

GROUND LEASE AGREEMENT

THIS GROUND LEASE AGREEMENT (this “*Lease*”) is entered into as of the 20th day of January, 2023 (the “*Effective Date*”) between SAVING MERCY CORPORATION, a Florida not-for-profit corporation (“*Landlord*”) and MERCY VILLAGE, LLLP, a Florida limited liability limited partnership (“*Tenant*”).

RECITALS

A. Landlord desires to lease to Tenant, and Tenant desires to lease from Landlord, that certain real property located in Marion County, Florida legally described on Exhibit “A” attached hereto and incorporated herein by this reference (the “*Leased Premises*”).

B. Landlord and Tenant intend to develop the Leased Premises with a multifamily affordable housing project consisting of up to 59 residential units and related amenities and facilities. The Leased Premises and all future improvements to the Leased Premises to be developed, constructed, and operated by Tenant are referred to herein as the “*Project*.”

C. Landlord and Tenant desire to enter into this Lease to evidence their agreement related to Tenant’s right to lease the Leased Premises.

LEASE

NOW, THEREFORE, in consideration of the Leased Premises, the foregoing Recitals, which are incorporated herein by reference, the sum of One Dollar (\$1.00), and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, Landlord and Tenant do hereby covenant, represent, warrant, and agree as follows:

1. Grant of Lease. As of the “*Commencement Date*” (as defined below), Landlord conveys and leases to Tenant, and Tenant accepts and leases from Landlord, the Leased Premises, together with all easements and rights-of-way pertaining thereto and right of Tenant to utilize all driveways, drive alleys, sidewalks and access ways located on Landlord’s adjacent property for the purpose of vehicular and pedestrian ingress to and egress from the Leased Premises to the public right-of-way commonly known as West Silver Springs Boulevard, whether now existing or hereafter constructed. Tenant shall have the right to lease the Leased Premises for and during the “*Term*” (as defined below). Tenant shall use the Leased Premises for the development and operation of the Project.

2. Term.

(a) This Lease shall be effective as of the Effective Date, but the term shall commence on the Commencement Date and expire at 11:59 p.m. on the sixty-fifth (65th) anniversary of the Commencement Date, unless this Lease is terminated earlier pursuant to the provisions contained herein (the “*Term*”). For purposes of this Lease, the “*Commencement Date*” shall be the closing date of Tenant’s construction loan for the development of the Project (the “*Construction Loan*”), but in no event later than December 31, 2024. Tenant’s right to take physical possession of the Leased Premises shall begin on the Commencement Date.

(b) For purposes of this Lease, the term “*Lease Year*” means the twelve (12) consecutive month period beginning on the Commencement Date and each twelve (12) consecutive month period thereafter throughout the remainder of the Term.

(c) In the event that Tenant (i) does not obtain an allocation from the Florida Housing Finance Corporation (“**Florida Housing**”) of federal low income housing tax credits under Section 42 of the Internal Revenue Code of 1986, as amended (the “**Housing Credits**”), or such other financing as Tenant may elect to pursue, in an amount sufficient, in Tenant’s sole and absolute discretion, to enable Tenant to make the Capital Lease Payment (as hereinafter defined) and construct the Project, with all time to appeal such allocation having expired and with no appeal then pending, and no appeal instituted or petition filed by December 31, 2023, or (ii) fails to close on financing for the proposed rehabilitation of the Project, including syndication of the Housing Credits, by December 31, 2024 (collectively, the “**Financing Contingency**”), then either Landlord or Tenant may terminate this Lease by delivering written notice thereof to the other party. Upon such termination, Landlord and Tenant agree to enter into a written agreement to terminate this Lease. It is understood and agreed that Tenant’s failure to satisfy the Financing Contingency shall not constitute or be deemed a default by Tenant under this Lease. If this Lease is terminated by Landlord and Tenant pursuant to this paragraph, both Landlord and Tenant shall be released from all further obligations under this Lease, except those, if any, which specifically survive termination hereof.

3. Rent. During the Term, Tenant covenants and agrees to pay Landlord rent as follows:

(a) Capital Lease Payment. On or before the Commencement Date, Tenant shall pay to Landlord a one-time capital lease payment in an amount of \$175,000.00 (the “**Capital Lease Payment**”); provided, however if during the credit underwriting process by Florida Housing in connection with the allocation of the Housing Credits, (i) the “as-is” appraised value, as shown on the appraisal of Tenant’s interest in the Leased Premises to be obtained by Florida Housing (the “**Appraised Value**”) is less than the Capital Lease Payment as determined above, and/or (ii) if the final underwritten expenses for the Project require that more than twenty percent (20%) of the total developer fee for the Project to be deferred, then in either or both such events, the Capital Lease Payment will be reduced to an amount equal to the lower of (x) the Appraised Value, or (y) an amount that results in no more than twenty percent (20%) of the developer fee being deferred beyond Stabilization (as defined in the amended and restated limited partnership agreement of the Tenant to be entered into on or about the Commencement Date). The Capital Lease Payment shall be first utilized to pay an amount sufficient to cause the holder of the First Mortgage (as hereinafter defined) to release the real property encumbered by the First Mortgage from the lien of that certain mortgage recorded in Official Records Book 6775, Page 650, as assigned to Soo Yun Serino, as Trustee of the Soo Yun Serino Living Trust dated March 18, 2022 by that certain Assignment of Mortgage recorded in Official Records Book 7737, Page 1217, both of the Public Records of Marion County, Florida (the “**First Mortgage**”).

(b) PLP Loan Repayment. In addition to the Capital Lease Payment, subject to satisfaction of the Financing Contingency, Tenant shall pay to Landlord an amount equal to the outstanding principal balance together with accrued interest thereon at such time of that certain Predevelopment Loan from Florida Housing to Landlord evidenced by a promissory note dated November 20, 2014 in the face amount of \$500,000 (the “**PLP Loan**”), the current outstanding balance of which is approximately \$174,503.62 (the “**Current Balance**”); provided, however, Tenant’s obligation to make payment pursuant to this Section 3(b) is expressly conditioned upon (1) Landlord not making any additional disbursement requests with respect to the PLP Loan, except as approved by Tenant in writing (“**New Advances**”), and (2) Landlord assigning to Tenant all third party reports for which PLP Loan proceeds were advanced with respect to the Leased Premises including, without limitation, those reports identified on Exhibit “B” attached hereto. Landlord and Tenant acknowledge and agree that unless the Financing Contingency is satisfied and this Lease commences on the Commencement Date, Tenant shall have no obligation to pay the Current

Balance, but Tenant shall be responsible for all New Advances which shall be paid by Tenant on the earlier of the Commencement Date or within ten (10) days following the termination of this Lease.

(c) Annual Base Rent. Beginning on the Commencement Date, Tenant shall pay to Landlord annual base rent in the amount of One Dollar (\$1.00) per Lease Year (the “**Base Rent**”). Tenant shall pay the Base Rent for the entire Term to Landlord on the Commencement Date.

(d) Additional Rent. It is the intention of Landlord and Tenant that Landlord shall receive the Base Rent free from all taxes, charges, expenses, costs and deductions of every description. As such, Tenant hereby agrees to pay for all items which would have been chargeable against the Leased Premises and payable by Landlord (except for the execution and delivery of this Lease) as “**Additional Rent.**”

4. Due Diligence

(a) From the Effective Date until 5:00 p.m. Eastern Standard Time on the ninetieth (90th) day thereafter (the “**Due Diligence Period**”), Tenant may examine and inspect the Leased Premises.

(c) At all reasonable times during the Due Diligence Period and upon reasonable prior notice (which notice may be verbal or written) from Tenant to Landlord, Tenant and Tenant’s contractors, consultants, employees and agents shall be entitled to enter upon the Leased Premises, and any portions thereof, and to conduct such tests, studies, and analyses, including, but not limited to, soil tests, environmental and hazardous material (including asbestos) tests, studies and analyses, and to take any and all other steps or actions determined by Tenant to be necessary, proper, or appropriate to determine the feasibility (economic or otherwise) of the development of the Project. Tenant agrees to indemnify and hold Landlord harmless from and against all claims, demands and liabilities for damage or injury to persons or property to the extent caused by Tenant’s investigations of the Leased Premises, and Tenant shall cause to be repaired any physical damage to the Leased Premises caused by such activities. Notwithstanding the foregoing, Landlord acknowledges that Tenant’s investigations may discover, disclose or document the presence of contamination by Hazardous or Toxic Materials (as hereinafter defined) at or in connection with the Leased Premises and that such discovery, disclosure or documentation and/or Tenant’s pursuit of the Approvals (as hereinafter defined) may result in claims, demands and obligations for assessment, remediation, reimbursement, fines, penalties and/or other appropriate action under applicable federal, state or local law, and further, may result in a diminution of the value of the Leased Premises (the “**Contamination Disclosure Implications**”). Landlord hereby expressly agrees that Tenant shall have no liability arising out of or relating to the Contamination Disclosure Implications and forever releases and waives any claim that Landlord may have against Tenant in connection with same. Landlord expressly consents to the disclosure by Tenant of all Environmental Conditions (as hereinafter defined) and results of all environmental due diligence to all necessary third parties including, without limitation, prospective lenders, prospective investors, insurance companies, engineers, legal counsel, all governmental agencies and any other party which may be impacted by the Environmental Conditions. The provisions of this subparagraph shall survive the expiration of the Term or earlier termination of this Lease.

(e) At any time prior to the expiration of the Due Diligence Period, Tenant may, in its sole and absolute discretion, and for any reason or for no reason whatsoever, terminate this Lease upon written notification to Landlord, whereupon, all rights, duties and obligations of Tenant and Landlord under this Lease will immediately terminate, except for those which specifically survive termination.

(f) Upon a termination of this Lease for any reason after the commencement of the Due Diligence Period, other than a default by Landlord, Tenant shall deliver to Landlord, copies of all due

diligence materials prepared by third-parties obtained by Tenant in connection with the Property, including but not limited to copies of all surveys, site plans, environmental reports, soil tests, and architectural renderings.

5. Title Commitment and Survey.

(a) Within the Due Diligence Period, Tenant may, at its sole expense, obtain (i) a title insurance commitment (the "**Title Commitment**") for a leasehold owner's title insurance policy covering the Leased Premises (the "**Title Policy**") from a title insurance company selected by Tenant (the "**Title Company**"), and (ii) a survey of the Leased Premises (the "**Survey**").

(b) Tenant shall, no later than the end of the Due Diligence Period, notify Landlord in writing specifying any objections to matters shown on the Title Commitment or the Survey (the "**Title Objections**"). Any matters on the Title Commitment or the Survey that Tenant does not timely object to, and which are not items set forth in Sections 5(c)(ii)-(iii) below, shall be deemed "**Permitted Encumbrances**". Within ten (10) days after Landlord's receipt of Tenant's notice of the Title Objections, Landlord shall advise Tenant in writing that: (i) Landlord shall cause the Title Objections to be removed or remedied prior to Closing; or (ii) Landlord shall not cause the Title Objections to be removed or remedied prior to Closing. Notwithstanding the foregoing, Landlord shall be required to satisfy, cure or remedy those matters set forth in Sections 5(c)(ii)-(iii) below, even if such items are not Title Objections. If Landlord does not notify Tenant in writing of Landlord's election within the above-referenced ten (10) day period, Landlord shall be deemed to have elected not to cause all of the Title Objections to be removed or remedied prior to the Commencement Date. If Landlord does not elect to cause all of the Title Objections to be removed or remedied prior to the Commencement Date, Tenant shall have ten (10) days after the Landlord's 10 day time period for making Landlord's election regarding removal or remedying the Title Objections for Tenant to elect in writing to: (1) proceed with the Lease subject to the Title Objections which Landlord has not agreed to cure; or (2) terminate this Lease by written notice to Landlord and Escrow Agent, in which case the Escrow Deposits and any interest accrued thereon shall be returned to Tenant, whereupon both parties shall be released from all further obligations under this Agreement, except those which specifically survive termination hereof.

(c) At or prior to the Commencement Date, Landlord shall cause to be cured or remedied (i) any and all Title Objections which Landlord has elected to cure pursuant to Section 5(b), (ii) any mortgages (including the First Mortgage and the PLP Mortgage subject to Section 3(b) hereof), judgment liens, construction liens and other liens (other than the lien of real estate taxes and assessments not yet due and payable) concerning the Leased Premises provided for by statute, code or ordinance, or created by express grant in writing by Landlord, and (iii) any and all encumbrances and/or exceptions concerning the Leased Premises created by, under or through Landlord after the Effective Date.

(d) From time to time prior to the Commencement Date, Tenant, may cause the Title Commitment and/or the Survey to be updated (the "**Title Update**") and a copy of the Title Update shall be delivered to Landlord. If Tenant objects to any matters shown on the Title Update that were not shown on the Title Commitment or the Survey, such matters shall be deemed Title Objections and the provisions of subparagraphs 5(b) and 5(c) shall apply to those matters.

6. Right to Construct the Project.

(a) During the Term, Tenant shall have the right to construct the Project on the Leased Premises, and also to remove and/or demolish any existing improvements located on the Leased Premises.

(b) During the course of construction of the Project, Tenant shall provide to Landlord status reports on the Project, and such other reports as may reasonably be requested by Landlord, promptly following receipt by Tenant of written request therefor.

(c) The Project shall be constructed in a good and workmanlike manner and in substantial accordance with the requirements of all applicable laws, ordinances, codes, orders, rules and regulations (collectively, "***Applicable Laws***") of all governmental entities having jurisdiction over the Project (collectively, "***Governmental Authorities***").

(d) Tenant shall apply for and prosecute, with reasonable diligence, all necessary approvals, permits and licenses (collectively, "***Approvals***") required by any Governmental Authorities for the construction, development, zoning, use, and occupation of the Project. Landlord agrees to cooperate with, and publicly support, Tenant's efforts to obtain such Approvals; provided, however, that such Approvals shall be obtained at Tenant's sole cost and expense.

(e) Landlord and Tenant acknowledge and agree that Tenant shall be the owner of all improvements constructed on the Leased Premises during the Term, and as such, shall be entitled to all depreciation deductions, Housing Credits or other benefits for income tax purposes relating to said improvements.

7. Forced Delay in Performance. Notwithstanding any other provisions of this Lease to the contrary, Tenant shall not be deemed to be in default under this Lease where delay in the construction or performance of its obligations under this Lease are caused by war, revolution, labor strikes, lockouts, riots, floods, earthquakes, fires, casualties, acts of God, pandemics, labor disputes, governmental restrictions, embargoes, litigation (excluding litigation between Landlord and Tenant related to this Lease), tornadoes, hurricanes, severe weather, inability to obtain or secure necessary labor, materials or tools, delays of any contractor, subcontractor, or supplier, acts or failures to act by Landlord, delays in obtaining Approvals caused by any Governmental Authorities, or any other causes beyond the reasonable control of Tenant. The time of performance hereunder shall be extended for the period of any delays caused or resulting from any of the foregoing causes.

8. Landlord's Representations and Warranties. Landlord hereby represents, warrants and covenants to Tenant on the Effective Date and as of the Commencement Date as follows:

(a) As of the Effective Date, Landlord owns, and as of the Commencement Date Landlord will own, fee simple and good and marketable title to the Leased Premises;

(b) Landlord (i) has, and as of the Commencement Date will have the power and authority to own its properties and assets, to conduct its business as presently conducted, and to execute, deliver and perform its obligations under this Lease and (ii) has, and as of the Commencement Date will have obtained all company authorizations and approvals which are necessary for it to execute, deliver, and perform its obligations under this Lease;

(c) There is no action, suit, litigation or proceeding pending or, to the best of Landlord's knowledge, threatened against Landlord which could prevent or impair Landlord's entry into this Lease and/or performance of its obligations hereunder;

(d) The person signing this Lease on behalf of Landlord is duly and validly authorized to do so;

(e) On the Commencement Date, Landlord will use the proceeds from the Capital Lease Payment to cause the holder of any mortgage or other liquidated lien encumbering the Leased Premises to be released as to the Leased Premises;

(f) To Landlord's knowledge, there are no hazardous substances present on the Leased Premises in any quantity or manner that violates, or could give rise to liability under, any applicable Environmental Laws (as hereinafter defined); and

(g) From and after the Effective Date, Landlord shall not grant or otherwise create or consent to the creation of any easement, restriction, lien, assessment, or encumbrance affecting the Leased Premises, or pursue any re-zoning or any other land use approvals relating to the Leased Premises without Tenant's prior written consent, which shall not be unreasonably delayed, conditioned, or withheld.

9. Tenant's Representations and Warranties. Tenant hereby warrants and represents to Landlord on the Effective Date and as of the Commencement Date as follows:

(a) Tenant is, and as of the Commencement Date will be, a duly organized, lawfully existing limited partnership and is in good standing under the laws of the State of Florida;

(b) Tenant (i) has, and as of the Commencement Date will have the power and authority to own its properties and assets, to conduct its business as presently conducted, and to execute, deliver and perform its obligations under this Lease and (ii) has, and as of the Commencement Date will have obtained all company authorizations and approvals which are necessary for it to execute, deliver, and perform its obligations under this Lease;

(c) There is no action, suit, litigation or proceeding pending or, to the best of Tenant's knowledge, threatened against Tenant which could prevent or impair Tenant's entry into this Lease and/or performance of its obligations hereunder; and

(d) The person signing this Lease on behalf of Tenant is duly and validly authorized to do so.

10. Landlord Access to the Leased Premises and Right of Inspection. During the Term, Landlord or its duly appointed agents shall have the right, at all reasonable times upon the furnishing of reasonable notice under the circumstances (except in an emergency, when no notice shall be necessary), to enter upon the Leased Premises to examine and inspect the Project. Tenant hereby covenants to execute, acknowledge, and deliver all such further documents, and do all such other acts and things, necessary to grant to Landlord such right of entry.

11. Insurance.

(a) Prior to the commencement of construction of the Project, Tenant shall furnish to Landlord an "All Risk Builder's Risk Completed Value Form" for the full completed insurable value of the Leased Premises and in form satisfactory to any mortgage lien holders secured against the Leased Premises.

(b) During the Term, Tenant shall obtain and maintain a comprehensive general liability insurance policy(ies) insuring against the risk of loss resulting from accidents or occurrences on or about or in connection with, the development, construction, and operation of the Project, or in connection with, or related to, this Lease in such amounts set forth on Exhibit "C" attached hereto and incorporated herein by this reference. Such insurance policies shall be issued by companies acceptable to Landlord. Certified certificates evidencing such insurance coverage shall be delivered to Landlord within five (5) days of Landlord's request therefor, along with evidence that the insurance premiums have been paid current to date. All insurance policies required to be maintained by Tenant shall require the insurer to give Landlord thirty (30) days prior written notice of any change in the policies and/or the insurer's intentions to cancel such policy or policies (without a disclaimer of liability for failure to give such notice).

(c) Prior to the commencement of construction of the Project, Tenant shall furnish a certificate to Landlord from an insurance company(ies) naming Landlord as an additional insured under insurance policy(ies) obtained by Tenant as required by this Lease and confirming that Tenant and the general contractor of the Project are covered by public liability, automobile liability, and workmen's compensation insurance policies satisfactory to Landlord.

(d) Tenant agrees to cooperate with Landlord in obtaining the benefits of any insurance or other proceeds lawfully or equitably payable to Landlord in connection with this Lease.

(e) The "All Risk Builder's Risk Completed Value Form" policy with respect to the Leased Premises shall be converted to an "all risk" or comprehensive insurance policy upon completion of the Project, naming Landlord as an additional insured thereunder and shall insure the Leased Premises in an amount not less than the full replacement value of the Leased Premises. Tenant hereby agrees that all insurance proceeds from the All Risk Builder Risk Completed Value Form policy (or if converted, the "all risk" or comprehensive policy) shall be used to restore, replace or rebuild the Project.

(f) All such insurance policies shall contain (i) an agreement by the insurer that it will not cancel the policy without delivering prior written notice of cancellation to each named insured and loss payee thirty (30) days prior to canceling the insurance policy and (ii) endorsements that the rights of the named insured(s) to receive and collect the insurance proceeds under the policies shall not be diminished because of any additional insurance coverage carried by Tenant for its own account.

(g) If the Leased Premises is located in a federally designated flood plain, an acceptable flood insurance policy shall also be delivered by Tenant to Landlord, providing coverage in the maximum amount reasonably necessary to insure against the risk of loss from damage to the Leased Premises caused by a flood.

(h) Neither Landlord, nor Tenant, shall be liable to the other (or to any insurance company insuring the other party), for payment of losses insured by insurance policies benefitting

the parties suffering such loss or damage, even though such loss or damage might have been caused by the negligence of the other party, its agents or employees.

12. Taxes. Subject to the provisions of Section 30 hereof, during the Term, Tenant shall (a) be liable for the payment of all real estate taxes, special assessments, and any other taxes, levies, or impositions charged by an appropriate taxing authority with respect to the Leased Premises and (b) if the State of Florida or any other Governmental Authorities assess or levy a tax against Landlord on the Base Rent or any Additional Rent payable under this Lease, Tenant shall pay and discharge such taxes levied against Landlord if Landlord is not exempt from such tax.

13. Utilities. During the Term, Tenant shall pay the cost of all utilities used, provided, or supplied upon, or in connection with, the development, construction, and operation of the Project, including, but not limited to, all charges for gas, electricity, telephone and other communication services, water and sewer service charges, and all sanitation fees or charges levied or charged against the Leased Premises.

14. Assignment of Lease by Tenant. Tenant has no right, without the prior written consent from Landlord (which consent shall not be unreasonably delayed, conditioned, or withheld), to assign, convey, or transfer any legal or beneficial interest in Tenant's estate hereunder, except that Tenant may, without Landlord's consent, assign, or mortgage its interest in this Lease or the Leased Premises as provided in Section 20 hereof.

15. Assignment of Lease by Landlord. Landlord has the right to assign its interest in this Lease without Tenant's prior written consent; however, Landlord must provide written notice to Tenant prior to such assignment. Tenant hereby agrees to attorn to Landlord's assignee and to continue to comply with all of the obligations, covenants, and conditions of Tenant under this Lease throughout the remainder of the Term.

16. Eminent Domain. In the event of a condemnation or taking of any portion of the Leased Premises by any Governmental Authorities having the power of eminent domain, Landlord and Tenant agree as follows:

(a) Total Taking. This Lease shall be terminated if (i) the entire Leased Premises is taken by the exercise of the power of eminent domain or (ii) in the event of a partial taking, the remaining portion of the Leased Premises is rendered unusable for Tenant's use or occupancy as the result of such partial taking, in Landlord's and Tenant's reasonable opinion. Upon termination of this Lease pursuant to the provisions of this paragraph, Tenant and Landlord shall be released from their obligations under this Lease, effective on the date title to the Leased Premises is transferred to the condemning Governmental Authority.

(b) Partial Taking. This Lease shall continue in effect if, in the event of a partial taking of the Leased Premises, the remaining portion of the Leased Premises remains reasonably tenantable in Tenant's reasonable opinion.

(c) Award. If there is a taking, whether whole or partial, Landlord and Tenant shall be entitled to receive and retain such separate awards as may be allocated to their respective interests in any condemnation proceedings; provided, however, if such taking occurs prior to the Commencement Date, Landlord shall be entitled to receive and retain the entire condemnation award.

17. Default by Tenant. The following shall constitute an "***Event of Default***" by Tenant under this Lease:

(a) failure of Tenant to timely pay the Capital Lease Payment, Base Rent, Additional Rent, or any other charge due hereunder, and such default continues for ten (10) days after written notice from Landlord; or

(b) failure of Tenant to comply with the material terms, conditions, or covenants of this Lease that Tenant is required to observe or perform (other than the monetary obligations referenced in Section 17(a) above) and such breach continues for a period of thirty (30) days after written notice thereof from Landlord; provided, however, that if the cure cannot reasonably be effected within such thirty 30-day period, the cure period shall be extended for such additional time as may be required for Tenant to cure such breach (but in no event longer than one hundred twenty (120) days after written notice of the breach from Landlord to Tenant) so long as Tenant has commenced cure actions during the initial 30-day cure period and diligently pursues the cure but during the extended cure period; or

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

(d) (i) a breach or termination by Tenant (or any affiliate of Tenant) of any written agreement relating to the development of the Project between Tenant (or an affiliate of Tenant) and Landlord, and (ii) in the event of such a breach, the breach continues for a period of thirty (30) days after written notice from Landlord; provided, however, that if the cure cannot reasonably be effected within such thirty 30-day period, the cure period shall be extended for such additional time as may be required for Tenant to cure such breach so long as Tenant has commenced cure actions during the initial 30-day cure period and diligently pursues the cure but during the extended cure period; or

(e) Tenant shall file a voluntary petition in bankruptcy or a voluntary petition seeking reorganization, or to effect a plan or an arrangement with or for the benefit of Tenant's creditors; or

(f) Tenant's shall apply for a consent to the appointment of a receiver, trustee or conservator for any portion of Tenant's property, or such appointment shall be made without Tenant's consent, and shall not be removed within ninety (90) days; or

(g) abandonment of the Project or vacation of the Leased Premises by Tenant for a period of more than ninety (90) consecutive days.

18. Remedies. If Tenant fails to cure an Event of Default within the time provided therefor, Landlord shall have the right to terminate this Lease, at which point the Term shall be deemed to have expired, Tenant's right to possession of the Leased Premises will cease, and the estate conveyed by this Lease to Tenant to revest in Landlord.

19. Indemnity.

(a) During the term of this Lease, Tenant agrees to defend, indemnify, save and hold Landlord harmless from and against any and all damages, claims, losses, liabilities, costs, remediation costs, and expenses including, but not limited to, reasonable legal, accounting, consulting, engineering and other expenses, which may be asserted against, imposed upon or incurred by Landlord, its successors and assigns, by any person or entity, caused by Tenant's activities, use, operation or construction of or on the Project,

including liability arising out of or in connection with any and all federal, State, and local Environmental Laws (as defined below), except to the extent attributable to the gross negligence or willful misconduct of Landlord, its employees, officers, directors, agents and/or contractors. Notwithstanding anything to the contrary contained herein, Tenant's obligation to indemnify the Landlord expressly excludes any liability relating to any matters affecting the Leased Premises resulting from activities occurring prior to Tenant taking possession of the Leased Premises ("**Existing Conditions**"), and Landlord hereby agrees to defend, indemnify, save and hold Tenant and its partners harmless with respect to any and all Existing Conditions.

(b) For the purpose of this Lease, the term "**Environmental Laws**" as used herein means all federal, state or commonwealth, and local laws, regulations, statutes, codes, rules, resolutions, directives, orders, executive orders, consent orders, guidance from regulatory agencies, policy statements, judicial decrees, standards, permits, licenses and ordinances, or any judicial or administrative interpretation of, any of the foregoing, pertaining to the protection of land, water, air, health, safety, or the environment whether now or in the future enacted, promulgated or issued, including, but not limited to the following: Federal Water Pollution Control Act, 33 U.S.C. § 1251 et seq.; Clean Air Act, 42 U.S.C. § 741 et seq. The Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601 et seq., as amended by the Superfund Amendment and Reauthorization Act of 1986; The Toxic Substances Control Act, 15 U.S.C. § 2601 et seq.; The Occupational Safety and Health Act, 29 U.S.C. § 651 et seq.; The Safe Drinking Water Act, 42 U.S.C. § 300(f) et seq.; The Clean Water Act, 33 U.S.C. § 1317 et seq.; The Federal Insecticide Fungicide and Rodenticide Act, 7 U.S.C. § 136 et seq.; The Hazardous Materials Transportation Act, The Marine Protection, Research and Sanctuaries Act; and the Resource Conservation and Recovery Act, 42 U.S.C. §§ 6991-6991(c); and each as further amended from time to time and all regulations promulgated thereunder.

20. Right to Encumber the Leased Premises.

(a) During the Term, Landlord shall not encumber its interest in the Leased Premises.

(b) During the Term, Tenant shall have the right to grant one or more mortgages encumbering its leasehold interest in the Leased Premises, and Landlord agrees that it shall enter into such amendments to this Lease as may be reasonably requested by any leasehold mortgagee in furtherance thereof; provided, however, that Landlord's fee estate in the Leased Premises shall not be subject to such leasehold mortgage or any related mortgage document.

21. Quiet Possession. Tenant shall, and may peaceably and quietly have, hold, and enjoy the Leased Premises during the Term, provided that Tenant pays the rent and performs all the covenants and conditions of this Lease that Tenant is required to perform.

22. Compliance with Applicable Laws.

(a) During the Term, Tenant agrees to comply with all Applicable Laws related to the use or occupancy of all, or any part of, the Leased Premises.

(b) Tenant shall, at its sole expense, obtain all necessary Approvals to operate the Project on the Leased Premises. Landlord shall cooperate with Tenant fully to help Tenant obtain all necessary Approvals required to operate the Project on the Leased Premises; provided; however, that the costs of obtaining such Approvals are paid by Tenant.

23. Mechanic's Liens.

(b) Within thirty (30) days of Landlord delivering notice to Tenant that a lien has been filed against the Leased Premises on account of labor or material furnished in connection with Tenant's development of the Project, Tenant shall either (i) discharge the lien filed against the Leased Premises, or (ii) post a bond with the clerk of the court of competent jurisdiction, with instructions to apply the bond towards payment of the lien if it is upheld upon final judgment or return the bond to Tenant if the lien is discharged. Landlord may discharge the lien by paying the amount of the claim due or posting a bond with the applicable clerk of court if Tenant fails to do so within the time required under this Lease, and Tenant shall reimburse Landlord upon demand for the costs incurred to pay or have the lien discharged. Such amounts due from Tenant shall be charged as Additional Rent under the terms of this Lease.

If to Landlord: Saving Mercy Corporation
 3601 W Silver Springs Blvd.
 Ocala, Florida
 Attention: Heather Berry, Acting Executive Director
 Phone: (352) 433-5920
 Email:

If to Tenant: Mercy Village, LLLP
1398 SW 1st Street, 12th Floor
Miami, FL 33135
Attention: Stephanie Berman
Fax: (305) 371-1376
Phone: (305) 371-8300
E-mail: sberman@carrfour.org

Any notice required or permitted to be delivered under this Lease shall be deemed to be given and effective when (a) deposited in the United States mail, postage prepaid, certified or registered mail, return receipt requested, (b) sent, if sent by a nationally recognized overnight carrier, (c) received, if delivered personally, or (d) received, if given by transmittal over electronic transmitting devices such as facsimile or email, provided that all charges have been prepaid and the notice is addressed to the party as set forth above.

The time period for a response to a notice shall be measured from date of receipt or refusal of delivery of the notice. Notices given on behalf of a party by its attorney shall be effective for and on behalf of such party. Copies of notices are for informational purposes only, and a failure to give or receive copies of any notice shall not be deemed a failure to give notice.

Each party shall have the right to specify that notice be addressed to another address by giving to the other party ten (10) days' written notice thereof.

25. Waiver. The rights and remedies of Landlord under this Lease, as well as those provided or accorded by law, shall be cumulative, and none shall be exclusive of any other rights or remedies hereunder or allowed by law. No waiver by Landlord of any violation or breach of any of the terms, provisions, and covenants of this Lease shall be deemed or construed to constitute a waiver of any other violation or breach of any of the terms, provisions, and covenants contained herein. Forbearance by Landlord to enforce one or more of the remedies provided herein upon an Event of Default shall not be deemed or construed to constitute a waiver of such Event of Default. Acceptance of any installment of rent by Landlord subsequent to the date it is due shall not alter or affect the covenant and obligation of Tenant to pay subsequent installments of rent promptly upon the due date thereof.

26. Applicable Law. This Lease shall be construed under the laws of the State of Florida and shall be binding upon and inure to the benefit of the parties hereto and other respective successors and permitted assigns.

27. Interpretation. The words “**Landlord**” and “**Tenant**” as used herein, shall include, apply to, bind and benefit, as the context permits or requires, the parties executing this Lease and their respective successors and assigns. Wherever the context permits or requires, words of any gender used in this Lease shall be construed to include any other gender, and words in the singular numbers shall be construed to include the plural.

28. Captions. The headings and captions contained in this Lease are inserted only as a matter of convenience and in no way define, limit or describe the scope of intent of this Lease, nor of any provision contained herein.

29. Care of the Leased Premises. Tenant shall take good care of the Leased Premises and prevent waste. All damage or injury to the Leased Premises shall be promptly repaired by Tenant at its expense throughout the Term. Notwithstanding the foregoing sentences, Tenant shall have no obligation repair or restore any damage to the Leased Premises resulting from acts or omissions of Landlord or its employees, agents, independent contractors, or invitees, and Landlord hereby indemnifies Tenant for any liability costs that Tenant may incur due to such damage, with such indemnity to survive expiration of the Term of this Lease.

30. Net Lease. This is a “**Net Lease**” and Landlord shall have no obligation to provide any services, perform any acts, or pay any expenses, charges, obligations or costs of any kind related to the construction, development, and operation of the Project on the Leased Premises. During the Term, Tenant hereby agrees to pay any and all Operating Expenses of the Leased Premises. For purposes of this Lease, the term “**Operating Expenses**” shall mean all ordinary and necessary operating expenses (including real estate taxes for the Leased Premises, property insurance for the Leased Premises (exclusive of any personal property located thereon), and replacement and maintenance reserves or accruals required by generally accepted accounting principles) and other reserves and accruals that are required to operate, maintain, and keep the Leased Premises (including the Project) in a neat, safe and orderly condition. If Landlord elects to take possession of the Leased Premises after an Event of Default under this Lease and Landlord or its agent operates and manages the Leased Premises, any and all Operating Expenses incurred in excess of

rents generated by the Leased Premises shall be paid by Tenant upon receipt of a demand by Landlord. It is specifically understood and agreed that Landlord shall have no obligation under this Lease to expend any monies with regard to the Leased Premises during the Term of this Lease or any extensions thereof.

31. Surrender of Leased Premises. Upon the expiration of the Term, Tenant shall surrender possession of the Leased Premises, along with all alterations, additions, and improvements thereto, to Landlord in good condition and repair, reasonable wear and tear and damage by casualty excepted. Tenant shall remove all its personal property not required to be surrendered to Landlord from the Leased Premises before surrendering possession to Landlord, and shall repair any damage to the Leased Premises caused by the removal of Tenant's personal property. Any personal property remaining in the Leased Premises at the expiration of the Lease Term shall become property of Landlord and Landlord shall not have any liability to Tenant therefor under any circumstances. Tenant expressly waives the benefit of any Applicable Laws requiring notice from Landlord to vacate the Leased Premises at the end of the Term. Tenant acknowledges and agrees that upon the expiration of the Term any and all rights and interests it may have either at law or in equity to the Leased Premises shall immediately cease.

32. Right of First Refusal. Tenant shall use reasonable efforts to cause Tenant's investor limited partner to grant Landlord or its designee the non-profit Right of First Refusal pursuant to Section 42 of the Internal Revenue Code of 1986, as amended (the "ROFR"). The ROFR is not, however, a condition precedent to the effectiveness of the Lease.

33. Alterations. After construction of the Project has been completed, Tenant shall have the right to make such changes and alterations to the Leased Premises deemed necessary or desirable by Tenant. If Landlord's approval is required for changes or alterations to the Leased Premises, its approval shall not be unreasonably delayed, conditioned, or withheld.

34. Modification of Lease. This Lease may not be modified, altered, or changed in any manner other than by a written agreement executed by both Landlord and Tenant. The parties agree to cooperate with one another to execute any amendments required by any leasehold mortgagees or investor limited partner so long as such amendment(s) do not alter the economic terms of this Lease, or the Term of this Lease.

35. Partial Invalidity. If any part of this Lease is invalid or unenforceable under Applicable Laws, such portions shall be deemed deleted from this Lease and the remainder of this Lease shall not be affected thereby and shall remain in full force and effect.

36. Binding Obligation. This Lease has been duly and validly executed and delivered by Landlord and Tenant and constitutes a legal, valid and binding obligation of Landlord and Tenant enforceable in accordance with its terms.

37. Counterparts. This Lease may be executed in multiple counterparts, each of which shall be deemed an original, but all of which, together, shall constitute but one and the same instrument. Any signature delivered by facsimile, Email or other forms of electronic transmission, such as a PDF, shall be considered an original signature by the sending party.

38. Estoppel Certificate. During the Term, each of Landlord and Tenant agrees to execute and deliver within 15 days after written request from the other, a statement to the requesting party and/or its designee certifying that: (i) this Lease is unmodified and in full force and effect (or, if there have been modifications, that the same is in full force and effect, as modified); (ii) that all rents owed have been paid, (iii) whether or not, to its knowledge, there exists any failure by the requesting party to perform any term,

covenant or condition contained in this Lease, and, if so, specifying each such failure; and (iv) any other matters relating to this Lease reasonably requested by the requesting party.

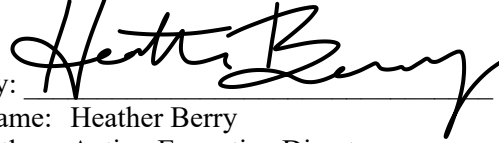
39. Entire Agreement. This Lease constitutes the entire agreement and supersedes all other prior agreements and understandings, both written and oral, between Landlord and Tenant with respect to the subject matter thereof.

[*SIGNATURES ARE ON THE FOLLOWING PAGE*]

IN WITNESS WHEREOF, Landlord and Tenant have caused this Lease to be executed as of the date first written above.

LANDLORD:

SAVING MERCY CORPORATION,
a Florida not-for-profit corporation

By: 

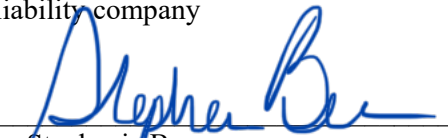
Name: Heather Berry

Title: Acting Executive Director

TENANT:

MERCY VILLAGE, LLLP, a Florida limited
liability limited partnership

By: C4 Mercy, LLC, a Florida limited
liability company

By: 

Name: Stephanie Berman

Title: Manager

Exhibit "A"

Leased Premises

COMMENCING AT THE SOUTHWEST CORNER OF THE S.W. 1/4 OF THE N.W. 1/4 OF SECTION 14, TOWNSHIP 15 SOUTH, RANGE 21 EAST, MARION COUNTY, FLORIDA; THENCE RUN S.89°28'38"E., ALONG THE SOUTH BOUNDARY OF THE N.W. 1/4 SAID SECTION 14, 1324.74 FEET TO THE S.E. CORNER OF THE S.W. 1/4 OF THE N.W. 1/4 OF SAID SECTION 14; THENCE RUN N.00°32'50"E. ALONG THE EAST BOUNDARY LINE OF THE S.W. 1/4 OF THE N.W. 1/4 OF SAID SECTION 14, 346.84 FEET TO THE POINT OF BEGINNING; THENCE RUN N.89°27'08"W., 136.79 FEET; THENCE RUN N.00°31'24"W., 91.42 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE SOUTHWESTERLY, HAVING A RADIUS OF 20.00, A CENTRAL ANGLE OF 90°00'22", A CHORD BEARING AND DISTANCE OF N.45°31'35"W., 28.29 FEET, TRAVEL ALONG THE ARC OF SAID CURVE, 31.42 FEET TO THE POINT OF TANGENCY; THENCE RUN S.89°28'14"W., 208.69 FEET; THENCE RUN N.00°31'46"W., 380.35 FEET; THENCE RUN N.89°33'48"E., 272.73 FEET; THENCE RUN S.00°31'24"E., 452.16 FEET; THENCE RUN S.89°27'08"E., 93.53 TO THE EAST BOUNDARY LINE OF THE S.W. 1/4 OF THE N.W. 1/4 OF SAID SECTION 14; THENCE RUN S.00°32'50"W. ALONG SAID EAST BOUNDARY LINE, 40.00 FEET TO THE POINT OF BEGINNING. CONTAINING 112,399 SQUARE FEET OR 2.58 ACRES MORE OR LESS.

Exhibit “B”

Third-Party Reports

1. Geotechnical Consulting Services - Saving Mercy Site - Stormwater Management System Report
2. Phase 1 Environmental Site Assessment (ESA)

Exhibit "C"

Insurance

Commercial general liability insurance with a combined single limit of not less than Two Million Dollars (\$2,000,000.00) for injury to or death of any one person, for injury to or death of any number of persons in one occurrence, and for damage to property, insuring against any and all liability of Tenant and Landlord including coverage for contractual liability and broad form property damage; provided Landlord shall have the right from time to time to determine such higher limits as may be reasonable and customary for similar properties similarly situated.

Such other insurance on or in connection with the Leased Premises as Landlord may reasonably require and which at the time is commonly obtained in connection with similar properties similarly situated.