

RESOLUTION NO. R-2016-06

A RESOLUTION OF THE HOUSING FINANCE AUTHORITY OF PALM BEACH COUNTY, FLORIDA; APPROVING THE APPLICATION FOR FINANCING SUBMITTED BY THE WEST PALM BEACH HOUSING AUTHORITY; APPROVING A REVOLVING LOAN TO THE WEST PALM BEACH COUNTY HOUSING AUTHORITY IN THE FORM OF A LINE OF CREDIT IN AN AMOUNT NOT TO EXCEED \$250,000; APPROVING THE FORM OF AND AUTHORIZING ENTERING INTO A MASTER LINE OF CREDIT AGREEMENT WITH THE WEST PALM HOUSING AUTHORITY; AUTHORIZING ENTERING INTO PROJECT LOAN AGREEMENTS AND OTHER LOAN DOCUMENTS CONSISTENT WITH THE MASTER LINE OF CREDIT AGREEMENT; AUTHORIZING THE PROPER OFFICERS OF THE AUTHORITY TO DO ALL THINGS NECESSARY OR ADVISABLE IN CONNECTION THEREWITH; AND PROVIDING AN EFFECTIVE DATE FOR THIS RESOLUTION.

WHEREAS, the Board of County Commissioners of Palm Beach County, Florida (the “Board”), has heretofore enacted an ordinance, as amended, creating the Housing Finance Authority of Palm Beach County, Florida (the “**Authority**”), pursuant to the provisions of Part IV of Chapter 159, Florida Statutes, as amended and supplemented (the “**Act**”); and

WHEREAS, the Board has heretofore adopted a resolution declaring a need for the Authority to function in order to alleviate the shortage of housing and capital for investment in housing within Palm Beach County, Florida (the “**County**”); and

WHEREAS, the West Palm Beach Housing Authority (the “the Applicant”) has submitted an application (the “**Application**”) to the Authority for a revolving loan from the Authority’s Surplus Funds in the form of line of credit in the aggregate principal amount not to exceed \$500,000 (the “**Loan**”) to finance the Projects, as described in the Application and in the Master Line of Credit Agreement between the Applicant and the Authority attached as Exhibit “A” hereto;

WHEREAS, based upon the Application and subject to further review and analysis, the Authority has determined that the Projects constitutes Eligible Housing within the meaning of the Authority’s policies and procedures for the use of surplus funds (“**Surplus Funds Policy**”); and

WHEREAS, the Authority wishes to enter into certain agreements with the Applicant with respect to its consideration of the Applicant's request for a Loan from the Authority's Surplus Funds and the financing of the Projects.

NOW, THEREFORE, BE IT RESOLVED BY THE HOUSING FINANCE AUTHORITY OF PALM BEACH COUNTY, FLORIDA:

Section 1: Recitals. The foregoing recitals stated above are hereby found by the Authority to be true and correct and incorporated into this Resolution.

Section 2: Approval of Application. The Authority approves the Application attached hereto as Exhibit "A," in consideration of the Applicant's creditworthiness, experience and prior financings with the Authority, and the nature of the Projects to be funded with the proceeds of the Loan.

Section 3: Approval of Revolving Loan. The Authority hereby approves the making of a revolving loan to Applicant in an aggregate principal amount of not to exceed \$250,000 (the "**Loan**") to finance the Projects, as described in the hereinafter defined Master Agreement.

Section 4: Approval and Execution of Master Agreement. The Authority is hereby authorized to enter into a Master Line of Credit Agreement with the Applicant in substantially the form attached as Exhibit "B" hereto (the "**Master Agreement**"). The Chairperson or, in the Chairperson's absence, any other member of the Authority, is hereby authorized to execute and deliver the Master Agreement, the execution thereof by the Authority being conclusive evidence of the approval of the form of such Master Agreement.

Section 5: Authority to Enter into Project Loan Agreements and Other Loan Documents. The terms of the financing for each Project will be as provided by the Master Agreement, with the specific terms to be evidenced by a Project Loan Agreement between the Authority and the Applicant (the "Project Loan Agreements"). The Authority is authorized to enter

into Project Loan Agreements and such other loan documents with the Applicant as are usual and customary for a revolving loan of this type, so long as such documents are consistent with the provisions of the Master Agreement. Such documents shall be in such form as may be approved by the Executive Director and of the Authority and general counsel to the Authority, and the Executive Director is hereby authorized and directed to execute and deliver any such documents on behalf of the Authority.

Section 6: No Other Rights Conferred. Except as herein otherwise expressly provided, nothing in this Resolution or in the agreements approved hereby, expressed or implied, is intended or shall be construed to confer upon any person or firm or corporation other than the Authority or the Applicant, any right, remedy or claim, legal or equitable, under and by reason of this Resolution or such agreements, or any other agreements to which the Authority is a party and which have been approved by the Authority or any provision thereof; this Resolution, such agreements and all of their respective provisions being intended to be and being for the sole and exclusive benefit of the Authority and the Applicant.

Section 7: Severability. In case any one or more of the provisions of this Resolution, or of agreements approved hereby or any other agreements to which the Authority is a party and which have been approved by the Authority, shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any of the other provisions of this Resolution or of such agreements.

Section 8: Further Actions; Effectiveness of Approval. The Chairperson, the Vice Chairperson, the Secretary of the Authority and the other members of the Authority, the Executive Director of the Authority and the Authority's general counsel, are hereby authorized and directed to do all acts and things required of them by the provisions of the this Resolution, the agreements herein approved or any other agreements to which the Authority is a party and which have been approved by the Authority.

Section 9: Headings Not Part of this Resolution. Any headings preceding the texts of the several sections of this Resolution shall be solely for convenience of reference and shall not form a part of this Resolution, nor shall they affect its meaning, construction or effect.

Section 10: Resolution Effective. This Resolution shall take effect immediately upon its adoption.

ADOPTED this ____ day of November, 2016.

(SEAL)

**HOUSING FINANCE AUTHORITY OF
PALM BEACH COUNTY, FLORIDA**

ATTEST:

By: _____
Name: Charles V. St. Lawrence
Title: Chairperson

By: _____
Name: Robin B. Henderson
Title: Secretary

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY

By: _____
Name: Morris G. (Skip) Miller, Esq.
Title: Attorney

EXHIBIT "A"
APPLICATION

EXHIBIT "B"

MASTER LINE OF CREDIT AGREEMENT

MASTER LINE OF CREDIT AGREEMENT

THIS MASTER LINE OF CREDIT AGREEMENT, dated as of the ____ day of November, 2016 (the “Agreement”), is made by and between the **WEST PALM BEACH HOUSING AUTHORITY**, a public body corporate and politic organized and existing under the laws of the State of Florida (the “Borrower”) with its principal place of business located at 1713 N. Dixie Highway, West Palm Beach, Florida 33407 and the **HOUSING FINANCE AUTHORITY OF PALM BEACH COUNTY, FLORIDA**, a public body corporate and political entity organized and existing under the laws of the State of Florida (the “Lender”) with its principal place of business located at 100 Australian Avenue, Suite 410, West Palm Beach, Florida 33406.

RECITALS:

A. The Borrower has applied to the Lender for a revolving loan in the form of a line a credit authorizing the Borrower to borrow up to an aggregate principal sum of \$250,000, or such larger amount as approved by subsequent action of the board of Lender (the “Line of Credit”), to be advanced by the Lender pursuant to the terms hereof.

B. The Lender will make loans to Borrower from time to time (each, a “Loan” and collectively, the “Loans”) upon satisfaction by the Borrower of the requirements to be set forth herein and in a separate loan agreement relating to each Loan.

C. The Borrower will use the proceeds of each Loan to acquire, construct, renovate and/or equip single-family or multi-family residential units that will be occupied by “Eligible Persons” (as defined in Chapter 159, Part IV, Florida Statutes) or persons of such lesser income as may be required by the Lender, and to comply with the applicable ordinances, codes or statutes that govern the construction, renovation and equipping rehabilitation or reconstruction of single-family or multi-family residential units in the City of West Palm Beach, Florida (the “City”).

D. The boards of each of the Lender and the Borrower have approved the execution and delivery of this Agreement and have authorized their respective Executive Directors to execute and deliver Project Agreements and, in the case of the Borrower, Notes pursuant hereto.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Borrower and the Lender hereby agree as follows:

ARTICLE I

Definitions

1.1 For the purposes hereof:

(a) “Agreement” or “Master Line of Credit Agreement” shall mean this agreement between the Borrower and the Lender, as it may be amended or supplemented from time to time;

(b) “Costs” means the costs of each Project, as more specifically set forth in the Project Loan Agreement for such Project.

(c) “Default Condition” means the occurrence or existence of an event or condition which, upon the giving of notice or the passage of time, or both, would constitute an Event of Default;

(d) “Draw Request” means a written request for any advance of Loan proceeds for a Project, which shall be submitted for each requested advance as set forth in Section 2.3 hereof and in the Project Loan Agreement for such Project;

(e) “Event of Default” means an Event of Default as defined in Section 7.1 hereof;

(f) “Force Majeure” means strikes, lock-outs, riots or other labor troubles, unavailability of materials, a national emergency, any rule, order or regulation of Governmental Authorities, tornadoes, floods, hurricanes or other natural disasters, or other similar causes not within the Borrower’s control;

(g) “Governmental Authorities” means any governmental (including health and environmental) office, officer or official whose consent or approval is required as a prerequisite to the commencement of the construction of a Project or to the operation and occupancy of a Project or to the performance of any act or obligation or the observance of any agreement, provision or condition of whatsoever nature herein contained;

(h) “Loan Documents” means, with respect to a Project, this Agreement, the Project Loan Agreement for such Project, the Note for such Project and all other documents executed in connection herewith;

(i) “Note” or “Notes” means, with respect to each Loan, the Promissory Note or Notes of the Borrower dated as of the closing date of such Loan in favor of the Lender in the amount of the Loan as well as any promissory note or notes issued by the Borrower in substitution, replacement, extension, amendment or renewal of any such promissory note or notes;

(j) “Project” shall have the meaning assigned to such term in each Project Loan Agreement.

(k) “Project Loan Agreement” or “Project Loan Agreements” shall mean the agreement or agreements between the Borrower and the Lender setting forth the terms and conditions of each Loan, as such agreement or agreements may be amended or supplemented from time to time.

(l) “Vendors” means the General Contractor for the Project, and its sub-contractors or suppliers.

ARTICLE II

The Loans

2.1 Loan Terms

(a) General. Subject to the terms and conditions of this Agreement and each Project Loan Agreement, the Lender may lend and the Borrower may borrow up to an aggregate principal sum of \$250,000 or such larger amount as may be approved by subsequent action of the board of Lender. Upon written request of the Borrower, the Lender may, in its sole discretion, determine to make a Loan hereunder to the Borrower for a Project. Each borrowing shall be evidenced by a Note, and the terms and conditions applicable to such Loan shall be set forth in a Project Loan Agreement. A Note may be either revolving or non-revolving, as agreed upon by the Borrower and the Lender. Each Note shall be in substantially the form attached hereto as Exhibit A. Notes and Project Loan Agreements shall each be numbered “1” and upward, in chronological order.

(b) Interest. The principal balance outstanding on each Note from time to time shall bear interest at the rate of one percent (1%) per annum for Notes with a maturity of one year or less from the date of issuance, two percent (2%) per annum for Notes with a maturity of more than one year but not more than two years, and three percent (3%) per annum for Notes with a maturity of more than two years but not more than three years, calculated on an actual/365 day basis. Principal of and interest on each Loan shall be repayable at the times and in the manner set forth in the applicable Note.

2.2 Advances. The Lender agrees that it will from time to time as provided in each Project Loan Agreement, so long as there shall exist no Default Condition or Event of Default, advance proceeds of each Loan to the Borrower. Provided, that if after an Advance under a particular Note the principal amount outstanding under such Note will be more than \$100,000, the Borrower will provide the Lender with third party documentation satisfactory to the Lender that the Borrower is entitled to reimbursement for the amount requested; and provided, further, that if after an Advance under a particular Note the principal amount outstanding under such Note will be more than \$250,000, the Borrower will provide the Lender with a mortgage on the real property on which the applicable Project is located and evidence of title and priority of such mortgage acceptable to the Lender in its sole discretion.

2.3 Draw Requests. At least three (3) business days (or such shorter or longer period as may be agreed to by the Borrower and the Lender in a Project Loan Agreement) prior to each Loan advance requested by the Borrower, the Borrower must submit to the Lender a Draw Request, which shall include:

(a) A completed request for advance in the form attached hereto as Exhibit B (or in such format as is otherwise acceptable to the Lender) setting forth the amount of Loan proceeds desired, together with such certifications and additional information as the Lender

may require in its reasonable discretion, signed by the Executive Director or other authorized officer of the Borrower; and

(b) Such other documentation as may be required by the applicable Project Loan Agreement.

2.4 Advance Amount. Following receipt of a Draw Request, the Lender shall determine the amount of the advance it will make in accordance with requirements of the applicable Project Loan Agreement.

2.5 Deposit of Advances. All Loan advances shall be made by depositing same in the Borrower's account designated to the Lender, or in such other manner as is mutually acceptable to the Borrower and the Lender.

2.6 Option to Pay Vendors. If an Event of Default shall exist, at its option, the Lender may make Loan advances directly to the unpaid party providing the Cost for which payment is sought in the Draw Request, and the execution of this Agreement by the Borrower shall, and hereby does, constitute an irrevocable direction and authorization to so advance the funds. No further direction or authorization from the Borrower shall be necessary to warrant such direct advances.

ARTICLE III

Conditions Precedent to Closing and Advances

3.1 Periodic Advances. The Lender shall not be obligated to close on any Loan or to make the first Loan advance or any subsequent Loan advances until all of the conditions contained in this Agreement and the applicable Project Loan Agreement have been satisfied, all in form and substance reasonably satisfactory to the Lender and the Lender's counsel. Advances shall only be made for Costs.

ARTICLE IV

The Borrower's Covenants and Agreements

4.1 Payment. The Borrower will pay when due all sums owing to the Lender under the Notes, this Agreement, the Project Loan Agreements and the other Loan Documents and all sums advanced to Borrower.

4.2 Further Assurances. On demand of the Lender, the Borrower will do any act, or execute any additional documents reasonably required by the Lender to secure a Loan or to comply with the Loan Documents, including, but not limited to, additional financing statements or continuation statements, new or replacement notes and/or mortgages and agreements supplementing, extending or otherwise modifying a Note and/or Project Loan Agreement and certificates as to the amount of the indebtedness evidenced by the Note from time to time, to the extent that said demand does not place Borrower in default of any or its

existing notes, mortgages or agreements relating to the properties, and as otherwise only permitted by law.

4.3 Construction, Renovation and/or Equipping. The Borrower will begin construction of each Project as soon as practicable, and in any event, within thirty (30) days after the date of the applicable Project Loan Agreement; will continue conscientiously the construction, renovation and/or equipping of such Project which construction, renovation and/or equipping will be in compliance with all applicable laws at all times, will not discontinue or permit the discontinuance of work on a Project for as much as twenty (20) business days, except for Force Majeure causes, in which event construction of such Project may be discontinued for the length of such Force Majeure, but in no event for more than ninety (90) days and, in any event, will complete such Project, including installation of any required items of personalty in substantial compliance with the plans and specifications therefor, free and clear of liens or claims of liens for material supplied or for labor services performed in connection with the construction of such Project.

4.4 Payment of Vendors. The Borrower will advise the Lender in writing immediately if the Borrower receives any notice, written or oral, from any Vendor to the effect that said Vendor has not been paid for any services provided to the Borrower in connection with a Project, and the Borrower will deliver to the Lender on demand, any contracts, bills of sale, statements, receipted vouchers or agreements with such Vendors.

4.5 Fees and Expenses. Whether or not a Loan is made, or all Loan proceeds advanced, the Borrower agrees to pay all expenses (pre- and post-closing) reasonable in amount incurred by the Lender, or by the Borrower in order to meet the Lender's requirements, in connection with such Loan, including (without limitation) fees for appraisal, reappraisal, environmental assessments, survey, recording, filing, and title insurance, builder's risk and other insurance premiums, brokerage commissions and claims of brokerage, property taxes, intangible taxes, architect's fees and such legal fees as are reasonable in amount charged at attorneys' normal hourly rates without regard to the statutory presumption, incurred by the Lender in connection with the making of a Loan and the enforcement of the Lender's rights under the Loan Documents. Any such amounts paid by the Lender shall be deducted from the amount requested in the first requisition.

4.6 Preservation of Contracts. The Borrower will not, without prior written notification to the Lender, terminate or cancel its contracts or agreements with its general contractor for the providing of labor, services or materials in connection with the construction of a Project.

4.7 Use of Loan Funds. The Borrower shall use all Loan proceeds advanced to the Borrower solely in payment of costs incurred in connection with the corresponding Project, in accordance with the Cost Breakdown.

4.8 Insurance. The Borrower covenants to maintain at all times the following minimum insurance, or such greater insurance as may be required by a Project Loan Agreement:

- (a) General liability insurance with a minimum combined single limit of \$2,000,000; and
- (b) Workers compensation insurance as required by the laws of the State of Florida.

4.9 Taxes and Insurance. Upon the request of the Lender, the Borrower shall submit to the Lender such receipts and other statements which shall evidence, to the satisfaction of the Lender, that all taxes, assessments and insurance premiums have been paid in full.

4.10 Availability of Utilities. All utility services necessary for the construction of a Project and the operation thereof for their intended purposes are presently available, or will be available when needed, through presently existing public or unencumbered private easements or rights-of-ways, including but not limited to, water supply, storm and sanitary sewer, gas, electric and telephone facilities, and all such utilities are non-interruptible.

4.11 Hazardous Substances. The Borrower warrants and represents to the Lender that to the best of the Borrower's knowledge, that (i) any real property on which a Project is or will be located has not been, is not now being used and will not be used in violation of any federal, state or local environmental law, ordinance or regulation, (ii) no proceedings have been commenced, or notice(s) received, concerning any alleged violation of any such environmental law, ordinance or regulation and (iii) any real property on which a Project is or will be located is and will be free of hazardous or toxic substances and wastes, contaminants, oil, radioactive or other materials (including without limitation any asbestos containing materials) the removal of which is required or the maintenance of which is restricted, prohibited or penalized by any federal, state or local agency, authority or governmental unit. Except for materials necessary for the normal routine maintenance of a Project, which such materials shall be used in accordance with all applicable governmental laws, ordinances and regulations, the Borrower covenants that it shall not permit any such materials to be brought on to any real property on which a Project is or will be located, or if so brought or found located thereon, shall be immediately removed, with proper disposal, and all required environmental cleanup procedures shall be diligently undertaken pursuant to all such laws, ordinances and regulations.

The Borrower further represents and warrants that Borrower will promptly transmit to Lender copies of any citations, orders, notices or other material governmental or other communications received with respect to any hazardous materials, substances, wastes or other environmentally regulated substances affecting a Project. Borrower agrees to permit Lender, its agents, contractors and employees to enter and inspect any Project or any other of Borrower's places of business or any other property of Borrower at any reasonable time upon three (3) days prior notice for the purposes of conducting an environmental investigation and audit (including taking physical samples) to ensure that the Borrower is complying with its obligations under the within covenants and Borrower shall reimburse Lender on demand for the cost of any such environmental investigation and audit. Borrower shall provide Lender, its agents, contractors, employees and representatives with access to and copies of any and all data and documents relating to or dealing with any hazardous material used, generated, manufactured, stored or disposed of by Borrower's business operations within five (5) days of the request therefor.

To the maximum extent permitted by law and in the terms hereof, the Borrower agrees that it will reimburse the Lender for and hereby holds the Lender harmless from all fines or penalties made or levied against the Lender by any governmental agency or authority as a result of or in connection with (i) the use of any real property on which a Project is or will be located, (ii) the use of the facilities thereon, or (iii) the use, generation, storage, transportation, discharge, release or handling of any hazardous or toxic materials, wastes or substances (as such terms are defined by any applicable federal, state or local law), or any other material the use, generation, storage, transportation, discharge, release or handling of which is regulated by any federal, state or local statute, law, rule, regulation, ordinance or order at any time, or as a result of any release of any nature onto the ground or into the water or air from or upon the such real property at any time, and also agrees that it will reimburse the Lender for and indemnify and hold the Lender harmless from any and all costs, expenses, (including all reasonable attorneys' fees) and for all civil judgments or penalties incurred, entered, assessed, or levied against the Lender as a result of the Borrower's use of the Land or as a result of any release of any nature onto the ground or into the water or air by the Borrower from or upon such real property ("Environmental Indemnity"). Such reimbursement or indemnification shall include but not be limited to any and all judgments or penalties to recover the cost of cleanup of any such release by the Borrower from or upon such real property and all expenses incurred by the Lender as a result of such a civil action, including but not limited to reasonable attorneys' fees at trial and all appellate levels.

The Environmental Indemnity shall survive the repayment of the Loan.

4.12 Indebtedness. Except for indebtedness currently in existence as listed on Exhibit C hereto, the Borrower shall not contract, create, incur, assume or permit to exist any indebtedness secured by any Project or by real property on which a Project is or will be located unless said indebtedness is approved by Lender in writing.

4.13 Transfer of Assets. The Borrower shall not sell, lease, assign or otherwise dispose of or transfer any assets, except in the normal course of its business, or enter into any merger or consolidation, or transfer control or ownership of the Borrower.

4.14 Liens. The Borrower shall not grant, suffer or permit any contractual or non-contractual lien, on or security interest (other than Permitted Exceptions, as provided in each Project Loan Agreement) in any of its assets which serve as collateral for any of the Borrower's obligations to Lender, or fail to promptly pay when all due all lawful claims, whether for labor, materials or otherwise.

4.15 Good Standing. The Borrower shall maintain its existence, good standing and qualification to do business, where required and comply with all laws, regulations and governmental requirements including, without limitation, environmental laws applicable to it or any of its property, business operations and transactions.

4.16 Adverse Condition. The Borrower shall promptly advise Lender in writing of (i) any condition, event or act which comes to its attention that would or might materially adversely affect Borrower's financial condition or operation or Lender's rights under the Loan Documents, (ii) any litigation filed by or against Borrower that would materially adversely affect the Borrower's financial condition or operation or Lender's rights under the

Loan Documents, (iii) any event that has occurred that would constitute an Event of Default under any of the Loan Documents, and (iv) any material uninsured or partially uninsured loss through fire, theft, liability or property damage.

4.17 Tangible Personal Property. The Borrower shall maintain all of its tangible property in good condition and repair and make all necessary replacements thereof, and preserve and maintain all licenses, trademarks, privileges, permits, franchises, certificates and the like necessary for the operation of its business.

4.18 Reports. The Borrower shall provide the Lender with a copy of (a) the Borrower's budget for each of its fiscal years, within thirty (30) days of its adoption, and (b) the audited annual financial statements of the Borrower, within 180 days of the end of each fiscal year of the Borrower.

ARTICLE V

Representations and Warranties

5.1 Borrower makes the following representations and warranties:

(a) Good Standing. Borrower is duly organized, validly existing and in good standing under the laws of the State and has the power and authority to own and manage property, including each Project, and to carry on business in each jurisdiction in which Borrower does business.

(b) Authority. Borrower has full power and authority to execute and deliver the Loan Documents and to incur and perform the obligations provided for therein, all of which have been duly authorized by all proper and necessary action of the governing body of Borrower. No consent or approval of any public authority or other third party is required as a condition to the validity of any Loan Document, and Borrower is in compliance with all laws and regulatory requirements to which it is subject.

(c) Enforceability. This Agreement and the other Loan Documents executed by Borrower constitute valid and binding obligations of Borrower, as the case may be, enforceable in accordance with their terms, subject to the effect of bankruptcy, insolvency and general principles of equity.

(d) Litigation. There is no proceeding involving Borrower pending or, to the best knowledge of Borrower, threatened before any court or governmental authority, agency or arbitration authority that would materially adversely affect Borrower's financial condition or operation or Lender's rights under the Loan Documents, except as disclosed to Lender in writing and acknowledged by Lender prior to the date of this Agreement.

(e) No Conflicting Agreements. There is no statute, ordinance, resolution, bylaw, or other document pertaining to the organization, power or authority of Borrower and no provision of any existing agreement, mortgage, indenture or contract binding on Borrower or affecting its property, which would conflict with or in any way prevent the execution, delivery or carrying out of the terms of this Agreement and the other Loan Documents.

(f) Assets. Borrower has good title to its assets, and such assets are free and clear of liens, except those granted to Lender and except for Permitted Exceptions (as described in each Project Loan Agreement).

(g) Taxes. Any taxes and assessments due and payable by Borrower have been paid or are being contested in good faith by appropriate proceedings and the Borrower has filed all tax returns as required. In such regard, the Borrower represents to the Lender that the Borrower is a public housing authority created pursuant to Florida Statutes Chapter 421, and as such is exempt from taxation pursuant to Florida Statutes Chapters 421 and §423.

(h) Place of Business. Borrower's chief executive office is located at 1713 N. Dixie Highway, West Palm Beach, Florida 33407.

(i) Environmental Compliance. The conduct of Borrower's business operations and the condition of Borrower's property does not and will not violate any federal laws, rules or ordinances for environmental protection, regulations of the Environmental Protection Agency and any applicable local or state law, rule, regulation or rule of common law and any judicial interpretation thereof relating primarily to the environment or Hazardous Materials.

(j) Affirmation of Representations. All representations and warranties made hereunder shall be deemed to be made at and as of the date hereof and at and as of the date of any Project Loan Agreement, the issuance of any Note and any advance thereunder

ARTICLE VI

Events of Default

6.1 Default. The occurrence of any of the following (time being of the essence as to this Agreement and all of its provisions) constitutes an Event of Default by Borrower under this Agreement and, at the option of Lender, under the other Loan Documents:

(a) Scheduled Payment. Borrower's failure to make any payment required by a Note within fifteen (15) days of the date such payment is due.

(b) Monetary Default. Borrower's failure to make any other payment required by the Loan Documents within fifteen (15) days of the date such payment is due.

(c) Other. Borrower's failure to perform any other obligation imposed upon Borrower under the Loan Documents which is not cured within any applicable grace period provided or, with respect to such breaches, failures or violations of this Agreement, the Notes, or the other Loan Documents within thirty (30) days following written notice of such breach or violation from Lender provided, however, that if such breach, failure or violation cannot be cured with the exercise of reasonable diligence within such thirty (30) day period, then the period for curing may be extended for up to an additional ninety (90) days, but not beyond,

provided Borrower commences such cure within fifteen (15) days after such notice and thereafter proceeds diligently to complete the curing of same.

(d) Representation. Any representation or warranty of Borrower contained herein or in any certificate delivered pursuant hereto, or in any other instrument or statement furnished in connection herewith, proves to be incorrect or misleading in any material, adverse respect as of the time when the same shall have been made, including, without limitation, any and all financial statements, operating statements, or schedules attached thereto, furnished by Borrower to Lender or pursuant to any provision of this Agreement or the other Loan Documents.

(e) Bankruptcy. Borrower (i) files a voluntary petition in bankruptcy or a petition or answer seeking or acquiescing in any reorganization or for an arrangement, composition, readjustment, liquidation, dissolution, or similar relief for itself pursuant to the United States Bankruptcy Code or any similar law or regulation, federal or state, relating to any relief for debtors, now or hereafter in effect; or (ii) makes an assignment for the benefit of creditors or admits in writing its inability to pay or fails to pay its debts as they become due; or (iii) suspends payment of its obligations or takes any action in furtherance of the foregoing; or (iv) consents to or acquiesces in the appointment of a receiver, trustee, custodian, conservator, liquidator or other similar official of Borrower, for all or any part of the Premises or other assets of such party, or either; or (v) has filed against it an involuntary petition, arrangement, composition, readjustment, liquidation, dissolution, or an answer proposing an adjudication of it as a bankrupt or insolvent, or is subject to a reorganization pursuant to the United States Bankruptcy Code, an action seeking to appoint a trustee, receiver, custodian, or conservator or liquidator, or any similar law, federal or state, now or hereafter in effect, and such action is approved by any court of competent jurisdiction and the order approving the same shall not be vacated or stayed within sixty (60) days from entry; or (vi) consents to the filing of any such petition or answer, or shall fail to deny the material allegations of the same in a timely manner.

(f) Judgments. (1) A final judgment, other than a final judgment in connection with any condemnation, is entered against Borrower that (i) materially and adversely affects the value, use or operation of a Project, or (ii) materially and adversely affects, or reasonably may materially and adversely affect, the validity, enforceability or priority of the lien or security interest created by the Loan Documents, or both; (2) execution or other final process issues thereon with respect to any collateral for a Note; and (3) Borrower does not discharge the same or provide for its discharge in accordance with its terms, or procure a stay of execution thereon, in any event within thirty (30) days from entry, or Borrower shall not, within such period or such longer period during which execution on such judgment shall have been stayed, appeal therefrom or from the order, decree or process upon or pursuant to which such judgment shall have been entered, and cause its execution to be stayed during such appeal, or if on appeal such order, decree or process shall be affirmed and Borrower shall not discharge such judgment or provide for its discharge in accordance with its terms within sixty (60) days after the entry of such order or decree or affirmance, or if any stay of execution on appeal is released or otherwise discharged.

(g) Liens. Any federal, state or local tax lien or any claim of lien for labor or materials or any other lien or encumbrance of any nature whatsoever is recorded against

Borrower or any real estate on which a Project is located and is not removed by payment or transferred to substitute security in the manner provided by law, within twenty (20) days after it is recorded in accordance with applicable law.

(h) Leases. Borrower's default in the performance of its obligations as lessor under any lease of all or any portion of a Project or any real estate on which a Project is located, if any, which default could result, in Lender's judgment, in the termination of said lease, and such default would result in the reduction of rentals collected by the Borrower.

(i) Other Notes or Mortgages. Borrower's default in the performance or payment of Borrower's obligations under any other note, or under any other mortgage whatsoever which continues beyond any applicable notice or grace period set forth therein.

(j) Borrower Default Under Loan Documents. Borrower's default in the payment or performance of any of Borrower's obligations under any of the Loan Documents which continues beyond any applicable notice or grace period set forth therein.

(k) Transfer of Property or Ownership. Any sale, conveyance, transfer, assignment, or other disposition of all or any part of a Project or any real estate on which a Project is located, other than leases to individual tenants in the ordinary course of business, unless the sale of such real property is contemplated as part of such Project.

(l) False Statement. Any statement or representation of Borrower contained in the materials furnished to Lender or any other lender prior or subsequent to the making of a Loan are discovered to have been false or incorrect or incomplete in any material respect.

ARTICLE VII

The Lender's Rights and Remedies

The following rights and remedies are available to the Lender:

7.1 Acceleration. Upon the occurrence of an Event of Default, the entire unpaid principal balance of the Loans shall, at the option of the Lender and without advance notice to the Borrower, become immediately due and payable. In addition, upon acceleration, any and all other obligations of the Borrower to the Lender shall be immediately due and payable.

7.2 No Further Advances. Upon the occurrence of an Event of Default or the existence of a Default Condition, the Lender shall not be obligated to make further advances to the Borrower, notwithstanding anything herein or in the Note to the contrary.

7.3 Disputes. Where disputes have arisen which, in the opinion of the Lender, may endanger timely completion of a Project or fulfillment of any condition precedent or covenant herein or in a Project Loan Agreement, the Lender may agree to advance Loan

proceeds for the account of the Borrower without prejudice to the Borrower's rights, if any, to recover said proceeds from the party to whom paid. Such agreement or agreements may take the form which the Lender, in its sole discretion deems proper, including, but without limiting the generality of the foregoing, agreements to indemnify (on behalf of the Borrower and/or for the Lender's own account) any title insurer against possible assertion of lien claims, agreements to pay disputed amounts and the like. All sums paid or agreed to be paid pursuant to such undertaking shall be advances of Loan proceeds.

7.4 Remedies Cumulative; Nonwaiver. In the Event of a Default under this Agreement or any of the other Loan Documents, Lender shall have all remedies at law and/or in equity. All remedies of the Lender provided for herein or in the other Loan Documents are cumulative and shall be in addition to any and all other rights and remedies provided for or available under the other Loan Documents, at law or in equity. The exercise of any right or remedy by the Lender hereunder shall not in any way constitute a cure or waiver of a Default Condition or an Event of Default hereunder or under the Note or any Loan Document, or invalidate any act done pursuant to any notice of the occurrence of a Default Condition or Event of Default, or prejudice the Lender in the exercise of any of its rights hereunder or under the Note or any Loan Document, unless, in the exercise of said rights, the Lender realizes all amounts owed to it under the Note and other Loan Documents.

7.5 No Liability of the Lender. Whether or not the Lender elects to employ any or all remedies available to it in the event of an occurrence of a Default Condition or an Event of Default, the Lender shall not be liable for the construction of or failure to construct or complete or protect a Project or for payment of any expense incurred in connection with the exercise or any remedy available to the Lender or for the construction or completion of a Project or for the performance or nonperformance of any other obligation of the Borrower.

7.6 Security Interest. It is understood and agreed that the Lender shall have and enjoy and is hereby granted a lien on and a security interest in, any and all materials (stored on-site or off-site), reserves, deferred payments, deposits or advance payments for materials (stored on-site or off-site), unadvanced Loan proceeds, insurance refunds, impound accounts, refunds for overpayment of any kind, and any surplus of withheld funds resulting from the invalidity of "stop notice" claims or the failure of claimants to prosecute their claims to judgment, to the extent the same arise out of or occur in connection with the construction of a Project, and such lien and security interest shall constitute additional security for the indebtedness of the Borrower evidenced by a Note, and the Lender shall have and possess any and all rights and remedies of a secured party provided by law with respect to enforcement of and recovery on its security interest on such items and amounts.

ARTICLE VIII

General Conditions

The following conditions shall be applicable throughout the term of this Agreement and each Project Loan Agreement:

8.1 Waivers. No waiver of any Default Condition or Event of Default or breach by the Borrower hereunder shall be implied from any delay or omission by the Lender to take action on account of such Default Condition or Event of Default, and no express waiver shall affect any Default Condition or Event of Default other than the Event of Default specified in the waiver and it shall be operative only for the time and to the extent therein stated. Waivers of any covenants, terms or conditions contained herein must be in writing and shall not be construed as a waiver of any subsequent breach of the same covenant, term or condition. The consent or approval by the Lender to or of any act by the Borrower requiring further consent or approval shall not be deemed to waive or render unnecessary the consent or approval to or of any subsequent or similar act. No single or partial exercise of any right or remedy of the Lender hereunder shall preclude any further exercise thereof or the exercise of any other or different right or remedy.

8.2 Benefit. This Agreement is made and entered into for the sole protection and benefit of the Lender and the Borrower, their successors and assigns, and no other person or persons shall have any right to action hereon or rights to the Loan proceeds at any time, nor shall the Lender owe any duty whatsoever to any claimant for labor performed or material furnished in connection with the construction of a Project, or to apply any unadvanced portion of the Loan to the payment of any such claim, or to exercise any right or power of the Lender hereunder or arising from any Default Condition or Event of Default by the Borrower.

8.3 Assignment. The terms hereof shall be binding upon and inure to the benefit of the heirs, successors, assigns, and personal representatives of the parties hereto; provided, however, that the Borrower shall not assign this Agreement or any Project Loan Agreement or any of its rights, interests, duties or obligations hereunder or thereunder or any Loan proceeds or other moneys to be advanced pursuant to a Project Loan Agreement under in whole or in part without the prior written consent of the Lender, which consent may be withheld at Lender's sole discretion, and that any such assignment (whether voluntary or by operation of law) without said consent shall be void. It is expressly recognized and agreed that the Lender may assign this Agreement, a Note and any other Loan Documents, in whole or in part to any other person, firm, or legal entity provided that all of the provisions hereof shall continue in full force and effect and, in the event of such assignment, the Lender shall thereafter be relieved of all liability hereunder and any Loan advances made by any assignee shall be deemed made in pursuance and not in modification hereof and shall be evidenced by such Note and secured by this Agreement, the applicable Project Loan Agreement and any other Loan Documents.

8.4 Amendments. Neither this Agreement nor any Project Loan Agreement shall be amended except by a written instrument signed by all parties hereto.

8.5 Terms. Whenever the context and construction so require, all words used in the singular number herein shall be deemed to have been used in the plural, and vice versa, and the masculine gender shall include the feminine and neuter and the neuter shall include the masculine and feminine

8.6 Term; Termination. This Agreement shall be for a three (3) year term, beginning on the dated date hereof. The parties may extend this Agreement for successive three (3) year terms by amending this Agreement to so provide in the manner set forth in Section

9.4. This Agreement may be terminated by either party, with or without cause, by giving sixty (60) days notice to the other party. In the event of the expiration or earlier termination of this Agreement, this Agreement shall nonetheless remain in effect to the extent necessary to for any Project Loan Agreement or Note that is still in effect.

8.7 Governing Law and Jurisdiction. This Agreement and the other Loan Documents and all matters relating thereto shall be governed by and construed and interpreted in accordance with the laws of the State of Florida. The Borrower hereby submits to the jurisdiction of the State and Federal courts located in Palm Beach County, Florida and agrees that the Lender may, at its option, enforce its rights under the Loan Documents in such courts.

8.8 Savings Clause. Invalidation of any one or more of the provisions of this Agreement shall in no way affect any of the other provisions hereof, which shall remain in full force and effect.

8.9 Execution in Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original, but all of which shall constitute one and the same instrument, and in making proof of this Agreement, it shall not be necessary to produce or account for more than one such counterpart.

8.10 Captions. The captions herein are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope of this Agreement nor the intent of any provision hereof.

8.11 Notices. All notices, consents, rejections, requests and other communications required to be given hereunder or under any Project Loan Agreement or Note shall be in writing and shall be deemed to have been sufficiently given or served for all purposes (i) when delivered in person, (ii) upon receipt after being sent by express mail or delivery service guaranteeing overnight delivery, or (iii) by registered or certified mail, postage prepaid, with return receipt requested, (in which case notice shall be deemed effectively made when the receipt is signed or when the attempted initial delivery is refused or cannot be made because of a change of address of which the sending party has not been notified) to any party hereto at its address listed below or at such other address of which written notification has been given to the other party, as provided herein:

If to Borrower: West Palm Beach Housing Authority
1713 N. Dixie Highway
West Palm Beach, Florida 33407
Attn: Executive Director

With a copy to: West Palm Beach Housing Authority
1713 N. Dixie Highway
West Palm Beach, Florida 33407
Attn: Charlotte Burnett, Esq.

If to Lender: Housing Finance Authority of Palm Beach
County, Florida
100 Australian Avenue, Suite 410
West Palm Beach, Florida 33406
Attn: Executive Director

With a copy to: Greenspoon Marder, P.A.
525 Okeechobee Boulevard, Suite 900
West Palm Beach, Florida 33401
Attn: Morris G. (Skip) Miller, Esq.

Notices given or made to any officer, partner, agent or employee of either party or if given or made to the counsel of such party, at its address herein shall constitute receipt. Rejection or other refusal to accept or inability to deliver because of changed address of which no notice has been received shall also constitute receipt. Notwithstanding the foregoing, no notice of change of address shall be effective until the date of receipt thereof.

8.12 WAIVER AND JURY TRIAL. BY ACCEPTANCE HEREOF, THE PARTIES MUTUALLY AGREE THAT NEITHER PARTY, NOR ANY PARTNER, ASSIGNEE, SUCCESSOR, HEIR, OR LEGAL REPRESENTATIVE OF THE PARTIES (ALL OF WHOM ARE HEREINAFTER REFERRED TO AS THE "PARTIES") SHALL SEEK A JURY TRIAL IN ANY LAWSUIT, PROCEEDINGS, COUNTERCLAIM, OR ANY OTHER LITIGATION PROCEDURE BASED UPON OR ARISING OUT OF THIS AGREEMENT OR ANY INSTRUMENT EVIDENCING, SECURING, OR RELATING TO THE INDEBTEDNESS AND OTHER OBLIGATIONS EVIDENCED HEREBY, ANY RELATED AGREEMENT OR INSTRUMENT, ANY OTHER COLLATERAL FOR THE INDEBTEDNESS EVIDENCED HEREBY OR THE DEALINGS OR THE RELATIONSHIP BETWEEN OR AMONG THE PARTIES, OR ANY OF THEM. NONE OF THE PARTIES WILL SEEK TO CONSOLIDATE ANY SUCH ACTION, IN WHICH A JURY TRIAL HAS BEEN WAIVED, WITH ANY OTHER ACTION IN WHICH A JURY TRIAL HAS NOT BEEN WAIVED. THE PROVISIONS OF THIS PARAGRAPH HAVE BEEN FULLY NEGOTIATED BY THE PARTIES. THE WAIVER CONTAINED HEREIN IS IRREVOCABLE, CONSTITUTES A KNOWING AND VOLUNTARY WAIVER, AND SHALL BE SUBJECT TO NO EXCEPTIONS. LENDER HAS IN NO WAY AGREED WITH OR REPRESENTED TO ANY OF THE PARTIES THAT THE PROVISIONS OF THIS PARAGRAPH WILL NOT BE FULLY ENFORCED IN ALL INSTANCES.

IN WITNESS WHEREOF, the Borrower and the Lender have executed this Agreement as of the above-written date, all duly authorized thereunto, the Borrower doing so under seal.

[SEAL]

BORROWER:

WEST PALM BEACH HOUSING
AUTHORITY

By: _____
Laurel Robinson, Executive Director

LENDER:

HOUSING FINANCE AUTHORITY OF
PALM BEACH COUNTY, FLORIDA

By: _____
Charles V. St. Lawrence,
Chairperson

EXHIBITS

- A. Form of Promissory Note
- B. Draw Request Form

EXHIBIT "A"

Form of Promissory Note

TOTALS							

The Representations and Warranties set forth in the Master Line of Credit Agreement dated as of November ____, 2016 and the Project Loan Agreement dated as of _____ (collectively, the “Loan Agreement”) between the West Palm Beach Housing Authority (the “WPBHA”) and the Housing Finance Authority of Palm Beach County (the “Authority”) and in the other Loan Documents executed in connection therewith are true and correct in all material respects.

No Default Condition or Event of Default exists, and the WPBHA is in full compliance in all material respects with the terms of the _____ Agreement (as all of such terms are defined in the Loan Agreement).

[All vendors entitled to payment from previous Draw Requests have been paid the full amount specified in such previous Draw Request (not applicable to the initial advance).]

Approved:

Owner

Date

Owner

Date

PROMISSORY NOTE NO. __
(Revolving)

Maximum Principal Amount: \$ _____

Date of Issuance: _____

Maturity Date: _____

West Palm Beach Housing Authority, a public body corporate and politic organized and existing under the laws of the State of Florida (the “Borrower”) promises to pay to the order of the **Housing Finance Authority of Palm Beach County, Florida**, a public body corporate and political entity organized and existing under the State of Florida (the “Lender”), at its office at 100 Australian Avenue, Suite 410, West Palm Beach, Florida 33406 (or at such other place as the Lender hereof may designate), the sum of _____ (\$ _____) or so much thereof as may hereafter be advanced hereunder from time to time (“Loan”).

This Note shall bear interest at a fixed rate equal to [one] [two] [three] percent per annum ([1.00%][2.00%][3.00%]). Interest on this Note shall be calculated on the basis of a 365 day year and will be paid in arrears for the actual number of days elapsed. Interest shall be payable monthly on the __ day of each month, beginning _____, 20__, based on the amount advanced and outstanding hereunder.

The Lender may make advances on this Note to the Borrower from time to time in accordance with that certain Master Line of Credit Agreement dated November __, 2016 and that certain Project Loan Agreement dated the date hereof, between Borrower and Lender (collectively, the “Loan Agreement”), up to the Maximum Principal Amount, subject to the conditions contained in the Loan Agreement. The principal balance outstanding hereunder may fluctuate up and down with borrowings and repayments, but the principal amount outstanding shall never exceed the Maximum Principal Amount.

Each advance and the interest accrued thereon shall be repaid no later than

In connection with any request for advance, the Borrower shall provide the Lender with the documentation required by the Loan Agreement and such additional documentation as the Lender may reasonably request. Each advance and repayment shall be noted on a separate schedule maintained by the Lender, a copy of which schedule shall be provided to the Borrower on request. Principal may be prepaid at any time in whole or in part, without premium or penalty.

Any payment of principal hereof or interest hereon not paid when due shall continue to bear interest from the due date until paid at the stated rate hereof.

All principal, interest and unpaid costs shall be due and payable on the Maturity Date.

As used in this instrument, the term "Obligations" shall refer to the indebtedness represented by this Note and all modifications, renewals and substitutions hereof, all obligations of the Borrower under the documents (the "Loan Documents") which evidence and secure the obligations of the loan evidenced by this Note and all other claims of every nature and description of the Lender against the Borrower whether present or future, contracted with or acquired by the Lender, and whether joint, several, absolute, contingent, matured, unmatured, liquidated, unliquidated, or direct or indirect.

Upon the happening of an Event of Default (as defined in the Loan Agreement): (1) the entire amount of this Note remaining unpaid shall, at the option of the Lender and without notice or demand, become due and payable forthwith or thereafter; (2) the Lender may at its option, thereupon or thereafter declare all other Obligations, or any of them selected by the Lender (notwithstanding any provisions thereof), immediately due and payable without demand or notice of any kind; and (3) the Lender shall have and may exercise without demand any and all of the rights and remedies at law or in equity available to the Lender (including those available under any written instrument in addition to this Note relating to any of the Obligations or any security thereof).

In no event and under no circumstances shall there be due hereunder, nor shall the Lender be entitled hereunder to receive at any time, any charges not allowed or permitted by law or any interest or interest rate in excess of the maximum allowed by law. In the event that the amount of any charge or payment due hereunder shall create or shall be deemed to create an interest charge in excess of the maximum permissible legal rate, then the charge of any such excess amount shall be deemed unenforceable and void and its collection shall be waived, without affecting the remainder of the Obligations evidenced hereby, and any such excess amount which may have been paid to the Lender shall be refunded.

In the event that subsequent to the stated maturity hereof the Lender makes an advance for any of the purposes provided for or permitted herein or in the Loan Agreement, the provisions of this Note shall be applicable with respect to such advance in all respects as if such advance had been made prior to maturity.

In the event the Lender shall be required at any time to pay any documentary stamp tax, intangible tax, or other taxation with respect to all or part of the Loan or any other transaction contemplated or evidenced by this Note or other Loan Documents, the Borrower shall reimburse the Lender immediately for all such costs, including any interest and penalties with respect thereto.

With respect to any and all Obligations, the Borrower waives the following: (1) demand, presentment, protest, notice of dishonor, suit against any party and all other requirements necessary to charge or hold Borrower liable on any Obligation; (2) the right to interpose any set-off or counterclaim of any nature or description in any litigation in which the Lender and Borrower shall be adverse parties, however, nothing contained in this paragraph shall limit or prohibit Borrower from filing a mandatory counterclaim against Lender in any such litigation. The Borrower agrees to pay all taxes and assessments levied on or with respect to the Obligations and this Note, including but not limited to intangible and documentary stamp taxes, and all filing fees and taxes and all costs of collecting or securing or attempting to collect or

secure any Obligations, including attorneys' fees, whether or not involving litigation and/or appellate proceedings.

The Lender shall not by any act, delay, omission or otherwise be deemed to have waived any of its rights or remedies, and no waiver of any kind shall be valid, unless in writing and signed by the Lender. All rights and remedies of the Lender under the terms of this Note and under any statutes or rules of law shall be cumulative and may be exercised successively or concurrently. This Note shall be governed by and construed in accordance with the laws of the State of Florida. Any provision of this Note which may be unenforceable or invalid under any law shall be ineffective to the extent of such unenforceability or invalidity without affecting the enforceability or validity of any other provision hereof. The Lender shall have the right unilaterally to correct patent errors in this Note and to fill in any blank spaces herein so as to conform to the terms upon which the loan evidenced hereby is made.

This Note and the other Loan Documents constitute and evidence the complete understanding between the Lender and the Borrower. Any modification thereof hereafter which is not in writing and signed by the Lender and the Borrower shall be void.

All notices and other communications under this Note shall be in writing and shall be given in accordance with the Loan Agreement.

Except where the laws of the United States are applicable (including, without limitation, any federal laws pertaining to maximum permitted rates of interest), this Note shall be governed by and construed under the laws of the state of Florida.

In addition to and without limitation of any remedies of the Lender, and in addition to all other sums due hereunder, the Lender may collect a late charge not to exceed an amount equal to five percent (5%) of any installment of principal or other sums which is not paid within fifteen (15) days of the due date thereof to cover the extra expense involved in handling delinquent payments. Said late charge may be included as part of the Obligations and recouped by Lender in connection with any foreclosure instituted by Lender upon a default by Borrower.

The Borrower represents to the Lender that the Borrower is a public housing authority created pursuant to Florida Statutes Chapter 421, and as such is exempt from taxation, including documentary stamp taxes and intangible taxes, pursuant to Florida Statutes Chapters 421 and 423.

THE BORROWER AND, BY ITS ACCEPTANCE HEREOF, THE LENDER, EACH HEREBY WAIVES (1) ALL RIGHTS TO RELY ON OR ENFORCE ANY ORAL STATEMENTS MADE PRIOR TO, CONTEMPORANEOUSLY WITH OR SUBSEQUENT TO THE SIGNING OF THIS NOTE; AND (2) THE RIGHT EITHER MAY HAVE TO A TRIAL BY JURY WITH RESPECT TO ANY LITIGATION ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS NOTE, OR WITH RESPECT TO DEALINGS BETWEEN THE LENDER AND THE BORROWER CONCERNING ANY COURSE OF CONDUCT, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF EITHER PARTY. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE LENDER TO MAKE THE LOAN TO THE BORROWER.

BORROWER:

**WEST PALM BEACH HOUSING
AUTHORITY**

By: _____

Name: _____

Title: _____