of its consultants to minimize A/E errors and omissions, and minimize any change orders, including additional costs and time extensions on the project. MDCPS shall not approve additional costs/fees for A/E errors and omissions or any other costs/fees related to conditions on the Education Facility which could have reasonably been discovered or should have been discovered with appropriate due diligence by the Developer and/or its consultants, contractors or other vendors.

(9) MDCPS may back-charge the Developer for reasonable administrative costs, fines and penalties it incurs for non-compliance with the applicable regulations by the Developer and/or its consultants, contractors or vendors.

(10) Award Letters. Upon receipt of any funding award, the Developer shall provide to MDCPS all award letters, including from FHFC and commitment letters from financial institutions.

(11) The Development will generate a number of financial benefits (the “**Financial Benefits**”) to MDCPS. Such Financial Benefits are further described in Exhibit G.

(c) MDCPS’s Responsibilities. As more specifically described herein, MDCPS is responsible for the following activities related to the Development (such list is not intended to be exhaustive):

(1) Cooperating with the Developer in the Developer’s application for financing as reasonably needed or requested;

(2) Working with the Developer and departments of MDCPS to help facilitate off-site infrastructure improvements necessary for the Development;

(3) Cooperating with the Developer in the Developer’s application for and executing, as needed, all zoning, permitting and similar governmental applications and permits necessary for the Development, as well as all documents related to each Financial Closing; and

(4) Coordinating with other stakeholders in MDCPS and other stakeholders on Development-related issues.

## 5. Fees.

(a) Developer Fee. The parties agree to seek approval of the maximum allowable developer fee (whether or not deferred) permitted by the Florida Housing Finance Corporation for the Development of eighteen percent (18%), with respect to four (4%) Low-Income Housing Tax Credit transactions, and sixteen percent (16%), with respect to nine percent (9%) Low-Income Housing Tax Credit transactions (the “**Developer Fee**”). The Developer agrees that MDCPS shall

earn a fee, to be structured in a manner reasonably acceptable to the parties, equal to twelve and one half percent (**12.5%**) of the total Developer Fee described herein and actually received by the Developer or its affiliate. MDCPS's share of the Developer Fee shall be paid pari-passu with and on the same timing as distributions of the Developer Fee to the Developer.

(b) Upfront Capitalized Lease Payment. Developer or the applicable Owner Entity, shall pay to MDCPS a one-time capitalized lease payment in the amount of One Hundred Thousand Dollars (\$100,000.00), payable pursuant to and in accordance with the terms of the Ground Lease.

(c) MDCPS Net Cash Flow Participation. The parties acknowledge that MDCPS's participation in operating cash flow from the Development is provided exclusively through a participation fee payment (the "**Participation Fee**") from the Owner Entity's manager, which payment is equal to twelve and one-half percent (12.5%) of the available (net) cash flow that is distributed by the Owner Entity to its manager, after payment of any operating expenses, reserves, debt service, and deferred developer fees. No separate or additional net cash flow participation payment shall be due to MDCPS under this Agreement. For the avoidance of doubt, the Participation Fee payable under this Agreement is intended to be the sole mechanism by which MDCPS participates in the ongoing operating cash flow of the Development, consistent with the Development Budget and pro forma attached hereto as **Exhibit B**. The Participation Fee shall be payable within one-hundred twenty (120) days following the end of the Development's fiscal year. No Participation Fee shall accrue until after full payment of any deferred developer fees payable to Developer.

(d) MDCPS Residual Participation. Upon any sale, refinance, cash-out transaction or resyndication of the Low Income Housing Tax Credits, involving the Developer's leasehold interests or properties, other than those in which MDCPS is the purchasing entity, MDCPS will receive an amount equal to twelve and one-half percent (12.5%) of the Owner Entity's managing member's net proceeds from such transactions after debt, expenses, fees and agreed upon and customary offsets for repairs, MDCPS approved operating loans to the Project and other related costs (the "**Net Proceeds**"). However, the Owner Entity's managing member will not be required to share any of the Net Proceeds, with MDCPS, at MDCPS's discretion. In the event of a refinance or cash-out transaction in which the Developer commits to reinvest the net proceeds to fund the construction and/or rehabilitation of future projects, in partnership with MDCPS, the Developer will hold all net proceeds in the event of any sale, refinance, cash-out transaction or resyndication of the Low Income Housing Tax Credits, in one or several FDIC insured interest bearing escrow account(s) or other Federally insured escrow accounts (at the developers discretion) and the Developer will provide MDCPS with monthly account activity statements. The Developer shall not be entitled to any management or other activity fees related to the holding of such funds. If such funds are incorporated in another development of similar size and scope, such funds will be designated "**MDCPS Equity**". In the event a ground lease and development agreement is not signed with MDCPS for another similar project of size and scope within thirty six (36) months of the respective sale, refinance, cash out or resyndication of the Low Income Housing Tax Credits then immediately thereafter on the first day of the thirty seventh (37) month, 12.5% of the Net Proceeds and 50% of all interest earned thereto is to be immediately distributed to MDCPS. For avoidance of doubt, the Developer shall not owe any amounts to MDCPS in connection with the Ground Lease until the Financial Closing of the Development.

(e) Construction Funding. The parties acknowledge that MDCPS is not providing any construction funding for the Development or the Education Facility, and that the Developer shall be solely responsible for the costs to develop, design and construct the Development and the Education Facility.

## **6. Property Management Responsibilities.**

(a) Designation of Property Manager. The property manager for the Development shall be TRG Management Company LLP, an affiliate of the Developer (the “**Management Agent**”). The Management Agent shall be responsible for the day-to-day operation of the Development, including, but not limited to, compliance, collections, leasing, payment of invoices and maintenance. Specific duties shall be further detailed in the initial agreement between the Management Agent and the Owner Entity, and such agreements are subject to MDCPS’s reasonable approval (the “**Management Agreement**”), to be attached hereto as **Exhibit F**.

(b) Admissions Policies. The parties agree that the occupancy will be carried out with respect to the Development following the Management Agent’s tenant screening processes.

(c) Property Management Fee. The Management Agent shall receive a management fee pursuant to the Management Agreement.

## **7. Termination.**

(a) Termination for Convenience. Before the Development reaches Financial Closing, MDCPS reserves the right to terminate this Agreement, in whole or in part, at any time for the convenience of MDCPS, if MDCPS shall determine in good faith that it is in MDCPS’s best interest, or contrary to that interest to proceed with the Development. In the event of a termination for convenience under this Agreement, MDCPS shall deliver to the Developer a Notice of Termination within thirty (30) days specifying the extent to which the performance of the work under this Agreement is terminated, and the date upon which such termination becomes effective. If the performance of the work under this Agreement is terminated in whole or in part, MDCPS shall be liable to the Developer for all costs resulting from such termination, In addition, any predevelopment loans advanced to the Developer will be deemed satisfied in connection with the assignment of work product in accordance with subsection (f) below. Within thirty (30) days after receipt of the Notice of Termination, the Developer shall present a proper claim setting out in detail: (i) the total cost of all third-party costs incurred to date of termination, for work products that are included in the approved pre-development budget, including, but not limited to, architectural, engineering, and similar types of costs, and also including any loans from third parties; (ii) the cost (including reasonable profit) of settling and paying claims under subcontracts and material orders for work performed and materials and supplies delivered to the site, or for settling other liabilities of Developer incurred in performance of its obligations hereunder; (iii) the cost of preserving and protecting the work already performed until MDCPS or its assignee takes possession thereof or assumes responsibility; and (iv) FHFC withdrawal penalty, if applicable. MDCPS acknowledges that Termination for Convenience may not be exercised if doing so would disqualify, reduce points or otherwise impair Developer’s ability to compete in future Requests for Applications (RFAs) from FHFC. Within ninety (90) days after receipt of the claim from the

Developer, MDCPS shall either respond to the Developer's claim or make a final payment to the Developer in the event there is no dispute relative to claim.

(b) Termination for Infeasibility. MDCPS or the Developer may terminate this Agreement for infeasibility, but only to the extent that MDCPS and the Developer first made good faith efforts to pursue an alternative course of action that meets the program objectives for the redevelopment contemplated for this overall project(s). In the event that, prior to a Financial Closing, adverse contingencies occur, including but not limited to, the inability to obtain sources of funds in an amount sufficient to complete an applicable phase, and the parties cannot, within one hundred twenty (120) days after either party providing written notice that an adverse contingency has occurred with respect to the Development, agree to amend the Development Plan for the Development, then this shall be deemed an "**Event of Infeasibility.**" Upon the occurrence of an Event of Infeasibility, this Agreement may be terminated, in whole or in part, for the Development if it has not yet reached Financial Closing, if one party so agrees following receipt from the other party of written notice of the party's desire to terminate this Agreement for the Development. In such event, the Developer shall be limited to reimbursement for those costs as set forth in (i), (ii), (iii), and (iv) of Section 8(a).

(1) With respect to the rights of termination upon an Event of Infeasibility, either party's exercise of such rights of termination for infeasibility shall be specific to the part of the Development terminated pursuant thereto and shall not be deemed to terminate the Ground Lease, any unaffected sublease, or this Agreement.

(c) Termination for Cause. Either party may terminate this Agreement for cause, at any time, on the giving of notice to the other party of the grounds asserted for such termination and failure of the other Party to cure such grounds within thirty (30) days from receipt of such notice ("**Termination for Cause**"). By execution of this Agreement, Developer hereby certifies to MDCPS that it is not suspended, debarred or otherwise prohibited from participation in any government programs.

(d) In the event of a termination of this Agreement by MDCPS or the Developer which is determined to constitute a breach hereof by MDCPS or the Developer, the party in breach shall be liable to the non-breaching party in accordance with applicable law for all actual damages caused thereby.

(e) Fraud, Misrepresentation or Material Misstatement. MDCPS may terminate this Agreement if Developer attempts to meet its contractual obligations hereunder with MDCPS through fraud, misrepresentation or material misstatement.

(f) Debarment. The foregoing notwithstanding, any individual, corporation or other entity that attempts to meet its contractual obligations with MDCPS through fraud, misrepresentation or material misstatement may be debarred from MDCPS contracting for up to five (5) years in accordance with MDCPS debarment procedures. The Developer may be subject to debarment for those reasons set forth in Section 10-38 of the County Code.

(g) Remedies. In the event that MDCPS exercises its right to terminate this Agreement following an Event of Default, the Developer shall, upon receipt of such notice, unless otherwise directed by MDCPS:

(1) Stop work on the date specified in the notice (the “**Effective Termination Date**”);

(2) Take such actions as may be necessary for the protection and preservation of MDCPS’s materials and property;

(3) Cancel orders;

(4) Upon payment by MDCPS for such work product and payment of other amounts due in accordance with this Section 8, assign to MDCPS and deliver to any location designated by MDCPS any non-cancelable orders for deliverables that are not capable of use except in the performance of this Agreement and has been specifically developed for the sole purpose of this Agreement and not incorporated in the Services; and

(5) Take no voluntary action (unless otherwise required by legal obligations) which will increase the amounts payable by MDCPS under this Agreement.

(h) Developer Shall Deliver Work Product in Event of Termination. In the event that this Agreement is terminated under this Section 8, Developer agrees that it shall promptly deliver to MDCPS, or cause to be delivered to MDCPS, any concrete, transferable, and useable third party work product generated in connection with the Education Facility, and will assign to MDCPS all of its right, title, and interest to such work product, without reservation in exchange for MDCPS’s payment of funds paid by Developer (including funds borrowed from third parties) for such work product, along with amounts due to the Developer hereunder. Developer shall be under no obligation to deliver any work product in its possession unless MDCPS shall have reimbursed it for the cost thereof (and paid to the Developer any other amounts due hereunder) or shall have agreed to offset the cost thereof against any indebtedness owing from the Developer to MDCPS. No payment shall be due, however, if the Developer has committed fraud, misrepresentation, material misstatement, or in the event of termination for an Event of Default pursuant to Section 9, provided, however, that MDCPS has a predevelopment loan in effect with respect to such work product.

## **8. Event of Default.**

(a) An Event of Default shall mean a breach of this Agreement by the Developer after expiration of any applicable notice and cure period without such cure. Without limiting the generality of the foregoing, and in addition to those instances referred to herein as a breach, an Event of Default shall include, but not limited to, the following:

(1) the Developer has made a Material Change to the Development Schedule without MDCPS’s approval;

(2) the Developer has refused or failed to supply commercially reasonably sufficient skilled staff personnel;

(3) the Developer has failed to make prompt payment to subcontractors or suppliers for any Services in violation of applicable law;

(4) the Developer has become insolvent (other than as interdicted by the bankruptcy laws), or has assigned the proceeds received for the benefit of the Developer's creditors, or the Developer has taken advantage of any insolvency statute or debtor/creditor law or if the Developer's affairs have been put in the hands of a receiver;

(5) the Developer has commenced construction of the Development without obtaining the approval of MDCPS with respect to the approvals required under Sections 3 and 4 of this Agreement;

(6) the Developer has failed in any material respect with respect to any representation or warranty stated under Section 16 of this Agreement;

(7) the Developer has failed to comply with the public records disclosure requirements set forth in Section 119.0701 of the Florida Statutes and Section **Error! Reference source not found.** of this Agreement; and

(8) the Developer has made a Material Change to the Development Budget for the Education Facility without MDCPS's approval.

(b) If MDCPS shall terminate this Agreement for default, subject to applicable cure periods set forth herein, MDCPS or its designated representatives may immediately take possession of all applicable equipment, materials, products, documentation, and reports after payment, if applicable.

(c) Notwithstanding the foregoing, this Agreement shall not be terminated for default if the delay in fulfilling or inability to fulfill Developer's obligations hereunder arises from (i) unforeseeable causes beyond the reasonable control of the Developer; (ii) an Economic Unavoidable Delay; or (iii) failure of any governmental entity, to provide approvals (e.g., zoning, interlocal agreements, leases, operating agreements, etc.) necessary to complete the work so long as the failure is not a result of Developer errors or omissions in an application seeking approval (any such failure or other cause or event being referred to herein as a "**Force Majeure Event**"). Examples of such causes include (a) acts of God or the public enemy, (b) material acts or failure to act, or delays in action, of MDCPS, or other governmental entity in either their sovereign or contractual capacity, if the Developer can demonstrate that it has taken reasonable steps to provide for circumstances that facilitate a timely approval in accordance with conventional timeframes typical of such government agency, (c) material acts or failure to act of another contractor (other than a contractor or subcontractor to the Developer or the Owner Entity) in the performance of a contract with MDCPS, (d) fires, (e) floods, (f) strikes or labor disputes, (g) freight embargoes, (h) unavailability of materials, (i) unusually severe weather, (j) delays of subcontractors or suppliers at any tier arising from unforeseeable causes beyond the control and without fault or negligence of both the Developer and the subcontractors or suppliers, (k) delay caused by litigation that is not

between MDCPS and the Developer, and (1) infectious disease occurring over a wide area and affecting a large number of people that materially and negatively impacts the Redevelopment Plan.

**9. Notice of Default – Opportunity to Cure.**

Notwithstanding anything in this Agreement to the contrary, if an Event of Default occurs in the determination of MDCPS and MDCPS wishes to declare an Event of Default or otherwise terminate this Agreement for cause to the extent, as provided under this Agreement, MDCPS shall notify the Developer (the “**Default Notice**”), specifying the basis for such Event of Default and the extent to which performance of work under this Agreement is terminated, and advising the Developer that such default must be cured immediately or this Agreement with MDCPS may be terminated. The Default Notice thereof shall specify the nature of the claimed Event of Default, and, if such Event of Default shall be reasonably subject to adequate cure, the Default Notice shall state (i) the actions required to be taken by the Developer to cure the Event of Default, and (ii) the reasonable time (up to sixty (60) days but no less than thirty (30) days (the “**Cure Period**”)) within which Developer shall respond with a showing that all required actions have been taken, provided that the Developer shall have such additional time as is reasonably necessary to cure such Event of Default so long as the Developer has diligently commenced and is proceeding in a reasonable diligent manner toward curing such Event of Default. The Cure Period can be extended at MDCPS’s sole discretion. Following expiration of the stated cure period (unless the Developer has diligently commenced and is proceeding in a reasonable diligent manner toward curing such Event of Default, as provided hereinabove), MDCPS shall deliver a second notice stating either that the Event of Default has been adequately cured or that the Agreement is terminated.

**10. Remedies in the Event of Default.**

If an Event of Default occurs and remains uncured pursuant to Section 9 herein, MDCPS may, as its sole remedy, terminate this Agreement in accordance with Section 10 hereof. In addition, the Developer shall be liable for all direct (but not consequential) damages to MDCPS resulting from such Event of Default. In no event shall MDCPS be entitled to bring any suit or proceeding for specific performance.

**11. Lien Waivers.**

Developer agrees that it will not permit any mechanic’s, materialmen’s or other liens to stand against the Property for work or materials furnished to Developer; it being provided, however, that Developer shall have the right to contest the validity thereof. Developer shall not have any right, authority or power to bind MDCPS, the Property or any other interest of MDCPS in the property and will pay or cause to be paid all costs and charges for work done by it or caused to be done by it, in or to the Property, for any claim for labor or material or for any other charge or expense, lien or security interest incurred in connection with the development, construction or operation of the Development or any change, alteration or addition thereto. IF ANY MECHANIC’S LIEN SHALL BE FILED, DEVELOPER SHALL BOND OVER, PROCURE THE RELEASE OR DISCHARGE THEREOF WITHIN NINETY (90) DAYS EITHER BY PAYMENT OR IN SUCH OTHER MANNER AS MAY BE PRESCRIBED BY LAW. NOTICE IS HEREBY GIVEN THAT MDCPS SHALL NOT BE LIABLE FOR ANY LABOR, SERVICES OR MATERIALS FURNISHED OR TO BE FURNISHED TO THE DEVELOPER OR TO

ANYONE HOLDING ANY OF THE PROPERTY THROUGH OR UNDER THE DEVELOPER, AND THAT NO MECHANICS' OR OTHER LIENS FOR ANY SUCH LABOR, SERVICES OR MATERIALS SHALL ATTACH TO OR AFFECT THE INTEREST OF MDCPS IN AND TO ANY OF THE PROPERTY. MDCPS SHALL BE PERMITTED TO POST ANY NOTICES ON THE PROPERTY REGARDING SUCH NON-LIABILITY OF MDCPS.

Developer shall promptly pay all persons or entities furnishing labor and material with respect to any work performed by Developer or its contractor on or about the Property in connection with the Development, and shall obtain and deliver to MDCPS “releases” or waivers of liens from all parties doing work on or about the Property, along with an affidavit from Developer stating that all bills have been paid with regard to such work and that there are no outstanding obligations, except in the ordinary course of business, owed with respect to any such work performed on the Property in connection with the Development.

## **12. Indemnification.**

(a) Developer Indemnity. The Developer shall indemnify, defend and hold harmless MDCPS and its officers, employees, agents and instrumentalities from any and all liability, losses, or damages, including reasonable attorney fees and costs of defense, which MDCPS or its officers, employees, agents or instrumentalities may incur as a result of claims, demands, suits, causes of actions or proceedings of any kind or nature arising out of, relating to or resulting from the performance of this Agreement by the Developer or its employees, agents, servants, partners, principals or subcontractors, subject to the following sentence. The Developer shall pay all of MDCPS's direct (but not consequential, punitive and special losses) in connection therewith, provided Developer is adjudicated liable, and shall investigate and defend all claims, suits, or actions of any kind or nature in the name of MDCPS, where applicable, including appellate proceedings, and shall pay all costs, judgments, and attorney's fees which may issue thereon. The Developer expressly understands and agrees that any insurance protection required by the Agreement or otherwise provided by the Developer shall in no way limit the responsibility to indemnify, keep and save harmless and defend MDCPS or its officers, employees, agents and instrumentalities as herein provided. Notwithstanding anything to the contrary herein, such indemnification by the Developer shall not cover claims or losses to the extent caused solely by the negligence, gross negligence or intentional wrongful acts or omissions of MDCPS or its officers, employees, agents or instrumentalities.

(b) MDCPS Responsibility. MDCPS shall indemnify and hold harmless the Developer and its affiliates, subsidiaries, officers, agents, employees, representatives, successors and assigns from any and all liability, losses, or damages, including reasonable attorney fees and costs of defense, which the Developer or its affiliates, subsidiaries, officers, agents, employees, representatives, successors and assigns may incur as a result of claims, demands, suits, causes of actions or proceedings of any kind or nature arising out of, relating to or resulting from the performance of this Agreement by MDCPS or officers, employees, agents and instrumentalities. MDCPS shall pay all claims and losses in connection therewith, and shall investigate and defend all claims, suits, or actions of any kind or nature in the name of the Developer, where applicable, including appellate proceedings, and shall pay all costs, judgments, and attorney's fees which may issue thereon. MDCPS's indemnification obligations in this Section 13(b) shall be subject to the provisions of Section 768.28, Fla. Stat., whereby MDCPS shall not be liable to pay a personal

injury or property damage claim or judgment by any one person which exceeds the sum of Two Hundred Thousand and No/100 Dollars (\$200,000.00), or any claim or judgments or portion thereof, which when totaled with all other occurrence, exceeds the sum of Three Hundred Thousand and No/100 Dollars (\$300,000.00), but only to the extent the limitations set forth in that Statute are applicable. Notwithstanding anything to the contrary herein, such indemnification by Miami-Dade County shall not cover claims or losses to the extent caused solely by the negligence, gross negligence or intentional wrongful acts or omissions of the Developer or its affiliates, subsidiaries, officers, agents, employees, representatives, successors and assigns.

(c) The obligations of the parties under this Section 13 of this Agreement to indemnify, defend and hold harmless the other party shall survive the termination of this Agreement.

### **13. Insurance.**

Developer shall indemnify and hold harmless MDCPS and its officers, employees, agents and instrumentalities from any and all liability, losses or damages, including attorneys' fees and costs of defense, which MDCPS or its officers, employees, agents or instrumentalities may incur as a result of claims, demands, suits, causes of actions or proceedings of any kind or nature arising out of, relating to or resulting from the performance of this Agreement by the Developer or its employees, agents, servants, partners principals or subcontractors. Developer shall pay all claims and losses in connection therewith and shall investigate and defend all claims, suits or actions of any kind or nature in the name of MDCPS, where applicable, including appellate proceedings, and shall pay all costs, judgments, and attorney's fees which may issue thereon. Developer expressly understands and agrees that any insurance protection required by this Agreement or otherwise provided by the Developer shall in no way limit the responsibility to indemnify, keep and save harmless and defend MDCPS or its officers, employees, agents and instrumentalities as herein provided.

The Developer shall maintain coverage as required in Sections 13(a) through (c) below throughout the term of this Agreement. If any portions of this Agreement are assigned, insurance must be provided in the name of the assignee. If material changes are made to the scope, it may be necessary to amend the insurance requirements. The Developer shall furnish to [\_\_\_\_\_], Certificate(s) of Insurance or applicable cover note(s) evidencing insurance coverage that meets the requirements outlined below:

(a) Automobile Liability Insurance covering all owned, non-owned and hired vehicles used in connection with the work, in an amount not less than \$1,000,000 combined single limit per occurrence for bodily injury and property damage.

(b) Commercial General Liability Insurance in an amount not less than \$1,000,000 per occurrence, and \$2,000,000 in the aggregate, not to exclude Explosion Collapse and Underground Hazards and Products and Completed Operations. **MDCPS must be shown as an additional insured with respect to this coverage.**

(c) Worker's Compensation Insurance for all employees of the Contractor as required by Florida Statute 440.

(d) Design Stage:

In addition to the insurance required in Sections 13(a) through (c) above, the Developer and/or Developer shall cause their subcontractors to provide a certificate of insurance which indicate that insurance coverage has been obtained which meets the requirements as outlined below:

(1) Professional Liability or Errors & Omissions insurance covering architectural and/or engineering project design, construction supervision, administration and any related professional qualifications or functions required by the project from the Developer or the licensed design professional in an amount not less than \$2,000,000 per claim.

(e) Construction Phase

In addition to the insurance required in Sections 13(a) through (d) above, the Developer and/or Developer shall cause their subcontractors to provide a certificate of insurance which indicate that insurance coverage has been obtained which meets the requirements as outlined below:

(1) Completed Value Builders' Risk Insurance on an "all risk" basis in an amount not less than one hundred (100%) percent of the completed value of the building(s) or structure(s). The policy shall be in the name of MDCPS and the Contractor.

(2) Umbrella Liability Insurance in an amount not less than \$5,000,000 per occurrence.

(3) If Excess Liability is provided must be on a follow form basis.

(4) Pollution Liability insurance, in an amount not less than \$1,000,000 covering third party claims, remediation expenses, and legal defense expenses arising from on-site and off-site loss, or expense or claim related to the release or threatened release of Hazardous Materials that result in contamination or degradation of the environment and surrounding ecosystems, and/or cause injury to humans and their economic interest.

(f) Operation Phase:

In addition to the insurance coverages required in Sections 13(a) through (c) above, the Developer shall maintain coverage as required below throughout the term of this Agreement:

(1) Property Insurance on an "**All Risk**" basis including Windstorm & Hail coverage in an amount not less than one hundred (100%) percent of the replacement cost of the building(s). MDCPS must be shown as a Loss Payee A.T.I.M.A. with respect to this coverage.

(2) Flood Insurance coverage shall be provided for properties located within a flood hazard zone, in an amount not less than the full replacement value(s) of the completed structure(s) or the maximum amount of coverage available through the National Flood Insurance Program (NFIP) whichever is greater. MDCPS must be shown as a Loss Payee A.T.I.M.A. with respect to this coverage.

Excess/Umbrella Liability may be used to supplement minimum liability coverage requirements. Follow form basis is required if providing Excess Liability.

**14. Continuity of Coverage**

The Developer shall be responsible for assuring that the insurance documentation required in conjunction with this subsection remain in force for the duration of the agreement period, including any and all option years. The Developer will be responsible for submitting renewal insurance documentation prior to expiration.

All insurance policies required above shall be issued by companies authorized to do business under the laws of the State of Florida, with the following qualifications:

The company must be rated no less than “A-” as to management, and no less than “Class VII” as to financial strength by Best’s Insurance Guide, published by A.M. Best Company, Oldwick, New Jersey, or its equivalent, subject to the approval of MDCPS Risk Management Division. Or, the company must hold a valid Florida Certificate of Authority as shown in the latest “List of All Insurance Companies Authorized or Approved to Do Business in Florida” issued by the State of Florida Department of Financial Services.

**CERTIFICATE HOLDER MUST READ:**

[ ]  
[ ]  
[ ]  
[ ]

**15. Agreement Security.**

The Developer shall be required to execute, record in the public records of Miami-Dade County, and furnish to MDCPS before commencing any and all construction work on the Property in connection with the Development, a payment and performance bond, and/or alternate form of security satisfactory to MDCPS and in compliance with the requirements of Section 255.05 of the Florida Statutes, in the amount of the price of the Development then to be undertaken, to assure completion of the work and payment of the costs, free and clear of all claims of subcontractors, laborers, mechanics, suppliers and materialmen. In the event that in partial satisfaction of this requirement the Developer furnishes a payment and performance bond not by the Developer, but by the Developer’s construction contractor or construction manager, then the payment and performance bond shall name MDCPS and the Developer as dual obligees. Furnishing a payment and performance by the Developer’s construction contractor or construction manager naming MDCPS as a joint obligee in no way abrogates the Developer’s obligation to directly furnish to MDCPS a payment and performance bond or alternative form of security in compliance with Section 255.05 Florida Statutes. The payment and performance bonds shall have as the surety thereon only such surety company or companies as are acceptable to MDCPS and are authorized to write bonds of such character and amount in accordance with the following qualifications:

(a) All bonds shall be written through surety insurers authorized to do business in the State of Florida as surety, with the following qualifications as to management and financial

strength according to the latest edition of Best's Insurance Guide, published by A.M. Best Company, Oldwick, New Jersey:

	<u>Bond Amount</u>
i.	\$500,001 to \$1,500,000
ii.	\$1,500,001 to \$2,500,000
iii.	\$2,500,001 to \$5,000,000
iv.	\$5,000,001 to \$10,000,000
v.	Over \$10,000,000

(b) On contract amounts of \$500,000 or less, the bond provisions of Section 287.0935, Florida Statutes shall be in effect and surety companies not otherwise qualifying with this paragraph may optionally qualify by:

(1) Providing evidence that the Surety has twice the minimum surplus and capital required by the Florida Insurance Code at the time the invitation to bid is issued.

(2) Certifying that the Surety is otherwise in compliance with the Florida Insurance Code, and;

(3) Providing a copy of the currently valid Certificate of Authority issued by the United States Department of the Treasury under ss. 31 U.S.C. §§ 9304-9308.

(4) Surety insurers shall be listed in the latest Circular 570 of the U.S. Department of the Treasury entitled "**Surety Companies Acceptable on Federal Bonds**", published annually. The bond amount shall not exceed the underwriting limitations as shown in this circular.

(c) For contracts in excess of \$500,000 the provision of Section 15(b) will be adhered to plus the company must have been listed for at least three consecutive years, or holding a valid Certificate of Authority of at least 1.5 million dollars and on the Treasury List.

(d) Surety Bonds guaranteed through U.S. Government Small Business Administration or Developers Training and Development Inc. will also be acceptable.

(e) The attorney-in-fact or other officer who signs performance and payment bonds for a surety company must file with such bond a certified copy of his power of attorney authorizing him to do so. The performance and payment bonds must be counter signed by the surety's resident Florida agent.

The Performance Bond or Cash used in lieu of the Performance Bond shall remain in force for one (1) year from the date of final acceptance of the work to protect MDCPS against losses resulting from defects in materials or improper performance of work under the Agreement; provided however, that this limitation does not apply to suits seeking damages for latent defects in materials or workmanship, such actions being subject to the limitations found in Section 95.11(3)(e), Florida Statutes.

**16. Warranties.**

(a) Developer's Warranties. Developer represents and warrants to MDCPS that (a) Developer is and will continue to be duly organized, and is in good standing under the laws of and qualified to do business in the State of Florida, (b) Developer has and will have all necessary power, authority, licenses and staff resources for the undertaking of its obligations under this Agreement, (c) this Agreement has been duly entered into and is the legally binding obligation of Developer, (d) this Agreement will not violate any judgment, law, or agreement to which Developer is a party or is subject, and there is no claim pending, or to the best knowledge of Developer, threatened, that would impede Developer's ability to perform its obligation hereunto. Developer shall not hereafter enter into any agreement which would, or modify any existing agreement in a manner that would, impair its ability to perform its obligations hereunder, and will notify MDCPS if any suit is threatened or law proposed which would impair its ability to perform its obligations hereunder.

(b) MDCPS's Warranties. MDCPS represents and warrants to Developer that (a) MDCPS has and will have all necessary power and authority under Florida law for the undertaking of its obligations under this Agreement, (b) this Agreement has been duly entered into and is the legally binding obligation of MDCPS, (c) this Agreement will not violate any judgment, law, consent decree, or agreement to which MDCPS is a party or is subject to and will not violate any law or ordinance under which MDCPS is organized, (d) there is no claim pending, or to the best knowledge of MDCPS, threatened, that is likely to materially impede MDCPS's ability to perform its obligation hereunto. MDCPS shall not hereafter enter into any agreement or consent decree which would, or modify any existing agreement or consent decree in a manner that would impair its ability to perform its obligations hereunder, and will notify Developer if any suit is threatened or law proposed which would materially impair its ability to perform its obligations hereunder.

**17. Term.**

This Agreement shall begin upon execution hereof, and shall expire upon the completion of all the activities described herein, unless sooner terminated in accordance with the terms provided herein or, with respect to the Development, by the Financial Closing on the Development. With respect to items set forth in the Financial Closing documents for the Development, the Financial Closing documents for the Development will govern the relationship between the parties to the extent described in such Financial Closing documents. Notwithstanding the foregoing, any provision contained in this Agreement that is not specifically addressed, modified or overridden in the Financial Closing documents will survive the termination of this Agreement as it relates to the Financial Closing of the Development. The parties acknowledge that certain subject matter of this Agreement relates to activities that are intended to survive the term hereof, and so the parties acknowledge and agree to effectuate such matters in the Financial Closing documents with respect to the Development.

**18. MDCPS Sovereignty.**

It is expressly understood that, subject to the other provisions of this Agreement:

(a) MDCPS retains all of its sovereign prerogatives and rights as a school board under Florida laws and shall in no way be estopped from reasonably withholding or refusing to issue any approvals of applications for building, zoning, planning or development under present or future laws and regulations of whatever nature applicable to the planning, design, construction and development of the Development or the operation thereof, or be liable for the same; and

(b) MDCPS shall not by virtue of this Agreement be obligated to grant the Developer any approvals of applications for building, zoning, planning or development under present or future laws and ordinances of whatever nature applicable to the planning, design, construction, development and/or operation of the Development.

**19. No Liability for Exercise of Police Power.**

Subject to any contrary provision in this Agreement, or any MDCPS covenant or obligation that may be contained in this Agreement, MDCPS shall have no obligation, including but not limited to the following:

(a) To contest, defend against, or assist the Developer in contesting or defending against any challenge of any nature; and, except as otherwise set forth in this Agreement, this Agreement shall not bind MDCPS, or any other county, city, federal or state department or authority, committee or agency to grant or leave in effect any zoning changes, variances, permits, waivers, contract amendments, or any other approvals that may be granted, withheld or revoked in the discretion of MDCPS or any other applicable governmental agencies in the exercise of its police power; and, except as otherwise set forth in this Agreement, MDCPS shall be released and held harmless, by the Developer from and against any liability, responsibility, claims, consequential or other damages, or losses to the Developer or to any third parties resulting from denial, withholding or revocation (in whole or in part) of any zoning or other changes, variances, permits, waivers, amendments, or approvals of any kind or nature whatsoever. Without limiting the foregoing, the parties recognize that the approval of any building permit and/or certificate of occupancy will require MDCPS to exercise its quasi-judicial or police powers. Without limiting any other provision of this Agreement, MDCPS shall have no obligation to approve, in whole or in part, any application for any type of permit, license, zoning or any other type of matter requiring government approval or waiver. MDCPS's obligation to use reasonable good faith efforts in the permitting of the use of MDPCS owned property related to the Development shall not extend to any exercise of quasi-judicial or police powers, and shall be limited solely to ministerial actions, including the timely acceptance and processing of any requests or inquiries by the Developer as authorized by this Agreement. Moreover, in no event shall a failure of MDCPS to adopt any of the Developer or Owner Entity's request or application for any type of permit, license, zoning or any other type of matter requiring government approval or waiver be construed a breach or default of this Agreement, unless such failure was unreasonable or untimely or in direct contravention to another provision of this Agreement.

**20. Non-Discrimination.**

Developer will not discriminate against any employee or applicant for employment because of race, color, religion, ancestry, national origin, sex, pregnancy, age, disability, marital status, familial status, gender identity, gender expression, sexual orientation, or actual or perceived status

as a victim of domestic violence, dating violence or stalking. Developer shall take affirmative action to ensure that applicants are employed and that employees are treated during their employment, without regard to their race, color, religion, ancestry, national origin, sex, pregnancy, age, disability, marital status, familial status, gender identity, gender expression, sexual orientation, or actual or perceived status as a victim of domestic violence, dating violence or stalking. Such actions shall include, but not be limited to, the following: employment; upgrading; transfer or demotion; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation and selection for training, including apprenticeship. Developer agrees to post in conspicuous places, available to employees and applicants for employment notices to be provided by MDCPS setting forth the provisions of this Equal Opportunity clause.

**21. Interest of Members of Congress.**

No Member of or delegate to the Congress of the United States shall be admitted to any share or part of this Agreement or to any benefit to arise therefrom.

**22. Interest of Members, Officers, or Employees and Former Members, Officers, or Employees.**

No member, officer, or employee of MDCPS, no member of the governing body of the locality in which the project is situated, no member of the governing body of the locality in which MDCPS was activated, and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the project, shall, during his or her tenure, or for one year thereafter, have any interest, direct or indirect, in this Agreement or the benefits to arise therefrom.

**23. Florida Public Records Act.**

As it relates to this Agreement and any subsequent agreements and other documents related to the Development, the Developer and any of its subsidiaries, pursuant to Section 119.0701 of the Florida Statutes, shall:

(a) Keep and maintain public records that ordinarily and necessarily would be required by MDCPS in order to perform the service;

(b) Upon request of from MDCPS's custodian of public records identified herein, provide MDCPS with a copy of the requested records or allow the public with access to public records on the same terms and conditions that MDCPS would provide the records and at a cost that does not exceed the cost provided in the Florida Public Records Act, Miami-Dade County Administrative Order No. 4-48, or as otherwise provided by law;

(c) Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of this Agreement's term and following completion of the work under this Agreement if the Developer does not transfer the records to MDCPS; and

(d) Meet all requirements for retaining public records and transfer to MDCPS, at no cost to MDCPS, all public records created, received, maintained and/or directly related to the

performance of this Agreement that are in possession of the Developer upon termination of this Agreement. Upon termination of this Agreement, the Developer shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. All records stored electronically must be provided to MDCPS in a format that is compatible with the information technology systems of MDCPS.

(e) For purposes of this Section, the term “**public records**” shall mean all documents, papers, letters, maps, books, tapes, photographs, films, sound recordings, data processing software, or other material, regardless of the physical form, characteristics, or means of transmission, made or received pursuant to law or ordinance or in connection with the transaction of official business of MDCPS.

(f) In the event the Developer does not comply with the public records disclosure requirements set forth in Section 119.0701 of the Florida Statutes and this Section of this Agreement, MDCPS shall avail itself of the remedies set forth in Sections 10 and 11 of this Agreement.

The Developer’s obligations under this Section of this Agreement shall survive the termination of this Agreement.

**IF THE DEVELOPER HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE DEVELOPER’S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, PLEASE CONTACT MDCPS’S CUSTODIAN OF PUBLIC RECORDS AT:**

[ ]  
[ ]  
[ ]  
[ ]  
Attention: [ ]  
Email: [ ]

**24. Compliance with Federal, State and Local Laws.**

(a) Developer shall comply with all applicable laws, rules, regulations, ordinances and codes of all governmental authorities, including, without limitation, MDCPS Policies, the Florida Building code, the Americans with Disabilities Act, the Jessica Lunsford Act, COVID-19 restrictions or any restrictions and/or measures relating to a pandemic as may be defined by federal, state, local and/or MDCPS policy, as all may be further amended from time to time and to the extent required by applicable law, whichever is more restrictive. The parties further agree that if MDCPS determines that this Agreement must be modified to conform to applicable law, Developer shall cooperate in good faith and the parties shall amend this Agreement accordingly.

(b) Developer shall be responsible for determining and securing, at its sole cost and expense, any and all Federal, State, County, Municipal and/or other permits, licenses, use approvals, occupational licenses, certificates or approvals needed, if any, for Developer’s

operations at the Development, including any and all permits, fees or jurisdictional approvals related to its operations, prior to the Commencement Date of this Agreement. Any fines or citations levied upon the Developer or MDCPS by a Federal, State or local jurisdictional entity due to the use and operation of the Development by the Developer or any of its employees, agents or contractors, shall be the responsibility of the Developer to expeditiously resolve, at its sole cost and expense. Compliance with all applicable laws, shall be at Developer's full cost and expense.

**25. Notices.**

All notices, requests, approvals, demands and other communications given hereunder or in connection with this Agreement shall be in writing and shall be deemed given when delivered by hand or sent by registered or certified mail, return receipt requested, addressed as follows (provided, that any time period for responding to any such communication shall not begin to run until such communication is actually received or delivery is refused):

**If to MDCPS:**

[ ]  
[ ]  
[ ]  
[ ]  
Attn: [ ]

**With a copy to:**

[ ]  
[ ]  
[ ]  
[ ]  
Attn: [ ]

**If to the Developer:**

RUDG, LLC  
2850 Tigertail Ave., Suite 800  
Miami, FL 33131  
Attn: Albert Milo, Jr.

**With a copy to:**

Bilzin Sumberg Baena Price & Axelrod LLP  
1450 Brickell Avenue, 23rd Floor  
Miami, FL 33131  
Attention: Terry M. Lovell, Esq.

**26. Further Assurances.**

Each party shall execute such other and further documents as may be reasonably necessary or proper for the consummation of the transaction contemplated by this Agreement as mutually agreed by the Parties hereto.

**27. Designation of MDCPS's Representatives.**

The Superintendent of the School Board, or designee, shall have the power, authority and right, on behalf of MDCPS, and without any further resolution or action of the School Board, to:

(a) Review and approve documents, plans, and other requests required of, or allowed by, Developer (or, for purposes of this Section 27, its sublessees or assignees) to be submitted to MDCPS pursuant to this Agreement;

(b) Consent to actions, events, and undertakings by Developer or extensions of time periods for which consent is required by MDCPS, including, but not limited to, extensions of time for the performance of any obligation by MDCPS hereunder;

(c) Execute any and all documents on behalf of MDCPS necessary or convenient to the foregoing approvals, consents, and appointments;

(d) Assist Developer with and execute on behalf of MDCPS any applications or other documents, needed to comply with applicable regulatory procedures and to secure financing, permits or other approvals to accomplish the construction of any and all improvements in and refurbishments of the Property;

(e) Execute joinders and consents to easement and access agreements, for the purposes of granting any needed non-exclusive vehicular and/ or pedestrian ingress and egress access routes and for any parking within and throughout the project, and utilities and easements to serve the project;

(f) Execute on behalf of MDCPS any subleases, occupancy agreements or use agreements for MDCPS's use of the Education Facility or any portion of the Commercial Component, or changes to the Ground Lease, including but not limited to, assignments, amendments, or restated or substitute leases, required for the Financial Closing of any phase, including any amendments, if required, to confirm the tax credit treatment of the Education Facility as a community service facility under Section 42 of the Internal Revenue Code, as well as any documents required by any investor or lender in connection with the Financial Closing, including but not limited to, estoppels, consents, and recognition agreements; and

(g) Amend this Agreement to correct any typographical or non-material errors, to address revisions or supplements hereto of a non-material nature or to carry out the purposes of this Agreement.

**28. Rights of Third Parties.**

Except as provided herein, all conditions of MDCPS, the Developer and their successors and assigns hereunder are imposed solely and exclusively for the benefit of MDCPS, the Developer and their successors and assigns, and no other person shall have standing to require satisfaction of such conditions or be entitled to assume that MDCPS or the Developer will make advances in the absence of strict compliance with any or all conditions of MDCPS or the Developer. No other person shall under any circumstances, be deemed to be a beneficiary of this Agreement or any other documents associated with this Agreement, or any provisions of this Agreement which may be freely waived in whole or in part by MDCPS or the Developer at any time if, in their sole discretion, they deem it desirable to do so. In particular, MDCPS and the Developer make no representations and assume no duties or obligations as to third parties concerning the quality of the construction by the Developer, its successors and assigns, of the Development or the absence therefrom of defects.

**29. Assignment.**

This Agreement may be assigned by either party only with the express written consent of the other party, which in the case of MDCPS shall require the approval of the School Board. By exception, the Developer shall be authorized to assign this Agreement to the Owner Entities in the manner specifically set forth in this Agreement.

**30. Counterparts.**

This Agreement may be executed in counterparts, each of which shall be deemed original, but all of which, together, shall constitute one instrument.

**31. Interpretation, Governing Law and Forum Selection.**

This Agreement shall not be construed against the party who prepared it but shall be construed as though prepared by both Parties. This Agreement shall be construed, interpreted, and governed by the laws of the State of Florida. Any dispute arising under or in connection with this Agreement or related to any matter which is the subject of this Agreement shall be subject to the exclusive jurisdiction of the state and/or federal courts located in Miami-Dade County, Florida.

**32. Severability.**

If any portion of this Agreement is declared by a court of competent jurisdiction to be invalid or unenforceable such portion shall be deemed severed from this Agreement and the remaining parts shall continue in full force as though such invalid or unenforceable provision had not been part of this Agreement.

**33. Parties Bound.**

No officer, director, shareholder, employee, agent, or other person authorized to act for and on behalf of any party hereto shall be personally liable for any obligation, express or implied.

**34. Final Agreement.**

Unless otherwise provided herein, this Agreement constitutes the final understanding and agreement between the parties with respect to the subject matter hereof and supersedes all prior negotiations, understandings and agreements between the parties, and except for those agreements contemplated herein. This Agreement may be amended, supplemented or changed only by a writing signed or authorized by or on behalf of the party to be bound thereby. Notwithstanding the foregoing, the parties acknowledge that the Ground Lease expressly survive the expiration or sooner termination of this Agreement.

**35. Modification of Agreement.**

This Agreement may be amended by mutual agreement of MDCPS and Developer, not to be unreasonably withheld, provided that all amendments must be in writing and signed by both parties. This Agreement may not be altered, modified, rescinded, or extended orally.

**36. Waivers.**

The failure of any party to insist in any one or more cases upon the strict performance of any of the obligations under this Agreement or to exercise any right or remedy herein contained shall not be construed as a waiver or a relinquishment for the future of such obligation, right or remedy. No waiver by any party of any provision of this Agreement shall be deemed to have been made unless set forth in writing and signed by the party to be charged.

**37. Successors.**

The terms, covenants, agreements, provisions, and conditions contained herein shall bind and inure to the benefit of the Parties hereto, their successors and assigns.

**38. Certain Approvals and Reasonableness Standard.**

Unless otherwise stated, all approvals or consents required of either party hereunder shall not be unreasonably withheld, conditioned or delayed and each party shall endeavor to act reasonably with respect to activities under this Agreement.

**39. Headings.**

The headings in this Agreement are inserted for convenience only and shall not be used to define, limit or describe the scope of this Agreement or any of the obligations herein.

**40. Construction.**

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

**[SIGNATURES ON NEXT PAGE]**

IN WITNESS WHEREOF, the undersigned have caused this Agreement to be executed  
this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

**RUDG, LLC**

**THE SCHOOL BOARD OF MIAMI-DADE  
COUNTY, FLORIDA**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

Attest: \_\_\_\_\_  
Authorized Person **OR** Notary Public

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

Corporate Seal **OR** Notary Seal/Stamp

**EXHIBIT A**

**SITE PLAN, RENDERINGS AND PERSPECTIVES**

**EXHIBIT B**

**DEVELOPMENT BUDGET/PRO FORMA**

**EXHIBIT C**  
**DEVELOPMENT SCHEDULE**

**EXHIBIT D**

**UNIT MIX**

**EXHIBIT E**

**SUMMARY OF KEY DEVELOPMENT TEAM MEMBERS**

**EXHIBIT F**  
**MANAGEMENT AGREEMENT**

**EXHIBIT G**  
**FINANCIAL BENEFITS**

MDA Exhibit A

# JRE Lee Development

CONCEPTUAL DESIGN



4955 SW 75TH Avenue  
Miami, Florida 33155  
T. 786.879.8882  
F. 786.350.1515

[www.modisarchitects.com](http://www.modisarchitects.com)

Scheme 5  
02-18-2026

## Unit Data

Bldg 1 Unit Area					
	Unit A1 (1 BD)	Unit A2 (1 BD+Den)	Unit B1 (2 BD)	Unit B2 (2 BD)	Total Units
	554 sf	766 sf	808 sf	895 sf	
Level 1	8 Units	1 Units	9 Units	1 Units	19 Units
Level 2	23 Units	3 Units	20 Units	2 Units	48 Units
Level 3	23 Units	3 Units	20 Units	2 Units	48 Units
Level 4	23 Units	3 Units	20 Units	2 Units	48 Units
Level 5	23 Units	3 Units	20 Units	2 Units	48 Units
Level 6	23 Units	3 Units	20 Units	2 Units	48 Units
Level 7	23 Units	3 Units	20 Units	2 Units	48 Units
Level 8	23 Units	3 Units	20 Units	2 Units	48 Units
<b>Total</b>	<b>169 Units</b>	<b>22 Units</b>	<b>149 Units</b>	<b>15 Units</b>	<b>355 Units</b>
			<b>Total Units</b>		<b>355 Units</b>

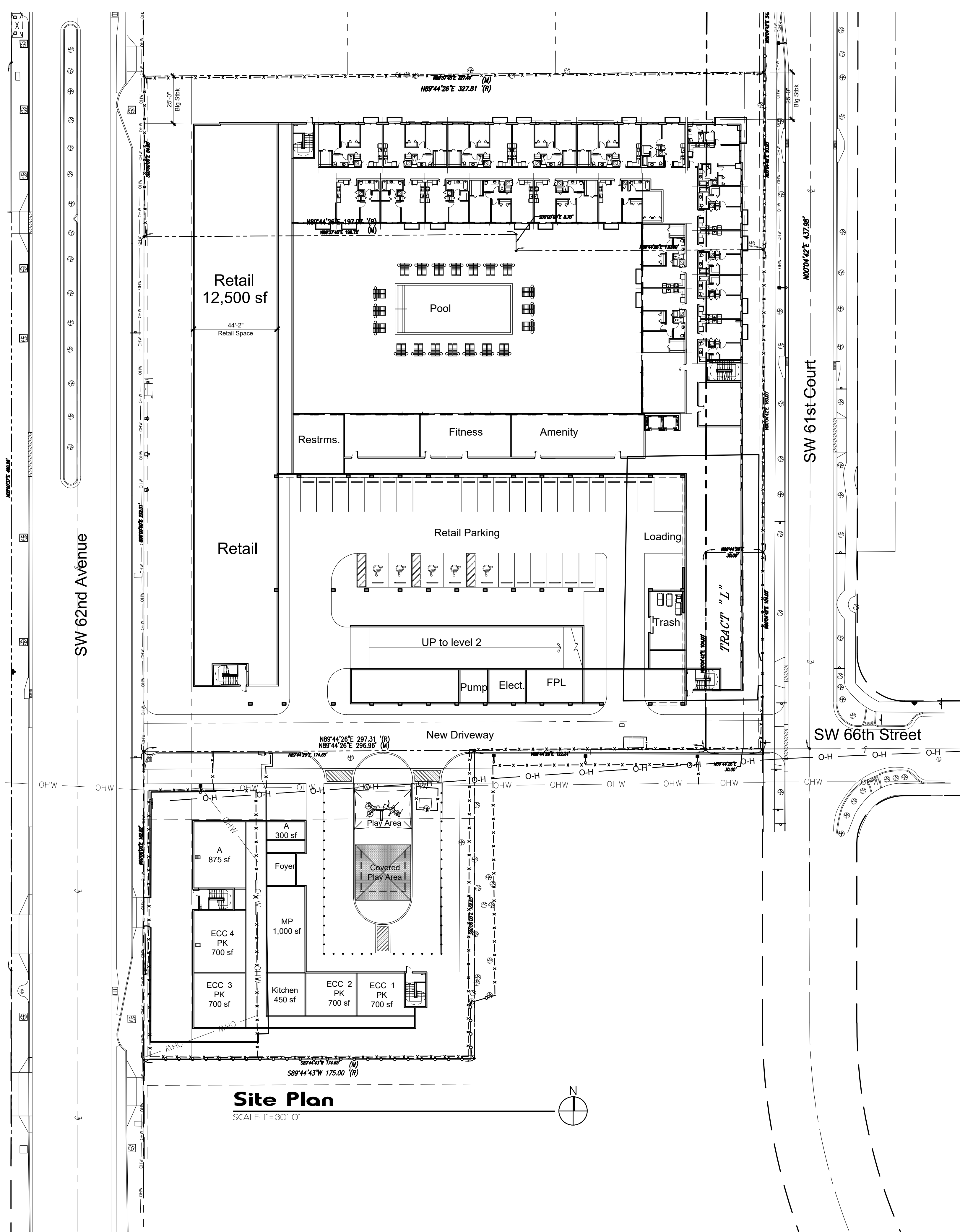
Total Units	
Bldg 1	355 Units
<b>Total units</b>	<b>355 Units</b>

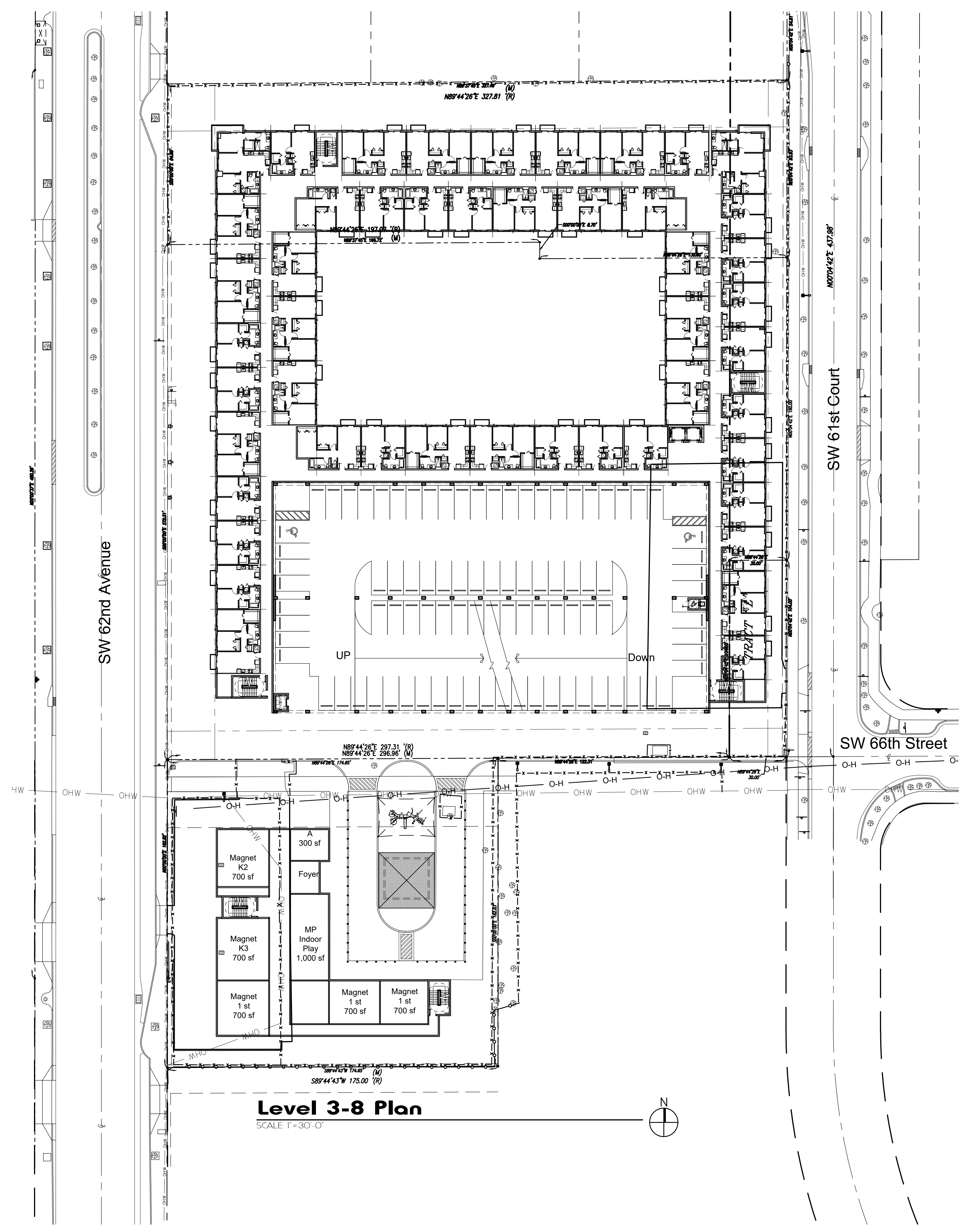
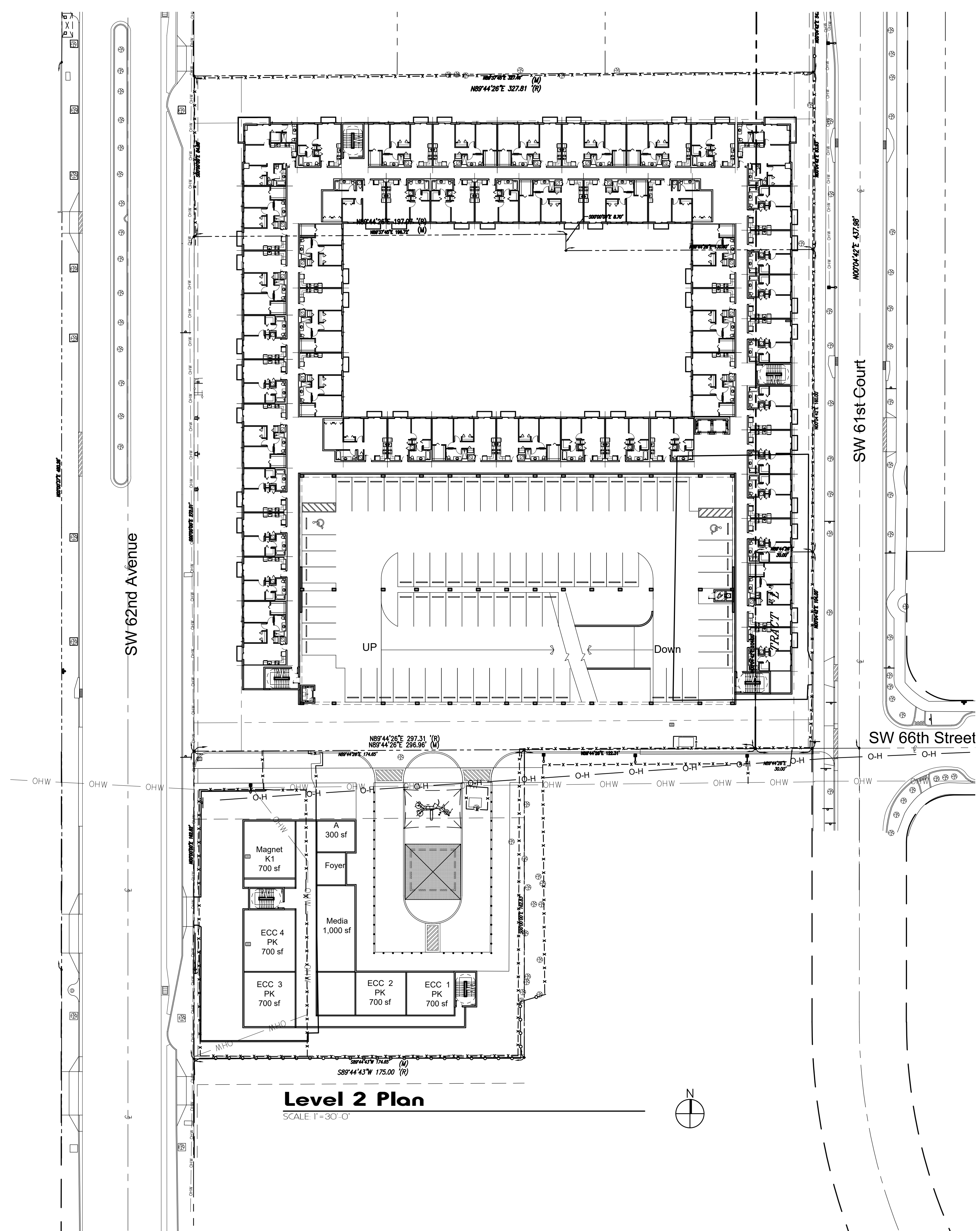
## Garage Parking Data

	Parking Provided		
	Standard	HC	
Level 1	31	5	36 spaces
Level 2	56	2	58 spaces
Level 3	88	2	90 spaces
Level 4	88	2	90 spaces
Level 5	88	2	90 spaces
Level 6	88	2	90 spaces
			<b>454 spaces</b>

## Educational Facility Data

Educational Facility		
Levels	Area	Total Bldg Gross SF
Level 1	8,335 sf	8,335 sf
Level 2	8,335 sf	8,335 sf
Level 3	8,335 sf	8,335 sf
<b>Total</b>	<b>25,005 sf</b>	<b>25,005 sf</b>







3 Story  
School

8 Story  
Garage

Retail

8 Story  
Residential



4955 SW 75th Avenue  
Miami, Florida 33155  
T. 786.879.8882  
F. 786.350.1515

www.modisarchitects.com



**JRE Lee Development**  
Miami, Florida

**CONCEPTUAL DESIGN**  
Scheme 5  
**Aerial Plan**

#22193  
02/18/2026  
SCALE: 1"=30'



8 Story  
Residential

8 Story  
Garage

3 Story  
School

Retail



4955 SW 75th Avenue  
Miami, Florida 33155  
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**JRE Lee Development**  
Miami, Florida

**CONCEPTUAL DESIGN**  
Scheme 5  
**Aerial Plan**

#22193  
02/18/2026  
SCALE: 1"=30'

MDA Exhibit B

**JRE Lee Redevelopment**  
EXECUTIVE SUMMARY

Address	6521 SW 62 Avenue
Total Units	355
Rentable Sqft	240,501
Average Size	677

SOURCES	Construction Source of Funds		Permanent Source of Funds	
		Per Unit		Per Unit
Tax Credit Equity:	17,836,708	50,244	59,455,694	167,481
First Mortgage:	115,000,000	323,944	76,200,000	214,648
Miami-Dade County Surtax	5,000,000	14,085	5,000,000	14,085
Deferred Developer Fee:	21,702,347	61,133	18,883,361	53,193
<b>TOTAL</b>	<b>159,539,055</b>	<b>449,406</b>	<b>159,539,055</b>	<b>449,406</b>

USES	Total	Per Unit
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**Acquisition**

Capitalized Lease Payment	100,000	282
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**Construction**

Residential Construction		62,125,000	175,000
Educational Facility (CSF)		10,000,000	28,169
456 Structured Parking Spaces		11,400,000	32,113
Commercial Space (CSF)		3,835,500	10,804
Sitework		1,500,000	4,225
GC Fees	14%	12,440,470	35,044
Hard Cost Contingency:	5%	5,065,049	14,268
Demolition & Abatement:		350,000	986
<b>Total Construction:</b>		<b>106,716,019</b>	<b>300,609</b>

**Soft Costs**

Builder's Risk & Gen Liability Ins. / P&P Bonds		3,483,844	9,814
Architectural & Engineering		2,142,500	6,035
Permits & Municipal Fees		1,016,510	2,863
Other Development Soft costs		1,926,951	5,428
Legal Fees		645,000	1,817
Financing Costs - Issuance & Origination		2,901,025	8,172
Equity Syndication Costs		807,594	2,275
Reserves & Escrows		2,219,667	6,253
Construction Interest Reserve		13,234,200	37,279
Soft Cost Contingency	5%	428,490	1,207
<b>Soft Costs:</b>		<b>28,805,781</b>	<b>81,143</b>

<b>TOTAL COSTS before Developer Fee</b>		<b>135,621,800</b>	<b>382,033</b>
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Developer Fee	18%	23,917,256	67,373
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<b>TOTAL COSTS</b>		<b>159,539,055</b>	<b>449,406</b>
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**SCHEDULE OF FORECASTED BASE-YEAR REVENUES AND EXPENSES**

2025

**Project:** JRE Lee Redevelopment  
**Project County:** Miami-Dade County

**LIHTC AMI:**  
123,900

**RENT CALCULATIONS**

Unit Type	Income Level Served	Number of BRs	Unit Size in SF	Number of Units	Gross Rent Based on AMI	HUD 110% FMR	Utility Allowance	Net Rent Based on AMI	Pro Forma Rent
PBV	20%	1	554 SF	71	465	2,195	128	337	2,067
LIHTC	60%	1	554 SF	50	1,394	2,072	85	1,309	1,309
LIHTC	80%	1	554 SF	70	1,859	2,072	85	1,774	1,774
LIHTC	60%	2	808 SF	67	1,672	1,015	135	1,537	1,537
LIHTC	80%	2	808 SF	72	2,229	1,015	135	2,094	2,094
WKFC	120%	2	895 SF	25	3,343	1,015	-	3,343	3,343
				240,501 SF	355				673,674

**ANNUAL OPERATING**

	UNTRENDED Annual	Annual Per Unit
Residential Income - Affordable	7,081,182	19,947
Residential Income - Workforce	1,002,900	2,825
Educational Facility CAM Charge	25,000 SF \$ 10.00	704
Commercial Space CAM Charge	12,785 SF \$ 10.00	360
Other Income	177,500	500
<b>Gross Potential Income</b>	<b>8,639,432</b>	<b>24,336</b>
Affordable Vacancy	5%	354,059
Workforce Vacancy	5%	50,145
Retail Vacancy	10%	37,785
Other Income Vacancy	5%	8,875
<b>EFFECTIVE GROSS INCOME (EGI)</b>	<b>8,188,568</b>	<b>23,066</b>
General & Administrative	88,750	250
Payroll	639,000	1,800
Utilities	319,500	900
Marketing	71,000	200
Maintenance & Repairs	124,250	350
Service Contracts	124,250	350
Management Fee	3.0%	245,657
Professional Services	35,500	100
<b>Subtotal - Controllable</b>	<b>1,647,907</b>	<b>4,642</b>
Real Estate Taxes	35,500	100
Property & Liability Ins.	568,000	1,600
Replacement Reserve	106,500	300
<b>Subtotal - Non-Controllable</b>	<b>710,000</b>	<b>2,000</b>
<b>Total Annual Operating Expenses &amp; Reserves</b>	<b>2,357,907</b>	<b>6,642</b>
<b>NET OPERATING INCOME (NOI)</b>	<b>5,830,661</b>	<b>16,424</b>
Issuer Servicing Fee	0.25%	190,500
<b>AVAILABLE CASH FLOW</b>	<b>5,640,161</b>	<b>15,888</b>

**DEVELOPMENT BUDGET - JRE Lee Redevelopment**

	Per Unit:	Per SF:	DEVELOPMENT BUDGET	ELIGIBLE BASIS		
				Acquisition	Construction	Ineligible
<b>Acquisition Costs</b>						
Capitalized Lease Payment			100,000			100,000
<b>Subtotal:</b>			<b>100,000</b>			
<b>Construction Costs</b>						
Residential Construction	175,000	258	62,125,000		62,125,000	
Educational Facility (CSF)		400	10,000,000		10,000,000	
456 Structured Parking Spaces	25,000		11,400,000		11,400,000	
Commercial Space (CSF)		300	3,835,500		3,835,500	-
Sitework			1,500,000		1,500,000	-
<b>Residential Construction Subtotal:</b>		369	<b>88,860,500</b>			
General Requirements:	6%		5,331,630		5,331,630	0
Overhead:	2%		1,777,210		1,777,210	0
Profit:	6%		5,331,630		5,331,630	0
<b>Subtotal:</b>	285,355	421	<b>101,300,970</b>			
Hard Cost Contingency:	5%	21	5,065,049		5,065,049	0
Demolition & Abatement:			350,000			350,000
<b>Total Construction Costs:</b>	300,609	444	<b>106,716,019</b>			
<b>Project Soft Costs</b>						
Accountant Cost Cert			50,000		50,000	
Appraisal			7,500		7,500	
Market Study			7,500		7,500	
Phase I ESA			7,500		7,500	
Plan and Cost Review			7,500		7,500	
Geotechnical Reports			15,000		15,000	
Architect	5,500		1,952,500		1,952,500	
Interior Design			100,000		100,000	
Civil Engineering			110,000		110,000	
Utility Connection Fees	1,100		390,500		390,500	
Threshold Inspections			50,000		50,000	
Other Engineering:			80,000		80,000	
Utility Allowance Study			1,800		1,800	
Survey			40,000		40,000	
Title Costs	0.25%		222,151		133,291	88,861
Green Building Certification			50,000		50,000	
Lender Inspection Fees			150,000		150,000	
Marketing			150,000			150,000
Builders Risk Insurance			1,643,427		1,643,427	
P&P Bonds			574,155		574,155	
Permits	1.0%		1,016,510		1,016,510	
Impact Fees			-		-	
Private Provider Inspections			150,000		150,000	
FPL Underground & Utility Relocation			100,000		100,000	
FF & E			300,000		300,000	
Permit Expediter			10,000		10,000	
Art in Public Places	0.00%		-		-	
Site Security			100,000		100,000	
Traffic Study			7,500		7,500	
Liability Insurance	1.25%		1,266,262		1,266,262	
Reproduction & Misc Admin Costs			10,000			10,000
<b>Subtotal:</b>	24,140		<b>8,569,805</b>			
<b>Developer Legal Costs</b>						
Borrower Counsel			150,000		75,000	75,000
Procurement Counsel			75,000			75,000
HUD Counsel			50,000			50,000
Land Use Counsel			50,000			50,000
HUD Counsel			-			-
Other Legal Counsel			25,000			25,000
<b>Subtotal:</b>	986		<b>350,000</b>			

<b>Financing Costs</b>				
Documentary Stamps/Recording Fees		25,000	25,000	
Perm Loan Conversion		15,000		15,000
Perm Lender Origination Fees	0.50%	381,000		381,000
Construction Lender Origination Fees	0.50%	575,000	385,250	189,750
Issuer Ongoing Annual Fee	0.25%	862,500		862,500
GSE (Freddie / Fannie) Application Fee	0.10%	76,200		76,200
GSE (Freddie / Fannie) Delivery Fee:		15,000		15,000
GSE (Freddie / Fannie) Standby Commitment	0.15%	400,050		400,050
Underwriter Fees		55,000		55,000
Trustee Fee		10,500		10,500
TEFRA Fees		1,000		1,000
Lender Due Diligence		20,000		20,000
Placement Agent		35,000		35,000
Issuer Upfront Origination Fee	0.25%	287,500		287,500
Issuer Compliance Set-Up Fee	30	37,275		37,275
FHFC / HFA Application Costs		5,000		5,000
Subordinate Loan Origination Fees	1.00%	50,000		50,000
HFA Financial Advisor		50,000		50,000
<b>Subtotal:</b>	8,172	<b>2,901,025</b>		
<b>Financing Legal Costs</b>				
Bond Counsel		75,000		75,000
Lender Counsel		75,000		75,000
Trustee Counsel		10,000		10,000
Syndicator DD		50,000		50,000
County Attorney Fee		-		-
GSE Legal		60,000		60,000
Other Legal		25,000		25,000
Credit Enhancer Counsel		-	-	-
Disclosure Counsel		-	-	-
<b>Subtotal:</b>	831	<b>295,000</b>		
<b>Equity Syndication Costs</b>				
Up-Front LIHTC Admin Fees	9%	629,594		629,594
LIHTC Application Fees		3,000		3,000
Capitalized Monitoring Fees		175,000		175,000
<b>Subtotal:</b>	2,275	<b>807,594</b>		
<b>Reserves and Escrows</b>				
Replacement Reserve	300	106,500		106,500
Insurance Escrow		-		-
Property Tax Escrow		-		-
Operating Subsidy Reserve		-		-
Operating Deficit Reserve	3	1,863,167		1,863,167
Lease-Up Reserve		250,000		250,000
Construction Interest Reserve	6.85%	13,234,200	8,822,800	4,411,400
<b>Subtotal:</b>	43,532	<b>15,453,867</b>		
<b>Soft Cost Contingency</b>	5.0%	<b>428,490</b>	416,047	12,443
<b>Developer Fee</b>	18.00%	<b>23,917,256</b>	23,917,256	
<b>Total Development Budget:</b>	449,406	<b>159,539,055</b>	-	<b>148,328,316</b>
				<b>11,210,739</b>

DDA: No  
QCT: Yes

<b>LIHTC EQUITY CALCULATION</b>			
			<u>Totals</u>
Basis Boost:	<del>44,498,495</del>	44,498,495	44,498,495
Total Eligible Basis:	0	192,826,811	192,826,811
Applicable Fraction:	90.70%	90.70%	
Total Qualified Basis:	0	174,887,177	174,887,177
LIHTC Value Factor:	4.00%	4.00%	
Annual LIHTC Allocation:	0	6,995,487	6,995,487
LP Investor Interest:	99.99%	99.99%	
LIHTC Price per \$1:	\$0.85	\$0.85	
Calculated LIHTC Equity Raise:	0	59,455,694	59,455,694
Actual LIHTC Equity Raise:			59,455,694

## MDA Exhibit C

JRE Lee

Development Schedule	Projected Date
Confirmation of Award - Board Approval	Mar-26
Ground Lease Effective Date	Jun-26
Due Diligence Period	Aug-26
Submit for Site Plan Approval / Entitlements	Aug-26
Submit for FHFC Funding	Aug-26
Confirmation of FHFC Funding	Dec-26
Obtain Site Plan Approval	Dec-26
Submit Construction Drawings for Building Permit	May-27
Obtain Building Permit	Aug-27
Close on Construction Financing	Aug-27
Commence Demolition	Aug-27
Commence Construction	Sep-27
Complete Construction (TCO)	Sep-29
Achieve Stabilized Occupancy	Mar-30
Convert to Permanent Financing	Jul-30

MDA

**EXHIBIT D**

**UNIT MIX**

One Bedroom / One Bathroom: 191 units

Two Bedroom / Two Bathroom: 164 units

## Exhibit E

### Summary of Key Development Team Members

#### **Alberto Milo Jr. – Principal and President, Related Urban**

Alberto Milo Jr. leads Related Urban Development Group (RUDG), the affordable housing division of the nation's most prolific development company, Related Group. In this role, he is responsible for the overall design, development, construction, financing and budgeting for each project within RUDG's portfolio, whether public, affordable, workforce or mixed-income housing. Under Albert's leadership, RUDG has built and rehabilitated more than 5,000 units throughout Florida with close to \$2 billion in total development costs.

Most recently, RUDG has begun an ambitious new set of projects which are designed to eliminate many of the drawbacks historically associated with public housing developments. Among these is the \$600 million River Parc master plan in Miami's Little Havana neighborhood, which is cited as the most ambitious affordable housing development in the county to date, built in partnership with Miami-Dade County. The development will contain over 2,500 units along with a new Riverwalk and commercial opportunities. Similarly, a \$400 million mixed-income riverfront development is underway in Tampa's historic West River district, developed in collaboration with the Tampa Housing Authority. Albert and his team are also currently working on the redevelopment of Liberty Square, the oldest and largest public housing development in the Southeastern United States. The project, which also follows the mixed-income format, will contain over 1,500 units along with commercial and community opportunities. The project has been lauded as one of the most significant public housing redevelopments in South Florida and the Country, with HUD Secretary, Dr. Ben Carson, calling the project an example to follow around the country.

Prior to his tenure at RUDG, Albert owned and operated real estate development, real estate brokerage and mortgage brokerage companies over the span of 20 years. After developing his first affordable housing development in 1999, he formed The Urban Development Group in 2002, focused on revitalizing communities by creating affordable homeownership for underserved markets. As a committed member of the local community, Albert has served on the Miami-Dade County Industrial Development Authority since 2005 and is a former member of the Greater Miami Chamber of Commerce's Workforce Housing Committee. He also served on the board of the YMCA of South Florida from 2017 to 2019. In 2011, he was the President of the Builder's Association of South Florida where he was awarded the President's Award and was named Builder of the Year in 2009 and 2019.

#### **Jorge M. Pérez – Chairman, Chief Executive Officer, The Related Group**

Jorge Pérez, Chairman and Chief Executive Officer of Related Group, has been at the forefront of South Florida's complex urban evolution for over 30 years. A commitment to 'building better cities,' and a natural ability to identify emerging trends has made his one

of the most trusted and influential names in real estate. Armed with a dynamic selection of land parcels, new financing techniques, the collective strength of Related's management team and a pipeline of more than 80,000 residential units, Mr. Pérez is set to answer the demands and desires of a new generation.

Pérez started out in the 1970's, making a name for himself in the public housing market of neighborhoods like Miami's Little Havana and Homestead. His attention to detail and commitment to creating quality living environments distinguished him within the marketplace and laid the groundwork for future Related projects. More than three decades later, his continued passion for vibrant urban communities has made him a trendsetter, often the first developer to enter emerging or undiscovered neighborhoods.

Over the years, Pérez and Related Group have partnered with world-class names in architecture and interior design. Collaborations with creative luminaries like Bernardo Fort Brescia, David Rockwell, Philippe Starck, Yabu Pushelberg, Piero Lissoni, Karim Rashid and many others produced neighborhood-defining projects, and established Related's developments as integral components of Miami's evolving cityscape.

A lover of art and an avid collector, Pérez infuses each development with carefully selected pieces from master artists. Works by Fernando Botero, Jaume Plensa, Julio LeParc and Fabian Burgos are proudly displayed at Related developments, complementing each building's unique character and often serving as public fixtures of the community landscape.

Mr. Pérez is deeply involved in supporting Miami's ongoing cultural renaissance, sponsoring programs like the Miami International Film Festival's Emerging Cuban Independent Film/Video Artists Program and The National Young Arts Foundation's Residency in Visual Arts. Most notably, Pérez donated \$40 million to the Herzog & de Meuron-designed Pérez Art Museum Miami, or PAMM. He is also a member of the University of Miami's Board of Trustees, chairs the Miami-Dade Cultural Affairs Council, and is a director of the Miami International Film Festival.

Mr. Pérez has received numerous awards for his professional and philanthropic achievements, including Ernst & Young's Entrepreneur of the Year, the Hispanic Achievement & Business Entrepreneurship Award from Hispanic Magazine, The Developers and Builders Alliance's Community Advancement Award, and The Beacon Council's 2015 Jay Malina Award. Mr. Pérez is also committed to The Giving Pledge, a campaign founded by Warren Buffett and Bill Gates to which states he will donate 50 percent of his wealth to philanthropic purposes. In 2005, Time Magazine named Mr. Pérez one of the top 25 most influential Hispanics in the United States, and he has appeared on the cover of Forbes twice.

Born in Buenos Aires, Argentina to Cuban parents, Pérez grew up in Bogota, Colombia. He graduated summa cum laude from C.W. Post College in Long Island, and earned his Master's in Urban Planning from the University of Michigan.

**Adolfo Henriques – Vice Chairman, The Related Group**

Adolfo Henriques serves as Vice Chairman of The Related Group, South Florida's leading real estate developer. With over 20 years of experience in the banking industry and extensive executive leadership experience, Mr. Henriques' duties include working with the executive team on strategic and organizational initiatives. Prior to joining Related in early 2017, Mr. Henriques served as Chairman and Chief Executive Officer of Gibraltar Private Bank and Trust, a private banking and wealth management company headquartered in Miami, and was also CEO of the South Region for Regions Bank. A recipient of the Woodrow Wilson Award for Corporate Leadership, Adolfo Henriques holds a B.A. in Business from St. Leo College, has a Master's Degree in Accounting from Florida International University and is a certified Public Accountant. He also serves as a member of the Executive Committee at Greater Miami Convention and Visitors Bureau (GMCVB), and was recently named among the 12 most powerful people in Miami by the Miami Herald.

**Jon Paul “JP” Pérez – President, The Related Group**

Jon Paul “JP” Pérez is responsible for overseeing development operations across the company's various divisions, managing land acquisition efforts and leading the procurement of major construction financing. He also forms a part of Related's Executive Committee, where he works with the firm's C-level executives and division presidents establish corporate priorities, growth strategies and other key companywide initiatives.

Jon Paul aims to continue supporting the firm's reputation as a “market maker” and its proven ability to capitalize on opportunities well before competitors. A market maker himself, Jon Paul has personally spearheaded Related's recent entrance into Miami's popular Wynwood neighborhood, where he's working to deliver several major mixed-use projects set to transform the area into a true live-work-play neighborhood. Current projects include Wynwood 25, a 289-unit luxury rental property across from the iconic Wynwood Walls; The Annex, an eight-story, 50,000-square-foot, class A office building; and The Bradley, a 175-unit rental tower with interior design by Kravitz Design.

Since joining Related in 2012, Jon Paul has overseen the development of several thousand market-rate rental, affordable and luxury condominium units—including the 200-unit The Manor, the 365-unit Town City Center and the 690-unit Brickell Heights condo property. He has also played a key role in several marquee sales and acquisitions. Prior to joining Related, Jon Paul worked for The Related Companies of New York where he oversaw all aspects of the development process for more than 900 units, with direct responsibility for financial modeling, design programming and construction management. He also participated in securing capital for the firm's \$900 million distressed opportunity fund, and in 2009 successfully led efforts to sell 425 unsold condominium units in Fort Myers, Florida over the span of 18 months.

Jon Paul graduated from the University of Miami in 2007 with a B.S in business administration and received his MBA from Kellogg School of Management at Northwestern University in 2015. Nurturing Miami's growing arts and culture community, Jon Paul remains closely aligned with the Pérez Art Museum Miami as well as with The National YoungArts Foundation (YoungArts), participating in its annual Miami YoungArts Week. He also sits on the board of Big Brothers Big Sisters of Miami and is an active United Way Young Leader. Every holiday season, Jon Paul also puts together Related's annual Thanksgiving Turkey Drive to coordinate the delivery of over 2,600 turkeys across Miami-Dade, including to the firm's affordable housing properties.

**Matthew J. Allen – Executive Vice President and Chief Operating Officer, The Related Group**

Matthew J. Allen is Executive Vice President and Chief Operating Officer of Related Group. Mr. Allen, who joined the company in 1999, is responsible for overseeing the day to day operations of

the company. In addition, he directly oversees the finance, acquisitions, human resources, marketing, legal, accounting, asset management and property management divisions. Since 1999, he was directly responsible for raising over \$13 billion in equity capital and debt. Prior to joining Related, Mr. Allen served as Senior Vice President of Atlantic Gulf Communities. Mr. Allen has over twenty-eight years of experience in Real Estate. He is a member of the Executive Council and the Board of Directors for Big Brothers Big Sisters of Greater Miami, member of the Orange Bowl Committee and on the Executive Council and Advisory Board of the DCC which benefits the Sylvester Comprehensive Cancer Research Center, Board member of UM Real Estate Advisory Board and a Trustee of United Way. He is a former member of the BankAtlantic Advisory Council, The Marlins RBI Advisory Board, The Executive Committee and Board of Directors of the Beacon Council. Mr. Allen completed his undergraduate studies at Barry University and received his master's degree in Business Administration from Florida International University.

**Betsy McCoy – Vice President and General Counsel, The Related Group**

Betsy L. McCoy is General Counsel and Vice President of The Related Group. Ms. McCoy joined The Related Group in 2008 and is responsible for oversight of all legal issues and for providing direct counsel to Mr. Perez and Related's COO, Matt Allen on matters affecting day to day operations. Prior to joining The Related Group, Ms. McCoy was in private practice as a principal and shareholder of her law firm located in Tampa, Florida where she served as litigation counsel statewide to financial institutions, real estate developers, and contractors. Ms. McCoy became Board Certified by The Florida Bar as a specialist in complex commercial and business litigation in 1997, and maintained that certification for 11 years until joining The Related Group. Ms. McCoy is a graduate of the prestigious Harvard Negotiation Project, a frequent speaker at national conferences, and holds a Master Advocate Certification by the National Institute of Trial Advocacy. Ms. McCoy is a graduate of Creighton University, College of Arts and Sciences, Omaha, Nebraska where she earned a Bachelor's Degree; Creighton Law School where she earned her Juris Doctorate degree, and also, The University of Miami School of Law where Ms. McCoy earned an L.L.M (Letters of Legal Mastery) in the law of real property development.

**Tony Del Pozzo – Vice President of Finance, Related Urban**

Tony Del Pozzo is the Vice President of Finance and will be responsible for obtaining, negotiating and closing on financing for all projects. Mr. Del Pozzo will work directly with tax credit investors and lenders to obtain the necessary funds to finance the project. Tony Del Pozzo has a finance degree, extensive experience and established relationships with all of the largest national lenders around the country including the largest tax credit equity investors and syndicators. Tony has arranged the financing for all Related Urban

projects to date, totaling over \$1 billion in loans and \$450 million in tax credit equity. Moreover, he has arranged nearly \$2 billion in total financing during his tenure at Related Urban. He will be assisted in all financing matters by a Finance Manager and Financial Analyst. Tony Del Pozzo has over twenty-five years of experience in the industry. Mr. Del Pozzo is a licensed Florida appraiser and holds a Master of Business Administration from the University of Miami.

**Andrew Velo-Arias – Vice President of Development, Related Urban**

Andrew Velo-Arias will be the Development Manager assigned to oversee the redevelopment of South Miami Gardens. Andrew will oversee all aspects of the development process from initial site planning and design through entitlements, construction and lease-up. Since joining Related in 2017, Andrew has closed on financing on more than 700 units and over \$150MM in total development costs for affordable and mixed-income developments in South Florida while also managing the entitlement and permitting processes for these developments. Andrew has been actively involved in developing and implementing the River Parc Master Plan, a 22-acre public housing redevelopment effort in Miami. Prior to joining Related, Andrew worked for the Goldman Sachs Urban Investment Group and New York City Economic Development Corporation where he worked on large mixed-use, mixed-income developments in New York City. Andrew Velo-Arias holds a Master of Business Administration from Harvard Business School and a Master's in Public Policy from the Kennedy School of Government. He was born and raised in Hialeah, Florida.

**Betty Gutierrez – Resident Services Manager**

Related Urban has dedicated staff that has direct interaction with the residents. Betty Gutierrez (Maria Beatriz Gutierrez) will serve as the Resident Services Manager and is responsible for overseeing all aspects regarding resident transition. Betty joined the Related Urban team in August 2012 as Relocation / Resident Services Manager overseeing all aspects regarding relocation of the elderly residents during the rehabilitation period. She oversees all aspects of relocation of existing residents during construction and is experienced in creating relocation plans accordance with the requirements of the Uniform Relocation Assistance and Real Property Acquisition for Federal and Federally- Assisted Programs of 1970 (the "URA"), to the extent that the URA is applicable.

**George Lage – Vice President of Construction, Related Urban Construction**

George Lage, as Vice President of Construction, is responsible for overseeing development and construction operations. With 20 years of construction experience, Mr. Lage has a proven track record of successfully completing projects of all types, sizes, and complexities. Mr. Lage received a Master's degree in Construction Management from Florida International University and is licensed as a Certified General Contractor.

**Thomas Walsh – Vice President of Construction Operations, Related Urban Construction**

Mr. Walsh comes to Fortune Urban Construction with 30 years of experience in the Construction industry. Mr. Walsh has a degree in Environmental Engineering from Norwich University located in Northfield, Vermont.

MDA Exhibit F

**PROPERTY MANAGEMENT AGREEMENT [SAMPLE]**

**Between**

**RUDG, LLC or Affiliates**

**(“Owner”)**

**and**

**TRG Management Company, LLP**

**(“Manager”)**

**2200 North Commerce Parkway  
Suite 100  
Weston, FL 33326**

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## **PROPERTY MANAGEMENT AGREEMENT**

This PROPERTY MANAGEMENT AGREEMENT is effective as of the        day of 2022, by and between RUDG, LLC or Affiliates (the “Owner”), and TRG Management Company, LLP (“Manager”), located at 2200 North Commerce Parkway, Suite 100, Weston, Florida 33326.

### **RECITALS:**

A. Owner purchased real property located at 6521 SW 62 Avenue, South Miami, FL and desires to engage the Manager to manage and operate the same. Said Property has 355 rental units (the “Property”).

B. Owner desires that Manager manages the Property and Manager desires to manage the Property.

NOW, THEREFORE, for good and valuable consideration the receipt and sufficiency of which is hereby acknowledged and in consideration of the above premises, the parties agree as follows:

### **AGREEMENT**

#### **ARTICLE 1.** **THE MANAGED PROPERTY**

1.1 Retaining Manager. Owner hereby retains Manager to manage the Property in accordance with the terms and conditions hereof utilizing trained, experienced personnel employing the real estate management practices and techniques typical of the industry.

1.2 Prior to the date of this Agreement, the Manager may have advised and assisted the Owner as to Project marketing and management considerations during the predevelopment phase. Responsibilities may include, but are not limited to the following:

- (a) Preparation and submission to the Owner of a recommended Operating Budget for the Initial Operating Year of the Project;
- (b) Participation in pre-occupancy conferences; and
- (c) Make preparations for marketing and managing the Project according to the requirements of this Agreement.

#### **ARTICLE 2.** **TERM OF AGREEMENT**

2.1 Term. The term of this Agreement shall commence as of the date hereof and shall continue for a term of one (1) year with automatic renewals up to five (5) years thereafter, or until such time after the initial year term as either Owner or Manager elects to terminate this Agreement,

which election shall be in writing and shall be effective on the date which is thirty (30) days after such notice is given.

**ARTICLE 3.**  
**MANAGER'S RESPONSIBILITIES**

3.1 Management. Manager shall use its best efforts to manage, operate and maintain the Property in a manner in substantial conformance with the Annual Business Plan (as defined in Section 3.6 below) prepared by Manager and approved by Owner. Manager shall use its best efforts to hire management staff that has experience with HUD Section 8 and Low Income Housing Tax Credit programs. In performing such duties, with respect to the proper protection of and accounting for Owner's assets. Manager shall deal at "arm's length" with all third parties. Manager shall use its best efforts to ensure tenant and Owner compliance with all leases and/or third party agreements.

3.2 Employees: Independent Contractor. Manager shall have in its employ or under independent contract at all times a sufficient number, as determined by Manager in its sole discretion, of capable persons to enable it properly, adequately, safely and economically to manage, operate, maintain and account for the Property. All matters pertaining to employment, contracting, supervision, compensation, promotion and discharge of such employees or contractors shall be the sole responsibility of Manager.

Manager shall negotiate with any union lawfully entitled to represent any such employees, if any, and may execute in its own name, and not as agent for Owner, collective bargaining agreements or labor contracts resulting therefrom. Manager shall fully comply with all applicable laws and regulations having to do with worker's compensation, social security, unemployment insurance, hours of labor, wages, working conditions, and other employer-employee related subjects. Manager represents that it is and will continue to be an equal opportunity employer and, to the extent that Manager advertises for employees, will advertise as such.

This Agreement is not one of general agency by Manager for Owner, but one with Manager engaged independently in the business of managing properties on its own behalf, as an independent contractor, and in that respect having only limited agency as specifically set forth in this Agreement. All employment arrangements are, therefore solely Manager's concern and Owner shall have no liability with respect thereto. No party employed or under contract with Manager shall in any respect be deemed an employee of or under contract with Owner.

3.3 Schedule of Employees. Prior to execution hereof, Manager will provide Owner with a schedule of the parties to be employed in the direct management of the Property.

3.4 Compliance with Laws, Mortgages, etc. Manager, at Owner's expense, shall be responsible for substantial compliance with federal, state and municipal laws, ordinances, regulations and orders related to the ownership, leasing, use, operation, repair and maintenance of the Property and with the rules, regulations or orders of the local Board of Fire Underwriters or other similar bodies (collectively, the "Governmental Requirements"). Manager will be responsible for compliance with all restrictions associated with the project's Section 8 Contract, if applicable, and all regulatory requirements of the project's financing. Manager shall promptly

remedy, at Owner's expense, any violation of any such law, ordinance, rule, regulation or order which comes to its attention and which cure Manager is authorized hereby to perform.

Expenses incurred in remedying violations shall be paid from the Operation Account described hereafter provided such expenses do not exceed One Thousand Dollars (\$1,000.00) in any one instance. When more than such amount is required or if the violation is one for which the Property or Owner might be subject to monetary penalty, Manager shall notify Owner promptly, but no later than the fifth business day following the day Manager has been notified of such violation to the end that prompt arrangements may be made to remedy the violation and to pay for such expense. Manager shall be responsible, at Owner's expense, for full compliance with all terms and conditions contained in any ground lease, space lease, mortgage, deed of trust, loan agreement or other security instruments affecting the Property of which true, correct and complete copies it has been furnished (collectively, "the Mortgages") to the Manager. Project compliance reports shall be provided to Owner within fifteen (15) calendar days of receipt by the Manager.

### 3.5 Compliance with Equal Opportunity Requirements.

"Equal Opportunity" is defined as (1) adherence to Federal, State, and local fair housing laws, and (2) positive efforts to ensure that a wide spectrum of persons of various races, creeds, religions, and national origins are made aware of the housing development and of its benefits.

In conjunction with the marketing of multifamily housing, Manager shall follow all applicable HUD rules and regulations and:

(a) All advertising, brochures, leaflets, and other printed material shall include the Equal Housing Opportunity logo and the slogan or statement; and all advertising depicting persons shall depict persons of majority and minority groups.

(b) The Equal Housing Opportunity slogan, "Equal Housing Opportunity", utilized in the newspaper classified advertisements should be at least eight (8) point bold-faced type. Display advertising must include the Equal Housing logo and slogan. If other logotypes are used in the advertisement, then the Equal Housing Opportunity logotype should be of a size equal to the largest of other logotypes.

(c) All signs, off-site and on-site, must prominently display the logo and slogan, or the statement in a size that would not be smaller than the largest letters used on the sign.

(d) The logo and slogan, or the statement and the HUD Equal Housing Opportunity Poster, HUD Form 928.1 (dated 3-89), must be prominently displayed in the on-site office or wherever applications are being taken.

The Equal Housing Opportunity insignia are as follows:

(i) Equal Housing Opportunity Logo and Slogan



(ii) Equal Housing Opportunity Statement

“We are pledged to the letter and spirit of the policy of achievement of equal housing opportunity. We encourage and support an affirmative advertising and marketing program in which there are no barriers to obtaining housing on the basis of race, religion, gender, national origin, disability, family status, or age.”

3.6 Annual Business Plan. Manager shall prepare and submit to Owner for Owner’s approval an Annual Business Plan for the Property for the promotion, leasing, operations, repair and maintenance of the Property for each calendar year of fiscal year as designated by Owner during which this Agreement is in effect. Such Annual Business Plan shall include a detailed budget of projected income and expenses. The Annual Business Plan shall be prepared within 60 days of the takeover of management, and by October 31<sup>st</sup> of each year thereafter. If Owner does not submit any objections to the Annual Business Plan to Manager in writing within thirty (30) days of submission, Owner shall be deemed to have approved such Annual Business Plan and waived any future objection thereto. A template version of an acceptable Annual Business Plan is attached hereto as Exhibit “B” as an example of what Owner and Manager acknowledge is acceptable.

Manager agrees to use diligence and to employ all reasonable efforts to ensure that the actual cost of maintaining and operating the Property shall not exceed the operating budget which is a part of the approved Annual Business Plan (the “Operating Budget”) either in total or in any one accounting category. Any expense causing or likely to cause a variance of greater than ten percent (10%) or \$1000.00, in any one accounting category for the current month shall be promptly explained to Owner by Manager in writing. All expenses must be charged to the proper account as specified in a Schedule of Accounts to be submitted by Manager to Owner 30 days prior to commencement of lease-up or takeover, and no expense may be classified or reclassified for the purpose of avoiding an excess in the annual budgeted amount of an accounting category. Manager shall secure Owner’s prior written approval of any expenditure that will result in an excess of the greater of One Thousand Dollars (\$1,000.00) or ten percent (10%) of the annual budgeted amount in any one accounting category of the Operating Budget; provided, however, that Owner’s consent shall not be required for an excess expenditure that includes, but shall not be limited to, mortgage payments, taxes, utilities and insurance (for the coverage required hereby) and emergencies.

During the calendar year, or fiscal year if applicable, the Manager shall inform Owner of any increases or decreases in costs, expenses and income that were not reflected in the Annual Business Plan which exceed the greater of ten percent (10%) of the estimate included in the Annual Business Plan, or \$5,000.00.

3.7 Utilities. Manager shall, on behalf of Owner, enter into or renew contracts for electricity, gas, telephone, fuel oil and other necessary utility services for the Property.

3.8 Collection of Rents and Other Income. Manager shall use diligent efforts to collect all rents and other charges, which may become due at any time from any tenant or from others for services provided in connection with or for the use of Property or any portion thereof. Manager shall collect and identify any income due Owner from miscellaneous services provided to tenants or the public including, but not limited to, parking income, tenant storage, and coin operated machines of all types (e.g., washers, dryers, vending machines, pay telephones, etc.). All monies so collected shall be deposited in the Operating Account.

(a) The Manager will collect when due all rents, charges, and other amounts receivable on the Owner's account in connection with the management and operation of the Project. These receipts, except resident security deposits, which will be handled as specified in subsection b. of this Section, shall be deposited in a custodial account separate from all other accounts and funds and shall be maintained with a financial institution whose deposits are insured by the Federal Deposit Insurance Corporation or any successor thereto and shall be used exclusively by the Manager as funds of this Project. This custodial account will be carried in the project's name and designated as the "Project Operating Account". Except for amounts due the Manager for the Management Fee, the Manager shall have no property interest in this account.

(b) The Manager will collect, deposit, maintain and disburse resident security deposits in accordance with the terms of each resident's lease and the provisions of the Landlord-Tenant Code of the applicable state where the Project is located or any successor Act as applicable to residential dwelling units. If security deposits are held in escrow, they shall be deposited by the Manager with a financial institution whose deposits are insured by the Federal Deposit Insurance Corporation or any successor thereto in an interest-bearing custodial account separate from all other Project accounts and funds and will be carried in the Manager's name and designated as the Project Security Account. If the Owner wishes to give a bond in lieu of escrow pursuant to the Landlord Tenant Act, Manager must also maintain an escrow account equal to 25% of all security deposits.

3.9 Competitive Bidding. All contracts for repairs, capital improvements, goods, and services, except salaries for full-time employees shall be awarded at no higher than prevailing market rates and for amounts exceeding Ten Thousand Dollars (\$10,000.00) shall, unless otherwise required by Owner, be awarded on the basis of competitive bidding, solicited in the following manner:

(a) A minimum of three (3) bids shall be required.

(b) Each bid shall be solicited in a form prescribed by Owner, if any, so that uniformity will exist in bid quotes.

(c) Manager may accept a low bid without prior approval from Owner, if the expenditure is for a budget approved item and will not result in an excess of the annual budgeted accounting category of the applicable approved Operation Budget or the Capital Budget

("Budget") which is a part of the approved Annual Business Plan. Otherwise, approval of a bid may be required by Owner before acceptance.

(d) Manager shall not accept other than the lowest bid without the prior approval of Owner. If Manager advised acceptance of other than the lowest bidder, Manager shall adequately support, in writing, its recommendations to Owner.

(e) Owner shall be free to accept or reject any and all bids.

(f) Manager may request Owner, but Owner is not compelled, to waive competitive bidding rules.

Owner shall pay for all expenses of such bidding procedure and may pay for such expenses from its own resources or may authorize payment by Manager out of the Operating Account. Expenses incurred under this Section 3.9 shall not be charged to any account category.

3.10 Repairs. The Manager shall, at Owner's expense, attend to the asking and supervision of all ordinary and extraordinary repairs, replacements, additions, improvement, maintenance, decorations and alterations, subject to the limits of the approved Annual Business Plan, including expenditures to refurbish, rehabilitate, remodel, or otherwise prepare areas covered by new leases. Such activities shall be performed to the end that the property is maintained and furnished as a typical apartment project in the applicable marketplace so long as adequate funds are available. To the extent that such work requires the services of an architect or licensed contractor, the cost to do same includes the architect's or contractor's fees. All such activity shall be made with as little hindrance to the operation of the Property as is reasonably possible.

In case of an emergency, Manager may make expenditures for repairs, which exceed the limits described in this Section 3.10 without prior written approval if it is necessary to prevent damage to the Property, injury to persons or damage to the property of third parties. Owner must be informed of any such expenditure before the end of the next business day.

3.11 Capital Improvements. The approved Annual Business Plan constitutes an authorization for Manager to expend money for authorized capital projects. With respect to the purchase and installation of capital items (cost in excess of Twenty-Five Thousand Dollars (\$25,000.00)) and new or replacement equipment, Manager shall recommend that Owner purchase those items when Manager believes such purchase to be necessary or desirable. Owner may arrange to purchase and install the same itself or may authorize Manager to do so subject to prescribed supervision and specification requirements and conditions. The competitive bid rules outlined in Section 3.9 will be observed in all capital projects involving an excess of Twenty-Five Thousand Dollars (\$25,000.00).

3.12 Service Contracts. Manager shall not enter into any contract (or contracts, if they are for a substantially similar purpose) for cleaning, maintaining, repairing or servicing the Property or any of its constituent parts that requires annual payments in excess of ten percent (10%) of the amount approved in the appropriate budget category of the Annual Business Plan without the prior written consent of Owner. As a condition to obtaining such consent, Manager shall supply Owner with a copy of the proposed contract and shall state to Owner the relationship, if any,

between Manager (or the persons in control of Manager) and the party proposed to supply such goods or services, or both.

All service contracts shall: (a) be in the name of Owner and executed by Manager; (b) be assignable, at Owner's option, to Owner's nominee; (c) include a provision for cancellation thereof by Owner, thirty (30) days' written notice (any exception to this provision must have the prior written consent of Owner); and (d) shall require that all contractors provide evidence of insurance sufficient to meet the requirements of Section 4.3. Unless Owner specifically waives such requirements, either by memorandum or as an amendment to the contract, all service contracts shall be subject to bid under procedure as specified in Section 3.9.

### 3.13 Taxes, Mortgages.

(a) Taxes. Manager shall obtain and verify bills for real estate and personal property taxes, improvement assessments, water charges and other like charges which are or may become liens against the Property and recommend payment or appeal as in its best judgment it shall determine. Such recommendations shall be supported by Manager's completion of data on the assessments on comparable properties determined on a net rentable, usable or gross building area basis. Manager shall, to the extent funds are available in the Operating Account, pay such bills promptly avoiding penalty for late payment and taking advantage of discounts. In the event that any tax due or imposed in respect to any such payments and such tax is the obligation of Owner, Manager shall make the required tax payment after verification of the amount due. When requested by Owner, Manager shall, without charge, except for out-of-pocket expenses (which may include an appropriate tax consultant), render advice and assistance to Owner in the negotiation and prosecution of all claims for the abatement of property taxes and other taxes affecting the Property, for awards, for any taking by eminent domain affecting the Property, and all other government regulations affecting the Property which Owner elects to contest.

(b) Mortgages. Following Owner's written request, Manager shall make all payments on or before the due date therefore required under any Mortgage, provided a copy of any such Mortgage has previously been delivered by Owner to Manager, and provided further the funds adequate for such payments are in the Operating Account. Subject to the provisions hereof, Manager shall deliver to Owner, no later than the due date, evidence that such Mortgage payment has been made, and perform all covenants (which Manager has the authority hereunder to perform) required to be performed or observed by Owner under any such Mortgage.

3.14 Use and Maintenance of Premises. Manager agrees not to knowingly permit the use of the Property for any purpose which might void any policy of insurance relating to the Property which might render loss thereunder uncollectible, or which would be in violation of any Governmental Requirement.

3.15 Other. Manager shall perform such other acts and deeds as are reasonable, necessary and proper in the discharge of its duties under this Agreement so long as such acts and deeds are authorized hereby. In addition to the foregoing, Manager shall execute or cause to be executed all leases in compliance with the Real Estate License Law of the applicable State where the Project is located, as amended. The Manager will secure the full compliance of each resident with the terms of his or her lease, and for this purpose is authorized to consult with legal counsel

approved by Owner. The Manager shall have the power to terminate and accept terminations of tenancies; settle, compromise and release claims against residents; reinstate leases; give consents provided for in all leases; institute suits to enforce Owner's rights under the lease; and take all other required action to enforce the leases in effect in the Project.

3.16 Notice to Owner. Manager shall promptly notify Owner: (a) In the event that the condition of the Property or any part thereof fails (to the knowledge of Manager) to meet the standards of the Mortgage or any other agreement relating to the Property, or to meet the standards of the Governmental Requirements; (b) Upon receipt by Manager of any notice, demand or similar communication with respect to any obligation of Owner under the Governmental Requirements, the Mortgage, or other agreement involving Owner, the Property, or any portion thereof; (c) Upon receipt by Manager of any summons, notice, demand or similar communication regarding any action at law or in equity or before any regulatory body in connection with or involving Owner, the Property, or any portion thereof; (d) Upon receipt by Manager of any notice or communication from an insurance carrier regarding insurance coverage or the insurability of the Property; or (e) Upon receipt by Manager of any notice or communication of any nature, written or oral, which is the reasonable opinion of Manager may have a material adverse effect on Owner or the Property.

3.17 Adequate Funds. Wherever the Manager is obligated to make a payment, and such obligation is qualified by there being adequate funds for such payments, the Manager shall have the right to choose which payments are made and shall have no liability for preferring one creditor over another.

3.18 Rentals. The Manager will offer for rent and will rent the dwelling units, parking spaces, commercial space and other rental facilities and concessions in the project. In connection with these duties, the Manager will carry out the following.

- (a) Make the necessary preparations as described in the Annual Business Plan.
- (b) Follow the requirements of the regulations governing the LIHTC program (the "Regulations"), if applicable HUD regulations, and the Marketing and Management Plan and Affirmative Fair Housing and Marketing Plan (Form 935.2) related to resident eligibility for occupancy;
- (c) Show the Project to prospective residents;
- (d) Take and process resident applications for rentals, counsel applicants as to eligibility for occupancy in the Project; verify income and eligibility certifications in accordance with the Regulations.
- (e) The Manager shall terminate the lease agreement and evict an individual or family for any violation of the tenant lease. The Owner shall include the following lease items in the residential lease agreement for each unit.
  - (i) The lease shall provide that upon 24 hours written notice to the resident the Owner and/or Manager shall be permitted to enter the dwelling unit during reasonable hours for the purpose of performing an inspection.

(ii) The lease must include a mechanism which shall allow termination of the agreement and eviction for violation. Manager may not terminate the tenancy or refuse to renew the lease of a resident except for serious or repeated violation of the terms and conditions of the lease; for violation of applicable federal, state or local law; for completion of the transitional housing tenancy period; or for other good cause. Any termination or refusal to renew must be preceded by a 30-day written notice specifying the grounds for the Action.

(iii) Manager shall maintain the premises in compliance with the Owner's design standards and local code requirements.

(iv) The lease must contain a provision for the resident to provide accurate information to determine eligibility at move-in and annual re-certifications.

(A) On commencement of the lease agreement, and every one year thereafter, the resident shall provide Manager with such certifications, verifications and information as Manager may require in order to perform an examination, reexamination or determination of the family's income and eligibility as provided in the rules of applicable federal or state programs. A failure to provide such certification, verifications and information, or any falsification or willful misrepresentation thereof shall be deemed to be a violation of the lease agreement.

(B) If pursuant to Paragraph (a) above, Manager determines that the resident's family income exceeds the maximum limit, the resident shall be permitted to continue to occupy such dwelling unit; provided, however, that the resident shall be required to pay the applicable rent.

(v) The lease must include a provision for the resident to execute a release for verification for utilities on an annual basis, if applicable

(vi) The lease must include:

(A) Security deposit amount and utility information.

(B) Monthly rental amount.

(C) Signatures of all parties.

(D) A statement that the lease agreement complies with all state and local laws.

(vii) The lease must agree to give the resident a thirty (30) day advance written notice of any increase in the monthly rent.

(viii) Any material misrepresentation in resident's application for the leased premises, whether intentional or otherwise, may be treated by Manager, at its sole option, as an act of default under the lease and all remedies available to Manager (or Owner) in the event of other defaults shall likewise be available to Manager (or Owner) in such case.

(ix) The lease may not contain any of the following provisions:

(A) Agreement to be sued. Agreement by the resident to be sued, to admit guilt or to a judgment in favor of the Manager or in the name of Owner in a lawsuit brought in connection with the lease.

(B) Treatment of property. Agreement by the resident that the Manager or Owner may take, hold or sell personal property of household members without notice to the resident and a court decision on the rights of the parties. This prohibition, however, does not apply to an agreement by the resident concerning disposition of personal property remaining in the housing unit after the resident has moved out of the unit. The Manager or Owner may dispose of this personal property in accordance with state law.

(C) Excusing Owner or Manager from responsibility. Agreement by the resident not to hold the Owner or the Manager legally responsible for any action or failure to act, whether intentional or negligent:

(D) Waiver of notice. Agreement of the resident that the Manager or Owner may institute a lawsuit without notice to the resident.

(E) Waiver of legal proceedings. Agreement by the resident that the Manager or Owner may evict the resident or household members without instituting a civil court proceeding in which the resident has the opportunity to present a defense, or before a court decision on the rights of the parties.

(F) Waiver of a jury trial. Agreement by the resident to waive any right to a trial by jury.

(G) Waiver of right to appeal court decision. Agreement by the resident to waive the resident's right to appeal, or to otherwise challenge in court, a court decision in connection with the lease.

(H) Resident chargeable with cost of legal actions regardless of outcome. Agreement by the resident to pay attorney's fees or other legal cost even if the resident wins in a court proceeding by the Manager or Owner against the resident. The resident, however, may be obligated to pay cost if the resident loses.

#### **ARTICLE 4.** **INSURANCE**

4.1 Owner's Insurance. Owner, as a property operating expense, will obtain and keep in force insurance against physical damage (e.g., fire with extended coverage endorsement, boiler and machinery, etc.) and against liability for loss, damage or injury to property or persons which might arise out of the ownership or occupancy of the Property in the following amounts:

(a) Commercial Property: Total insured value; and

- (b) General Public Liability: \$1,000,000.00 / \$2,000,000.00 Aggregate per occurrence.

Manager shall furnish whatever information is reasonably requested by Owner for the purpose of establishing the placement of insurance coverage and shall aid and cooperate in every reasonable way with respect to such insurance and any loss thereunder. Owner shall include in its hazards policy covering the Property, personal property, fixtures and equipment located thereon, and Manager shall include in any fire policies for its appropriate clauses pursuant to which the respective insurance carriers shall waive all rights of subrogation with respect to losses payable under such policies. Manager shall be named as additional insured with respect to Owner's liability policies. Owner's insurance coverage shall seek to include a waiver of subrogation rider to the benefit of Manager in all coverages procured hereunder.

4.2 Manager's Insurance. Manager shall maintain, at its expense, insurance coverage in the following minimum amounts:

- (a) Workers Compensation: Statutory Amount;
- (b) Employer's Liability: \$100,000.00 minimum;
- (c) Comprehensive General Liability:
  - (i) \$1,000,000.00 bodily injury per person, \$2,000,000.00 aggregate for property damage and/or bodily injury; or
  - (ii) Umbrella coverage of no less than \$20,000,000.00; and
- (d) A fidelity bond or other surety acceptable to Owner in an amount not less than \$500,000.00

Manager shall furnish Owner with certificates evidencing the aforesaid coverage, which shall include provisions to the effect that either Party will be given at least thirty (30) days prior written notice of cancellation. Manager's insurance coverage shall seek to include a waiver of subrogation rider in favor of Owner in all coverages procured hereunder.

4.3 Subcontractors' Insurance. Manager shall require that all parties performing work on or with respect to the Property, including, without limitation, subcontractors and service vendors, maintain insurance coverage at such party's expense, in the following minimum amounts:

- (a) Workers Compensation: Statutory Amount;
- (b) Employer's Liability: \$100,000.00 minimum; and
- (c) Comprehensive General Liability:
  - (i) \$1,000,000.00 per occurrence, \$2,000,000.00 aggregate for property damage and/or bodily injury; or

Manager must obtain Owner's consent to waive any of the above requirements, which consent shall not be unreasonably withheld in light of the character or the work performed. Manager shall obtain and keep on file a Certificate of Insurance, which shows that each such party is so insured.

The limits provided for in Section 4.2 and 4.3 may be increased from time to time and at any time upon mutual consent of Owner and the Manager to give effect to increases in current liability exposure and inflationary cost increases. Changes in the amounts and types of insurance provided for hereunder shall be made as part of the Annual Business Plan.

#### 4.4 Fidelity Bond.

The Manager will as a Project expense furnish a Blanket Position Fidelity Bond (Employee Dishonesty) in the amount equal to one month's total rent for the entire Property. The bond shall cover all persons involved in handling of funds of the Manager, Owner and development. Minimum amount of coverage required is equal to one (1) month's income potential.

### **ARTICLE 5.** **INDEMNIFICATION**

5.1 Indemnification. Each party hereto shall defend and save the other harmless from any liability on account of loss, damage or injury arising out of such party's gross negligence or willful misconduct. The Indemnified Party shall:

(a) Promptly notify the indemnifying party (the "Indemnifying Party") and the insurance carrier after the Indemnified Party receives notice or becomes aware of any such loss, damage or injury.

(b) Cooperate in all reasonable respects with the Indemnifying Party and its insurers in the defense of such injury or claims.

(c) Not take action (such as admission of liability) which might bar the Indemnifying Party in its defense to a claim based on such loss, damage or injury.

(d) The failure of the Indemnified Party to comply with the requirements of this Section 5.1 shall not reduce or otherwise affect the Indemnified Party's right to recovery hereunder except to the extent such failure shall increase the liability of the Indemnifying Party hereunder.

Notwithstanding anything to the contrary contained in this Article 5, neither party shall be required to indemnify the other for or defend or hold it harmless from any claims, actions or proceedings resulting from acts or omissions which: (a) constitute gross negligence or willful misconduct on the part of the party claiming the right to be indemnified, its employees, agents, guests, invitees, or contractors; (b) are outside the scope of the party's authority or responsibility hereunder (unless expressly assumed by the Indemnifying Party); (c) are in breach of any duties hereunder; or (d) constitute intentional torts on the part of the party claiming the indemnity, its employees, agents, guests, invitees or contractors.

Manager agrees that Owner shall have the exclusive right, at its option, to conduct the defense to any claim, demand or suit within limits prescribed by the policy or policies of insurance described in Section 4.1 hereof.

The provisions of this Article 5 shall survive the expiration or termination of the Agreement. It is the intention of the parties that this indemnity merely requires establishing liability by a court of competent jurisdiction or by settlement agreed to by both parties and does not require payment as a condition precedent to recovery by the Indemnified Party under this indemnity. To the extent permitted by law, each party, one to the other, waives the right of subrogation that any insurance company may have by reason of having paid an insured claim with respect to the Agreement on the Property.

## **ARTICLE 6.**

### **FINANCIAL REPORTING AND RECORD KEEPING**

6.1 Books of Accounts. Manager shall maintain adequate and separate books and records for the Property, the entries to which shall be supported by sufficient documentation to ascertain that said entries are accurate. Such books and records shall be maintained by Manager at Manager's offices located at 2200 North Commerce Parkway, Suite 100, Weston, FL 33326 or at such other location as may be mutually agreed upon in writing. Manager shall ensure such control over accounting and financial transactions as is reasonably required to protect Owner's assets from theft, negligence or fraudulent activity on the part of Manager's employees or other agents.

(a) In addition to the financial reporting requirements of this Agreement and any and all additional reports as may be requested, the Manager will prepare and maintain records and any and all reports including but not limited to the following:

(i) A comprehensive system of permanent records, books, and accounts satisfactory to the Owner and prepared in conformity with generally accepted accounting principles.

(ii) Furnish information requested by the Owner from time to time with respect to the Project.

(b) The Manager will cause to be prepared and will submit to Owner within ninety (90) days after the end of each fiscal year an audited financial statement prepared by a certified public accountant acceptable to Owner and based upon the preparer's examination of the Project books and records. The cost of this financial statement shall be paid from the Project Operating Account as a Project expense.

(c) All records, books and accounts for the Project will be subject to examination and reproduction at reasonable hours by any authorized representative of the Owner or a certified public accountant selected by Owner.

(d) All records must be retained for three (3) years after the affordability period as defined by the applicable state Code.

(e) In the event the Project has received Federal HOME Investment Partnerships Program funds, the Manager shall comply with the recordkeeping requirements of 24 C.F.R. Sections 92.508(2)(iv), (3)(i), (ii) and (iii), (5)(i), (ii), (iv), (vi), (vii) and (ix) and (6)(iii).

6.2 Financial Reports. Manager shall furnish reports of all transactions occurring during each calendar month. These reports are to be received by Owner no later than twenty (20) calendar days after the end of each month. In addition, Manager shall furnish a summary report of all transactions occurring within each calendar year, which summary report shall be delivered to Owner within forty-five (45) days of the end of each calendar year. All such reports must show all collections, delinquencies, uncollectible items, vacancies, and other matters requested by Owner pertaining to the management, operation, and maintenance of the Property during the year. The reports shall include balance sheet, summarized or detailed operating statement, general ledger, cash flow report (annual), budget variance report (quarterly), rent roll, tenant account receivables, as well as any other items specified in the Annual Business Plan. Manager shall prepare such information on forms reasonably acceptable to Owner to facilitate the input of financial information into Owner's accounting system. Manager shall provide Owner with such other reports, summaries, projections, estimates and information, as Owner shall reasonably request. In addition, Manager shall cooperate to the extent reasonably possible with Owner's accountants in the preparation of annual financial statements (and related management letters). Such annual financial statements and management letters are to be issued within one hundred twenty (120) days after the end of each fiscal year.

6.3 Supporting Documentation. As additional support to the monthly financial statements, Manager shall at Owner's reasonable request, not more often than quarterly, provide copies of the following:

- (a) All bank statements, bank deposit slips and bank reconciliations;
- (b) Detailed cash receipts and disbursement records;
- (c) General ledger listing (periodically, Owner may request copies of all invoices paid during a specific period);
- (d) All invoices for capital expenditures and non-recurring items;
- (e) Summaries of adjusting journal entries; and
- (f) Copies of paid bills.

In addition, Manager shall maintain the following for inspection in its offices:

- (i) Detailed trial balance (if available); and
- (ii) Supporting documentation for payroll, payroll taxes and employee benefits.

6.4 Transfer of Funds. All cash balances shall be maintained by Manager in the Operating Account to be used in accordance with the terms and provisions of this Agreement.

To the extent funds are available, all operating expenses shall be paid by Manager from the Operating Account. Each month Manager shall pay all operating expenses, its management fee and then remit the excess remaining, if any, to Owner as needed or requested and allowed as per the applicable Partnership Agreement affecting the Project. Checks for remittances should be delivered to Owner, independent of required financial reports, in the most expeditious manner possible.

The minimum balance required in the operating account under this agreement is one month's worth of operating expenses, including any applicable debt service for the Project.

6.5 Accounting Principles. All financial statements and reports required by Owner will be prepared in accordance with generally accepted accounting principles with the exception that Owner may specify that the statements be prepared on a cash basis.

6.6 Owner's Property. All books, records, invoices and other documents received by Manager pursuant to its obligations hereunder shall be the property of Owner and shall be promptly delivered to Owner upon termination hereof.

6.7 Failure to Maintain Records. The failure by the Manager to maintain the books and records shall not result in consequential damages to Owner unless such failure is due to gross negligence and willful misconduct.

## **ARTICLE 7.** **OWNER'S RIGHT TO AUDIT**

7.1 Right to Audit. Owner reserves the right for Owner's employees or other agents appointed by Owner, to conduct examinations during regular business hours, upon twenty-four (24) hours' notice to Manager, of the books and records maintained for Owner by Manager. Owner also reserves the right to perform any and all reasonable additional audit tests relating to Manager's activities either at the Property or at any office of the Manager; provided such audit tests are related to those activities performed by Manager for Owner, and further provided that such examinations do not interfere with the other business of the Manager.

Should Owner's employees or appointees discover either weaknesses in internal control as established by generally accepted accounting standards or errors in record keeping, Manager shall correct such discrepancies either upon discovery or within a reasonable period of time after notice from Owner specifying such weaknesses or errors. Manager shall inform Owner, in writing, of the action taken to correct such audit discrepancies.

Any and all audits conducted either by Owner's employees or appointees will be at the sole expense of Owner.

## **ARTICLE 8.** **BANK ACCOUNTS**

8.1 Operating Account. Manager shall deposit all rents and other funds collected from the operation of the Property, including any and all advance rents, in a bank or banks designated

by Manager and approved by Owner in its reasonable discretion, in a special account or accounts (the "Operating Account") for the Property.

Owner shall be given written notice of each such account number and location. If more than one account is required to operate the Property, each account shall have a distinct name.

The funds in the Operating Account shall be segregated from all funds of Manager. Manager shall be entitled to draw against the Operating Account for Operating Expenses.

8.2 Security Deposit Account. Unless otherwise required by law, a separate non-interest bearing account will be opened by Manager at a bank designated by Manager which has been approved by Owner in its reasonable discretion for tenant security accounts.

8.3 Change of Banks. Owner may direct Manager to change a depository bank or the depository arrangements for any reasonable business purpose agreed upon by the parties.

8.4 Access to Accounts. Through the use of signature cards, authorized representatives of Owner shall be permitted access to any and all funds in the bank accounts described in Sections 8.1 and 8.2; provided, however, that Owner shall give prior written notice of its intention to draw upon such account to Manager and provide applicable documents of such purpose.

## **ARTICLE 9.**

### **PAYMENT OF EXPENSES**

9.1 Employment Cost to be Reimbursed. Owner shall reimburse Manager for the total compensation and related expenses of any of Manager's employees who are stationed at the Project and do work solely for the Project if such compensation and related expenses are set forth in the Annual Business Plan approved by Owner. It is agreed that costs of such related expenses shall include cost of group insurance, standard, retirement benefits, and the employer's pro rata share of FICA taxes, state and federal unemployment assessments and worker's compensation premiums or assessment, which may be payable based on the gross pay and taxable income of employee. Manager shall preserve all records supporting the basis for such charges to Owner, and shall prior to reimbursement, submit to Owner upon request.

All matters pertaining to the employment of such employees are the responsibility of Manager, who shall be in all respects the employer of such employees and who shall fully comply with all applicable laws and regulations affecting the employer/employee relationship, including without limitation, laws and regulations having to do with payroll withholdings, worker's compensation, discrimination, social security, unemployment insurance, hours of labor, wages, and working conditions. Since this Agreement is not one of agency by Manager for Owner but one with Manager engaged independently in the business of managing properties on its own behalf, all employment arrangements are therefore solely Manager's concern.

9.2 Costs Eligible for Payment from Operating Account. Manager may and shall pay the following expenses directly from the Operating Account subject to the conditions outlined in Article 3:

(a) Costs to correct any violation of Federal, State and Municipal laws, ordinances, regulations and orders relative to the leasing, use, repair and maintenance of the Property, or relative to the rules, regulations or orders of the local Board of Fire Underwriters or other similar body, provided such costs are not the result of Manager's gross negligence or willful misconduct.

(b) Actual and reasonable costs of making all repairs, decorations and alterations, provided such cost is not the result of Manager's gross negligence or willful misconduct.

(c) Costs incurred by Manager in connection with all service agreements approved by Owner.

(d) Cost of collection of delinquent rentals collected through a collection agency.

(e) Reasonable legal fees of attorneys.

(f) Cost of capital expenditures subject to the restrictions in Section 3.10.

(g) Cost of printing checks for each bank account required so that Manager can fulfill its duties hereunder.

(h) Leasing incentives and consultant fees payable by Owner to third parties.

(i) Cost of service contracts and cost of utilities.

(j) Cost of advertising and promotional activities.

(k) Cost of printed forms and supplies required for use at the Property.

(l) Cost of long-distance telephone charges and special postage charges.

(m) Cost of travel expenses for Property supervision and training seminars incurred by Manager or its employees in connection with the property.

(n) Cost of software licensing for property operations and accounting

(o) Cost for Compliance personnel and including related expenses

9.3 Non-reimbursable Costs. The following expenses or costs incurred by or on behalf of Manager in connection with the management of the Property shall be at the sole cost and expense of Manager and shall not be reimbursed by Owner:

(a) Cost of gross salary and wages, payroll taxes, insurance, worker's compensation, and other benefits of Manager's off-site management, accounting and office personnel and independent contractors.

(b) General accounting and reporting services which are considered to be within the reasonable scope of the Manager's responsibility to Owner.

(c) Cost of forms, paper, ledgers, and other supplies and equipment used in Manager's office at any location off the Property.

(d) Cost of electronic data processing or any pro-rata charge thereof, for data processing provided by computer service companies except for annual software licensing fees necessary for onsite operations of the property.

(e) Political or charitable contributions.

(f) Cost of advances made to employee and travel by Manager's employees or agents to and from the Property except for supervisory personnel.

(g) Cost attributable to losses arising from gross negligence, willful misconduct or fraud on the part of Manager, Manager's associates, or Manager's employees.

(h) Costs of comprehensive crime insurance or fidelity bonds purchased by Manager for its own account.

(i) Employment fees unless specifically approved by Owner.

(j) Advertising expenses of Manager except for help wanted advertising in connection with the Property.

(k) Any expenses of Manager's principal or branch offices.

(l) Any part of Manager's capital expense.

(m) Manager's overhead or general expenses.

## **ARTICLE 10.** **OPERATING ACCOUNT**

10.1 Priorities. From the funds collected and deposited by the Manager in the Operating Account, the Manager will promptly make the following disbursements in the following order when due and payable:

(a) The amount required to be paid monthly by the Manager on behalf of Owner to any lenders for principal amortization and interest on any mortgage loans and annual servicing and other fees;

(b) The amount required to be paid monthly by the manager on behalf of Owner for all real estate taxes, utilities, insurance premiums, reserve funds, and other escrow payments;

(c) The Manager's fee, as determined by this Agreement;

(d) Reimbursement to the Manager for compensation as permitted hereunder;  
and

(e) All other amounts otherwise due and payable by the Owner authorized to be incurred by the Manager under the terms of this Agreement as a Project expense.

10.2 Statement of Unpaid Items. After Manager has paid to the extent of available gross income, all bills and charges based upon the ordered priorities set forth in Section 10.1, Manager shall submit to Owner a statement of all remaining unpaid bills, which Owner shall promptly provide funds for.

10.3 Segregation of Accounts. In each instance where Manager manages several properties for Owner, Manager shall segregate the income and expenses of each property so that gross income from each property will be applied only to the bills and charges from such property.

## **ARTICLE 11.** **MANAGER'S EMPLOYEES**

All personnel with respect to the Project will be employees of the Manager and will be hired, paid, supervised and discharged by the Manager. Compensation for the personnel will include salary or wages, all fringe benefits, unemployment and workmen's compensation insurance premiums, and all Federal, state and local taxes incident to the employment of personnel (including social security taxes) and will be in compliance with all applicable minimum wage requirements.

## **ARTICLE 12.** **C OOPERATION; NON-DISCRIMINATION**

12.1 Cooperation. Should any claims, demands, suits or other legal proceedings be made or instituted by any person against Owner which arise out of any of the matters relating to this Agreement, Manager shall give Owner all pertinent information possessed by Manager and reasonable assistance in the defense or other disposition.

12.2 Non-Discrimination.

(a) Manager shall comply with all applicable federal, state, and local laws and shall not:

(i) Refuse to lease or otherwise deny or withhold any unit from any person because of race, or color, religious creed, ancestry, sex, national origin, familial status, or handicap or disability of any prospective occupant of such unit or refuse to lease a unit to any person due to use of a guide dog because of blindness of the prospective occupant.

(ii) Discriminate against any person in the terms and conditions of any lease for a unit or in furnishing facilities, services or privileges in connection with the occupancy or use of a unit of the Project because of the race, color, religious creed, ancestry, sex, national origin or handicap or disability of any present or prospective occupant of the Project.

(iii) Print, publish, or circulate any statement or advertisement relating to the Project which indicates any preference limitation, specification or discrimination based upon race, color, religious creed, ancestry, sex, national origin or handicap or disability, or print, publish or circulate any statement or advertisement relating to the lease of any unit which indicates any preference, limitation, specification, or discrimination based upon use of a guide dog because of blindness of the occupant.

(b) Manager shall NOT make inquiries to elicit any information, make or keep records or use any form of application, containing questions or entries concerning race, color, religious creed, ancestry, sex, national origin or handicap a disability in connection with the lease of any unit in violation of applicable laws or HUD guidelines or to make inquiries, elicit information, make or keep records or use any form of application, containing questions or entries concerning the use of a guide dog because of blindness or the occupant in connection with the lease of any unit in violation of any applicable laws or HUD guidelines.

(c) During the term of this Agreement, the Manager agrees as follows:

(i) Manager shall not discriminate against any employee, applicant for employment, independent contractor, or any other person because of race, color, religious creed, ancestry, national origin, age, or sex. Manager shall take affirmative action to insure that applicants are employed, and that employees or Managers are treated during employment, without regard to their race, color, religious creed, handicap, ancestry, national origin, age, or sex. Such affirmative action shall include, but is not limited to: employment, upgrading, demotion or transfer, recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training. Manager shall post in conspicuous places, available employees, Managers, applicants for employment, and other persons, a notice to be provided by the contracting Owner setting forth the provisions of this nondiscrimination clause.

(ii) Manager shall, in advertisements or requests for employment placed by it or on its behalf, state that all qualified applicants will receive consideration for employment without regard to race, color, religious creed, handicap, ancestry, national origin, age, or sex.

(iii) Manager shall comply with all state and federal laws prohibiting discrimination in hiring or employment opportunities. In the event of Manager's noncompliance with the nondiscrimination clause of this Agreement or with any such laws, this Agreement may be terminated or suspended, in whole or in part.

(iv) Manager shall furnish all necessary employment documents and records to, and permit access to its books, records, and accounts by the contracting Owner for purposes of investigation to ascertain compliance with the provisions of this clause. If Manager does not possess documents or records reflecting the necessary information requested, it shall furnish such information on reporting forms supplied by the contracting Owner.

(v) Manager shall include the provisions of this nondiscrimination clause in every subcontract, so that such provisions will be binding upon each subcontractor.

(vi) Manager obligations under this clause are limited to Manager's facilities within the Property.

12.3 Resident-Management Relations. To the extent that problems affecting the Project and its residents may be avoided or solved on the basis of mutual self-interest and understanding, the Manager will encourage and assist representative organizations to promote their common interests, upon the request of residents. At all times, the Manager will make a good faith effort to maintain communications with organizations who represent residents of the Project. The Manager shall adhere to the Owner's fair lease and grievance procedures, if applicable.

12.4 Resident Selection Process. It is understood and agreed that the housing covered by the within transaction is to be residential rental housing used for the benefit of the general public and those of low income. In this connection, the Manager agrees that once available for occupancy each unit in the Project shall be rented or available for rental on a continuous basis to members of the general public on other than transient basis.

12.5 Monthly Rental Amounts. Monthly rental amounts shall, at all times, comply with such limits as may be required under the applicable program guidelines.

### **ARTICLE 13.** **COMPENSATION**

13.1 Compensation. The Manager shall be compensated in accordance with the fees outlined and reflected on **Exhibit A** attached hereto and made a part hereof.

### **ARTICLE 14.** **TERMINATION**

14.1 Termination. This Agreement shall terminate thirty (30) days after written notice by Owner to Manager of (a) the substantial destruction of the Property; or (b) the taking, by eminent domain, of a substantial part of the Property.

14.2 Authority to Execute Termination Notices. Notices of termination shall be signed by an officer or other authorized agent of Owner.

14.3 Termination by Owner. This agreement shall terminate upon (a) termination or suspension of Manager's real estate brokerage license, if such license is required as a condition to managing the Property; or (b) complete cessation on Manager's part to do business; or (c) default by Manager's or any of its affiliates under applicable documents affecting Manager and Owner; or (d) bankruptcy, insolvency, or assignment for the benefit of the creditors of Manager shall, at the sole election of Owner effect a termination of this Agreement thirty (30) days after written notice from Owner to Manager.

14.4 Termination for Cause. Owner may terminate this Agreement at any time during the term hereof for any of the following causes:

(a) Manager fails to pay any material sum payable when sufficient funds are available in the Operating Account under this Agreement when due or fails to perform or comply with any of its obligations hereunder at the time or times and in the manner required under this Agreement provided that Owner first give, Manager thirty (30) days written notice of such default or breach and Manager, when the default or breach is the failure to pay a sum payable hereunder,

fails to pay such sum within five (5) days thereafter, and when the default or breach is other than the failure to pay a sum payable hereunder, fails to commence curing such default or breach within five (5) days, or after commencing the same fails to diligently pursue the curing of such default to completion within ten (10) days after commencement of the cure; or

(b) A default occurs under any Mortgage or other agreement affecting the property caused by Manager's act or omission or commission which occurrence is not timely cured by Manager.

14.5 Termination by HUD. If applicable, HUD may require the Owner to terminate the agreement: (i) immediately, in the event a default under the Mortgage, Note, Regulatory Agreement, or Subsidy Contract attributable to the Project; (ii) upon 30 days written notice, for failure to comply with the provisions of the Management Certification or other good cause; or (iii) if and to the extent HUD exercises its authority to take over the Project. If HUD terminates this Agreement, Owner will promptly make arrangements for alternative, replacement management reasonably satisfactory to HUD. The Manager will immediately turn over to Owner all of the books, records, project's cash, trust accounts, investments, and other contracts and records immediately, but in no event more than 30 days.

14.6 Final Accounting. Upon termination of this Agreement, Manager shall deliver to Owner within thirty (30) days:

(a) A final accounting, reflecting the balance of income and expenses of the Property as of the date of termination or withdrawal, to be delivered within thirty (30) days after such termination.

(b) Any balance or monies of Owner and tenant security deposits, or both, held by Manager with respect to the Property, to be delivered immediately upon such termination.

(c) All keys, garage cards, parking permits and passes, records, contracts, leases, receipts for deposits, unpaid bills and other papers or documents which pertain to the Property, to be delivered immediately upon such termination. Upon such termination, Owner will assume responsibility for payment of all approved or authorized unpaid bills.

14.7 Obligation to Vacate. Upon termination of this Agreement, Manager shall promptly vacate any office space provided by Owner for the location of Manager's personnel and shall restore any such office space to the same condition that it was in at the time such space was first provided to Manager.

14.8 Assignment of Accounts. Upon the expiration or termination of this Agreement for any reason the Manager will: (1) assign to the Owner within twenty-four (24) hours after such termination, all monies in all Project accounts including but not limited to the Project Operating Account, Resident Security Deposit Account, and the Residual Reserve Fund, (2) cause settlement with the Owner of all unpaid bills, (3) deliver outstanding leases, contracts, insurance policies, bonds, warranties, books, records and all other unspecified materials, documents and records pertaining to the Project, (4) notify each resident to make all future rent payments to the Owner or the Owner's designee, and (5) submit to the Owner any financial statements required. Manager will make a general reporting to Owner of all items enumerated in this Subsection within twenty-

four (24) hours after termination of this Agreement. The expiration or termination of this Agreement shall not cut off, divest or otherwise diminish the rights or remedies, outstanding obligations, duties or liabilities of any party under this Agreement in either law or equity, which exist prior to expiration or termination of this Agreement. As against each other the principal Parties waive the defense of impossibility of performance.

**ARTICLE 15.**  
**SUBSIDIARIES AND AFFILIATES**

15.1 Subsidiaries and Affiliates. Any contract or lease of any kind whatsoever between Manager and any person, corporation or other entity owned or controlled by, under common ownership or control with owning or controlling Manager with respect to the Property shall be on terms no less favorable to Owner than are generally available in the market and will be subject to the prior written approval of Owner.

**ARTICLE 16.**  
**NOTICES**

16.1 Notices. All notices, demands, consents and reports provided for in this Agreement shall be in writing and shall be given to Owner or Manager at the addresses set forth below or at such other address as they individually may specify thereafter in writing:

OWNER: RUDG, LLC or Affiliates  
2850 Tigertail Ave, Suite 800  
Miami, FL 33133  
Attention: Tony Del Pozzo  
Phone: 305-533-0049  
Tony@relatedgroup.com

MANAGER: TRG Management Company, LLP  
2200 North Commerce Parkway  
Suite 100  
Weston, FL 33326  
Attention: Marilyn Pascual  
305-442-8628  
mpascual@relatedgroup.com

Such notice or other communication may be mailed by United States registered or certified mail, return receipt requested, postage prepaid and may be deposited in a United States Post Office or a depository for the receipt of mail regularly maintained by the post office. Such notices, demands, consents and reports may also be delivered by hand. For purposes of this Agreement notices will be deemed to have been “given” upon personal delivery thereof or forty-eight (48) hours after having been deposited in the United States mail as provided above.

**ARTICLE 17.**  
**OWNER’S PERFORMANCE OF MANAGER’S OBLIGATION**

17.1 Owner's Performance. In the event Manager fails to perform any of its obligations and undertakings hereunder, Owner may, after giving Manager ten (10) days' notice thereof (unless such default creates an emergency in Owner's judgment, in which case no notice need be given by Owner), perform any of Manager's obligations (including payment of any monies due) and Owner shall be immediately reimbursed by Manager for any monies so expended (to the extent there are funds in the Operating Account); provided, however, that any part of such monies expended by Owner which represent penalties, interest or Owner's expenses or costs (including attorney's fees) incurred wholly or in part by reason of Manager's default under this Agreement shall not be charged to the Operating Account, but shall be paid by Manager to Owner. Any performance by Owner of any obligation of Manager hereunder shall not be deemed a waiver by Owner of any other right or remedy Owner has under this Agreement or in law or equity by reason of such default or waiver of any such rights or remedies Owner has by reason of a future default by Manager.

**ARTICLE 18.**  
**MISCELLANEOUS**

18.1 No Assignment. Owner has entered into this Agreement in reliance upon the experience and ability of Manager and, therefore, this Agreement and all rights hereunder, shall not be assignable by Manager without the prior written consent of Owner.

18.2 Consent and Approvals. Owner's consents or approvals may be given only by representatives of Owner from time to time designated in writing by Owner. All such consents or approvals shall also be in writing.

18.3 Pronouns. The pronouns used in this Agreement referring to Manager shall be understood and construed to apply whether Manager be an individual, partnership, corporation or any other entity or individual or individuals doing business under a firm or trade name.

18.4 Amendments. Except as otherwise herein provided, any and all amendments, additions or deletions to this Agreement shall be null and void unless approved by both parties in writing.

18.5 Headings. All headings herein are inserted only for convenience and ease of reference and are not considered in the construction or interpretation of any provision of this Agreement.

18.6 Time of the Essence. Time is of the essence in this Agreement.

18.7 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida.

18.8 No Advertising. No publication, announcement or other public advertisement of Owner's name in connection with the Property shall be made by Manager, except in connection with leases or agreements entered into by Manager in Owner's name as expressly provided for herein, or as may be required by applicable law.

18.9 Severability. Every provision of this Agreement is intended to be severable. If any term or provision hereof is illegal or invalid for any reason whatsoever, such provision shall be severed from this Agreement and shall not affect the validity of the remainder of this Agreement.

18.10 Relationship of the Parties. Manager is an independent contractor hired by Owner pursuant to the terms hereof. Nothing contained in this Agreement, nor any acts of the parties hereto, shall be deemed or construed by the parties hereto, or either of them, or any third party, to create: (a) a principal and agent relationship (except as specifically provided above); or (b) a partnership or a joint venture, between the parties hereto.

18.11 No Third-Party Beneficiaries. Owner and Manager acknowledge that this Agreement is solely for their own benefit and, except as provided in Section 18.1, that no third party shall have any rights or claims arising hereunder.

18.12 Waiver, Entire Agreement. No modification, amendment, discharge or change of this Agreement, except as otherwise provided herein, shall be valid unless the same is in writing and signed by the party against which the enforcement of such modification, amendment, discharge or change is sought. No waiver of any breach of any covenant, condition or agreement contained herein shall be construed to be a subsequent waiver of the covenant, condition or agreement or of any subsequent breach thereof or of this Agreement.

18.13 Interpretation. In interpreting this Agreement, the provisions in the Agreement shall not be construed against or in favor of either party on the basis of which party drafted this Agreement.

18.14 Attorney's Fees. In the event either party hereto institutes legal action against the other party to interpret or enforce this Agreement or to obtain damages for any alleged breach hereof, the prevailing party in such action shall be entitled to an award of reasonable attorney's fees.

18.15 Representations. Manager represents and warrants that it is fully qualified and licensed.

18.16 Addendum. The provisions of that certain Public Housing Mixed Finance Rider to Management Agreement executed by Owner and Manager of substantially even date herewith are incorporated herein by reference. (If applicable)

18.17 Complete Agreement. The agreement supersedes and takes the place of any and all previous management, leasing and consulting agreements between the parties hereto relating to the Property.

18.18 HUD Requirements. In the event that there is a conflict between the rules, regulations and requirements of HUD (the "HUD Requirements") including those set forth in Exhibit B attached hereto and the requirements of this Agreement, the HUD Requirements shall govern this Agreement and prevail, and this Agreement shall be amended and restated to take into account the applicable HUD Requirements.

18.19 Management Office. If there is to be a Management Office at the Project, all necessary office furnishings (for example: desks, chairs, filing facilities, copier, etc.), necessary office equipment (for example: computer, monitor, calculators, etc.), necessary office supplies and expenses, and utilities, shall be provided from the project Operating Account as a Project expense. Expenses of the office of the management Manager not at the Project may not be treated as Project expenses. These expenses include, but are not limited to, all necessary office supplies (for example: files, forms, letterhead, stationary, etc.) and all bookkeeping, clerical and other necessary management overhead expense (for example: postage, transportation for management Manager personnel, telephone, etc.).

18.20 Defined Terms.

The following terms when used in this Agreement and initially capitalized shall have the following meaning prescribed to each:

- (a) “Agreement”: This Management Agreement.
- (b) “Initial Occupancy”: The date the first dwelling unit of the project is first occupied by a resident under the Residential lease agreement.
- (c) “Fidelity Bond”: Equivalent to one (1) month’s income potential.
- (d) “Initial Operating Year”: That period of time falling between the Initial Occupancy and the beginning of the Owner’s next following fiscal year.
- (e) “Occupancy Date”: Date upon which the first residential unit is certified for occupancy.
- (f) “Operating Budget”: That itemization of project expenses, income and related data for a certain period of time.
- (g) “Operating Year”: That period of time consisting of twelve (12) full calendar months commencing the first day of the Owner’s fiscal year following the end of the Initial Operating Year and terminating on the last day of the following twelfth month.
- (h) “Principal Parties”: The Owner and Manager.
- (i) “Project”: The housing development consisting of land, buildings and other improvements, as stated on recital A. of this agreement.

SIGNATURES ON FOLLOWING PAGE

INTENDING TO BE LEGALLY BOUND HEREBY:

MANAGER:

OWNER:

**TRG MANAGEMENT COMPANY, LLP**

RUDG, LLC or Affiliates

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

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

Matthew J. Allen  
Vice President of JMP Management, Inc.  
The General Partner of  
TRG Management Company LLP

Tony Del Pozzo  
Vice President  
RUDG, LLC or Affiliates

## Exhibit “A “– Applicable Fees

**Property Management Fee: \$5,000 per month or 5% Management Fee, whichever is greater**

“Gross income”, for purposes of the Management Fee computation will include all income received at the Project except:

- security deposits unless and not until such deposits are applied as rental income or other charges upon termination of a lease
- rents paid in advance of the date until the month in which such payments are to apply as rental income;
- sale, finance, refinance, condemnation or insurance proceeds;
- rebilling of utilities;
- tenant reimbursements;
- monies collected for capital items which are paid for by tenants; and
- interest income

**Compliance Reporting Fee: \$5 Per Unit per Month** (payable out of available cash flow)

**Construction Supervisory Fee.** The Manager may receive a market rate construction supervisory fee for capital repairs and replacements in excess of \$25,000 to the Project, such fee to be approved by Owner in accordance with local custom, shall not exceed any limits imposed under HUD rules and regulations, and such fee shall not exceed five percent (5%) of the actual construction costs incurred for such capital repair and replacement.

No such fees due hereunder shall exceed the maximum allowable fees permitted under applicable HUD rules and regulations.

**Exhibit “B”**

**PBV RAD Rider to Management Agreement**

Notwithstanding any other provision in this Management Agreement, and so long as the RAD Use Agreement, as defined below, is recorded against the property on which RUDG, LLC or Affiliates (the “**Project**”) sits, the following provisions shall apply:

**A. Definitions**

“**HUD**” means the U.S. Department of Housing and Urban Development.

“**RCC**” means the RAD Conversion Commitment dated\_\_\_\_\_, 2021, as amended or extended.

“**RAD HAP Contract**” means the Section 8 Project-Based Voucher Housing Assistance Payment Contract by and between Owner and Miami-Dade County governing the RAD Units.

“**RAD Documents**” means the RCC, RAD HAP Contract and RAD Use Agreement.

“**RAD Program**” means the Rental Assistance Demonstration (RAD) Program created by the Consolidated and Further Continuing Appropriations Act of 2012, and Notice PIH-2012-32, as amended.

“**RAD Requirements**” means all applicable statutes, regulations and guidance and other requirements issued by HUD for the RAD Program, as they become effective, including but not limited to (1) the Consolidated and Further Continuing Appropriations Act of 2012, all applicable statutes and any regulations issued by HUD for the RAD Program, as they become effective and (2) all current requirements in HUD handbooks and guides, notices (including but not limited to, HUD Notice H-2019-09 PIH-2019-23 (HA) REV-4, as it may be amended from time to time), the Multifamily Occupancy Handbook, and Mortgagee letters (if any) for the RAD Program, (3) the RAD HAP Contract, RAD Use Agreement, and RCC, (4) RAD Requirements, and (5) and all future updates, changes and amendments thereto, as they become effective.

“**RAD Units**” means the fifty-eight (58) former public housing units.

“**RAD Use Agreement**” means that certain RAD Use Agreement executed by Owner, the Miami-Dade County and HUD substantially even date herewith with respect to permitted uses of the Project.

**B. RAD Required Provisions.** Notwithstanding any other provision in this Management Agreement, and so long as the RAD Use Agreement, as may be amended from time to time is in effect, the following provisions shall apply:

**i. RAD Compliance.** In carrying out their respective duties, responsibilities and obligations hereunder, the Owner and Agent shall comply with all applicable RAD Requirements.

**ii. Admissions.** Agent shall utilize the required waiting list and maintain a current list of acceptable prospective tenants and undertake all arrangements necessary and incidental to the acceptance of rental applications and the execution of leases, according to the requirements of 24 CFR Parts 5 and 880, and the RAD Requirements. Agent acknowledges and agrees that Agent shall be responsible for conducting all other eligibility determinations and screening required under the Management Agreement and this Amendment; provided however, that **no tenant residing in the Project on the date of this Amendment shall be subject to eligibility determination or screening as part of the conversion.**

**iii. RAD Unit Leases.** Agent shall not enter into any lease which has a term greater or less than twelve (12) months. Each lease shall include a RAD Unit Lease Rider, which is attached as Exhibit C

**iv. Books and Records.** Agent shall provide access by HUD, the Comptroller General of the United States and their authorized agents, upon reasonable notice to Owner, to books and records maintained by Agent and/or Owner and their agents relating to the Project.

**v. Conflicts.** If any provision of the Management Agreement conflicts with RAD Required Provisions outlined herein, the terms of the RAD Required Provisions shall control. If there is any ambiguity between the Management Agreement and the RAD Requirements, such ambiguity shall be interpreted in a manner which is consistent with the RAD Requirements.

**vi. Elderly Preference.** With respect to the RAD Units and Non-RAD PBV Units the Agent shall provide a primary occupancy preference for elderly families. For purposes of this preference “elderly family” is defined at 24 C.F.R. §5.403 and includes families whose head, co-head or spouse is at least sixty-two (62) years of age.

## Exhibit C

### RAD UNIT LEASE RIDER

This RAD Unit Lease Rider (“**RAD Rider**”) is entered into on this \_\_\_ day of \_\_\_\_\_, 20\_\_\_, by and between RUDG, LLC or Affiliates (“**Owner**”) and \_\_\_\_\_ (“**Tenant**”) to amend that certain lease between Owner and Tenant entered into as of the date hereof for Unit (the “**Lease**”) to reflect certain requirements of the Rental Assistance Demonstration (“**RAD**”) program administered by the U.S. Department of Housing and Urban Development (“**HUD**”) through Miami-Dade County (the “**County**”), which governs the Unit covered by the Lease and the apartment complex in which the Unit is located (the “**Property**”).

Under RAD, the County has converted the Property from HUD’s public housing program to HUD’s project-based voucher (“**PBV**”) program under 24 CFR Part 983, as such may be amended from time to time. The Property is subject to requirements of the RAD program under HUD Notice H-2019-09 PIH-2019-23 (HA) REV-4, issued September 5, 2019, as such may be amended from time to time (the “**RAD Requirements**”).

The RAD Requirements are in addition to, and may modify, the requirements of the PBV program, including the Tenancy Addendum for the PBV program which is executed herewith. In the event of a conflict between the RAD Requirements and the requirements of the Lease, the RAD Requirements shall control.

Owner and Tenant hereby agree that the Lease is amended by the following provisions:

**1. Termination Notification.** Owner shall renew the Lease upon expiration, unless good cause under 24 C.F.R. § 983.257(a) exists for non-renewal of a lease. Further, Owner shall provide adequate written notice of termination of the Lease which shall not be less than:

- a. A reasonable period of time, but not to exceed 30 days:
  - i. If the health or safety of other tenants, Owner or County employees, or persons residing in the immediate vicinity of the premises is threatened; or
  - ii. In the event of any drug-related or violent criminal activity or any felony conviction;
- b. 14 days in the case of nonpayment of rent; and
- c. 30 days in any other case, except that if a State or local law provides for a shorter period of time, such shorter period shall apply.

**2. Grievance Process.**

- a. In addition to reasons that require an opportunity for an informal hearing given in 24 CFR § 982.555(a)(1)(i)-(vi), and in County’s Administrative Plan. Owner shall give Tenant an opportunity for an informal hearing for any dispute that Tenant may have

with respect to Owner's actions in accordance with the Lease that adversely affect Tenant's rights, obligations, welfare, or status:

- i. For any hearing required under 24 CFR § 982.555(a)(1)(i)-(vi), the hearing will be conducted in accordance with the procedures outlined in County's Administrative Plan; and
- ii. For any additional hearings required under RAD, an impartial member of the owner's staff shall perform the hearing.
- b. An informal hearing will not be required for class grievances or to disputes between Tenant and other tenant of the Property not involving Owner or County. This hearing requirement shall not apply to and is not intended as a forum for initiating or negotiating policy changes between tenants or groups of tenants of the Property and Owner or County.
- c. Owner hereby gives Tenant notice of Tenant's ability to request an informal hearing for circumstances that do not otherwise entitle Tenant to a hearing under County's Administrative Plan.
- d. Owner shall provide opportunity for an informal hearing before an eviction.

Tenant and Owner by signing below are hereby agreeing to the terms of and to be bound by this Rider.

**Tenant:**

By: \_\_\_\_\_  
(signature)

Printed name: \_\_\_\_\_

**Owner:**

RUDG, LLC or Affiliates

By: RUDG, LLC or Affiliates, a Florida limited liability company, its manager

By: \_\_\_\_\_  
(signature)

Printed name: Tony Del Pozzo, Vice President

MDA EXHIBIT G

<b>MDCPS Economic Benefits</b>													
	<i>Construction</i>	<i>Construction</i>	<i>Stabilized</i>	<i>Stabilized</i>	<i>Stabilized</i>	<i>Stabilized</i>	<i>Stabilized</i>	<i>Stabilized</i>	<i>Stabilized</i>	<i>Stabilized</i>	<i>Stabilized</i>	<i>Stabilized</i>	<i>Stabilized</i>
	<u>Year 1</u>	<u>Year 2</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>	<u>Year 6</u>	<u>Year 7</u>	<u>Year 8</u>	<u>Year 9</u>	<u>Year 10</u>	<u>Year 11</u>
Educational Facility	10,000,000	-	-	-	-	-	-	-	-	-	-	-	-
Special Needs Testing Facility	3,835,500	-	-	-	-	-	-	-	-	-	-	-	-
Capitalized Lease Payment	100,000	-	-	-	-	-	-	-	-	-	-	-	-
Developer Fee Share (12.5%)	629,237	-	135,436	158,604	182,468	207,047	232,364	258,440	285,299	312,963	341,457	246,341	-
Cash Flow Share (12.5%)	-	-	-	-	-	-	-	-	-	-	-	117,630	394,201
<b>Total Benefits</b>	<b>14,564,737</b>	<b>-</b>	<b>135,436</b>	<b>158,604</b>	<b>182,468</b>	<b>207,047</b>	<b>232,364</b>	<b>258,440</b>	<b>285,299</b>	<b>312,963</b>	<b>341,457</b>	<b>363,971</b>	<b>394,201</b>
<b>Total (99 Years)</b>	<b>\$ 405,488,778</b>												

<b>MDCPS Economic Benefits</b>	
Educational Facility	10,000,000
Special Needs Testing Facility	3,835,500
Capitalized Lease Payment:	100,000
Developer Fee Share (12.5%)	2,989,657
Cash Flow Share (12.5%)	388,563,621
<b>Total Economic Benefits (99 Years)</b>	<b>\$405,488,778</b>

<i>Stabilized</i> <u>Year 12</u>	<i>Stabilized</i> <u>Year 13</u>	<i>Stabilized</i> <u>Year 14</u>	<i>Stabilized</i> <u>Year 15</u>	<i>Stabilized</i> <u>Year 16</u>	<i>Stabilized</i> <u>Year 17</u>	<i>Stabilized</i> <u>Year 18</u>	<i>Stabilized</i> <u>Year 19</u>	<i>Stabilized</i> <u>Year 20</u>	<i>Stabilized</i> <u>Year 21</u>	<i>Stabilized</i> <u>Year 22</u>	<i>Stabilized</i> <u>Year 23</u>	<i>Stabilized</i> <u>Year 24</u>	<i>Stabilized</i> <u>Year 25</u>	<i>Stabilized</i> <u>Year 26</u>
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
425,337	457,407	490,440	524,464	559,508	595,604	632,782	671,076	710,519	751,145	792,990	836,090	880,483	926,208	973,304
<b>425,337</b>	<b>457,407</b>	<b>490,440</b>	<b>524,464</b>	<b>559,508</b>	<b>595,604</b>	<b>632,782</b>	<b>671,076</b>	<b>710,519</b>	<b>751,145</b>	<b>792,990</b>	<b>836,090</b>	<b>880,483</b>	<b>926,208</b>	<b>973,304</b>

<i>Stabilized</i> <u>Year 27</u>	<i>Stabilized</i> <u>Year 28</u>	<i>Stabilized</i> <u>Year 29</u>	<i>Stabilized</i> <u>Year 30</u>	<i>Stabilized</i> <u>Year 31</u>	<i>Stabilized</i> <u>Year 32</u>	<i>Stabilized</i> <u>Year 33</u>	<i>Stabilized</i> <u>Year 34</u>	<i>Stabilized</i> <u>Year 35</u>	<i>Stabilized</i> <u>Year 36</u>	<i>Stabilized</i> <u>Year 37</u>	<i>Stabilized</i> <u>Year 38</u>	<i>Stabilized</i> <u>Year 39</u>	<i>Stabilized</i> <u>Year 40</u>	<i>Stabilized</i> <u>Year 41</u>
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1,021,814	1,071,779	1,123,243	1,176,250	1,230,848	1,287,084	1,345,007	1,404,668	1,466,118	1,529,412	1,594,605	1,661,753	1,730,916	1,802,154	1,875,529
<b>1,021,814</b>	<b>1,071,779</b>	<b>1,123,243</b>	<b>1,176,250</b>	<b>1,230,848</b>	<b>1,287,084</b>	<b>1,345,007</b>	<b>1,404,668</b>	<b>1,466,118</b>	<b>1,529,412</b>	<b>1,594,605</b>	<b>1,661,753</b>	<b>1,730,916</b>	<b>1,802,154</b>	<b>1,875,529</b>

<i>Stabilized</i> <u>Year 42</u>	<i>Stabilized</i> <u>Year 43</u>	<i>Stabilized</i> <u>Year 44</u>	<i>Stabilized</i> <u>Year 45</u>	<i>Stabilized</i> <u>Year 46</u>	<i>Stabilized</i> <u>Year 47</u>	<i>Stabilized</i> <u>Year 48</u>	<i>Stabilized</i> <u>Year 49</u>	<i>Stabilized</i> <u>Year 50</u>	<i>Stabilized</i> <u>Year 51</u>	<i>Stabilized</i> <u>Year 52</u>	<i>Stabilized</i> <u>Year 53</u>	<i>Stabilized</i> <u>Year 54</u>	<i>Stabilized</i> <u>Year 55</u>	<i>Stabilized</i> <u>Year 56</u>
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1,951,106	2,028,949	2,109,128	2,191,712	2,276,774	2,364,388	2,454,630	2,547,579	2,643,317	2,741,927	2,843,495	2,948,110	3,055,864	3,166,850	3,281,166
<b>1,951,106</b>	<b>2,028,949</b>	<b>2,109,128</b>	<b>2,191,712</b>	<b>2,276,774</b>	<b>2,364,388</b>	<b>2,454,630</b>	<b>2,547,579</b>	<b>2,643,317</b>	<b>2,741,927</b>	<b>2,843,495</b>	<b>2,948,110</b>	<b>3,055,864</b>	<b>3,166,850</b>	<b>3,281,166</b>

<i>Stabilized</i> <u>Year 57</u>	<i>Stabilized</i> <u>Year 58</u>	<i>Stabilized</i> <u>Year 59</u>	<i>Stabilized</i> <u>Year 60</u>	<i>Stabilized</i> <u>Year 61</u>	<i>Stabilized</i> <u>Year 62</u>	<i>Stabilized</i> <u>Year 63</u>	<i>Stabilized</i> <u>Year 64</u>	<i>Stabilized</i> <u>Year 65</u>	<i>Stabilized</i> <u>Year 66</u>	<i>Stabilized</i> <u>Year 67</u>	<i>Stabilized</i> <u>Year 68</u>	<i>Stabilized</i> <u>Year 69</u>	<i>Stabilized</i> <u>Year 70</u>	<i>Stabilized</i> <u>Year 71</u>
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3,398,912	3,520,189	3,645,106	3,773,769	3,906,293	4,042,792	4,183,386	4,328,198	4,477,354	4,630,985	4,789,225	4,952,213	5,120,089	5,293,002	5,471,103
<b>3,398,912</b>	<b>3,520,189</b>	<b>3,645,106</b>	<b>3,773,769</b>	<b>3,906,293</b>	<b>4,042,792</b>	<b>4,183,386</b>	<b>4,328,198</b>	<b>4,477,354</b>	<b>4,630,985</b>	<b>4,789,225</b>	<b>4,952,213</b>	<b>5,120,089</b>	<b>5,293,002</b>	<b>5,471,103</b>

<i>Stabilized</i> <u>Year 72</u>	<i>Stabilized</i> <u>Year 73</u>	<i>Stabilized</i> <u>Year 74</u>	<i>Stabilized</i> <u>Year 75</u>	<i>Stabilized</i> <u>Year 76</u>	<i>Stabilized</i> <u>Year 77</u>	<i>Stabilized</i> <u>Year 78</u>	<i>Stabilized</i> <u>Year 79</u>	<i>Stabilized</i> <u>Year 80</u>	<i>Stabilized</i> <u>Year 81</u>	<i>Stabilized</i> <u>Year 82</u>	<i>Stabilized</i> <u>Year 83</u>	<i>Stabilized</i> <u>Year 84</u>	<i>Stabilized</i> <u>Year 85</u>	<i>Stabilized</i> <u>Year 86</u>
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5,654,546	5,843,493	6,038,108	6,238,562	6,445,029	6,657,691	6,876,732	7,102,344	7,334,725	7,574,077	7,820,610	8,074,539	8,336,085	8,605,478	8,882,953
<b>5,654,546</b>	<b>5,843,493</b>	<b>6,038,108</b>	<b>6,238,562</b>	<b>6,445,029</b>	<b>6,657,691</b>	<b>6,876,732</b>	<b>7,102,344</b>	<b>7,334,725</b>	<b>7,574,077</b>	<b>7,820,610</b>	<b>8,074,539</b>	<b>8,336,085</b>	<b>8,605,478</b>	<b>8,882,953</b>

<i>Stabilized</i> <u>Year 87</u>	<i>Stabilized</i> <u>Year 88</u>	<i>Stabilized</i> <u>Year 89</u>	<i>Stabilized</i> <u>Year 90</u>	<i>Stabilized</i> <u>Year 91</u>	<i>Stabilized</i> <u>Year 92</u>	<i>Stabilized</i> <u>Year 93</u>	<i>Stabilized</i> <u>Year 94</u>	<i>Stabilized</i> <u>Year 95</u>	<i>Stabilized</i> <u>Year 96</u>	<i>Stabilized</i> <u>Year 97</u>	<i>Stabilized</i> <u>Year 98</u>	<i>Stabilized</i> <u>Year 99</u>
-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-
9,168,752	9,463,125	9,766,329	10,078,629	10,400,299	10,731,618	11,072,877	11,424,374	11,786,415	12,159,318	12,543,408	12,939,021	13,346,502
<b>9,168,752</b>	<b>9,463,125</b>	<b>9,766,329</b>	<b>10,078,629</b>	<b>10,400,299</b>	<b>10,731,618</b>	<b>11,072,877</b>	<b>11,424,374</b>	<b>11,786,415</b>	<b>12,159,318</b>	<b>12,543,408</b>	<b>12,939,021</b>	<b>13,346,502</b>

**GROUND LEASE**

Dated as of February 25, 2026, between

**THE SCHOOL BOARD OF MIAMI-DADE COUNTY**

Landlord

and

**RUDG, LLC**

Tenant

This instrument was prepared by:

Eric Singer, Esq.  
Bilzin Sumberg Baena Price & Axelrod LLP  
1450 Brickell Avenue, 23rd Floor  
Miami, Florida 33131

Space above for Recorder's use

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**GROUND LEASE**

THIS GROUND LEASE ("**Lease**"), made as of \_\_\_\_\_, 20\_\_ (the "**Lease Date**") by and between **THE SCHOOL BOARD OF MIAMI-DADE COUNTY**, a body corporate and politic existing under the laws of the State of Florida ("**Landlord**") and **RUDG, LLC**, a Florida limited liability company, or its affiliate ("**Tenant**").

**WITNESSETH:**

**WHEREAS**, Landlord is the owner of the Land (as defined below) consisting of certain real property located at 6521 S.W. 62 Avenue ("Parcel 1") and 6601 S.W. 62 Avenue ("Parcel 2") in Miami-Dade County, Florida.

**WHEREAS**, Tenant has proposed to newly construct on Parcel 1 a mixed-income/mixed-use development consisting of approximately 355 residential units (the "**Residential Component**"), approximately 12,500 square feet of commercial retail space (the "**Commercial Component**"), and an approximately 455 space structured parking garage (the "**Parking Garage**"). The Parking Garage will serve the residents of the Residential Component, the Commercial Component and an education center consisting of approximately 25,000 square feet which will be developed by Tenant for Landlord on Parcel 2 (the "**Education Facility**").

**WHEREAS**, Tenant intends, in good faith, to apply for various sources of private and public funding, which may include Low Income Housing Tax Credits ("**LIHTC**") through the Florida Housing Finance Corporation ("**FHFC**"), and is required to meet certain requirements as a condition of being awarded such financing; and

**WHEREAS**, such application requires Tenant to present evidence of site control over the Land at the time of the application; and

**WHEREAS**, evidence of site control over the Land includes a ground lease; and

**WHEREAS**, Landlord and Tenant are willing to enter into this Lease of the Land conditioned on Tenant obtaining financing, which may include FHFC awarding Tenant LIHTC,

**NOW, THEREFORE**, in consideration of the premises and the mutual obligations of the parties set forth herein, Landlord and Tenant do hereby covenant and agree as follows:

## ARTICLE I

### DEFINITIONS

I.1 **Definitions.** The following terms shall have the following definitions in this Lease:

(a) “**Act**” means the United States Housing Act of 1937 (42 U.S.C. § 1437, *et seq.*), as amended from time to time, any successor legislation, and all implementing regulations issued thereunder or in furtherance thereof.

(b) “**Bankruptcy Laws**” has the meaning set forth in Section VIII.1(d).

(c) “**Commencement Date**” means the date on which the Tenant closes on its construction financing for the rehabilitation, redevelopment or new construction, as applicable, of the Improvements and the sale or syndication of the LIHTC.

(d) “**Commercial Component**” has the meaning set forth in the Recitals to this Lease.

(e) “**Development**” means the construction (or rehabilitation), maintenance and operation of the Premises in accordance with this Lease.

(f) “**Economic Unavoidable Delay**” shall mean (i) delays due to strikes; acts of God; pandemics or other public health crises (including the economic consequences of same) that impact the Development; (ii) floods; fires; any act, neglect or failure to perform of or by MDCPS (to the extent that it affects performance by Tenant); (iii) enemy action; civil disturbance; sabotage; restraint by court or public authority; (iv) extraordinary economic or political conditions or events that result in a significant decline in economic activity that impairs access to debt or equity markets by developers of development projects in the United States or South Florida similar to the portion of the Development being developed or that allows committed debt or equity participants to terminate their debt or equity commitment, such as a temporary or long term liquidity crisis or recession, or (v) new duties, taxes, or other charges imposed as a result of geopolitical actions that result in a material increase in the construction costs for the Development.

(g) “**Education Facility**” has the meaning set forth in the Recitals to this Lease.

(h) “**Environmental Assessments**” means the environmental studies and reports to be obtained by Tenant on or before the Commencement Date.

(i) “**Environmental Laws**” means any present and future Federal, State or local law, ordinance, rule, regulation, permit, license or binding determination of any governmental authority relating to, imposing liability or standards concerning or otherwise addressing the protection of land, water, air or the environment, including, but not limited to: the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §9601 *et seq.* (“**CERCLA**”); the Resource, Conservation and Recovery Act, 42 U.S.C. §6901 *et seq.* (“**RCRA**”); the Toxic Substances Control Act, 15 U.S.C. §2601 *et seq.* (“**TOSCA**”); the Clean Air Act, 42 U.S.C. §7401 *et seq.*; the Clean Water Act, 33 U.S.C. §1251 *et seq.* and any so-called “Superfund” or “Superlien” law; as each is from time to time amended and hereafter in effect.

(j) “**Event of Default**” has the meaning set forth in Section VIII.1.

(k) “**Hazardous Substances**” means (i) “hazardous substances” as defined by CERCLA or Section 311 of the Clean Water Act (33 USC § 1321), or listed pursuant to Section 307 of the Clean Water Act (33 USC § 1317); (ii) “hazardous wastes,” as defined by RCRA; (iii) any hazardous, dangerous or toxic chemical, waste, pollutant, material, element, contaminant or substance (“**pollutant**”) within the meaning of any Environmental Law prohibiting, limited or otherwise regulating the use, exposure, release, emission, discharge, generation, manufacture, sale, transport, handling, storage, treatment, reuse, presence, disposal or recycling of such pollutant; (iv) petroleum crude oil or fraction thereof; (v) any radioactive material, including any source, special nuclear or by-product material as defined in 42 U.S.C. §2011 *et seq.* and amendments thereto and reauthorizations thereof; (vi) asbestos-containing materials in any form or condition; (vii) polychlorinated biphenyls or polychlorinated biphenyl-containing materials in any form or condition; (viii) a “regulated substance” within the meaning of Subtitle I of RCRA, as amended from time to time and regulations promulgated thereunder; (ix) substances the presence of which requires notification, investigation or remediation under any Environmental Laws; (x) urea formaldehyde foam insulation or urea formaldehyde foam insulation-containing materials; (xi) lead-based paint or lead-based paint-containing materials; and (xii) radon or radon-containing or producing materials.

(l) “**Improvements**” means all repairs, betterments, buildings and improvements hereafter constructed or rehabilitated on the Land, and any additional parking areas, walkways, landscaping, fencing or other amenities on the Land.

(m) “**Land**” means that certain real property located in Miami-Dade County and consisting of Parcel 1 and Parcel 2, each legally described in **Exhibit A**, together with all easements, rights, privileges, licenses, covenants and other matters that benefit or burden the real property. The Land and the Improvements are sometimes referred to herein as the “**Project**”.

(n) “**Landlord**” means the School Board of Miami-Dade County, a body corporate and politic existing under the laws of the State of Florida.

(o) “**Lease**” means this ground lease as the same shall be amended from time to time.

(p) “**Lease Year**” means, in the case of the first lease year, the period from the Commencement Date through the last day of the 12th month of that year; thereafter, each successive twelve-calendar month period following the expiration of the first lease year of the Term; except that in the event of the termination of this Lease on any day other than the last day of a Lease Year then the last Lease Year of the Term shall be the period from the end of the preceding Lease Year to such date of termination.

(q) “**Master Development Agreement**” means that certain Master Development Agreement between Landlord and [ ] dated as of February 25, 2026, pertaining to the development of the Project.

(r) “**Parking Garage**” has the meaning set forth in the Recitals to this Lease.

(s) “**Partial Taking**” has the meaning set forth in Section VI.2.

(t) “**Property Tax Exemption Statute**” has the meaning set forth in Section III.7.

(u) “**Operating Agreement**” means the Operating Agreement of Tenant to be entered into on or about the Commencement Date and pursuant to which the Tenant’s equity investor (the “**Investor**”) will be admitted as a member of the Tenant.

(v) “**Permitted Encumbrances**” means such recorded title matters as are disclosed pursuant to the title commitment to be obtained by Tenant pursuant to Section VII.1 and are not identified by Tenant as objectionable matters pursuant to the procedure provided in Section VII.3.

(w) “**Personal Property**” means all fixtures (including, but not limited to, all heating, air conditioning, plumbing, lighting, communications and elevator fixtures), fittings, appliances, apparatus, equipment, machinery, chattels, building materials, and other property of every kind and nature whatsoever, and replacements and proceeds thereof, and additions thereto, now or at any time hereafter owned by Tenant, or in which Tenant has or shall have an interest, now or at any time hereafter affixed to, attached to, appurtenant to, located or placed upon, or used in any way in connection with the present and future complete and comfortable use, enjoyment or occupancy for operation and maintenance of the Premises, excepting any personal property or fixtures owned by any tenant (other than the Tenant) occupying the Premises and used by such tenant in the conduct of its business in the space occupied by it to the extent the same does not become the property of Tenant under the lease with such tenant or pursuant to applicable law.

(x) “**Plans and Specifications**” means the plans and specifications for the Improvements to be constructed (or rehabilitated) on the Land by Tenant.

(y) “**Premises**” means the Land, the Improvements and the Personal Property.

(z) “**Regulatory Default**” has the meaning set forth in Section VIII.5.

(aa) “**Rent**” means the amount payable by Tenant to Landlord pursuant to Section III.1.

(bb) “**Residential Component**” has the meaning set forth in the Recitals to this Lease.

(cc) “**School Board**” means the governing body of Miami-Dade County Public Schools.

(dd) “**Sublessee**” means any sublessee to which Tenant subleases a portion of the ground leasehold estate created hereby, or any whole or partial assignee of this Lease through a partial assignment or bifurcation of this Lease, as provided in Section 5.7, but excluding any individual residential or commercial unit.

(ee) “**Taking**” means any taking of the title to, access to, or use of the Premises or any portion thereof by any governmental authority or any conveyance under the threat thereof, for any public, or quasi-public use or purpose. A Taking may be total or partial, permanent or temporary

(ff) “**Tenant**” means RUDG, LLC, a Florida limited liability company, and its successors or assigns.

(gg) “**Term**” means a period of time commencing with the Commencement Date and continuing until the date which is ninety-nine (99) calendar years thereafter.

(hh) “**Total Taking**” has the meaning set forth in Section VI.1(c).

I.2 **Interpretation.** The words “**hereof,**” “**herein,**” “**hereunder,**” and other words of similar import refer to this Agreement as a whole and not to any particular Section, subsection or subdivision. Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Words importing the singular number shall include the plural and vice versa unless the context shall otherwise indicate.

I.3 **Exhibits.** Exhibits to this Lease are incorporated by this reference and are to be construed as a part of this Lease.

## **ARTICLE II**

### **PREMISES AND TERM**

Landlord leases and demises to Tenant and its successors and assigns, subject to and with the benefit of the terms, covenants, conditions and provisions of this Lease, the Land for the Term unless sooner terminated in accordance with the provisions contained in this Lease.

## **ARTICLE III**

### **RENT AND OTHER PAYMENTS TO LANDLORD**

III.1 **Rent.** Tenant covenants and agrees to pay to Landlord as Rent under this Lease

(a) a one-time upfront capitalized lease payment, to be paid upon the Commencement Date in the amount of One Hundred Thousand dollars (\$100,000.00) (“**Rent**”).

Rent shall be made payable to Landlord at the address set forth herein, or at such other place and to such other person as Landlord may from time to time designate in writing, as set forth herein. Prior to the Commencement Date, Tenant is not obligated to pay Rent or any other sums to the Landlord under this Lease.

Landlord and Tenant acknowledge that the Landlord will be paid a fee by the Tenant’s affiliate pursuant to the terms of the Master Development Agreement.

III.2 **Other Payments.** Tenant covenants and agrees to pay to Landlord additional payments, as and when set forth in herein and/ or under the Master Development Agreement for this Project. All additional payments shall be made payable to Landlord at the address set forth herein, or at such other place and to such other person as Landlord may from time to time designate in writing, as set forth herein. Prior to the Commencement Date, Tenant is not obligated to pay Rent or any other sums to the Landlord under this Lease.

III.3 **Surrender.** Upon the expiration of this Lease by the passage of time or otherwise, Tenant will quietly yield, surrender and deliver up possession of the Premises to Landlord. In the event Tenant fails to vacate the Premises and remove such personal property as Tenant is allowed to remove from the Premises at the end of the Term, or at the earlier termination of this Lease, Landlord shall be deemed Tenant's agent to remove such items from the Premises at Tenant's sole cost and expense. Furthermore, should Tenant fail to vacate the Premises in accordance with the terms of this Lease at the end of the Term, or at the earlier termination of this Lease, the Tenant shall pay to Landlord a charge for each day of occupancy after expiration or termination of the Lease in an amount equal to 150% of Tenant's Rent prorated on a daily basis. Such charge shall be in addition to any actual damages suffered by Landlord by Tenant's failure to vacate the Premises, for which Tenant shall be fully liable.

III.4 **Utilities.** Tenant shall pay or cause to be paid all charges for water, gas, sewer, electricity, light, heat, other energy sources or power, telephone or other service used, rendered or supplied to Tenant in connection with the Premises.

III.5 **Other.** Tenant covenants to pay and discharge, when the same shall become due all other amounts, liabilities, and obligations which Tenant assumes or agrees to pay or discharge pursuant to this Lease, together with every fine, penalty, interest and cost which may be added for nonpayment or late payment thereof (provided that Tenant shall not be liable for any payment or portion thereof which Landlord is obligated to pay and which payment Landlord has failed to make when due); and, in the event of any failure by Tenant to pay or discharge the foregoing, Landlord shall have all the rights, powers and remedies provided herein, by law or otherwise in the case of nonpayment of Rent.

III.6 **Taxes.** Tenant understands and agrees that as a result of the Landlord's fee ownership of the Premises, for State law purposes, the Premises may become exempt from any ad valorem taxes. Landlord represents to Tenant that any such exemption should remain in effect notwithstanding that Landlord is entering into this Lease. However, during the Term of this Lease, should, for any reason whatsoever, the Premises become exempt and then again become subject to ad valorem taxes or any other real estate taxes, fees, impositions and/or charges imposed during the Term and any Extensions upon the Premises and the building and/or other improvements constructed on the Premises by Tenant ("**Real Estate Taxes**"), Tenant shall be required to pay all Real Estate Taxes, prior to delinquency without notice or demand and without set-off, abatement, suspension or deduction. In the event that the folio identification number applicable to the Premises shall also contain other property not specifically included in, or a part of, the Premises, then Tenant shall only be required to pay the portion of such taxes exclusively attributable to the Premises. In addition, Tenant shall be required to pay for any water, electric, sewer, telephone or other utility charges incurred by Tenant during the Term or any Extensions which are limited solely to the Premises and/or any structures and/or improvements thereon. Notwithstanding the foregoing, and

subject to the prior written consent of Tenant's investor member, Landlord shall apply and/or assist Tenant in applying for an ad valorem tax exemption for the Property in accordance with the Property Tax Exemption Statute.

III.7 **Property Tax Exemption Statute.** To obtain an ad valorem taxation for the Project pursuant to Fla. Stat. § 196.19782 (the "**Property Tax Exemption Statute**"), the Project's rental units shall be leased in compliance with the Property Tax Exemption Statute as follows: after the Project becomes available for occupancy and until the end of the Term, at least seventy-one (71) units shall be rented to individuals or families whose income, adjusted for family size, does not, on average, exceed one hundred twenty percent (120%) of the Area Median Income for Miami-Dade County, Florida, as established by the United States Department of Housing and Urban Development ("**HUD**").

## **ARTICLE IV**

### **INDEMNITY, LIENS AND INSURANCE**

IV.1 **Indemnity for Tenant's Acts.** Landlord shall continue to operate the Premises until the Commencement Date as provided in Section V.1, below. From and after the Commencement Date, Tenant shall indemnify and hold harmless the Landlord and its officers, employees, agents and instrumentalities from any and all liability, losses or damages, including attorneys' fees and costs of defense, which the Landlord or its officers, employees, agents or instrumentalities may incur as a result of claims, demands, suits, causes of actions or proceedings of any kind or nature arising out of, relating to or resulting from the performance of this Lease by the Tenant or its employees, agents, servants, members, principals or subcontractors. Tenant shall pay all claims and losses in connection therewith and shall investigate and defend all claims, suits or actions of any kind or nature in the name of the Landlord, where applicable, including appellate proceedings, and shall pay all costs, judgments, and attorneys' fees which may issue thereon, provided, however, nothing herein contained shall obligate or hold Tenant responsible prior to the Commencement Date for any costs, expenses, claims or demands made by any party associated with the Premises or for any claims stemming from Landlord's and/or its officers', employees' or agents' misconduct or negligence, unless such costs, expenses, claims or demands arise from the acts or omissions of the Tenant, its agents, contractors, employees, members, or invitees. Tenant expressly understands and agrees that any insurance protection required by this Lease or otherwise provided by Tenant shall in no way limit the responsibility to indemnify, keep and save harmless and defend the Landlord or its officers, employees, agents and instrumentalities as herein provided.

#### IV.2 **Landlord's Environmental Responsibility and Representations.**

(a) Except to the extent that an environmental condition is aggravated or exacerbated by the negligent or willful acts or omissions of Tenant, its agents or contractors, Tenant shall not be responsible under this Lease for any claims, losses, damages, liabilities, fines, penalties, charges, administrative and judicial proceedings and orders, judgments, remedial action requirements, enforcement action of any kind, and all costs and expenses incurred in connection therewith arising out of: (i) the presence of any Hazardous Substances in, on, over, or upon the Premises first affecting the Premises as of or prior to the Commencement Date, whether now known or unknown; or (ii) the failure of Landlord or its agents or contractors prior to the

Commencement Date to comply with any Environmental Laws relating to the handling, treatment, presence, removal, storage, decontamination, cleanup, transportation or disposal of Hazardous Substances into, on, under or from the Premises at any time, whether or not such failure to comply was known or knowable, discovered or discoverable prior to the Commencement Date.

(b) Landlord represents and warrants to Tenant that, as of the date hereof:

1. except as may be referenced in the Environmental Assessments, and to the best of Landlord's actual knowledge, neither the Land nor any part thereof has been used for the disposal of refuse or waste, or for the generation, processing, storage, handling, treatment, transportation or disposal of any Hazardous Substances;

2. except as may be referenced in the Environmental Assessments, and to the best of Landlord's actual knowledge, no Hazardous Substances have been installed, used, stored, handled or located on or beneath the Land, which Hazardous Substances, if found on or beneath the Land, or improperly disposed of off of the Land, would subject the owner or occupant of the Premises to damages, penalties, liabilities or an obligation to perform any work, cleanup, removal, repair, construction, alteration, demolition, renovation or installation in or in connection with the Premises ("*Environmental Cleanup Work*") in order to comply with any Environmental Laws;

3. except as may be referenced in the Environmental Assessments, and to the best of Landlord's actual knowledge, no notice from any governmental authority or any person has ever been served upon Landlord, its agents or employees, claiming any violation of any Environmental Law or any liability thereunder, or requiring or calling any attention to the need for any Environmental Cleanup Work on or in connection with the Premises, and neither Landlord, its agents or employees has ever been informed of any threatened or proposed serving of any such notice of violation or corrective work order; and

4. except as may be referenced in the Environmental Assessments, and to the best of Landlord's knowledge, no part of the Land is affected by any Hazardous Substances contamination, which for purposes hereof, shall mean: (i) the contamination of any improvements, facilities, soil, subsurface strata, ground water, ambient air, biota or other elements on or of the Land by Hazardous Substances, or (ii) the contamination of the buildings, facilities, soil, subsurface strata, ground water, ambient air, biota or other elements on, or of, any other property as a result of Hazardous Substances emanating from the Land.

#### IV.3 Liens.

(a) Tenant agrees that it will not permit any mechanic's, materialmen's or other liens to stand against the Premises for work or materials furnished to Tenant it being provided, however, that Tenant shall have the right to contest the validity thereof. Tenant shall not have any right, authority or power to bind Landlord, the Premises or any other interest of the Landlord in the Premises and will pay or cause to be paid all costs and charges for work done by it or caused to be done by it, in or to the Premises, for any claim for labor or material or for any other charge or expense, lien or security interest incurred in connection with the development, construction or operation of the Improvements or any change, alteration or addition thereto. IN THE EVENT

THAT ANY MECHANIC'S LIEN SHALL BE FILED, TENANT SHALL EITHER (A) PROCURE THE RELEASE OR DISCHARGE THEREOF WITHIN NINETY (90) DAYS EITHER BY PAYMENT OR IN SUCH OTHER MANNER AS MAY BE PRESCRIBED BY LAW OR (B) TRANSFER SUCH LIEN TO BOND WITHIN NINETY (90) DAYS FOLLOWING THE FILING THEREOF. NOTICE IS HEREBY GIVEN THAT LANDLORD SHALL NOT BE LIABLE FOR ANY LABOR, SERVICES OR MATERIALS FURNISHED OR TO BE FURNISHED TO THE TENANT OR TO ANYONE HOLDING ANY OF THE PREMISES THROUGH OR UNDER THE TENANT, AND THAT NO MECHANICS' OR OTHER LIENS FOR ANY SUCH LABOR, SERVICES OR MATERIALS SHALL ATTACH TO OR AFFECT THE INTEREST OF THE LANDLORD IN AND TO ANY OF THE PREMISES. THE LANDLORD SHALL BE PERMITTED TO POST ANY NOTICES ON THE PREMISES REGARDING SUCH NON-LIABILITY OF THE LANDLORD.

(b) Tenant shall make, or cause to be made, prompt payment of all monies due and legally owing to all persons, firms, and corporations doing any work, furnishing any materials or supplies or renting any equipment to Tenant or any of its contractors or subcontractors in connection with the construction, reconstruction, furnishing, repair, maintenance or operation of the Premises, and in all events will bond or cause to be bonded, with surety companies reasonably satisfactory to Landlord, or pay or cause to be paid in full forthwith, any mechanic's, materialmen's or other lien or encumbrance that arises, whether due to the actions of Tenant or any person other than Landlord, against the Premises.

(c) Tenant shall have the right to contest any such lien or encumbrance by appropriate proceedings which shall prevent the collection of or other realization upon such lien or encumbrance so contested, and the sale, forfeiture or loss of the Premises to satisfy the same; provided that such contest shall not subject Landlord to the risk of any criminal liability or civil penalty, and provided further that Tenant shall give reasonable security to insure payment of such lien or encumbrance and to prevent any sale or forfeiture of the Premises by reason of such nonpayment, and Tenant hereby indemnifies Landlord for any such liability or penalty. Upon the termination after final appeal of any proceeding relating to any amount contested by Tenant pursuant to this Section IV.3, Tenant shall immediately pay any amount determined in such proceeding to be due, and in the event Tenant fails to make such payment, Landlord shall have the right after five (5) business days' notice to Tenant to make any such payment on behalf of Tenant and charge Tenant therefor.

(d) Nothing contained in this Lease shall be construed as constituting the consent or request of Landlord, expressed or implied, to or for the performance of any labor or services or the furnishing of any materials for construction, alteration, addition, repair or demolition of or to the Premises or of any part thereof.

IV.4 **Insurance Requirements.** Beginning on the Commencement Date and continuing until the expiration or earlier termination of the Term, Tenant shall at all times obtain and maintain, or cause to be maintained, insurance for Tenant and the Premises as described in **Exhibit B.**

## ARTICLE V

### USE OF PREMISES; COVENANTS RUNNING WITH THE LAND

#### V.1 Use; Covenants.

(a) In accordance with and subject to the terms and conditions of this Lease, Tenant and Landlord agree that:

1. Tenant shall construct the Residential Component, which may include multifamily residential housing for low-income, workforce, family, elderly, disabled, special needs or other population and uses acceptable to the Landlord on the Land.

2. All or a portion of the Commercial Component may be utilized and operated by Landlord for civic, educational, administrative, or community purposes, pursuant to a separate occupancy or use agreement between Landlord and Tenant with respect thereto.

3. The Education Facility shall serve the general public and benefit the residents of the Residential Component, and shall be operated by Landlord in a manner that qualifies as a "community service facility" eligible for tax credits under Section 42 of the Code, pursuant to separate occupancy or use agreements between Landlord and Tenant with respect thereto.

4. Any portion of the Commercial Component or Education Facility not required or used by Landlord for the foregoing purposes may be subleased or rented by Tenant to retail tenants, provided, however, that in no event shall the Premises be used by Tenant, nor shall Tenant knowingly permit the use thereof by any other person or entity, for: (i) any unlawful or illegal business, use or purpose; (ii) any immoral or disreputable use, including adult entertainment establishments or any similar use involving nudity, sexual activities or products containing sexually explicit materials, lewdness, or any use which would constitute a nuisance of any kind, public or private; (iii) the sale of alcoholic beverages of any kind, or tobacco, smoking and vaping products, medical marijuana or any paraphernalia incidental thereto; (iv) casino gambling or games of chance or reward; (v) check cashing facilities or pawn shops; (vi) the sale of firearms, weapons, explosives, knives or unlicensed fireworks of any kind; (vii) tattoo parlors, fortune tellers, psychics, palm readers, body piercing shops; (viii) the sale of religious artifacts and religious books; (ix) places of worship; (x) political offices; or (xi) any uses involving the sale of animals or animal rides. Notwithstanding the foregoing prohibited uses set forth above, Landlord shall retain the sole and absolute right, in its reasonable discretion, to review and approve or disapprove the proposed use of the Commercial Component and Education Facility by any subtenant.

(b) Tenant covenants, promises and agrees that during the Term of this Lease it shall not devote the Premises or any part thereof to uses other than those consistent with this Lease and the requirements of all applicable documents to be executed between Landlord and Tenant (collectively, the "Landlord/Tenant Documents").

(c) If, prior to the Commencement Date, the Premises becomes subject to a taking by virtue of eminent domain, to any extent whatsoever, Tenant may, in its sole discretion, terminate this Lease by written notice to the Landlord, whereupon neither party hereto shall have any further rights or obligations hereunder.

(d) The provisions of this Section V.1 are intended to create a covenant running with the land and to encumber and benefit the Premises and to bind for the Term Landlord and Tenant and each of their successors and assigns and all subsequent owners of the Premises, including, without limitation, any entity which succeeds to Tenant's interest in the Premises by foreclosure of any Permitted Leasehold Mortgage or instrument in lieu of foreclosure.

(e) Notwithstanding any other provision of this Lease to the contrary, upon the expiration of the fifteen (15) year tax credit compliance period applicable to the Project and the Education Facility as a "community service facility" under Section 42 of the Code and after receipt of approval from the Investor, Tenant shall work cooperatively with Landlord to amend this Lease to exclude Parcel 2 from the Premises. Upon such amendment, (i) ownership of all Improvements constructed or located on Parcel 2, including the Education Facility and all fixtures, equipment, and personal property associated therewith, shall be conveyed to Landlord outright and free and clear of all liens, encumbrances, and security interests arising from Tenant's financing or operations (other than Permitted Encumbrances), and (ii) Tenant shall have no further obligations under this Lease with respect to Parcel 2. The provisions of this Section V.1(e) shall be subject to the terms of any Permitted Leasehold Mortgage and the consent of any Permitted Leasehold Mortgagee to the extent required thereunder.

## **V.2 Construction of the Improvements.**

(a) Tenant shall, at its sole cost and expense, construct the Improvements on the Land in conformance with the Plans and Specifications. Tenant shall commence construction of the Improvements within 120 days following the Commencement Date (as such date may be extended for Economic Unavoidable Delay, and shall cause the Improvements to be substantially completed and placed in service in accordance with the Landlord/Tenant Documents. Tenant shall construct the Improvements and make such other repairs, renovations and betterments to the Improvements as it may desire (provided that such renovations and betterments do not reduce the number of units or bedroom count at the Premises) all at its sole cost and expense, in accordance with (i) the Landlord/Tenant Documents and (ii) any mortgage encumbering the Tenant's leasehold estate, in a good and workmanlike manner, with new materials and equipment whose quality is at least equal to that of the initial Improvements, and in conformity with all applicable federal, state, and local laws, ordinances and regulations. Tenant shall apply for, prosecute, with reasonable diligence, procure or cause to be procured, all necessary approvals, permits, licenses or other authorizations required by applicable governmental authorities having jurisdiction over the Improvements for the construction and/or rehabilitation, development, zoning, use and occupation of the Improvements, including, without limitation, the laying out, installation, maintenance and replacing of the heating, ventilating, air conditioning, mechanical, electrical, elevator, and plumbing systems, fixtures, wires, pipes, conduits, equipment and appliances and water, gas, electric, telephone, drain and other utilities that are customary in developments of this type for use

in supplying any such service to and upon the Premises. Landlord shall, without expense to Landlord absent consent therefor, cooperate with Tenant and assist Tenant in obtaining all required licenses, permits, authorizations and the like, and shall sign all papers and documents at any time needed in connection therewith, including without limitation, such instruments as may be required for the laying out, maintaining, repairing, replacing and using of such services or utilities. Any and all buildings, fixtures, improvements, trade fixtures and equipment placed in, on, or upon the Premises shall remain the sole and exclusive property of Tenant and its subtenants, notwithstanding their affixation to, annexation to, or incorporation into the Premises, until the termination of this Lease, at which time title to any such buildings, fixtures, Improvements trade fixtures and equipment that belong to Tenant shall vest in Landlord.

(b) Tenant shall take no action to effectuate any material amendments, modifications or any other alterations to the Development Proposals and applications, Plans and Specifications, or to increase the total number of units, and/or other uses on the Land, unless authorized in accordance with the Landlord/Tenant Documents or otherwise approved by Landlord in writing and in advance.

### V.3 **Tenant's Obligations.**

(a) Tenant shall, at its sole cost and expense, maintain the Premises, reasonable wear and tear excepted, and make repairs, restorations, and replacements to the Improvements, including without limitation the landscaping, irrigation, heating, ventilating, air conditioning, mechanical, electrical, elevator, and plumbing systems; structural roof, walls, floors and foundations; and the fixtures and appurtenances as and when needed to preserve them in good working order and condition, and regardless of whether the repairs, restorations, and replacements are ordinary or extraordinary, foreseeable or unforeseeable, capital or non-capital, or the fault or not the fault of Tenant, its agents, employees, invitees, visitors, and contractors. All such repairs, restorations, and replacements will be in quality and class, as elected by Tenant, either equal to or better than the original work or installations and shall be in accordance with all applicable building codes.

(b) Tenant may make any alterations, improvements, or additions to the Premises as Tenant may desire, if the alteration, improvement, or addition will not change the use of the Property as low-income, workforce, multifamily housing and there is no resulting reduction in housing units required at the Property, or permanent reduction of Project amenities and such alterations, improvements or additions to the Premises comply with applicable law and do not impair the value of the Project. Tenant shall, prior to commencing any such actions, give written notice to Landlord and provide Landlord with complete plans and specifications therefor.

### V.4 **Compliance with Law.**

(a) Tenant shall, at its expense, perform all its activities on the Premises in compliance, and shall cause all occupants of any portion thereof to comply, with all applicable laws, ordinances, codes and regulations affecting the Premises or its uses, as the same may be administered by authorized governmental officials.

(b) Without limitation of the foregoing, but expressly subject to the provisions of Section 5.4, Tenant agrees to fulfill the responsibilities set forth below with respect to environmental matters:

1. Tenant shall operate the Premises in compliance with all Environmental Laws applicable to Tenant relative to the Premises and shall identify, secure and maintain all required governmental permits and licenses as may be necessary for the Premises. All required governmental permits and licenses issued to Tenant and associated with the Premises shall remain in effect or shall be renewed in a timely manner, and Tenant shall comply therewith and cause all third parties to comply therewith. All Hazardous Substances present, handled, generated or used on the Premises will be managed, transported and disposed of in a lawful manner. Tenant shall exercise due care and not cause or allow on or upon the Premises, or as may affect the Premises, any act which may result in the discharge of any waste or hazardous materials, or otherwise damage or cause the depreciation in value to the Premises, or any part thereof due to the release of any waste or hazardous materials on or about the Premises. Tenant shall not knowingly permit the Premises or any portion thereof to be a site for the use, generation, treatment, manufacture, storage, disposal or transportation of Hazardous Substances, except in such amounts as are ordinarily used, stored or generated in similar projects, or otherwise knowingly permit the presence of Hazardous Substances in, on or under the Premises in violation of any applicable law.

2. Tenant shall promptly provide Landlord with copies of all forms, notices and other information concerning any releases, spills or other incidents relating to Hazardous Substances or any violations of Environmental Laws at or relating to the Premises upon discovery of such releases, spills or incidents, when received by Tenant from any government agency or other third party, or when and as supplied to any government agency or other third party. Additionally, Tenant hereby agrees to immediately notify Landlord, in writing, should an accident or incident occur in which any waste and/or hazardous materials are released or otherwise discharged on or about the Premises.

3. Tenant will construct and maintain premises to be compliant with Section 504 and the Americans With Disabilities Act and their amendments.

**V.5 Ownership of Improvements/Surrender of Premises.** At all times during the Term, Tenant shall be deemed to exclusively own the Improvements and the Personal Property for federal tax purposes, and Tenant alone shall be entitled to all of the tax attributes of ownership thereof, including, without limitation, the right to claim depreciation or cost recovery deductions and the right to claim the low-income housing tax credit described in Section 42 of the Internal Revenue Code (the "Code"), with respect to the Improvements and the Personal Property, and Tenant shall have the right to amortize capital costs and to claim any other federal tax benefits attributable to the Improvements and the Personal Property. At the expiration or earlier termination of the Term of this Lease or any portion thereof, Tenant shall peaceably leave, quit and surrender the Premises, and the Improvements thereon (or the portion thereof so terminated), subject to the rights of tenants in possession of residential units under leases with Tenant, provided that such tenants are not in default thereunder and attorn to Landlord as their lessor. Upon such expiration or termination, the Premises (or portion thereof so terminated) shall become the sole property of Landlord at no cost to Landlord and shall be free of all liens and encumbrances and in the condition set forth in Section V.3 (consistent with prudent and appropriate property

management and maintenance during the Term) and, in the event of a casualty, to the provisions of Article VI. Tenant acknowledges and agrees that upon the expiration or sooner termination of this Lease any and all rights and interests it may have either at law or in equity to the Premises shall immediately cease.

V.6 **Easements.** Landlord agrees that Landlord shall not unreasonably withhold or delay its consent, and shall join with Tenant from time to time during the Term in the granting of easements affecting the Premises which are for the purpose of providing utility services for the Premises in accordance with an approved development or redevelopment plan. If any monetary consideration is received by Tenant as a result of the granting of any such easement, such consideration shall be paid to Landlord. As a condition precedent to the exercise by Tenant of any of the powers granted to Tenant in this Section, Tenant shall give written notice to Landlord of the action to be taken, shall certify to Landlord, that in Tenant's opinion such action will not adversely affect either the market value of the Premises or the use of the Premises for the Development.

V.7 **Transfer; Conveyance; Assignment.**

(a) Except as otherwise permitted hereunder (including, without limitation, Section VIII.9 hereof), Tenant agrees for itself and its successors and assigns in interest hereunder that it will not (1) assign this Lease or any of its rights under this Lease as to all or any portion of the Premises generally, or (2) make or permit any voluntary or involuntary total or partial sale, lease, assignment, license, conveyance, mortgage, pledge, encumbrance or other transfer of any or all of the Premises, or the Improvements, or the occupancy and use thereof, other than in accordance with this Lease (including, but not limited to (i) any sale at foreclosure or by the execution of any judgment of any or all of Tenant's rights hereunder, or (ii) any transfer by operation of law), to any entity other than an affiliate of Tenant without first obtaining Landlord's express written consent thereto, which consent shall not be unreasonably withheld, conditioned or delayed.

(b) If applicable, Tenant shall have the right to enter a sublease of any part of the premises (a "**Sublease**") to an entity that is affiliated with Tenant, subject to the approval and consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed. Additionally, no Sublease shall relieve Tenant of any obligations under the terms of this Lease unless a release is granted by Landlord. Additionally, each Sublease must be for a use compatible with the standards and requirements set forth in this Section V.1. Tenant must give written notice to Landlord specifying the name and address of any Sublessee to which all notices required by this Lease shall be sent, and a copy of the Sublease. Tenant shall provide Landlord with copies of all Subleases entered into. Landlord agrees to grant Non-Disturbance Agreements for any Sublessee which will provide that in the event of a termination of this Lease which applies to the portion of the Premises covered by such Sublease, due to an Event of Default committed by the Tenant, such Sublessee will not be disturbed and will be allowed to continue peacefully in possession directly under this Lease as the successor tenant, provided that the Sublessee shall be in compliance with the terms and conditions of its Sublease; and the Sublessee shall agree to attorn to Landlord. Landlord further agrees that it will grant such assurances to such Sublessee so long as it remains in compliance with the terms of its Sublease, and provided further that any such Sublease does not extend beyond the expiration of the Term of this Lease.

(c) In the event Tenant's Sublessee is successful in obtaining LIHTC for that portion of the Premises which is subject to the Sublease, but Tenant is not successful in obtaining LIHTC for the portion of the property not subleased and remaining subject to this Lease, Landlord and Tenant agree to modify this Lease so as to make it a direct lease between Landlord and the Sublessee, for the subleased Premises. Upon such request, Landlord and Tenant will enter into (i) a bifurcation agreement to be negotiated between Tenant and Landlord at a later date pursuant to which this Lease shall be (x) bifurcated into two (2) leases, (y) terminated with respect to the bifurcated portion of the Premises, and (z) amended to equitable and proportionately adjust Rent and the other economic terms of this Lease to reflect the termination of this Lease with respect to such bifurcated portion of the Premises, and (ii) a new lease in the same form as this Lease with respect to the bifurcated portion of the Premises (with Rent and the other economic terms of this Lease equitably adjusted to reflect the lease of such bifurcated portion of the Premises only). In the event of a bifurcation of this Lease hereunder, this Lease and the bifurcated lease shall be separate and independent leases that are not cross-defaulted, and Tenant shall have no further obligations with respect to the bifurcated portion of the Premises, anything herein to the contrary notwithstanding.

## ARTICLE VI

### CASUALTY AND TAKING

VI.1. **Casualty.** Casualty Damage. In the event the Premises should be destroyed or damaged by fire, windstorm, or other casualty to the extent that the Premises is rendered unfit for the intended purpose of Tenant, Tenant may cancel this Lease after thirty (30) days written notice to Landlord, but only after removing any trash and/or debris therefrom, subject to the terms and provisions of any Permitted Leasehold Mortgage, as defined in Section VIII.9. If the Premises is partially damaged due to any other reason than the causes described immediately above, but the Premises is not rendered unusable for Tenant's purposes subject to the terms and provisions of any Permitted Leasehold Mortgage, the same shall be repaired by Tenant to the extent Tenant receives sufficient proceeds to complete such repairs from its insurance carrier under its insurance policy. Any such repairs will be completed within a reasonable time after receipt of such proceeds. If the damage to the Premises shall be so extensive as to render it unusable for Tenant's purposes but shall nonetheless be capable of being repaired within One Hundred Twenty (120) days, subject to the terms and provisions of any Permitted Leasehold Mortgage the damage shall be repaired with due diligence by Tenant to the extent Tenant receives sufficient proceeds under its insurance policy to complete such repairs. In the event that a nearby structure(s) or improvement(s) is damaged or destroyed due to Tenant's negligence, Tenant shall be solely liable and responsible to repair and/or compensate the Landlord for such damage or loss.

Notwithstanding anything contained in this Section VI.1, or otherwise in this Lease to the contrary, as long as the Tenant's leasehold interest is encumbered by any Permitted Leasehold Mortgage, this Lease shall not be terminated by Landlord or Tenant in the event that the Premises is partially or totally destroyed, and, in the event of such partial or total destruction, all insurance proceeds from casualty insurance as provided herein shall be paid to and held by the Permitted Leasehold Mortgagee, or an insurance trustee selected by the Permitted Leasehold Mortgagee to be used for the purpose of restoration or repair of the Premises. Permitted Leasehold Mortgagee shall have

the right to participate in adjustment of losses as to casualty insurance proceeds and any settlement discussion relating to casualty or condemnation.

## VI.2 Taking.

(a) Notice of Taking. Upon receipt by either Landlord or Tenant of any notice of Taking, or the institution of any proceedings for Taking the Premises, or any portion thereof, the party receiving such notice shall promptly give notice thereof to the other, and such other party may also appear in such proceeding and may be represented by an attorney.

(b) Award. Subject to the terms of the Permitted Leasehold Mortgages (as defined in Section VIII.9), the Landlord and the Tenant agree that, in the event of a Taking that does not result in the termination of this Lease pursuant to Section VI.2(c) or VI.2(d), this Lease shall continue in effect as to the remainder of the Premises, and the net amounts owed or paid to the Landlord or pursuant to any agreement with any condemning authority which has been made in settlement of any proceeding relating to a Taking, less any costs and expenses incurred by the Landlord in collecting such award or payment (the "Award") will be disbursed in accordance with Section VI.2(c) or VI.2(d) (as the case may be) to the Landlord and/or Tenant. The Tenant and, to the extent permitted by law, any Permitted Leasehold Mortgagee, shall have the right to participate in negotiations of and to approve any such settlement with a condemning authority (which approval shall not be unreasonably withheld).

(c) Total Taking. In the event of a permanent Taking of the fee simple interest or title of the Premises, or control of the entire leasehold estate hereunder (a "Total Taking"), this Lease shall thereupon terminate as of the effective date of such Total Taking, without liability or further recourse to the parties, provided that each party shall remain liable for any obligations required to be performed prior to the effective date of such termination and for any other obligations under this Lease which are expressly intended to survive termination. The Taking of any portion of the Improvements, fifteen percent (15%) or more of the then existing parking area, the loss of the rights of ingress and egress as then established or the loss of rights to use the Easement, shall be, at Tenant's election, but not exclusively considered, such a substantial taking as would render the use of the Premises not suitable for Tenant's use. Notwithstanding any provision of the Lease or by operation of law that leasehold improvements may be or shall become the property of Landlord at the termination of the Lease, the loss of the building and other improvements paid for by Tenant, the loss of Tenant's leasehold estate and such additional relief as may be provided by law shall be the basis of Tenant's damages against the condemning authority if a separate claim therefore is allowable under applicable law, or the basis of Tenant's damages to a portion of the total award if only one award is made.

(d) Partial Taking. In the event of a permanent Taking of less than all of the Premises (a "Partial Taking"), if Tenant reasonably determines that the continued development, use or occupancy of the remainder of the Premises by Tenant cannot reasonably be made to be economically viable, structurally sound, then Tenant may terminate this Lease, and the Tenant's portion of the Award shall be paid to Tenant, provided that any and all obligations of Tenant have been fully and completely complied with by Tenant as of the date of said Partial Taking. If Tenant shall not elect to terminate this Lease, Tenant shall be entitled to a reduction of rent of such amount as shall be just and equitable. Subject to the terms of the Permitted Leasehold Mortgages, if there

is a Partial Taking and the Tenant does not terminate this Lease, the Tenant shall be entitled to receive and retain an equitable portion of the Award and shall apply such portion of the Award necessary to repair or restore the Premises or the Improvements as nearly as possible to the condition the Premises or the Improvements were in immediately prior to such Partial Taking. Subject to the terms of the Permitted Leasehold Mortgages, if there is a Partial Taking which affects the use of the Premises after the term hereof, the Award shall be apportioned between the Tenant and the Landlord based on the ratio of the remaining term hereof and the remaining expected useful life of the Premises following the term hereof. Subject to the terms of the Permitted Leasehold Mortgages, notwithstanding any provision herein to the contrary, the Landlord shall be entitled to receive and retain any portion of the Award apportioned to the land upon which the Improvements are located. Should such award be insufficient to accomplish the restoration, such additional costs shall be paid by Tenant. Notwithstanding any provision of the Lease or by operation of law that leasehold improvements may be or shall become the property of Landlord at the termination of the Lease, the loss of the building and other improvements paid for by Tenant and such additional relief as may be provided by law shall be the basis of Tenant's damages against the condemning authority if a separate claim therefore is allowable under applicable law, or the basis of Tenant's damages to a portion of the total award if only one award is made.

(e) Resolution of Disagreements. Should Landlord and Tenant be unable to agree as to the division of any singular award or the amount of any reduction of rents and other charges payable by Tenant under the Lease, such dispute shall be submitted for resolution to the court exercising jurisdiction of the condemnation proceedings, each party bearing its respective costs for such determination. Landlord shall not agree to any settlement in lieu of condemnation with the condemning authority without Tenant's consent.

(f) No Existing Condemnation. Landlord represents and warrants that as of the Commencement Date it has no actual or constructive knowledge of any proposed condemnation of any part of the Premises. In the event that subsequent to the Lease Date, but prior to the Commencement Date, a total or partial condemnation either permanent or temporary, is proposed by any competent authority, Tenant shall be under no obligation to commence or continue construction of the building and other improvements and rent and other charges, if any, payable by Tenant under the Lease shall abate until such time as it can be reasonably ascertained that the Premises shall not be so affected. In the event the Premises is so affected, Tenant shall be entitled to all rights, damages and awards pursuant to the appropriate provisions of this Lease.

**VI.3 Termination upon Non-Restoration.** Following a Partial Taking, if a decision is made pursuant to this Article VI that the remaining portion of the Premises is not to be restored, and Tenant shall have determined that the continued development, use or occupancy of the remainder of the Premises by Tenant cannot be made economically viable or structurally sound, Tenant shall surrender the entire remaining portion of the Premises to Landlord and this Lease shall thereupon be terminated without liability or further recourse to the parties hereto, provided that any Rent, impositions and other amounts payable or obligations hereunder owed by Tenant to Landlord as of the date of the Partial Taking shall be paid in full.

## ARTICLE VII

### CONDITION OF PREMISES

VII.2 **Condition; Title.** The Premises are demised and let in an “as is” condition as of the Commencement Date. The Premises are demised and let to Tenant subject to: As-Is. Notwithstanding anything to the contrary contained herein, upon Tenant taking possession of the Premises, Tenant shall be deemed to have accepted the Premises in its “as-is” and “where-is” condition, with any and all faults, and with the understanding that the Landlord has not offered any implied or expressed warranty as to the condition of the Premises and/or as to it being fit for any particular purpose, provided, however, that the foregoing shall not in any way limit, affect, modify or otherwise impact any of Landlord’s representations, warranties and/or obligations contained in this Lease.

Tenant shall, within thirty (30) days following the Lease Date, obtain a title commitment to insure Tenant’s leasehold interest in the Premises. Tenant shall advise Landlord as to any title matters that Tenant deems objectionable and Landlord shall address same in accordance with Section VII.3, below.

VII.3 **No Encumbrances.** Landlord covenants that Landlord has full right and lawful authority to enter into this Lease in accordance with the terms hereof and to grant the estate demised hereby. Landlord represents and warrants that there are no existing mortgages, deeds of trust, easements, liens, security interests, encumbrances and/or restrictions encumbering Landlord’s fee interest in the Land other than the Permitted Encumbrances. Landlord’s fee interest shall not hereafter be subordinated to, or made subject to, any mortgage, deed of trust, easement, lien, security interest, encumbrance and/or restriction except for an encumbrance that expressly provides that it is and shall remain subject and subordinate at all times in lien, operation and otherwise to this Lease and to all renewals, modifications, amendments, consolidations and replacements hereof (including new leases entered into pursuant to the terms hereof and extensions). Landlord covenants that it will not encumber or lien the title of the Premises or cause or permit said title to be encumbered or liened in any manner whatsoever, and Tenant may reduce or discharge any such encumbrance or lien by payment or otherwise at any time after giving thirty (30) days’ written notice thereof to Landlord. Tenant may recover or recoup all costs and expenses thereof from Landlord if the Landlord fails to discharge any such encumbrance within the said thirty (30) day period. Such recovery or recoupment may, in addition to all other remedies, be made by setting off against the amount of Rent payable by Tenant hereunder. Landlord and Tenant agree to work cooperatively together to create such easements and rights of way as may be necessary or appropriate for the Premises.

VII.4 **Landlord’s Title and Quiet Enjoyment.** Landlord represents and warrants that Landlord is seized in fee simple title to the Premises, free and clear and unencumbered, other than as affected by the Permitted Encumbrances. Landlord covenants that, so long as Tenant pays rent and performs the covenants herein contained on its part to be paid and performed, Tenant will have lawful, quiet and peaceful possession and occupancy of the Premises and all other rights and benefits accruing to Tenant under the Lease throughout the Term, without hindrance or molestation by or on the part of Landlord or anyone claiming through Landlord. Landlord further represents and warrants that it has good right, full power and lawful authority to enter into this Lease. Tenant

shall have the right to order a title insurance commitment on the Premises. In the event the title insurance commitment shall reflect encumbrances or other conditions not acceptable to Tenant (“**Defects**”), then, Landlord, upon notification of the Defects, shall immediately and diligently proceed to cure same and shall have a reasonable time within which to cure the Defects. If, after the exercise of all reasonable diligence, Landlord is unable to clear the Defects, then Tenant may accept the Defects or Tenant may terminate the Lease and the parties shall be released from further liability so long as Tenant is not in default hereunder beyond any grace period applicable thereto, Tenant’s possession of the Premises will not be disturbed by Landlord, its successors and assigns.

Notwithstanding Section VII.3 above, Landlord and its agents, upon reasonable prior notice to Tenant, shall have the right to enter the Premises for purposes of reasonable inspections performed during reasonable business hours in order to assure compliance by Tenant with its obligations under this Lease.

## **ARTICLE VIII**

### **DEFAULTS AND TERMINATION**

VIII.1 **Default.** The occurrence of any of the following events shall constitute an event of default (“**Event of Default**”) hereunder:

(a) if Tenant fails to pay when due any Rent or other impositions due hereunder pursuant to Article III (except where such failure is addressed by another event described in this Section VIII.1 as to which lesser notice and grace periods are provided), and any such default shall continue for thirty (30) days after the receipt of written notice thereof by Tenant from Landlord; or

(b) if Tenant fails in any material respect to comply with the use restrictions set forth in Section V.1(a), or fails to comply with the construction obligations set forth in Section V.1(b), or otherwise fails to observe or perform any covenant, condition, agreement or obligation hereunder not addressed by any other event described in this Section VIII.1, and shall fail to cure, correct or remedy such failure within thirty (30) days after the receipt of written notice thereof, unless such failure cannot be cured by the payment of money and cannot with due diligence be cured within a period of thirty (30) days, in which case such failure shall not be deemed to continue if Tenant proceeds promptly and with due diligence to cure the failure and diligently completes the curing thereof within a reasonable period of time; provided, however, that for such time as Landlord or its affiliate is the management agent retained by Tenant, Tenant shall not be in default hereunder due to actions or inactions taken by Landlord or its affiliate in its capacity as the management agent which materially impede Tenant’s ability to cure such default; or

(c) If any representation or warranty of Tenant set forth in this Lease, in any certificate delivered pursuant hereto, or in any notice, certificate, demand, submittal or request delivered to Landlord by Tenant pursuant to this Lease shall prove to be incorrect in any material and adverse respect as of the time when the same shall have been made and the same shall not have been remedied to the reasonable satisfaction of Landlord within thirty (30) days after notice from Landlord; or

(d) if Tenant shall be adjudicated bankrupt or be declared insolvent under the Federal Bankruptcy Code or any other federal or state law (as now or hereafter in effect) relating to bankruptcy, insolvency, reorganization, winding-up or adjustment of debts (collectively called “**Bankruptcy Laws**”), or if Tenant shall (a) apply for or consent to the appointment of, or the taking of possession by, any receiver, custodian, trustee, United States Trustee or Tenant or liquidator (or other similar official) of Tenant or of any substantial portion of Tenant’s property; (b) admit in writing its inability to pay its debts generally as they become due; (c) make a general assignment for the benefit of its creditors; (d) file a petition commencing a voluntary case under or seeking to take advantage of a Bankruptcy Law; or (e) fail to controvert in a timely and appropriate manner, or in writing acquiesce to, any petition commencing an involuntary case against Tenant pursuant to any bankruptcy law; or

(e) if an order for relief against Tenant shall be entered in any involuntary case under the Federal Bankruptcy Code or any similar order against Tenant shall be entered pursuant to any other Bankruptcy Law, or if a petition commencing an involuntary case against Tenant or proposing the reorganization of Tenant under the Federal Bankruptcy Code shall be filed in and approved by any court of competent jurisdiction and not be discharged or denied within ninety (90) days after such filing, or if a proceeding or case shall be commenced in any court of competent jurisdiction seeking (a) the liquidation, reorganization, dissolution, winding-up or adjustment of debts of Tenant, (b) the appointment of a receiver, custodian, trustee, United States Trustee or liquidator (or other similar official of Tenant) of any substantial portion of Tenant’s property, or (c) any similar relief as to Tenant pursuant to Bankruptcy Law, and any such proceeding or case shall continue undismissed, or any order, judgment or decree approving or ordering any of the foregoing shall be entered and continued unstayed and in effect for ninety (90) days; or

(f) Tenant vacates or abandons the Premises or any substantial part thereof for a period of more than thirty (30) consecutive days (or, if applicable, such longer period as may be permitted in accordance with Section VI.1 or VI.2); or

(g) This Lease, the Premises or any part thereof are taken upon execution or by other process of law directed against Tenant, or are taken upon or subjected to any attachment by any creditor of Tenant or claimant against Tenant, and such attachment is not stayed or discharged within ninety (90) days after its levy; or

(h) Tenant makes any sale, conveyance, assignment or transfer in violation of this Lease.

**VIII.2 Remedies for Tenant’s Default.** Upon or after the occurrence of any Event of Default which is not cured within any applicable cure period, and so long as same remains uncured, Landlord may terminate this Lease by providing not less than thirty (30) days’ written notice (which notice may be contemporaneous with any notice provided under Section VIII.1) to Tenant, setting forth Tenant’s uncured, continuing default and Landlord’s intent to exercise its rights to terminate, whereupon this Lease shall terminate on the termination date therein set forth unless Tenant’s default has been cured before such termination date. Upon such termination, Tenant’s interest in the Premises shall automatically revert to Landlord, Tenant shall promptly quit and surrender the Premises to Landlord, without cost to Landlord, and Landlord may, without demand and further notice, reenter and take possession of the Premises, or any part thereof, and

repossess the same as Landlord's former estate by summary proceedings, ejectment or otherwise without being deemed guilty of any manner of trespass and without prejudice to any remedies which Landlord might otherwise have for arrearages of Rent or other impositions hereunder or for a prior breach of the provisions of this Lease. The obligations of Tenant under this Lease which arose prior to termination shall survive such termination.

VIII.3 **Termination**. Termination by Landlord: The occurrence of any of the following shall give Landlord the right to terminate this Lease upon the terms and conditions set forth below:

- (a) Tenant fails to cause the Commencement Date to occur, within four (4) years following the Lease Date.
- (b) Institution of proceedings in voluntary bankruptcy by the Tenant.
- (c) Institution of proceedings in involuntary bankruptcy against the Tenant if such proceedings continue for a period of ninety (90) days or more.
- (d) Assignment of Lease by Tenant for the benefit of creditors.
- (e) A final determination of termination of this Lease in a court of law in favor of the Landlord in litigation instituted by the Tenant against the Landlord or brought by the Landlord against Tenant.
- (f) Tenant's failure to cure, within thirty (30) days following Tenant's receipt of written notice from Landlord with respect to Tenant's failure to cure a condition posing a threat to health or safety of the public or patrons (or such longer period if the default is not capable of being cured in such thirty (30) day period).

VIII.4 **Remedies Following Termination**. Upon termination of this Lease, Landlord may:

- 1. retain, at the time of such termination, any Rent or other impositions paid hereunder, without any deduction, offset or recoupment whatsoever; and
- 2. enforce its rights under any bond outstanding at the time of such termination; and
- 3. require Tenant to deliver to Landlord, or otherwise effectively transfer to Landlord any and all governmental approvals and permits, and any and all rights of possession, ownership or control Tenant may have in and to, any and all financing arrangements, plans, specifications, and other technical documents or materials related to the Premises.

VIII.5 **Regulatory Default**. Notwithstanding anything herein to the contrary, the following shall apply to any default declared as a result of any failure by Tenant to comply with the provisions of Section VIII.1:

Upon a determination by Landlord that Tenant has materially breached or defaulted on any of the obligations under Section VIII.1 (a "**Regulatory Default**"), Landlord shall notify Tenant of (i) the nature of the Regulatory Default, (ii) the actions required to be taken by Tenant in order to

cure the Regulatory Default, and (iii) the time, (a minimum of sixty (60) days or such additional time period as may be reasonable under the circumstances), within which Tenant shall respond with reasonable evidence to Landlord that all such required actions have been taken.

(a) If Tenant shall have failed to respond or take the appropriate corrective action with respect to a Regulatory Default to the reasonable satisfaction of Landlord within the applicable time period, then Landlord shall have the right to terminate the Lease or seek other legal or equitable remedies as Landlord determines in its sole discretion; provided, however, that if prior to the end of the applicable time period, Tenant seeks and receives a declaratory judgment or other order is issued from a court having jurisdiction that Tenant shall not have incurred a Regulatory Default, Landlord shall not terminate this Lease during the pendency of such action.

(b) In addition to and not in limitation of the foregoing, if Landlord shall determine that a Regulatory Default shall have occurred by reason of a default by Tenant's management agent, and that Tenant shall have failed to respond or take corrective action to the reasonable satisfaction of Landlord within the applicable cure period, then Landlord may require Tenant to take such actions as are necessary in order to terminate the appointment of the management agent pursuant to the terms of its management agreement and to appoint a successor management agent of the Premises.

**VIII.6 Performance by Landlord.** If Tenant shall fail to make any payment or perform any act required under this Lease, Landlord may (but need not) after giving not less than thirty (30) (except in case of emergencies and except where a shorter time period is specified elsewhere in this Lease) days' notice to Tenant and without waiving any default or releasing Tenant from any obligations, cure such default for the account of Tenant. Tenant shall promptly pay Landlord the amount of such charges, costs and expenses as Landlord shall have incurred in curing such default.

**VIII.7 Costs and Damages.** Tenant shall be liable to, and shall reimburse, Landlord for any and all actual reasonable expenditures incurred and for any and all actual damages suffered by Landlord in connection with any Event of Default, collection of Rent or other impositions owed under this Lease, the remedying of any default under this Lease or any termination of this Lease, unless such termination is caused by the default of Landlord, including all costs, claims, losses, liabilities, damages and expenses (including without limitation, reasonable attorneys' fees and costs) incurred by Landlord as a result thereof.

**VIII.8 Remedies Cumulative.** The absence in this Lease of any enumeration of events of default by Landlord or remedies of either party with respect to money damages or specific performance shall not constitute a waiver by either party of its right to assert any claim or remedy available to it under law or in equity.

**VIII.9 Permitted Leasehold Mortgages.** Neither the Tenant nor any permitted successor in interest to the Premises or any part thereof shall, without the prior written consent of the Landlord in each instance, engage in any financing or any other transaction creating any mortgage or other encumbrance or lien upon the Premises, whether by express agreement or operation of law, or suffer any encumbrance or lien to be made on or attach to the Premises, except for the Permitted Encumbrances and the leasehold mortgages securing the loans which will be obtained by Tenant for construction of the Improvements and closed on or about the Commencement

Date (the “Permitted Leasehold Mortgages”). With respect to the Permitted Leasehold Mortgages, the following provisions shall apply:

(a) When giving notice to the Tenant with respect to any default under the provisions of this Lease, the Landlord will also send a copy of such notice to the holder of each Permitted Leasehold Mortgage (each a “Permitted Leasehold Mortgage”), provided that each such Permitted Leasehold Mortgage shall have delivered to the Landlord in writing a notice naming itself as the holder of a Permitted Leasehold Mortgage and registering the name and post office address to which all notices and other communications to it may be addressed.

(b) Each Permitted Leasehold Mortgagee shall be permitted, but not obligated, to cure any default by the Tenant under this Lease within the same period of time specified for the Tenant to cure such default. The Tenant authorizes each Permitted Leasehold Mortgagee to take any such action at such Permitted Leasehold Mortgagee’s option and does hereby authorize entry upon the Premises for such purpose.

(c) The Landlord agrees to accept payment or performance by any Permitted Leasehold Mortgagee as though the same had been done by the Tenant.

(d) In the case of a default by the Tenant other than in the payment of money, and provided that a Permitted Leasehold Mortgagee has commenced to cure the default and is proceeding with due diligence to cure the default, the Landlord will refrain from terminating this Lease for a reasonable period of time (not to exceed 120 days from the date of the notice of default, unless (i) such cure cannot reasonably be completed within 120 days from the date of the notice of default, and (ii) a Permitted Leasehold Mortgagee continues to diligently pursue such cure to the reasonable satisfaction of the Landlord) within which time the Permitted Leasehold Mortgagee may either (i) obtain possession of the Premises (including possession by receiver); (ii) institute foreclosure proceedings and complete such foreclosure; or (iii) otherwise acquire the Tenant’s interest under this Lease. The Permitted Leasehold Mortgagee shall not be required to continue such possession or continue such foreclosure proceedings if the default which was the subject of the notice shall have been cured. Notwithstanding the foregoing, the Landlord will refrain from terminating this Lease in the event such Permitted Leasehold Mortgagee is enjoined or stayed in such possession or such foreclosure proceedings, and provided that the Permitted Leasehold Mortgagee has delivered to Landlord copies of any and all orders enjoining or staying such action, Landlord will grant such Permitted Leasehold Mortgagee such additional time as is required for such Permitted Leasehold Mortgagee to complete steps to acquire or sell Tenant’s leasehold estate and interest in this Lease by foreclosure of its Permitted Leasehold Mortgage or by other appropriate means with due diligence; however, nothing in this Section shall be construed to extend this Lease beyond the Term.

(e) Any Permitted Leasehold Mortgagee or other acquirer of Tenant’s leasehold estate and interest in this Lease pursuant to foreclosure, an assignment in lieu of foreclosure or other proceedings, any of which are permitted without the Landlord’s consent, may, upon acquiring the Tenant’s leasehold estate and interest in this Lease, without further consent of the Landlord, sell and assign the leasehold estate and interest in this Lease on such terms and to such persons and organizations as are acceptable to such Permitted Leasehold Mortgagee or acquirer and thereafter be relieved of all obligations under this Lease, provided such assignee has

delivered to the Landlord its written agreement to be bound by all of the provisions of this Lease. Permitted Leasehold Mortgagee, or its nominee or designee, shall also have the right to further assign, sublease or sublet all or any part of the leasehold interest hereunder to a third party without the consent or approval of Landlord.

(f) In the event of a termination of this Lease prior to its stated expiration date, the Landlord may enter into a new lease for the Premises with the Permitted Leasehold Mortgagee (or its nominee), for the remainder of the term, effective as of the date of such termination, at the same Rent payment and subject to the same covenants and agreements, terms, provisions, and limitations herein contained, provided that:

1. The Landlord receives the Permitted Leasehold Mortgagee's written request for such new lease within 30 days from the date of such termination and notice thereof by the Landlord to the Permitted Leasehold Mortgagee (including an itemization of amounts then due and owing to the Landlord under this Lease), and such written request is accompanied by payment to the Landlord of all amounts then due and owing to Landlord under this Lease and, within 10 days after the delivery of an accounting therefor by the Landlord, pays any and all costs and expenses incurred by the Landlord in connection with the execution and delivery of the new lease, less the net income collected by the Landlord from the Premises subsequent to the date of termination of this Lease and prior to the execution and delivery of the new lease, any excess of such net income over the aforesaid sums and expenses to be applied in payment of the Rent payment thereafter becoming due under the new lease, provided, however, that the Permitted Leasehold Mortgagee shall receive full credit for all capitalized lease and Rent payments previously delivered by the Tenant to the Landlord; and

2. Upon the execution and delivery of the new lease at the time payment is made in (1) above, all subleases which thereafter may have been assigned and transferred to the Landlord shall thereupon be assigned and transferred without recourse by the Landlord to the Permitted Leasehold Mortgagee (or its nominee), as the new Tenant.

3. If a Permitted Leasehold Mortgagee acquires the leasehold estate created hereunder or otherwise acquires possession of the Premises pursuant to available legal remedies, Landlord will look to such holder to perform the obligations of Tenant hereunder only from and after the date of foreclosure or possession and will not hold such holder responsible for the past actions or inactions of the prior Tenant. Permitted Leasehold Mortgagee's liability shall be limited to the value of such Permitted Leasehold Mortgagee's interest in this Lease and in the leasehold estate created thereby.

Notwithstanding the foregoing and to the extent permitted by Section 42 of the Code, the deadline to complete construction of the Improvements set forth in Article V shall be extended for such period of time as may be reasonably required by the Permitted Leasehold Mortgagee or its nominee to complete construction.

## ARTICLE IX

### SOVEREIGNTY AND POLICE POWERS

IX.1 **Landlord as Sovereign.** It is expressly understood that notwithstanding any provision of this Lease and the Landlord's status thereunder:

1. The Landlord retains all of its sovereign prerogatives and rights as a school board under Florida laws and shall in no way be estopped from withholding or refusing to issue any approvals of applications for tax exemption, building, zoning, planning or development under present or future laws and regulations of whatever nature applicable to the planning, design, construction and development of the Premises or the operation thereof, or be liable for the same; and

2. The Landlord shall not by virtue of this Lease be obligated to grant the Tenant any approvals of applications for tax exemption, building, zoning, planning or development under present or future laws and ordinances of whatever nature applicable to the planning, design, construction, development and/or operation of the Premises.

#### IX.2 **No Liability for Exercise of Police Power.**

Notwithstanding and prevailing over any contrary provision in this Lease, or any Landlord covenant or obligation that may be contained in this Lease, or any implied or perceived duty or obligation including but not limited to the following:

(i) To cooperate with, or provide good faith, diligent, reasonable or other similar efforts to assist the Tenant, regardless of the purpose required for such cooperation;

(ii) To execute documents or give approvals, regardless of the purpose required for such execution or approvals;

(iii) To apply for or assist the Tenant in applying for any county, city or third party permit or needed approval; or

(iv) To contest, defend against, or assist the Tenant in contesting or defending against any challenge of any nature;

shall not bind the Landlord or any other county, city, federal or state department or authority, committee or agency to grant or leave in effect any tax exemptions, zoning changes, variances, permits, waivers, contract amendments, or any other approvals that may be granted, withheld or revoked in the discretion of the Landlord or any other applicable governmental agencies in the exercise of its police power; and the Landlord shall be released and held harmless, by the Tenant from and against any liability, responsibility, claims, consequential or other damages, or losses to the Tenant or to any third parties resulting from denial, withholding or revocation (in whole or in part) of any zoning or other changes, variances, permits, waivers, amendments, or approvals of any kind or nature whatsoever. Without limiting the foregoing, the parties recognize that the approval of any building permit and/or certificate of occupancy or tax exemption will require the Landlord to exercise its quasi-judicial or police powers. Notwithstanding any other provision of

this Lease, the Landlord shall have no obligation to approve, in whole or in part, any application for any type of tax exemption, permit, license, zoning or any other type of matter requiring government approval or waiver. The Landlord's obligation to use reasonable good faith efforts in the permitting of the use of Landlord-owned property shall not extend to any exercise of quasi-judicial or police powers, and shall be limited solely to ministerial actions, including the timely acceptance and processing of any requests or inquiries by Tenant as authorized by this Lease. Moreover, in no event shall a failure of the Landlord to adopt any of the Tenant's request or application for any type of permit, license, zoning or any other type of matter requiring government approval or waiver be construed a breach or default of this Lease.

## ARTICLE X

### PUBLIC RECORDS ACT

X.1 **Public Records Keeping**. As it relates to this Lease and any subsequent agreements and other documents related to the Development, Tenant and any of its subsidiaries, pursuant to Section 119.0701, Florida Statutes, shall:

(a) Keep and maintain public records that ordinarily and necessarily would be required by Landlord in order to perform the service;

(b) Upon request of from Landlord's custodian of public records identified herein, provide the public with access to public records on the same terms and conditions that Landlord would provide the records and at a cost that does not exceed the cost provided in the Florida Public Records Act, Miami-Dade County Administrative Order No. 4-48, or as otherwise provided by law;

(c) Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of this Lease's term and following completion of the work under this Lease if Tenant does not transfer the records to Landlord; and

(d) Meet all requirements for retaining public records and transfer to Landlord, at no cost to Landlord, all public records created, received, maintained and/or directly related to the performance of this Lease that are in possession of Tenant upon termination of this Lease. Upon termination of this Lease, Tenant shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. All records stored electronically must be provided to Landlord in a format that is compatible with the information technology systems of Landlord.

For purposes of this Article X, the term "**public records**" shall mean all documents, papers, letters, maps, books, tapes, photographs, films, sound recordings, data processing software, or other material, regardless of the physical form, characteristics, or means of transmission, made or received pursuant to law or ordinance or in connection with the transaction of official business of Landlord.

In the event Tenant does not comply with the public records disclosure requirements set forth in Section 119.0701, Florida Statutes, and this Article X, Landlord shall avail itself of the remedies set forth in Section VIII.2 of this Lease.

**IF TENANT HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO TENANT’S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS LEASE, PLEASE CONTACT LANDLORD’S CUSTODIAN OF PUBLIC RECORDS AT:**

[ ]  
[ ]  
[ ]  
[ ]

**Attention:** [ ]  
**Email:** [ ]  
**Phone:** [ ]

**ARTICLE XI**

**DUE DILIGENCE PERIOD**

Upon the commencement of this Lease, Tenant shall promptly proceed to conduct studies, testing and evaluations on the Land, including but not limited to, assessments of soil and subsurface conditions, utility services, environmental audits, title review, reports and commitments and surveys of the Land that are required by applicable laws or that Tenant, in its reasonable discretion, determines to be necessary or prudent. Tenant shall be allowed a period of one hundred eighty (180) days from the Lease Date to complete such studies, subject to Economic Unavoidable Delays and extensions of time approved by the Landlord in writing (“Due Diligence Period”). If during that period of time, Land conditions are found to exist which 1) would prevent or significantly and materially impair the development of the Project as proposed, or which would materially increase the cost of the Project, 2) were not previously disclosed by the Landlord, and 3) could not reasonably be foreseen by Tenant as of the Lease Date, then in addition to any other rights Tenant has hereunder, Tenant shall have the following rights:

XI.1 The right to terminate this Lease by giving written notice to the Landlord at any time during the Due Diligence Period. In such event this Lease shall terminate fifteen (15) business days following Landlord’s receipt of notice of termination; or

XI.2 The right to propose an agreement with the Landlord which provides for an equitable means of remediating the unforeseen conditions such that the Project may be developed substantially as proposed by the Tenant. Such proposal must be submitted to the Landlord in writing within thirty (30) days after discovery and notification by the Tenant to the Landlord of the unforeseen conditions, subject to Economic Unavoidable Delays and extensions of time

approved by the Landlord in writing. The Landlord shall have the right, in its sole discretion, to determine the final form of any such agreement, which shall be in writing, or to reject any such proposal. Failure of the parties to agree to such agreement within thirty (30) days of the Landlord's receipt of Tenant's proposal, subject to Economic Unavoidable Delays and extensions of time approved by the Landlord in writing, shall (i) result in the termination of this Lease or (ii) the Parties can agree to allow Tenant to develop the Project in substantially the form described in this Lease; or

XI.3 The right to request a redesign of the Project as may be reasonably required as a result of the unforeseen conditions found and request an equitable adjustment in the Rent based upon the reduction in the amount and character of the space or other aspect of the Project described in this Lease, which will be denied to the Tenant as a result of the unforeseen conditions. Such request and adjustment, as may be negotiated and amended, must be approved by the Landlord in its sole but reasonable discretion and agreed to by the Parties in writing within thirty (30) days after discovery and notification by the Tenant to the Landlord of the unforeseen conditions, subject to Economic Unavoidable Delays and extensions of time approved by the Landlord in writing. Failure of the Parties to agree to such adjustment within such period of time shall (i) result in the termination of this Lease or (ii) the Parties can agree, if feasible, to allow Tenant to develop the Project in substantially the form described in this Lease.

XI.4 In the event that this Lease is terminated as provided above, Tenant shall restore the Premises to repair any damage caused by Tenant to the satisfaction of the Landlord which shall not be unreasonably withheld.

XI.5 In the event that this Lease is not terminated, Tenant shall promptly make any design revisions to the Project necessitated by the unforeseen conditions and submit the revisions to the Landlord for its approval. Such revisions and adjustments shall not delay the Commencement Date for a period longer than one hundred and twenty (120) calendar days, subject to Economic Unavoidable Delays and extensions of such period of time granted by the Landlord in writing.

XI.6 The rights provided by this Section shall not apply to any conditions which are discovered after the Due Diligence Period.

## **ARTICLE XII**

### **INTENTIONALLY DELETED**

## **ARTICLE XIII**

### **ADDITIONAL PROVISIONS PERTAINING TO REMEDIES**

XIII.1 **Reinstatement**. Notwithstanding anything to the contrary contained in the Lease, in the event Landlord exercises its remedies pursuant to Article VIII and terminates this Lease, Tenant may, within 90 days following such termination reinstate this Lease for the balance of the

Term by paying to Landlord an amount equal to the actual damages incurred by Landlord as a result of the breach that resulted in such termination and any actual costs or expenses incurred by Landlord as a result of such reinstatement of this Lease, if agreed in the sole and absolute discretion of the Landlord.

XIII.2 **Notice**. Notwithstanding anything to the contrary contained in the Lease, Landlord shall not exercise any of its remedies hereunder without having given notice of the Event of Default or other breach or default to the Investor (following the admission of the Investor) simultaneously with the giving of notice to Tenant as required under the provisions of Article VIII of the Lease. The Investor shall have the same cure period after the giving of a notice as provided to Tenant, plus an additional period of 60 days. If the Investor elects to cure the Event of Default or other breach or default, Landlord agrees to accept such performance as though the same had been done or performed by Tenant in Landlord's reasonable discretion.

XIII.3 **Investor**. Notwithstanding anything to the contrary contained in the Lease, following the admission of the Investor, the Investor shall be deemed a third-party beneficiary of the provisions of this Section for the sole and exclusive purpose of entitling the Investor to exercise its rights to notice and cure, as expressly stated herein. The foregoing right of the Investor to be a third-party beneficiary under the Lease shall be the only right of Investor (express or implied) to be a third-party beneficiary hereunder.

XIII.4 **New Manager**. Notwithstanding anything to the contrary contained in the Lease, Landlord agrees that it will take no action to effect a termination of the Lease by reason of any Event of Default or any other breach or default without first giving to the Investor reasonable time, not to exceed thirty (30) days, to replace Tenant's manager and/or admit an additional manager and cause the new manager to cure the Event of Default or other breach or default; provided, however, that as a condition of such forbearance, Landlord must receive notice from the Investor of the substitution or admission of a new manager of Tenant within ten (10) days following Landlord's notice to Tenant and the Investor of the Event of Default or other breach or default, and Tenant, following such substitution or admission of the manager, shall thereupon proceed with due diligence to cure such Event of Default or other breach or default. In no event, however, shall Landlord be required to engage in the forbearance described in this section for a period longer than two (2) months, regardless of the due diligence of the Investor or the new manager.

## **ARTICLE XIV**

### **LANDLORD'S AUTHORITY**

XIV.1 **Designation of Landlord's Representatives**. The Superintendent of the School Board, or his or her designee, shall have the power, authority and right, on behalf of the Landlord, in its capacity as Landlord hereunder, and without any further resolution or action of the School Board, to:

(a) Review and approve documents, plans, applications, lease assignments pursuant to Section V.7 of this Lease, and requests required or allowed by Tenant to be submitted to Landlord pursuant to this Lease;

(b) Consent or agree to actions, events, and undertakings by Tenant or extensions of time periods for which consent or agreement is required by Landlord, including, but not limited to, extending the date by which the Commencement Date must occur under Section VIII.3) or granting extensions of time for the performance of any obligation by Tenant hereunder;

(c) Execute any and all documents on behalf of Landlord necessary or convenient to the foregoing approvals, consents, and appointments;

(d) Assist Tenant with and execute on behalf of Landlord any applications or other documents, needed to comply with applicable regulatory procedures and to secure financing, entitlements, permits or other approvals to accomplish the construction of any and all Improvements in and refurbishments of the Premises;

(e) Execute joinders and consents to easement and access agreements, for the purposes of granting any needed non-exclusive vehicular and/or pedestrian ingress and egress access routes and for any parking within and throughout the Project, and utilities to serve the Project;

(f) Amend this Lease and any Subleases and related recognition and non-disturbance agreements, to correct any typographical or non-material errors, to address revisions or supplements hereto of a non-material nature or to carry out the purposes of this Lease, including, without limitation, the successful closing of the construction financing for the Project, including amendments if required to confirm the tax credit treatment of the Education Facility as a community service facility under Section 42 of the Code;

(g) Execute Subleases with qualified assignees, including any amendments, extensions, and modifications thereto, and/or the lease bifurcation documents contemplated by Section V.7, and/or the subleases, occupancy agreements or use agreements with Tenant, for Landlord's use and operation of the Education Facility and/or any portion of the Commercial Component; and

(h) Execute recognition and non-disturbance agreements and issue estoppel statements as provided elsewhere in this Lease.

## **ARTICLE XV**

### **MISCELLANEOUS**

XV.1 **Construction.** Landlord and Tenant agree that all the provisions hereof are to be construed as covenants and agreements as though the words importing such covenants and agreements were used in each separate section thereof.

XV.2 **Performance Under Protest.** In the event of a dispute or difference between Landlord and Tenant as to any obligation which either may assert the other is obligated to perform or do, then the party against whom such obligation is asserted shall have the right and privilege to

carry out and perform the obligation so asserted against it without being considered a volunteer or deemed to have admitted the correctness of the claim, and shall have the right to bring an appropriate action at law, equity or otherwise against the other for the recovery of any sums expended in the performance thereof and in any such action, the successful party shall be entitled to recover in addition to all other recoveries such reasonable attorneys' fees as may be awarded by the Court.

XV.3 **No Waiver**. Failure of either party to complain of any act or omission on the part of the other party, no matter how long the same may continue, shall not be deemed to be a waiver by said party of any of its rights hereunder. No waiver by either party at any time, express or implied, of any breach of any other provision of this Lease shall be deemed a waiver of a breach of any other provision of this Lease or a consent to any subsequent breach of the same or any other provision. If any action by either party shall require the consent or approval of the other party, the other party's consent to or approval of such action on any one occasion shall not be deemed a consent to or approval of said action on any subsequent occasion. Any and all rights and remedies which either party may have under this Lease or by operation of law, either at law or in equity, upon any breach, shall be distinct, separate and cumulative and shall not be deemed inconsistent with each other; and no one of them whether exercised by said party or not, shall be deemed to be in exclusion of any other; and two or more or all of such rights and remedies may be exercised at the same time.

XV.4 **Headings**. The headings used for the various articles and sections of this Lease are used only as a matter of convenience for reference, and are not to be construed as part of this Lease or to be used in determining the intent of the parties of this Lease.

XV.5 **Partial Invalidity**. If any terms, covenant, provision or condition of this Lease or the application thereof to any person or circumstances shall be declared invalid or unenforceable by the final ruling of a court of competent jurisdiction having final review, the remaining terms, covenants, provisions and conditions of this Lease and their application to persons or circumstances shall not be affected thereby and shall continue to be enforced and recognized as valid agreements of the parties, and in the place of such invalid or unenforceable provision there shall be substituted a like, but valid and enforceable, provision which comports to the findings of the aforesaid court and most nearly accomplishes the original intention of the parties.

XV.6 **Decision Standards**. In any approval, consent or other determination by any party required under any provision of this Lease, the party shall act reasonably, in good faith and in a timely manner, unless a different standard is explicitly stated.

XV.7 **Bind and Inure**. Unless repugnant to the context, the words Landlord and Tenant shall be construed to mean the original parties, their respective successors and assigns and those claiming through or under them respectively. The agreements and conditions in this Lease contained on the part of Tenant to be performed and observed shall be binding upon Tenant and its successors and assigns and shall inure to the benefit of Landlord and its successors and assigns, and the agreements and conditions in this Lease contained on the part of Landlord to be performed and observed shall be binding upon Landlord and its successors and assigns and shall inure to the benefit of Tenant and its successors and assigns. No holder of a mortgage of the leasehold interest

hereunder shall be deemed to be the holder of said leasehold estate until such holder shall have acquired indefeasible title to said leasehold estate.

XV.8 **Estoppel Certificate.** Each party agrees from time to time, upon no less than fifteen (15) days' prior notice from the other or from any Permitted Leasehold Mortgagee, to execute, acknowledge and deliver to the other, as the case may be, a statement certifying that (i) this Lease is unmodified and in full force and effect (or, if there have been any modifications, that the same is in full force and effect as modified and stating the modifications), (ii) the dates to which the Rent has been paid, and that no additional rent or other payments are due under this Lease (or if additional rent or other payments are due, the nature and amount of the same), and (iii) whether there exists any uncured default by the other party, or any defense, offset, or counterclaim against the other party, and, if so, the nature of such default, defense, offset or counterclaim.

XV.9 **Recordation.** Simultaneously with the delivery of the Lease the parties have delivered a memorandum, notice or short-form of this Lease or this Lease which Tenant shall record in the appropriate office of the Public Records of Miami-Dade County. If this Lease is terminated before the Term expires, the parties shall execute, deliver and record an instrument acknowledging such fact and the date of termination of this Lease.

XV.10 **Notice.** Any notice, request, demand, consent, approval, or other communication required or permitted under this Lease shall be in writing, may be delivered on behalf of a party by such party's counsel, and shall be deemed given when received, if (i) delivered by hand, (ii) sent by registered or certified mail, return receipt requested, or (iii) sent by recognized overnight delivery service such as Federal Express, addressed as follows:

**If to the Landlord:**

[ ]

[ ]

[ ]

[ ]

Attn: [ ]

**and a copy to:**

[ ]

[ ]

[ ]

[ ]

**If to Tenant:**

RUDG, LLC  
2850 Tigertail Avenue, 7th Floor  
Miami, FL 33133  
Attn: Alberto Milo, Jr.

**and a copy to:**

Bilzin Sumberg Baena Price & Axelrod LLP  
1450 Brickell Avenue, 23rd Floor  
Miami, FL 33131  
Attention: Terry M. Lovell, Esq.

A party may change its address by giving written notice to the other party as specified herein.

XV.11 **Entire Agreement.** This instrument contains all the agreements made between the parties hereto and may not be modified in any other manner than by an instrument in writing executed by the parties or their respective successors in interest.

XV.12 **Amendment.** This Lease may be amended by mutual agreement of Landlord and Tenant, provided that all amendments must be in writing and signed by both parties and that no amendment shall impair the obligations of Tenant to develop and operate the Premises. Tenant and Landlord hereby expressly stipulate and agree that, they will not modify this Lease in any way nor cancel or terminate this Lease by mutual agreement nor will Tenant surrender its interest in this Lease, including but not limited to pursuant to the provisions of Section VI.3, without the prior written consent of all Permitted Leasehold Mortgagees and, following the admission of the Investor, the Tenant's Investor. No amendment to or termination of this Lease shall become effective without all such required consents. Tenant and Landlord further agree that they will not, respectively, take advantage of any provisions of the United States Bankruptcy Code that would result in a termination of this Lease or make it unenforceable.

XV.13 **Governing Law, Forum, and Jurisdiction.** This Lease shall be governed and construed in accordance with the laws of the State of Florida. Any dispute arising from this Lease or the contractual relationship between the Parties shall be decided solely and exclusively by State or Federal courts located in Miami-Dade County, Florida.

XV.14 **Relationship of Parties; No Third Party Beneficiary.** The parties hereto expressly declare that, in connection with the activities and operations contemplated by this Lease, they are neither partners nor joint venturers, nor does a principal/agent relationship exist between them.

XV.15 **Access.** Tenant agrees to grant a right of access to the Landlord or any of its authorized representatives, with respect to any books, documents, papers, or other records related to this Lease in order to make audits, examinations, excerpts, and transcripts until 3 years after the termination date of this Lease.

XV.16 **Radon Gas.** 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 your county public health unit.

XV.17 **Non-Merger**. Except upon expiration of the Term or upon termination of this Lease pursuant to an express right of termination set forth herein, there shall be no merger of either this Lease or Tenant's estate created hereunder with the fee estate of the Premises or any part thereof by reason of the fact that the same person may acquire, own or hold, directly or indirectly, (a) this Lease, Tenant's estate created hereunder or any interest in this Lease or Tenant's estate (including the Improvements), and (b) the fee estate in the Premises or any part thereof or any interest in such fee estate (including the Improvements), unless and until all persons, including any assignee of Landlord and, having an interest in (i) this Lease or Tenant's estate created hereunder, and (ii) the fee estate in the Premises or any part thereof, shall join in a written instrument effecting such merger and shall duly record the same.

**(SIGNATURES ON FOLLOWING PAGE)**

IN WITNESS WHEREOF, the parties or their duly authorized representatives hereby execute this Agreement on the date first written above.

**LANDLORD:**

**THE SCHOOL BOARD OF MIAMI-DADE COUNTY**

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

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

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

STATE OF \_\_\_\_\_ )  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me by means of  physical presence or  online notarization, this \_\_\_\_\_ day of \_\_\_\_\_, 2026, by \_\_\_\_\_ as \_\_\_\_\_ for The School Board of Miami-Dade County.

(Seal)

\_\_\_\_\_  
Notary Public, State of \_\_\_\_\_

\_\_\_\_\_  
Print, Type or Stamp Name

- Personally Known OR
- Produced Identification

Type of Identification: \_\_\_\_\_

**TENANT:**

**RUDG, LLC**, a Florida limited liability company

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

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

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

STATE OF \_\_\_\_\_ )  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me by means of  physical presence or  online notarization, this \_\_\_\_\_ day of \_\_\_\_\_, 2026, by \_\_\_\_\_ as \_\_\_\_\_ for RUDG, LLC, a Florida limited liability company.

(Seal)

\_\_\_\_\_  
Notary Public, State of \_\_\_\_\_

\_\_\_\_\_  
Print, Type or Stamp Name

Personally Known OR  
 Produced Identification

Type of Identification: \_\_\_\_\_

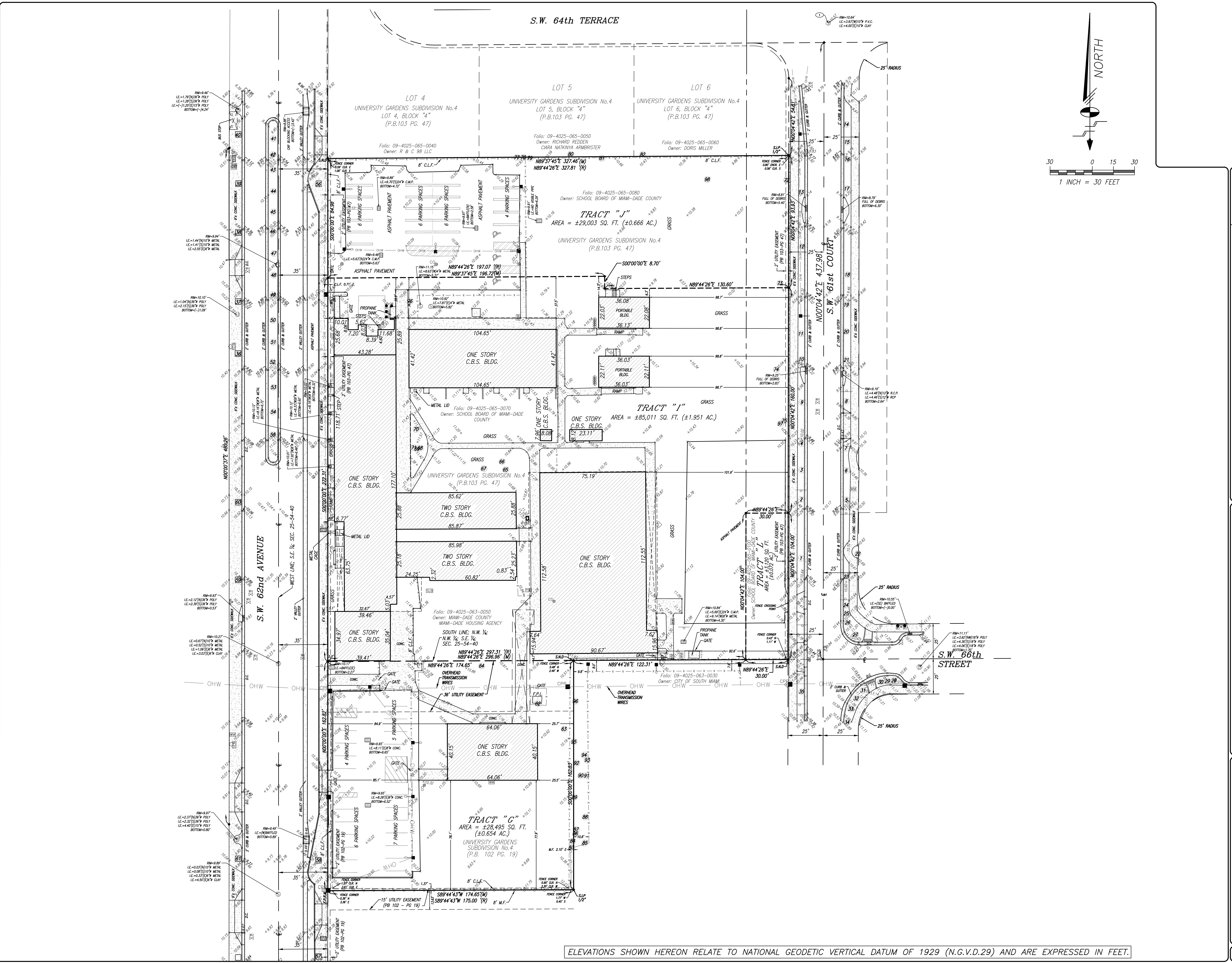
**EXHIBIT A**

**LAND**

**LEGAL DESCRIPTION:**



- GENERAL LEGEND:**
- ▲ AERIAL TARGET
  - ALUMINUM LIGHT POST
  - ALUMINUM LIGHT POST (SINGLE)
  - ALUMINUM LIGHT POST (DOUBLE)
  - ALUMINUM LIGHT POST (TRIPLE)
  - ALUMINUM LIGHT POST (QUAD)
  - ANCHOR/GUY WIRE
  - BACKFLOW PREVENTER ASSEMBLY
  - CABLE TELEVISION BOX
  - CATCH BASIN
  - CATCH BASIN F-3
  - CENTERLINE
  - CHECK VALVE ASSEMBLY
  - COLUMN (CIRCULAR)
  - COLUMN (SQUARE)
  - CONCRETE LIGHT POLE
  - CONCRETE LIGHT POLE (DOUBLE)
  - CONCRETE POWER POLE
  - CONTROL POINT
  - COMMUNICATION PULL BOX
  - CURB INLET
  - DOUBLE DETECTOR CHECK VALVE
  - DRAIN (CIRCULAR OR SQUARE)
  - ELECTRIC BOX (ABOVE GROUND)
  - ELECTRIC BOX (BELOW GROUND)
  - ELECTRIC HAND HOLE
  - ELECTRIC OUTLET
  - ELEVATIONS (SEE NOTES FOR DATUM)
  - FIRE HYDRANT
  - FIRE LINE SWAGE CONNECTION
  - FIRE LINE CONNECTION
  - FLAGPOLE
  - FLOW LINE
  - FORCE MAIN MANHOLE
  - FORCE MAIN VALVE
  - F.P.L. ELECTRIC MANHOLE
  - F.P.L. FIBER NETWORK
  - F.P.L. TRANSMISSION POLE
  - GAS MANHOLE
  - GAS METER
  - GAS VALVE
  - GREASE TRAP MANHOLE
  - GROUND LIGHTING
  - GUARD POST, BOLLARD
  - IRRIGATION HAND HOLE
  - IRRIGATION VALVE
  - MAILBOX
  - MONITOR WELL
  - MONUMENT LINE
  - P-5 INLET
  - P-6 INLET
  - PARKING METER
  - PEDESTRIAN CROSSING SIGNAL
  - PERMANENT REFERENCE MONUMENT
  - POST INDICATOR VALVE
  - VACUUM BREAKER ASSEMBLY
  - PROPERTY LINE
  - ROUND CATCH BASIN
  - SANITARY SEWER CLEANOUT
  - SANITARY SEWER MANHOLE
  - SIGN POST
  - SPRINKLER PUMP
  - STANDPIPE
  - STORM SEWER MANHOLE
  - STREET LIGHT BOX
  - SWALE INLET
  - TELEPHONE BOX (SOUTHERN BELL)
  - TELEPHONE HAND HOLE
  - TELEPHONE MANHOLE (SO. BELL)
  - TELEPHONE PARAPHONE
  - TRAFFIC HAND HOLE
  - TRAFFIC UTILITY BOX
  - TRAFFIC CONTROL POST
  - TRAFFIC SIGNAL POST
  - TRAFFIC SIGNAL BOX
  - TREE & PALM
  - UNDERGROUND UTILITY MARKER
  - UNKNOWN UTILITY MANHOLE
  - UNKNOWN UTILITY HAND HOLE
  - WATER MANHOLE
  - WATER METER
  - WATER VALVE
  - WOOD LIGHT POLE
  - WOOD POWER POLE
  - WOOD TELEPHONE POLE
  - HANDICAP PARKING
  - STROLLER PARKING
- ABBREVIATIONS:**
- R denotes RADIUS
  - A denotes DELTA ANGLE
  - CH.D. denotes ARC DISTANCE
  - CH.L. denotes CHORD LENGTH or CHORD DISTANCE
  - CH.B. denotes CHORD BEARING
  - T denotes TANGENT DISTANCE
  - P.C.P. denotes PERMANENT CONTROL POINT
  - P.M.M. denotes PERMANENT REFERENCE MONUMENT
  - F.B. denotes FLAT BOOK
  - P.C. denotes POINT OF COMMENCEMENT
  - P.O.B. denotes POINT OF BEGINNING
  - O.M. denotes OVERHEAD UTILITY WIRES
  - O.P.B. denotes OPTICAL RECORDS BOOK
  - P.C. denotes POINT OF CURVATURE
  - C.B.S. denotes CONCRETE BLOCK STRUCTURE
  - CONC. denotes CONCRETE
  - C.L.F. denotes CHAIN LINK FENCE
  - M.F. denotes METAL FENCE
  - W.F. denotes WOOD FENCE
  - F.F.E. denotes FROTH FLOOR ELEVATION
  - F.P. denotes FOUND FOOTING
  - S.I.P. denotes SET 1/2" IRON PIPE & LB-87 CAP
  - S.I.R. denotes SET 1/2" REBAR & LB-87 CAP
  - F.A.D. denotes FOUND NAIL & BRASS DISC
  - S.A.D. denotes SET LB-87 NAIL & BRASS DISC
  - C.I.P. denotes CORRUGATED IRON PIPE
  - CONC. denotes CONCRETE
  - E.T.P. denotes ELECTRIC TRANSFORMER PAD
  - ENC. denotes ENCROACHMENT
  - D.C. denotes DEPRESSURED CURB
  - PL. denotes PLANTER
  - (C) denotes CALCULATE DISTANCE
  - IL. denotes INVERT ELEVATION
  - T.O.M. denotes TOP OF MOUND
  - T.O.P. denotes TOP OF PIPE
  - (D) denotes DEED DISTANCE
  - (L) denotes DISTANCE BY LEGAL DESCRIPTION
  - (M) denotes MEASURED DISTANCE
  - (R) denotes RECORD OR PLATTED DISTANCE
  - BOTTOM — APPROXIMATE BOTTOM OF SLOPE
  - COMM — COMMUNICATION
  - DRAIN — DRAIN
  - DIST — DISTANCE
  - ELEC — ELECTRIC
  - FM — FORCE MAIN
  - IRRIG — IRRIGATION
  - GAS — NATURAL GAS
  - OHW — OVERHEAD WIRES
  - SM — SANITARY SEWER
  - TOP — APPROXIMATE TOP OF BANK
  - VEG — VEGETATION LINE
  - W — WATER
  - / — LIMITED ACCESS RIGHT OF WAY LINE



**BOUNDARY SURVEY**

Section 25, Township 54 South, Range 40 East, Miami-Dade County, Florida

**Schuelke - Sheskin & Associates, Inc.**  
 LAND PLANNERS & ENGINEERS  
 3240 CORPORATE WAY, MIAMI, FLORIDA 33135  
 TEL: (305) 435-7010 FAX: (305) 438-3388

Certificate of Authorization No. LB-87  
 M.S.L. Date: 04/19/23  
 Survey Date: 04/19/23  
 Order No. 216663  
 E.B. No.: 2307  
 F.B. No.: Pg 15/25  
 Scale: AS SHOWN  
 Checked By: AS SHOWN  
 Sheet 2 of 2  
 File No. AJ-6257

NOTE: This sketch is not valid unless it bears the signature and the original raised seal of a Florida licensed surveyor and mapper.

This is a "Boundary Survey."

**REVISIONS**

No.	Date	By	Remarks

FILE NO. **AJ-6257**

## EXHIBIT B

### INSURANCE REQUIREMENTS

(a) Prior to the commencement of construction by Tenant, Tenant shall furnish an “**All Risk Builder’s Risk Completed Value Form**” policy for the full completed insurable value of the Premises in form satisfactory to Landlord.

(b) The Tenant shall furnish to the Vendor Assistance Section, Department of Procurement Management, Administration Division, 111 NW 1st Street, Suite 1300, Miami, Florida 33128, Certificate(s) of Insurance which indicate that insurance coverage has been obtained which meets the requirements as outlined below:

A. Worker’s Compensation Insurance for all employees of the vendor as required by Florida Statute 440.

B. Commercial General Liability Insurance in an amount not less than \$1,000,000 per occurrence, and \$2,000,000 in the aggregate, not to exclude Explosion Collapse and Underground Hazards and Products and Completed Operations. **The School Board of Miami-Dade County must be shown as an additional insured with respect to this coverage.**

C. Automobile Liability Insurance covering all owned, non-owned and hired vehicles used in connection with the work, in an amount not less than \$1,000,000 combined single limit per occurrence for bodily injury and property damage.

D. Professional Liability or Errors & Omissions insurance covering architectural and/or engineering project design, construction supervision, administration and any related professional qualifications or functions required by the project from the Tenant or the licensed design professional in an amount not less than \$2,000,000 per claim.

E. Completed Value Builders’ Risk Insurance on an “**all risk**” basis in an amount not less than one hundred (100%) percent of the completed value of the building(s) or structure(s). The policy shall be in the name of The School Board of Miami-Dade County and the Contractor.

F. Umbrella Liability Insurance in an amount not less than \$5,000,000 per occurrence. If Excess Liability is provided must be on a follow form basis.

G. Pollution Liability insurance, in an amount not less than \$1,000,000 covering third party claims, remediation expenses, and legal defense expenses arising from on-site and off-site loss, or expense or claim related to the release or threatened release of Hazardous Materials that result in contamination or degradation of the environment and surrounding ecosystems, and/or cause injury to humans and their economic interest.

H. Property Insurance on an “**All Risk**” basis including Windstorm & Hail coverage in an amount not less than one hundred (100%) percent of the replacement cost of the building(s). The School Board of Miami-Dade County must be shown as a Loss Payee A.T.I.M.A. with respect to this coverage.

I. Flood Insurance coverage shall be provided for properties located within a flood hazard zone, in an amount not less than the full replacement value(s) of the completed structure(s) or the maximum amount of coverage available through the National Flood Insurance Program (“**NFIP**”) whichever is greater. The School Board of Miami-Dade County must be shown as a Loss Payee A.T.I.M.A. with respect to this coverage.

Excess/Umbrella Liability may be used to supplement minimum liability coverage requirements. Follow form basis is required if providing Excess Liability.

All insurance policies required above shall be issued by companies authorized to do business under the laws of the State of Florida, with the following qualifications:

The company must be rated no less than “**A-**” as to management, and no less than “**Class VII**” as to financial strength by Best’s Insurance Guide, published by A.M. Best Company, Oldwick, New Jersey, or its equivalent, subject to the approval of the Landlord Risk Management Division.

**or**

The company must hold a valid Florida Certificate of Authority as shown in the latest “List of All Insurance Companies Authorized or Approved to Do Business in Florida” issued by the State of Florida Department of Financial Services.

Certificates will indicate no modification or change in insurance shall be made without thirty (30) days in advance notice to the certificate holder.

**CERTIFICATE HOLDER MUST READ:** [ \_\_\_\_\_ ]  
[ \_\_\_\_\_ ]  
[ \_\_\_\_\_ ]  
[ \_\_\_\_\_ ]

Compliance with the foregoing requirements shall not relieve Tenant of their liability and obligation under this section or under any other section of this agreement

Execution of this Lease is contingent upon the receipt of the insurance documents, as required, within fifteen (15) calendar days after Landlord’s notification to Tenant to comply before the award is made. If the insurance certificate is received within the specified time frame but not in the manner prescribed in this Lease, the Tenant shall be verbally notified of such deficiency and shall have an additional five (5) calendar days to submit a corrected certificate to the Landlord. If the Tenant fails to submit the required insurance documents in the manner prescribed in this Lease within twenty (20) calendar days after Landlord’s notification to comply, it shall be an Event of Default pursuant to the Lease.

The Tenant shall be responsible for assuring that the insurance certificates required in conjunction with this Exhibit remain in force for the duration of the Term of the Lease, including any and all option years or extension periods that may be granted by the Landlord. If insurance certificates are scheduled to expire during the Term, the Tenant shall be responsible for submitting new or renewed insurance certificates to the Landlord at a minimum of thirty (30) calendar days in advance of such expiration. In the event that expired certificates are not replaced with new or renewed certificates which cover the contractual period, the Landlord shall provide thirty (30) days written notice to Tenant to cure the noncompliance. In the event Tenant does not replace the expired certificates with new or renewed certificates which cover the contractual period, it shall be an Event of Default pursuant to the Lease.

(c) The Tenant agrees to cooperate with the Landlord in obtaining the benefits of any insurance or other proceeds lawfully or equitably payable to the Landlord in connection with this Lease.

(d) The “***All Risk Builder’s Risk Completed Value Form***” policy with respect to the Premises shall be converted to an “***all risk***” or comprehensive insurance policy upon completion of the Improvements, naming Landlord as an additional insured thereunder and shall insure the Project in an amount not less than the full insurable replacement value of the Premises. The Tenant hereby agrees that all insurance proceeds from the All Risk Builder Risk Completed Value Form policy (or if converted, the “***all risk***” or comprehensive policy) shall be used to restore, replace or rebuild the Improvements, if the Tenant determines that it is in its best interest to do so, subject to the requirements of any approved mortgage lien holder’s rights secured against the Premises and subject further to the terms of Article VI of the Lease.

(e) All such insurance policies shall contain (i) an agreement by the insurer that it will not cancel the policy without delivering prior written notice of cancellation to each named insured and loss payee thirty (30) days prior to canceling the insurance policy; and (ii) endorsements that the rights of the named insured(s) to receive and collect the insurance proceeds under the policies shall not be diminished because of any additional insurance coverage carried by the Tenant for its own account.

(f) If the Premises is located in a federally designated flood plain, an acceptable flood insurance policy shall also be delivered to the Landlord, providing coverage in the maximum amount reasonable necessary to insure against the risk of loss from damage to the Premises caused by a flood.

(g) Neither the Landlord nor the Tenant shall be liable to the other (or to any insurance company insuring the other party), for payment of losses insured by insurance policies benefiting the parties suffering such loss or damage, even though such loss or damage might have been caused by the negligence of the other party, its agents or employees.

**PARTICIPATION AND REVENUE SHARING AGREEMENT**  
**J.R.E. Lee Redevelopment Project**

THIS PARTICIPATION AND REVENUE SHARING AGREEMENT (the “Agreement”) is made as of \_\_\_\_\_, 2026 (the “Effective Date”), by and among RUDG, LLC, a Florida limited liability company or its affiliate (the “Developer”), TRG Management Company LLP, or such affiliated property management entity designated pursuant to the Master Development Agreement (the “Manager”), and THE SCHOOL BOARD OF MIAMI-DADE COUNTY, a political subdivision of the State of Florida (“MDCPS”).

**RECITALS**

A. MDCPS and Developer have entered into that certain Master Development Agreement dated \_\_\_\_\_, 2026 (the “MDA”) and that certain 99-Year Ground Lease dated \_\_\_\_\_, 2026 (the “Ground Lease”) relating to the redevelopment of the former J.R.E. Lee Education Center property located at 6521 SW 62 Avenue, South Miami, Florida (the “Project”).

B. Pursuant to the Ground Lease, MDCPS retains fee simple ownership of the land and has granted Developer a long-term leasehold interest for the purpose of developing and operating the Project.

C. Section 5 of the MDA provides that MDCPS shall receive certain economic participation payments derived from Developer fees and distributable cash flow as contractual consideration for MDCPS’s contribution of the land and participation in the transaction structure.

D. The parties desire to memorialize the payment mechanism for such participation in a separate agreement consistent with the MDA and structured to preserve the Project’s financing, tax-exempt bond, and Low-Income Housing Tax Credit (“LIHTC”) requirements.

NOW, THEREFORE, the parties agree as follows:

1. Nature and Purpose of Agreement

(a) This Agreement establishes MDCPS’s contractual right to receive certain economic participation payments in connection with the Project.

(b) MDCPS is not retained to provide consulting, advisory, development, management, leasing, architectural, construction, brokerage, or financing services. MDCPS shall have no operational or management authority over the Owner Entity, as defined in the MDA, or the Project except as expressly set forth in the MDA and Ground Lease.

(c) The payments described herein constitute contractual economic consideration for MDCPS’s contribution of the land and execution of the Ground Lease and MDA and are not intended to create:

- An equity interest
- A partnership interest
- A joint venture
- A membership interest
- A capital account
- Voting or management rights
- Any ownership interest in the Owner Entity or Project

## 2. Developer Fee Participation

(a) Developer shall pay to MDCPS an amount equal to twelve and one-half percent (12.5%) of the total Developer Fee actually earned and received by Developer or its affiliate in connection with the Project, as defined in the MDA.

(b) MDCPS's share of the Developer Fee shall be paid pari passu with and at the same time as Developer receives payment of the Developer Fee.

(c) MDCPS shall not be entitled to any portion of a Developer Fee that is deferred and not ultimately paid.

## 3. Cash Flow Revenue Participation

(a) Beginning in the first full fiscal year following Stabilization (as defined in the MDA), Manager shall pay to MDCPS an amount equal to twelve and one-half percent (12.5%) of available distributable cash flow actually distributed by the Owner Entity to its managing member.

(b) "Distributable cash flow" means net cash remaining after payment of:

- Operating expenses
- Required reserves
- Debt service
- Deferred Developer Fees

(c) Payments under this Section shall be made solely from current-year distributions actually received by Manager from the Owner Entity. No payment shall accrue, compound, or become payable in any year in which no distributable cash flow is distributed.

(d) Such payment shall be made within one hundred twenty (120) days following the end of the Project's fiscal year.

## 4. Residual and Refinance Participation

Upon any sale, refinance, cash-out transaction, or LIHTC resyndication involving the leasehold estate, MDCPS shall receive twelve and one-half percent (12.5%) of the managing member's net proceeds as defined in and subject to Section 5 of the MDA.

## 5. Subordination to Financing and Tax Requirements

(a) This Agreement and all payments hereunder are subordinate to:

- All mortgage loan documents
- Bond documents
- LIHTC partnership agreements
- Investor operating agreements
- Regulatory agreements

(b) Nothing herein shall:

- Interfere with LIHTC compliance
- Affect eligible basis calculations
- Create a lien on the Project
- Create an ownership interest in the Owner Entity
- Impair lender or investor rights

(c) The parties acknowledge that this Agreement is structured to preserve the Project's tax-exempt bond financing and LIHTC structure and shall be interpreted consistently therewith.

## 6. No Development or Financial Obligations of MDCPS

MDCPS shall have no responsibility for:

- Development financing
- Construction costs
- Operating deficits
- Debt repayment
- Guaranties
- Capital contributions
- Management or leasing operations

## 7. School Operations and Programming Rights

(a) Education Facility Operations

MDCPS shall have sole and exclusive responsibility for all educational programming, staffing, operations, and activities conducted within the Education Facility. Upon delivery of the Education Facility pursuant to the Ground Lease and applicable sublease, MDCPS shall control and operate the facility for District educational and programmatic purposes, including but not limited to parent academy programming, special needs testing, instructional support services, and other District-approved uses.

Nothing contained herein shall obligate MDCPS to operate any specific program, provided that MDCPS shall operate the Education Facility in a manner consistent with the requirements

applicable to a “community service facility” under Section 42 of the Internal Revenue Code, as contemplated in the MDA and Ground Lease.

(b) Commercial Component Programming Input

To the extent MDCPS elects to utilize all or a portion of the Commercial Component for District purposes, MDCPS shall have responsibility for programming and operation of such space pursuant to separate occupancy or use agreements.

If MDCPS elects not to occupy all or a portion of the Commercial Component, MDCPS shall have the right to review and provide input regarding the types of programming, services, or tenants proposed for such space, in order to ensure compatibility with the educational mission and community character of the Project. Such input shall be advisory in nature and shall not create operational control over the Owner Entity or its leasing functions, except as otherwise expressly provided in the Ground Lease.

(c) Build-Out Coordination

MDCPS shall have the right to review and provide reasonable input regarding the design and build-out of the Education Facility and any District-occupied Commercial Component space to ensure suitability for intended District uses. Such review and input shall be consistent with the approval rights set forth in the MDA and Ground Lease and shall not impose development management obligations on MDCPS.

(d) Workforce Housing Preference for MDCPS Employees.

Developer shall cooperate with MDCPS to establish a program to offer priority on leasing applications for available workforce-restricted housing units to qualified income-eligible applicants in the following order: 1) eligible Miami-Dade County Public Schools employees, and 2) all other applicants. Developer shall implement a plan that includes policies and procedures for the administration of the workforce-restricted housing units to include: 1) the identification and verification of priority applicants, 2) the maintenance of waiting lists, 3) communication, advertising, and marketing of available workforce-restricted housing units, and 4) lease renewals, subject to MDCPS’s approval of the plan, such approval not to be unreasonably withheld, conditioned or delayed.

(e) No Assumption of Development Responsibility

The rights described in this Section are limited to operational control of District-occupied space and advisory coordination regarding programming compatibility. Nothing herein shall be construed to transfer to MDCPS any responsibility for development, construction, financing, leasing, or management of the Residential Component or the Owner Entity.

8. No Partnership; Independent Status

Nothing contained herein shall be construed to create a partnership, joint venture, agency, fiduciary relationship, or joint enterprise between the parties.

MDCPS shall not share in Project losses and shall not be obligated to contribute capital.

#### 9. Term

This Agreement shall remain in full force and effect for the duration of the Ground Lease, unless earlier terminated in accordance with the MDA; provided, however, that in the event the Ground Lease is bifurcated, amended, modified, restated, or otherwise restructured, this Agreement shall continue in full force and effect and shall apply to the Ground Lease as so bifurcated, amended, modified, restated, or restructured.

#### 10. Incorporation of MDA

Section 5 of the Master Development Agreement is incorporated herein by reference. In the event of any inconsistency, the MDA shall control.

#### 11. Amendment

This Agreement may be amended only by written instrument executed by all parties.

#### SIGNATURES

DEVELOPER:  
RUDG, LLC

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

MANAGER:  
TRG Management Company LLP or such affiliate of Developer serving as managing member of the Owner Entity pursuant to the Master Development Agreement (the 'Manager')."

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

MDCPS:  
THE SCHOOL BOARD OF MIAMI-DADE COUNTY

By: \_\_\_\_\_  
Dr. Jose L. Dotres  
Superintendent of Schools