

RESOLUTION NO. 2021-41

A RESOLUTION BY THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA, AUTHORIZING THE COUNTY ADMINISTRATOR, OR HIS DESIGNEE, TO IMPLEMENT A SUBRECIPIENT CONTRACT FOR THE ACQUISITION OF 909 PALERMO ROAD, ON BEHALF OF ST. JOHNS HOUSING PARTNERSHIP, INC., UNDER THE PROVISIONS OF THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM.

**WHEREAS**, the County has applied for and received funds from the United States Government through the Community Development Block Grant (CDBG) program under Title I of the Housing and Community Development Act of 1974, as amended; and

**WHEREAS**, as a condition of receiving CDBG funding, the United States Department of Housing and Urban Development (HUD) requires the County to adopt a Five-Year Consolidated Plan (the Consolidated Plan) that sets forth the County's community development goals; and

**WHEREAS**, the Consolidated Plan's primary community development goal is to develop viable communities by providing decent housing, a suitable living environment, and expanding economic opportunities, primarily for persons of low to moderate income; and

**WHEREAS**, the St. Johns County Board of County Commissioners (the Board) approved the 2019-2020 Action Plan certifying the County's compliance with CDBG regulations and specifying projects to be funded with CDBG funds; and

**WHEREAS**, St. Johns Housing Partnership submitted a timely application for CDBG funding to the County in response to the Notice of Funding Availability. This application proposed an approach for increasing the supply of affordable housing available to low to moderate income citizens that have experienced homelessness; and

**WHEREAS**, Staff of the Housing and Community Services Division worked with the Grantee to modify their proposal so as to maximize the number of affordable housing units that the Grantee could produce, and recommended it for funding; and

**WHEREAS**, Grantee proposes to purchase 909 Palermo Road, St. Augustine, FL 32086 and to rehabilitate these units to make decent and safe living environments for low to moderate income citizens; and

**WHEREAS**, the County finds that the Project will further the goals of the Consolidated Plan and 2019-2020 Annual Action Plan.

**NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY:**

**Section 1. Incorporation of Recitals.**

The above recitals are incorporated by reference into the body of this resolution and such recitals are adopted as findings of fact.

**Section 2. Approval and Authority to Execute.**

The Board of County Commissioners hereby approves the attached Subrecipient Agreement and authorizes the County Administrator, or his designee, to execute the agreement on behalf of the County.

**Section 3. Correction of Errors.**

To the extent that there are typographical or administrative errors or omissions that do not change the tone, tenor, or context of this resolution, this resolution may be revised without subsequent approval of the Board of County Commissioners.

**PASSED AND ADOPTED** by the Board of County Commissioners of St. Johns County Florida this 19 day of January 2021.

BOARD OF COUNTY COMMISSIONERS  
OF ST. JOHNS COUNTY, FLORIDA

By: Henry Dean  
Henry Dean, Vice Chairman

ATTEST: Brandon J. Patty, Clerk of the Circuit  
Court and Comptroller

By: Pam Halterman  
Deputy Clerk

RENDITION DATE 1/21/21



**COMMUNITY DEVELOPMENT BLOCK GRANT  
SUBRECIPIENT AGREEMENT BETWEEN  
ST. JOHNS COUNTY AND  
ST. JOHNS HOUSING PARTNERSHIP, INC.**

THIS AGREEMENT is entered into this \_\_\_\_ day of \_\_\_\_\_ between St. Johns County, a political subdivision of the state of Florida (the County) and St. Johns Housing Partnership, Inc., a Florida not-for-profit corporation (the Subrecipient), whose principal place of business is located at 525 West King Street, St. Augustine, Florida 32084. The County and the Subrecipient may be referred to individually as “the Party” or collectively as “the Parties”.

**WHEREAS**, the County has applied for and received funds from the United States Government through the Community Development Block Grant (CDBG) program under Title I of the Housing and Community Development Act of 1974, as amended; and

**WHEREAS**, as a condition of receiving CDBG funding, the United States Department of Housing and Urban Development (HUD) requires the County to adopt a Five-Year Consolidated Plan (the Consolidated Plan) that sets forth the County’s community development goals; and

**WHEREAS**, the Consolidated Plan’s primary community development goal is to develop viable communities by providing decent housing, a suitable living environment, and expanding economic opportunities, primarily for persons of low to moderate income; and

**WHEREAS**, the St. Johns County Board of County Commissioners (the Board) approved the amended 2019-2020 Action Plan certifying the County’s compliance with CDBG regulations and specifying projects to be funded with CDBG funds; and

**WHEREAS**, the Subrecipient submitted an application for CDBG funding to the County for the purpose of providing housing to low to moderate income households (the Project); and

**WHEREAS**, the County approved the Project as an amendment to the 2019-2020 Action Plan; and

**WHEREAS**, the County finds that the Project will further the goals of the Consolidated Plan,

**NOW THEREFORE**, in consideration of the terms set forth below, the sufficiency and receipt of which are hereby acknowledged, the Parties agree as follows:

**1. Scope of Service.**

**A. Activities.** The Subrecipient shall perform the activities set forth in Exhibit A, the contents of which are incorporated into this Agreement. Specifically, the Subrecipient shall use CDBG funds to acquire the home/property described in Exhibit A. The Subrecipient shall rent the home to low- to moderate-income individuals or households as defined in 24 CFR 570.3. During the term of this Agreement the shall comply with the requirements of 24 CFR 92.25224 CFR 570.208(a)(3);

determined annually by HUD according to Jacksonville, FL HUD Metro FMR Area Income Limits. The rental prices of the home shall not exceed annual HUD Fair Market Rents as established by the zip code of the property referenced under this agreement [Exhibit F]. Income limits are subject to change and eligibility will be determined on the income and rental rate limits in effect at the time of the lease of the dwelling unit.

**B. National Objectives.** All activities funded with CDBG funds must meet one of the following CDBG program National Objectives:

- i. Benefit low- and moderate-income persons;
- ii. Aid in the prevention of slums or blight; or
- iii. Meet community development needs having a particular urgency, as defined in 24 CFR 570.208.

The Subrecipient certifies that the activities carried out under this Agreement will **benefit low- and moderate-income persons by providing affordable rental housing to low- or moderate-income individuals or households as defined in 24 CFR 570.3.**

**C. Goals and Performance Measures.** The Subrecipient shall provide the level of program services set forth in Exhibit A.

**D. Performance Monitoring.** The County will monitor the performance of the Subrecipient against goals and performance standards as set forth in Exhibit A. In the event of default, lack of compliance or failure to perform on the part of the Subrecipient, the County reserves the right to exercise corrective or remedial actions, including, but not limited to:

- i. Requesting additional information from the Subrecipient to determine reasons for or extent of noncompliance or lack of performance;
- ii. Issuing a written warning advising the Subrecipient of the deficiency and advising the Subrecipient that more serious sanctions may be taken if situation is not remedied;
- iii. Advising the Subrecipient to suspend, discontinue or not incur costs for the items in question;
- iv. Withholding payment; or
- v. Requiring the Subrecipient to reimburse the County for the amount of costs incurred for any items determined ineligible.

If action to correct such substandard performance is not taken by the Subrecipient within a reasonable period of time after being notified by the County, contract suspension or termination procedures will be initiated.

**2. Time of Performance.**

Unless otherwise provided herein or by a supplemental agreement or amendment, the provisions of this Agreement will remain in effect through **January 19, 2041**. The term of performance shall commence upon execution of this Agreement. Notwithstanding the foregoing, the term of this Agreement shall be extended to cover any additional time period during which the Subrecipient remains in control of CDBG funds or other CDBG assets, including program income.

**3. Budget.**

CDBG funds will be used to pay \$100,242.00 for the purchase of 909 Palermo Road, St. Augustine, FL 32086. All additional expenses for the purchase and rehabilitation of this property are the sole responsibility of the Subrecipient.

Any indirect costs charged must be consistent with the provisions of paragraph 8.C(ii) of this Agreement. Should the County require a more detailed budget than the one set forth above, the Subrecipient shall provide supplementary budget information in a timely fashion in the form and content prescribed by the County. Any amendments to the budget must be approved in writing by both the County and the Subrecipient.

**4. Payment.**

It is expressly agreed and understood that the total amount to be paid by the County under this Agreement shall not exceed **\$100,242.00**. A payment up to \$100,242.00 shall be made on a lump sum basis once a closing date has been set for the Grantee's acquisition of the home/property. Once the closing date has been set, the Grantee shall submit to the County an appraisal of the property along with a written request for payment identifying the closing date for the property and providing contact information for Grantee's title company. The County shall submit payment to Grantee's title company on or before the closing date. The Grantee shall identify the County on the HUD-1 form as the provider of the funds.

It is strictly understood that Grantee is not entitled to the above-referenced amount of compensation. Rather, Grantee's compensation is based on the Grantee performance of the activities set forth in Exhibit A. Grantee's compensation is dependent upon satisfactory completion and delivery of all work product and deliverables set forth in this Agreement.

The source of funding from the County for payment under this Agreement is the 2019-2020 CDBG funds provided to the County by HUD. The Subrecipient agrees that in the event that any grant is reduced or withheld by HUD, the County may terminate this Agreement. In the event that HUD determines that the Subrecipient has not fulfilled its obligations in accordance with the requirements applicable to the grant and/or requests reimbursement from County of expenses paid

under this Agreement, Subrecipient shall provide said reimbursement to County from non-Federal sources.

This Agreement is neither a general obligation of the County, nor is it backed by the full faith and credit of St. Johns County. Payment of each grant payment is conditioned on, and subject to, specific annual appropriations by the Board of County Commissioners of funds sufficient to pay the grant payment due that year. Nothing in this Agreement shall create any obligation on the part of the Board of County Commissioners to appropriate such funds during any given fiscal year.

**5. Notices.**

Notices required by this Agreement shall be in writing and delivered via mail, commercial courier, personal delivery, facsimile, or other electronic means. All notices and other written communications under this Agreement shall be addressed to the individuals in the capacities indicated below, unless otherwise modified by subsequent written notice:

<u>County</u>	<u>Grantee</u>
<u>Joseph Cone; Assistant Health and Human Services Director</u> Name and Title	_____ Name and Title
<u>200 San Sebastian View</u> Address	_____ Address
<u>St. Augustine, FL 32084</u> City/State/ZIP Code	_____ City/State/ZIP Code
<u>904-827-6898</u> Telephone Number	_____ Telephone Number

**6. Special Conditions.**

**A. Public Records.**

- i.** The cost of reproduction, access to, disclosure, non-disclosure, or exemption of records, data, documents, and/or materials, associated with this Agreement shall be subject to the applicable provisions of the Florida Public Records Law (Chapter 119, Florida Statutes), and other applicable State and Federal provisions. Access to such public records, may not be blocked, thwarted, and/or hindered by placing the public records in the possession of a third party, or an unaffiliated party.
- ii.** In accordance with Florida law, to the extent that the Subrecipient's performance under this Agreement constitutes an act on behalf of the County, the Subrecipient shall comply with all requirements of Florida's public records law. Specifically, if the Subrecipient is expressly authorized, and acts on behalf of the County under this Agreement, the Subrecipient shall:

- a. Keep and maintain public records that ordinarily and necessarily would be required by the County in order to perform the Activities;
  - b. Upon request from the County's custodian of public records, provide the County with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost as provided in Chapter 119, Florida Statutes, or as otherwise provided by law;
  - c. Ensure that public records related to this Agreement that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by applicable law for the duration of this Agreement and following completion of this Agreement if the Subrecipient does not transfer the records to the County; and
  - d. Upon completion of this Agreement, transfer, at no cost, to the County all public records in possession of the Contractor or keep and maintain public records required by the County to perform the Activities.
- iii. If the Subrecipient transfers all public records to the County upon completion of this Agreement, the Subrecipient shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If the Subrecipient keeps and maintains public records upon completion of this Agreement, the Subrecipient shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to the County, upon request from the County's custodian of public records, in a format that is compatible with the County's information technology systems.
- iv. Failure by the Subrecipient to comply with the requirements of this section shall be grounds for immediate, unilateral termination of this Agreement by the County.

**IF THE SUBRECIPIENT HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO ITS DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT:**

500 San Sebastian View  
St. Augustine, FL 32084  
(904) 209-0805  
publicrecords@sjcfl.us

**B. Mortgage and Lien.** The County will record a mortgage and lien on the property (set forth in Exhibits C and D) in the total amount of CDBG assistance provided. All real property acquired or improved in whole or in part with CDBG funds must be used for the CDBG-eligible purpose for which the acquisition was made for the eligibility period specified in the mortgage document and note. If the property is sold or changed to a use which does not qualify as meeting the requirements of the CDBG regulations at 24 CFR Part 570.505 for the time period specified in the mortgage lien and promissory note, the County's CDBG program must be reimbursed for the total amount of the CDBG funding. Such reimbursement shall include, but not be limited to, the closing proceeds of such sale.

**7. General Conditions.**

**A. General Compliance.** The Subrecipient agrees to comply with the requirements of Title 24 of the Code of Federal Regulations, Part 570 (the HUD regulations concerning CDBG) including Subpart K of these regulations, except that (1) the Subrecipient does not assume the recipient's environmental responsibilities described in 24 CFR 570.604 and (2) the Subrecipient does not assumed the recipient's responsibility for initiating the review process under the provisions of 24 CFR Part 52. The Subrecipient also agrees to comply with all other applicable Federal, state, and local laws, regulations, and policies governing the funds provided under this Agreement. The Subrecipient further agrees to utilize funds available under this Agreement to supplement rather than supplant funds otherwise available.

**B. Independent Contractor.** Nothing contained in this Agreement is intended to, or shall be construed in any manner, as creating or establishing the relationship of employer/employee between the parties. The Subrecipient shall at all times remain an independent contractor with respect to the services to be performed under this Agreement. As such, neither the Subrecipient, not any employees, agents, officials, servants, or subcontractors of the Subrecipient shall be eligible for any benefits afforded employees or officials of the County, including but not limited to unemployment compensation, FICA, retirement, life, or medical insurance, and worker's compensation insurance. The Subrecipient has no power or authority to bind the County in any manner in any promise, agreement, or representation, other than as specifically provided in this Agreement.

**C. Indemnification.** The Subrecipient shall indemnify, defend, and hold the County harmless from all claims, actions, suits, charges, judgments, and costs (including attorney's fees and other costs associated with litigation, whether or not such costs are taxable as attorney's fees) associated with this Agreement. This provision relating to indemnification is separate and apart from, and is in no way limited by, any insurance provided by the Subrecipient, whether pursuant to this Agreement or otherwise.

**D. Insurance.** The Subrecipient shall provide insurance coverage in, at a minimum, the amounts set forth in Exhibit B, the contents of which are incorporated into this Agreement. The Subrecipient shall comply with the bonding and insurance requirements of 2 CFR Part 200, Subpart D.

**E. County Recognition.**

- i. The Subrecipient shall insure recognition of the role of the County in providing services through this Agreement. All activities, facilities, and items utilized pursuant to this Agreement shall be prominently labeled as to funding source. In addition, the Subrecipient shall include a reference to the support provided herein in all publications made possible with funds made available under this Agreement.
- ii. Pursuant to, and consistent with, St. Johns County Ordinance 1992-2, and County Administrative Policy 101.3, the Subrecipient may not manufacture, use, display, or otherwise use any facsimile or reproduction of the St. Johns County Seal/Logo without the express written approval of the Board of County Commissioners.

**F. Amendments.**

- i. The County or the Subrecipient may amend this Agreement at any time provided that such amendments make specific reference to this Agreement, are executed in writing, and are signed by a duly authorized representative of each organization. Such amendments shall not invalidate this Agreement, nor relieve or release the County or the Subrecipient from their obligations under this Agreement.
- ii. For the purposes of this Agreement, the County Administrator is authorized pursuant to St. Johns County Resolution No. 2017-263 to execute any amendment to this Agreement that falls within the authorizations granted by said resolution, or by any resolution granting similar authorizations for future CDBG grant program years (the Authorizing Resolutions). Any amendment to this Agreement that falls outside the authorizations granted to the County Administrator by the Authorizing Resolutions shall require the approval of the St. Johns County Board of County Commissioners.

**G. Suspension or Termination.** In accordance with 2 CFR 200.339, the County may suspend or terminate this Agreement if the Subrecipient materially fails to comply with any term of this Agreement, including, but not limited to:

- i. Failure to comply with any of the rules, regulations, or provisions referred to herein, or such statutes, regulations, executive orders, and HUD guidelines, policies, or directives as may become applicable at any time;
- ii. Failure, for any reason, of the Subrecipient to fulfill in a timely and proper manner its obligations under this Agreement;
- iii. Ineffective or improper use of funds provided under this Agreement; or
- iv. Submission by the Subrecipient to the County reports that are incorrect or incomplete in any material respect.

In accordance with 24 CFR 85.44, this Agreement may also be terminated for convenience by either Party, in whole or in part, by setting forth the reasons for such termination, the effective date, and, in the case of a partial termination, the portion to be terminated. However, if in the case of a partial termination, the County determines that the remaining portion of the award will not accomplish the purpose for which the award was made, the County may terminate the award in its entirety. Termination for convenience shall not apply to provisions in this Agreement relating to the repayment of funds, compliance with laws, regulations or ordinances, records retention, or the provision of service to low and moderate income persons or other specified beneficiaries.

H. Natural Disaster. In the event of a natural disaster, this Agreement may be suspended or terminated and funds transferred to recovery activities as determined by the County. Funds subject to this provision shall be those that are not contractually committed for construction, design or other such third party private vendors.

**8. Administrative Requirements.**

**A. Financial Management.**

- i. Accounting Standards. The Subrecipient agrees to comply with 2 CFR 200.300 - 309 and agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.
- ii. Cost Principles. The Subrecipient shall administer its program in compliance with 2 CFR Part 230, "Cost Principles for Non-Profit Organizations," (OMB Circular A-122). These principles shall be applied for all costs incurred, whether charged on a direct or indirect basis.

**B. Documentation and Record Keeping**

- i. Records to be Maintained. The Subrecipient shall maintain all records required by 24 CFR 570.506 that are pertinent to the activities funded under this Agreement. Such records shall include, but not be limited to:

- a. Records providing a full description of each activity undertaken;
  - b. Records demonstrating that each activity meets one of the National Objectives of the CDBG program;
  - c. Records required to determine the eligibility of activities;
  - d. Records required to document the acquisition, improvement, use, or disposition of real property acquired or improved with CDBG assistance;
  - e. Records documenting compliance with fair housing and equal opportunity components of the CDBG program;
  - f. Financial records as required by 24 CFR 570.502 and 2 CFR 200.300 – 309; and
  - g. Other records necessary to document compliance with Subpart K of 24 CFR Part 570.
- ii. Retention. The Subrecipient shall retain all financial records, supporting documents, statistical records, and all other records pertinent to this Agreement until five years after the Project has been closed out. Notwithstanding the foregoing, if there is litigation, claims, audits, negotiations, or other actions that involve any of the records cited and that have started before the expiration of the five-year period, then such records must be retained until completion of the actions and resolution of all issues, or the expiration of the five-year period, whichever occurs later.
- iii. Client Data. The Subrecipient shall maintain client data demonstrating client eligibility for services provided. Such data shall include, but not be limited to, client name, address, income level, or other basis for determining eligibility and description of service provided. Such information shall be made available to the County's monitors, or their designees, for review upon request.
- iv. Disclosure. Except to the extent directly connected with the administration of the County's or the Subrecipient's responsibilities with respect to services provided under this Agreement, the Subrecipient shall not use or disclose client information collected under this Agreement unless written consent is obtained from the client receiving the service, or, in the case of a minor, the written consent of a responsible parent or guardian. The foregoing shall not prevent the Subrecipient from complying with the requirements of state or federal public records laws to the extent applicable to any particular record.

v. Close-outs. The Subrecipient's obligations to the County shall not end until all close-out requirements are completed. Activities during this close-out period shall include, but are not limited to: making final payments, disposing of program assets (including the return of all unused materials, equipment, unspent cash advances, program income balances, and accounts receivable to the County), and determining the custodianship of records. Notwithstanding the foregoing, the terms of this Agreement shall remain in effect during any period that the Subrecipient has control over CDBG funds, including program income.

vi. Audits and Inspections. All Subrecipient records with respect to any matters covered by this Agreement shall be made available to the County, HUD, and the Comptroller General of the United States or any of their authorized representatives at any time during normal business hours, as often as deemed necessary, to audit, examine, and make excerpts of transcripts of all relevant data. Any deficiencies noted in audit reports must be fully cleared by the Subrecipient within 30 days after receipt by the Subrecipient. Failure of the Subrecipient to comply with the above audit requirements will constitute a violation of this Agreement and may result in the withholding of future payments. The Subrecipient agrees to have an annual agency audit conducted in accordance with current County policy concerning subrecipient audits and applicable provisions of 2 CFR Part 200, Subpart F. The Subrecipient will submit this annual agency audit to the County by June 30 of each year.

C. Reporting and Payment Disclosures.

i. Program Income. All rent received from the property at 909 Palermo Road, St. Augustine, FL 32086 is considered to be program income and is therefore subject to all HUD requirements related to program income. The County has elected to allow the Subrecipient to retain all program income under the conditions that program income is used by the Subrecipient for eligible activities, as determined by HUD, and aligned with the National Objective of benefitting low to moderate-income individuals. Eligible activities may include certain public services, rental subsidies, subsistence payments, the acquisition of property to be used for affordable housing, construction of affordable rental housing, and construction of public facilities. Prior to spending any program income the Subrecipient is required to obtain written consent from the County verifying that the intended use is an HUD-eligible use of program income. Expenditures of program income will be reported to the County on a monthly basis. Upon completion of this Agreement, the Subrecipient shall transfer to the County any grant funds on hand and any accounts receivable attributable to the use of such funds. Further requirements for the calculation and use of program income are set forth below in Exhibit A-1, which is incorporated into this Agreement.

- ii. Indirect Costs. If indirect costs are charged, the Subrecipient shall develop an indirect cost allocation plan for determining the appropriate Subrecipient's share of administrative costs and shall submit such plan to the County for approval, in a form specified by the County.
- iii. Reports. The Subrecipient shall submit reports to the County in the form, content, and frequency as provided in Exhibit A.

**D. Procurement.**

- i. Compliance. The Subrecipient shall procure all materials, property, and services associated with this Agreement in compliance with the requirements of 24 CFR Part 570, Subpart K, and applicable Uniform Administrative Requirements as set forth in 2 CFR Part 200.
- ii. Travel. The Subrecipient shall obtain written approval from the County for any travel outside the metropolitan area with funds provided under this Agreement.

**E. Use and Reversion of Assets.** The use and disposition of real property and equipment under this Agreement shall comply with the requirements of 2 CFR Part 200, Subpart D, and 24 CFR 570.502 – 504, as applicable.

**9. Relocations, Real Property Acquisition and One-for-One Housing Replacement.**

The Subrecipient shall comply with:

- A.** The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA), and implementing regulations at 49 CFR Part 24 and 24 CFR 570.606(b);
- B.** The requirements of 24 CFR 570.606(c) governing the Residential Anti-Displacement and Relocation Assistance Plan under Section 104(d) of the Housing and Community Development Act; and
- C.** The requirements of 24 CFR 570.606(d) governing optional relocation policies.

The Subrecipient shall provide relocation assistance to displaced persons as defined by 24 CFR 570.606(b)(2) that are displaced as a direct result of acquisition, rehabilitation, demolition, or conversion for a CDBG-assisted project.

**10. Personnel and Participant Conditions.**

- A. Civil Rights.**

- i. Compliance. The Subrecipient agrees to comply with the requirements of Chapter 760, Florida Statutes, and with Title VI of the Civil Rights Act of 1964 as amended, Title VIII of the Civil Rights Act of 1968 as amended, Section 104(b) and Section 109 of Title I of the Housing and Community Development Act of 1974 as amended, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, Executive Order 11063, and Executive Order 11246 as amended.
- ii. Nondiscrimination. The Subrecipient shall not exclude from participation in, deny benefits to, or otherwise discriminate against any person on the grounds of race, color, religion, sex, familial status, national origin, age, or disability in the provision of services to its clients.
- iii. Land Covenants. This Agreement is subject to the requirements of Title VI of the Civil Rights Act and 24 CFR 570.601 and 602. In regard to the sale, lease, or other transfer of land acquired, cleared, or improved with assistance provided under this Agreement, the Subrecipient shall cause or require a covenant running with the land to be inserted in the deed or lease for such transfer prohibiting discrimination, as herein defined, in the sale, lease, rental, use, or occupancy of such land, or in any improvements erected or to be erected thereon, provided that the County and the United States shall be beneficiaries of and entitled to enforce such covenants. The Subrecipient, in undertaking its obligation to carry out the program assisted hereunder, agrees to take such measures as are necessary to enforce such covenant and will not itself so discriminate.
- iv. Section 504. The Subrecipient agrees to comply with all federal regulations issued pursuant to compliance with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), which prohibits discrimination against individuals with disabilities or handicaps in any federally assisted program.

**B. Affirmative Action.**

- i. Approved Plan. The Subrecipient agrees that it shall carry out an Affirmative Fair Housing Marketing Plan in order to help applicants offer equal housing opportunities regardless of race, color, national origin, sex, familial status, or disability. The requirements for the Affirmative Fair Housing Marketing Plan are more particularly set forth below in Exhibit A-2, which is incorporated into this Agreement.
- ii. Women- and Minority-Owned Businesses. The Subrecipient certifies that it will comply with 2 CFR 200.321 to take all necessary affirmative steps to assure that minority firms, women business enterprises, and labor surplus area firms are used when possible. The Subrecipient further certifies that it will submit to

the County at the time of project completion a report of the MBE and WBE status of all subcontractors to be paid with CDBG funds with contracts of \$10,000 or greater, in a format that will be provided by the County.

- iii. Access to Records. The Subrecipient shall furnish and cause each of its own subrecipients or subcontractors to furnish all information and reports required hereunder and will permit access to its books, records, and accounts by the County, HUD or its agent, or other authorized federal officials for purpose of investigation to ascertain compliance with the rules, regulations, and provisions stated herein.
- iv. Equal Opportunity and Affirmative Action (EEO/AA) Statement. The Subrecipient shall, in all solicitations or advertisements for employees placed by or on its behalf, state that it is an Equal Opportunity or Affirmative Action employer.
- v. Subcontract Provisions. The Subrecipient shall include the provisions of Paragraphs 10.A and B in every subcontract or purchase order, specifically or by reference, so that such provisions will be binding upon each of its own subrecipients or subcontractors.

**C. Employment Restrictions.**

- i. Prohibited Activity. The Subrecipient is prohibited from using funds provided herein or personnel employed in the administration of the program for political activities, inherently religious activities, lobbying, political patronage, and nepotism activities.
- ii. Labor Standards. The Subrecipient agrees to comply with the requirements of the Secretary of Labor in accordance with the Davis-Bacon Act, as amended, the provisions of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327 et seq.), and all other applicable federal, state, and local laws and regulations pertaining to labor standards insofar as those acts apply to the performance of this Agreement. The Subrecipient agrees to comply with the Copeland Anti-Kickback Act (18 U.S.C. 874 et seq.) and its implementing regulations of the U.S. Department of Labor at 29 CFR Part 5. The Subrecipient shall maintain documentation that demonstrates compliance with hour and wage requirements of this part. Such documentation shall be made available to the County for review upon request.
- iii. "Section 3" Clause. As a condition of receiving federal financial assistance, the Subrecipient certifies and agrees to ensure compliance with Section 3 of the Housing and Urban Development (HUD) Act of 1968, as amended, and as implemented by the regulations set forth in 24 CFR 135. Failure to fulfill these requirements shall subject the County, the Subrecipient, and any of the

Subrecipient's subrecipients and subcontractors, and their successors and assigns, to those sanctions specified in the Agreement through which federal assistance is provided. The Subrecipient certifies that no contractual or other disability exists that would prevent compliance with these requirements.

The Subrecipient further agrees to comply with these "Section 3" requirements and to include the following language in all subcontracts executed under this Agreement:

"The work to be performed under this Agreement is a project assisted under a program providing direct federal financial assistance from HUD and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701). Section 3 requires that to the greatest extent feasible, opportunities for training and employment be given to low- and very low-income residents of the project area, and that contracts for work in connection with the project be awarded to business concerns that provide economic opportunities to low- and very low-income persons residing in the metropolitan area in which the project is located."

The Subrecipient further agrees to ensure that opportunities for training and employment arising in connection with this a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project are given to low- and very low-income persons residing within the metropolitan area in which the CDBG-funded project is located; where feasible, priority should be given to low- and very low-income persons within the service area of the project or the neighborhood in which the project is located, and to low- and very low-income participants in other HUD programs; and award contracts for work undertaken in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction projects to business concerns that provide economic opportunities for low- and very low-income residents within the service area or the neighborhood in which the project is located, and to low- and very low-income participants in other HUD programs.

The Subrecipient certifies and agrees that no contractual or legal incapacity exists that would prevent compliance with these requirements.

**D. Conduct.**

- i. Assignability. The Subrecipient shall not assign or transfer any interest in this Agreement without the prior written consent of the County; provided that claims for money due or to become due to the Subrecipient from the County under this Agreement may be assigned to a bank, trust company, or other

financial institution without such approval. Notice of any such assignment or transfer shall be furnished promptly to the County.

ii. Subcontracts.

- a. Approvals. The Subrecipient shall not enter into any subcontracts with any agency without the prior written consent of the County, which consent shall not be unreasonably withheld.
- b. Monitoring. The Subrecipient shall monitor all subcontracted services on a regular basis to ensure contract compliance. Results of monitoring efforts shall be summarized in written reports and supported with documented evidence of follow-up actions taken to correct areas of noncompliance.
- c. Content. The Subrecipient shall ensure that the provisions of this Agreement are incorporated into any subcontract executed in the performance of this Agreement.
- d. Selection Process. The Subrecipient shall undertake to ensure that all subcontracts entered into in the performance of this Agreement are awarded on a fair and open competition basis in accordance with applicable procurement requirements. Executed copies of all subcontracts shall be forwarded to the County along with documentation concerning the selection process.

iii. Hatch Act. The Subrecipient shall comply with the requirements of the Hatch Act (5 U.S.C. 1501-1508) and shall ensure that no funds provided, nor personnel employed under this Agreement shall be in any way or to any extent engaged in the conduct of political activities in violation of Chapter 15 of Title V of the United States Code.

iv. Conflict of Interest. The Subrecipient agrees to abide by the provisions of 2 CFR 200.318 and 24 CFR 570.611, including, but not limited to, the following:

- a. The Subrecipient shall maintain a written code or standards of conduct that shall govern the performance of its officers, employees, and agents engaged in the award and administration of contracts supported by federal funds;
- b. No employee, officer, or agent of the Subrecipient shall participate in the selection, award, or administration of a contract supported by federal funds if a real or apparent conflict of interest would be involved; and
- c. No covered person who exercises or has exercised any function or responsibility with respect to CDBG-assisted activities or who is in

position to participate in a decision making process or gain inside information with regard to such activities, may obtain a financial interest or benefit from a CDBG-assisted activity, or have a financial interest in any contract, subcontract or agreement with respect to a CDBG-assisted activity or with respect to the proceeds of the CDBG-assisted activity, either for himself or herself or those with whom he or she has a family or business tie, during his or her tenure or for one year thereafter. For the purposes of this paragraph, a "covered person" includes any person who is an employee, agent, consultant, or officer of the Subrecipient.

- v. Contingency Fee. The Subrecipient warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for the Subrecipient, to solicit or secure this Agreement, and that it has not paid or agreed to pay any person, company, corporation, individual, or firm any fee, commission, percentage, gift or any other consideration, contingent upon or resulting from the award or making of this Agreement. It is understood and agreed that the term "fee" shall also include a brokerage fee, however denoted. In the event of a breach or violation of this paragraph, the County shall have the right to terminate this Agreement without liability.
  
- vi. Certification of Anti-Lobbying. The Subrecipient certifies and discloses that, to the best of its knowledge and belief:
  - a. No federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
  
  - b. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, an employee of a member of Congress, a County Commissioner, or any County employee in connection with this federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and
  
  - c. It will require that the language of paragraphs (a) through (d) of this certification be included in the award document for all subawards at all

tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all Subrecipients shall certify and disclose accordingly; and

- d. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S.C. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.
  
- vii. Copyright. If this Agreement results in any copyrightable material or inventions, the County and/or HUD reserves the right to royalty-free, non-exclusive, and irrevocable license to reproduce, publish, or otherwise use and to authorize others to use, the work or materials for governmental purposes.
  
- viii. Religious Activities. The Subrecipient acknowledges that CDBG funds may not be used for inherently religious activities, such as worship, religious instruction, or proselytization. The requirements of 24 CFR 5.109, as applied to the CDBG program pursuant to 24 CFR 570.200(j), are incorporated into this Agreement by reference.
  
- ix. Drug-Free Workplace. The Subrecipient certifies that it shall provide drug-free workplaces in accordance with the requirements of the Drug-Free Workplace Act of 1988 (42 U.S.C. 701) and 24 CFR Part 21.

## 11. Environmental Conditions.

A. Air and Water. The Subrecipient agrees to comply with the following requirements insofar as they apply to its performance under this Agreement:

- i. Clean Air Act (42 U.S.C. 7401, et seq., as amended), particularly Section 176(c) and (d) (42 U.S.C. 7506(c) and (d));
  
- ii. Determining Conformity of Federal Actions to State and Federal Implementation Plans (Environmental Protection Agency – 40 CFR Parts 6, 51, and 93); and
  
- iii. Federal Water Pollution Control Act, as amended (33 U.S.C. 1251, et seq., as amended), including the requirements set forth in Section 114 and Section 308 of the Federal Water Pollution Control Act, as amended, and all regulations and guidelines issued thereunder.

**B. Flood Disaster Protection.** For activities located in an area identified by the Federal Emergency Management Agency (FEMA) as having special flood hazards, the Subrecipient shall comply with the mandatory flood insurance purchase requirements of Section 102 of the Flood Disaster Protection Act of 1973, as amended by the National Flood Insurance Reform Act of 1994, 42 USC 4012a.

**C. Lead-Based Paint.** The Subrecipient shall comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846), the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851-4856), and implementing regulations at 24 CFR part 35, subparts A, B, J, K, and R, which apply to activities under this agreement.

**D. Historic Preservation.** The Subrecipient shall comply with the Historic Preservation requirements set forth in the National Historic Preservation Act of 1966, as amended, codified in Title 54 of the United States Code, and the procedures set forth in 36 CFR part 800 insofar as they apply to the performance of this agreement. In general, this requires concurrence from the State Historic Preservation Officer for all rehabilitation and demolition of historic properties that are fifty years old or older or that are included on a Federal, state, or local historic property list.

## **12. Miscellaneous Provisions.**

**A.** All words used herein in the singular form shall extend to and include the plural. All words used in the plural form shall extend to and include the singular. All gendered pronouns shall extend to and include all genders.

**B.** In the event 24 CFR 570.503 ("Agreements with Subrecipients") is amended or changed, the County shall provide written notice of the changes to the Subrecipient and shall amend this Agreement accordingly.

**C.** This Agreement constitutes the entire agreement and understanding between the parties as to the matters addressed herein. This Agreement supersedes all prior and contemporaneous agreements, understandings, representations, and warranties, whether oral or written, relating to such matters.

**D.** This Agreement shall be governed by the laws of the state of Florida. Venue for any legal or administrative action arising under this Agreement shall lie exclusively in St. Johns County or the Middle District of Florida, Jacksonville Division. Subrecipient hereby waives any privileges or rights it may have under statute or case law relating to venue, including any objection based on forum non conveniens.

## **13. Severability.**

If any portion of this Agreement, or the application thereof to any person or circumstance, is determined by a court of competent jurisdiction to be void, invalid, or otherwise unenforceable for any reason, such portion or application shall be severable. The remaining portions of this Agreement,

and all applications thereof, not having been declared void, invalid, or otherwise unenforceable, shall remain in effect.

**14. Section Headings and Subheadings.**

The section headings and subheadings contained in this Agreement are included for convenience and shall not limit or otherwise affect the terms of this Agreement.

**15. Waiver.**

No forbearance on the part of either Party shall constitute a waiver of any item requiring performance by the other Party. A waiver by one Party of the other Party's performance shall not constitute a waiver of any subsequent performance required by such other Party. No waiver shall be valid unless it is in writing and signed by authorized representatives of both Parties.

**16. Counterparts.**

This agreement may be executed in counterparts, each of which shall be deemed an original.

**17. Authority to Execute.**

Each person signing this Agreement in a representative capacity on behalf of a governmental or corporate entity represents that he or she is duly authorized by such entity to execute this Agreement on its behalf, as evidenced by the authorizing resolutions of each Party's Board attached hereto as Exhibit G.

**18. Entire Agreement.**

This Agreement constitutes the entire agreement and understanding between the Parties as to the matters addressed herein. This Agreement supersedes all prior and contemporaneous agreements, understandings, representations, and warranties, whether oral, electronic, or written, relating to such matters.

**IN WITNESS WHEREOF**, the undersigned, as authorized officials on behalf of the parties, have executed this Subrecipient Agreement as of the dates set forth below.

County

Grantee

\_\_\_\_\_  
Name and Title

\_\_\_\_\_  
Name and Title

\_\_\_\_\_  
Address

\_\_\_\_\_  
Address

\_\_\_\_\_  
City/State/ZIP Code

\_\_\_\_\_  
City/State/ZIP Code

\_\_\_\_\_  
Telephone Number

\_\_\_\_\_  
Telephone Number

**EXHIBIT A: SCOPE OF WORK**  
**Acquisition of 909 Palermo Road, St. Augustine FL 32086**

**Subrecipient:** St. Johns Housing Partnership, Inc.

**Activity:** Acquisition of 909 Palermo Road; St. Augustine, FL 32086

**Activity Scope:** St. Johns Housing Partnership, Inc. will acquire 909 Palermo Road, St. Augustine, FL 32086, to provide affordable housing to low- and moderate-income individuals and households. St. Johns Housing Partnership, Inc. will be responsible for all costs of renovations to the property.

**Approved Grant Budget:** CDBG funding, awarded to St. Johns County by HUD, will be provided up to a maximum of **\$100,242.00**.

**Rehabilitation:** The Subrecipient is responsible for all costs for renovations. The purpose of the renovations is to make the home a decent and safe environment for tenants. For the term of this contract, all contractors who complete renovations on this home are subject to the procurement regulations stated in Section 8 D of this Agreement, regardless of the source of funds from which they are paid, unless the Subrecipient completes the renovations by use of their own employees.

**Income Certification:**

- The Subrecipient shall be responsible for verifying that all clients served pursuant to this Agreement meet the definition of homeless persons or low-to-moderate income households.

**Reporting Schedule:**

- After Activity completion - Subrecipient will be responsible for monthly reporting of income and demographic data on tenants, as well as reporting which eligible activity that the program income (rent) was allocated for. The monthly reports shall comply with all applicable HUD reporting requirements and County reporting procedures.
- All program income will be utilized for eligible activities and to meet the National Objective of benefiting low to moderate-income individuals. Monthly reports will include the receipt and expenditures of program income, accompanied by related invoices and verification that the County has approved the use of program income for a specific eligible activity.
- Subrecipient will make an Annual Certification indicating that the home continues to be used for the eligible purpose of providing affordable rental housing to low- to moderate-income households..
- By June 30 of each year, the Subrecipient shall submit to the County, an annual agency audit report with an audit manager's letter. In the event that any deficiencies are cited, Subrecipient will submit to the County documentation that demonstrates Subrecipient cleared all deficiencies within 30 days of receipt.

**Monitoring:** The County's Housing and Community Services Division will monitor all stages of the Activity to ensure compliance with all applicable federal regulations and County guidelines.

- Within the first three months after completion of the Activity and occupancy of the building, the County will perform a level one monitoring of the Subrecipient to ensure that Subrecipient is maintaining all records in a satisfactory manner.
- After one year of providing services, the County will perform a level two monitoring of the Subrecipient to ensure compliance of client files, financial records, and demographic data reporting. A level two monitoring will also include the Subrecipient providing verification that program income has been spent on an eligible activity that meets a national objective.
- The County may make site visits to the property at any time during the term of this Agreement to ensure compliance with applicable federal regulations and the requirements of this Agreement.
- By entering into this Agreement, the Subrecipient agrees to comply and cooperate fully with any monitoring procedures/processes deemed appropriate by the County. The Subrecipient agrees to comply and cooperate with any inspections, reviews, investigations, or audits deemed necessary by the County, HUD, and the Comptroller General of the United States, or any of their authorized representatives.

## **EXHIBIT A-1: PROGRAM INCOME**

Subrecipient shall calculate and manage Program Income based on the definitions, methodology and terms and conditions listed below:

### **SJC Program Income Calculation Methodology for Single-Family Rental Housing**

Subrecipient shall use the following methodology for calculating program income from a single-family rental housing project:

#### **Calculate Project Costs and CDBG Investment**

- a). Calculate Total Development Costs or “Project Uses” by adding the sum of Acquisition plus Hard and Soft Construction Costs.
- b). Calculate “Total Sources” by adding the sum of Private Mortgage and / or relate sources such as State of Florida housing subsidies, private grants plus amount of CDBG and/or Related HUD funds via SJC.
- c). SJC shall provide Subrecipient an amount of CDBG subsidy that helps Sources to equal Uses after all other funding sources have been obtained the project remains affordable to the to target income group.
- d). Subrecipient shall calculate the percentage of Total Development costs that is paid for with CDBG and/or related HUD subsidy funds via SJC.

#### **Calculate Program Income**

- a). Calculate Gross Net Operating Income (NOI) by subtracting from Effective Rental Income after Vacancy all reasonable Operating Expenses.
- b). Calculate Program Income by multiplying NOI by Percentage of CDBG and/or relate HUD Subsidies via SJC.

#### **Calculate Balance of Program Income After Eligible Debt Service Payments**

- a). Calculate Remaining Net. Operating Income Available for Private Debt Services by subtracting the amount of Program Income from NOI.
- b). Calculate Balance of Debt Service Needed to Paid Out of Portion of Program Income (Unmet and Cost Reasonable Need) by subtracting NOI Available for Private Debt Service from Proposed Private Mortgage Debt Service payment. Debt service payments should not result in a less than 1.25 Debt Service Coverage Ratio.
- c). Calculate Balance of Program Income by subtracting Portion of Program Income Applied to Private Mortgage Debt Service Payments from Program Income.
- d). Subrecipient shall use the attached worksheet as template for calculating and reporting on Program Income for CDBG-assisted project.”

### **SJC Program Income Use Rules for Single-Family Rental Housing**

Subrecipient must use Remaining Program Income for either:

- a). Funding Capital Replacement Reserve;
- b). Making contributions to an Operating Reserve to have cash for unforeseen events such as long period of vacancy, slow or no pay tenants, disruption from storms, etc.;
- c). Making additional debt service payments to reduce debt balance and interest expense over time;
- d). Establishing working capital account for predevelopment costs for similar projects that meet CDBG National Objectives and eligible uses such as another LMI rental housing project or;
- e). Remitting Balance of Program Income to SJC.

Every year Subrecipient must show accounting reconciliation of Program Income earned and how it was deployed in compliance with CDBG regulations.”

### **HUD CDBG Program Income Rules**

Subrecipients must follow HUD CDBG Program Income rules as set forth in 24 CFR 570.500, as may be amended from time to time.

## **EXHIBIT A-2: AFFIRMATIVE FAIR HOUSING MARKETING PLAN**

Subrecipient must complete: HUD Form 935.2B, Affirmative Fair Housing Marketing (AFHM) – Single-Family Housing, <https://www.hud.gov/sites/documents/935-2B.PDF> .”

The purpose of the Affirmative Fair Housing Marketing (AFHM) Plan is to help applicants offer equal housing opportunities regardless of race, color, national origin, religion, sex, familial status, or disability. The AFHMP helps owners/agents (respondents) effectively market the availability of housing opportunities to individuals of both minority and non-minority groups that are least likely to apply for occupancy. The AFHM Plan is used to ensure that developers and/or subrecipients are taking necessary steps to eliminate discriminatory practices and to overcome the effects of past discrimination involving HUD-assisted housing.

Affirmative fair housing marketing and planning is a requirement for access to CDBG funding for all new construction, substantial rehabilitation, and existing project marketing and advertising activities. An AFHM program, as specified in this Plan, shall be in effect for each assisted rental housing project throughout the life of the CDBG and/or related housing subsidy affordability compliance period.

The responses are required to obtain or retain benefits under the Fair Housing Act, Section 808(e)(5) & (6) and 24 CFR Part 200, Subpart M. The form contains no questions of a confidential nature. The AFHMP, once approved by the County, must be made available for public inspection at the sales or rental offices of the respondent (24 CFR 200.625) and may not be revised without County approval.

In formulating the Affirmative Marketing Program, Subrecipient must do the following:

### **1. Targeting.**

Identify the segments of the eligible population which are least likely to apply for housing without special outreach efforts.

Consider the current racial and ethnic composition of the residential area.

Also consider language barriers and income eligibility requirements.

### **2. Outreach.**

Outline an outreach program which includes special measures designed to attract those groups identified as least likely to apply and other efforts designed to attract persons from the total eligible population.

**Community Contacts.** The housing provider must list at least one community organization that serves each group determined to be least likely to apply and who has agreed to help the provider in their marketing efforts. In the plan include the name of the contact person, contact information,

experience working with the target population as well as the number and language of materials to be provided to such agencies.

Media. The housing provider should specify the particular means of advertising to reach a target group and the reasoning behind the particular type of advertising. Advertisements should include the fair housing logo.

If the immediate housing market area is not demographically diverse enough to draw applicants considered “least likely to apply” then an expanded housing market area should be used.

### 3. Indicators.

State the indicators to be used to measure the success of the marketing program.

Recording information on how an individual heard about the housing and why they decided to apply will provide useful data for the evaluation process.

In addition, comparing the number of units now occupied by persons previously determined to be “least likely to apply” and the number of people least likely to apply on the waiting list prior to and after the marketing process is a good starting place for the evaluation.

### 4. Staff Training.

- Demonstrate the capacity to provide training and information on fair housing laws and objectives to sales or rental staff.

## **EXHIBIT B: INSURANCE REQUIREMENTS**

### **BASIC INSURANCE REQUIREMENTS**

During the term of this Agreement, the Subrecipient at its sole expense shall provide insurance of such a type and with such terms and limits as noted below. Providing and maintaining adequate insurance coverage is a material obligation of the Subrecipient.

The Subrecipient shall keep the Property insured for its full insurable value against loss by fire, flood if so required, and other losses normally covered by an extended coverage endorsement. All policies of insurance which insure against any loss or damage to the Property shall provide for loss payable to the County, without contribution by the County, pursuant to clauses satisfactory to the County.

The Subrecipient shall provide the County a certified copy of all insurance policies procured by the Subrecipient. When any required insurance reaches the attainment of a normal expiration date or renewal date, the Subrecipient shall provide the County with Certificates of Insurance evidencing a continuation of coverage. The Subrecipient's insurance coverage shall be primary insurance as respects to the County for all applicable policies. The limits of coverage under each policy maintained by the Subrecipient shall not be interpreted as limiting the Subrecipient's liability and obligations under this Agreement. All insurance policies shall be through insurers authorized or eligible to write policies in Florida and possess an A.M. Best rating of A- or better.

The Subrecipient shall procure and maintain for the duration of this Agreement, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the Activity by the Subrecipient, its agents, representatives, employees or subcontractors.

The coverages, limits or endorsements required herein protect the primary interests of the County, and these coverages, limits or endorsements shall in no way be required to be relied upon when assessing the extent or determining appropriate types and limits of coverage to protect the Subrecipient against any loss exposures, whether as a result of this Agreement or otherwise. The requirements contained herein, as well as the County's review or acknowledgement, is not intended to and shall not in any manner limit or qualify the liabilities and obligations assumed by the Subrecipient under this Agreement.

### **COMMERCIAL GENERAL LIABILITY**

Coverage must be afforded under a Commercial General Liability policy with limits not less than:

- \$500,000 each occurrence for Bodily Injury, Property Damage and Personal and Advertising Injury.
- \$500,000 each occurrence for Products and Completed Operations.

The policy must include coverage for Contractual Liability, Independent Contractors, ~~CMS1~~ ~~GL2~~ ~~RL3~~ The Certificate Holder shall be identified as:

St. Johns County, a political subdivision of the State of Florida  
500 San Sebastian View  
St. Augustine, FL 32084

St. Johns County, a political subdivision of the State of Florida, including its officials, employees, and volunteers, is to be named as an Additional Insured with a CG 20 26 04 13 Additional Insured - Designated Person or Organization Endorsement or similar endorsement providing equal or broader Additional Insured Coverage in respects to liability arising out of any service performed by or on behalf of Subrecipient. The coverage shall contain no special limitation on the scope of protection afforded to the County, its officials, employees or volunteers.

The Subrecipient's insurance coverage shall be primary insurance as respects St. Johns County, a political subdivision of the State of Florida, its officials, employees, and volunteers. Any insurance or self-insurance maintained by the County, its officials, employees, or volunteers shall be excess of the Subrecipient's insurance and shall be non-contributory.

#### **WORKER'S COMPENSATION**

The Subrecipient shall provide worker's compensation insurance in such amounts as required by law for all of its employees involved in the performance of this Agreement.

**EXHIBIT C**  
**Mortgage Lien**

**Record and Return to:**

St. Johns County Housing and Community Services Division  
200 San Sebastian View, Suite 2300  
St. Augustine, FL 32084

Rec. Fees: \$

DS: \$

**This Document Prepared By:**

St. Johns County Housing and Community Services Division  
200 San Sebastian View, Suite 2300  
St. Augustine, FL 32084

Property Appraiser's Parcel ID No.: 2701100320

Owner: St. Johns Housing Partnership, Inc.

**MORTGAGE LIEN**  
**FOR REAL PROPERTY ACQUIRED**  
**WITH CDBG FUNDS**

This mortgage is made by St. Johns County, a political subdivision of the state of Florida, 500 San Sebastian View, St. Augustine, FL 32084 (the Mortgagee) and St. Johns Housing Partnership, Inc., a Florida not-for-profit corporation, 525 West King Street, St. Augustine, FL 32084 (the Mortgagor).

**WHEREAS**, the Mortgagee is the administrator of the U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG); and

**WHEREAS**, pursuant to law, HUD has made available to the Mortgagor, through the Mortgagee, funds to be used in the acquisition of certain real property described herein to be used as rental housing, for low-income and moderate-income CDBG eligible people and families; and

**WHEREAS**, the use of the property qualifies under the CDBG program as meeting one of the national objectives in 24 CFR Part 92 and is not a building for the general conduct of government; and

**WHEREAS**, upon purchase, the Mortgagor will use the home/property to rent to low- and moderate-income CDBG eligible people and families according to 24 CFR 92.252 and in accordance with the separate agreement between Mortgagor and Mortgagee executed on \_\_\_\_\_, entitled Community Development Block Grant Subrecipient Agreement between St. Johns County and St. Johns Housing Partnership, Inc., the Subrecipient Agreement); and

**WHEREAS**, this Mortgage shall constitute a lien on the property to ensure performance as described herein, as set forth in the promissory note of even date between the parties (the Note) and as set forth in the Agreement entered into by the parties, until released as provided herein;

**NOW, THEREFORE** in consideration of the financial assistance granted herein and in order to secure the payment of both the principal, and interest, and any other sums payable on the Note or this Mortgage and the performance and observance of all the provisions hereof, of the Note, and of the Agreement, the Mortgagor hereby grants, sells, warrants, conveys, assigns, transfers, mortgages and sets over and confirms unto the Mortgagee all of the Mortgagor's estate, right, title and interest in, to and under all that certain real property situate in St. Johns County, Florida, more particularly described in Exhibit A, attached hereto and incorporated herein, together with all improvements now or hereafter located on said real property and all fixtures, appliances, apparatus, equipment, furnishings, heating and air conditioning equipment, machinery and articles of personal property and replacement thereof (other than those owned by lessees of said real property) now or hereafter affixed to, attached to, placed upon, or used in any way in connection with the complete and comfortable use, occupancy, or operation of the said real property, all licenses and permits used or required in connection with the use of said real property, all leases of said real property now or hereafter entered into and all right, title and interest of the Mortgagor thereunder, including without limitation, cash or securities deposited thereunder pursuant to said leases, and all rents, issues, proceeds, profits, revenues, royalties, rights, accounts, accounts receivable, and benefits arising from, relating to or accruing from said real property and together with all proceeds of the conversion, voluntary or involuntary of any of the foregoing into cash or liquidated claims, including without limitation, proceeds of insurance and condemnation awards (the foregoing said real property, tangible and intangible personal property hereinafter collectively referred to as the Mortgaged Property). The Mortgagor hereby grants to the Mortgagee a security interest in the foregoing described tangible and intangible personal property.

The Mortgagor covenants and agrees as follows:

1. The terms and conditions contained in the Agreement and the Note are incorporated herein and made a part hereof as fully as if set forth herein.

CDBG funds in the amount **one hundred thousand, two hundred forty-two dollars and zero cents (\$100,242.00)** have been provided to or for the benefit of the Mortgagor to assist in the acquisition of the Mortgaged Property.

3. The Mortgagor warrants that the Mortgagor has good and marketable title to an indefeasible fee estate in the real property comprising the Mortgaged Property subject to no lien, charge or encumbrance except as the Mortgagee has agreed to accept in writing, and the Mortgagor covenants that this Mortgage is and will remain a valid and enforceable mortgage on the Mortgaged Property subject only to the exceptions herein provided. The Mortgagor has full power and lawful authority to mortgage the Mortgaged Property in the manner and form herein done or intended hereafter to be done. The Mortgagor will preserve such title and will forever

warrant and defend the same to the Mortgagee and will forever warrant and defend the validity and priority of the lien hereof against the claims of all persons and parties whomsoever.

4. The Mortgagor will, at the cost of the Mortgagor, and without expense to the Mortgagee, do, execute, acknowledge and deliver all and every such further acts, deeds, conveyances, mortgages, assignments, notices of assignment, transfers and assurances as the Mortgagee shall from time to time require in order to preserve the priority of the lien of this Mortgage or to facilitate the performance of the terms hereof.
5. This Mortgage is forgivable at 5 percent per year for 20 years, prorated on a monthly basis, provided that:
  - a. The Mortgaged Property remains occupied by low to moderate income individuals, as provided in the Subrecipient Agreement; and
  - b. The Mortgagor honors all requirements of this agreement.

Upon termination or expiration of this Mortgage, the Mortgagee shall execute a release from this Mortgage and lien which shall be recorded in the public records of St. Johns County, Florida.

6. The Mortgagor further covenants and agrees to pay when due, without requiring any notice from the Mortgagee, all taxes, assessments of any type or nature and other charges levied or assessed against the Mortgaged Property or this Mortgage and produce receipts therefor upon demand. To immediately pay and discharge any claim, lien or encumbrance against the Mortgaged Property, which may be or become superior to this Mortgage, and to permit no default or delinquency on any other lien, encumbrance or charge against the Mortgaged Property.
7. The Mortgagor further covenants and agrees to promptly pay all taxes and assessments assessed or levied under and by virtue of any state, federal, or municipal law or regulation, hereafter passed against the Mortgagee upon this Mortgage or the debt hereby secured, or upon its interest under this Mortgage, provided however that the total amount so paid for any such taxes pursuant to this paragraph together with the interest payable on said indebtedness shall not exceed the highest lawful rate of interest in Florida and provided further that in the event of the passage of any such law or regulation imposing a tax or assessment against the Mortgagee upon this Mortgage or the debt secured hereby, that the entire indebtedness secured by the Mortgage shall thereupon become immediately due and payable at the option of the Mortgagee.
8. The Mortgagor further covenants and agrees to maintain the Mortgaged Property in good condition and repair, including but not limited to, the making of such repairs as the Mortgagee may from time to time determine to be necessary for the preservation of the Mortgaged Property and to not commit or permit any waste thereof, and the Mortgagee shall have the right to inspect the Mortgaged Property on reasonable notice to the Mortgagor.

9. The Mortgagor further covenants and agrees to comply with all laws, ordinances, regulations, covenants, conditions, and restrictions affecting the Mortgaged Property, and not to cause or permit any violation thereof.
10. The Mortgagor further covenants and agrees that if the Mortgagor fails to pay any claim, lien or encumbrance that is superior to this Mortgage, or when due, any tax or assessment or insurance premium or to keep the Mortgaged Property in repair, or shall commit or permit waste, or if there be commenced any action or proceeding affecting the Mortgaged Property or the title thereto, or the interest of the Mortgagee therein, including but not limited to, eminent domain and bankruptcy or reorganization proceedings, then the Mortgagee, at its option, may pay said claim, lien encumbrance, tax, assessment or premium, with right of subrogation thereunder, may make such repairs and take such steps as it deems advisable to prevent or cure such waste, and may appear in any such action or proceeding and retain counsel therein, and take such action therein as the Mortgagee deems advisable, and for any of such purposes, the Mortgagee may advance such sums of money, including all costs, reasonable attorney's fees, and other items of expense as it deems necessary. The Mortgagee shall be the sole judge of the legality, validity and priority of any such claim, lien, encumbrance, tax, assessment, or premium and of the amount necessary to be paid in satisfaction thereof. The Mortgagee shall not be held accountable for any delay in making any such payment, which delay may result in any additional interest, costs, charges, expenses or otherwise.
11. The Mortgagor further covenants and agrees that the Mortgagor will pay to the Mortgagee, immediately and without demand, all sums of money advanced by the Mortgagee to protect the Mortgaged Property hereof pursuant to this Mortgage, including all costs, reasonable attorney's fees, and other items of expense, together with interest on each such advancement at the rate of interest provided herein and all such sums and interest thereon shall be secured hereby.
12. The Mortgagor further covenants and agrees all sums of money secured hereby shall be payable without any relief wherever from any valuation or appraisal laws.
13. If default occurs in payment of the principal or interest of the Note or any part thereof when due, or in payment, when due or any other sum secured hereby, or in performance of any the Mortgagor's obligations, covenants or agreements hereunder, in the Note or in the Agreement, all of the indebtedness secured hereby shall become and be immediately due and payable at the option of the Mortgagee, without notice or demand, which are hereby expressly waived, in which event, the Mortgagee may avail itself of all rights and remedies, at law or in equity, and this Mortgage may be foreclosed with all rights and remedies afforded by the laws of Florida, and the Mortgagor shall pay all costs, charges, and expenses thereof, including a reasonable attorney's fee, and all such other costs, expenses and attorney's fees for any retrial, rehearing or appeal. The indebtedness secured hereby shall bear interest at the rate provided herein from and after the date of any such default of the Mortgagor.

14. If default be made in payment, when due, of any indebtedness secured hereby, or in performance of any of the Mortgagor's obligations, covenants or agreements in this Mortgage, the Note or the Agreement:

- a) The Mortgagee is authorized at any time, without notice, in its sole discretion to enter upon and take possession of the Mortgaged Property or any part thereof, to perform any acts the Mortgagee deems necessary or proper to conserve the Mortgaged Property and to collect and receive all rents, issues, profits, revenues, royalties, rights, proceeds, accounts, accounts receivable, and benefits thereof, including those past due as well as those accruing thereafter; and
- b) The Mortgagee shall be entitled, as a matter of strict right, without notice and ex parte, and without regard to the value or occupancy of the Mortgaged Property, or the solvency of the Mortgagor, or the adequacy of the Mortgaged Property as security for the Note to have a receiver appointed to enter upon and take possession of the Mortgaged Property, collect the rents, issues, profits, revenues, royalties, rights, proceeds, accounts, accounts receivable, and benefits therefrom and apply the same as the court may direct, such receiver to have all the rights and powers permitted under the laws of Florida.

In either such case, the Mortgagee or the receiver may also take possession of, and for these purposes, use any and all personal property which is a part of the Mortgaged Property and used by the Mortgagor in the rental or leasing thereof or any part thereof. The expense (including receiver's fees, attorney's fees, costs, and agent's compensation) incurred pursuant to the powers herein contained shall be secured hereby. The Mortgagee shall (after payment of all costs and expenses incurred) apply such rents, issues, and profits received by it on the indebtedness secured hereby in such order and as the Mortgagee determines. The right to enter and take possession of the Mortgaged Property, to manage and operate the same, and to collect the rents, issues, profits, revenues, royalties, rights, proceeds, accounts, accounts receivable and benefits thereof, whether by a receiver or otherwise, shall be cumulative to any other right or remedy hereunder or afforded by law, and may be exercised concurrently therewith or independently thereof. The Mortgagee shall be liable to account only for such rents, issue and profits actually received by the Mortgagee.

15. If the indebtedness secured hereby is now or hereafter secured by chattel mortgages, security interests, financing statements, pledges, contracts of guaranty, assignments of leases, or other securities, or if the Mortgaged Property hereby encumbered consists of more than one (1) parcel of real property, the Mortgagee may, at its option, exhaust any one or more of said securities and security hereunder, or such parcels of security hereunder, either concurrently or independently, and in such order as it may determine.

16. [CMS4][GL5][RL6] This Mortgage shall secure not only existing indebtedness, but also such future advances, whether such advances are obligatory or to be made at the option of Mortgagee, or otherwise, as are made within six (6) years from the date hereof, to the same extent as if such future advances were made on the date of the execution of this Mortgage, but such secured

indebtedness shall not exceed at any time the maximum principal amount of two (2) times the amount of the Note, plus interest thereon, plus any disbursements made for the payment of taxes, levies, or insurance on the Mortgaged Property, plus interest on such disbursements. Any such future advances, whether obligatory or to be made at the option of the Mortgagee, or otherwise, may be made either prior to or after the due date of the Note or any other notes secured by this Mortgage. This Mortgage is given for the specific purpose of securing any and all indebtedness by Mortgagor to Mortgagee (but in no event shall the secured indebtedness exceed at any time the maximum principal amount set forth in this paragraph) in whatever manner this indebtedness may be evidenced or represented until this Mortgage is satisfied of record. All covenants and agreement contained in this Mortgage shall be applicable to all further advances made by the Mortgagee to the Mortgagor under this future advance clause.

17. No delay by the Mortgagee in exercising any right or remedy hereunder, or otherwise afforded by law, shall operate as a waiver thereof or preclude the exercise thereof during the continuance of any default hereunder. No waiver by the Mortgagee of any default shall constitute a waiver of or consent to subsequent defaults. No failure of the Mortgagee to exercise any option herein given to accelerate maturity of the debt hereby secured, no forbearance by the Mortgagee before or after the exercise of such option, and no withdrawal or abandonment of foreclosure proceeding by the Mortgagee shall be taken or construed as a waiver of its right to exercise such option or to accelerate the maturity of the debt, hereby secured by reason of any past, present, or future default on the part of the Mortgagor; and, in like manner, the procurement of insurance or the payment of taxes or other liens or charges by the Mortgagee shall not be taken or construed as a waiver of its right to accelerate the maturity of the debt hereby secured.
18. Without affecting the liability of the Mortgagor or any other person (except any person expressly released in writing) for payment of any indebtedness secured hereby or for performance of any obligation contained herein, in the Note, or in the Subrecipient Agreement, and without affecting the rights of the Mortgagee with respect to any security not expressly released in writing, the Mortgagee may, at any time and from time to time, either before or after the maturity of the Note, and without notice or consent:
  - a. Release any person liable for payment of all or part of the indebtedness or for performance of any obligation;
  - b. Make any agreement extending the time or otherwise altering the terms of payment of all or any part of the indebtedness, or modifying or waiving any obligation, or subordinating, modifying or otherwise dealing with the lien or charge hereof;
  - c. Exercise or refrain from exercising or waive any right the Mortgagee may have;
  - d. Accept additional security of any kind; or

- e. Release or otherwise deal with any property, real or personal, securing the indebtedness, including all or any part of the Mortgaged Property.
19. Any agreement hereafter made by Mortgagor and Mortgagee pursuant to this Mortgage shall be superior to the rights of the holder of any intervening lien or encumbrance.
  20. In the event of condemnation proceedings of the Mortgaged Property, the award or compensation payable thereunder is hereby assigned to and shall be paid to the Mortgagee. The Mortgagee shall be under no obligation to question the amount of any such award or compensation and may accept the same in the amount in which the same shall be paid. In any such condemnation proceedings, the Mortgagee may be represented by counsel selected by the Mortgagee. The proceeds of any award or compensation so received shall, at the option of the Mortgagee, either be applied to the prepayment of the Note and at the rate of interest payable on the award by the condemning authority, or at the option of the Mortgagee, such award shall be paid over to the Mortgagor for restoration of the Mortgaged Property.
  21. At the option of Mortgagee, Mortgagor shall provide Mortgagee with periodic financial statements of the operations of and the financial condition of Mortgagor.
  22. The loan represented by the Mortgage and the Note is personal to the Mortgagor. The Mortgagee extended the funds to the Mortgagor based upon the representations made in the Mortgagor's application and the Subrecipient Agreement between the parties as well as the Mortgagee's judgment of the ability of the Mortgagor to perform under this Mortgage, the Note, the Subrecipient Agreement, and the Mortgagee's judgment of the ability of the Mortgagor to repay all sums due under this Mortgage. Therefore, this Mortgage may not be assumed by any subsequent holder of an interest in the Mortgaged Property unless in compliance with HUD regulations and with written approval by the Mortgagee.
- 23. COMPLIANCE WITH ENVIRONMENTAL LAWS:**
- a. Hazardous Waste: "Hazardous Waste" shall mean and include those elements or compounds which are contained in the list of hazardous substances adopted by the United States Environmental Protection Agency (EPA) and the list of toxic pollutants designated by Congress or the EPA or defined by any other federal, state or local statute, law, ordinance, code, rule, regulation, order or decree regulating, relating to or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material as now or at any time in effect.
  - b. Representations and Warranties: The Mortgagor specifically represents and warrants that the use and operation of the Mortgaged Property complies with all applicable environmental laws, rules and regulations, including, without limitation, the Federal Resource Conservation and Recovery Act and the Comprehensive Environmental Response Compensation and Liability Act of 1980 and all amendments and supplements thereto, and the Mortgagor shall continue to comply therewith at all

times. Specifically, and without limiting the generality of the foregoing, there are not now and there shall not in the future be any Hazardous Waste located or stored in, upon or at the Mortgaged Property, and there are not now nor shall there be at any time any releases or discharges of Hazardous Waste from the Mortgaged Property.

c. Indemnification.

- (1) The Mortgagor shall indemnify the Mortgagee and hold the Mortgagee harmless from and against any and all losses, liabilities (including strict liability), damages, injuries, expenses (including attorneys' fees for attorneys of the Mortgagee's choice), costs of any settlement or judgment, and claims of any and every kind whatsoever paid, incurred or suffered by, or asserted against the Mortgagee by any person or entity or governmental agency for, with respect to, or as a direct or indirect result of, the presence on or under, or the escape, seepage, leakage, spillage, discharge, emission or release from the Mortgaged Property of any Hazardous Waste, regardless of whether within the Mortgagor's control. The indemnification agreement set forth in this paragraph includes without limitation, any losses, liabilities (including strict liability), damages, injuries, expense (including attorneys' fees for attorneys of the Mortgagee's choice), costs of any settlement or judgment or claims asserted or arising under the Comprehensive Environmental Response Compensation and Liability Act, any deferral state or local "Superfund" or "Superlien" laws, and any and all other statutes laws, ordinances, codes, rules, regulations, orders or decrees regulating, with respect to or imposing liability, including strict liability, substances or standards of conduct concerning any Hazardous Waste.
- (2) The indemnification and hold harmless agreement set forth in this subparagraph shall benefit the Mortgagee from the date hereof and shall continue notwithstanding payment, release or discharge of this Mortgage or the obligations secured hereby, and, without limiting the generality of the foregoing, such obligations shall continue for the benefit of the Mortgagee during and following any possession or ownership of the Mortgaged Property by the Mortgagee, whether arising by foreclosure or deed in lieu of foreclosure or otherwise, such indemnification and hold harmless agreement to continue forever.

d. Notice of Environmental Complaint. If the Mortgagor shall receive any knowledge of notice (actual or constructive) of:

- (1) The happening of any event involving the spill, release, leak, seepage, discharge, presence or cleanup of any Hazardous Waste on the Mortgaged Property on in connection with Mortgagor's operations thereon; or

(2) Any complaint, order, citation or notice with regard to air emission, water discharges; or

(3) Any other environmental, health or safety matter affecting Mortgagor,

(All the foregoing be referred to herein as an Environmental Complaint) from any person or entity, then the Mortgagor immediately shall notify the Mortgagee orally and in writing of the notice.

e. Mortgagee's Reserved Rights. In the event of an Environmental Complaint, the Mortgagee shall have the right, but not the obligation (and without limitation of the Mortgagee's rights under this Mortgage) to enter onto the Mortgaged Property or to take such other actions as it shall deem necessary or advisable to clean up, remove, resolve or minimize the impact of, or otherwise deal with, any such Hazardous Waste or Environmental Complaint. All reasonable costs and expenses, including a reasonable attorney's fee, incurred by the Mortgagee in the exercise of any such rights shall be secured by the Mortgage; shall be payable by the Mortgagor upon demand; and shall accrue interest at the highest lawful rate from the date paid by the Mortgagee.

24. **Breach.** Any breach of any warranty, representation or agreement contained in this Mortgage, the Note, or the Subrecipient Agreement shall be an Event of Default and shall entitle Mortgagee to exercise any and all remedies provided in this Mortgage, or otherwise permitted by law.
25. In the event any one or more of the provisions contained in this Mortgage, the Note, or the Subrecipient Agreement, shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall be severable and shall not affect any other provisions of this Mortgage, but this Mortgage shall be construed as if such invalid illegal or unenforceable provision had never been contained herein or therein. The total interest payable pursuant to the Note or this Mortgage shall not in any one year exceed the highest lawful rate of interest permitted in the State of Florida.
26. The covenants and agreements herein contained shall bind and the benefits and advantages shall inure to the respective heirs, executors, administrators, successors, and assigns of the parties hereto. Wherever used, the singular number shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders. All covenants, agreements and undertakings shall be joint and several. In the event additional numbered covenants or paragraphs are for convenience inserted in this Mortgage, such additional covenants shall be read and given the effect as though following this covenant in consecutive order.
27. Mortgagor understands and agrees that this Mortgage shall be recorded in the public records of St. Johns County, Florida, and that this Mortgage shall be a legal and binding contract and a lien on the Mortgaged Property described herein, enforceable in the courts of the State of Florida. Venue for any cause of action arising under this Mortgage shall lie exclusively in St. Johns County, Florida.

IN WITNESS WHEREOF, the Mortgagor has executed this Mortgage on this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

**WITNESS:**

Signed, sealed, and delivered  
in our presence as witnesses:

St. Johns Housing Partnership, Inc., a Not-  
For-Profit Corporation

\_\_\_\_\_  
Witness Signature

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

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

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

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

\_\_\_\_\_  
Witness Signature

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

**STATE OF FLORIDA  
COUNTY OF ST. JOHNS**

The foregoing mortgage was acknowledged before me, by means of personal presence, this \_\_\_\_\_ day of \_\_\_\_\_, 2021, by \_\_\_\_\_ of St. Johns Housing Partnership, Inc., a not-for-profit organization who is personally known to me \_\_\_\_\_ or produced \_\_\_\_\_ as identification, and who did take an oath.

\_\_\_\_\_  
Seal

\_\_\_\_\_  
Signature - Notary Public (SEAL)

Print Name: \_\_\_\_\_

My Commission Expires: \_\_\_\_\_

**EXHIBIT D**  
**Promissory Note**

\$ 100,242 .00

DATED: \_\_\_\_\_, 2021

**FOR VALUE RECEIVED**, the undersigned (the Borrower) promises to pay to St. Johns County, a political subdivision of the State of Florida, CDBG Fund, St. Johns County, Florida, its successors or assigns (Lender), the principal sum of **one hundred thousand, two hundred forty-two dollars and zero cents (\$100,242.00) or such other amount as may be advanced by Lender from time to time hereunder**, and to pay interest on the outstanding principal balance at the rate of zero (0%) percent from the above date until fully paid. Payment shall be due upon sale, transfer, or refinance of the collateral securing this note to St. Johns County, or if home/property is used for purposes other than affordable rental housing for low-income to moderate-income CDBG eligible people.

This Note and all other obligations of the Borrower, including the agreement entered into between the parties entitled Community Development Block Grant Subrecipient Agreement between St. Johns County and St. Johns Housing Partnership, Inc. (the Subrecipient Agreement) are secured by a lien on collateral in the form of real property located in St. Johns County, Florida (the Security), pursuant to a Mortgage Lien For Real Property Acquired With CDBG Funds (the Mortgage) held by Lender. The terms and conditions contained in the Agreement and the Mortgage are incorporated herein and made a part hereof as fully as if set forth herein. This Note, the Subrecipient Agreement, and the Mortgage are collectively referred to as the "Loan Documents". Reference herein to the Loan Documents is made for a statement of the rights and remedies of Lender with respect to such collateral. Borrower shall not sell, lease or transfer all or any part of the Security or any interest therein, including transfer by judicial sale or any other voluntary or involuntary transfer, without Lender's prior written consent prior to discharge.

1. Payment.

- A) Maturity. The purpose of this Note is to provide Borrower CDBG grant funds for the acquisition of the property to be used as a rental unit for low- and moderate-income CDBG eligible individuals and families. The maturity date of this Note shall be **January 19, 2041.**
- B) The Note is forgivable at 5 percent per year for 20 years, prorated on a monthly basis, providing that the home/property remains occupied by low to moderate income individuals, as defined by HUD, and the participants honor all requirements of this agreement.
- C) Sums due under this Note shall be payable to the St. Johns County CDBG Grant, St. Johns County, Florida, 500 San Sebastian View, St. Augustine, FL 32084, or such other place as the Note holder may designate.

- D) Prepayment. Borrower has the option and privilege of prepaying all or any part of the outstanding principal balance evidenced by this Note without premium, penalty or charge.

2. Event of Default.

An event of default shall occur if: (a) Borrower fails to make any payment due under this Note within fifteen (15) days of the due date; or (b) an event of default occurs under any of the Loan Documents between Borrower and Lender, (collectively "Event of Default").

3. Acceleration.

Upon the occurrence of any Event of Default, the outstanding principal hereof and all accrued interest thereon, at the option of Lender, shall become immediately due and payable without notice or demand.

4. Relationship of Borrower and Lender.

Nothing contained in this Note shall be deemed or construed to create the relationship of partner or joint venture as between Lender and Borrower, it being agreed and understood that the only relationship between the parties is that of lender and borrower. The terms hereunder are only intended to compensate Lender for its agreement to make the loan evidenced by this Note. Market conditions as of the date of this Note have been considered.

5. Costs/Attorney's Fees.

Borrower, and all other persons or entities who are or may become liable on the indebtedness evidenced by this Note, agree jointly and severally, to pay all costs of collection, including reasonable attorneys' fees and all costs of any action or proceeding (including but without limitation commencement of non-judicial foreclosure or private sale), in case the unpaid principal sum of this Note is not paid when due, or in case it becomes necessary to enforce any other obligation of Borrower hereunder or to protect the Security for the indebtedness evidenced hereby, or for the foreclosure by Lender of the Mortgage, or in the event Lender is made a party to any litigation because of the existence of the indebtedness evidenced by the Note, whether suit be brought or not, and whether through courts or original jurisdiction, as well as in courts of appellate jurisdiction, or through a bankruptcy court or other legal proceedings. Borrower acknowledges that all such costs are secured by the Mortgage. As used herein "attorneys' fees" shall be deemed to include fees incurred in appellate, bankruptcy and post-judgment proceedings and shall be deemed to include charges for paralegals, law clerks, and other staff members operating under the supervision of an attorney. Any payment or award of attorney's fees shall include as part thereof any and all sales and/or use taxes imposed thereon by any appropriate governmental authority.

6. Waiver.

Borrower, and all persons or entities who are, or may become, liable for all or any part of this indebtedness, jointly and severally:

- A. Waive Lender's diligence, presentment, protest and demand for payment, notice of protest of demand, of nonpayment, of dishonor and of maturity and all other notices, filing suit and diligence in collecting this Note, in enforcing any of the security rights, or in a proceeding against the Security;
- B. Agree that time is of the essence with respect to every provision of this Note and the Loan Documents;
- C. Agree to any substitution, exchange, addition or release of any of the Security or the addition or release of any party or person primarily or secondarily liable hereon;
- D. Consent to any and all renewals, extensions or modifications agreed to by Borrower and Lender of the terms hereof or the terms contained in any of the Loan Documents, including time for payment;
- E. Expressly waive to the full extent of the law, the right, if any, to plead any and all statutes of limitation as a defense to any demand on this Note or Mortgage or any other documents executed in connection with the loan evidenced by this Note;
- F. Agree that Lender shall not be required first to institute any suit or exhaust its remedies against Borrower or any other person or party to become liable hereunder, or against the Security in order to enforce payment of this Note; and
- G. Agree that, notwithstanding the occurrence of any of the foregoing (except the express written release by Lender of any such person), they shall be and remain jointly and severally, directly and primarily, liable for all sums due under this Note.

7. Rights and Remedies of Lender.

Borrower, and all persons or entities who are, or may become, liable for all or any part of this indebtedness, jointly and severally, agree that:

- A. Lender shall have the right, at any time and from time to time, at its sole option and in its sole discretion, to waive all or any part of any charge due Lender hereunder, but such waiver shall be effective only if made in writing and shall not extend to or constitute a waiver of the same or any other term or provision herein contained or contained in the Mortgage;
- B. The rights and remedies of Lender as provided in this Note and in the Mortgage, shall be cumulative and concurrent and may be pursued singly, successively or together against Borrower, the Security encumbered by the Mortgage, or any other persons or entities who are, or may become, liable for all or any part of this indebtedness, or any and other funds, property or security held by Lender for payment hereof, or otherwise, at the sole discretion of Lender; and
- C. Failure of Lender to exercise any such right or remedy shall in no event be construed as a waiver or release of such rights or remedies, or the right to exercise them at any

later time. The acceptance by Lender of payment hereunder that is less than any payment in full of all amounts due and payable at the time of such payment shall not constitute a waiver of the right to exercise any of the foregoing options at that time or at any subsequent time or nullify any prior exercise of any such option without the express written consent of Lender. A waiver or release with reference to one Event of Default shall not be construed as a continuing, as a bar to, or as a waiver or release of, any subsequent right, remedy or recourse as to any subsequent Event of Default.

8. Waiver of Jury Trial. Borrower hereby waives trial by jury in any action or proceeding to which Borrower and Lender may be parties, arising out of or in any way pertaining to the Loan. This waiver is knowingly, willingly, and voluntarily made by Borrower, and Borrower hereby represents that no representation of fact or opinion has been made by any individual to induce this waiver of trial by jury or to in any way, modify or nullify its effect.

9. Governing Law. This Note is executed and delivered in St. Johns County, Florida, and shall be construed and enforced according to the laws of the State of Florida.

IN WITNESS WHEREOF, this Note has been duly executed by the undersigned, as of the above date.

WITNESS:

Signed, sealed, and delivered  
in our presence as witnesses:

St. Johns Housing Partnership, Inc., a Florida  
Not-For-Profit Corporation

\_\_\_\_\_  
Witness Signature

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

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

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

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

\_\_\_\_\_  
Witness Signature

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

**EXHIBIT E** {to be updated when received from the Title Company}  
**Settlement Statement**

**EXHIBIT F**  
**HUD Fair Market Rent Requirements**

**JACKSONVILLE, FL HUD METRO FMR AREA SMALL AREA FY 2021 FAIR MARKET RENTS**

FY 2021 Fair Market Rent (FMRs) Documentation System — Jacksonville, FL HUD Metro FMR Area (huduser.gov)

St. Johns County, FL is part of the Jacksonville, FL HUD Metro FMR Area, which consists of the following counties: Clay County, FL; Duval County, FL; Nassau County, FL; and St. Johns County, FL. All information here applies to the entirety of the Jacksonville, FL HUD Metro FMR Area. In metropolitan areas, HUD defines Small Areas using ZIP Codes within the metropolitan area. Using ZIP codes as the basis for FMRs provides tenants with greater ability to move into “Opportunity Neighborhoods” with jobs, public transportation, and good schools. They also provide for multiple payment standards within a metropolitan area, and they are likely to reduce need for extensive market area rent reasonableness studies. Lastly, HUD hopes that setting FMRs for each ZIP code will reduce overpayment in lower-rent areas.

NOTE: ZIP Code areas are defined by the postal service to facilitate the efficient delivery of mail. Because of this, ZIP code areas may cross city, county, and in some limited instances, state lines. Consequently, ZIP codes which cross county lines may lie within more than one metropolitan area, or cover parts of one or more nonmetropolitan counties and part of a metropolitan area.

<b>2021 Jacksonville, FL HUD Metro FMR Area Small Area FMRs By Unit Bedrooms</b>					
<b>ZIP Code</b>	<b>Efficiency</b>	<b>One-Bedroom</b>	<b>Two-Bedroom</b>	<b>Three-Bedroom</b>	<b>Four-Bedroom</b>
32086	\$780	\$970	\$1,170	\$1,530	\$1,950

**EXHIBIT G**

**Authorizing Resolutions**



## APPRAISAL OF REAL PROPERTY



### LOCATED AT

909 Palermo Rd  
Saint Augustine, FL 32086  
11-67 ST AUG SHORES UNIT 1 LOT 32 BLK 10 OR5085/741

### GPS

South State Bank, N.A.  
1951 8th Street NW  
Winter Haven, FL 33881

PQOJPO IPG IWBVVF  
125,000

BT IPG  
11/09/2020

### CZ

Casey Duggan  
Casey Duggan LLC  
603 Kettner Court  
St. Augustine, FL 32086  
(904) 814-9225  
crdduggan@gmail.com

# Uniform Residential Appraisal Report

File # 90556636

The purpose of this summary appraisal report is to provide the lender/client with an accurate, and adequately supported, opinion of the market value of the subject property.

Property Address 909 Palermo Rd City Saint Augustine State FL Zip Code 32086  
 Borrower St Johns Housing Partnership Owner of Public Record Lodestar Financial Services LLC County Saint Johns  
 Legal Description 11-67 ST AUG SHORES UNIT 1 LOT 32 BLK 10 OR5085/741  
 Assessor's Parcel # 270110-0320 Tax Year 2019 R.E. Taxes \$ 2,025  
 Neighborhood Name St Augustine Shores (Phase One) Map Reference 27260 Census Tract 0212.06  
 Occupant  Owner  Tenant  Vacant Special Assessments \$ 0 PUD HOA \$ 0 per year per month  
 Property Rights Appraised  Fee Simple  Leasehold  Other (describe)  
 Assignment Type  Purchase Transaction  Refinance Transaction  Other (describe)  
 Lender/Client South State Bank, N.A. Address 1951 8th Street NW, Winter Haven, FL 33861  
 Is the subject property currently offered for sale or has it been offered for sale in the twelve months prior to the effective date of this appraisal?  Yes  No  
 Report data source(s) used, offering price(s), and date(s). DOM 32; The Subject sold on 10/28/2020, for \$120,000. The Subject is currently being sold for \$150,000 in cash.  
 I  did  not analyze the contract for sale for the subject purchase transaction. Explain the results of the analysis of the contract for sale or why the analysis was not performed. Arms length sale; The contract indicates that it is an arms length typical transaction  
 Contract Price \$ 150,000 Date of Contract 10/23/2020 Is the property seller the owner of public record?  Yes  No Data Source(s) Assessor  
 Is there any financial assistance (loan charges, sale concessions, gift or downpayment assistance, etc.) to be paid by any party on behalf of the borrower?  Yes  No  
 If Yes, report the total dollar amount and describe the items to be paid. \$4,000; Sellers to pay \$4,000 towards buyers closing costs.  
 Note: Race and the racial composition of the neighborhood are not appraisal factors.

Neighborhood Characteristics		One-Unit Housing Trends		One-Unit Housing		Present Land Use %	
Location <input type="checkbox"/> Urban <input checked="" type="checkbox"/> Suburban <input type="checkbox"/> Rural	Property Values <input type="checkbox"/> Increasing <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Declining	PRICE	AGE	One-Unit	75 %		
Build-Up <input checked="" type="checkbox"/> Over 75% <input type="checkbox"/> 25-75% <input type="checkbox"/> Under 25%	Demand/Supply <input type="checkbox"/> Shortage <input checked="" type="checkbox"/> In Balance <input type="checkbox"/> Over Supply	\$ (000)	(yrs)	2-4 Unit	5 %		
Growth <input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Slow	Marketing Time <input type="checkbox"/> Under 3 mths <input checked="" type="checkbox"/> 3-6 mths <input type="checkbox"/> Over 6 mths	100	Low 10	Multi-Family	0 %		
Neighborhood Boundaries Intra Coastal Waterway to the East, US-1 to the West, S.R. 312 to the North, Shores Blvd to the South		500	High 80	Commercial	10 %		
		225	Pred. 50	Other	10 %		

Neighborhood Description The subject neighborhood is located near historic downtown St. Augustine, the Intra Coastal Waterway, and area beaches. There is medical and commercial in close proximity. Tourism is a driving force for the economy in this area. The school district is ranked highly and drives families to the area.  
 Market Conditions (including support for the above conclusions) I have considered relevant competitive listings/contract offerings in performing this appraisal, and any trend indicated by that data is supported by the listing/offering information included in this report. The listing period in this market area is 2 to 4 months. 96% listing/sale ratio. The overall marketplace is stable.  
 Dimensions 60' x 100' Area 6098 sf Shape Rectangle View N;Res;  
 Specific Zoning Classification RS-1 Zoning Description Residential Single Family  
 Zoning Compliance  Legal  Legal Nonconforming (Grandfathered Use)  No Zoning  Illegal (describe)  
 Is the highest and best use of subject property as improved (or as proposed per plans and specifications) the present use?  Yes  No If No, describe See Additional  
 Comments  
 Utilities Public Other (describe) Public Other (describe) Off-site Improvements - Type Public Private  
 Electricity  FPL Water  County Street Paved   
 Gas  None Sanitary Sewer  County Alley None   
 FEMA Special Flood Hazard Area  Yes  No FEMA Flood Zone X FEMA Map # 12109C0379J FEMA Map Date 12/07/2018  
 Are the utilities and off-site improvements typical for the market area?  Yes  No If No, describe  
 Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)?  Yes  No If Yes, describe  
 The property and surrounding area are typical. There are no adverse conditions, easements or encroachments that would effect value. The site backs up to residential properties and is considered neutral for the area. Plat and Flood maps are attached in the photos

General Description		Foundation		Exterior Description		Interior	
Units <input checked="" type="checkbox"/> One <input type="checkbox"/> One with Accessory Unit	Concrete Slab <input type="checkbox"/> Crawl Space <input checked="" type="checkbox"/>	Foundation Walls	BLK & BEAM	Floors	Tie/Vnl/Fair		
# of Stories 1	Full Basement <input type="checkbox"/> Partial Basement <input type="checkbox"/>	Exterior Walls	Vnl/Avg	Walls	Wd pni/Drywall/Fair		
Type <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/> S-Det./End Unit	Basement Area 0 sq.ft.	Roof Surface	FG/Shngle/Avg	Trng/Finish	Wd/Fair		
<input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Under Const.	Basement Finish 0 %	Gutters & Downspouts	Almnm/Avg	Bath Floor	Tie/Avg		
Design (Style) Traditional	Outside Entry/Exit <input type="checkbox"/> Sump Pump <input type="checkbox"/>	Window Type	Almnm/Avg	Bath Wainscot	Prefab/Fair		
Year Built 1972	Evidence of <input type="checkbox"/> Infestation	Storm Sash/Insulated	DP/Avg	Car Storage	None		
Effective Age (Yrs) 40	Dampness <input type="checkbox"/> Settlement <input type="checkbox"/>	Screens	Nylon/Avg	Driveway # of Cars	1		
Attic <input type="checkbox"/> None	Heating <input checked="" type="checkbox"/> FWA <input type="checkbox"/> HWBB <input type="checkbox"/> Radiant	Amenities	Woodstove(s) # 0	Driveway Surface	Concrete		
<input type="checkbox"/> Drop Stair <input type="checkbox"/> Stairs	Other <input type="checkbox"/> Fuel Electric	Fireplace(s) # 1	Fence Fenced	Garage # of Cars	1		
<input type="checkbox"/> Floor <input checked="" type="checkbox"/> Scuttle	Cooling <input checked="" type="checkbox"/> Central Air Conditioning	Patio/Deck None	Porch None	Carport # of Cars	0		
<input type="checkbox"/> Finished <input type="checkbox"/> Heated	Individual <input type="checkbox"/> Other <input type="checkbox"/>	Pool None	Other None	Att. Det. Built-in			

Appliances  Refrigerator  Range/Oven  Dishwasher  Disposal  Microwave  Washer/Dryer  Other (describe)  
 Finished area above grade contains: 7 Rooms 3 Bedrooms 2.0 Bath(s) 1,398 Square Feet of Gross Living Area Above Grade  
 Additional features (special energy efficient items, etc.) None  
 Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). C4; No updates in the prior 15 years; Average quality construction with vinyl and almnm siding. 8' ceilings with tiled flooring in the florida, living, dining, kitchen and bathrooms. The bedrooms are vinyl. The kitchen has formica countertops with wood cabinetry. The bathrooms have prefabricated insert tub and shower combinations. The Subject has several areas that are experiencing differed maintenance and damage (see photographs). The Subject is in fair overall condition.  
 Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property?  Yes  No If Yes, describe  
 Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)?  Yes  No If No, describe

# Uniform Residential Appraisal Report

File # 90556636

There are <u>0</u> comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ <u>0</u> to \$ <u>0</u>					
There are <u>2</u> comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ <u>100,000</u> to \$ <u>150,000</u>					
FEATURE	SUBJECT	COMPARABLE SALE # 1	COMPARABLE SALE # 2	COMPARABLE SALE # 3	
Address	909 Palermo Rd Saint Augustine, FL 32086	145 Shores Blvd Saint Augustine, FL 32086	68 Angelo Ln Saint Augustine, FL 32086	1132 Dorado Dr Saint Augustine, FL 32086	
Proximity to Subject		0.08 miles E	0.15 miles NW	0.51 miles NE	
Sale Price	\$ 150,000	\$ 134,900	\$ 100,000	\$ 146,300	
Sale Price/Gross Liv. Area	\$ 107.30 sq.ft.	\$ 131.23 sq.ft.	\$ 111.11 sq.ft.	\$ 86.41 sq.ft.	
Data Source(s)		SJC MLS#191178;DOM 31	SJC MLS#182277;DOM 183	SJC MLS#192873;DOM 21	
Verification Source(s)		Assessor	Assessor	Assessor	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment
Sales or Financing		ArmLth		ArmLth	
Concessions		Conv:0		Cash:0	
Date of Sale/Time		s01/20;c12/19		s04/19;c04/19	
Location	N;Res;	N;Res;		N;Res;	
Leasehold/Fee Simple	Fee Simple	Fee Simple		Fee Simple	
Site	6098 sf	4792 sf	+1,000	4792 sf	+1,000
View	N;Res;	N;Res;		N;Res;	
Design (Style)	DT1;Traditional	DT1;Traditional		DT1;Traditional	
Quality of Construction	Q3	Q3		Q3	-20,000
Actual Age	48	48		48	0
Condition	C4	C3	-20,000	C4	
Above Grade	Total Bdrms. Baths	Total Bdrms. Baths		Total Bdrms. Baths	
Room Count	7 3 2.0	6 2 2.0	0	6 2 2.0	0
Gross Living Area	1,398 sq.ft.	1,026 sq.ft.	+11,100	900 sq.ft.	+14,940
Basement & Finished Rooms Below Grade	0sf	0sf		0sf	
Functional Utility	Good	Good		Good	
Heating/Cooling	Central H&A	Central H&A		Central H&A	
Energy Efficient Items	None	None		None	
Garage/Carpport	1qa1dw	1cp1dw	+3,000	1dw	+5,000
Porch/Patio/Deck	None	OP Patio	0	CVD Patio	-2,000
Fence/Fireplace	Fence/Fireplace	None	+5,000	None	+5,000
Net Adjustment (Total)		+	\$ 100	+	\$ 23,940
Adjusted Sale Price of Comparables		Net Adj. 0.1 % Gross Adj. 29.7 %	\$ 135,000	Net Adj. 23.9 % Gross Adj. 27.9 %	\$ 123,940
					\$ 118,450

did not research the sale or transfer history of the subject property and comparable sales. If not, explain

My research  did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.

Data Source(s) Assessor

My research  did not reveal any prior sales or transfers of the comparable sales for the year prior to the date of sale of the comparable sale.

Data Source(s) Assessor

Report the results of the research and analysis of the prior sale or transfer history of the subject property and comparable sales (report additional prior sales on page 3).

ITEM	SUBJECT	COMPARABLE SALE #1	COMPARABLE SALE #2	COMPARABLE SALE #3
Date of Prior Sale/Transfer	10/28/2020			
Price of Prior Sale/Transfer	\$120,000			
Data Source(s)	Assessor/MLS	Assessor/MLS	Assessor/MLS	Assessor/MLS
Effective Date of Data Source(s)	11/09/2020	11/09/2020	11/09/2020	11/09/2020

Analysis of prior sale or transfer history of the subject property and comparable sales: The Subject sold less than three years prior to the effective date as an arms length transaction. Comparable #3 has re-sold since the sale being utilized in this report as a flip and was remodeled in between sales.

Summary of Sales Comparison Approach See additional comments.

Indicated Value by Sales Comparison Approach \$ 125,000

Indicated Value by: Sales Comparison Approach \$ 125,000 Cost Approach (if developed) \$ 128,680 Income Approach (if developed) \$

The sales comparison and cost approach were used with all weight given to the sales comparison approach as this is the best indication of value. The cost approach is in support of value and represents the principles of substitution. The income approach is not applicable as nearly all competing properties are owner occupied.

This appraisal is made  subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed,  subject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, or  subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair: No conditions. This is a summary appraisal report.

Based on a complete visual inspection of the interior and exterior areas of the subject property, defined scope of work, statement of assumptions and limiting conditions, and appraiser's certification, my (our) opinion of the market value, as defined, of the real property that is the subject of this report is \$ 125,000, as of 11/09/2020, which is the date of inspection and the effective date of this appraisal.



## Uniform Residential Appraisal Report

File # 90556636

This report form is designed to report an appraisal of a one-unit property or a one-unit property with an accessory unit; including a unit in a planned unit development (PUD). This report form is not designed to report an appraisal of a manufactured home or a unit in a condominium or cooperative project.

This appraisal report is subject to the following scope of work, intended use, intended user, definition of market value, statement of assumptions and limiting conditions, and certifications. Modifications, additions, or deletions to the intended use, intended user, definition of market value, or assumptions and limiting conditions are not permitted. The appraiser may expand the scope of work to include any additional research or analysis necessary based on the complexity of this appraisal assignment. Modifications or deletions to the certifications are also not permitted. However, additional certifications that do not constitute material alterations to this appraisal report, such as those required by law or those related to the appraiser's continuing education or membership in an appraisal organization, are permitted.

**SCOPE OF WORK:** The scope of work for this appraisal is defined by the complexity of this appraisal assignment and the reporting requirements of this appraisal report form, including the following definition of market value, statement of assumptions and limiting conditions, and certifications. The appraiser must, at a minimum: (1) perform a complete visual inspection of the interior and exterior areas of the subject property, (2) inspect the neighborhood, (3) inspect each of the comparable sales from at least the street, (4) research, verify, and analyze data from reliable public and/or private sources, and (5) report his or her analysis, opinions, and conclusions in this appraisal report.

**INTENDED USE:** The intended use of this appraisal report is for the lender/client to evaluate the property that is the subject of this appraisal for a mortgage finance transaction.

**INTENDED USER:** The intended user of this appraisal report is the lender/client.

**DEFINITION OF MARKET VALUE:** The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he or she considers his or her own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U. S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions\* granted by anyone associated with the sale.

\*Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgment.

**STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS:** The appraiser's certification in this report is subject to the following assumptions and limiting conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it, except for information that he or she became aware of during the research involved in performing this appraisal. The appraiser assumes that the title is good and marketable and will not render any opinions about the title.
2. The appraiser has provided a sketch in this appraisal report to show the approximate dimensions of the improvements. The sketch is included only to assist the reader in visualizing the property and understanding the appraiser's determination of its size.
3. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in this appraisal report whether any portion of the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
4. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand, or as otherwise required by law.
5. The appraiser has noted in this appraisal report any adverse conditions (such as needed repairs, deterioration, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the research involved in performing the appraisal. Unless otherwise stated in this appraisal report, the appraiser has no knowledge of any hidden or unapparent physical deficiencies or adverse conditions of the property (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) that would make the property less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, this appraisal report must not be considered as an environmental assessment of the property.
6. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that the completion, repairs, or alterations of the subject property will be performed in a professional manner.

# Uniform Residential Appraisal Report

File # 90556636

**APPRAISER'S CERTIFICATION:** The Appraiser certifies and agrees that:

1. I have, at a minimum, developed and reported this appraisal in accordance with the scope of work requirements stated in this appraisal report.
2. I performed a complete visual inspection of the interior and exterior areas of the subject property. I reported the condition of the improvements in factual, specific terms. I identified and reported the physical deficiencies that could affect the livability, soundness, or structural integrity of the property.
3. I performed this appraisal in accordance with the requirements of the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.
4. I developed my opinion of the market value of the real property that is the subject of this report based on the sales comparison approach to value. I have adequate comparable market data to develop a reliable sales comparison approach for this appraisal assignment. I further certify that I considered the cost and income approaches to value but did not develop them, unless otherwise indicated in this report.
5. I researched, verified, analyzed, and reported on any current agreement for sale for the subject property, any offering for sale of the subject property in the twelve months prior to the effective date of this appraisal, and the prior sales of the subject property for a minimum of three years prior to the effective date of this appraisal, unless otherwise indicated in this report.
6. I researched, verified, analyzed, and reported on the prior sales of the comparable sales for a minimum of one year prior to the date of sale of the comparable sale, unless otherwise indicated in this report.
7. I selected and used comparable sales that are locationally, physically, and functionally the most similar to the subject property.
8. I have not used comparable sales that were the result of combining a land sale with the contract purchase price of a home that has been built or will be built on the land.
9. I have reported adjustments to the comparable sales that reflect the market's reaction to the differences between the subject property and the comparable sales.
10. I verified, from a disinterested source, all information in this report that was provided by parties who have a financial interest in the sale or financing of the subject property.
11. I have knowledge and experience in appraising this type of property in this market area.
12. I am aware of, and have access to, the necessary and appropriate public and private data sources, such as multiple listing services, tax assessment records, public land records and other such data sources for the area in which the property is located.
13. I obtained the information, estimates, and opinions furnished by other parties and expressed in this appraisal report from reliable sources that I believe to be true and correct.
14. I have taken into consideration the factors that have an impact on value with respect to the subject neighborhood, subject property, and the proximity of the subject property to adverse influences in the development of my opinion of market value. I have noted in this appraisal report any adverse conditions (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) observed during the inspection of the subject property or that I became aware of during the research involved in performing this appraisal. I have considered these adverse conditions in my analysis of the property value, and have reported on the effect of the conditions on the value and marketability of the subject property.
15. I have not knowingly withheld any significant information from this appraisal report and, to the best of my knowledge, all statements and information in this appraisal report are true and correct.
16. I stated in this appraisal report my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the assumptions and limiting conditions in this appraisal report.
17. I have no present or prospective interest in the property that is the subject of this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or opinion of market value in this appraisal report on the race, color, religion, sex, age, marital status, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property or on any other basis prohibited by law.
18. My employment and/or compensation for performing this appraisal or any future or anticipated appraisals was not conditioned on any agreement or understanding, written or otherwise, that I would report (or present analysis supporting) a predetermined specific value, a predetermined minimum value, a range or direction in value, a value that favors the cause of any party, or the attainment of a specific result or occurrence of a specific subsequent event (such as approval of a pending mortgage loan application).
19. I personally prepared all conclusions and opinions about the real estate that were set forth in this appraisal report. If I relied on significant real property appraisal assistance from any individual or individuals in the performance of this appraisal or the preparation of this appraisal report, I have named such individual(s) and disclosed the specific tasks performed in this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in this appraisal report; therefore, any change made to this appraisal is unauthorized and I will take no responsibility for it.
20. I identified the lender/client in this appraisal report who is the individual, organization, or agent for the organization that ordered and will receive this appraisal report.

# Uniform Residential Appraisal Report

File # 90556636

21. The lender/client may disclose or distribute this appraisal report to: the borrower; another lender at the request of the borrower; the mortgagee or its successors and assigns; mortgage insurers; government sponsored enterprises; other secondary market participants; data collection or reporting services; professional appraisal organizations; any department, agency, or instrumentality of the United States; and any state, the District of Columbia, or other jurisdictions; without having to obtain the appraiser's or supervisory appraiser's (if applicable) consent. Such consent must be obtained before this appraisal report may be disclosed or distributed to any other party (including, but not limited to, the public through advertising, public relations, news, sales, or other media).

22. I am aware that any disclosure or distribution of this appraisal report by me or the lender/client may be subject to certain laws and regulations. Further, I am also subject to the provisions of the Uniform Standards of Professional Appraisal Practice that pertain to disclosure or distribution by me.

23. The borrower, another lender at the request of the borrower, the mortgagee or its successors and assigns, mortgage insurers, government sponsored enterprises, and other secondary market participants may rely on this appraisal report as part of any mortgage finance transaction that involves any one or more of these parties.

24. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

25. Any intentional or negligent misrepresentation(s) contained in this appraisal report may result in civil liability and/or criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Section 1001, et seq., or similar state laws.

**SUPERVISORY APPRAISER'S CERTIFICATION:** The Supervisory Appraiser certifies and agrees that:

- 2/ I directly supervised the appraiser for this appraisal assignment, have read the appraisal report, and agree with the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
- 3/ I accept full responsibility for the contents of this appraisal report including, but not limited to, the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
- 4/ The appraiser identified in this appraisal report is either a sub-contractor or an employee of the supervisory appraiser (or the appraisal firm), is qualified to perform this appraisal, and is acceptable to perform this appraisal under the applicable state law.
- 5/ This appraisal report complies with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.
- 6/ If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

APPRAISER Casey Duggan  
 Signature *Casey Duggan*  
 Name Casey Duggan  
 Company Name Casey Duggan LLC  
 Company Address 603 Kettner Court  
St. Augustine, FL 32086  
 Telephone Number (904) 814-9225  
 Email Address crdduggan@gmail.com  
 Date of Signature and Report 11/12/2020  
 Effective Date of Appraisal 11/09/2020  
 State Certification # RD8277  
 or State License # \_\_\_\_\_  
 or Other (describe) \_\_\_\_\_ State # \_\_\_\_\_  
 State FL  
 Expiration Date of Certification or License 11/30/2020

SUPERVISORY APPRAISER (ONLY IF REQUIRED)  
 Signature \_\_\_\_\_  
 Name \_\_\_\_\_  
 Company Name \_\_\_\_\_  
 Company Address \_\_\_\_\_  
 Telephone Number \_\_\_\_\_  
 Email Address \_\_\_\_\_  
 Date of Signature \_\_\_\_\_  
 State Certification # \_\_\_\_\_  
 or State License # \_\_\_\_\_  
 State \_\_\_\_\_  
 Expiration Date of Certification or License \_\_\_\_\_

ADDRESS OF PROPERTY APPRAISED  
909 Palermo Rd  
Saint Augustine, FL 32086  
 APPRAISED VALUE OF SUBJECT PROPERTY \$ 125,000

- SUBJECT PROPERTY
- Did not inspect subject property
  - Did inspect exterior of subject property from street  
Date of Inspection \_\_\_\_\_
  - Did inspect interior and exterior of subject property  
Date of Inspection \_\_\_\_\_

LENDER/CLIENT  
 Name No AMC  
 Company Name South State Bank, N.A.  
 Company Address 1951 8th Street NW, Winter Haven, FL 33881  
 Email Address n/a

- COMPARABLE SALES
- Did not inspect exterior of comparable sales from street
  - Did inspect exterior of comparable sales from street  
Date of Inspection \_\_\_\_\_

# Market Conditions Addendum to the Appraisal Report

File No. 90556636

The purpose of this addendum is to provide the lender/client with a clear and accurate understanding of the market trends and conditions prevalent in the subject neighborhood. This is a required addendum for all appraisal reports with an effective date on or after April 1, 2009.

Property Address **909 Palermo Rd** City **Saint Augustine** State **FL** ZIP Code **32086**

Borrower **St Johns Housing Partnership**

Instructions: The appraiser must use the information required on this form as the basis for his/her conclusions, and must provide support for those conclusions, regarding housing trends and overall market conditions as reported in the Neighborhood section of the appraisal report form. The appraiser must fill in all the information to the extent it is available and reliable and must provide analysis as indicated below. If any required data is unavailable or is considered unreliable, the appraiser must provide an explanation. It is recognized that not all data sources will be able to provide data for the shaded areas below; if it is available, however, the appraiser must include the data in the analysis. If data sources provide the required information as an average instead of the median, the appraiser should report the available figure and identify it as an average. Sales and listings must be properties that compete with the subject property, determined by applying the criteria that would be used by a prospective buyer of the subject property. The appraiser must explain any anomalies in the data, such as seasonal markets, new construction, foreclosures, etc.

Inventory Analysis	Prior 7-12 Months	Prior 4-6 Months	Current - 3 Months	Overall Trend		
Total # of Comparable Sales (Settled)	2	0	0	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Absorption Rate (Total Sales/Months)	0.33	0	0	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Total # of Comparable Active Listings	0	0	0	<input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Months of Housing Supply (Total Listings/Ab.Rate)	0	0	0	<input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Median Sale & List Price, DOM, Sale/List %	Prior 7-12 Months	Prior 4-6 Months	Current - 3 Months	Overall Trend		
Median Comparable Sale Price	140,000	6	0	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Median Comparable Sales Days on Market	25	0	0	<input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Median Comparable List Price	0	0	0	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Median Comparable Listings Days on Market	0	0	0	<input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Median Sale Price as % of List Price	0	0	0	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining

Seller-(developer, builder, etc.)paid financial assistance prevalent?  Yes  No

Explain in detail the seller concessions trends for the past 12 months (e.g., seller contributions increased from 3% to 5%, increasing use of buydowns, closing costs, condo fees, options, etc.). **Seller concessions are not prevalent in this market. On new construction sellers concessions are between 3-5% of the sales price.**

Are foreclosure sales (REO sales) a factor in the market?  Yes  No If yes, explain (including the trends in listings and sales of foreclosed properties).

**There are few REO properties in this market area and most REO's have inherent problems.**

Cite data sources for above information. **MLS, Assessor.**

Summarize the above information as support for your conclusions in the Neighborhood section of the appraisal report form. If you used any additional information, such as an analysis of pending sales and/or expired and withdrawn listings, to formulate your conclusions, provide both an explanation and support for your conclusions.

**The St. Augustine area is most active during the spring and summer months, gradually slows during the fall and drastically slows during the winter months. The St augustine MLS does not have data for the listings for the 7-12 month or the 4-6 months for active listings. There is data for the last 3 months. The overall marketplace is stable.**

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If the subject is a unit in a condominium or cooperative project, complete the following: Project Name:

Subject Project Data	Prior 7-12 Months	Prior 4-6 Months	Current - 3 Months	Overall Trend		
Total # of Comparable Sales (Settled)				<input type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining
Absorption Rate (Total Sales/Months)				<input type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining
Total # of Active Comparable Listings				<input type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Months of Unit Supply (Total Listings/Ab.Rate)				<input type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input type="checkbox"/> Increasing

Are foreclosure sales (REO sales) a factor in the project?  Yes  No If yes, indicate the number of REO listings and explain the trends in listings and sales of foreclosed properties.

Summarize the above trends and address the impact on the subject unit and project.

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Signature <b>Casey Duggan</b>	Signature
Appraiser Name <b>Casey Duggan</b>	Supervisory Appraiser Name
Company Name <b>Casey Duggan LLC</b>	Company Name
Company Address <b>803 Kettner Court, St. Augustine, FL 32086</b>	Company Address
State License/Certification # <b>RD8277</b> State <b>FL</b>	State License/Certification # State
Email Address <b>crdduggan@gmail.com</b>	Email Address

MARKET RESEARCH & ANALYSIS

CONDO/CO-OP PROJECTS

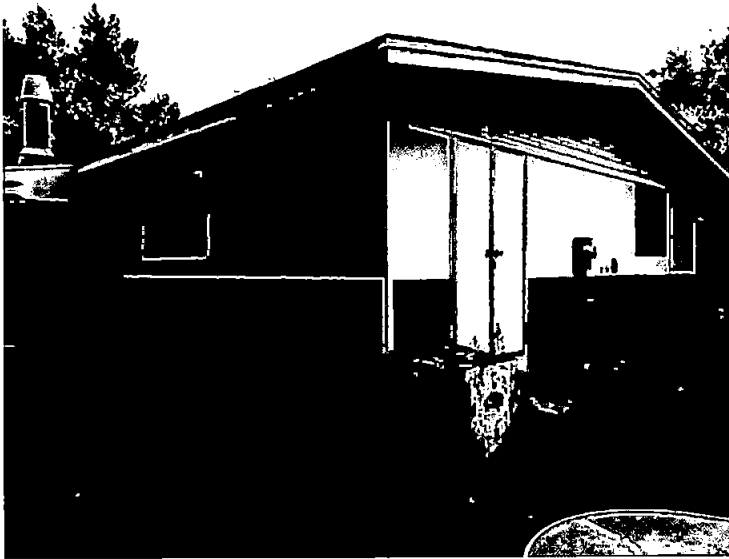
APPRAISER

### Subject Photo Page

Borrower	St Johns Housing Partnership		
Property Address	909 Palermo Rd		
City	Saint Augustine	County	Saint Johns
		State	FL
		Zip Code	32086
Lender/Client	South State Bank, N.A.		



Tvckfdu!Gspou  
909 Palermo Rd  
Sales Price 150,000  
G.L.A. 1,398  
Tot. Rooms 7  
Tot. Bedrms. 3  
Tot. Bathrms. 2.0  
Location N;Res;  
View N;Res;  
Site 6098 sf  
Quality Q3  
Age 48



**Subject Rear**



**Subject Street**

## Comparable Photo Page

Borrower	St Johns Housing Partnership		
Property Address	909 Palermo Rd		
City	Saint Augustine	County Saint Johns	State FL Zip Code 32086
Lender/Client	South State Bank, N.A.		



### Comparable 2

145 Shores Blvd  
 Proximity 0.08 miles E  
 Sale Price 134,900  
 GLA 1,028  
 Total Rooms 6  
 Total Bedrms 2  
 Total Bathrms 2.0  
 Location N;Res;  
 View N;Res;  
 Site 4792 sf  
 Quality Q3  
 Age 48



### Comparable 3

68 Angelo Ln  
 Proximity 0.15 miles NW  
 Sale Price 100,000  
 GLA 900  
 Total Rooms 6  
 Total Bedrms 2  
 Total Bathrms 2.0  
 Location N;Res;  
 View N;Res;  
 Site 4792 sf  
 Quality Q3  
 Age 48



### Comparable 4

1132 Dorado Dr  
 Proximity 0.51 miles NE  
 Sale Price 146,300  
 GLA 1,693  
 Total Rooms 7  
 Total Bedrms 3  
 Total Bathrms 2.0  
 Location N;Res;  
 View N;Res;  
 Site 10019 sf  
 Quality Q3  
 Age 42

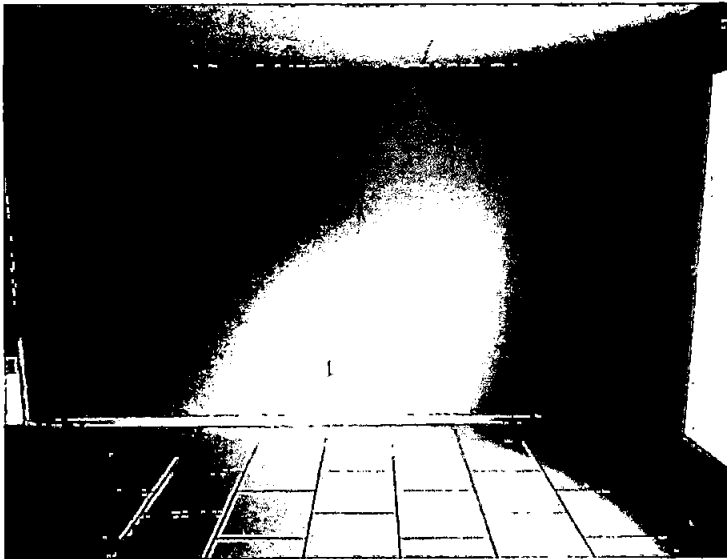
Comparable has  
 Been Remodeled  
 Since Sale Being  
 Used In Report.

**Subject Interior Photo Page**

Borrower	St Johns Housing Partnership		
Property Address	909 Palermo Rd		
City	Saint Augustine	County	Saint Johns
		State	FL
		Zip Code	32086
Lender/Client	South State Bank, N.A.		



Mjwjuh !Sppn  
 909 Palermo Rd  
 Sales Price 150,000  
 G.L.A. 1,398  
 Tot. Rooms 7  
 Tot. Bedrms. 3  
 Tot. Bathrms. 2.0  
 Location N;Res;  
 View N;Res;  
 Site 6098 sf  
 Quality Q3  
 Age 48



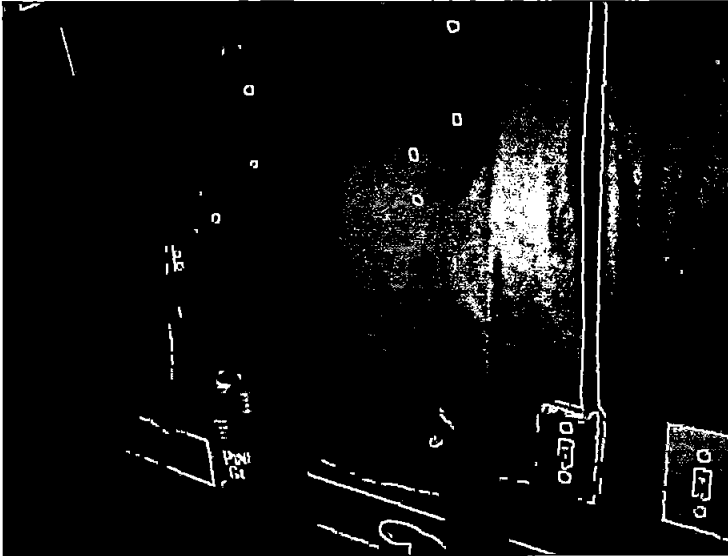
Ejjuh !Sppn



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### Subject Interior Photo Page

Borrower	St Johns Housing Partnership						
Property Address	909 Palermo Rd						
City	Saint Augustine	County	Saint Johns	State	FL	Zip Code	32086
Lender/Client	South State Bank, N.A.						

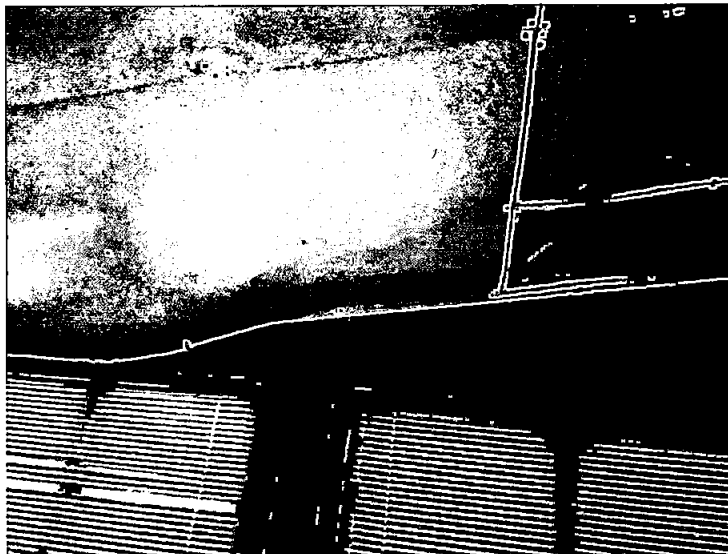


#### Wall Damage Kitchen

909 Palermo Rd  
Sales Price 150,000  
G.L.A. 1,398  
Tot. Rooms 7  
Tot. Bedrms. 3  
Tot. Bathrms. 2.0  
Location N;Res;  
View N;Res;  
Site 6098 sf  
Quality Q3  
Age 48



#### Florida Room



#### Ceiling Dmg Florida Room

### Subject Interior Photo Page

Borrower	St Johns Housing Partnership				
Property Address	909 Palermo Rd				
City	Saint Augustine	County	Saint Johns	State	FL Zip Code 32086
Lender/Client	South State Bank, N.A.				

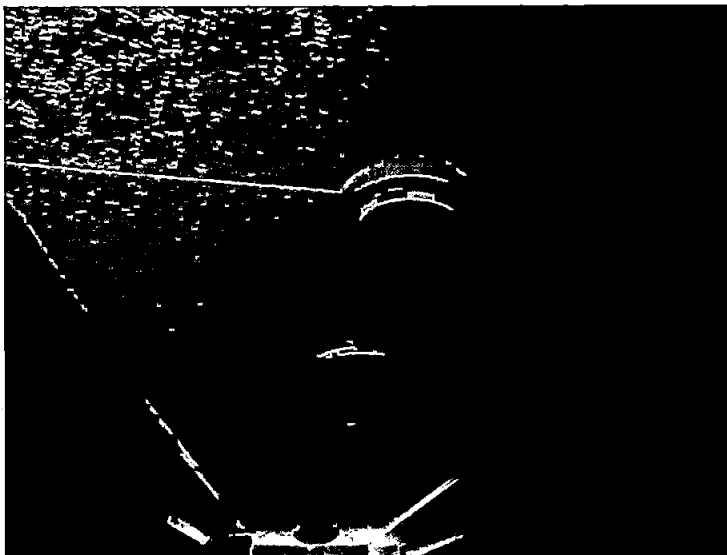


#### Florida Room

909 Palermo Rd  
Sales Price 150,000  
G.L.A. 1,398  
Tot. Rooms 7  
Tot. Bedrms. 3  
Tot. Bathrms. 2.0  
Location N;Res;  
View N;Res;  
Site 6098 sf  
Quality Q3  
Age 48



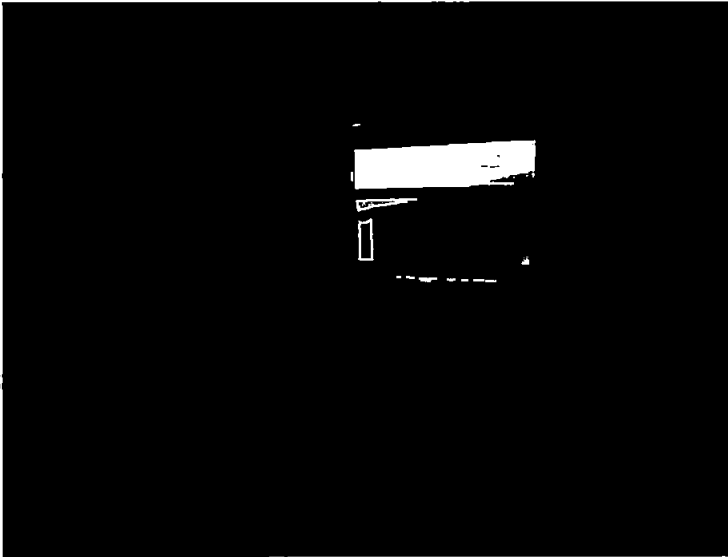
#### Yard



Tn pl f !E fufdup

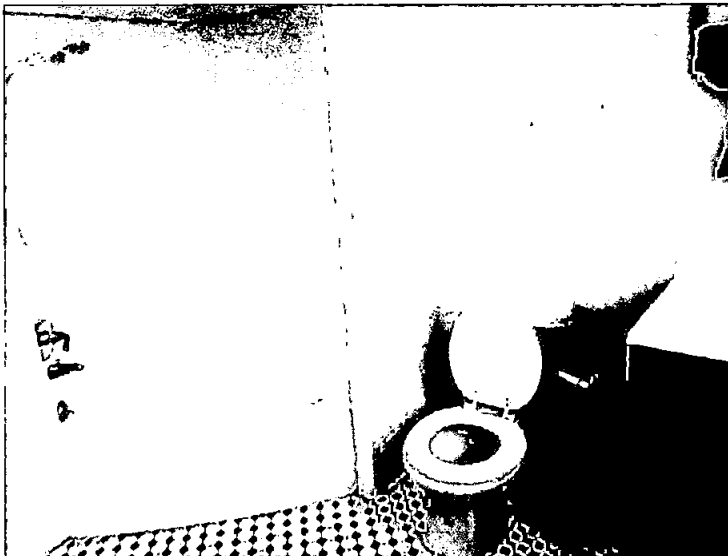
### Subject Interior Photo Page

Borrower	St Johns Housing Partnership		
Property Address	909 Palermo Rd		
City	Saint Augustine	County	Saint Johns
		State	FL
		Zip Code	32086
Lender/Client	South State Bank, N.A.		

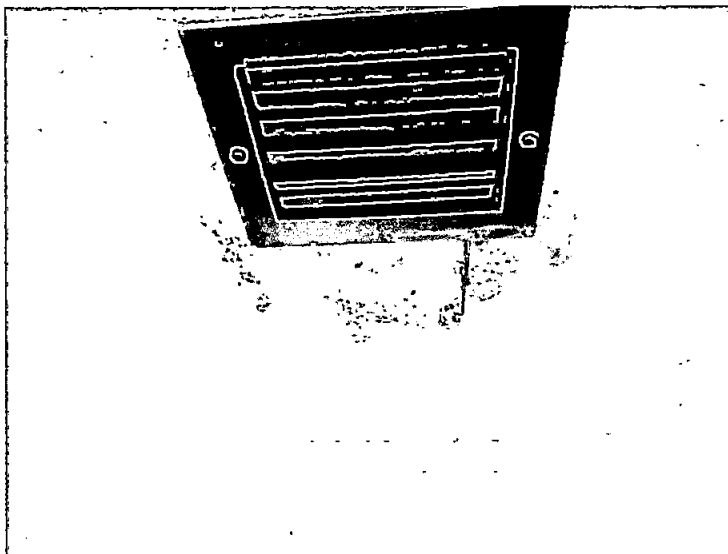


#### Bedroom 1

909 Palermo Rd  
Sales Price 150,000  
G.L.A. 1,398  
Tot. Rooms 7  
Tot. Bedrms. 3  
Tot. Bathrms. 2.0  
Location N;Res;  
View N;Res;  
Site 6098 sf  
Quality Q3  
Age 48



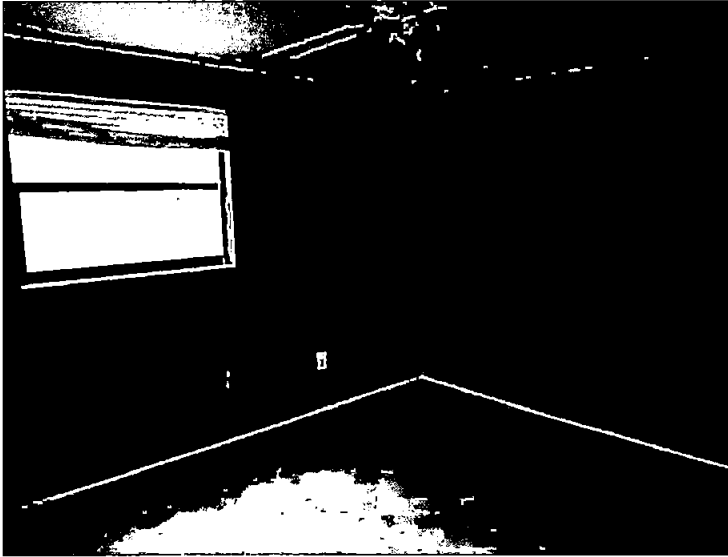
#### Bathroom 1



#### Bthrm 1 Ceiling Dmg

### Subject Interior Photo Page

Borrower	St Johns Housing Partnership				
Property Address	909 Palermo Rd				
City	Saint Augustine	County	Saint Johns	State	FL
				Zip Code	32086
Lender/Client	South State Bank, N.A.				

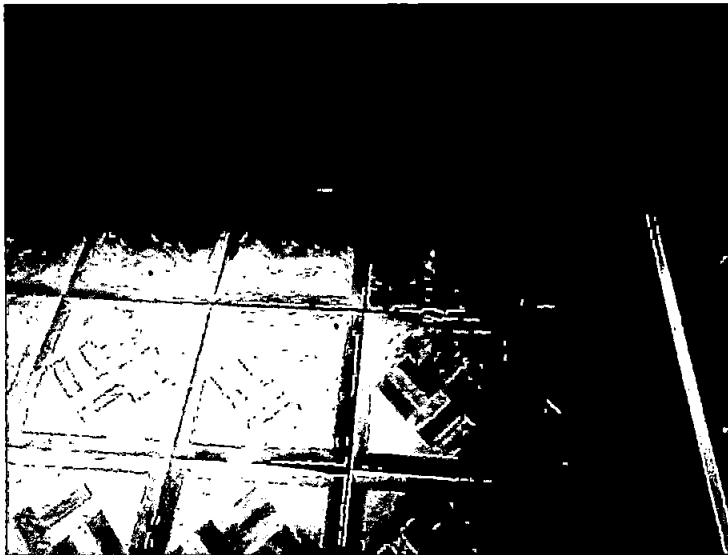


#### Bedroom 2

909 Palermo Rd  
Sales Price 150,000  
G.L.A. 1,398  
Tot. Rooms 7  
Tot. Bedrms. 3  
Tot. Bathrms. 2.0  
Location N;Res;  
View N;Res;  
Site 6098 sf  
Quality Q3  
Age 48



#### Bedroom 3



Cfesppn 14 IGpps!En h

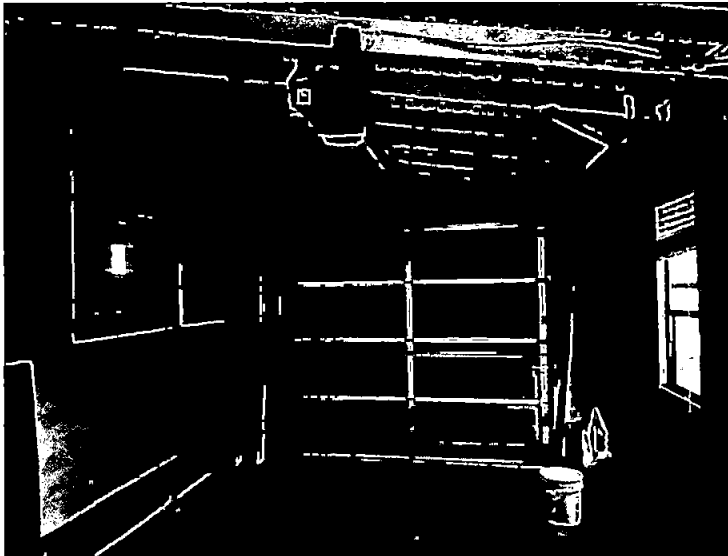
### Subject Interior Photo Page

Borrower	St Johns Housing Partnership				
Property Address	909 Palermo Rd				
City	Saint Augustine	County	Saint Johns	State	FL
Lender/Client	South State Bank, N.A.			Zip Code	32086

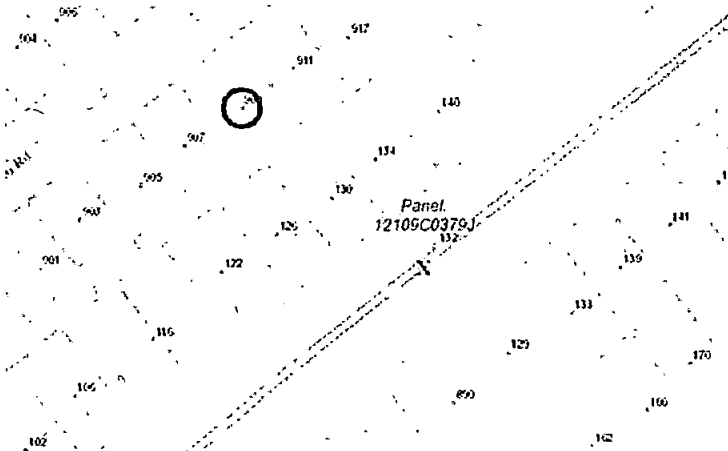


#### Bathroom 2

909 Palermo Rd  
 Sales Price 150,000  
 G.L.A. 1,398  
 Tot. Rooms 7  
 Tot. Bedrms. 3  
 Tot. Bathrms. 2.0  
 Location N;Res;  
 View N;Res;  
 Site 6098 sf  
 Quality Q3  
 Age 48



Hbsbhf !kuf sjs



**Flood Map**

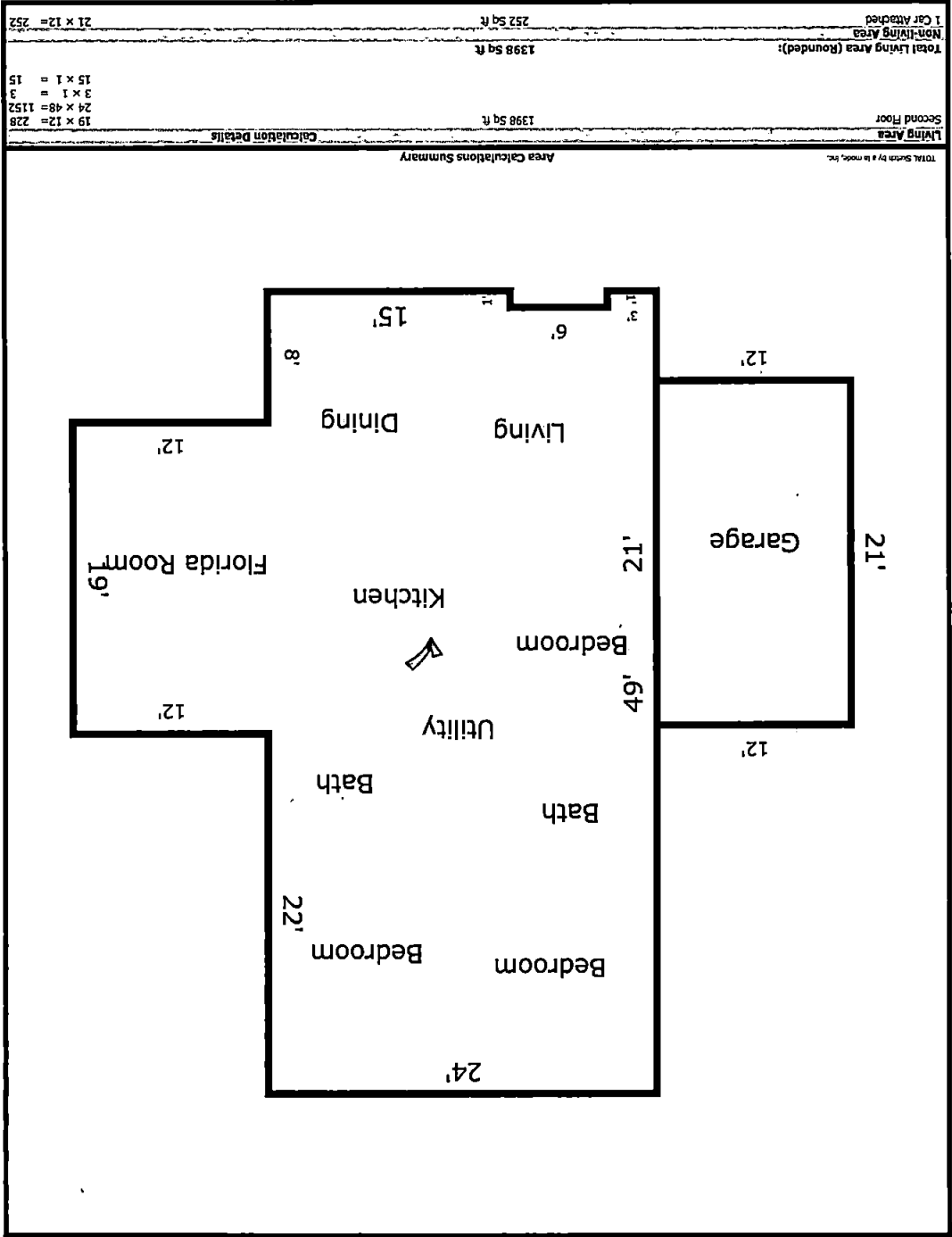
### Subject Photo Page

Borrower	St Johns Housing Partnership				
Property Address	909 Palermo Rd				
City	Saint Augustine	County	Saint Johns	State	FL Zip Code 32086
Lender/Client	South State Bank, N.A.				



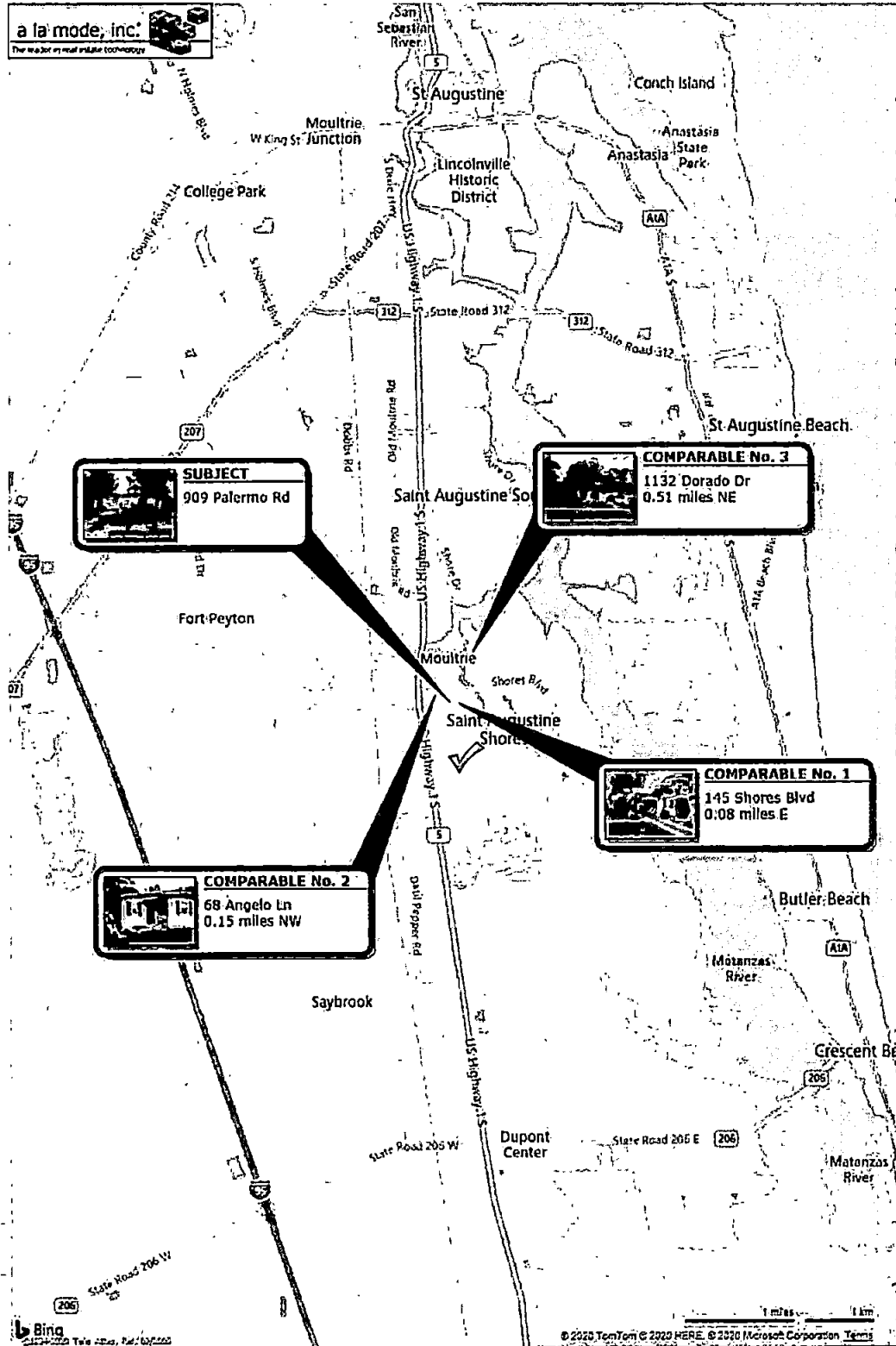
CVJEJH IRL1FJL

Borower	St Johns Housing Partnership
Property Address	909 Palermo Rd
City	Saint Augustine
Lender/Client	South State Bank, N.A.
County	Saint Johns
State	FL
Zip Code	32086



## Location Map

Borrower	St Johns Housing Partnership						
Property Address	909 Palermo Rd						
City	Saint Augustine	County	Saint Johns	State	FL	Zip Code	32086
Lender/Client	South State Bank, N.A.						



## ADDITIONAL CERTIFICATION

Borrower	St Johns Housing Partnership	File No. 90556636
Property Address	909 Palermo Rd	
City	Saint Augustine	County Saint Johns State FL Zip Code 32086
Lender/Client	South State Bank, N.A.	

**APPRAISER'S CERTIFICATION:** The Appraiser certifies and agrees that:

1. I have researched the subject market area and have selected a minimum of three recent sales of properties most similar and proximate to the subject property for consideration in the sales comparison analysis and have made a dollar adjustment when appropriate to reflect the market reaction to those items or significant variation. If a significant item in a comparable property is superior to, or more favorable than, the subject property, I have made a negative adjustment to reduce the adjusted sales price of the comparable and, if a significant item in a comparable property is inferior to, or less favorable than the subject property, I have made a positive adjustment to increase the adjusted sales price of the comparable.
2. I have taken into consideration the factors that have an impact on value in my development of the estimate of market value in the appraisal report. I have not knowingly withheld any significant information from the appraisal report and I believe, to the best of my knowledge, that all statements and information in the appraisal report are true and correct.
3. I stated in the appraisal report only my own personal, unbiased, professional analyses, opinions, and conclusions, which are subject only to the contingent and limiting conditions specified in this form. I certify that, to the best of my knowledge and belief: The statements of fact contained in this report are true and correct. The report analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions and conclusions.
4. I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved. I did not base, either partially or completely, my analysis and/or the estimate of market value in the appraisal report on the race, color, religion, sex, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or the present owners or occupants of the properties in the vicinity of the subject property.
5. I have no present or contemplated future interest in the subject property, and neither my current or future employment nor my compensation for performing this appraisal is contingent on the appraised value of the property.
6. My engagement in this assignment was not contingent upon developing or reporting predetermined results. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
7. My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice in place, as of the effective date of this appraisal, with the exception of the departure provision of those Standards, which does not apply. I acknowledge that an estimate of a reasonable time for exposure in the open market is a condition in the definition of the market value and the estimate I developed is consistent with the marketing time noted in the neighborhood section of this report, unless I have otherwise stated in the reconciliation section.
8. I have made a personal inspection of the property that is the subject of this report. I further certify that I have noted any apparent or known adverse conditions in the subject improvements, on the subject site, or on any site within the immediate vicinity of the subject property of which I am aware and have made adjustments for these adverse conditions in my analysis of the property value to the extent that I had market evidence to support them. I have also commented about the effect of the adverse conditions on the marketability of the subject property.
9. No services regarding the subject property were performed by the appraiser within the prior three years of this report, as an appraiser or in any other capacity.
10. No significant assistance was provided in the development of this report.

**APPRAISER:**

Signature: Casey Duggan  
 Name: Casey Duggan  
 Date Signed: 11/12/2020  
 State Certification #: RD8277  
 or State License #: \_\_\_\_\_  
 State: FL  
 Expiration Date of Certification or License: 11/30/2020

**SUPERVISORY APPRAISER (only if required):**

Signature: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Date Signed: \_\_\_\_\_  
 State Certification #: \_\_\_\_\_  
 or State License #: \_\_\_\_\_  
 State: \_\_\_\_\_  
 Expiration Date of Certification or License: \_\_\_\_\_

Did  Did Not Inspect Property



301 E. Fourth Street, Cincinnati, OH 45202

**DECLARATIONS**  
for  
**REAL ESTATE APPRAISERS**  
**ERRORS & OMISSIONS INSURANCE POLICY**

**THIS IS BOTH A CLAIMS MADE AND REPORTED INSURANCE POLICY.**

**THIS POLICY APPLIES TO THOSE CLAIMS THAT ARE FIRST MADE AGAINST THE INSURED AND REPORTED IN WRITING TO THE COMPANY DURING THE POLICY PERIOD.**

Insurance is afforded by the company indicated below: (A capital stock corporation)

Great American Assurance Company

Note: The Insurance Company selected above shall herein be referred to as the Company.

Policy Number: **RAP4118584-20**

Renewal of: **RAP4118584-19**

Program Administrator: **Herbert H. Landy Insurance Agency Inc.**  
**100 River Ridge Drive, Suite 301 Norwood, MA 02062**

Item 1. Named Insured: **Casey Duggan**

Item 2. Address: **133 Gentium Road**  
City, State, Zip Code: **St Augustine, FL 32086**

Item 3. Policy Period: From 04/19/2020 To 04/19/2021  
*(Month, Day, Year) (Month, Day, Year)*  
(Both dates at 12:01 a.m. Standard Time at the address of the Named Insured as stated in Item 2.)

Item 4. Limits of Liability:

- A. \$ 1,000,000 Damages Limit of Liability - Each Claim
- B. \$ 1,000,000 Claim Expenses Limit of Liability - Each Claim
- C. \$ 2,000,000 Damages Limit of Liability - Policy Aggregate
- D. \$ 2,000,000 Claim Expenses Limit of Liability - Policy Aggregate

Item 5. Deductible (Inclusive of Claim Expenses):

- A. \$ 500 Each Claim
- B. \$ 1,000 Aggregate

Item 6. Premium: \$ **917.00**

Item 7. Retroactive Date (if applicable): **04/19/2019**

Item 8. Forms, Notices and Endorsements attached:  
**D42100 (03/15) D42300 FL (05/13) IL7324 (08/12)**  
**D42412 (03/17) D42413 (06/17)**

*Casey A. Duggan*  
\_\_\_\_\_  
Authorized Representative



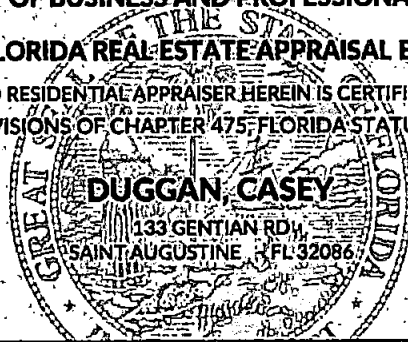
Ron DeSantis, Governor

Maisey Beshears, Secretary



STATE OF FLORIDA  
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION  
FLORIDA REAL ESTATE APPRAISAL BD

THE CERTIFIED RESIDENTIAL APPRAISER HEREIN IS CERTIFIED UNDER THE  
PROVISIONS OF CHAPTER 475, FLORIDA STATUTES



**DUGGAN CASEY**

133 GENTIAN RD  
SAINT AUGUSTINE, FL 32086

LICENSE NUMBER: RD8277

EXPIRATION DATE: NOVEMBER 30, 2020

Always verify licenses online at [MyFloridaLicense.com](http://MyFloridaLicense.com)



Do not alter this document in any form.

This is your license. It is unlawful for anyone other than the licensee to use this document.

**UNIFORM APPRAISAL DATASET (UAD) DEFINITIONS ADDENDUM**  
(Source: Fannie Mae UAD Appendix D: UAD Field-Specific Standardization Requirements)

**Condition Ratings and Definitions**

**C1**

The improvements have been recently constructed and have not been previously occupied. The entire structure and all components are new and the dwelling features no physical depreciation.

Note: Newly constructed improvements that feature recycled or previously used materials and/or components can be considered new dwellings provided that the dwelling is placed on a 100 percent new foundation and the recycled materials and the recycled components have been rehabilitated/remanufactured into like-new condition. Improvements that have not been previously occupied are not considered "new" if they have any significant physical depreciation (that is, newly constructed dwellings that have been vacant for an extended period of time without adequate maintenance or upkeep).

**C2**

The improvements feature no deferred maintenance, little or no physical depreciation, and require no repairs. Virtually all building components are new or have been recently repaired, refinished, or rehabilitated. All outdated components and finishes have been updated and/or replaced with components that meet current standards. Dwellings in this category are either almost new or have been recently completely renovated and are similar in condition to new construction.

Note: The improvements represent a relatively new property that is well maintained with no deferred maintenance and little or no physical depreciation, or an older property that has been recently completely renovated.

**C3**

The improvements are well maintained and feature limited physical depreciation due to normal wear and tear. Some components, but not every major building component, may be updated or recently rehabilitated. The structure has been well maintained.

Note: The improvement is in its first-cycle of replacing short-lived building components (appliances, floor coverings, HVAC, etc.) and is being well maintained. Its estimated effective age is less than its actual age. It also may reflect a property in which the majority of short-lived building components have been replaced but not to the level of a complete renovation.

**C4**

The improvements feature some minor deferred maintenance and physical deterioration due to normal wear and tear. The dwelling has been adequately maintained and requires only minimal repairs to building components/mechanical systems and cosmetic repairs. All major building components have been adequately maintained and are functionally adequate.

Note: The estimated effective age may be close to or equal to its actual age. It reflects a property in which some of the short-lived building components have been replaced, and some short-lived building components are at or near the end of their physical life expectancy; however, they still function adequately. Most minor repairs have been addressed on an ongoing basis resulting in an adequately maintained property.

**C5**

The improvements feature obvious deferred maintenance and are in need of some significant repairs. Some building components need repairs, rehabilitation, or updating. The functional utility and overall livability is somewhat diminished due to condition, but the dwelling remains useable and functional as a residence.

Note: Some significant repairs are needed to the improvements due to the lack of adequate maintenance. It reflects a property in which many of its short-lived building components are at the end of or have exceeded their physical life expectancy but remain functional.

**C6**

The improvements have substantial damage or deferred maintenance with deficiencies or defects that are severe enough to affect the safety, soundness, or structural integrity of the improvements. The improvements are in need of substantial repairs and rehabilitation, including many or most major components.

Note: Substantial repairs are needed to the improvements due to the lack of adequate maintenance or property damage. It reflects a property with conditions severe enough to affect the safety, soundness, or structural integrity of the improvements.

**Quality Ratings and Definitions**

**Q1**

Dwellings with this quality rating are usually unique structures that are individually designed by an architect for a specified user. Such residences typically are constructed from detailed architectural plans and specifications and feature an exceptionally high level of workmanship and exceptionally high-grade materials throughout the interior and exterior of the structure. The design features exceptionally high-quality exterior refinements and ornamentation, and exceptionally high-quality interior refinements. The workmanship, materials, and finishes throughout the dwelling are of exceptionally high quality.

**Q2**

Dwellings with this quality rating are often custom designed for construction on an individual property owner's site. However, dwellings in this quality grade are also found in high-quality tract developments featuring residence constructed from individual plans or from highly modified or upgraded plans. The design features detailed, high quality exterior ornamentation, high-quality interior refinements, and detail. The workmanship, materials, and finishes throughout the dwelling are generally of high or very high quality.

## UNIFORM APPRAISAL DATASET (UAD) DEFINITIONS ADDENDUM

(Source: Fannie Mae UAD Appendix D: UAD Field-Specific Standardization Requirements)

### Quality Ratings and Definitions (continued)

#### Q3

Dwellings with this quality rating are residences of higher quality built from individual or readily available designer plans in above-standard residential tract developments or on an individual property owner's site. The design includes significant exterior ornamentation and interiors that are well finished. The workmanship exceeds acceptable standards and many materials and finishes throughout the dwelling have been upgraded from "stock" standards.

#### Q4

Dwellings with this quality rating meet or exceed the requirements of applicable building codes. Standard or modified standard building plans are utilized and the design includes adequate fenestration and some exterior ornamentation and interior refinements. Materials, workmanship, finish, and equipment are of stock or builder grade and may feature some upgrades.

#### Q5

Dwellings with this quality rating feature economy of construction and basic functionality as main considerations. Such dwellings feature a plain design using readily available or basic floor plans featuring minimal fenestration and basic finishes with minimal exterior ornamentation and limited interior detail. These dwellings meet minimum building codes and are constructed with inexpensive, stock materials with limited refinements and upgrades.

#### Q6

Dwellings with this quality rating are of basic quality and lower cost; some may not be suitable for year-round occupancy. Such dwellings are often built with simple plans or without plans, often utilizing the lowest quality building materials. Such dwellings are often built or expanded by persons who are professionally unskilled or possess only minimal construction skills. Electrical, plumbing, and other mechanical systems and equipment may be minimal or non-existent. Older dwellings may feature one or more substandard or non-conforming additions to the original structure.

### Definitions of Not Updated, Updated, and Remodeled

#### Not Updated

Little or no updating or modernization. This description includes, but is not limited to, new homes.

Residential properties of fifteen years of age or less often reflect an original condition with no updating, if no major components have been replaced or updated. Those over fifteen years of age are also considered not updated if the appliances, fixtures, and finishes are predominantly dated. An area that is 'Not Updated' may still be well maintained and fully functional, and this rating does not necessarily imply deferred maintenance or physical/functional deterioration.

#### Updated

The area of the home has been modified to meet current market expectations. These modifications are limited in terms of both scope and cost.

An updated area of the home should have an improved look and feel, or functional utility. Changes that constitute updates include refurbishment and/or replacing components to meet existing market expectations. Updates do not include significant alterations to the existing structure.

#### Remodeled

Significant finish and/or structural changes have been made that increase utility and appeal through complete replacement and/or expansion.

A remodeled area reflects fundamental changes that include multiple alterations. These alterations may include some or all of the following: replacement of a major component (cabinet(s), bathtub, or bathroom tile), relocation of plumbing/gas fixtures/appliances, significant structural alterations (relocating walls, and/or the addition of square footage). This would include a complete gutting and rebuild.

### Explanation of Bathroom Count

Three-quarter baths are counted as a full bath in all cases. Quarter baths (baths that feature only a toilet) are not included in the bathroom count. The number of full and half baths is reported by separating the two values using a period, where the full bath count is represented to the left of the period and the half bath count is represented to the right of the period.

Example:

3.2 indicates three full baths and two half baths.



One-Unit Residential Appraisal Desk Review Report

File No. 59895

The purpose of this appraisal desk review report is to provide the lender/client with an opinion on the accuracy of the appraisal report under review.

Property Address 909 Palermo Rd City Saint Augustine State FL Zip Code 32086
Borrower N/A Owner of Public Record LODESTAR FINANCIAL SERVICES,LLP County ST. JOHNS
Legal Description
Assessor's Parcel # Map Reference 27260 Census Tract 0212.06
Property Rights Appraised [X] Fee Simple [ ] Leasehold [ ] Other (describe) Project Type [ ] Condo [ ] PUD [ ] Cooperative
Loan # N/A Effective Date of Appraisal Under Review 11/09/2020 Manufactured Home [ ] Yes [X] No
Lender/Client ST. JOHNS COUNTY HOUSING DEPT Address 200 SAN SEBASTIAN VIEW, ST. AUGUSTINE, FL 32084

SECTION I - COMPLETE FOR ALL ASSIGNMENTS

1. Is the information in the subject section complete and accurate? [ ] Yes [X] No If Yes, provide a brief summary. If No, explain THE MAJORITY OF THE INFORMATION IN THE SUBJECT SECTION APPEARS TO BE COMPLETE AND ACCURATE. HOWEVER, THE APPRAISER DID NOT PROVIDE A LISTING HISTORY OF THE SUBJECT PROPERTY WITHIN THE PAST 12 MONTHS. ONLY THE PRIOR SALE AND THE CURRENT CONTRACT WERE REFERENCED.

2. Is the information in the contract section complete and accurate? [ ] Yes [X] No [ ] Not Applicable If Yes, provide a brief summary. If No, explain THE MAJORITY OF THE INFORMATION IN THE CONTRACT SECTION APPEARS TO BE COMPLETE AND ACCURATE. THE APPRAISER DOES NOT PROVIDE ANY EXPLANATION ON THE LARGE DIFFERENCE BETWEEN THE CONTRACT PRICE AND THE FINAL OPINION OF VALUE.

3. Is the information in the neighborhood section complete and accurate? [X] Yes [ ] No If Yes, provide a brief summary. If No, explain THE INFORMATION IN THE NEIGHBORHOOD SECTION APPEARS COMPLETE AND ACCURATE

4. Is the information in the site section complete and accurate? [X] Yes [ ] No If Yes, provide a brief summary. If No, explain THE INFORMATION IN THE SITE SECTION APPEARS TO BE COMPLETE AND ACCURATE.

5. Is the data in the improvements section complete and accurate? [ ] Yes [X] No If Yes, provide a brief summary. If No, explain THE MAJORITY OF THE INFORMATION IN THE IMPROVEMENTS SECTIONS APPEARS COMPLETE AND ACCURATE. HOWEVER, THE APPRAISER RATES THE SUBJECT'S QUALITY AS "Q3". BASED ON THE PHOTOS IN THE MLS AND THE REPORT, THE SUBJECT APPEARS TO BE A "Q4" QUALITY. THIS IS ACCORDING TO THE UNIFORM APPRAISAL DATASET DEFINITIONS ADDENDUM. IN ADDITION, THE APPRAISER RATES THE CONDITION AS A "C4" BUT CALL THE CONDITION "FAIR." ACCORDING TO THE UNIFORM APPRAISAL DATASET DEFINITIONS ADDENDUM, A PROPERTY THAT QUALIFIES AS A "C4" IS IN AVERAGE CONDITION. FAIR CONDITION WOULD BE A C5.

6. Do the comparable sales selected appear to be locationally, physically and functionally similar to the subject property? [X] Yes [ ] No If Yes, provide a brief summary. If No, provide a detailed explanation as to why they are not the best comparable sales. TO BRACKET THE FINAL OPINION OF VALUE, THE APPRAISER IS CORRECT IN STATING THAT SALES IN THE SUBJECT PROJECT WERE LIMITED IN THE YEAR PRIOR TO THE EFFECTIVE DATE.

7. Are the data and analysis (including the individual adjustments) presented in the sales comparison approach complete and accurate? [X] Yes [ ] No If Yes, provide a brief summary. If No, explain THE DATA AND ANALYSIS ARE COMPLETE AND ACCURATE. THE ADJUSTMENTS WERE EXPLAINED.

8. Are the data and analysis presented in the income and cost approaches complete and accurate? [X] Yes [ ] No [X] Not developed If No, explain

9. Is the sale or transfer history reported for the subject property and each of the comparable sales complete and accurate? [X] Yes [ ] No If Yes, provide a brief summary. If No, analyze and report the correct sale or transfer history and the data source(s). THE SALES HISTORY OF THE SUBJECT AND COMPARABLES IS ACCURATE.

THERE IS NO COMMENT ON THE LAND TO VALUE RATIO EXCEEDING 30%.

10. Is the opinion of market value in the appraisal report under review supported by the analysis, conclusions and reconciliation presented? [X] Yes [ ] No If No, explain.

**One-Unit Residential Appraisal Desk Review Report**

File No. 59895

**SCOPE OF WORK**

This is an appraisal DESK review which does not include inspections of either the subject property or comparable sales, nor any field analysis. The scope of work for this appraisal DESK review is defined by the complexity of the appraisal report under review and the reporting requirements of this report form, including the following statement of assumptions and limiting conditions, and certifications. The review appraiser must, at a minimum: (1) read the entire appraisal report under review, (2) assume the property condition reported in the appraisal report is accurate unless there is evidence to the contrary, (3) perform data research and analysis to determine the appropriateness and accuracy of the data in the appraisal report, (4) research, verify, and analyze data from reliable public and/or private sources, (5) determine if the analysis and conclusions support the opinion of value, and (6) if the opinion of value is not supported and/or there appears to be significant deficiencies in the analysis and reporting, the assignment must be upgraded to an appraisal Field review.

**INTENDED USE**

The intended use of this appraisal desk review report is for the lender/client to evaluate the accuracy and adequacy of support of the appraisal report under review.

**INTENDED USER**

The intended user of this appraisal desk review report is the lender/client.

**GUIDANCE FOR COMPLETING THE ONE-UNIT RESIDENTIAL APPRAISAL DESK REVIEW REPORT**

The appraisal review function is important to maintaining the integrity of both the appraisal and loan underwriting processes. The following guidance is intended to aid the review appraiser with the development and reporting of an appraisal desk review:

1. The review appraiser must be the individual who personally read the entire appraisal report and performed the data research and analysis, and prepared and signed this report.
2. The review appraiser must focus his or her comments on the appraisal report under review and not include personal opinions about the appraiser(s) who prepared the appraisal.
3. The lender/client has withheld the identity of the appraiser(s) who prepared the appraisal report under review, unless otherwise indicated in this report.
4. The review appraiser must assume that the condition of the property reported in the appraisal report is accurate, unless there is evidence to the contrary.
5. The review appraiser must determine whether the opinion or market value is supported by the analysis, conclusions and reconciliation presented in the appraisal report.
6. The review appraiser must form an opinion about the overall accuracy and quality of the data in the appraisal report under review. The objective is to determine whether material errors exist and what effect they have on the opinions and conclusions in the appraisal report under review. When the review appraiser agrees that the data is essentially correct (although minor errors may exist), he or she must summarize the overall findings. When the review appraiser determines that material errors exist in the data, he or she must identify them, comment on their overall effect on the opinions and conclusions in the appraisal report under review, and include the correct information.
7. The Questions on Page 1 are intended to identify both the positive and negative elements of the appraisal under review and to report deficiencies. The review appraiser must make it clear to the reader what effect the deficiencies have on the opinions and conclusions in the appraisal report. Simple "Yes" and "No" answers are unacceptable.
8. The review appraiser must identify any extraordinary assumptions that were necessary in order to answer questions on Page 1. Extraordinary assumptions include the use of information from the appraisal report under review that the review appraiser concludes is reliable (such as an assumption that the reported condition of the subject property is accurate).
9. A review of an appraisal on a unit in a condominium, cooperative, or PUD project requires the review appraiser to analyze the project information in the appraisal report under review and comment on its completeness and accuracy.
10. An appraisal review of a manufactured home requires the review appraiser to assume that the HUD data plate information is correct, unless information to the contrary is available. In such cases, the review appraiser must identify the source of the data.

## One-Unit Residential Appraisal Desk Review Report

File No. 59895

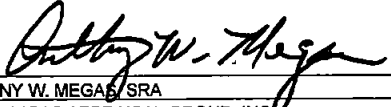
## STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS

1. The review appraiser will not be responsible for matters of a legal nature that affect either the property that is the subject of the appraisal under review or the title to it, except for information that he or she became aware of during the research involved in performing this appraisal review. The review appraiser assumes that the title is good and marketable and will not render any opinions about the title.
2. The review appraiser will not give testimony or appear in court because he or she performed a review of the appraisal of the property in question, unless specific arrangements to do so have been made beforehand, or as otherwise required by law.
3. Unless otherwise stated in this appraisal desk review report, the review appraiser has no knowledge of any hidden or unapparent physical deficiencies or adverse conditions of the property (such as but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) that would make the property less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, expressed or implied. The review appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the review appraiser is not an expert in the field of environmental hazards, this appraisal desk review report must not be considered as an environmental assessment of the property.

## REVIEW APPRAISER'S CERTIFICATION

The Review Appraiser certifies and agrees that:

1. I have, at a minimum, developed and reported this appraisal desk review in accordance with the scope of work requirements stated in this appraisal desk review report.
2. I performed this appraisal desk review in accordance with the requirements of the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal desk review report was prepared.
3. I have the knowledge and experience to perform appraisals and review appraisals for this type of property in this market area.
4. I am aware of, and have access to, the necessary and appropriate public and private data sources, such as multiple listing services, tax assessment records, public land records and other such data sources for the area in which the property is located.
5. I obtained the information, estimates, and opinions furnished by other parties and expressed in this appraisal desk review report from reliable sources that I believe to be true and correct.
6. I have not knowingly withheld any significant information from this appraisal desk review report and, to the best of my knowledge, all statements and information in this appraisal desk review report are true and correct.
7. I stated in this appraisal desk review report my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the assumptions and limiting conditions in this appraisal desk review report.
8. I have no present or prospective interest in the property that is the subject of this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or opinion of market value (if any) in this appraisal desk review report on the race, color, religion, sex, age, marital status, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property or on any other basis prohibited by law.
9. My employment and/or compensation for performing this appraisal desk review or any future or anticipated appraisals or appraisal desk reviews was not conditioned on any agreement or understanding, written or otherwise, that I would report (or present analysis supporting) a predetermined specific value, a predetermined minimum value, a range or direction in value, a value that favors the cause of any party, or the attainment of a specific result or occurrence of a specific subsequent event (such as approval of a pending mortgage loan application).
10. I personally prepared all conclusions and opinions about the real estate that were set forth in this appraisal desk review report. I further certify that no one provided significant professional assistance to me in the development of this appraisal desk review report. I have not authorized anyone to make a change to any item in this appraisal desk review report; therefore, any change made to this appraisal desk review report is unauthorized and I will take no responsibility for it.
11. I identified the lender/client in this appraisal desk review report who is the individual, organization, or agent for the organization that ordered and will receive this appraisal desk review report.
12. The lender/client may disclose or distribute this appraisal desk review report to: the mortgagee or its successors and assigns; mortgage insurers; government sponsored enterprises; other secondary market participants; professional appraisal organizations; any department, agency, or instrumentality of the United States; and any state, the District of Columbia, or other jurisdictions; without having to obtain the review appraiser's consent. Such consent must be obtained before this appraisal desk review report may be disclosed or distributed to any other party (including, but not limited to, the public through advertising, public relations, news, sales, or other media).
13. The mortgagee or its successors and assigns, mortgage insurers, government sponsored enterprises, and other secondary market participants may rely on this appraisal desk review report as part of any mortgage finance transaction that involves any one or more of these parties.
14. If this appraisal desk review report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal desk review report containing a copy or representation of my signature, the appraisal desk review report shall be as effective, enforceable and valid as if a paper version of this appraisal desk review report were delivered containing my original hand written signature.
15. Any intentional or negligent misrepresentation(s) contained in this appraisal desk review report may result in civil liability and/or criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Section 1001, et seq., or similar state laws.

REVIEW APPRAISER	LENDER/CLIENT
Signature  Name <u>ANTHONY W. MEGAS/SRA</u> Company Name <u>MEGAS APPRAISAL GROUP, INC</u> Company Address <u>2105 PARK ST., STE 2, JACKSONVILLE, FL</u> <u>32204</u> Telephone Number <u>904-322-7877</u> Email Address <u>AMEGAS@MEGASAPPRAISAL.COM</u> Date of Signature and Report <u>12/24/2020</u> State Certification # <u>CERT RES RD2630</u> or State License # _____ State <u>FL</u> Expiration Date of Certification or License <u>11/30/2022</u>	Name _____ Company Name <u>ST. JOHNS COUNTY HOUSING DEPT</u> Company Address <u>200 SAN SEBASTIAN VIEW, ST. AUGUSTINE, FL</u> <u>32084</u> LENDER/CLIENT OF THE APPRAISAL UNDER REVIEW Name <u>SOUTH STATE BANK, N.A.</u> Company Address <u>1951 8TH STREET NW, WINTER HAVEN, FL</u> <u>33881</u>

File No. 59895

Borrower	N/A				
Property Address	909 Palermo Rd				
City	Saint Augustine	County	ST. JOHNS	State	FL Zip Code 32086
Lender/Client	ST. JOHNS COUNTY HOUSING DEPT				

NOTE:

THE ISSUES NOTED IN THE APPRAISAL REVIEW DO NOT HAVE AN EFFECT ON THE FINAL OPINION OF VALUE. THEY SHOW INCONSISTANCIES IN THE REPORT.

THE SALES USED IN THE REPORT ARE THE BEST AVAILABLE AND THE ADJUSTMENTS ARE REASONABLE AND ARE EXPLAINED.

THEREFORE, THE FINAL OPINION OF VALUE IS REASONABLE.

