

Loan No.: G25018254

CONSTRUCTION LOAN AGREEMENT

THIS CONSTRUCTION LOAN AGREEMENT (this "**Agreement**") is entered into as of 6/12/2025 (the "**Closing Date**") by KINGS LANDING FT PIERCE LLC, a Florida limited liability company ("**Borrower**"), and GENESIS CAPITAL, LLC, a Delaware limited liability company ("**Lender**").

RECITALS

A. Borrower has requested that Lender make a loan to it in the aggregate principal amount of up to \$6,417,600.00 (the "Loan").

B. Lender is willing to make the Loan to Borrower subject to the terms and conditions hereof.

NOW, THEREFORE, in consideration of the above recitals and for other good and valuable consideration, Lender and Borrower hereby agree as follows.

1. CERTAIN DEFINITIONS. Capitalized terms not otherwise defined in the body of this Agreement shall have the meanings set forth in the definitions exhibit attached hereto as Exhibit A.

2. LOAN; GENERAL.

2.1 Loan. Subject to the terms and conditions of this Agreement, Lender agrees to lend to Borrower and Borrower agrees to borrow the principal sum of \$6,417,600.00 said sum to be evidenced by the Note and which shall be repaid in accordance with the terms of the Note and the other Loan Documents. The Loan is not a revolving credit line, and no payments or credits shall increase the maximum amount of advances available from the Loan.

2.2 Purpose. Amounts disbursed to or on behalf of Borrower pursuant to the Note shall be used for the construction of the Property and the Project and for such other purposes and uses as may be permitted under this Agreement and the other Loan Documents.

2.3 Grant of Security Interest in Property. The Note shall be secured, in part, by the Security Instrument encumbering certain real property and improvements as described therein.

2.4 Advances.

(a) Initial Advance. Subject to the provisions of this Agreement, upon written request by Borrower, pursuant to Section 3.1 below, Lender shall make the Initial Advance to Borrower on the Closing Date.

(b) Construction Advances. Subject to the provisions of this Agreement, upon written request by Borrower, Lender shall make a Construction Advance to Borrower, from time to time, within two (2) Business Days after all

conditions precedent to making a Construction Advance (including those set forth in Sections 3.1 and 3.2 below), have been met.

(c) **Limitations.**

(i) Notwithstanding any other provision of this Agreement to the contrary, the aggregate amount of all Advances at any one time outstanding (with the exception of any Protective Advances (as hereinafter defined)) shall not exceed the amount of the Loan, and in no event shall the total Committed Loan Funds, as of such date of determination, exceed the maximum amount of the Loan.

(ii) Unless otherwise permitted by Lender, Advances shall be made (if at all) not more frequently than one (1) time in any calendar week and in a manner consistent with this Agreement and the Loan Budget.

(iii) In no event shall Lender be obligated to make Advances in excess of the percentage of construction completed as certified by Lender's inspector. The maximum amount of advances which Borrower may request for the Project or for any component or phase thereof shall be as set forth in the Loan Budget.

(iv) If required by Lender in its sole and absolute discretion, all Advances shall be made into an account of Borrower that is subject to the Deposit Account Control Agreement.

(v) Lender shall not be obligated to disburse Loan proceeds for the payment of any cost if the amount of such cost, together with the amounts of other costs included within the same "line-item" in the Loan Budget for which requests for advances have previously been submitted and approved, exceeds the amount set forth in the Loan Budget for such line-item, unless Borrower furnishes to Lender documentary evidence satisfactory to Lender that any such excess cost is offset by a reduction, in nature satisfactory to Lender, of at least an equal amount in another line-item in the Loan Budget, and Lender approves a revision to the Loan Budget.

2.5 Loan Fees and Expenses. A non-refundable loan fee of 1.00% of the maximum principal amount of the Note as of the date hereof shall be earned by Lender upon execution of the Loan Documents and shall be due and payable by Borrower on the date hereof. In addition, Borrower shall pay to Lender, on the date hereof, those certain amounts referenced in the settlement statement approved by Lender in connection with the closing of the Loan.

2.5.1 Multiple Units. If the Property consists of more than one (1) Units (as such term is defined in the attached Exhibit E), the provisions of Exhibit E shall apply to this Agreement.

3. ADVANCES.

3.1 Closing Conditions; Advances. Lender's obligation to make any Advances (including the Initial Advance, if any) or take any other action under the Loan Documents shall be

subject at all times to satisfaction of each and every one of the following conditions precedent in Lender's discretion:

(a) Receipt and approval by Lender of an executed original of this Agreement, each of the Loan Documents, and any and all other documents, instruments, policies and forms of evidence or other materials which are required pursuant to this Agreement or any of the other Loan Documents or as otherwise required by Lender, each in form and content acceptable to Lender;

(b) There shall exist no Default or Event of Default under this Agreement or any of the Loan Documents;

(c) The Security Instrument is a valid lien upon the Property and is prior and superior to all other liens and encumbrances thereon except those approved by Lender in writing (and, for the avoidance of doubt, the only liens or encumbrances affecting the Property are the Permitted Encumbrances);

(d) No Balancing Event (as defined below) shall then exist;

(e) Lender shall have received and approved a final Loan Budget;

(f) Lender shall have received and approved the following: (i) a written appraisal prepared in conformance with the requirements of FIRREA, as well as any other applicable rules or regulations from any and all applicable governmental authorities (subject to review and adjustment by Lender consistent with Lender's standard practices); (ii) evidence of the insurance coverage required under this Agreement; (iii) if requested by Lender, a soils and geology report for the Property; (iv) a Site Assessment with respect to the Property; (v) two (2) sets of the Plans and Specifications, certified as complete by the architect, together with evidence of all necessary or appropriate approvals of governmental agencies or private parties; (vi) copies of all agreements which are material to Completion of the Project, and, at Lender's option, an assignment of each and a Design Professional Consent from any applicable parties; (vii) copy of the General Contractor Agreement executed by Borrower in connection therewith with a Lender-approved General Contractor and, if required by Lender, a General Contractor Consent from such party (viii) copies of all Project Permits; (ix) copies of any initial study, negative declaration, mitigated negative declaration, environmental impact report, notice of determination or notice of exemption prepared, adopted, certified or filed by or with any governmental agency in connection with the Property and Project; (x) copies of all Lender-approved Trade Contracts then in effect for the Project and, if required by Lender, an executed Trade Contractor Consent for each Trade Contractor who is to receive proceeds of any Construction Advance; (xi) a list of all Project Documents in effect for the Project as of the date of such request for Advance and copies of all such Project Documents (including any new Project Documents and any Change Orders to any Project Documents, in each case, executed after the Closing Date or the date of the last Advance Request, as the case may be), and Lender shall have approved of any Change Order (to the extent Lender's approval is required hereunder) with respect to a Project Document for which Borrower is requesting a payment; and (xii) if requested by Lender, any seismic reports on the Property;

(g) Borrower shall have presented evidence satisfactory to Lender that it has contributed equity in the Property and Project in the amount in the Loan Budget;

(h) Borrower shall have (i) provided any costing review documents requested or required by Lender, which costing review documents shall be subject to the review and approval of Lender's consultant and engineering team, (ii) paid a costing review fee in the amount required by Lender, and (iii) to the extent required by Lender based on the results of the costing review, funded any additional equity in the amount reasonably required by Lender;

(i) The representations and warranties contained in this Agreement shall be true and correct as of the Closing Date and as of the date of each Advance or any other amounts pursuant to the Loan Documents;

(j) If required by Lender, Lender shall have received evidence that each of Borrower and Guarantor is in good standing (and if applicable, duly qualified as a foreign entity) in the state in which such entities are organized as of the date hereof and the states where such entities conduct business;

(k) Lender shall have received a commitment by a title company to issue the Title Policy (together with copies of all exceptions) in form and substance acceptable to Lender;

(l) If required by Lender, Lender shall have received legal opinions issued by counsel for Borrower and each other Borrower Party, as required by Lender;

(m) If required by Lender, Lender shall have received current Uniform Commercial Code searches for Borrower and each other Borrower Party, and, if required by Lender, the immediately preceding owner of the Property;

(n) If required by Lender, Lender shall have received evidence of insurance as required by this Agreement;

(o) No condemnation or adverse zoning or usage change proceeding shall have occurred or shall have been threatened against the Property; the Property shall not have suffered any significant damage by fire or other casualty which has not been repaired; no law, regulation, ordinance, moratorium, injunctive proceeding, restriction, litigation, action, citation or similar proceeding or matter shall have been enacted, adopted, or threatened by any governmental authority, which would have a Material Adverse Effect;

(p) Borrower shall have paid or reimbursed all of Lender's outstanding fees and expenses (including the out-of-pocket fees and expenses of Lender's construction consultant(s), if any, and all other out-of-pocket fees, costs and expenses of Lender (including any draw fees and any fees and expenses of outside legal counsel) relating to the Loan, to the extent then due and payable, as well as all fees and commissions payable to real estate brokers, mortgage brokers, or any other brokers or agents in connection with the Loan or the acquisition of the

Property, evidence of such payment to be accompanied by any waivers or indemnifications deemed necessary by Lender;

(q) The Property shall comply in all material respects with all Legal Requirements;

(r) Such other documents or items as Lender or its counsel may require in their sole and absolute discretion (including credit and litigation information on Borrower and each other Borrower Party); and

(s) Lender shall have received and approved organizational documents, resolutions, certificates and consents with respect to Borrower (and the partners, members, managers or joint venturers of Borrower (if any)), all Guarantors (and the partners, members, managers or joint venturers of all such Guarantors (if any)), and such other related entities as Lender may require.

3.2 Request for Construction Advance; Additional Conditions. With respect to each Advance Request for a Construction Advance, each of the following conditions must be met prior to any such Advance being funded:

(a) Borrower shall (i) have obtained from the title company that issued the Title Policy (to the extent available in the applicable jurisdiction), a continuation of title endorsement (and if such endorsement is not available, such other evidence as may be required by Lender, including an updated title report) showing title to the Property vested in Borrower, with no subordinate items and with no exceptions to title of such Property other than Permitted Encumbrances (with affirmative insurance that no Taxes are delinquent, no mechanic's or supplier's liens have attached (or if inchoate mechanic's or supplier's liens have, that they are subordinate to the lien of the Security Instruments encumbering the Property), and, if available and applicable, that neither public nor private conditions, covenants or restrictions, if any, affecting the Property have been violated); (ii) if required by Lender, in its sole discretion, a title update endorsement issued concurrently with each Advance; and (iii) any other endorsements Lender may reasonably require in connection with such Advance; in each such case as required by Lender and at Borrower's sole cost and expense;

(b) Lender shall have received a certificate of Borrower with respect to any construction work constituting the applicable Project Expenditures to be funded by such Advance (a) certifying that whatever portion of such work has been completed to date has been completed in a good and workmanlike manner in accordance with all applicable Legal Requirements and the Lender-approved Plans and Specifications therefor, (b) including (with the Advance Request) a copy of any license, permit or other approval by any Governmental Authority required to commence the applicable Project Expenditures for which such Advance is sought, (c) including copies of all bills, invoices, receipts and other documentation requested by Lender to be reimbursed or paid by such Advance, (d) identifying each Person that supplied materials or labor in connection with the Project Expenditures to be funded by the requested Advance, (e) certifying that each such Person has been paid in full or will be paid in full in respect of such work promptly after receipt of such Advance, (f) accompanied by conditional lien waivers or other evidence of lien release upon payment satisfactory to Lender, (g) stating that all

prior Advances (if any) have been spent on the expenses for which such Advances were made, (h) including a reconciliation by Borrower of the progress and cost of the completion of the Project through the date of such Advance Request with the Project Schedule and the Loan Budget, together with a projection of such progress and cost through to Completion, (i) including an anticipated cost report in a form reasonably acceptable to Lender, which indicates the costs anticipated to Complete the Project, after giving effect to costs, if any, incurred during the previous month (or the date of the last preceding Advance Request, as the case may be) (including a description of any reasonably projected cost overruns), (j) including a list of reasonably anticipated Change Orders to the Project Documents that may be made within the ensuing sixty (60) days after such Advance Request (regardless as to whether Lender's approval is required for any such Change Order), and (k) certifying that no Balancing Event then exists;

(c) Lender shall have received evidence satisfactory to it that Borrower has paid (or will pay concurrently with the funding of such Advance), from its own funds, the actual cost of the applicable Project Expenditure(s) less the amount to be advanced by Lender hereunder for such Project Expenditure(s) (it being agreed that if required by Lender, such amount shall be paid to Lender, and Lender shall pay the applicable invoice from such funds and such Advance);

(d) Lender shall have determined that the applicable work with respect to which the Advance has been requested has been completed in good and workmanlike manner in accordance with all applicable Legal Requirements and the Lender-approved Plans and Specifications;

(e) Lender shall have determined that the amount of unfunded Advances available to Borrower hereunder for the payment of all of the work comprising the Project that have not been completed, based on the applicable Committed Loan Funds as compared to all Advances that have been made prior to such date of determination for the Project, is not less than the amount actually necessary (as determined by Lender) to pay for the cost of all such work comprising the Project that has not been completed through the completion thereof (the failure of the foregoing to be true, a "**Balancing Event**") (or Borrower shall have delivered immediately available funds to Lender in the amount of such difference, which funds shall be held in a Reserve Account and disbursed to Borrower for the payment of Project Expenditures prior to the making of any further Advances for the payment of such Project Expenditures);

(f) Each requested Advance may be reduced by the Retainage applicable to such costs, and the amount of all such Retainage shall be advanced to Borrower only upon the Completion of the Project; provided, however, at Lender's sole option, Lender may withhold from the final disbursement of Loan proceeds the entire amount of the Retainage in lieu of reducing each individual Advance by the amount of the Retainage;

(g) The portion of the Loan Budget shown as being allocated as a contingency reserve ("Contingency Reserve"), and any increases in the Contingency Reserve pursuant hereto, shall be reallocated to such other line items in the Loan Budget as Borrower shall, from time to time, request in writing and Lender shall approve in its sole and absolute discretion. After any such

reallocation, the portion of the Contingency Reserve that has been reallocated will be disbursed in accordance with the provisions governing the disbursement of Loan proceeds (including the conditions and restrictions set forth in this Section 3). If the actual cost or a revised guaranteed cost of a line item is less than the maximum amount of the Loan Budget allocated to any such line item, then any such excess amounts may be reallocated to the Contingency Reserve from time to time upon Borrower's written request and Lender's approval in its sole and absolute discretion. The reallocation, depletion, refusal of Lender to increase, reallocate or deplete the Contingency Reserve shall not release Borrower from any of Borrower's obligations under the Loan Documents;

(h) No Advances shall be made for Stored Materials unless (A) Lender shall have reasonably determined that the Stored Materials Conditions have been satisfied with respect to such Stored Materials (and that they remain satisfied with respect to any subsequent Advance for Stored Materials) and (B) Lender otherwise approves of such Advance, which approval Lender may grant or withhold in its sole discretion;

(i) At Lender's option, Lender shall have approved of "subguard" insurance policies with respect to each Trade Contract, to the extent a copy of such Trade Contract is requested by Lender, with respect to which such Advance is requested, and the same shall then be in full force and effect;

(j) Lender has determined that the Project is progressing in material compliance with the Project Schedule;

(k) All Advance Requests shall clearly identify any amounts requested for payment to an Affiliate. Unless expressly set forth in the then effective Loan Budget or this Agreement, no developer's, management, consulting or brokerage fee or commission, developer profit or other payment to any Affiliate shall be paid directly or indirectly from any proceeds of the Loan without Lender's prior written approval; and

(l) For each Subsequent Advance, Borrower shall pay a draw fee of \$100.00 per Advance and Lender shall order inspections with photographs of the Property. The draw fee for each Subsequent Advance shall be added to the payoff amount of the Loan.

Each Advance Request delivered by Borrower to Lender, whether to request an Initial Advance or any Subsequent Advance, shall be deemed to be a representation and warranty that (i) the information contained in the Advance Request is true and correct in all material respects, (ii) no Default or Event of Default has occurred or is continuing under any of the Loan Documents and (iii) all representations and warranties under this Agreement and the other Loan Documents are true, correct and complete and not misleading in any respect on the date of such Advance Request, as if such representations and warranties were made on such date.

3.3 Full Repayment and Reconveyance, Satisfaction or Release. Upon receipt of all sums owing and outstanding under the Note and the Loan Documents, and the full performance of all other obligations secured by the Security Instrument, Lender shall reconvey, satisfy or release the Property from the lien of the Security Instrument and terminate any assignment of leases and rents or UCC-financing statements related to the Collateral; provided,

however, that all of the following conditions shall be satisfied at the time of, and with respect to, such reconveyance, satisfaction or release: (a) Lender shall have received all escrow, closing and recording costs, the costs of preparing and delivering such reconveyance, satisfaction or release, the payment of any and all sums then due and payable under the Loan Documents, and the full payment and performance of all other obligations secured by the Security Instrument, including those set forth in the Note and the Security Instrument; and (b) Lender shall have received a written release satisfactory to Lender of any set aside letter, letter of credit or other form of undertaking which Lender has issued to any surety, governmental agency or any other party in connection with the Loan or the Property. Lender's obligation to make further disbursements under the Loan shall terminate as to any portion of the Loan undisbursed as of the date of issuance of such reconveyance, satisfaction or release, and any commitment of Lender to lend any undisbursed portion of the Loan shall be cancelled. For avoidance of doubt, the Property may not be sold by Borrower unless it is released (and the required payment is made) pursuant to this Section prior to or concurrently with such sale.

3.4 Balancing Event. At any time Lender shall have determined that a Balancing Event exists, Borrower shall deliver to Lender, within five (5) Business Days after Lender's written demand therefor, immediately available funds in the amount necessary to cause such Balancing Event to no longer exist. Such amounts will be held in a deposit account established by Lender from time to time (the "Project Expenditure Reserve Account"). So long as no Event of Default then exists, the funds in the Project Expenditure Reserve Account shall be disbursed by Lender at Borrower's request in connection with the making of a Construction Advance for Project Expenditures pursuant to this Section 3 in the same manner subject to all terms and conditions applicable thereto, and notwithstanding anything to the contrary contained in this Agreement or in any other Loan Document, after the occurrence and during the continuance of a Balancing Event, all funds in the Project Expenditure Reserve Account (if any) shall be fully disbursed to Borrower prior to the making of any further Construction Advances for Project Expenditures.

3.5 Interest Reserve. To the extent Lender requires a reserve for payments of interest accrued on the outstanding principal balance of the Loan (whether included in the Loan Budget or otherwise), then (a) amounts from such interest reserve shall be disbursed as determined by Lender and subject to any applicable disbursement conditions in this Agreement; (b) if any time the interest reserve is insufficient or unavailable to pay all accrued interest, Borrower agrees to pay all accrued interest when due and payable; and (c) depletion of such interest reserve shall not release Borrower from any of Borrower's obligations to pay interest accruing under the Note. Borrower hereby irrevocably authorizes Lender to make any interest payment on Borrower's behalf by debiting the interest reserve in the amount of the payment and applying the debited amount to accrued and unpaid interest on the Loan, and Lender will automatically debit the interest reserve each month to satisfy such accrued and unpaid interest so long as there are sufficient funds remaining in the interest reserve. For the avoidance of doubt, interest will accrue on amounts debited from the interest reserve from the date such funds are advanced.

3.6 Recourse. The Loan shall be full recourse to Borrower and all of its assets, whether now owned or hereafter acquired or in which Borrower otherwise has an interest, and all proceeds thereof.

3.7 ACH. Upon the earlier of (a) all interest reserve funds, if any, having been disbursed from the interest reserve account, or (b) any extension of the Loan, Borrower covenants

and agrees to use the Federal Banking System's ACH program to remit all regular monthly debt service payments under the Note.

4. PAYMENT. All payments shall be made pursuant to the terms and conditions of the Note and the other Loan Documents.

5. REPRESENTATIONS AND WARRANTIES.

5.1 Borrower Representations. Borrower represents and warrants as of the date hereof and as of the date of each Advance that:

5.1.1 Authority/Enforceability. Each Borrower Party is in compliance with all laws and regulations applicable to its organization, existence and transaction of business and has all necessary rights and powers and organizational authority to own, develop and operate the Property and improvements as contemplated by the Loan Documents.

5.1.2 Binding Obligations. Each applicable Borrower Party is authorized to execute, deliver and perform its obligations under the Loan Documents, and such obligations shall be valid and binding obligations of the applicable Borrower Party.

5.1.3 Formation and Organizational Documents. Borrower has delivered to Lender all formation and organizational documents of Borrower, the general partner or managing member of Borrower, and of all Guarantors of the Loan, if any, and all such formation and organizational documents remain in full force and effect and have not been amended or modified since they were delivered to Lender. Borrower shall immediately provide Lender with copies of any amendments or modifications of the formation or organizational documents. Borrower shall not, without the prior written consent of Lender, modify or amend its operating agreement or partnership agreement or other organizational documents in any way that would have an adverse effect on its ability to own and operate the Property or to perform under the Loan Documents.

5.1.4 No Proceedings or Litigation. Except as disclosed to Lender in writing, there are no claims, actions, suits, or proceedings pending, or, to Borrower's knowledge, threatened, against Borrower or affecting the Property.

5.1.5 No Defaults. No Borrower Party is in default with respect to any order or decree of any court or any order, regulation or demand of any Governmental Authority, which default is reasonably expected to have consequences that would materially and adversely affect the condition (financial or other) or operations of any the Property or might have consequences that would materially or adversely affect Borrower Party's performance hereunder or under any of the Loan Documents.

5.1.6 Consents. No consent, approval, authorization or order of any court or Governmental Authority is required for the execution, delivery and performance by any Borrower Party of, or compliance by any Borrower Party with, this Agreement or any other Loan Document or the consummation of the transactions contemplated hereby, other than those which have been obtained by the applicable Borrower Party.

5.1.7 Title. Borrower is the record and beneficial owner of, and has good and marketable title to, the Property, free and clear of all Liens whatsoever other than the Permitted Encumbrances, and lawfully holds and possesses the Property and has the right to

encumber the same. Without limiting the generality of the foregoing, Borrower has not granted any option or right of first refusal or first opportunity to any party to acquire any interest in the Property. The Security Instrument, when recorded, will create valid, perfected first-priority security interest in and to the Property and the Collateral in favor of Lender. To the extent Lender requires Borrower to enter into the Equity Owner Pledge, the Equity Owner Pledge, together with the Uniform Commercial Code financing statements required to be filed in connection therewith, will create valid, perfected first-priority security interests in and to the ownership interests in Borrower.

5.1.8 No Plan Assets. As of the date hereof and throughout the term of the Loan (a) each Borrower Party is not and will not be an “employee benefit plan,” as defined in Section 3(3) of ERISA, subject to Title I of ERISA, (b) none of the assets of any Borrower Party constitutes or will constitute “plan assets” of one or more such plans within the meaning of 29 C.F.R. Section 2510.3 101, (c) each Borrower Party is not and will not be a “governmental plan” within the meaning of Section 3(32) of ERISA, and (d) transactions by or with any Borrower Party are not and will not be subject to state statutes regulating investment of, and fiduciary obligations with respect to, governmental plans.

5.1.9 Compliance. Borrower and the Property and the current use thereof comply in all material respects with all applicable Legal Requirements, including, without limitation, building and zoning ordinances and codes. Neither Borrower nor any other Borrower Party is in default or violation of any order, writ, injunction, decree or demand of any Governmental Authority. Neither Borrower nor any other Borrower Party has committed any act that may give any Governmental Authority the right to cause Borrower or any Borrower Party to forfeit the Property or any part thereof or any monies paid in performance of Borrower’s Obligations under any of the Loan Documents.

5.1.10 Financial Information. All financial data, including, without limitation, the statements of cash flow and income and operating expense and any proposed budget, that have been delivered to Lender in respect of Borrower, the other Borrower Parties, the Property or the Project fairly present the financial condition of Borrower, each other Borrower Party, the Property and the Project, as applicable, as of the date of such reports and have been prepared in accordance with GAAP, a cash basis accounting method, or other generally accepted accounting principles approved by Lender (in Lender’s commercially reasonable discretion), and consistently applied, throughout the periods covered, except as disclosed therein. Except as disclosed therein, neither Borrower nor any other Borrower Party has any contingent liabilities, liabilities for taxes, unusual forward or long term commitments or unrealized or anticipated losses from any unfavorable commitments that are known to Borrower or any other Borrower Party. Since the date of the financial statements (including any proposed budget), there has been no material adverse change in the financial condition, operations or business of Borrower, any other Borrower Party, the Property or the Project from that set forth in said financial statements.

5.1.11 Single Purpose. Unless otherwise permitted by Lender, Borrower hereby represents and warrants to, and covenants with, Lender that as of the date hereof and until such time as the Debt shall be paid in full (provided, however, that nothing in this Section shall require any shareholder, partner or member of Borrower or Equity Owner to make additional capital contributions to either of them): (a) Borrower has not owned nor will own any asset or property other than (i) the Property, and (ii) incidental personal property necessary for the ownership thereof; (b) Borrower has not engaged nor will engage in any business other than the acquisition, ownership, management, development, operation, renovation and sale of the Property. Each of Borrower and Equity Owner will conduct and operate its business as presently

conducted and operated; (c) Borrower has not incurred nor will incur any Indebtedness except as provided in the Loan Documents; (d) Borrower has not made nor will make any loans or advances to any third party (including any Affiliate of Borrower); (e) each of Borrower and Equity Owner is solvent and will pay its debts and liabilities (including, as applicable, shared personnel and overhead expenses) from its own assets as the same shall become due; (f) each of Borrower and Equity Owner has done or caused to be done and will do all things necessary to observe organizational requirements and formalities and preserve its existence, and neither Borrower nor Equity Owner will amend, modify or otherwise change its certificate, partnership agreement, articles of incorporation and bylaws, operating agreement, trust or other organizational documents without the prior consent of Lender in any manner that (i) violates the single purpose covenants set forth in this Section, or (ii) amends, modifies or otherwise changes any provision thereof that by its terms cannot be modified at any time when the Loan is outstanding or by its terms cannot be modified without Lender's consent; (g) Borrower will (i) maintain all of its books, records, financial statements and bank accounts separate from those of its Affiliates and any constituent party, (ii) not cause or permit its assets to be listed as assets on the financial statement of any other Person, provided, however, that Borrower's assets may be included in a consolidated financial statement of its Affiliates provided that such assets shall be listed on Borrower's own separate balance sheet, (iii) except to the extent Borrower is disregarded for tax purposes, file its own tax returns (to the extent Borrower is required to file any such tax returns) and will not file a consolidated federal income tax return with any other Person, and (iv) maintain its books, records, resolutions and agreements as official records; (h) Borrower has been, and at all times will hold itself out to the public as, a legal entity separate and distinct from any other entity (including any Affiliate or any constituent party thereof). Borrower shall conduct business in its own name, shall not identify itself or any of its Affiliates as a division or part of the other and shall maintain and utilize separate stationery, invoices and checks bearing its own name; (i) neither Borrower nor Equity Owner will seek or effect its dissolution, division, winding up, liquidation, consolidation or merger, in whole or in part; (j) Borrower will not commingle its funds and other assets with those of any Affiliate or constituent party or any other Person, and Borrower will hold all of its assets in its own name; (k) Borrower has and will maintain its assets in such a manner that it will not be costly or difficult to segregate, ascertain or identify its individual assets from those of any Affiliate or constituent party or any other Person; (l) Borrower will not guarantee nor become obligated for the debts of any other Person nor will either hold itself out to be responsible for or have its credit available to satisfy the debts or obligations of any other Person; (m) Borrower will not permit any Affiliate or constituent party independent access to its bank accounts; (n) Borrower shall pay the salaries of its own employees (if any) from its own funds and maintain a sufficient number of employees (if any) in light of its contemplated business operations; (o) Borrower shall compensate each of its consultants and agents from its funds for services provided to it and pay from its own assets all obligations of any kind incurred; (p) Borrower is and will remain organized in the State in which it was formed as a limited liability company; (q) no indemnity payment from the funds of Borrower or Equity Owner (as distinct from funds from other sources such as insurance) of any indemnity under any agreement (other than the Loan Documents) to which Borrower or any Equity Owner may be a party (including under such party's organizational documents) shall be payable from amounts allocable to any other Person, including Lender, pursuant to any of the Loan Documents, and (r) neither Borrower nor Equity Owner nor any other Person on behalf of Borrower shall, without the affirmative vote of one hundred percent (100%) of the members, partners or stockholders of Borrower: (i) institute proceedings to be adjudicated bankrupt or insolvent, (ii) consent to the institution of bankruptcy or insolvency proceedings against it; (iii) file a petition seeking, or consenting to, reorganization or relief under applicable federal or state law relating to bankruptcy; (iv) consent to the appointment of a receiver, liquidator, assignee, trustee, sequestrator (or other similar official) of Borrower or a substantial part of its property; (v) make any assignment for the benefit of creditors; (vi) admit in writing its inability to

pay its debts generally as they become due or declare or effect a moratorium on its debts; or (vii) take any action in furtherance of any such action (each of the actions described in the foregoing clauses (i) through (vii), with respect to any individual or entity, are referred to herein as a "Bankruptcy Action").

5.1.12 Tax Filings. Each of Borrower and Equity Owner has filed (or has obtained effective extensions for filing) all federal, state and local tax returns required to be filed and has paid (unless they are not yet past due) or made adequate provision for the payment of all federal, state and local taxes, charges and assessments payable thereby. Each of Borrower and Equity Owner believes that its tax returns (if any) properly reflect the income and taxes of Borrower or Equity Owner, as applicable, for the periods covered thereby.

5.1.13 Solvency. Borrower (a) has not entered into the transaction or any Loan Document with the actual intent to hinder, delay, or defraud any creditor and (b) has received reasonably equivalent value in exchange for its Obligations. Giving effect to the Loan, the fair saleable value of Borrower's assets exceeds and will, immediately following the making of the Loan, exceed Borrower's total liabilities, including subordinated, unliquidated, disputed and contingent liabilities. The fair saleable value of Borrower's assets is and will, immediately following the making of the Loan, be greater than Borrower's probable liabilities, including the maximum amount of its contingent liabilities on its debts as such debts become absolute and matured. Borrower's assets do not and, immediately following the making of the Loan will not, constitute unreasonably small capital to carry out its business as conducted or as proposed to be conducted. Borrower does not intend to, and does not believe that it will, incur Indebtedness and liabilities (including contingent liabilities and other commitments) beyond its ability to pay such Indebtedness and liabilities as they mature (taking into account the timing and amounts of cash to be received by Borrower and the amounts to be payable on or in respect of obligations of Borrower). Neither Borrower nor any other Borrower Party is contemplating either the filing of a petition by it under state or federal bankruptcy or insolvency laws or the liquidation of all or a major portion of its assets or property, and neither Borrower nor any other Borrower Party has knowledge of any Person contemplating the filing of any such petition against it.

5.1.14 No Contractual Obligations, Restrictions or Defaults. Other than the Loan Documents, Borrower is not subject to any contractual obligations pursuant to which its assets are bound, nor has it incurred any Indebtedness. Neither Borrower nor any other Borrower Party is a party to any agreement or instrument or subject to any court order, injunction, permit, or restriction which might adversely affect the Property or the business, operations, or condition (financial or otherwise) of Borrower or any other Borrower Party. Neither Borrower nor any other Borrower Party is in violation of any agreement which violation would have a material adverse effect on the Property, Borrower, or any other Borrower Party or Borrower's or any other Borrower Party's business, properties, or assets, operations or condition, financial or otherwise.

5.1.15 Federal Trade Embargoes. Borrower and each other Borrower Party is in compliance with all Federal Trade Embargoes in all material respects. No Embargoed Person owns any direct or indirect equity interest in any Borrower Party. No Borrower Party shall knowingly deal with any Person identified on the OFAC List.

5.1.16 Additional Representations and Warranties With Respect to the Property.

(a) **Nature of Property.** The Property is not, nor shall it be, used for commercial purposes (other than for rental income). Borrower shall not

allow changes in the stated use of the Property from that disclosed to Lender at the time of execution hereof without prior notice to, and prior written consent from, Lender.

(b) **Compliance with Law; Property Condition.** Borrower has all requisite licenses, permits, franchises, qualifications, certificates of occupancy or other governmental authorizations to own, lease and operate, repair and renovate (if applicable) the Property and carry on its business. None of Borrower, nor any other Borrower Parties or the Property or the Project are in violation in any material respect of any law, ordinance, regulation, or rule (federal, state, or local), including all permits and approvals issued thereunder affecting Borrower's right and qualification to do business, the construction and installation of the improvements located or to be located upon the Property, the operation, leasing, financing or sale of the Property and the occupancy, use and enjoyment thereof. Without limitation on the foregoing, Borrower and the Property comply with all applicable laws relating to accessibility for the handicapped, including The Architectural Barriers Act of 1968, The Rehabilitation Act of 1973, The Fair Housing Act of 1988, and The Americans With Disabilities Act of 1990. The Property is free of structural defects and other material physical or mechanical defects, and all building systems contained therein are in good working order, subject to ordinary wear and tear.

(c) **Utilities.** All utility services, including, without limitation, gas, water, sewage, electrical and telephone, necessary for the development and occupancy of the Property are available at or within the boundaries of the Property, or Borrower has taken all steps necessary to assure that all such services will be available upon completion of the improvements.

(d) **Insurance.** The Property is covered by a policy of hazard insurance and insurance against other insurable risks and hazards as are customary in the area where the Property is located and in accordance with Lender's underwriting criteria, in an amount not less than the greatest of (i) 100% of the replacement cost of all improvements to the Property, (ii) the outstanding principal balance of the Loan, and (iii) the amount necessary to avoid the operation of any co-insurance provisions with respect to the Property or such maximum lesser amount as permitted by applicable law, all in a form usual and customary in the industry and that is in full force and effect, and all amounts required to have been paid under any such policy have been paid. If any portion of the Property is in an area identified by any federal Governmental Authority as having special flood hazards, and flood insurance is available, a flood insurance policy meeting the current guidelines of the Federal Emergency Management Agency is in effect and shall be maintained for the term of the Loan with a generally acceptable insurance carrier, in an amount representing coverage not less than the least of (1) the outstanding principal balance of the Loan, (2) the full insurable value of the Property, and (3) the maximum amount of insurance available under the National Flood Insurance Act of 1968, as amended by the Flood Disaster Protection Act of 1974. All such insurance policies (collectively, the "**hazard insurance policy**") contain a standard mortgagee clause naming Lender, its successors and assigns, as mortgagee, and may not be reduced, terminated or canceled without 30 days' prior written notice to the mortgagee. All premiums on each such insurance policy have been paid. The hazard insurance policy is the valid and binding obligation of

the insurer and is in full force and effect. Borrower has not engaged in any act or omission which would impair the coverage of any such policy, the benefits of the endorsement provided for herein, or the validity and binding effect of either including no unlawful fee, commission, kickback or other unlawful compensation or value of any kind has been or will be received, retained or realized by any attorney, firm or other Person, and no such unlawful items have been received, retained or realized by Borrower.

(e) **Ownership and Encumbrances.**

(i) **Ownership.** Borrower is and will at all times be the legal and equitable owner of the Property subject only to Permitted Encumbrances (and subject to releases permitted hereunder).

(ii) **No Leases or Occupancy.** The Property are not subject to any leases, licenses or other occupancy agreements, except as may have been approved by Lender. In addition, there are no tenants or other parties occupying the Property, except as may have been approved by Lender.

(iii) **Authority to Encumber.** Borrower has, and will continue to have, the full right and authority to encumber the Property in favor of Lender.

(iv) **Validity of the Lien Created by Each Security Instrument.** The Lien created by each Security Instrument is (a) legal, valid, binding and enforceable subject to bankruptcy, insolvency, moratorium, reorganization or similar laws and equitable principles of general application, (b) encumbers the entirety of the Property of Borrower, and (c) is first-priority except for Permitted Encumbrances.

(f) **Taxes.** The Property will be comprised of one or more parcels, each of which constitutes a separate legal parcel and a separate tax lot and none of which constitutes a portion of any other tax lot. There are no pending or, to Borrower's knowledge, proposed, special or other assessments for public improvements or otherwise affecting any of the Property, nor are there any contemplated improvements to any of the Property that may result in such special or other assessments.

(g) **Accuracy of Documents.** Any survey, mechanical and structural plans and specifications, soil reports, leases, certificates of occupancy, warranties, operating statements, rent roll and income and expense reports, and all other books and records relating to the Property and all other budgets (including estimated budgets), contracts or documents delivered to Lender in connection with the Loan and the Loan Documents are true, correct and complete copies of such documents, in all material respects.

(h) **Hazardous Materials.** The Property complies, in all material respects, with all Hazardous Materials Laws as to use and conditions on, under or about the Property including soil and groundwater condition. Neither Borrower nor any Borrower Party, nor, to Borrower's knowledge, any other person, has used, generated, manufactured, stored or disposed of on, under or about the

Property or transported to or from the Property any Hazardous Materials. To Borrower's knowledge, there are no Hazardous Materials in, attributable to or affecting the Property or the area within 2,000 feet of the Property (and the area is not otherwise subject to recorded land use restrictions by reason of its proximity to Hazardous Materials). Without limitation on the foregoing, to Borrower's knowledge: (i) the primary potable or drinking water source and groundwater have never been known to exceed the EPA Recommended Maximum Contaminant Level Goals set forth under the Safe Drinking Water Act and Clean Water Act, as amended; (ii) there is not and has never been landfill containing decomposable material, petroleum wells, mineral bearing mines, sewage treatment facilities, underground storage tanks, sinkholes, radon or other toxic emissions within 2,000 feet of any boundary of the Property (and the Property is not otherwise subject to recorded land use restrictions by reason of its proximity to any of the foregoing), and (iii) no electrical transformers, fluorescent light fixtures with ballasts or other equipment containing polychlorinated biphenyls (PCBs) have been located on the Property at any time.

5.1.17 Additional Representations and Warranties With Respect to the Project.

(a) Borrower has all necessary power and authority to enter into and perform its respective obligations under each of the Project Documents to which Borrower is a party, and all other agreements and instruments to be executed by Borrower in connection with the construction and the development of the Project. The Project Documents to which Borrower is a party have been duly executed and delivered by Borrower. The Project Documents to which Borrower is a party constitute the legal, valid and binding obligations of Borrower, enforceable against Borrower in accordance with their terms, subject only to applicable bankruptcy, insolvency and similar laws generally affecting rights of creditors and the enforcement of debtors' obligations, and by general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law). The completion of the Project and the execution, delivery and performance by Borrower of its obligations under, and the consummation of the transactions contemplated by, each of the Project Documents to which Borrower is, or will be, a party, and all other agreements and instruments to be executed by Borrower in connection therewith do not and will not (i) violate, in any material respect, any Legal Requirement applicable to Borrower, (ii) result in a breach of any of the terms, conditions or provisions of, or constitute a default under the organizational documents of Borrower, or result in a material breach of the terms, conditions or provisions of any mortgage, indenture, agreement, permit, franchise, license, note or instrument to which Borrower is a party or by which it or any of its properties is bound, or (iii) result in the creation or imposition of any mortgage, lien, charge or encumbrance of any nature whatsoever upon any of the assets of Borrower (except as contemplated by this Agreement and by the Permitted Encumbrances). All consents, approvals, orders or authorizations of, or registrations, declarations or filings with, or other actions in respect of or by, any Governmental Authorities that are required in connection with the execution, delivery and performance by Borrower of the Project Documents and all other agreements and instruments to be executed by Borrower in connection therewith and the construction and operation of each Project have been obtained or will be obtained when required

for the then applicable stage of completion of each the Project and are or will be in full force and effect.

(b) Borrower has delivered to Lender true, correct, and complete copies, in all material respects, of all Project Documents. All permits, licenses, and other approvals from any applicable Governmental Authorities, adjacent property owners, or any other Person necessary for Borrower to commence and Complete the Project in accordance with the Lender-approved Plans and Specifications therefor have been obtained and are in full force and effect. All utility services and facilities necessary for the completion of the Project and, upon completion of construction, the operation, use and occupancy of the Project for its intended purposes are or will be available at the boundaries of the Property upon which the Project is being constructed, including water supply, storm and sanitary sewer facilities, gas and electric and telephone facilities and means of access between the Property and public ways.

(c) Except for the Project Documents approved by Lender, Borrower has not made, assumed or been assigned any contract or arrangement of any kind, the performance of which by the other party thereto would give rise to a lien (other than Permitted Encumbrances) against all or any portion of the Property.

(d) The current land use, zoning law, regulations and declarations covering the Property upon which the Project is being constructed permit, on an as-of-right basis, the completion of the Project substantially in accordance with the Plans and Specifications, the current zoning law and declarations covering the Property permit the Project being constructed thereon to be operated and used as contemplated by this Agreement, and no additional variance, conditional use permit, special use permit or other similar approval is required for such construction, use or occupancy of the Project that has not been or will not, if and when required, be obtained. The Property and the use thereof are currently and, upon completion of the Project being constructed thereon substantially in accordance with the Plans and Specifications, will be in all material respects in compliance with all Project Permits then required therefor and all other applicable Legal Requirements, and such compliance is not dependent on any land, improvements or facilities that are not a part of the Property. There are no pending, or to Borrower's knowledge, threatened actions, suits or proceedings to revoke, attach, invalidate, rescind or modify the zoning applicable to the Property or any part thereof or any of the Project Permits applicable thereto, as currently existing.

(e) As of the Closing Date and as of each date on which this representation is deemed remade, the Loan Budget (as the same may be amended from time to time with the approval of Lender in accordance with this Agreement) accurately reflects Borrower's best good faith estimate of all anticipated Hard Costs, Soft Costs, and any other costs and expenses reasonably anticipated to be incurred in connection with the Completion of the Project.

(f) No Balancing Event exists as of the date hereof.

(g) The Project is expected to be Completed on or prior to the Completion Date.

5.1.18 General Facts. No statement of fact made by or on behalf of Borrower or any other Borrower Party in this Agreement or in any of the other Loan Documents contains any untrue statement of a material fact or omits to state any material fact necessary to make statements contained herein or therein not misleading. There is no fact presently known to Borrower which has not been disclosed to Lender which materially and adversely affects, nor as far as Borrower can foresee, might materially and adversely affect, the Property, the Project or the business, operations or condition (financial or otherwise) of Borrower or any other Borrower Party.

5.2 Survival of Representations. The representations and warranties set forth in Section 5.1 and elsewhere in this Agreement and the other Loan Documents shall survive for so long as any amount remains payable to Lender under this Agreement or any of the other Loan Documents and shall be deemed to be remade as of the date of each Advance hereunder (except as may be disclosed to and expressly approved by Lender); provided, however, that Borrower may update the representations and warranties to reflect changes in circumstances which are not the result of a Default or Event of Default of Borrower hereunder.

6. BORROWER COVENANTS.

6.1 Borrower Affirmative Covenants. Borrower hereby covenants and agrees with Lender that:

6.1.1 Existence; Compliance with Legal Requirements. Borrower shall do or cause to be done all things necessary to preserve, renew and keep in full force and effect its existence, rights, licenses, permits and franchises and comply with all Legal Requirements applicable to it, the Property and the Project.

6.1.2 Taxes and Other Charges; Effect of Change in Law. Borrower shall pay all Taxes and other charges now or hereafter levied or assessed or imposed against the Property, the Project or any part thereof before the same become delinquent or past due. When and if so requested by Lender, Borrower shall deliver promptly to Lender receipts evidencing such payments. Borrower shall not suffer, permit, initiate, or otherwise cause for any tax purpose, the joint assessment of any real property comprising the Property and any personal property located thereon, or any other procedure whereby the lien of real property taxes and assessments and the lien of personal property taxes shall be assessed, levied or charged against such real property as a single lien. While the Property remains subject to a Security Instrument, the Property shall be segregated on the applicable tax rolls from all other property, both real and personal; and, upon request, Borrower shall procure on behalf of Lender a tax service contract, the issuer, form and content of which shall be subject to Lender's prior approval. Borrower shall not permit or suffer and shall promptly discharge any lien or charge against the Property other than Permitted Encumbrances. If at any time any law is enacted which deducts from the value of any real property comprising the Property, for taxation purposes, any lien thereon, or changes in any way the laws now in force for the taxation of security instruments on real property or debts secured thereby, or the manner of collection of any such taxes so as to affect any interest of Lender under this Agreement or the Security Instrument for the Property, then Borrower shall pay such tax if it may lawfully do so. If Borrower is not permitted by applicable law to pay such tax, or if such payment would violate any applicable law, then, at the option of Lender, all of the outstanding principal balance of all Advances made under the Loan, together with interest thereon and any

other amounts payable with respect thereto pursuant to the Note, shall immediately become due and payable without demand or notice.

6.1.3 Litigation. Borrower shall give prompt notice to Lender of any litigation or governmental proceedings pending or threatened against Borrower, any other Borrower Party, the Property or the Project. If Lender is made a party to any litigation concerning the Security Instrument, or the Property or the Project or any part thereof or interest therein, or the occupancy thereof by any person or entity, then Borrower shall indemnify, defend and hold Lender harmless from all claims and liability by reason of such litigation, including attorneys' fees and expenses incurred by Lender, whether or not any such litigation is prosecuted to judgment.

6.1.4 Access to Property. Borrower shall permit or cause to be permitted, agents, representatives and employees of Lender to inspect the Property, the Project or any part thereof at reasonable hours upon reasonable advance notice.

6.1.5 Further Assurances; Supplemental Affidavits. Borrower shall, and shall cause Equity Owner and Guarantor to, at Borrower's sole cost and expense:

(a) execute and deliver to Lender such documents, instruments, certificates, assignments and other writings, and do such other acts necessary or desirable, to evidence, preserve or protect the security interest of Lender in the collateral at any time securing or intended to secure the obligations of Borrower, Equity Owner and Guarantor under the Loan Documents, as Lender may reasonably require; and

(b) do and execute all and such further lawful and reasonable acts, conveyances and assurances for the better and more effective carrying out of the intents and purposes of this Agreement and the other Loan Documents, as Lender shall reasonably require from time to time.

6.1.6 Title to the Collateral. Borrower will warrant and defend the validity and priority of Lender's security interest in the Collateral.

6.2 Additional Recourse Debt. Borrower shall deliver prompt written notice to Lender, in reasonable detail, of the occurrence and amount of any Indebtedness that is guaranteed by Guarantor pursuant to a recourse guaranty; provided that such written notice shall be delivered to Lender in no event later than three (3) Business Days following (a) Guarantor entering into the relevant recourse guaranty or (b) the occurrence of any claim under a carveout guaranty resulting in the relevant guaranty or indemnity agreement by Guarantor no longer being considered a carveout guaranty for purposes of this Agreement.

6.2.1 Disposition of Insurance and Condemnation Proceeds and Damages.

(a) **Lender's Rights in Proceeds and Damages.** Borrower hereby assigns to Lender (a) any award for damages suffered or compensation paid by reason of a taking for public use, or an action in eminent domain, or the exercise of the police power, whether by a condemnation proceeding or otherwise (such as by inverse condemnation), or any transfer of all or any part of the Property in avoidance thereof, affecting the Property, (b) all proceeds of any insurance policies paid by reason of loss sustained to the Property, and (c) all claims,

damages, causes of action, against or from any party or parties, with respect to the Property or the Project, or any funds received or receivable in connection with any damage to the Property or the Project, incurred as a result of any cause whatsoever. All proceeds of any such claims shall be paid by the person or entity making payment directly to Lender, and Borrower shall do all things necessary to obtain prompt settlement for each loss or claim covered by a policy of insurance. After first deducting all costs and expenses of Lender incurred in connection with the settlement or recovery of any proceeds hereunder, Lender may, at its option and without regard to the adequacy of the security hereunder, except as otherwise provided in clause (b) below, apply any such sum it retains hereunder to any indebtedness or obligation secured by the Security Instrument, whether due or not, and in such order or priority as Lender may determine in its sole and absolute discretion; however, after deducting its costs and expenses Lender may approve, regardless of any impairment of security or lack thereof, except as otherwise provided in clause (b) below, release to Borrower of all or any part of the entire amount so collected for reimbursement for costs and expenses incurred by Borrower for the repair and restoration of the Property upon any conditions Lender chooses. Application of all or any portion of such funds, or the release thereof, shall not cure or waive any Event of Default or notice of an Event of Default or invalidate any acts done pursuant to such notice. Borrower shall execute such further assignments, documents or instruments as Lender may from time to time require in order to evidence the assignment hereunder. If, on any loss of or damage to the Property or the Project or on a partial taking or condemnation of the Property, Lender is not entitled under law to retain the entirety of any proceeds or award pursuant to this Section, then Lender shall be entitled to apply the proceeds or award to the repayment of the Note and any other indebtedness secured by any Loan Document to reduce the Note balance and such other indebtedness by the ratio which the value of the Property remaining encumbered by the Security Instrument bears to the value of the Property immediately prior to such loss, damage or partial condemnation or taking, as determined by Lender's appraiser retained for such purpose. In the event any insurance proceeds or condemnation awards are applied by Lender against the Note under this Section, no prepayment premium shall apply.

(b) **Use of Insurance Proceeds to Repair Property.** In the event of damage to or destruction of the Property from any cause actually covered under insurance maintained by Borrower hereunder or any available condemnation proceeds, then Lender shall make available to Borrower the net insurance proceeds or condemnation proceeds available as a result of such damage or destruction (after deducting costs and expenses incurred by Lender in connection with the settlement or recovery of any proceeds as provided in clause (a) above) for use by Borrower, in the reconstruction and repair of the damaged or taken improvements to the condition approved by Lender, on the terms and conditions hereinafter set forth. In the event any of the conditions to Borrower's right to utilize the net proceeds hereunder are not satisfied or fulfilled at any time, then such net proceeds shall be applied as provided in clause (a) above. Such net proceeds shall be made available hereunder only if: (a) no Default or an Event of Default occurs; (b) Lender is satisfied that, by expenditure of the net proceeds hereunder, the Property damaged or destroyed or taken shall be fully restored within a reasonable period of time to the equivalent of its original condition and value and all payments required under the Note will continue to be

paid; (c) Lender is satisfied that such work of repair and restoration can be completed in the ordinary course of business within one (1) month from the commencement of work and at least one (1) month prior to the date on which all Advances (including any Advance for the Project being constructed thereon) are required to be repaid pursuant to the Note; (d) Lender has reviewed and approved Borrower's plans and specifications for the work of repair and restoration, Borrower's architect and any general contractors, subcontractors and material suppliers employed to perform such work; (e) all general contractors, all major subcontractors and material suppliers have supplied 100% performance and completion bonds and bonds protecting such Property from the imposition of mechanic's or other liens; (f) if the net insurance proceeds or condemnation proceeds available are insufficient for payment of the full cost of restoration or repair and the payments under the Note during the completion period, as determined by Lender, Borrower has deposited with Lender sufficient additional funds to insure payment of all such costs, or made arrangements acceptable to Lender for such sufficient additional funds, such additional funds to be disbursed for costs incurred in the manner herein specified prior to the disbursement of any other funds held by Lender; and (g) Borrower shall have satisfied such other conditions as Lender may in determine to be appropriate in its sole discretion. Disbursement of funds by Lender hereunder shall be subject to all of Lender's then customary construction loan disbursement procedures, including those set forth herein. No funds held by Lender hereunder shall bear interest, and Lender shall have no duties or obligations with respect thereto, or with respect to the provisions of this clause (b), other than that of a construction lender; and the reasonable costs and expenses of Lender incurred in connection therewith (including the fees of a construction consultant and disbursing agent) shall be paid by Borrower (and Lender shall be entitled to pay such costs and expenses out of the insurance proceeds held by Lender). Specifically, but without limiting the generality of the foregoing, no relationship of trust, or any other duty in the nature of fiduciary duties or otherwise, shall be imposed or implied by the status or actions of Lender hereunder; and under no circumstances shall Lender become obligated to take any action to repair or reconstruct any damaged or destroyed Property. Any net proceeds not disbursed under this clause (b) shall be disbursed in accordance with clause (a) above.

6.2.2 Maintenance and Preservation of the Property.

(a) **Borrower's Obligation for Maintenance of Property and Security.** Borrower shall: (a) keep the Property in good condition and repair and replace any items comprising the Property as they become obsolete or worn out with items of at least the same utility, quality and value, free of any liens or security interests of any kind or character other than the lien of the Loan Documents; (b) not remove or demolish any portion of the Property (except in connection with the Project to the extent approved by Lender); (c) restore promptly and in good and workmanlike manner any part of the Property which may be damaged or destroyed; (d) comply with and not suffer violations of laws, ordinances, regulations, covenants, conditions, restrictions, equitable servitudes and easements, whether public or private, of every kind and character, and requirements of insurance companies and any bureau or agency which establishes standards of insurability; (e) not commit or permit waste of the Property; (f) do all other acts which from the character or use of the Property may be reasonably

necessary to maintain and preserve their value or to protect the security of the Security Instrument; (g) perform and comply with all obligations required to be performed or complied with in leases, licenses, concessions, management agreements, Project Documents or like agreements affecting the Property, if any, or the management, operation, repair, renovation, occupation or use thereof; (h) pay any and all charges, assessments or fees imposed in connection with the delivery, installation or maintenance of any utility services or installations on, to or for the Property; (i) not change the character, the nature of the occupancy or use of the Property, or any portion thereof, except in connection with the Project, and then only to the extent consistent with the Project Documents therefor, if approved by Lender, in its sole discretion; (j) not drill for or extract, or enter into a lease or any other type of agreement for the drilling for or extraction of, oil, gas or other hydrocarbon substances, or any mineral of any kind, on, in or under the Property; (k) make no assignment of rents of the Property except to Lender pursuant to the Security Instrument; and (l) execute and, where appropriate, acknowledge and deliver, such further documents or instruments as Lender deems necessary or appropriate to preserve, continue and perfect the security provided for in the Security Instrument.

(b) **Lender's Approval Rights for Work**. Borrower shall not undertake or suffer to be made any alteration, addition, relocation, removal or demolition of, or structural or other material change in, any building, improvement, fixture, machinery, or equipment comprising the Property, other than in connection with the Project, without the prior written approval of Lender, unless (a) the aggregate cost of such work for the Property does not exceed \$20,000, (b) such work does not affect the roof or the structure of the building and improvements comprising the Property, or adversely affect or diminish the value of the Property or arise as a result of any damage or destruction, (c) such work is designed by licensed professionals and is constructed by licensed contractors, all qualified for such purpose, and in accordance with all applicable Legal Requirements, ordinances, regulations, permits and approvals, and (d) Borrower submits to Lender its proposed plans and budget for such work, together with all other supporting materials related to such work as Lender may reasonably require. The foregoing shall not limit Borrower's obligations under clause (a) above and, accordingly, Borrower shall immediately seek any consent required under this clause (b) in connection with its obligations under clause (a) above.

6.2.3 Financial Covenants. Borrower shall, and Borrower shall cause Guarantor to, at all times, comply with the Financial Covenants.

6.2.4 Hazardous Materials. Borrower shall indemnify, defend and hold Lender, its employees, agents, officers and directors, harmless from and against any claim, action, suit, proceeding, loss, cost, damage, liability, deficiency, fine, penalty, punitive damage or expense (including attorneys', experts' and consultant fees and costs), directly or indirectly resulting from, arising out of, or based upon (a) the presence, release, use, manufacture, generation, discharge, storage or disposal of any Hazardous Materials on, under, in or about, or the transportation of any such materials to or from, the Property, or (b) the violation, or alleged violation, of any Hazardous Materials Law affecting the Property, or the transportation of Hazardous Materials to or from the Property. This indemnity shall (i) include any damage, liability, fine, penalty, punitive damage, cost or expense arising from or out of any claim, action, suit or proceeding for personal injury (including sickness, disease or death), tangible or intangible

property damage, compensation for lost wages, business income, profits or other economic loss, damage to the natural resources or the environment, nuisance, pollution, contamination, leak, spill, release or other adverse effect on the environment, and the cost of any required or necessary repair, cleanup, treatment or detoxification of the Property, and the preparation and implementation of any closure, disposal, remedial or other required actions in connection with the Property, and (ii) survive foreclosure (whether judicial or non-judicial) of the Security Instrument for the Property and the full or partial payment or discharge of all indebtedness secured by the Security Instrument. WITHOUT LIMITATION, THE FOREGOING INDEMNITIES SHALL NOT APPLY TO EACH INDEMNIFIED PERSON WITH RESPECT TO MATTERS WHICH IN WHOLE OR IN PART ARE CAUSED BY OR ARISE OUT OF THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF SUCH INDEMNIFIED PERSON.

6.2.5 Notices. Borrower shall give notice, or cause notice to be given, to Lender promptly upon the occurrence of: (a) any Default or Event of Default; (b) any default or event of default under any contractual obligation of Borrower or any Affiliate that could reasonably be expected to have a Material Adverse Effect; or (c) any litigation or proceeding affecting Borrower or the Property or affecting any of the other Borrower Parties if such litigation or proceeding could have a Material Adverse Effect.

6.2.6 Prohibited Persons. No Borrower Party or any of their direct or indirect equity holders shall (i) knowingly conduct any business, or engage in any transaction or dealing, with any Embargoed Person, including the making or receiving of any contribution of funds, goods, or services, to or for the benefit of an Embargoed Person, or (ii) knowingly engage in or conspire to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any Federal Trade Embargo.

6.2.7 Federal Reserve Regulations. No part of the proceeds of the Loan will be used for the purpose of purchasing or acquiring any "margin stock" within the meaning of Regulations T, U, W or X of the Board of Governors of the Federal Reserve System, or to extend credit to any Person for such purpose, or for any other purpose which would be inconsistent with such Regulations or any other Regulations of such Board of Governors, or for any purposes prohibited by Legal Requirements or by the terms and conditions of this Agreement or the other Loan Documents. Borrower agrees that, without the prior written consent of Lender, (i) the funds received from Lender hereunder shall not be used for the benefit of, or transferred to, any Affiliate of Lender and (ii) without limiting the generality of the foregoing, the funds received from Lender hereunder shall not be used to make an equity investment in any Person in which Affiliates of Lender have equity or debt positions if the proceeds of such investment would be used to refinance such Person's outstanding indebtedness. For purposes of this Section 6.2.7, "Affiliate" shall have the meaning given to such term in Regulation W of the Board of Governors of the Federal Reserve System.

6.2.8 Deposit Account Control Agreement. If required by Lender in its sole and absolute discretion at any time during the term of the Loan, Borrower shall deposit all revenues or other income into an account that will be subject to the Deposit Account Control Agreement once such agreement is entered into and otherwise utilize such account as its operating account, it being acknowledged that the Collateral includes Borrower's accounts and all amounts on deposit therein and proceeds therefrom. Borrower covenants and agrees to take any actions requested by Lender in order to establish such account and enter into such Deposit Account Control Agreement.

6.2.9 Risk Retention. Each Borrower Party will comply with the requirements of the European Union Directive 2006/48/EC, such that as long as any Advances are outstanding (i) it will hold an equity interest that will represent not less than 5% of the purchase price of the Property owned by Borrower and (ii) such holding of equity interest will not be subject to any credit risk mitigation, any short position or any hedging.

6.2.10 The Project. At Lender's option, Borrower shall cause each Design Professional, General Contractor, and Trade Contractor for each Project to execute and deliver to Lender the applicable Design Professional Consent, General Contractor Consent, and Trade Contractor Consent, respectively, prior to the execution by Borrower of the applicable Project Document (or on the Closing Date, if applicable) for the Project.

6.2.11 Commencement and Completion. Borrower shall commence construction of the Project without delay after recordation of the Security Instrument and shall complete construction of the Project, free and clean of any mechanics' and materialmen's liens and stop notices, as applicable, in accordance with the Lender-approved Plans and Specifications and other provisions of the Loan Documents, with all construction costs having been paid, on or before the Completion Date.

6.3 Borrower Negative Covenants. Borrower covenants and agrees with Lender that:

6.3.1 Transfers. Without the prior written consent of Lender, neither Borrower nor any other Person having a direct or indirect ownership or beneficial interest in Borrower shall Transfer any interest, direct or indirect, in the Property or in Borrower. Additionally, (a) if there currently exist no certificates, instruments or writings representing the Collateral, Borrower shall not, without the prior written consent of Lender, create certificates, instruments or writings representing the Collateral, and (b) if certificates, instruments or writings representing the Collateral currently exist, Borrower shall not, without the prior written consent of Lender, create new certificates, instruments or writings representing the Collateral. Borrower shall deliver to Lender any and all newly created certificates, instruments or writings representing the collateral. For avoidance of doubt, no Transfer of the Property or of any direct interest in Borrower or Equity Owner shall occur without the prior written consent of Lender, or release Borrower, Equity Owner or Guarantor from any liability under the Note and other Loan Documents. Upon any Transfer of any direct or indirect interest in the Property, Borrower or Equity Owner in violation of this Section (each of which shall constitute an impairment of Lender's security interests under the applicable Security Instrument), Lender shall have the absolute right, without demand or notice, to declare all Obligations secured by the Security Instrument to be immediately due and payable (including the prepayment premium, if any, set forth in the Note), except to the extent that and in such particular circumstances where exercise of such right by Lender is prohibited by law.

6.3.2 Liens. Borrower shall not create, incur, assume, permit or suffer to exist any Lien on any portion of the Collateral or the Property except for Permitted Encumbrances and Liens in favor of Lender as provided herein. Borrower shall pay at or prior to maturity, all obligations secured by or reducible to liens and encumbrances which now or hereafter shall encumber the Property, whether senior or subordinate to the Security Instrument, including all claims for work or labor performed, or materials or supplies furnished in connection with any work of improvement upon the Property, including, but not limited to, in connection with the Project; provided, however, that any such lien or encumbrance shall be paid and fully discharged by Borrower within five (5) days after demand by Lender. Borrower may contest any such claim of lien without cost or expense to Lender, but only upon posting, and concurrently supplying to

Lender, a certified copy of a statutory bond or other security sufficient under applicable law to fully protect any and all of the Property encumbered by such claim of lien and otherwise satisfactory to Lender to protect Lender against any judgment in favor of the lien claimant.

6.3.3 Leases. Borrower shall not enter into any lease of or occupancy agreement for the Property, or any portion thereof, or modify or amend or supplement any such lease or occupancy agreement without the prior written consent of Lender.

6.3.4 Property Management. Borrower shall not appoint, terminate or replace a manager for the Property, or enter, terminate or amend any management agreement for the Property, in each case without Lender's prior written consent. Any property manager shall hold and maintain all necessary licenses, certifications and permits required by law. Borrower shall fully perform all of its covenants, agreements and obligations under any management agreement of the Property. Any management agreement will be subordinated to Lender's rights under the Security Instrument and other Loan Documents.

6.3.5 Dissolution, Etc. Borrower shall not (i) engage in any dissolution, division, liquidation or consolidation or merger with or into any other business entity, or (ii) transfer, lease or sell, in one transaction or any combination of transactions, all or substantially all of the property or assets of Borrower (except as expressly permitted hereunder).

6.3.6 Change in Business; Change in Name. Borrower shall not enter into any line of business other than the ownership, operation, repair, restoration and sale of the Property. Borrower shall not change its name without first obtaining the prior written consent of Lender. In the event Lender grants such consent, Borrower shall, at Borrower's sole cost and expense, take all action required by Lender for the purpose of perfecting or protecting the lien and security interest of Lender. Borrower shall promptly notify Lender in writing of any change in the organizational identification number of Borrower. If Borrower does not now have an organizational identification number and later obtains one, Borrower shall promptly notify Lender in writing of such organizational identification number.

6.3.7 Debt Cancellation. Borrower shall not cancel or otherwise forgive or release any claim or debt owed to Borrower by any Person, except for adequate consideration and in the ordinary course of Borrower's business.

6.3.8 Affiliate Transactions. Without Lender's prior written consent, Borrower will not enter into any transaction (including, without limitation, the purchase or sale of any property or service) with, or make any payment or transfer to, any Affiliate.

6.3.9 Zoning. Borrower shall not use or permit the use of any portion of the Property in any manner that could result in such use becoming a non-conforming use under any zoning ordinance or any other applicable land use law, rule or regulation, without the prior written consent of Lender.

6.3.10 Limitations on Distributions. So long as there is a Default or an Event of Default, Borrower shall not make any distributions to its members.

6.3.11 Other Limitations. Prior to the payment in full of the Debt, Borrower shall not, without the prior written consent of Lender, give its consent or approval to any of the following actions or items: (a) any material change in the method or conduct of the business of Borrower; or (b) the settlement of any claim against Borrower, other than a fully insured third party

claim, in an amount greater than Ten Thousand Dollars (\$10,000), such consent not to be unreasonably withheld (unless an Event of Default has occurred).

6.3.12 Compliance. Borrower, the Project and the Property and the use thereof shall comply in all respects with all applicable Legal Requirements, including, without limitation, building and zoning ordinances and codes. No Borrower Party shall be in default or violation of any order, writ, injunction, decree or demand of any Governmental Authority. No Borrower Party shall commit any act that may give any Governmental Authority the right to cause a Borrower Party to forfeit the Collateral or any part thereof or any monies paid in performance of Borrower's Obligations. Without the prior written consent of Lender, Borrower shall not seek, make or consent to any change in the lot or parcel boundaries, zoning, conditions of use, or any other applicable land use laws, ordinances, regulations, permits, approvals or licenses pertaining to the Property, except in connection with the Project, or which would constitute a violation of the warranties and representations contained in this Agreement, or would change the nature of the use or occupancy of the Property. Borrower shall within ten (10) days after receipt thereof by Borrower, or its agent or representative, deliver to Lender copies of any and all approvals, permits and licenses procured by Borrower with respect to the Property, construction and installation of improvements thereon, including in connection with the Project, or the occupancy, use and enjoyment thereof, pursuant to applicable laws, ordinances, or regulations.

6.3.13 Hazardous Materials. Borrower covenants and agrees that Borrower shall not cause or permit the presence, use, generation, manufacture, release, discharge, storage or disposal of any Hazardous Materials on, under, in or about the Property, or the transportation of any Hazardous Materials to or from the Property. Borrower shall immediately notify Lender in writing of: (a) any enforcement, cleanup, removal or other governmental or regulatory action instituted, completed or threatened with respect to the Property in connection with any Hazardous Materials; (b) any claim made or threatened by any third party against Borrower or the Property relating to damage, contribution, cost recovery, compensation, loss or injury to persons or property resulting from any Hazardous Materials; and (c) Borrower's discovery of any occurrence or condition on any real property adjoining or in the vicinity of the Property that could cause all or any portion of the Property to be subject to any restrictions on the ownership, occupancy, transferability or use of the Property under Hazardous Materials Law. Without Lender's prior written consent, Borrower shall not take any remedial action in response to the presence of any Hazardous Materials on, in, under or about the Property, nor enter into any settlement agreement, consent decree or other compromise with respect to any Hazardous Materials (except that in the case of an emergency, Borrower shall take such action as may be reasonably required under the circumstances and shall immediately notify Lender in writing of any such action taken). So long as the Property remains subject to the Security Instrument, Lender shall have the right, on seventy-two (72) hours prior written notice to Borrower, at Borrower's expense, to enter the Property and to conduct such tests and investigations as Lender requires, in the event that Lender has a good faith belief that such tests or investigations are required or advisable, or at any time following an Event of Default, to determine whether any Hazardous Materials are present in, under, on or about the Property. Such tests and investigation shall include underground borings, groundwater analyses and borings from the floors, ceilings and walls of any improvements located on the Property.

6.4 Post-Closing Condition. Within ninety (90) days of the funding of the Loan (the "Deadline Date"), Borrower shall provide Lender with that certain recorded instrument, Release of Reverter to Amended and Restated Agreement for Development of King's Landing, executed by the City of Fort Pierce in form and content satisfactory to Lender. Failure to provide Lender with the aforesaid document to Lender's satisfaction on or before the Deadline Date shall,

at Lender's option (i) cause a draw hold to be placed on the Loan and (ii) constitute an "Event of Default" under this Agreement.

7. FINANCIAL REPORTING. During the term of this Agreement, unless Lender shall otherwise consent:

7.1 Financial Reporting; Books and Records. Borrower shall maintain complete books of account and other records for the Property and Improvements and for disbursement and use of the proceeds of the Loan and Borrower's Funds, and the same shall be available for inspection and copying by Lender upon reasonable prior notice.

7.2 Interim Statements. Upon Lender's written request, for each calendar year, within (i) forty-five (45) days after the end of each of the first three calendar quarters and (ii) one hundred twenty (120) days after the end of the fourth calendar quarter, Borrower shall deliver to Lender financial statements of Borrower and Guarantor and its subsidiaries on a consolidated basis, including statements of income and changes in shareholders' equity (or its equivalent) for the period from the beginning of such fiscal year to the end of such quarter, and the related balance sheet as of the end of such quarter, all in reasonable detail and certified by a responsible and authorized officer of Borrower and Guarantor, as applicable, subject, however, to year-end audit adjustments.

7.3 Annual Statements. Within one hundred twenty (120) days following the end of Guarantor's fiscal year, Guarantor shall deliver to Lender audited financial statements of Guarantor and its subsidiaries (including Borrower and Equity Owner) on a consolidated basis, including statements of income and changes in shareholders' equity (or its equivalent) for such fiscal year and the related balance sheet as at the end of such fiscal year, all in reasonable detail and accompanied by an unqualified opinion of a certified public accounting firm reasonably satisfactory to Lender; provided that such financial statements shall be deemed delivered upon the publicly available filing of such financial statements.

7.4 Certificates. Borrower shall deliver, promptly after the furnishing thereof, copies of any compliance certificates or other similar compliance-related reports or letters furnished to any other party pursuant to the terms of any indenture, loan, credit or similar agreement and not otherwise required to be furnished to Lender pursuant to any other provision of this Section 7. The financial statements required to be delivered pursuant to this Section shall be certified by an officer of Guarantor, which certification shall also address whether Guarantor is in compliance with the Financial Covenants.

7.5 Other Information. Borrower shall deliver, promptly after the furnishing thereof, copies of any financial statements or periodic reports furnished to any other party pursuant to the terms of any indenture, loan, credit or similar agreement and not otherwise required to be furnished to the Lender pursuant to any other provision of this Section 7, together with any other information (whether financial or otherwise) Lender may request during the term of the Loan.

8. DEFAULT.

8.1 The occurrence of any one or more of the following shall constitute an event of default ("Event of Default") under this Agreement and the other Loan Documents:

8.1.1 Borrower's failure to pay when due any sums payable under the Note or any of the other Loan Documents or Borrower's failure to deposit any funds with Lender as and when required under this Agreement;

8.1.2 if any representation or warranty made by Borrower herein or by any other Borrower Party in any other Loan Document shall have been false or misleading as of the date the representation or warranty was made or deemed remade;

8.1.3 if Borrower or any Guarantor incurs any Indebtedness in breach of this Agreement;

8.1.4 if there shall occur any Transfer (whether a Transfer of the Property or the direct or indirect ownership interest therein) in breach of this Agreement;

8.1.5 (A) if there is any material deviation in the construction of the Project from the Plans and Specifications or governmental requirements or the appearance or use of defective workmanship or materials in constructing the Project, and Borrower fails to remedy the same to Lender's satisfaction within thirty (30) days of Lender's written demand to do so; or (B) subject to Force Majeure Events, there is a cessation of construction of the Project prior to completion for a continuous period of more than thirty (30) days; or (C) the use, sale or leasing of any of the improvements on the Property in accordance with the Loan Documents is prohibited, enjoined or delayed for a continuous period of more than thirty (30) days; or (D) subject to Force Majeure Events, utilities or other public services necessary for the full occupancy and utilization of the Property and improvements are curtailed for a continuous period of more than thirty (30) days;

8.1.6 if there is (A) a condemnation, seizure or appropriation of, or occurrence of an uninsured casualty with respect to any material portion of the Property; (B) a sequestration or attachment of, or any levy or execution upon any of the Property, any other collateral provided by Borrower or any other party under any of the Loan Documents, any monies in any accounts or any substantial portion of the other assets of Borrower, which sequestration, attachment, levy or execution is not released, expunged or dismissed within twenty (20) days; or (C) a recording of any claim of lien against the Property or the service upon Lender of a withhold payment notice or bonded stop notice and the continuance of such claim of lien for twenty (20) days after such recording or service or five (5) days after Lender's demand, whichever occurs first, without discharge, satisfaction or provision for payment being made by Borrower in a manner satisfactory to Lender;

8.1.7 if any Borrower Party shall make an assignment for the benefit of creditors;

8.1.8 if a receiver, liquidator or trustee shall be appointed for any Borrower Party or if any Borrower Party shall be adjudicated bankrupt or insolvent, or if any petition for bankruptcy, reorganization or arrangement pursuant to federal bankruptcy law, or any similar federal or state law, shall be filed by or against, consented to, or acquiesced in by, any Borrower Party, or any other Bankruptcy Action (as hereinafter defined) occurs with respect to any Borrower Party or if any proceeding for the dissolution, division (e.g., pursuant to Section 18-217 of the Delaware Limited Liability Company Act, as amended from time to time) or liquidation of any Borrower Party shall be instituted;

8.1.9 if any Borrower Party attempts to assign its rights under this Agreement or any of the other Loan Documents or any interest herein or therein in contravention of the Loan Documents;

8.1.10 if (A) this Agreement, the Note or any other Loan Document shall, in whole or in part, terminate, cease to be effective or cease to be a legally valid, binding and enforceable obligation of any Borrower Party; (B) any Borrower Party shall take any action in connection therewith or in furtherance thereof; (C) any party to any Loan Document (other than Lender) shall assert in writing that such document has ceased to be in full force and effect; or (D) the Liens created pursuant to any Loan Document shall cease to be a fully perfected enforceable first priority security interest or any portion of the Collateral is Transferred without Lender's prior written consent;

8.1.11 the occurrence of (A) any amendment to or termination or cancellation of any of the Project Documents without Lender's prior written approval, (B) any of the Project Documents not being in full force or effect for any reason, or (C) any default by Borrower under any of the Project Documents beyond any applicable notice or cure period available thereunder;

8.1.12 if there is a failure at any time of the Security Instrument to be a valid Lien upon the Property or any portion thereof (other than as a result of any release or reconveyance of the Security Instrument with respect to all or any portion of the Property pursuant to the terms and conditions of this Agreement), prior and superior to all other liens and encumbrances thereon except those approved by Lender in writing;

8.1.13 if a Balancing Event is not cured within five (5) Business Days after written notice thereof from Lender;

8.1.14 if Borrower or any other Borrower Party shall be in Default under any of the other terms, covenants or conditions of this Agreement or any other Loan Document not specified above; provided, however, that if such Default is curable and Borrower has not been given a notice of a similar Default within the preceding six (6) months, then it may be cured if Borrower, after Lender sends written notice to Borrower demanding cure of such Default, either (x) cures the Default within thirty (30) days or (y) if the cure requires more than thirty (30) days, immediately initiates steps satisfactory to Lender to cure the Default and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical; and provided further that under no circumstances shall Borrower have more than sixty (60) days to cure any such Default;

8.1.15 any breach by Borrower under the terms of any other agreement between Borrower (or any Congruent Entity) and Lender (or any Affiliate of Lender), that is not remedied within any grace period provided therein, including any agreement concerning any indebtedness or other obligation of Borrower (or any Congruent Entity) to Lender (or any Affiliate thereof), whether currently existing or entered into after the date of this Agreement;

8.1.16 if Borrower or any Guarantor defaults in any obligation to Lender, whether direct or indirect, absolute or contingent; or

8.1.17 any occurrence of any default under any other loans which Borrower (or any Congruent Entity) may have from Lender (or any Affiliate of Lender) during the term of the Loan, whether existing as of the date hereof or subsequently made (collectively, the

“Other Loans”). Additionally, an Event of Default under the Loan Documents shall constitute an event of default under the Other Loans.

9. REMEDIES.

9.1 Description.

9.1.1 Upon the occurrence and during the continuation of an Event of Default (other than an Event of Default described in clauses 8.1.7 or 8.1.8 in the definition of Event of Default above) Lender may, in addition to any other rights or remedies available to it pursuant to this Agreement and the other Loan Documents or at law or in equity, take such action, without notice or demand, that Lender deems advisable to protect and enforce its rights against Borrower and in and to the Collateral, including each and all of the following rights and remedies, to the fullest extent permitted by law, and Lender may enforce or avail itself of any or all rights and remedies of a secured party under the Uniform Commercial Code against Borrower, Equity Owner (if applicable) and the Collateral; and upon any Event of Default described in clauses 8.1.7 or 8.1.8 in the definition of Event of Default above, the Debt and all other Obligations shall immediately and automatically become due and payable, without notice or demand, and Borrower hereby expressly waives any such notice or demand, anything contained herein or in any other Loan Document to the contrary notwithstanding.

(a) **Immediate Payment of Obligations.** With or without notice, to declare all Obligations secured by any Loan Document immediately due and payable.

(b) **Cure Default; Protective Advances.** With or without notice, and without releasing Borrower from any Obligation hereunder, to cure any default of Borrower and, in connection therewith, (i) to enter upon the Property in person, or by an agent or employee, or by a receiver appointed by a court of competent jurisdiction, and (ii) to do such acts and things as Lender may deem necessary or desirable to protect the security of the Security Instruments, including advancing funds to maintain, secure or otherwise protect the Collateral, Lender's interest therein or the priority of the Liens granted by the Loan Documents (each a “**Protective Advance**”) (all of which shall constitute part of the Debt and be secured by the Security Instruments and other Loan Documents).

(c) **Manage and Operate Property.** To enter upon, possess, manage and operate the Property, or any part thereof, either in person, or by an agent or employee, or by a receiver appointed by a court of competent jurisdiction; to make, terminate, enforce or modify leases of or occupancy agreements for the Property upon such terms and conditions as are satisfactory to Lender and to act in any manner which Lender may deem necessary or desirable in connection therewith; and to make repairs, alterations and improvements to the Property (including, but not limited to, in connection with the Project) that Lender determines to be necessary to protect or enhance the security of the Security Instrument. All sums realized by Lender under this clause (c), less all costs and expenses incurred by it hereunder, including attorneys' fees and costs actually incurred, shall be applied to the indebtedness secured by the Security Instrument in such order of priority as Lender shall determine in its sole and absolute discretion. Neither application of such sums to such indebtedness, nor any other action taken by

Lender under this clause (c), shall cure or waive any Event of Default or notice of Event of Default or nullify the effect of any such notice.

(d) **Resort to Collateral.** To resort to and realize upon the Collateral and any other security now or hereafter held by Lender in such order and manner as Lender may determine in its sole and absolute discretion. Resort to any or all such Collateral may be taken concurrently or successively and in one or several consolidated or independent judicial actions or lawfully taken non-judicial proceedings, or both.

All or any one or more of the rights, powers, privileges and other remedies available to Lender against Borrower or any other Borrower Party under this Agreement or any of the other Loan Documents or at law or in equity, may be exercised by Lender at any time and from time to time, whether or not all or any of the Debt shall be declared due and payable, and whether or not Lender shall have commenced any foreclosure proceeding or other action for the enforcement of its rights and remedies under any of the Loan Documents with respect to the Collateral. Any such actions taken by Lender shall be cumulative and concurrent and may be pursued independently, singly, successively, together or otherwise, at such time and in such order as Lender may determine, to the fullest extent permitted by law, without impairing or otherwise affecting the other rights and remedies of Lender permitted by law, equity or contract or as set forth herein or in the other Loan Documents. Without limiting the generality of the foregoing, if an Event of Default is continuing all liens and other rights, remedies or privileges provided to Lender shall remain in full force and effect until Lender has exhausted all of its remedies against the Collateral and the Collateral has been foreclosed upon, sold or otherwise realized upon in satisfaction of the Debt or the Debt has been paid in full.

9.1.2 Without limitation, upon the occurrence and during the continuation of an Event of Default, Lender shall have the right from time to time to partially foreclose upon the Collateral under the Security Instruments and the Equity Owner Pledge (if any).

9.1.3 Any amounts recovered from the Collateral after an Event of Default may be applied by Lender toward the payment of any interest or principal of the Loan or any other amounts due under the Loan Documents in such order, priority and proportions as Lender shall determine in its sole and absolute discretion.

9.2 **Remedies Cumulative.** The rights, powers and remedies of Lender under this Agreement shall be cumulative and not exclusive of any other right, power or remedy which Lender may have against Borrower or any other Borrower Party pursuant to this Agreement or the other Loan Documents, or existing at law or in equity or otherwise. Lender's rights, powers and remedies may be pursued singly, concurrently or otherwise, at such time and in such order as Lender may determine. No delay or omission to exercise any remedy, right or power accruing upon an Event of Default shall impair any such remedy, right or power or shall be construed as a waiver thereof, but any such remedy, right or power may be exercised from time to time and as often as may be deemed expedient. A waiver of one Default or Event of Default shall not be construed to be a waiver of any subsequent Default or Event of Default or to impair any remedy, right or power consequent thereon.

9.3 **Power of Attorney.** For the purpose of carrying out the provisions and exercising the rights, powers and privileges granted in this Section 9, Borrower hereby irrevocably constitutes and appoints the Lender its true and lawful attorney in fact to execute, acknowledge and deliver any instruments and do and perform any acts such as are referred to in this subsection

in the name and on behalf of Borrower. This power of attorney is a power coupled with an interest and cannot be revoked, but may only be exercised during the continuance of an Event of Default.

10. MISCELLANEOUS.

10.1 Notices. Except when otherwise required by law, any notice which a party is required or may desire to give the other shall be in writing and may be sent by personal delivery or by mail (either (i) by United States registered or certified mail, return receipt requested, postage prepaid, or (ii) by Federal Express or similar generally recognized overnight carrier regularly providing proof of delivery), addressed as provided below in this Section. Any notice so given by mail shall be deemed to have been given as of the date of delivery (whether accepted or refused) established by U.S. Post Office return receipt or the overnight carrier's proof of delivery, as the case may be. Any such notice not so given shall be deemed given upon receipt of the same by the party to whom the same is to be given.

If to Borrower: KINGS LANDING FT PIERCE LLC, a Florida limited liability company
3670 Maguire Boulevard, Orlando, Florida 32803
Attention: Mark Rosenwasser

If to Lender: Genesis Capital, LLC, a Delaware limited liability company
15303 Ventura Boulevard, Suite 700
Sherman Oaks, CA 91403
Attention: Lending Department

10.2 Amendments and Waivers. No failure by Lender to insist upon the strict performance of any covenant, agreement, term or condition of this Agreement, the Note, each Security Instrument, the Equity Owner Pledge (if applicable) or any other Loan Documents or to exercise any right, power or remedy consequent upon a breach thereof shall constitute a waiver, express or implied, of any such breach or of such covenant, agreement, term or condition. No amendment or waiver of any provision of the Loan Documents shall be effective unless in writing and signed by the party against whom enforcement is sought.

10.3 Invalid Provisions. If any provision of any Loan Document is held to be illegal, invalid or unenforceable, such provision shall be fully severable; the Loan Documents shall be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part thereof; the remaining provisions thereof shall remain in full effect and shall not be affected by the illegal, invalid, or unenforceable provision or by its severance therefrom; and in lieu of such illegal, invalid or unenforceable provision there shall be added automatically as a part of such Loan Document a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible to be legal, valid and enforceable.

10.4 Expenses; Indemnity.

10.4.1 Borrower shall pay, whether or not the closing of the Loan occurs or any Advance is made to Borrower hereunder, all costs and expenses incurred by Lender or any of its Affiliates, from time to time, including documentation and diligence fees and expenses, all search, audit, appraisal, recording, professional and filing fees and expenses and all other out-of-pocket charges and expenses (including UCC and judgment and tax lien searches and UCC filings and fees for post-Closing UCC and judgment and tax lien searches, if required by Lender), all administrative fees and expenses and attorneys' fees and expenses actually incurred, including, (a) in any effort to enforce, protect or collect payment of any Obligations or to enforce

any Loan Document or any related agreement, document or instrument, or effect collection hereunder or thereunder, (b) in connection with entering into, negotiating, preparing, reviewing and executing this Agreement and the other Loan Documents and all related agreements, documents and instruments, (c) in connection with instituting, maintaining, preserving, enforcing and foreclosing on Lender's security interests, whether through judicial proceedings or otherwise, (d) in defending or prosecuting any actions, claims or proceedings arising out of or relating to Lender's transactions with Borrower, (e) in seeking, obtaining or receiving any advice with respect to its rights and obligations under this Agreement, any of the other Loan Documents and all related agreements, documents and instruments, (f) in connection with any modification, restatement, supplement, amendment, waiver or extension of this Agreement or any other Loan Document or any related agreement, document or instrument, and all of the same may be charged to Borrower's account and shall be part of the Obligations, or (g) in connection with the administration of the Loan.

10.4.2 Borrower shall indemnify and hold harmless Lender and its Affiliates, officers, partners, directors, employees and agents, from and against any and all other liabilities, obligations, losses, damages, penalties, actions, judgments, suits, claims, costs, expenses and disbursements of any kind or nature whatsoever (including the fees and disbursements of counsel for Lender in connection with any investigative, administrative or judicial proceeding commenced or threatened, whether or not Lender shall be designated a party thereto), that may be imposed on, incurred by, or asserted against Lender in any manner relating to or arising out of the transactions contemplated hereby, including (i) any and all present and future stamp and other similar taxes arising out of the transactions contemplated hereby, (ii) any delay or omission (other than to the extent attributable to Lender) to pay such taxes, (iii) environmental liabilities and (iv) any breach by Borrower of its obligations under, or any material misrepresentation by Borrower contained in this Agreement or the other Loan Documents, except in each case, for any such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, claims, costs, expenses and disbursements arising from the gross negligence or willful misconduct of Lender, as determined by a final, non-appealable judgment of a court of competent jurisdiction.

10.4.3 If the imposition of or any change in any law, rule, regulation or guideline, or the interpretation or application of any thereof by any court or administrative or governmental authority (including any request or policy not having the force of law) shall impose, modify or make applicable any taxes (except federal, state or local income or franchise taxes imposed on Lender), reserve requirements, capital adequacy requirements or other obligations which would (A) increase the cost to Lender for extending or maintaining the credit facilities to which this Agreement relates, (B) reduce the amounts payable to Lender under this Agreement or any of the other Loan Documents, or (C) reduce the rate of return on Lender's capital as a consequence of Lender's obligations with respect to the credit facilities to which this Agreement relates, then Borrower agrees to pay Lender such additional amounts as will compensate Lender therefor, within five (5) days after Lender's written demand for such payment, which demand shall be accompanied by an explanation of such imposition or charge and a calculation in reasonable detail of the additional amounts payable by Borrower, which explanation and calculations shall be conclusive in the absence of manifest error.

10.5 Approvals; Third Parties; Conditions. All approval rights retained or exercised by Lender with respect to leases, contracts, plans, studies and other matters are solely to facilitate Lender's credit underwriting, and shall not be deemed or construed as a determination that Lender has passed on the adequacy thereof for any other purpose and may not be relied upon by Borrower or any other person or entity. This Agreement is for the sole and exclusive use

of Lender and Borrower and may not be enforced, nor relied upon, by any person or entity other than Lender and Borrower. All conditions of the obligations of Lender hereunder, including any obligation to make advances, are imposed solely and exclusively for the benefit of Lender, its successors and assigns, and no other Person or entity shall have standing to require satisfaction of such conditions or be entitled to assume that Lender will refuse to make advances in the absence of strict compliance with any or all of such conditions, and no other Person shall, under any circumstances, be deemed to be a beneficiary of such conditions, any and all of which may be freely waived in whole or in part by Lender at any time in writing in Lender's sole and absolute discretion. Without limitation on the foregoing or Section 10.13 below, wherever this Agreement or any other Loan Document requires Lender's approval or consent (or equivalent), such approval or consent (or equivalent) shall be in writing in Lender's sole and absolute discretion unless otherwise expressly stated.

10.6 Lender Not in Control; No Partnership. None of the covenants or other provisions contained in this Agreement shall, or shall be deemed to, give Lender the right or power to exercise control over the affairs or management of any Borrower Party, the power of Lender being limited to the rights to exercise the remedies referred to in the Loan Documents. The relationship between Borrower and Lender is, and at all times shall remain, solely that of debtor and creditor. No covenant or provision of the Loan Documents is intended, nor shall it be deemed or construed, to create a partnership, joint venture, agency or common interest in profits or income between Lender and Borrower or to create an equity in the Collateral or the Property in Lender. Lender neither undertakes nor assumes any responsibility or duty to Borrower or any other Borrower Party or to any other person with respect to the Collateral, the Property, the Project or the Loan, except as expressly provided in the Loan Documents; and notwithstanding any other provision of the Loan Documents: (1) Lender is not, and shall not be construed as, a partner, joint venturer, alter ego, manager, controlling person or other business associate or participant of any kind of any Borrower Party or its stockholders, members, or partners, and Lender does not intend to ever assume such status; (2) Lender shall in no event be liable for any debts, expenses or losses incurred or sustained by Borrower or any other Borrower Party; and (3) Lender shall not be deemed responsible for or a participant in any acts, omissions or decisions of Borrower or any Borrower Party or any of their stockholders, members, or partners. Lender and Borrower disclaim any intention to create any partnership, joint venture, agency or common interest in profits or income between Lender and Borrower, or to create an equity in the Collateral or the Property in Lender, or any sharing of liabilities, losses, costs or expenses.

10.7 Time of the Essence. Time is of the essence with respect to this Agreement.

10.8 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of Lender and Borrower and their respective successors and assigns, provided that Borrower shall not, without the prior written consent of Lender, assign any rights, duties or obligations hereunder.

10.9 Renewal, Extension or Rearrangement. All provisions of the Loan Documents shall apply with equal effect to each and every promissory note and all amendments thereof hereinafter executed by Borrower which in whole or in part represent a renewal, extension, increase or rearrangement of the Loan.

10.10 Waivers; Representation by Legal Counsel. No course of dealing on the part of Lender, its officers, employees, consultants or agents, nor any failure or delay by Lender with respect to exercising any right, power or privilege of Lender under any of the Loan

Documents, shall operate as a waiver thereof. Borrower acknowledges, warrants and represents, in connection with each waiver of any right or remedy of Borrower contained in this Agreement or any other Loan Document, that it has been fully informed with respect to, and represented by counsel of its choice in connection with, such rights and remedies, and all such waivers, and after such advice and consultation, has presently and actually intended, with full knowledge of its rights and remedies otherwise available at law or in equity, to waive or relinquish such rights and remedies to the full extent specified in each such waiver. Borrower acknowledges that it has been advised by Lender to seek the advice of legal counsel in connection with the negotiation and preparation of the Loan Documents. If Borrower has chosen not to obtain legal representation, whether due to cost considerations or for other reasons, the lack of such representation shall not furnish Borrower with any defense to the enforcement of Borrower's obligations and Lender's rights under the Loan Documents.

10.11 Cumulative Rights. Rights and remedies of Lender under the Loan Documents shall be cumulative, and the exercise or partial exercise of any such right or remedy shall not preclude the exercise of any other right or remedy.

10.12 Singular and Plural. Words used in this Agreement and the other Loan Documents in the singular, where the context so permits, shall be deemed to include the plural and vice versa. The definitions of words in the singular in this Agreement and the other Loan Documents shall apply to such words when used in the plural where the context so permits and vice versa.

10.13 Phrases; Rules of Construction. When used in this Agreement and the other Loan Documents, (a) the phrase "including" means "including, but not limited to," (b) the phrase "satisfactory to Lender" (or equivalent) means "in form and substance satisfactory to Lender in its sole and absolute discretion in all respects," (c) the phrase "with Lender's consent" or "with Lender's approval" (or equivalent) means such consent or approval (or equivalent) in writing in Lender's sole and absolute discretion, (d) the phrase "acceptable to Lender" (or equivalent) means "acceptable to Lender in Lender's sole and absolute discretion", (e) the word "or" is not exclusive, and (f) the word "prompt" or "immediately" in any form, or words of similar import, when used with reference to any notice required to be given or act to be undertaken by any Borrower Party shall mean notice given or act performed not later than five (5) Business Days after the occurrence of the specified event for which notice or action is required, in each case except as expressly provided otherwise herein or in any other Loan Documents. When the identity of the parties or other circumstances make appropriate in this Agreement and the other Loan Documents, the neuter gender shall include the feminine and masculine, and the singular number shall include the plural. If Borrower is composed of more than one Person, then the Obligations are joint and several; and each covenant, warranty, representation and agreement of Borrower hereunder and thereunder shall be deemed made by each such person or entity comprising Borrower, both individually and collectively.

10.14 Exhibits and Schedules. The exhibits and schedules attached to this Agreement are incorporated herein and shall be considered a part of this Agreement for the purposes stated herein.

10.15 Titles of Articles, Sections and Subsections. All titles or headings to articles, sections, subsections or other divisions of this Agreement and the other Loan Documents or the exhibits hereto and thereto are only for the convenience of the parties and shall not be construed to have any effect or meaning with respect to the other content of such articles,

sections, subsections or other divisions, such other content being controlling as to the agreement between the parties hereto.

10.16 Survival. All of the representations, warranties, covenants, and indemnities hereunder, shall survive the repayment in full of the Loan and the release of the liens evidencing or securing the Loan, and shall survive the transfer (by sale, foreclosure, conveyance in lieu of foreclosure or otherwise) of any or all right, title and interest in and to the Collateral to any party, whether or not an Affiliate of Borrower.

10.17 Waiver of Jury Trial. TO THE MAXIMUM EXTENT PERMITTED BY LAW, BORROWER AND LENDER HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREON, ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENT (WHETHER VERBAL OR WRITTEN) OR ACTION OF EITHER PARTY OR ANY EXERCISE BY ANY PARTY OF THEIR RESPECTIVE RIGHTS UNDER THE LOAN DOCUMENTS OR IN ANY WAY RELATING TO THE LOAN OR THE PROPERTY OR THE PROJECT (INCLUDING ANY ACTION TO RESCIND OR CANCEL THIS AGREEMENT, AND ANY CLAIM OR DEFENSE ASSERTING THAT THIS AGREEMENT WAS FRAUDULENTLY INDUCED OR IS OTHERWISE VOID OR VOIDABLE). THIS WAIVER IS A MATERIAL INDUCEMENT FOR LENDER TO ENTER THIS AGREEMENT.

10.18 Governing Law; Venue. The Loan Documents are being executed and delivered, and are intended to be performed, in the State of California and the laws of the State of California and of the United States of America shall govern the rights and duties of the parties hereto and the validity, construction, enforcement and interpretation of the Loan Documents, except to the extent otherwise specified in the Security Instruments or any of the other Loan Documents. Any legal suit, action or proceeding against Borrower arising out of or relating to this Agreement, the Note or any other Loan Document (including the liens and security interests created under the Security Instruments) shall be instituted in any federal or state court located in Los Angeles, California or the state in which the Property is located. Borrower waives any objections which it may have based on venue or forum non conveniens of any such suit, action or proceeding, and irrevocably submits to the jurisdiction of any such court in any such suit, action or proceeding.

EACH OF BORROWER AND LENDER HEREBY IRREVOCABLY CONSENTS TO SERVICE OF PROCESS BY MAIL, PERSONAL SERVICE OR IN ANY OTHER MANNER PERMITTED BY APPLICABLE LAW, AT THE ADDRESS SPECIFIED IN SECTION 10.1 (AND AGREES THAT SUCH SERVICE AT SUCH ADDRESS IS SUFFICIENT TO CONFER PERSONAL JURISDICTION OVER ITSELF IN ANY SUCH SUIT, ACTION OR PROCEEDING IN ANY SUCH COURT, AND OTHERWISE CONSTITUTES EFFECTIVE AND BINDING SERVICE IN EVERY RESPECT).

10.19 Entire Agreement. This Agreement and the other Loan Documents embody the entire agreement and understanding between Lender and Borrower and supersede all prior agreements and understandings between such parties relating to the subject matter hereof and thereof. Accordingly, the Loan Documents may not be contradicted by evidence of prior, contemporaneous, or subsequent oral agreements of the parties. There are no unwritten oral agreements between the parties.

10.20 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall constitute an original, but all of which shall constitute one document. The parties hereto agree that electronic signatures shall be deemed originals and admissible as best evidence for the execution and delivery of this Agreement by the parties hereto.

10.21 Sale, Assignment and Participation. Lender may, at any time, sell, transfer, assign or grant participations in the Loan and any of the Loan Documents or sell, transfer or assign the Loan or any interest therein, without notice to or consent of Borrower or any other Borrower Party. Lender may forward to each participant and prospective participant all documents and information which Lender now has or later may acquire relating to those obligations and to Borrower, and any partners or joint venturers of Borrower, whether furnished by Borrower or otherwise. If, at any time, Lender desires to sell, transfer or grant a participation interest in all or any portion of the Loan and Loan Documents to any third person, Borrower shall furnish in a timely manner any and all information concerning the Property and the Project, and concerning Borrower's, the other Borrower Parties' and the Property's or Project's financial condition, which information is requested by Lender or such person in connection with any such sale, transfer or participation. All such financial information shall be in such form, substance and detail as Lender, or such person, may require.

10.22 Limitation on Liability of Lender's Officers, Employees, Etc. Any obligation or liability whatsoever of Lender which may arise at any time under this Agreement or any other Loan Document shall be satisfied, if at all, out of the Lender's assets only. No such obligation or liability shall be personally binding upon, nor shall resort for the enforcement thereof be had to, the property of any of Lender's shareholders, directors, officers, employees or agents, regardless of whether such obligation or liability is in the nature of contract, tort or otherwise.

10.23 Commingling of Funds. No sums collected or retained by Lender shall be deemed to be held in trust, and Lender may commingle any and all such funds or proceeds with its general assets and shall not be liable for the payment of any interest or other return thereon, except to the minimum extent required by law.

10.24 PATRIOT Act Records. Lender hereby notifies Borrower that pursuant to the requirements of the PATRIOT Act, it is required to obtain, verify and record information that identifies each Borrower Party, which information includes the name and address of each Borrower Party and other information that will allow Lender to identify each Borrower Party in accordance with the PATRIOT Act.

10.25 Confidentiality. Borrower agrees, and agrees to cause each of its Affiliates, (a) to treat this Agreement and all other Loan Documents and all provisions of the Loan Documents confidentially and not to transmit any copy hereof or thereof or disclose the contents hereof or thereof, in whole or in part, to any Person (including any financial institution or intermediary) without Lender's prior written consent, other than to Borrower's members and such members' investors, advisors (including its accountants and attorneys) and officers on a need to know basis and to their respective agents, employees, officers, directors, attorneys, accounts and governmental regulatory authorities, (b) that Borrower shall inform all such Persons who receive information concerning this Agreement or any of the Loan Documents of the confidential nature hereof and thereof and shall direct them to treat the same confidentially and not to disclose it to any other Person, and (c) that each of them shall agree to be bound by these provisions. Lender reserves the right to review and approve all materials that Borrower or any Affiliate prepares that contain Lender's name or describe or refer to this Agreement or any Loan Document or any of the terms hereof or thereof or any of the transactions contemplated hereby or thereby.

Notwithstanding any other provision of this Agreement or any Loan Document, Borrower shall not, and shall not permit any of its Affiliates to, use Lender's name (or the name of any of Lender's Affiliates) in connection with any of its business operations. Nothing contained in this Agreement or in any of the other Loan Documents is intended to permit or authorize Borrower or any of its Affiliates to make any contract on behalf of Lender. Borrower shall not be deemed in violation of this Section solely because Lender records the Uniform Commercial Code financing statements or other Loan Documents.

11. JUDICIAL REFERENCE.

11.1 Because disputes arising in connection with complex transactions are most quickly and economically resolved by an experienced and expert person and further because Borrower and Lender (collectively, the "Parties") wish applicable California State and Federal laws to apply, the Parties desire that their disputes be resolved by a judicial referee applying such applicable laws. The Parties expressly waive trial by jury in any action, suit, or proceeding brought to resolve any dispute, whether sounding in contract, tort or otherwise, arising out of, connected with, related to, or incidental to this Loan Agreement, the Loan, the Note any of the other Loan Documents or the relationship established among the Parties in connection with the Loan Agreement or any related document or the transactions contemplated hereby or thereby (a "Dispute") to the fullest extent permitted by Legal Requirements.

11.2 Accordingly, any Dispute arising out of or in connection with the Loan Agreement or the relationship established among the Parties in connection therewith or any other Loan Document or the transactions contemplated hereby or thereby, shall be resolved pursuant to the provisions for reference and trial by referee (without jury) set forth in California Code of Civil Procedure Section 638 et seq., or any successor statute or statute, court rule, or provision of law containing reasonably similar provisions in accordance with the provisions of this Section 11. The referee ("Referee") shall be a retired or former California or Federal judge residing in the Los Angeles, California area, who is either (i) agreed to by the Parties to a Dispute within fifteen (15) days of the notice by any Party to the other(s) of the intention to invoke this Section 11.2 to resolve the Dispute, or (ii) failing such agreement, is appointed pursuant to California Code of Civil Procedure Section 640, or any successor statute or statute, court rule, or provision of Legal Requirements containing reasonably similar provisions, in an action filed in the Superior Court of Los Angeles County, California.

11.3 The Parties agree that any Party may (and, if necessary, the other Parties shall join in such filing) file with the clerk of the Los Angeles County Superior Court, or with the appropriate judge of such court, any and all petitions, motions, applications or other documents necessary to obtain the appointment of such a Referee immediately upon the commencement of any action or proceeding to resolve any Dispute, and to conduct all necessary discovery and to proceed to a trial as expeditiously as possible. The action shall be conducted and the issues determined in compliance with all judicial rules and all statutory and decisional law of the State of California as if the matter were formally litigated in the Superior Court and not by way of judicial reference. It is the Parties' intention and the Parties and the Referee shall use their best efforts to be certain that (i) discovery be conducted for a period no longer than six (6) months from the date (the "Referee Date") the Referee is appointed (whether by stipulation or by the Superior Court), excluding motions regarding discovery, and (ii) trial be set on a date that is within nine (9) months of the Referee Date. All discovery motions shall be filed with the Referee and served upon the opposing Party no later than the last day of the six-month discovery period; provided, that the Parties agree to grant such reasonable extensions of time necessary to reflect the complexities of the issues presented for resolution. All proceedings, including trial, before the Referee shall

be conducted at a neutral location (unless otherwise stipulated by the Parties) within twenty-five (25) miles of the downtown Los Angeles County Superior Court. The Parties agree that said Referee shall be a judge for all purposes (including, without limitation, (x) ruling on any and all discovery matters and motions and any and all pretrial or trial motions, (y) setting a schedule of pretrial proceedings, and (z) making any other orders or rulings a sitting judge of the Superior Court would be empowered to make in any action or proceeding in the Superior Court). Any matter before the Referee shall be governed by the substantive law of California, its Code of Civil Procedure, Rules of Court, Evidence Code, and such other statutes or rules which would be applicable if the matter were tried in the Superior Court, except as otherwise specifically agreed to by the Parties and approved by the Referee. The Parties intend this general reference agreement to be specifically enforceable in accordance with the California Code of Civil Procedure. Any decision of the Referee or judgment or other order entered thereon shall be appealable to the same extent and in the same manner that such decision, judgment, or order would be appealable if rendered by a judge of the Los Angeles County Superior Court. The Referee shall in his/her statement of decision set forth his/her findings of fact and conclusions of law.

11.4 During the pendency of any action or proceeding respecting a Dispute, and before the entry of any judgment therein, each of the parties to such action or proceeding shall bear equal shares of the fees, charges and costs incurred by the Referee in connection with performing the services provided in this Section. The compensation of the Referee shall not exceed the prevailing rate for like services. The prevailing party shall be entitled to reasonable court costs and legal fees, including customary attorney fees, expert witness fees, paralegal fees, the fees of the Referee and other reasonable costs and disbursements charged to the party by its counsel, in such amount as is determined by the Referee. If a court reporter is requested by either party, then such reporter shall be present at all proceedings, and the fees of such reporter shall be borne by the party requesting such reporter. Such fees shall be an item of recoverable costs.

11.5 Notwithstanding the foregoing and anything to the contrary herein, in the event of a default by Borrower under this Loan Agreement, Lender shall have the unilateral right to exercise its remedies in its sole and absolute direction, and under such circumstances, Lender can choose in its sole discretion to pursue resolution by Referee (as provided herein) or not and Borrower hereby waives any right to enforce the judicial reference provisions of this Loan Agreement if contrary to the choice of Lender.

Nothing in this Section 11 shall prejudice the right of any Party to obtain provisional relief or other equitable remedies as shall otherwise be available under the Code of Civil Procedure or applicable Court rules.

BORROWER AND LENDER EACH ACKNOWLEDGES THAT THE PROVISIONS OF THIS SECTION ARE A MATERIAL INDUCEMENT TO THE OTHER PARTY'S ENTERING INTO THE LOAN AGREEMENT AND MAKING THE LOAN.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, this Agreement has been duly executed and delivered by the parties hereto as of the date first written above.

LENDER:

GENESIS CAPITAL, LLC,
a Delaware limited liability company

DocuSigned by:
Candice Shih
By: _____
Name: Candice Shih
Title: Authorized Signatory

BORROWER:

KINGS LANDING FT PIERCE LLC,
a Florida limited liability company
By: KINGS LANDING FT PIERCE GP LLC,
a Florida limited liability company, its Member and
Manager

DocuSigned by:
Mark Rosenwasser
By: _____
Mark Rosenwasser, Manager

COPY VIEW

Exhibit A

Definitions

“Advance” means (A) a borrowing under the Loan to (i) fund the Initial Advance on or around the Closing Date, or (ii) fund a Construction Advance in each case in accordance with the terms and limitations of this Agreement, or (B) any other advances of the Loan made by Lender for the purpose of making a Protective Advance, to the extent such Protective Advance is permitted under the terms of this Agreement or any of the other Loan Documents. Any other amounts paid by Lender on behalf of Borrower or any Affiliate permitted under any Loan Document shall also be an Advance for purposes of this Agreement.

“Advance Request” means a written request from Borrower for an Advance in form and substance acceptable to Lender, which request shall be executed and delivered by Borrower (together with any supporting documentation reasonably required by Lender) in connection with the funding of such Advance.

“Affiliate” of any Person means any other Person directly or indirectly controlling, controlled by, or under common control with such Person. A Person shall be deemed to control another Person if the controlling Person owns 10% or more of any class of voting securities (or other ownership interests) of the controlled Person or possesses, directly or indirectly, the power to direct or cause the direction of the management or policies of the controlled Person, whether through ownership of stock, by contract, or otherwise.

“Agreement” means this Agreement, as amended from time to time.

“Appraiser” means an appraiser designated by Lender or accepted by Lender from time to time.

“Borrower Party” means, individually and collectively, as the context may require, Borrower, Equity Owner and Guarantor.

“Borrower Principals” means, collectively, Mark Rosenwasser, an individual, and Samuel Weiss, an individual.

“Business Day” means any day except a Saturday or Sunday or any other day on which commercial banks in New York, New York are authorized or required by law to close.

“Carveout Guaranty” means a guaranty or indemnity agreement of any Indebtedness containing customary **“bad act”** carveouts, such as fraud, misappropriation, environmental matters, breach of representation or warranty, misapplication and certain actions pertaining to bankruptcy, insolvency, transfers of collateral and substantive consolidation but which does not guarantee payment of Indebtedness independent of such **“bad acts”**; provided, however, at any time that a claim has been made under such a guaranty or indemnity agreement (which has not been satisfied), such guaranty or indemnity agreement, as applicable, shall not be considered a Carveout Guaranty, to the extent that such claim is (a) a liability of the relevant guarantor or indemnitor for GAAP purposes.

“Change Order” means any amendment, supplement or other modification in any respect to any Project Document.

“Collateral” means all collateral encumbered by any of the Loan Documents.

“Committed Loan Funds” means the amount of Loan funds Lender has committed to make available to the Project over the remaining term of the Loan, as of such date of determination. As of the date hereof, the Committed Loan Funds are as set forth in the Loan Budget.

“Complete” (and the lower-case version thereof) shall mean, with respect to any of the work constituting the Project for the Property, that (a) such work is substantially completed in accordance with the Lender-approved Plans and Specifications and all Legal Requirements, subject only to the completion of minor punch-list items that do not limit the use or occupancy of any portion of the Property for its intended purposes, (b) if required by Legal Requirements, a final certificate of occupancy (or similar document or certificate) has been obtained, evidencing that full use of the Property for its intended purposes has been authorized by all applicable Governmental Authorities, (c) subject to any contest rights contained herein, the Property is free of all mechanics’, materialmen’s, and other similar liens (or such liens have otherwise been bonded over to Lender’s satisfaction), (d) the eradication of any and all outstanding municipality requirements affecting the Property, whether initiated by the Borrower, any Guarantor, any contractor, or any affiliate of (or predecessor-in-interest to) Borrower, Guarantor or any applicable contractor, and (e) Lender has received copies of all warranties from suppliers covering materials, equipment and appliances included within the applicable component of the work. The terms “Completed” “Completing” and “Completion” (and lower-case versions thereof) shall have the same meaning when used in the Loan Documents.

“Completion Date” - means 1/1/2027, the date by which construction of the work constituting the Project must be Complete.

“Construction Advance” means each Advance made by Lender, which Advance is made for the purpose of funding Project Expenditures for the completion of the Project.

“Congruent Entity” means any entity in which all of the Borrower Principals own an interest, and which, the Borrower Principals, in the aggregate, own (either directly or indirectly) all of the beneficial, voting, membership, partnership, stock or other ownership interests therein. For the purpose of this definition, any interest owned by the spouse of a Borrower Principal or any trust for the benefit of such Borrower Principal (or spouse), shall be deemed to be owned by such Borrower Principal.

“Construction Documents” means each Design Professional Agreement, the General Contractor Agreement, and each Trade Contract, in each case, as the same may be amended, restated, replaced, supplemented or otherwise modified from time to time, in accordance with the terms and conditions of this Agreement.

“Debt” means the outstanding principal amount of the Loan together with all interest accrued and unpaid thereon and all other sums due to Lender in respect of the Loan under the Note or any other Loan Document.

“Default” means the occurrence of any event or condition hereunder or under any other Loan Document that, with the giving of notice, the passage of time, or both, would constitute an Event of Default.

“Deposit Account Control Agreement” means a deposit account control agreement, in form and content acceptable to Lender, among Borrower, Lender and a deposit bank approved by Lender, in favor of Lender, and any and all amendments or supplements thereto or replacements thereof.

“Design Professional” means any architect, engineer, or other design professional engaged by (or on behalf of) Borrower with respect to the design or engineering of the Property.

“Design Professional Agreement” means any agreement between Borrower and any Design Professional, each as the same may be amended, restated, replaced, supplemented or otherwise modified from time to time, in accordance with the terms and conditions of this Agreement.

“Design Professional Consent” means a consent agreement in form and content reasonably acceptable to Lender executed by any applicable Design Professional with respect to the related Design Professional Agreement.

“Embargoed Person” means any Person subject to trade restrictions under any Federal Trade Embargo.

“Equity Owner” means, individually and collectively, as the context may require, (i) the Person or Persons owning, directly or indirectly, through any contract, agreement, arrangement, understanding, relationship or otherwise, any class of voting securities (or other ownership interests) of Borrower, and (ii) the Person or Persons possessing, directly or indirectly, the power to direct or cause the direction of the management or policies of the Borrower, whether through ownership of stock, by contract, or otherwise.

“Equity Owner Pledge” means a Membership Interest Pledge in form and content acceptable to Lender executed by Equity Owner in favor of Lender, which secures Borrower’s Obligations, and any and all amendments or supplements thereto or replacements thereof.

“Event of Default” shall have the meaning ascribed to it in Section 8.1.

“Federal Trade Embargo” means any federal law imposing trade restrictions, including (i) the Trading with the Enemy Act, as amended, and each of the foreign assets control regulations of the United States Treasury Department (31 C.F.R., Subtitle B, Chapter V, as amended), (ii) the International Emergency Economic Powers Act (50 U.S.C. §§ 1701 et seq., as amended), (iii) any enabling legislation or executive order relating to the foregoing, (iv) Executive Order 13224, and (v) the PATRIOT Act.

“Financial Covenants” shall have the meaning set forth in Exhibit D.

“Force Majeure Event” shall mean the occurrence of any of the following events: (i) acts of declared or undeclared war by a foreign enemy; (ii) riots; (iii) casualty or condemnation; (iv) floods or hurricanes; (v) earthquakes; (vi) acts of God; (vii) governmental preemption in the case of a national emergency; (viii) unavailability of materials to the extent not within the reasonable control of Borrower; (ix) strikes, lockouts or other labor trouble; (x) pandemic; (xi) governmentally mandated closures or work stoppages; (xii) changes in Legal Requirements; and (xiii) any other event or circumstance not within the reasonable control of Borrower, but “Force Majeure Event” shall not include delays, stoppage or any other interference with the construction of any improvements caused by insolvency, bankruptcy or any lack of funds of Borrower, and provided

further, that in no event will any one or more Force Majeure Events extend the Completion Date by more than a total of ninety (90) days.

“GAAP” means generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board (or agencies with similar functions of comparable stature and authority within the accounting profession), or in such other statements by such entity as may be in general use by significant segments of the U.S. accounting profession.

“General Contractor” means a general contractor with a valid contractor’s license in the state where the Property is located and that has been approved by Lender, which approval shall not be unreasonably withheld.

“General Contractor Agreement” means a guaranteed maximum price construction contract between Borrower and General Contractor for the completion of the Project in accordance with the Plans and Specifications, and consistent with the Loan Budget, in form and content reasonably acceptable to Lender, as the same may be amended, restated, replaced, supplemented or otherwise modified from time to time, in accordance with the terms and conditions of this Agreement.

“General Contractor Consent” means a consent agreement in form and content reasonably acceptable to Lender executed by a General Contractor with respect to a General Contractor Agreement.

“Governmental Authority” means any and all governments, public or quasi-public authorities, courts or any and all agencies, authorities, bodies, bureaus, departments, or instrumentalities of any government.

“Guarantor” means individually and collectively, as the context may require, and jointly and severally, Samuel Weiss, Mark Rosenwasser, , and any additional Persons (other than Equity Owner) who may sign any guaranty or indemnity in favor of Lender in connection with the Loan.

“Guaranty” means, individually and collectively, as the context may require, that certain Repayment Guaranty of even date herewith by Guarantor in favor of Lender, that Completion Guaranty of even date herewith by Guarantor in favor of Lender, that certain Carveout Guaranty of even date herewith by Guarantor in favor of Lender, and any and all amendments or supplements thereto or replacements thereof.

“Hard Costs” means, collectively, all costs and expenses set forth in the Loan Budget, which are denominated therein as **“hard costs”**.

“Hazardous Materials” means any chemical, substance, object, condition, material or waste that is or may be hazardous to human health or safety or to the environment, due to its radioactivity, ignitability, corrosivity, flammability, reproductive toxicity, infectiousness or other harmful properties or effects, including all chemicals, substances, materials and wastes that are now or hereafter may be regulated in any manner, classified as dangerous, hazardous or toxic, or as pollutants or contaminants, or to which exposure is prohibited or restricted by any federal, state or local government or public agency, board, body or authority or by any Hazardous Material Law. “Hazardous Materials” include flammable explosives, radioactive materials, polychlorinated biphenyls, asbestos, hazardous waste, radon, toxic substances or other related materials whether

in the form of a chemical, element, compound, solution, mixture or otherwise, including those materials defined as “hazardous substances”, “hazardous materials”, “toxic substances”, “air pollutants”, “toxic pollutants”, “hazardous wastes”, “extremely hazardous waste” or “restricted hazardous waste” by any Hazardous Materials Law.

“Hazardous Materials Law” means any federal, state, or local law, ordinance or regulation or any rule adopted or guideline promulgated pursuant thereto, or any order, ruling or directive of any federal, state, local, executive, judicial, legislative, administrative or other governmental or public agency, board, body or authority relating to health, industrial hygiene, the environment, or the occupational or environmental conditions on, under or about the Property (including ambient air, soil, soil vapor, groundwater, surface water or land use), whether now or hereafter in force, including those relating to the release, emission or discharge of Hazardous Materials, those in connection with the construction, fuel supply, power generation and transmission, waste disposal or any other operations or processes relating to the Property. “Hazardous Materials Law” shall include the Comprehensive Environmental Response, Compensation and Liability Act of 1980, the Hazardous Materials Transportation Act, the Resource Conservation and Recovery Act, the Solid Waste Disposal Act, the Clean Water Act, the Clean Air Act, the Carpenter Presley Tannel Hazardous Substance Account Act, and similar laws of any state in which the Property is located, as the same are now or hereafter amended.

“Indebtedness” of a Person means such Person’s (i) obligations for borrowed money; (ii) obligations representing the deferred purchase price of property or services (other than accounts payable arising in the ordinary course of such Person’s business payable on terms customary in the trade); (iii) obligations, whether or not assumed, secured by Liens or payable out of the proceeds or production from property now or hereafter owned or acquired by such Person; (iv) obligations which are evidenced by notes, acceptances, or other instruments; (v) obligations of such Person to purchase securities or other property arising out of or in connection with the sale of the same or substantially similar securities or property; (vi) capitalized lease obligations; (vii) the Loan; (viii) letters of credit; (ix) off-balance sheet liabilities; (x) sale and leaseback transactions; and (xi) any other obligation for borrowed money or other financial accommodation which in accordance with GAAP would be shown as a liability on the consolidated balance sheet of such Person.

“Indemnity” means that certain Hazardous Substances Indemnity Agreement of even date herewith by Borrower and Guarantor (if applicable) in favor of Lender, and any and all amendments thereto.

“Initial Advance” means the first Advance made by Lender on or around the Closing Date.

“Legal Requirements” means all federal, state, county, municipal and other governmental statutes, laws, rules, orders, regulations, ordinances, judgments, decrees and injunctions of Governmental Authorities affecting any Borrower Party or the Property or any part thereof or the construction, use, alteration or operation thereof, or any part thereof, whether now or hereafter enacted and in force, including the Americans with Disabilities Act of 1990, and all permits, licenses and authorizations and regulations relating thereto, and all covenants, agreements, restrictions and encumbrances contained in any instruments, either of record or known to Borrower, at any time in force affecting any Borrower Party or the Property or any part thereof, including any which may (i) require repairs, modifications or alterations in or to the Property or any part thereof, or (ii) in any way limit the use and enjoyment thereof.

“Lien” means any mortgage, deed of trust, lien, pledge, hypothecation, assignment, security interest, or any other encumbrance, charge or transfer of, on or affecting the Property, the Collateral or any portion thereof or interest therein, or any Borrower Party or any interest therein, including any conditional sale or other title retention agreement, any financing lease having substantially the same economic effect as any of the foregoing, the filing of any financing statement, and mechanic’s, materialmen’s and other similar liens and encumbrances.

“Loan” has the meaning provided in Recital A.

“Loan Budget” - means the budget attached hereto as Exhibit C, as the same may be amended, modified, supplemented or replaced from time to time, which budget sets forth the costs and expenses to be incurred in connection with the Completion by Borrower of the Project and is subject to the approval of Lender.

“Loan Documents” means each and all of: (a) this Agreement, (b) the Note, (c) the Indemnity, (d) each Guaranty, (e) the Equity Owner Pledge (if any), (f) the Deposit Account Control Agreement (if any), (g) Uniform Commercial Code financing statements relating to Borrower’s interest in the Property and, to the extent Lender requires the execution of the Equity Owner’s Pledge, the Equity Owner’s interest in Borrower, (h) the Security Instrument, (i) all other documents evidencing, securing, governing or otherwise pertaining to the Loan, whether now or hereafter entered into, and (j) all amendments, modifications, renewals, substitutions and replacements of any of the foregoing.

“Material Adverse Effect” means a material adverse effect upon (i) the business, reputation, financial condition, results of operations or properties of Borrower or any other Borrower Party, (ii) the ability of any Borrower Party to perform its obligations under the Loan Documents, or (iii) the validity or enforceability of any of the Loan Documents or the rights and remedies of Lender under the Loan Documents.

“Maturity Date” means 1/1/2027

“Note” means that certain Promissory Note of even date herewith, in the maximum principal amount of up to \$6,417,600.00, executed by Borrower and payable to the order of Lender in evidence of the Loan, and any amendments or supplements thereto or any renewals or replacements thereof.

“Obligations” means, collectively, Borrower’s obligations for the payment of the Debt and the performance of all obligations of Borrower contained in the Loan Documents.

“OFAC List” means the list of specially designated nationals and blocked persons subject to financial sanctions that is maintained by the U.S. Treasury Department, Office of Foreign Assets Control and any other similar list maintained by the U.S. Treasury Department, Office of Foreign Assets Control pursuant to any applicable governmental statutes, laws, rules, orders, regulations, ordinances, judgments, decrees and injunctions of Governmental Authorities, including trade embargo, economic sanctions, or other prohibitions imposed by Executive Order of the President of the United States.

“PATRIOT Act” means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act (Title III of Pub. L. 107-56) (signed into law October 26, 2001), as amended from time to time.

“Permitted Encumbrances” means any exceptions listed on the Title Policy and approved by Lender, but shall not include any monetary liens or encumbrances other than Taxes.

“Person” means any natural person, corporation, firm, joint venture, partnership, limited liability company, association, enterprise, trust, or other entity or organization, or any government or political subdivision or any agency, department, or instrumentality thereof.

“Plans and Specifications” means the plans and specifications for the Completion of the Project (including a description of the materials, equipment and fixtures necessary for the Completion of the Project), prepared or to be prepared by (or on behalf of) Borrower after the Closing Date, including any other architectural, structural, foundation and elevator plans and specifications prepared by a Design Professional and any other mechanical, electrical, plumbing and fire protection plans and specifications prepared by any Person retained or to be retained by Borrower, the applicable Design Professional or the General Contractor, approved in writing by Lender (to the extent such approval is required by the terms of this Agreement), in each case, as the same may be amended by Change Orders applicable thereto that are permitted under this Agreement.

“Project” means the Completion of all capital improvements, which capital improvements are described in the Loan Budget, all completed in accordance with the Plans and Specifications that have been submitted to and approved by Lender, the Loan Budget, and all applicable Legal Requirements.

“Project Documents” means collectively, all Construction Documents, the Plans and Specifications, the Loan Budget, the Project Permits and the Project Schedule for the Project, as any of the foregoing may be amended, replaced, supplemented or otherwise modified from time to time in accordance with the terms and conditions of this Agreement.

“Project Expenditure” means costs and expenses incurred in connection with the Completion by Borrower of the Project in accordance with the Loan Budget, including interest and carrying costs.

“Project Permits” means collectively, all authorizations, consents and approvals, licenses and permits given or issued by Governmental Authorities, which are required for the Completion of the Project in accordance with all Legal Requirements and the Plans and Specifications for the Project, and for the performance and observance of all obligations and agreements of Borrower contained herein or in the other Loan Documents relating to the Completion of the Project, as the same may be amended, replaced, supplemented, assigned or otherwise modified from time to time in accordance with the terms of this Agreement and applicable Legal Requirements.

“Project Schedule” means the schedule for the projected progress of the Completion of the Project, setting forth a construction progress schedule reflecting, among other things, the anticipated dates of completion, which shall include, without limitation, a trade-by-trade breakdown of the estimated periods of commencement and completion of the specific work to be completed in connection with the Completion of the Project substantially in accordance with the Plans and Specifications and Legal Requirements, as the same may be amended, restated, replaced, supplemented, updated or otherwise modified from time to time in accordance with the terms of this Agreement or otherwise with the approval of Lender, which approval shall not be unreasonably withheld.

“Property” means that certain real property located at 215 Kings Lane, Fort Pierce, FL 34950, 115 Kings Lane, Fort Pierce, FL 34950; 135 Kings Lane, Fort Pierce, FL 34950; 145 Kings Lane, Fort Pierce, FL 34950; 155 Kings Lane, Fort Pierce, FL 34950; 165 Kings Lane, Fort Pierce, FL 34950; 175 Kings Lane, Fort Pierce, FL 34950; 185 Kings Lane, Fort Pierce, FL 34950; 195 Kings Lane, Fort Pierce, FL 34950; 205 Kings Lane, Fort Pierce, FL 34950; 125 Kings Lane, Fort Pierce, FL 34950; and 225 Kings Lane, Fort Pierce, FL 34950 as more particularly described in Exhibit B attached hereto, together with the improvements and all appurtenances now or hereafter located on such real property (including any Units described on Exhibit E attached hereto).

“Recourse Guaranty” means, for any Person, any guaranty or indemnity agreement of Indebtedness by such Person that is not a Carveout Guaranty.

“Reserve Account” means, any reserve or escrow account established under the Loan Documents from time to time, which reserve or escrow account may be established, at Lender’s discretion, by reserving a portion of the outstanding principal balance of the Loan for such account.

“Retainage” means an amount equal to the greater of (a) ten percent (10%) of the total amount payable under the applicable General Contractor Agreement and any Trade Contract, as applicable, for the Project and (b) the actual retainage amount specified in such General Contractor Agreement and any Trade Contract, as applicable, for the Project.

“Security Instrument” means a Construction Mortgage, Assignment of Leases and Rents, Security Agreement and Fixture Filing, in either case executed by Borrower for the benefit of Lender encumbering a Property.

“Site Assessment” means an environmental site assessment (including all drafts thereof) of the Property of such scope as may be reasonably requested by Lender (including, without limitation, the taking of soil borings and air and groundwater samples and other above and below ground testing) and otherwise in form and substance acceptable to Lender, prepared by an environmental engineer approved in advance by Lender in writing, with errors and omissions insurance coverage reasonably acceptable to Lender.

“Soft Costs” means, collectively, all costs and expenses set forth in the Loan Budget for the applicable Project, which are denominated therein as “soft costs”.

“Stored Materials” means materials purchased by Borrower on or prior to the date of an Advance Request for use in the completion of the Project that is the subject of such Advance Request, but either (i) stored at the Property that is the subject of the Project or a bonded warehouse, and not yet installed or incorporated into the Project or (ii) not yet delivered to such Property nor stored in a bonded warehouse. Stored Materials shall cease to be Stored Materials only when the same are installed or incorporated into the Project.

“Stored Materials Conditions” means that Lender shall have: (a) reasonably determined that the applicable Stored Materials are appropriate for purchase during the then current stage of completion of the Project for which such Stored Materials have been purchased; (b) received evidence that the applicable Stored Materials have been paid for and are owned by (or upon payment of the amounts to be disbursed in connection with the applicable Advance Request shall be paid for and owned by) Borrower free of all liens or claims of the vendor or any third party (provided, however, that Borrower shall be permitted to submit a request for an Advance, in the discretion of Lender, with respect to deposits and down payments for Stored Materials to the

extent approved by Lender in its sole discretion); (c) reasonably determined that Lender has a perfected, first-priority security interest in such Stored Materials; (d) received a certification by any applicable Design Professional that it has inspected such Stored Materials and they are in the condition required under the applicable Trade Contract(s); (e) received evidence reasonably satisfactory to Lender that all such Stored Materials are insured against casualty, loss and theft in an amount at least equal to their replacement costs, and that Lender is named as an additional insured and loss payee with respect thereto; (f) received evidence that the applicable Stored Materials are or will be securely stored (i) on site at Property upon which such Stored Materials will be utilized (and Lender shall have reasonably determined that such Stored Materials kept on such Property are not in excess of such building equipment and materials as would be kept at a property under construction in accordance with good construction practice for current installation or incorporation), or (ii) in a bonded warehouse (or other location reasonably acceptable to Lender) off-site properly inventoried and clearly stenciled or otherwise marked to indicate that they are the property of Borrower, and that the warehouse or other location has been notified that Lender has a security interest in the subject Stored Materials, and Lender shall have received from Borrower the original warehouse receipt therefor, if applicable, or received a copy of the agreement with the supplier or fabricator of such Stored Materials; and (g) without limiting the foregoing, as to any materials not yet delivered to such Property, received proof of payment reasonably satisfactory to Lender from the supplier or fabricator of such materials, the cost of which is, in whole or in part, payment for all amounts covered by any prior Advance Request.

“Subsequent Advance” means any Advance after the Initial Advance.

“Taxes” means all taxes, assessments, levies and charges imposed by any Governmental Authority having jurisdiction over the Property, which are or may affect, or become a lien upon, such Property, or the rents, royalties, profits and income of the Property, or interest therein, or imposed by any Governmental Authority upon Borrower or Lender by reason of their respective interests in the Property or by reason of any payment, or portion thereof, made to Lender hereunder or pursuant to any Obligation secured by any of the Loan Documents (including all real estate and personal property taxes, assessments, water rates or sewer rents, now or hereafter levied or assessed or imposed against the Property or part thereof, together with all interest and penalties thereon), other than taxes which are measured by and imposed upon Lender’s general net income.

“Title Policy” means an ALTA (or the relevant state equivalent in any state in which ALTA is not the commercial standard) extended Lender’s title insurance policy in the amount of the Loan, with such endorsements as Lender may require, containing no exceptions to title (printed or otherwise) that are unacceptable to Lender, and insuring that Lender has a first priority Lien on the Property.

“Trade Contract” means any agreement, contract or purchase order between Borrower, an Affiliate of Borrower or General Contractor, on the one hand, and any Trade Contractor, on the other hand, pursuant to which such Trade Contractor agrees to provide labor, materials, equipment or services in connection with the Completion of the Project, in each case, as the same may be amended, restated, replaced, supplemented or otherwise modified from time to time in accordance with the terms of this Agreement.

“Trade Contractor” means any Person that is a contractor, subcontractor, sub-subcontractor, supplier or provider of labor, materials, equipment or services in connection with the Completion of the Project.

“Trade Contractor Consent” means a consent agreement in form and content reasonably acceptable to Lender executed by each Trade Contractor for the Project with respect to its related Trade Contract.

“Transfer” means to voluntarily or involuntarily upon death, dissolution or by any other operation of law, sell, assign, convey, transfer, pledge, encumber or otherwise dispose of, or where used as a noun, a sale, assignment, conveyance, transfer, pledge, encumbrance or other disposition.

“Uniform Commercial Code” means (a) with respect to the Property, the Uniform Commercial Code as in effect in the state where such Collateral is located, and (b) with respect to the ownership interests in Borrower, the Uniform Commercial Code as in effect in the State of California (except for matters which the Uniform Commercial Code of the State of California provides shall be governed by the Uniform Commercial Code in effect in any other state, in which case **“Uniform Commercial Code”** shall mean the Uniform Commercial Code as in effect from time to time in such other state), in each case as amended from time to time.

“Unit” shall have the meaning ascribed to it in Exhibit E attached hereto.

COPY VIEW

Exhibit B

Legal Description

The Land referred to herein below is situated in the County of St. Lucie, State of Florida and is described as follows:

All that certain land described in the Plat of Villas at Kings Landing, recorded in Plat Book 119, Pages 11 and 12, Public Records of St. Lucie County, Florida.

Parcel IDs: 2410-513-0010-000-3, 2410-513-0011-000-0, 2410-513-0009-000-3, 2410-513-0008-000-6, 2410-513-0007-000-9, 2410- 513-0006-000-2, 2410-513-0012-000-7, 2410-513-0001-000-7, 2410-513-0005-000-5, 2410-513-0004-000-8, 2410-513-0003-000-1, 2410-513-0002-000-4

COPY VIEW

Exhibit C Loan Budget

Category	Cost Code	Notes	Total Budget	Cost Spent	Go-Forward Loan 1
Grading	Grading		\$46,000.00	\$0.00	\$46,000.00
4200 Plumbing	3600 Plumbing - Draw 1 - Rough	Mechanical One	\$34,272.00	\$0.00	\$34,272.00
2150 Dumpster Service	1492 Dumpster	estimated 20yd for 6 mos (est 7 pulls, at est 5 ton	\$20,970.00	\$0.00	\$20,970.00
2160 Temporary Toilets	1491 Porto-let	est 8 mo with weekly clean (through WastePro)	\$3,240.00	\$0.00	\$3,240.00
2250 Masonry	4100 Block Walls		\$270,276.00	\$0.00	\$270,276.00
2200 Foundation- Concrete	2100 Slab		\$139,237.00	\$0.00	\$139,237.00
TOTAL SLAB			\$612,886.00	\$0.00	\$612,886.00
4150 HVAC	3800 Mechanical - Draw 1 - Rough	Mechanical One	\$33,920.00	\$0.00	\$33,920.00
4300 Electrical	3700 Electrical - Draw 1 - Rough	Mechanical One	\$44,964.00	\$0.00	\$44,964.00
2400 Termite Protection	2410 Termite Shield	Boracare STARK/Arrow per sqft per Tara	\$1,194.15	\$0.00	\$1,194.15
			\$0.00	\$0.00	\$0.00
0000 Sprinkler & Fire Alarm System		do not need	\$0.00	\$0.00	\$0.00
3200 Truss System	3140 Trusses / Floor Joists	CCA Todd	\$57,450.00	\$0.00	\$57,450.00
3300 Framing Labor	3100 Framing	United Contractors	\$343,646.00	\$0.00	\$343,646.00
TOTAL INTERIOR FRAMING			\$481,174.16	\$0.00	\$481,174.16
			\$0.00	\$0.00	\$0.00
3350 Window & Door Supplier	4500 Windows & Entry Door	JBR	\$218,964.00	\$0.00	\$218,964.00
3500 Roofing Turnkey	4010 Roofing	Sunshine Roofing	\$205,708.00	\$0.00	\$205,708.00
3530 Soffit	3530 Soffit / Fascia	Gutter Guy of Treasure Coast 12/12 labor and instal pt outriggers (2x4), 1x6 T&G & 1x3 pt fascia	\$42,750.00	\$0.00	\$42,750.00
5260 Stucco	4210 Stucco Package	Shell Systems Stucco 8/9/04 - (building C still needed for EST-\$ entered is rough)	\$98,799.90	\$0.00	\$98,799.90
3600 Garage Door	4570 Garage Doors	rick d&d-luxury line.	\$25,488.00	\$0.00	\$25,488.00
TOTAL WINDOWS/ DOORS/ ROOF			\$681,708.80	\$0.00	\$681,708.80
5100 Flooring	Flooring, tile, decking, backsplash	Barry Neal	\$241,043.20	\$0.00	\$241,043.20
4150 HVAC	5800 Mechanical - Draw 2 - Trim	Mechanical One	\$33,920.00	\$0.00	\$33,920.00
4300 Electrical	6650 - Electrical Fixtures	Mechanical One	\$28,751.70	\$0.00	\$28,751.70
4200 Plumbing	3650 Plumbing - Draw 2 - Tubset	Mechanical One	\$25,704.00	\$0.00	\$25,704.00
4450 Insulation	4700 Insulation	Daniel Insulation	\$75,537.00	\$0.00	\$75,537.00
4300 Electrical	5700 Electrical - Draw 2 - Trim	Mechanical One	\$29,736.00	\$0.00	\$29,736.00
5100 Interior Trim & Doors Supplier	6102 Interior Trim Material	ABS	\$129,994.19	\$0.00	\$129,994.19
6200 Interior Trim Labor	4860 Trim Labor	INCLUDED ABOVE	\$0.00	\$0.00	\$0.00
	Inspections	WEINTRAUB	\$6,450.00	\$0.00	\$6,450.00
6300 Painting	4900 Paint Interior / Exterior	L and Jim Painting - per sqft. if upgrade to satin or eggshell finish, add .40/sf	\$57,915.74	\$0.00	\$57,915.74
TOTAL DRYWALL			\$828,061.83	\$0.00	\$828,061.83
Decking	Trex Decking	BFS	\$53,172.60	\$0.00	\$53,172.60
5300 Flat Concrete	6200 Driveway / Sidewalk	Alliance Pavers	\$23,624.16	\$0.00	\$23,624.16
5450 Landscaping	6100 Sod / Plants / Grading	Down2Earth (not including sod-sq ft not on plans)	\$83,744.61	\$0.00	\$83,744.61
5450 Landscaping	6110 Irrigation	Down2Earth	\$13,505.25	\$0.00	\$13,505.25
			\$0.00	\$0.00	\$0.00
4200 Plumbing	5600 Plumbing - Draw 3 - Final	Mechanical One	\$79,044.00	\$0.00	\$79,044.00
4500 Drywall Turnkey	5010 Drywall	Vatos Drywall	\$89,166.00	\$0.00	\$89,166.00
6360 Cabinets Turnkey	5400 Cabinets	Kitchen Art of South Florida	\$123,712.00	\$0.00	\$123,712.00
6430 Countertop	5420 Countertops	Kissa with Kroner USA	\$82,031.62	\$0.00	\$82,031.62
6300 Painting	5920 Paint Final	L&Jim	\$17,288.00	\$0.00	\$17,288.00
6300 Painting	5921 Paint Touch Up	L&Jim	\$17,288.00	\$0.00	\$17,288.00
6650 Specialties	5250 Shelves / Mirrors / Hardware	Everlasting Image	\$73,658.99	\$0.00	\$73,658.99
6650 Specialties	5260 Blinds	Blinds By Jason	\$0.00	\$0.00	\$0.00
			\$0.00	\$0.00	\$0.00
6800 Appliances Supplier	5500 Appliances	Aggressive appliances	\$123,382.37	\$0.00	\$123,382.37
	Gas	Mechanical 1	\$19,369.98	\$0.00	\$19,369.98
6900 Cleaning	6010 Cleans	Road Brothers	\$4,918.44	\$0.00	\$4,918.44
6900 Cleaning	6013 Power Washing	per request (one generally scheduled after trades)	\$480.00	\$0.00	\$480.00
			\$0.00	\$0.00	\$0.00
	Elevators	Southeast Elevators	\$201,540.00	\$0.00	\$201,540.00
	PAVERO-pre con for street pavers	(Alliance Pavers quote for main street pavers)	\$156,075.00	\$0.00	\$156,075.00
	Balcony and Railings	TNT EST	\$193,520.00	\$0.00	\$193,520.00
	Perimeter Walls		\$73,680.00	\$0.00	\$73,680.00

TOTAL FINAL			\$1,428,201.02	\$0.00	\$1,428,201.02
				\$0.00	\$0.00
Total Brick & Mortar			\$3,844,181.80	\$0.00	\$3,844,181.80
Permit & Impact Fees		Approx \$20,000/Unit	\$120,000.00	\$ 1,832.90	\$118,167.10
HOA Deficit Funding		Approx \$2,000/Unit	\$12,000.00	0	\$12,000.00
Total Vertical Cost			\$3,778,181.80	\$ 1,832.90	\$3,774,288.00
Plans & Design			\$3,975.00	\$3,975.00	\$0.00
Insurance Costs			\$60,000.00	\$0.00	\$60,000.00
Soft Costs			\$997.50	\$997.50	\$0.00
Site Work Permit Renewal			\$5,574.32	\$5,574.32	\$0.00
Total Horizontal Site Work			\$790,308.00	\$421,297.92	\$369,010.08
Site Work Bond			\$17,982.09	\$17,982.09	\$0.00
Vertical Bond	Est. 2% of Total Brick & Mortar		\$122,865.00	0	\$122,865.00
Total Project Cost (Less contingency & GC Fee)			\$4,777,833.81	\$461,868.73	\$4,328,174.08
GC Fee			\$734,486.83	\$ 85,051.85	889,443.88
Contingency			\$318,860.78	\$0.00	\$318,860.78
TOTAL TOTAL			\$5,831,980.23	\$516,711.38	\$5,315,268.85

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Exhibit D

Financial Covenants

“Financial Covenants” means Borrower and Guarantor shall, at all times, comply with the following: Liquidity shall not be less than \$1,500,000.00, which financial covenant shall be calculated on a quarterly basis within 30 days of each fiscal quarter end.

“Liquidity” means (a) unencumbered cash and cash equivalents of Borrower and/or Guarantor and/or any affiliate of Borrower and/or Guarantor, as determined by Lender in its sole discretion, and (b) marketable securities of Borrower and/or Guarantor and/or any affiliate of Borrower and/or Guarantor, as determined by Lender in its sole discretion, each valued in accordance with a cash basis accounting method, GAAP (or other principles acceptable to Lender), as determined by Lender in its sole discretion.

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Exhibit E Multiple Unit Provisions

1. Units. The Property consists of ten (10) lots (each, a “Unit”). The total Loan amount shall be allocated across the Units.
2. Partial Release. At any time prior to the Maturity Date, Lender shall, at Borrower’s request, issue a partial reconveyance (a “**Partial Release**”) from the lien of the Security Instrument of one or more of the Units (a “**Released Property**”) that Borrower has proposed to sell or refinance, with Lender’s approval; provided, however, that prior to or simultaneously with each such Partial Release all of the following conditions shall be satisfied:
 - a. No Default and no Event of Default exists;
 - b. Borrower provides Lender at least thirty (30) days’ prior to the anticipated closing date of a Released Property Sale or Released Property Financing, a written request for such release together with any documents related thereto (including the sales agreement, or evidence satisfactory to Lender of Borrower entering into a new financing agreement with an unaffiliated, bona fide third party, as applicable);
 - c. Lender shall have received any and all sums then due and owing under the Loan Documents together with all escrow, closing and recording costs, the costs of preparing and delivering such Partial Release and the cost of any title insurance endorsements required by Lender;
 - d. Lender shall have received evidence satisfactory to Lender that (i) the Released Property to be reconveyed and the portion of the Property which shall remain encumbered by the Security Instrument are each legal parcels lawfully created in compliance with all subdivision laws and ordinances and, at Borrower’s sole cost, Lender shall have received any title insurance endorsements to that effect requested by Lender; and (ii) that the portion of the Property which shall remain encumbered by the Security Instrument have the benefit of all utilities, easements, public and/or private streets, covenants, conditions and restrictions as may be necessary, in Lender’s sole opinion, for the anticipated development and improvement thereof;
 - e. For (A) each Unit (excluding 125 Kings Lane, Fort Pierce, FL 34950 (Lot 9) and 115 Kings Lane, Fort Pierce, FL 34950 (Lot 10)) to be reconveyed, Lender shall have received funds in an amount for each Released Property equal to 115% of par value of the Released Property, as shown below, (B) Lot 9 to be reconveyed, Lender shall have received funds in an amount equal to \$1,200,000.00 and (C) Lot 10 to be reconveyed, Borrower must sell Lot 10 to an unaffiliated, bona fide third party, for the avoidance of doubt, that certain Seller Purchase and Sale Agreement dated January 17th 2025 between Borrower and Deborah Phillips Downs is considered a sale to a bona fide third party and will fulfill the release condition for a sale of Lot 10. (the “**Release Price**”):

Address	Sq Feet	ARV	Allocation %	Allocation \$	115%
165 Kings Lane - Lot 5 / Building B - Unit 1	2,186	1,595,780	18.06%	1,158,744.63	1,332,556.32
155 Kings Lane - Lot 6 / Building B - Unit 2	2,082	1,519,860	17.20%	1,103,616.80	1,269,159.32
145 Kings Lane - Lot 7 / Building C - Unit 1	2,146	1,566,580	17.73%	1,137,541.62	1,308,172.86
135 Kings Lane - Lot 8 / Building C - Unit 2	2,082	1,519,860	17.20%	1,103,616.80	1,269,159.32
125 Kings Lane - Lot 9 / Building D - Unit 1	2,243	1,200,000	13.58%	871,356.67	1,200,000.00
215 Kings Lane - Lot 1 / Building A	2,138	359,000	4.06%	260,680.87	299,783.00
205 Kings Lane - Lot 2 / Building A	2,138	359,000	4.06%	260,680.87	299,783.00
195 Kings Lane - Lot 3 / Building A	2,138	359,000	4.06%	260,680.87	299,783.00
185 Kings Lane - Lot 4 / Building A	2,138	359,000	4.06%	260,680.87	299,783.00
115 Kings Lane - Lot 10 / Building D - Unit 2	2,087	-			-
Totals	12,882	8,838,080	100.00%	6,417,600	7,578,180
Total Invested Equity					
Total Loan Amount		6,417,600			

Note:
 Lot 9 and 10 are excluded from release pricing. Lot 9 release price will be \$1.2MM and Lot 10 will be released upon sale without a paydown amount.

(For avoidance of doubt, no Unit may be sold by Borrower unless it is released (and, without limitation, the required payment is made) pursuant to this Exhibit E prior to or concurrently with such sale.)

- f. The Partial Release is made either solely in connection with the sale of the Released Property to an unaffiliated, bona fide third party (the “**Released Property Sale**”), or solely in connection with the financing of a new loan for the Released Property, either between Borrower and Lender, or between Borrower and an unaffiliated, bona fide third party (“**Released Property Refinancing**”);
 - g. If requested by Lender, the Borrower shall have entered into a modification of the Security Instrument to attach the correct legal description for the remaining Units in form and substance satisfactory to Lender;
 - h. The title insurance company insuring the priority of the Security Instrument shall have issued, at Borrower’s expense, an endorsement or endorsements to the Lender’s title insurance policy obtained in connection with the Loan, insuring the continued priority of the Security Instrument after the Partial Release in addition to such other endorsements as Lender may reasonably request, in each case in form and substance satisfactory to Lender;
 - i. Borrower shall have provided to Lender any and all documents required for the Partial Release as Lender in its sole discretion shall request, and Lender shall have executed each of the same; and
 - j. Borrower shall have paid all of Lender’s costs and expenses associated with the Partial Release, including attorneys’ fees.
3. Application of Release Price. The Release Price received by Lender for each Released Property shall be applied to reduce amounts owing with respect to the Loan in a manner determined by Lender in its sole and absolute discretion until such time that the outstanding balance of the Loan, including without limitation all principal and interest, together with any and all other costs, fees, and expenses have been repaid in full.

Neither the acceptance of any payment nor the issuance of any partial reconveyance by Lender shall affect Borrower's obligation to repay all amounts owing under the Loan Documents or under the lien of *the* Security Instrument on the remainder of the Property and Improvements which is not reconveyed. Any amounts of the Loan repaid may not be reborrowed.

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