

MIAMI BEACH

City of Miami Beach, 1700 Convention Center Drive, Miami Beach, Florida 33139, www.miamibeachfl.gov
OFFICE OF HOUSING & COMMUNITY SERVICES
555 17 St., Miami Beach, FL 33139, Tel: (305)673-7260 Fax: (305)673-7772

August 12, 2019

Miami Beach Community Development Corporation
Mr. Ahmed Martin, Interim Executive Director
945 Pennsylvania Avenue, 2nd floor
Miami Beach, FL 33139

RE: Default of HOME Program Agreement between the City of Miami Beach ("the City") and Miami Beach Community Development Corporation (MBCDC) for Villa Maria, 2800 Collins Avenue

Dear Mr. Martin:

This letter is sent to you as a follow-up to the correspondence dated June 20, 2019 as a result of several tenant-reported issues with property standards delineated in our letter. The City has not received a response regarding this complaint.

The City monitored various MBCDC projects from June 24 to July 17, 2019 and found that the following unit files had expired leases and did not contain documentation demonstrating annual certifications for 2019: 101, 104, 106, 108, 110, 203, 205, 207, 208, 209, 210, 211, 212, 301, 303, 304, 306, 308 and 310 and some units' expired leases exceeded a period of thirty (30) days.

This letter serves as a notification that the above captioned address is currently in default, pursuant to the terms delineated in your contract executed on March 18, 2005, as noted below.

I. Restrictive Covenants. Mortgagor shall be subject to the following recapture provisions, covenants and restrictions:

(C) It is acknowledged by the parties hereto that the Mortgagor must use the Premises as an affordable rental property for a fifteen (15) year period from the date of issuance of the final certificate of completion (the "Affordability Period") and the rents charged and the tenants thereof must qualify under the rules and regulations promulgated by the United States Department of Housing and Urban Development at CFR Part 92 as same may be amended from time to time. If, during the Affordability Period, the Premises are no longer used as an affordable rental property by the Mortgagor, the Principal Amount shall be due within thirty days of such change of use. The Mortgagor must notify the Mortgagee of any change in use. After the expiration of the Affordability Period, this Restrictive Covenant shall lapse and be of no further force and effect.

You are hereby advised that you have thirty [30] days to remedy the issues noted above. This office must receive documentation of remedy via standard mail or electronic mail by September 12, 2019.

If you have any questions, please contact me at (305) 673-7260 or via e-mail at marcelarubio@miamibeachfl.gov. We appreciate your prompt attention to this matter to ensure your compliance and prevent the possibility of contractual default.

Sincerely,



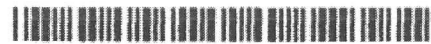
Marcela Rubio, HOME/SHIP Program Coordinator

Cc: Maria Ruiz, Department Director
Deb Wedoe, Florida Housing Finance Corporation
Alba Tarre, Assistant Director

Susanne Torriente, Assistant City Manager
Michael Liu, Public Housing Community Development Director

This Instrument Was Prepared By, Record and
Return to:

Raul J. Aguila, Esq.
Office of the City Attorney
City of Miami Beach
1700 Convention Center Drive
Miami Beach, Florida 33139



CFN 20050279678
OR Bk 23191 Pgs 2265 - 2277 (13pgs)
RECORDED 03/22/2005 14:48:08
MTG DOC TAX 5,600.00
INTANG TAX 3,200.00
HARVEY RUVIN, CLERK OF COURT
MIAMI-DADE COUNTY, FLORIDA

MORTGAGE AND SECURITY AGREEMENT

THIS MORTGAGE AND SECURITY AGREEMENT (the "Mortgage") executed this 18 day of March, 2005, by ~~Miami Beach Community Development Corporation~~ Miami Beach Community Development Corporation, a Florida corporation (the "Mortgagor"), whose address is 945 Pennsylvania Avenue, Miami Beach, FL 33139, and the **CITY OF MIAMI BEACH**, a Florida municipal corporation (the "Mortgagee") (which term as used in every instance shall include the Mortgagee's successors and assigns), whose address is 1700 Convention Center Drive, Miami Beach, Florida 33139.

WITNESSETH:

That for valuable consideration, and also in consideration of the aggregate sum of money described in that certain Promissory Note (the "Note") of even date herewith, executed by Mortgagor in favor of Mortgagee in the original principal amount of \$1,600,000 (the "Principal Amount"), the Mortgagor does grant, bargain, sell, alien, remise, release, convey and confirm unto the Mortgagee, in fee simple a lien upon and security interest in that certain parcel of real property located in Miami-Dade County, Florida, which is described in Exhibit "A" attached hereto and made a part hereof. Hereinafter said real estate, buildings, improvements (including improvements to be made hereafter), fixtures herein below described and located on said real estate are sometimes collectively referred to as the "Premises".

TO HAVE AND TO HOLD the Premises and all parts, rights, members and appurtenances thereof, to the use, benefit and behalf of the Mortgagee, its successors and assigns in fee simple forever, and the Mortgagor covenants that the Mortgagor is lawfully seized and possessed of the Premises in fee simple and has good right to convey the same, and that the Mortgagor will warrant and defend the title thereto against the claims of all persons whomsoever, except as hereinafter expressly provided.

PROVIDED ALWAYS that if the Mortgagor shall pay unto the Mortgagee all sums required under the terms of the Note, and shall comply with and abide by each and every one of the stipulations, agreements, conditions and covenants contained herein (as such term is defined below), then in such event this Mortgage and the estate hereby created shall cease and be null and void.

The Mortgagor covenants with the Mortgagee as follows:

I.

- A. Payment of Indebtedness. The Mortgagor will pay the Note according to the tenor thereof and all other sums secured hereby promptly as the same shall become due.
- B. Taxes, Liens and Other Charges.
 - (a) In the event of the passage of any state, federal, municipal or other governmental law, order, rule or regulation, subsequent to the date hereof, in any manner changing or modifying the laws now in force governing the taxation of debts secured by mortgages or the manner of collecting taxes so as to affect adversely the Mortgagee, the Mortgagor will promptly pay any such tax; if the Mortgagor fails to make such prompt payment or if any such state, federal, municipal or other governmental law, order, rule or regulation prohibits the Mortgagor from making such payment or would penalize the Mortgagee from making such payment or would penalize the Mortgagee if the Mortgagor makes such payment, then the entire balance of the principal sum secured by this Mortgage and all interest accrued thereon shall, without notice, immediately become due and payable at the option of the Mortgagee.
 - (b) The Mortgagor will pay, before the same become delinquent, all taxes, liens, assessments and charges of every character already levied or assessed or that may hereafter be levied or assessed upon or against the Premises and all utility charges, whether public or private; and upon demand will furnish the Mortgagee receipted bills evidencing such payment.
 - (c) The Mortgagor will not suffer any mechanic's, materialmen's, laborer's, statutory or other lien which might or could be prior to or equal to the security interest and mortgage liens of this Mortgage to be created or to remain outstanding upon any part of the Premises.
- C. Subordination. This Mortgage is subject to and subordinate in all respects to that certain Mortgage in favor of Miami-Dade County to be recorded contemporaneously with this Mortgage in the Public Records of Miami-Dade County, Florida (the "Senior Mortgage"), and to all debt secured thereby and to any extensions, modifications, amendments, enlargements, replacements, renewals or assignments therefor or future advances made thereunder, whether prior to or after the maturity date of the Senior Mortgage. The subordination set forth herein shall be self-operative and no further instrument of subordination shall be required. Mortgagee, however, shall execute any documentation reasonably required by Mortgagor or the holder of the Senior Mortgage to effectuate the provisions of this paragraph.
- D. Insurance. The Mortgagor will keep all buildings and improvements now or hereafter on the Premises insured against loss or damage by fire, extended coverage and other perils,

and agrees to deliver said policy or policies to the Mortgagee when issued with the receipts for the payment of the premium therefor; and in the event any sum of money becomes payable under such policy or policies, the Mortgagee shall permit the Mortgagor to receive and use it, or any part thereof, for repair or restoration of the Premises, subject to terms reasonably acceptable to Mortgagee, without thereby waiving or impairing any equity, lien or right under or by virtue of this Mortgage; and the Mortgagee if it deems necessary may place and pay for such insurance, or any part thereof, without losing, waiving or affecting Mortgagee's option to foreclose for breach of this covenant, or any part thereof, or any right or option under this Mortgage, and every such payment shall bear interest from date thereof until paid at the default interest rate, and all such payments with interest as aforesaid shall be secured by the lien hereof. In the event any loss or damage is suffered Mortgagor shall notify Mortgagee of such loss or damage within seven (7) days after the happening thereof; the failure to give such notice shall constitute a default and the Mortgagee shall have the rights herein given for all defaults.

E. Care of Premises.

- (a) The Mortgagor will keep the improvements now or hereafter erected on the Premises in good condition and repair, will not commit or suffer any waste and will not do or suffer to be done anything which will increase the risk of fire or other hazard to the Premises or any part thereof.
- (b) The Mortgagor will not remove or demolish nor alter the design or structural character of any building (now or hereafter erected), fixture or chattel which are part of the security or other part of the Premises without the prior written consent of the Mortgagee.
- (c) If the Premises or any part thereof is damaged by fire or any other cause, the Mortgagor will give written notice of the same to the Mortgagee.
- (d) The Mortgagee or its representative is hereby authorized to enter upon and inspect the Premises at any time during normal business hours.
- (e) The Mortgagor will promptly comply with all present and future laws, ordinances, rules and regulations of any governmental authority affecting the Premises or any part thereof.
- (f) If all or any part of the Premises shall be damaged by fire or other casualty, the Mortgagor will, upon request of the Mortgagee, promptly restore the Premises to the equivalent of its condition immediately prior to such damage, and if a part of the Premises shall be damaged through condemnation, the Mortgagor will, upon request of Mortgagee, promptly restore, repair or alter the remaining part of the Premises in a manner reasonably satisfactory to the Mortgagee.

F. Further Assurances; Modifications. At any time, and from time to time, upon the reasonable request by the Mortgagee, the Mortgagor will make, execute and deliver or

cause to be made, executed and delivered, to the Mortgagee, any and all other further instruments, certificates and other documents as may, in the opinion of the Mortgagee, be necessary or desirable in order to effectuate, complete, or perfect or to continue and preserve (i) the obligations of the Mortgagor under the Note, (ii) the security interest of this Mortgage, and (iii) the mortgage lien hereunder.

- G. Expenses. The Mortgagor will pay or reimburse the Mortgagee for all reasonable attorney's fees, costs and expenses, of any action, legal proceeding or dispute of any kind in which the Mortgagee is victorious, affecting the indebtedness secured hereby, this Mortgage or the interest created herein, or the Premises, including but not limited to the foreclosure of this Mortgage, any condemnation action involving the Premises or any action to protect the security hereof; and any such amounts paid by the Mortgagee shall be secured by this Mortgage.
- (a) Estoppel Affidavits. The Mortgagor, upon ten (10) days prior written notice, shall furnish the Mortgagee with a written statement, duly acknowledged, setting forth the unpaid principal of, and interest on, the indebtedness secured hereby and whether or not any off-sets or defenses exist against such principal and interest. The Mortgagee shall provide a similar estoppel affidavit to Mortgagor, upon ten (10) days prior written notice to Mortgagee.
- H. Performance by Mortgagee of Defaults by Mortgagor. If the Mortgagor shall default in the payment of any tax, lien, assessment or charge levied or assessed against the Premises; in the payment of any utility charge, whether public or private; in the payment of any insurance premium; in the procurement of insurance coverage and the delivery of the insurance policies required hereunder; in the performance of any covenant, term or condition of any leases affecting all or any part of the Premises; or in the performance or observance of any covenant, condition or term of this Mortgage; then the Mortgagee, at its option, may perform or observe the same, and all payments made or costs incurred by the Mortgagee in connection therewith, shall be secured hereby and shall be, without demand, immediately repaid by the Mortgagor to the Mortgagee. The Mortgagee is hereby empowered to enter and to authorize others to enter upon the Premises or any part thereof for the purpose of performing or observing any such defaulted covenant, condition or term, without thereby becoming liable to the Mortgagor or any other person in possession holding under the Mortgage.
- I. Restrictive Covenants. Mortgagor shall be subject to the following recapture provisions, covenants and restrictions:
- (a) If, during the Affordability Period (as said term is hereafter defined), the Premises are sold, transferred or refinanced other than in the manner stipulated in subsection (c), the Mortgagor shall return to the Mortgagee, the Principal Amount applied toward this transaction, at the time of any sale, transfer or refinance of the Premises. If the net proceeds from such sale are less than the Principal Amount, the Mortgagee shall recapture the entire balance of whatever net proceeds are available (after deducting the Mortgagor's down payment and contribution,

including closing costs) for use in other eligible HOME Investment Partnership Program activities as authorized under 24 CFR Part 92.

(b) The Principal Amount shall be payable at the time and in the manner stipulated in subsection (a) above; and with the exception of the Senior Mortgages on the Premises, shall remain a Lien superior in dignity to all other liens, titles, claims, mortgages, and/or other encumbrances, until paid.

(c) It is acknowledged by the parties hereto that the Mortgagor must use the Premises as an affordable rental property for a fifteen (15) year period from the date of issuance of the final certificate of completion (the "Affordability Period") and the rents charged and the tenants thereof must qualify under the rules and regulations promulgated by the United States Department of Housing and Urban Development at CFR Part 92 as same may be amended from time to time. If, during the Affordability Period, the Premises are no longer used as an affordable rental property by the Mortgagor, the Principal Amount shall be due within thirty (30) days of such change of use. The Mortgagor must notify the Mortgagee of any change in use. After the expiration of the Affordability Period, this Restrictive Covenant shall lapse and be of no further force and effect.

(d) Notwithstanding the restrictions contained in Paragraph I(a) above, Mortgagor shall be allowed to refinance the Premises without being subject to the provisions set forth therein so long as the amount of the refinancing does not exceed the then outstanding balance of the Senior Mortgages.

In order to further ensure the enforcement of subsection I.(c) above, any and all successors, heirs and assigns herein must obtain the prior written consent of the City Manager prior to the resale of the Premises which consent shall not be unreasonably withheld. The Mortgagee reserves the right to review compliance with all affordability requirements, as described above.

Notwithstanding anything to the contrary contained herein, in the event of a foreclosure and resale of the Premises or a deed in lieu of foreclosure, this Restrictive Covenant shall lapse and be of no further force and effect.

The foregoing covenants and restrictions shall be considered and construed as covenants and restrictions recorded against the Premises, and the same shall bind all persons claiming ownership of all or any portion of the Premises. The Mortgagor hereby acknowledges and agrees that the Mortgagee is a beneficiary of this Restrictive Covenant and the Mortgagor shall not release or amend this Restrictive Covenant without the prior written consent of the Mortgagee.

Invalidation of any of these covenants by a Court of competent jurisdiction shall in no way affect any of the other covenants which shall remain in full force and effect.

- J. Condemnation. If all or any material part of the Premises shall be damaged or taken through condemnation (which term when used in this Mortgage shall include any damage or taking by any governmental authority, and any transfer by private sale in lieu thereof), either temporarily or permanently, the entire indebtedness secured hereby shall at the option of the Mortgagee, become immediately due and payable. The Mortgagee shall be entitled to all compensation awards, and other payments or relief therefor and is hereby authorized, at its option, to commence, appear in and prosecute, in its own or the Mortgagor's name, any action or proceeding relating to any condemnation, and to settle or compromise any claim in connection therewith. All such compensation, awards, damages, claims, rights of action and proceeds and the right thereto are hereby assigned by the Mortgagor to the Mortgagee, who, after deducting therefrom all its expenses, including attorney's fees, may release any moneys so received by it to Mortgagor without affecting the lien of this Mortgage or may apply the same to the reduction of the sums secured hereby, and to any prepayment charge herein provided, and any balance of such moneys then remaining shall be paid to the Mortgagor. The Mortgagor agrees to execute such further assignments of any compensations, awards, damages, claims, rights of action and proceeds as the Mortgagee may reasonably require. Notwithstanding the foregoing, Mortgagee shall allow any proceeds or other sums payable from a condemnation proceeding to be applied for restoration of the Premises, subject to such terms and conditions as are reasonably satisfactory to Mortgagee.
- K. Hazardous Waste Storage. The Mortgagor covenants with the Mortgagee that the Premises have not been used and will not be used in whole or in part for the storage of hazardous waste other than in accordance with all applicable governmental requirements.

II.

- A. Default. A default shall have occurred hereunder if:
- (a) The Mortgagor shall fail to pay in full within fifteen (15) days from when due any installment of principal, interest, or late charges required by the Note, this Mortgage and otherwise; or
 - (b) The Mortgagor shall fail to duly observe on time any other covenant, condition or agreement of this Mortgage or of any other instrument evidencing, securing or executed in connection with the indebtedness secured hereby, (herein this Mortgage, Note and said other instruments are sometimes collectively called the "Loan Documents") and such failure remains uncured for a period of thirty (30) days after notice thereof shall have been given by the Mortgagee to the Mortgagor (or for an extended period approved by Mortgagee if such default stated in such notice can be corrected, but not within such thirty (30) day period, and if the Mortgagor commences such correction within such thirty (30) day period and thereafter diligently pursues the same to completion within such extended period).

(c) Any warranties or representations made or agreed to be made in any of the Documents executed in connection with the Note shall be breached by the Mortgagor or shall prove to be false or misleading in any material respect; or

(d) Any lien for labor or material or otherwise shall be filed against the Premises, and such lien is not canceled, removed, transferred, or bonded off within thirty (30) days; or

(e) A levy shall be made under any process on, or a receiver be appointed for, the Premises or any other property of the Mortgagor; or

(f) The Mortgagor shall file a voluntary petition in bankruptcy, or any other petition or answer seeking or acquiescing in any reorganization, arrangement, composition, readjustment, liquidation or similar relief for the Mortgagor under any present or future federal, state or other statute, law or regulation relating to bankruptcy, insolvency or other relief for debtor; or

(g) The Mortgagor shall seek or consent to or acquiesce in the appointment of any trustee, receiver or liquidator of the Mortgagor or of all or any part of the Premises or of any or all of the rents, revenues, issues, earnings, profits or income thereof; or

(h) The Mortgagor shall make any general assignment for the benefit of creditors; or

(i) In any legal proceeding the Mortgagor shall be adjudged to be insolvent or unable to pay the Mortgagor's debts as they become due; or

(j) The Mortgagor shall do, or shall omit to do, any act, or any event shall occur, as a result of which any obligation of the Mortgagor, not arising hereunder, may be declared immediately due and payable by the holder thereof; or

(k) Failure by Mortgagor to comply with the Restrictive Covenants set forth in Section I herein; or

(l) An Event of Default occurs under the terms of the documents executed in connection with the Note.

- B. Acceleration of Maturity. If a default shall have occurred hereunder, then the whole unpaid principal sum of the indebtedness secured hereby with interest accrued thereon shall, at the option of the Mortgagee, become due and payable without notice or demand, time being of the essence of this Mortgage and of the Note secured hereby; and no omission on the part of the Mortgagee to exercise such option when entitled so to do shall be considered as a waiver of such right.

C. Right of Lender to Enter and Take Possession.

(a) If any default shall have occurred and be continuing beyond any applicable grace period, the Mortgagor, upon demand of the Mortgagee, shall forthwith surrender to the Mortgagee the actual possession of the Premises and if, and to the extent permitted by law, the Mortgagee may enter and take possession of the Premises and may exclude the Mortgagor and the Mortgagor's agents and employees wholly therefrom.

(b) For the purpose of carrying out the provisions of this paragraph, the Mortgagor hereby constitutes and appoints the Mortgagee the true and lawful attorney in fact of the Mortgagor to do and perform, from time to time, any and all actions necessary and incidental to such purpose and does, by these presents, ratify and confirm any and all actions of said attorney in fact in the Premises.

(c) Whenever all such defaults have been cured and satisfied, the Mortgagee shall surrender possession of the Premises to the Mortgagor, provided that the right of the Mortgagee to take possession, from time to time, pursuant to this subparagraph shall exist if any subsequent default shall occur and be continuing.

D. Appointment of a Receiver and Foreclosure.

(a) If a default shall have occurred hereunder, then the whole debt secured by this Mortgage, with all interest thereon, and all other amounts hereby secured shall, at the option of Mortgagee, become immediately due and payable, and may forthwith or at any time thereafter be collected by suit at law, foreclosure of or other proceeding upon this Mortgage or by any other proper, legal or equitable procedure without declaration of such option and without notice.

(b) Upon, or at any time after, the filing of a complaint to foreclose this Mortgage, the court in which such complaint is filed may appoint a receiver of the Premises. Such appointment may be made either before or after sale, without notice, without regard to the solvency or insolvency of Mortgagor at the time of application for such receiver and without regard to the then value of the Premises. Such receiver shall have power to collect the rents, issues and profits of the Premises during the pendency of such foreclosure suit, and in case of a sale and a deficiency, during the full statutory period of redemption, if any, whether there be redemption or not, as well as during any further times when Mortgagor except for the intervention of such receiver, would be entitled to collect such rents, issues and profits, and all other powers which may be necessary or are usual in such cases for the protection, possession, control, management and operation of the Premises during the whole of said period.

(c) Mortgagor shall deliver to Mortgagee at any time on its request, all agreements for deed, contracts, leases, abstracts, title insurance policies, muniment of title, surveys and other papers relating to the Premises, and in case

of foreclosure thereof and failure to redeem, the same shall be delivered to and become the property of the person obtaining a deed to the Premises by reason of such foreclosure.

- E. Discontinuance of Proceedings and Restoration of the Parties. In case the Mortgagee shall have proceeded to enforce any right or remedy under this Mortgage by receiver, entry or otherwise, and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adverse to the Mortgagee, then and in every such case the Mortgagor and the Mortgagee shall be restored to their former positions and rights hereunder, and all rights, powers and remedies of the Mortgagee shall continue as if no such proceeding had been taken.
- F. Remedies Cumulative. No right, power or remedy conferred upon or reserved by the Mortgagee by this Mortgage is intended to be exclusive of any other right, power or remedy, but each and every such right, power and remedy shall be cumulative and concurrent and shall be in addition to any other right, power and remedy given hereunder or now or hereafter existing at law or in equity or by statute.

III.

- A. Successors and Assigns Included in Parties. Whenever in this Mortgage one of the parties hereto is named or referred to, the heirs, legal representatives, successors and assigns of such parties shall be included and all covenants and agreements contained in this indenture by or on behalf of the Mortgagor and by or on behalf of the Mortgagee shall bind and inure to the benefit of their respective heirs, legal representatives, successors and assigns, whether so expressed or not. Provided, however, that the Mortgagor shall have no right to assign its obligations hereunder without the prior written consent of the Mortgagee, which consent shall not be unduly withheld, conditioned or delayed.
- B. Headings. The headings of the sections, paragraphs and subdivisions of this Mortgage are for the convenience of reference only, are not to be considered a part hereof and shall not limit or otherwise affect any of the terms hereof.
- C. Invalid Provisions to Affect No Others. If fulfillment of any provision hereof or any transaction related hereto or to the Note, at the time performance of such provisions shall be due, shall involve transcending the limit of validity prescribed by law, then ipso facto, the obligation to be fulfilled shall be reduced to the limit of such validity; and if any clause or provision herein contained operates or would prospectively operate to invalidate this Mortgage in whole or in part, then such clause or provision only shall be held for naught, as though not herein contained, and the remainder of this Mortgage shall remain operative and in full force and effect. Notwithstanding any provision contained herein, the total liability of Mortgagor for payment of interest, including service charges, penalties or any other fees pursuant to this Agreement, shall not exceed the maximum amount of such interest permitted by applicable law to be charged, and if any payments by Mortgagor include interest in excess of the maximum allowable amount then said

excess shall be applied to the reduction of the unpaid principal amount due pursuant hereto.

- D. Number and Gender. Whenever the singular or plural number, masculine or feminine or neuter gender is used herein, it shall equally include the other.
- E. Future Advances. Any loan of money from Mortgagee to Mortgagor made within twenty (20) years from the date hereof. The total amount of the loan from Mortgagee to Mortgagor may decrease or increase from time to time, but the total unpaid aggregate balance secured by this Mortgage at any one time shall not exceed \$2,000,000.00, plus interest thereon, and any disbursements made for the payment of taxes, levies, insurance or other liens on the Premises, with interest on such disbursements.

IV.

- A. Notice. Any notice or other communication required or permitted to be given hereunder shall be sufficient if in writing and delivered in person or sent by United States Certified Mail, postage prepaid, to the parties being given such notice at the following addresses:

MORTGAGOR: MIAMI BEACH COMMUNITY DEVELOPMENT
CORPORATION
945 Pennsylvania Avenue
Miami Beach, FL 33139
Attention: Roberto Datorre, President

MORTGAGEE: CITY OF MIAMI BEACH
1700 Convention Center Drive
Miami Beach, Florida 33139
Attention: City Manager

With a copy to: Housing and Community Development Director
Neighborhood Services Department
CITY OF MIAMI BEACH
1700 Convention Center Drive
Miami Beach, Florida 33139

Any party may change said address by giving the other parties hereto notice of such change of address. Notice given as hereinabove provided shall be deemed given on the date of its deposit in the United States Mail and, unless sooner received, shall be deemed received by the party to whom it is addressed on the third calendar day following the date on which said notice is deposited in the mail, or if an courier system is used, on the date of delivery of the notice.

V.

- A. Assignment of Rents and Leases. As further security for payment of principal interest and other amounts due Mortgagee now or hereafter secured hereby, Mortgagor hereby transfers, assigns and sets over unto Mortgagee all leases, if any, now or hereafter entered into by Mortgagor with respect to all or any part of the Premises, and all renewals, extensions, subleases or assignments thereof, and all other written or oral occupancy agreements, by concession, license or otherwise, together with all of the rents, income, receipts, revenues, issues and profits arising therefrom. Mortgagee shall have, in addition to all other rights and remedies hereunder, those rights of a mortgagee under Florida Statutes Section 697.07, as now or hereafter in effect.
- B. Security Agreement. This instrument also creates a security interest in any and all equipment and furnishings as are considered or determined to be personal property or fixtures, together with all replacements, substitutions, additions, products and proceeds thereof, in favor of the Mortgagee under the Florida Uniform Commercial Code to secure payment of principal, interest and other amounts due Mortgagee now or hereafter secured hereby, and Mortgagee shall also have all the rights and remedies of a secured party under the Florida Uniform Commercial Code, and without limitation upon or in derogation of the rights and remedies created and accorded to the Mortgagee by this Mortgage pursuant to the common law or any other laws of the State of Florida or any other jurisdiction, it being understood that the rights and remedies of Mortgagee under the Florida Uniform Commercial Code shall be cumulative and in addition to all other rights and remedies of Mortgagee arising under the common law or any other laws of the State of Florida or any other jurisdiction.
- C. Choice of Law. This Mortgage is to be construed in all respects and enforced according to the laws of the State of Florida.
- D. Binding Effect. This Mortgage shall be binding upon and inure to the benefit of the Mortgagor and Mortgagee hereto, and their respective heirs, successors and assigns.

[SIGNATURE AND ACKNOWLEDGMENT APPEAR ON NEXT PAGE]

IN WITNESS WHEREOF, Mortgagor has caused this Mortgage to be executed on the date first above written.

WITNESSES:

MORTGAGOR:

MBDC: VILLA MARIA LLC., a Florida limited liability company
Miami Beach Community Development Corporation, a Florida not-for-profit corporation, sole manager

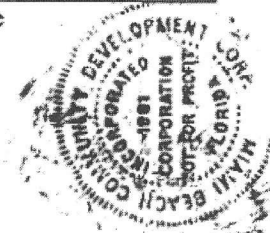
Cristina Brochin

Print Name: Cristina Brochin

Karl Kennedy
Print Name: KARL KENNEDY

By: *[Signature]*

Name: Roberto Datorre
Title: President



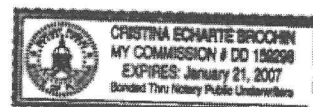
STATE OF FLORIDA)
COUNTY OF MIAMI-DADE)

The foregoing Mortgage and Security Agreement was acknowledged before me this 18 day of March, 2005, by Roberto Datorre, as President of Miami Beach Community Development Corporation, a Florida not-for-profit corporation, on behalf of the corporation. He is personally known to me or has produced Florida Driver's License No. as identification.

Cristina Echarte Brochin

Name: _____
Notary Public
State of Florida at Large
My commission expires: _____

F:\NEIGHSG-CD\HOME\Villa Maria\Villa Maria Mortgage 1.6mm.doc



OR BK 23191 PG 2277
LAST PAGE

EXHIBIT "A"

LEGAL DESCRIPTION

PB 5-7 LOTS 1-2-6-7 BLK 10 LOT SIZE IRREGULAR
OR 10831-425 0480 1