

LAND DONATION AGREEMENT

(Affordable Housing – Chapter 122, Part 4, Subpart F)

THIS LAND DONATION AGREEMENT (“*Agreement*”) is effective _____ 20____ (“*Effective Date*”), and is by and between the **CITY OF JACKSONVILLE**, a consolidated political subdivision and municipal corporation existing under the laws of the State of Florida, whose mailing address is Attn: Housing and Community Development Division, 214 N. Hogan Street, 3rd Floor, Jacksonville, Florida 32202 (“*City*”) and **KAIROS SIP CONSTRUCTION, INC.**, a Florida Corporation, whose mailing address is Attn: Dr. Alex Itkin, 608 Spruce Creek Road, St. Johns, Florida 32259 (the “*Entity*”).

BACKGROUND FACTS

A. City is the owner of several parcels of land more particularly described and depicted on **Exhibit A** attached hereto (the “*Property*”).

B. Entity has agreed to perform certain rehabilitation and/or construction services to on the Property in accordance with the Plans (the “*Entity Obligations*”).

C. In exchange for City’s conveyance of the Property to Entity, Entity agrees to perform the Entity Obligations in accordance with the terms and conditions provided herein.

NOW THEREFORE, for and in consideration of the mutual benefits each to flow to the other, the parties covenant and agree as follows:

1. **BACKGROUND FACTS AND CAPITALIZED TERMS.**

The Background Facts above are true and correct and incorporated herein by reference. Unless otherwise defined herein, all capitalized terms shall have the meanings ascribed to them in the Ordinance.

2. **DEFINITIONS.**

A. “*Affordable Housing Covenants and Restrictions*” shall mean the covenants and restrictions to be executed on the Property by the Entity that requires the Property to be owner-occupied as a primary residence^s and used for affordable housing purposes in substantially the form attached hereto as **Exhibit C**.

B. “*Commitment*” shall mean title report or owners title insurance commitment issued by a title agent for a licensed title insurance company, together with copies of all exception documents, committing to insure the Entity’s fee simple title in the Property.

C. “*Commencement Date*” shall mean ninety (90) days from the Effective Date, unless extended by the Chief pursuant to this Agreement.

D. “*Conveyance Date*” shall mean such date on or before thirty (30) days after the Final Acceptance Date that this transaction is consummated.

E. “*Deed*” shall mean the deed in substantially the form attached hereto as **Exhibit B**.

F. “*Defaulting Party*” shall mean a party that fails to observe or perform any of the covenants, conditions, or obligations of this Agreement.

G. “*Effective Date*” shall mean the last date that either party executes this Agreement.

H. “*Entity Obligations*” the Entity’s obligations under this Agreement to construct, at Entity’s sole expense, the Project within nine (9) months from the Commencement Date in accordance with the Plans.

I. “*Inspection Period*” shall mean the twenty (20) day period from the Effective Date of the Agreement for the Entity to enter upon the Property to inspect, examine and investigate the Property to determine whether or not the same is feasible for the Intended Use.

J. “*Intended Use*” shall mean the Entity’s use for the Property as affordable homes.

K. “*Ordinance*” shall mean Ordinance 2016-443-E.

L. “*Plans*” shall mean the approved plans and specifications for the Project attached hereto as **Exhibit D**.

M. “*Project*” means the permitting, development and construction of no fewer than three affordable single- family residential units pursuant to the Plans on the properties.

N. “*Property*” shall mean the property or properties more particularly described on **Exhibit A** attached hereto.

O. “*Reverter*” shall mean the reversion rights that the City shall have in the Property after the Conveyance Date in the event that Entity fails to complete the Project within nine (9) months of the Commencement Date.

P. “*Survey*” shall mean a boundary survey of the Property prepared by a licensed Florida land surveyor at the Entity’s sole expense.

Q. “*Title Insurer*” shall mean the licensed title insurance company that issues the Commitment.

3. **CONSIDERATION**. The parties agree that the consideration being provided to City for City’s conveyance of the Property to Entity as provided herein is Entity’s performance of the Entity Obligations and the other terms and conditions provided in this Agreement.

4. **CONVEYANCE OF PROPERTY.**

(a) Conveyance of Property. City hereby agrees to convey to Entity on the Conveyance Date, and Entity agrees to accept from City the Property in its “as-is” condition, together with all of City’s rights, easements, licenses, privileges in or appurtenant to the Property.

(b) Deed of Conveyance. On the Conveyance Date, City shall convey to Entity the Property in fee simple by Deed in its AS-IS condition with no representations and warranties as to the conditions of the Property.

5. **INSPECTION OF PROPERTY.**

(a) Duration. Entity and its agents shall have the right during the Inspection Period to enter upon the Property to inspect, examine and investigate the Property to determine whether or not the same is feasible for the Intended Use.

(b) Entry and Inspection. Entity shall have the right to enter upon any portion of the Property to physically inspect and examine, and survey the Property at Entity’s sole expense. The Entity may not perform any environmental testing on the Property without City’s permission which may be withheld. Entity shall require its contractors and subcontractors to obtain the insurances required in Section 7 prior to performing any inspections or examinations of the Property pursuant to this Section. Following Entity’s inspection of the Property, Entity shall restore the Property to its original condition. Entity shall indemnify, defend and hold City harmless from and against any and all claims, costs, expenses and damages to persons and/or Property incurred by, through, or out of the exercise of such inspection. Entity’s indemnity set forth herein shall survive the Conveyance Date or the termination of this Agreement.

(c) Termination. Entity shall have the right at any time during the Inspection Period to notify City in writing that it has elected to terminate this Agreement, if Entity reasonably determines that the Property is not feasible for the Intended Use. Upon delivery of written notice of termination to City, this Agreement shall terminate and the parties shall be relieved of all further obligations under this Agreement which do not specifically survive its termination. If Entity determines prior to the expiration of the Inspection Period that the Property is satisfactory, Entity may provide written notice to City of the same, and the Inspection Period shall be deemed as expired as of such date on said written notice, referred to herein as the Final Acceptance Date.

6. **SURVEY AND TITLE.**

(a) Survey. Entity may within twenty (20) days after the Effective Date, at Entity's cost and expense, obtain a Survey of the Property.

(b) Title. Entity shall within twenty (20) days after the Effective Date, at Entity's cost and expense, obtain a Commitment issued by a Title Insurer, which shall insure Entity’s fee simple title to the Property. Upon Entity’s receipt of the Commitment, Entity shall forthwith furnish a copy thereof to City together with copies of any encumbrances. The Entity, at its option, may purchase a title policy, for its benefit. The Property shall be conveyed subject to

those matters appearing in the Commitment unless such matters are removed by the Title Insurer prior to the Conveyance Date.

(c) Entity's Review. Entity shall have five (5) days prior to the expiration of the Inspection Period to examine the Survey and Commitment and to determine the nature of any defects in title to the Property and in those matters or facts disclosed by the Survey. If either the Commitment or Survey reveals any encroachments, overlaps, easements, restrictions, covenants, conditions, liens, encumbrances, other title defects, or other matters that are unacceptable to Entity, with respect to the Property, Entity shall give written notice to City of such defects prior to the expiration of the Inspection Period, and Entity shall use its best effort to remedy or remove any such objectionable matters prior to the Conveyance Date. If Entity does not cure such defects prior to the Conveyance Date, Entity may, at its option (i) terminate this Agreement upon written notice to City and the parties shall thereafter be relieved of all further obligations under this Agreement which do not specifically survive its termination; or (ii) accept the uncured defects and take the Property and title to the Property as they then exist.

7. CONSTRUCTION OF PROJECT.

(a) Construction of Project. Entity hereby agrees to construct the Project in accordance with the Plans. The Entity shall commence construction of the Project on or before the Commencement Date and shall complete the construction of the Property within nine (9) months thereafter. In constructing the Project, Entity shall ensure existing and/or new construction on the Property connects to the City's water and sewer system. Entity shall provide City copies of final as built drawings of the Project promptly after completion of construction. The final as built drawings of the Project shall be prepared and signed and sealed by a land surveyor authorized to practice in the State of Florida under the provisions of Chapter 472, Florida Statutes. The final as built drawings shall be reviewed and approved by the engineer of record before being submitted to City. Entity shall provide one set of preliminary as built drawings to City a minimum two weeks prior to completion of the Project. City shall inspect the Project upon completion.

(b) Inspection. Entity shall permit City and its representatives to enter regularly upon the Property to inspect the Project and all materials to be used in the construction thereof, and all books and records of Entity relating to the Project. Nevertheless, City shall have no liability or obligations to Entity arising out of any inspection of the Project performed by City during the term of this Agreement. Inspections made by the City or its representatives shall be made solely for the protection and benefit of the City and neither Entity, nor any person or party claiming by, through or under Entity shall be entitled to claim any loss, damage or offset against the City for failure to inspect the Project.

(c) Permits and Licenses. Entity and/or its contractor shall obtain all required federal, state and local permits, licenses, approvals and authorizations, including those required by Entity of Jacksonville and any state or local authority charged with the enforcement of regulations of such agency and shall fully comply with all building, safety, zoning, land use (including, without limitation, the Florida Growth Management Act and all state and local rules, regulations and

plans adopted pursuant thereto) and other requirements of any state, municipal or other governmental authority pertaining to the construction of the Project.

(d) Workmanship. Entity and/or its contractor shall construct the Project in a true, thorough and workmanlike manner in accordance with the Plans. Entity or its contractor shall provide all materials and labor necessary to construct or install the Project and, shall furnish and pay for all labor, materials, equipment, tools, machinery, water, heat, utilities, transportation and other facilities and services necessary to complete the construction. Entity acknowledges and agrees that it will always be responsible, at its sole cost and expense, for any loss or damage that results from or is attributable to the design and/or construction of the Property improvements.

8. **CASUALTY**. Risk of any casualty to or loss of the Property or Project occurring prior to the Conveyance Date shall be borne by Entity. Notwithstanding the foregoing, if all or any portion of the Property or access thereto shall be damaged by fire or other casualty prior to the Conveyance Date, then City shall provide immediate written notice thereof to Entity and, at Entity's option, (i) this Agreement shall terminate and the parties shall be relieved of all further obligations under this Agreement which do not specifically survive its termination, or (ii) Entity may consummate the transaction. Entity shall make an election in writing within five (5) days after City shall have notified Entity in writing of such casualty damage and the Conveyance Date shall be extended if necessary to accommodate this notice period.

9. **PROHIBITED PROPERTY TRANSFER; MAINTENANCE COVENANT.**

(a) Prohibited Property Transfer. The Entity shall not transfer or convey the Property to an individual or entity until such time that the Project is complete and approved by the City pursuant to the terms herein.

(b) Maintenance Covenant. The Entity shall maintain the Property, including but not limited to, lawn maintenance, until such time that the Property is conveyed to a low or moderate income individuals for residential purposes.

(c) Survival. The covenants in this Section 9 shall survive the Conveyance Date.

10. **CONVEYANCE DATE**. The transactions to occur on the Conveyance Date shall take place at the City's Real Estate Division office.

11. **DOCUMENTS TO BE DELIVERED ON THE CONVEYANCE DATE.**

(a) On or before the Conveyance Date, City shall deliver to Entity the following documents:

(i) The executed Deed as set forth in **Exhibit B**; and

(ii) Any and all other documentation as may be reasonably required to consummate the transactions contemplated in this Agreement.

(b) On or before Conveyance Date, Entity shall deliver to City the following documents:

(i) Executed Affordable Housing Covenants and Restrictions as set forth in **Exhibit C**; and

(ii) Any and all other documentation as may be reasonably required to consummate the transactions contemplated in this Agreement.

(c) The Deed and Affordable Housing Covenants and Restrictions shall be recorded by the City at Entity's sole expense within ten (10) days after the Conveyance Date.

12. **POSSESSION**. Possession of the Property shall be delivered by the City to Entity on the Conveyance Date.

13. **CONVEYANCE COSTS**. Entity shall pay for all conveyance costs including, but not limited to, Entity's attorneys fees, the Survey; the Commitment search and examination fees and owner's title policy issued pursuant to the Commitment described in Section 6; recording fees, documentary stamp taxes, and recording fees and other costs for curative title documents.

14. **TAXES AND ASSESSMENTS**. The Property has been exempt from ad valorem taxes while owned by City. The Entity shall be responsible for the ad valorem taxes after the Conveyance Date.

15. **INDEMNIFICATION**. Entity shall hold harmless, indemnify, and defend the City and the City's members, officers, officials, employees and agents (collectively the "Indemnified Parties") from and against, without limitation, any and all claims, suits, actions, losses, damages, injuries, liabilities, fines, penalties, costs and expenses of whatsoever kind or nature, which may be incurred by, charged to or recovered from any of the foregoing Indemnified Parties for:

a. **General Tort Liability**, for any negligent act, error or omission, recklessness or intentionally wrongful conduct on the part of the Indemnifying Parties that causes injury (whether mental or corporeal) to persons (including death) or damage to property, whether arising out of or incidental to the Indemnifying Parties' performance of the Agreement, operations, services or work performed hereunder; and

b. **Environmental Liability**, to the extent this Agreement contemplates environmental exposures, arising from or in connection with any environmental, health and safety liabilities, claims, citations, clean-up or damages whether arising out of or relating to the operation or other activities performed in connection with the Agreement; and

c. **Intellectual Property Liability**, to the extent this Agreement contemplates intellectual property exposures, arising directly or indirectly out of any allegation that the Entity Obligations, any product generated by the Entity Obligations, or any part of the Entity Obligations as contemplated in this Agreement, constitutes an infringement of any copyright, patent, trade secret or any other intellectual property right. If in any suit or proceeding, the Entity

Obligations, or any product generated by the Entity Obligations, is held to constitute an infringement and its use is permanently enjoined, the Indemnifying Parties shall, immediately, make every reasonable effort to secure within 60 days, for the Indemnified Parties a license, authorizing the continued use of the service or product. If the Indemnifying Parties fail to secure such a license for the Indemnified Parties, then the Indemnifying Parties shall replace the service or product with a non-infringing service or product or modify such service or product in a way satisfactory to City, so that the service or product is non-infringing.

If an Indemnified Party exercises its rights under this Agreement, the Indemnified Party will (1) provide reasonable notice to Indemnifying Parties of the applicable claim or liability, and (2) allow Indemnified Parties, at their own expense, to participate in the litigation of such claim or liability to protect their interests. **The scope and terms of the indemnity obligations herein described are separate and apart from, and shall not be limited by any insurance provided pursuant to the Agreement or otherwise. Such terms of indemnity shall survive the expiration or termination of the Agreement.**

In the event that any portion of the scope or terms of this indemnity is in derogation of Section 725.06 or 725.08 of the Florida Statutes, all other terms of this indemnity shall remain in full force and effect. Further, any term which offends Section 725.06 or 725.08 of the Florida Statutes will be modified to comply with said statutes.

16. **DEFAULTS.**

(a) **Notice and Cure Period.** The failure to observe or perform any of the covenants, conditions or obligations of this Agreement within thirty (30) days after the issuance of written notice specifying the nature of the default claimed shall constitute a material default and breach of this Agreement by the non-performing party (“***Defaulting Party***”); provided, however, if such condition is of a nature that it cannot be corrected within thirty (30) days, then such party shall not be in default so long as it commences such cure promptly after receiving such notification, and diligently pursues such cure and such cure is in any event completed within sixty (60) days.

(b) **Self-Help.** With respect to any default under this paragraph, any party shall have the right, but not the obligation, to cure such default by the payment of money or the performance of some other action for the account of and at the expense of the Defaulting Party; provided, however, that in the event the default shall constitute an emergency condition, any party acting in good faith, shall have the right to cure such default upon such advance notice as is reasonably possible under the circumstances, or if necessary, without advance notice, so long as notice is given as soon as possible thereafter. To effectuate any such cure, the party shall have the irrevocable right upon prior written notice to enter upon the property of the Defaulting Party to perform any necessary work or furnish any necessary materials or services to cure the default of the Defaulting Party. In the event any party shall cure a default, the Defaulting Party shall reimburse the curing party for all costs and expenses incurred in connection with such curative action, within thirty (30) days of receipt of demand, together with reasonable documentation supporting the expenditures made.

(c) **Remedies.** Each party shall have the right to prosecute any proceedings at law or in equity against any Defaulting Party hereto, or any other person, violating or attempting to violate or defaulting upon any of the provisions contained in this Agreement, and to recover damages for any such violation or default. All of the remedies permitted or available to a party under this Agreement or at law or in equity shall be cumulative and not alternative, and invocation of any such right or remedy shall not constitute a waiver or election of remedies with respect to any other permitted or available right or remedy.

(d) **City's Additional Remedies.** If the Entity fails to comply with the terms of this Agreement beyond any applicable cure period, the City shall have the right, at its option, to either: (1) re-enter and take possession of the Property; or (2) invoice the Entity for the then current assessed value of the Property as shown on the tax rolls (the "Purchase Price"). Upon an election by the City to re-enter and take possession of the Property, the Entity shall be required to convey the Property to the City at no cost. Upon an election by the City to invoice the Entity for the Purchase Price, the Entity shall have thirty (30) days from receipt of the invoice to pay the same. Interest shall accrue on the unpaid Purchase Price after said period at the maximum rate allowed by law. The unpaid Purchase Price, together with interest, costs and attorneys' fees required to collect the same shall be a lien against the Property.

(e) **City's Right to Specific Performance.** City shall have the right to terminate this Agreement if the Entity fails to comply with the terms of this Agreement and obtain a court decree to compel specific performance by the Entity of any term, condition or covenant of this Agreement, it being agreed that the remedy at law for a breach of any such term, covenant, or condition by the Entity is not adequate.

17. **BINDING EFFECT.** This Agreement shall run with the land and shall inure to the benefit of and be binding upon City, its successors and assigns, and Entity, its successors and assigns.

18. **NOTICES.** Any and all notices, which are permitted or required in this Agreement, shall be in writing and shall be duly delivered and given when personally served or mailed to the person at the address designated below. If notice is mailed, the same shall be mailed, postage prepaid, in the United States mail by certified or registered mail – return receipt requested. Notice shall be deemed given on the date of personal delivery or mailing and receipt shall be deemed to have occurred on the date of receipt; in the case of receipt of certified or registered mail, the date of receipt shall be evidenced by return receipt documentation. Failure to accept certified or registered mail shall be deemed a receipt thereof within ten (10) days after the first notice of delivery of the certified or registered mail. Any entity may change its address as designated herein by giving notice thereof as provided herein or such other address either party from time to time specifies in writing to the other.

If to the Entity: Kairos Development International, Inc.
 Attn: Dr. Alex Itkin
 608 Spruce Creek Road
 St. Johns, Florida 32259

If to City: Housing and Community Development
Division
214 N. Hogan Street, 3rd Floor
Jacksonville, FL 32202
Attn: Chief

With a copy to: Office of General Counsel
117 West Duval Street, Suite 480
Jacksonville, Florida 32202
Attn: Corporation Secretary

19. **DATES AND TIME PERIODS.** Should the date for the giving of any notice, the performance of any act, or the beginning or end of any period provided for herein fall on a Saturday, Sunday or other legal holiday, such date shall be extended to the next succeeding business day which is not a Saturday, Sunday or legal holiday. Time is of the essence in each party's performance of its respective obligations under this Agreement.

20. **CONSTRUCTION.** The parties agree that they have had meaningful discussions and/or negotiations of the provisions, terms and conditions of this Agreement. Therefore, doubtful or ambiguous provisions, if any, contained in this Agreement shall not be construed against the party who prepared this Agreement. The rule commonly referred to as "Fortius Contra Proferentum" shall not be applied to this Agreement or any interpretation hereof.

21. **ENTIRE AGREEMENT.** This writing embodies the entire agreement and understanding between the parties hereto and there are no other prior agreements or understandings, oral or written with reference to the subject matter hereof that are not merged herein and superseded hereby.

22. **ASSIGNMENT.** This Agreement is not assignable by the Entity.

23. **GOVERNING LAW; VENUE.** This Agreement shall be governed and interpreted under the laws of the State of Florida. Venue for any action arising under this Agreement shall lie exclusively in the courts in and for Duval County, Florida.

24. **HEADINGS.** The paragraph headings used in this Agreement are for convenience purposes only and shall not be used in the interpretation of this Agreement.

25. **EXHIBITS.** All Exhibits attached hereto are incorporated herein by reference and made a part of this Agreement.

26. **RELATIONSHIP OF PARTIES.** The relationship of the parties is that of independent contractors. Nothing contained herein is intended to create, nor shall it ever be construed to make, Entity or City partners or joint venturers.

27. **SEVERABILITY**. The provisions of this Agreement are severable, and if any provision of any part hereof or the application thereof to any person or circumstance shall ever be held by any court of competent jurisdiction to be invalid or unconstitutional for any reason, the remainder of this Agreement and the application of such provisions or part hereof to other persons or circumstances shall not be affected thereby.

28. **WAIVER**. The waiver by one party of the performance of any covenant or condition herein shall not invalidate this Agreement, nor shall it be considered to be a waiver by such party of any other covenant or condition herein. The waiver by either or both parties of the time for performing any act shall not constitute a waiver at the time for performing any other act or any identical act required to be performed at a later time. No waiver hereunder shall be effective unless it is in writing.

29. **COUNTERPART EXECUTION**. This Agreement may be executed in a number of identical counterparts, each of which for all purposes is deemed an original, and all of which constitute collectively one (1) agreement, but in making proof of this Agreement, it shall not be necessary to produce or account for more than one such counterpart.

[The remainder of this page was left blank intentionally by the parties]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the Effective Date set forth above.

KAIROS SIP CONSTRUCTION, INC,

By: _____
Print Name: _____

ATTEST:

CITY OF JACKSONVILLE

By: _____
James B. McCain, Jr.,
Corporation Secretary

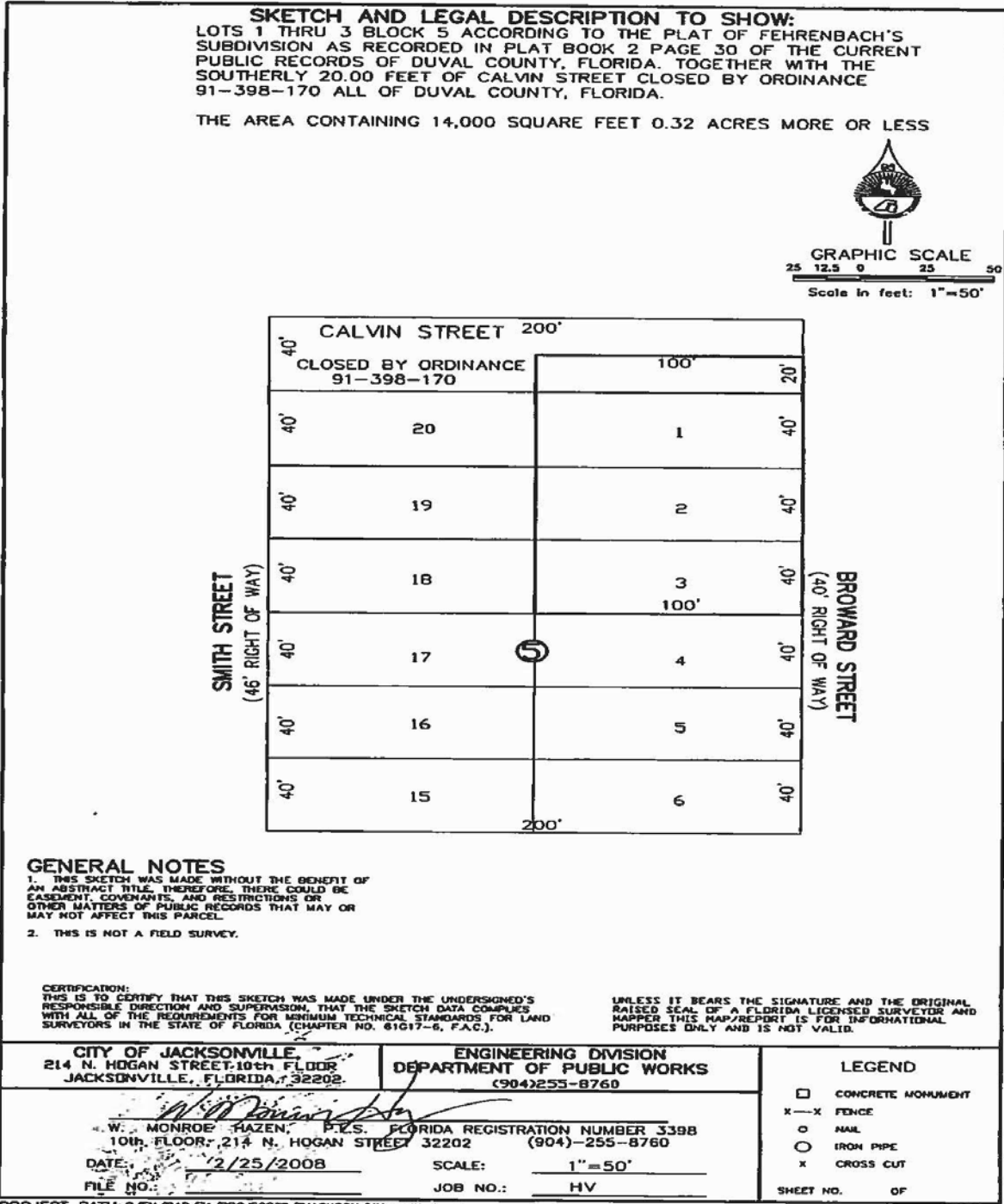
By: _____
Lenny Curry, Mayor

Form Approved:

By: _____
Office of General Counsel

EXHIBIT A to Land Donation Agreement

Property Legal Description



PROJECT PATH: G/EN/CAD/71/PROJECTS/TJACKSON/HV_smithstreet

900-101

055358-0000

EXHIBIT B to Land Donation Agreement
Deed Form

Prepared by and return to:
Office of General Counsel
117 W. Duval Street, Suite 480
Jacksonville, Florida 32202

DEED

This Deed is executed this ____ day of _____, 20____, by the CITY OF JACKSONVILLE, a consolidated political subdivision and municipal corporation existing under the laws of the State of Florida ("Grantor ") whose post office address is _____ to and in favor of KAIROS SIP CONSTRUCTION, INC., ("Grantee") whose post office address is 608 Spruce Creek Road, St. Johns, Florida 32259.

"Grantor" and "Grantee" are used for singular or plural, as context requires.

Witnesseth, that Grantor, for the sum of \$10 and other good and valuable consideration, the receipt of which is hereby acknowledged, hereby grants, bargains, sells, aliens, remises, releases, conveys and confirms unto Grantee the following described land, situate, lying and being in the County of Duval, State of Florida, to wit:

Real Estate Parcel Identification Number 055358-0000, more particularly described as follows:

Lots 1, 2, and 3 of Block 5 of Fehrenbach's Subdivision, as recorded in Plat Book 2, Page 30 of the current public records of Duval County, Florida, along with a portion of the adjacent closed street. Containing 0.321 acres, more or less.

together with all timber, transferable development rights, improvements, easements, appurtenances and hereditaments thereto; subject to easements, covenants and restrictions of record, if any (but this reference shall not reimpose the same, if previously abandoned or otherwise terminated) taxes accruing subsequent to the date of this Deed.

BY ACCEPTANCE OF THIS DEED, GRANTEE ACKNOWLEDGES THAT GRANTOR HAS NOT MADE, DOES NOT MAKE AND SPECIFICALLY NEGATES AND DISCLAIMS ANY REPRESENTATIONS, WARRANTIES, PROMISES, COVENANTS, AGREEMENTS OR GUARANTIES OF ANY KIND OR CHARACTER WHATSOEVER, WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, PAST, PRESENT OR FUTURE, OF, AS TO, CONCERNING OR WITH RESPECT TO (A) THE VALUE, NATURE, QUALITY OR CONDITION OF THE PROPERTY, INCLUDING, WITHOUT LIMITATION, THE WATER, SOIL AND GEOLOGY, (B) THE SUITABILITY OF THE PROPERTY FOR ANY AND ALL ACTIVITIES AND USES WHICH GRANTEE MAY CONDUCT THEREON, (C) THE

COMPLIANCE OF OR BY THE PROPERTY OR ITS OPERATION WITH ANY LAWS, RULES, ORDINANCES OR REGULATIONS OF ANY APPLICABLE GOVERNMENTAL AUTHORITY OR BODY, OR (D) ANY OTHER MATTER WITH RESPECT TO THE PROPERTY, AND SPECIFICALLY, THAT GRANTOR HAS NOT MADE, DOES NOT MAKE AND SPECIFICALLY DISCLAIMS ANY REPRESENTATIONS REGARDING COMPLIANCE WITH ANY ENVIRONMENTAL PROTECTION, POLLUTION OR LAND USE LAWS, RULES, REGULATIONS, ORDERS OR REQUIREMENTS, INCLUDING THE DISPOSAL OR EXISTENCE, IN OR ON THE PROPERTY, OF ANY HAZARDOUS MATERIALS PURSUANT TO WHICH THIS DEED IS DELIVERED. GRANTEE FURTHER ACKNOWLEDGES THAT TO THE MAXIMUM EXTENT PERMITTED BY LAW, THE SALE OF THE PROPERTY IS MADE ON AN "AS IS" CONDITION AND BASIS WITH ALL FAULTS.

IN WITNESS WHEREOF, Grantor has signed and sealed these presents the day and year above written.

Signed, sealed and delivered
in the presence of:

CITY OF JACKSONVILLE

Name: _____

By: _____

Its: Real Estate Officer
Pursuant to Section 122.468 *Ordinance Code*

Name: _____

Form Approved:

By: _____
Office of General Counsel

STATE OF FLORIDA
COUNTY OF DUVAL

The foregoing Deed was acknowledged before me this ____ day of _____, 20____, by Stephanie Burch, as Real Estate Officer for the CITY OF JACKSONVILLE, a consolidated political subdivision and municipal corporation existing under the laws of the State of Florida, on behalf of said political subdivision and municipal corporation [] who is personally known to me or [] who has produced _____ as identification.

Notary Public, State of Florida
Print Name: _____
My Commission Expires: _____

EXHIBIT C to Land Donation Agreement

Affordable Housing Covenant and Restriction Form

THIS INSTRUMENT WAS PREPARED BY:

Office of General Counsel
Office of General Counsel
117 W. Duval St., Suite 480
Jacksonville, FL 32202

AFFORDABLE HOUSING COVENANTS AND RESTRICTIONS

THIS AFFORDABLE HOUSING COVENANTS AND RESTRICTIONS (the “Declaration”) is dated _____, 20____ (“Effective Date”), and is made by Kairos SIP Construction, Inc. (“Owner”), whose address is 608 Spruce Creek Road, St. Johns, Florida 32259.

BACKGROUND FACTS:

A. Owner is the owner of that certain real property located in Duval County, Florida and more particularly described in Exhibit A, attached hereto and made a part hereof (the “Property”); and

B. Owner and the City of Jacksonville (“City”) entered into that certain Land Donation Agreement, (“Agreement”) dated _____, whereby the Owner agreed to construct the Project referenced therein and execute a ten (10) year covenant and restriction on the Property for affordable housing.

NOW, THEREFORE, Owner hereby declares the Property to be subject to the following covenants, conditions, and restrictions:

1. Background Facts and Capitalized Terms. The foregoing Background Facts are true and correct and incorporated herein. All capitalized terms shall have the meanings given to them in the Agreement.
2. Use Restriction. The Property shall only be owner-occupied as a primary residence and used for affordable housing purposes for ten (10) years from the Effective Date.
3. Violation of Use Restriction. Owner shall be deemed in violation of the restriction contained in Section 2 of this Declaration if Owner fails to cure the same within thirty (30) days of having received written notice from the City of said violation.
4. Indemnification by Owner. Owner shall indemnify and hold the City harmless from all loss, cost, damage and expense arising from any claim or proceeding instituted against the City relating to the covenants set forth herein.

5. Prohibited Property Transfer. The Owner shall not transfer or convey the Property until such time that the Project has been completed in accordance with the Agreement terms.

6. Deed References. In order to ensure the perpetual nature of this Declaration, Owner, its successors and assigns, shall reference this Declaration in any subsequent deed of conveyance, including the recording book and page of record of this Declaration.

7. Covenants Running with the Land. It is the intention of Owner that the restrictions contained in this Declaration shall touch and concern the Property, run with the land and with the title to the Property, and shall apply to and be binding upon and inure to the benefit of the successors and assigns of Owner, and to the City, and to any and all parties hereafter having any right, title or interest in the Property or any part thereof.

8. Enforcement. The City, and any interested member of the public, may enforce the terms and conditions of this Declaration by injunctive relief and other appropriate available legal remedies. Any forbearance on behalf of the City to exercise its right in the event of the failure of the Owner, its successors and assigns to comply with the provisions of this Declaration shall not be deemed or construed to be a waiver of the City's rights hereunder. This Declaration shall continue in perpetuity, unless otherwise modified in writing by Owner, its successors and assigns and the City. These restrictions may also be enforced in a court of competent jurisdiction by any fee Owner of the Property or part thereof, or by any other person, firm, corporation, or governmental agency that is substantially benefitted by this Declaration.

9. Severability. If any provision of this Declaration is held to be invalid by any court of competent jurisdiction, the invalidity of such provision shall not affect the validity of any other provisions thereof. All such other provisions shall continue unimpaired in full force and effect.

10. Representations and Warranties. Owner covenants and represents that on the date of execution of this Declaration that Owner is seized of the Property in fee simple and has good right to create, establish, and impose the above covenant, restriction and condition on the use of the Property.

11. Governing Law. This Declaration shall be governed and interpreted under the laws of the State of Florida. Venue for any action arising under this Declaration shall lie exclusively in the courts in and for Duval County, Florida.

12. Termination. This Declaration shall remain in full force and effect ten (10) years from the Effective Date, and thereafter, without the necessity of any written instrument being recorded in the public records of Duval County, Florida, shall be deemed null and void and without any effect.

IN WITNESS WHEREOF, Owner has caused this Declaration to be executed in its name as of the date first above written.

WITNESSES:

Print name: _____

Print name: _____

By: Kairos SIP Construction, Inc.
Print Name: Dr. Alex Itkin
Title: President

STATE OF FLORIDA
COUNTY OF DUVAL

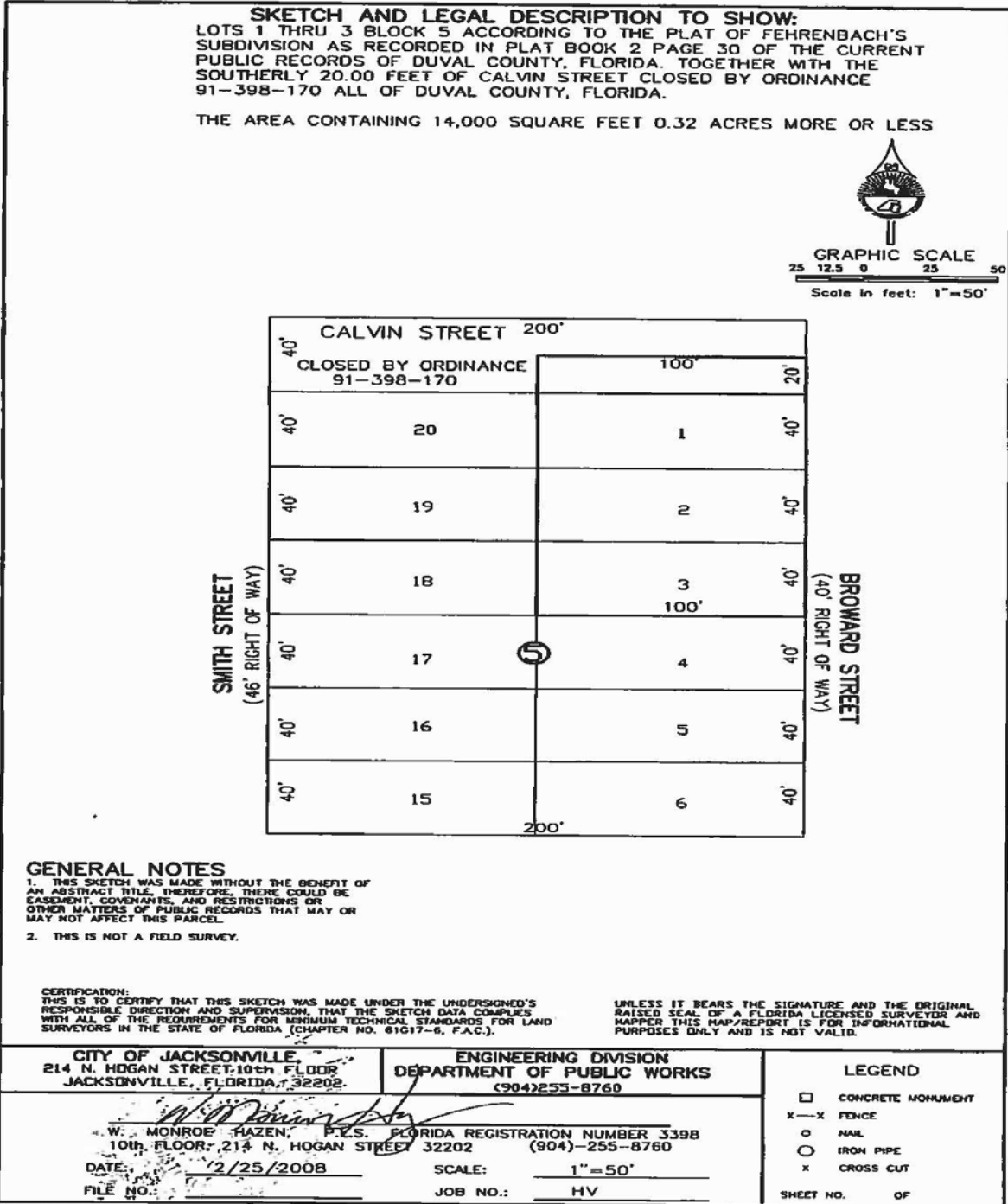
The foregoing instrument was executed, acknowledged and delivered before me this _____ day of _____, 20__, by _____, the President of _____, who is personally known to me or has produced a Florida driver's license as identification.

(NOTARIAL SEAL)

Notary Public, State and County Aforesaid
Print Name: _____
My commission expires: _____
My commission number: _____

EXHIBIT A to Affordable Housing Covenants and Restrictions

THE PROPERTY



PROJECT PATH: G:\EN\CAD\11\PROJECTS\TJACKSON\HV_smithstreet

900-101

055358-0000

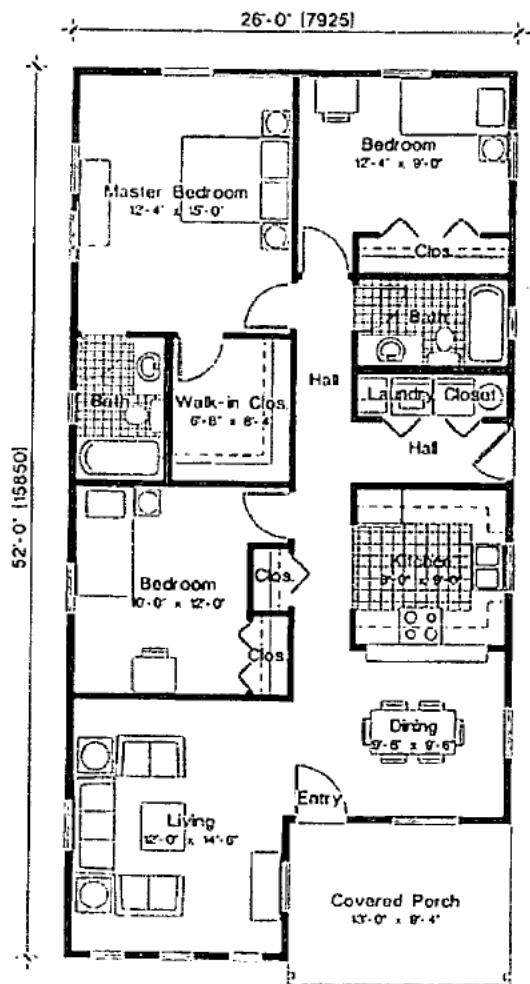
EXHIBIT D to Land Donation Agreement

Plans
[to be inserted]

Exhibit D

Windham

1 Story * 3 Bedroom * 2 Bath
1249 Sq.ft. Total Living Space
120 Sq.ft. Porch



SPECIFICATIONS

- Energy Star Rated
- Exterior walls 6.5" SIP, R24
- Roof or ceiling 8.25" SIP, R32
- Tile or wood laminate flooring
- Double pane windows
- Asphalt shingle or metal roof
- Hardie Fiber Cement Siding
- Central HVAC
- Attic stairs
- Appliances included
 - Range Oven
 - Microwave hood
 - Dishwasher
 - Disposal
 - Refrigerator
 - Washer & Dryer
- Basic landscaping, sod & plants
- Parking pad

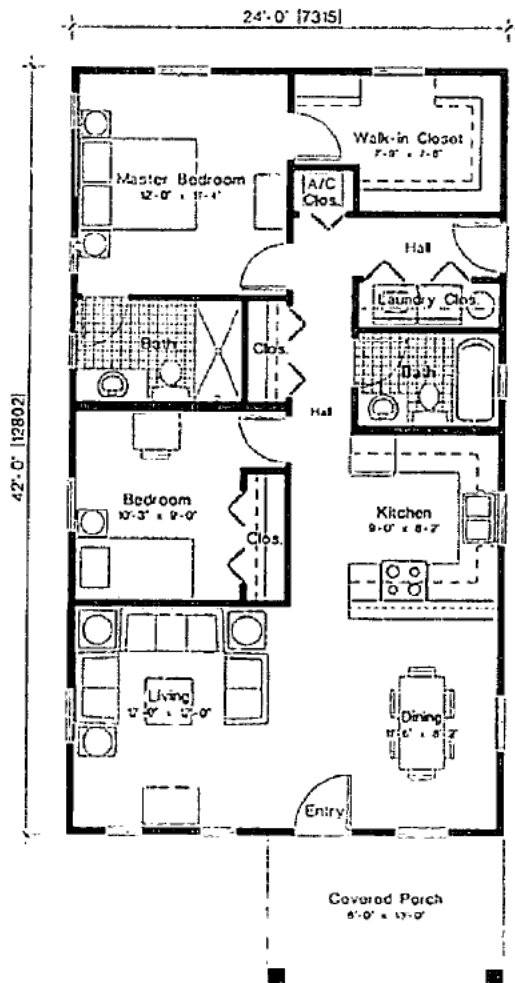
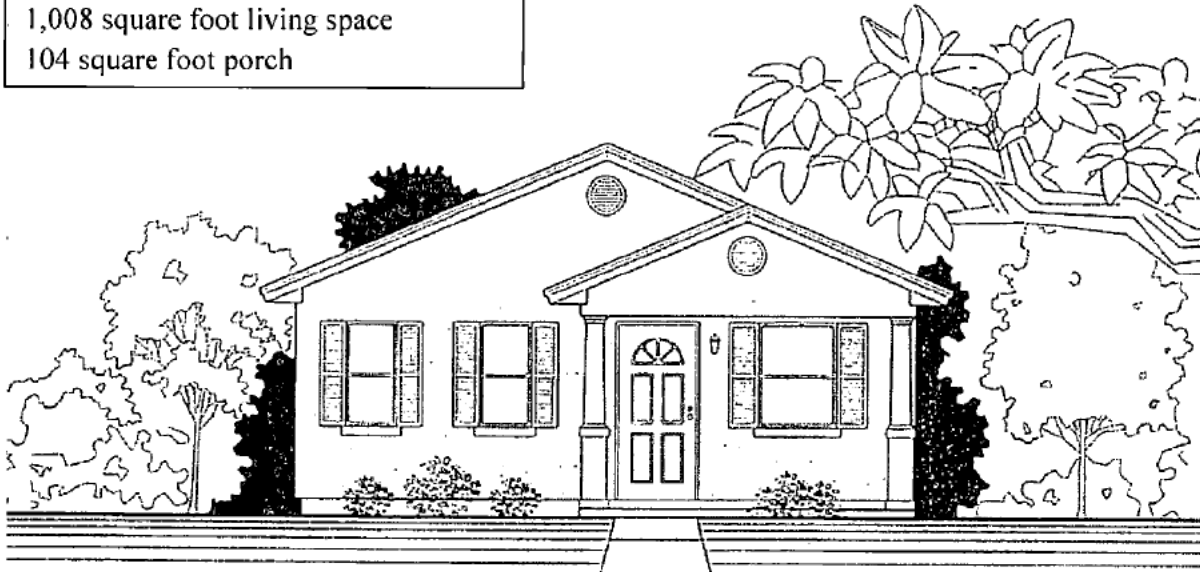
Exhibit D

Holbrook

1 STORY • 2 BEDROOM • 2 BATH

1,008 square foot living space

104 square foot porch



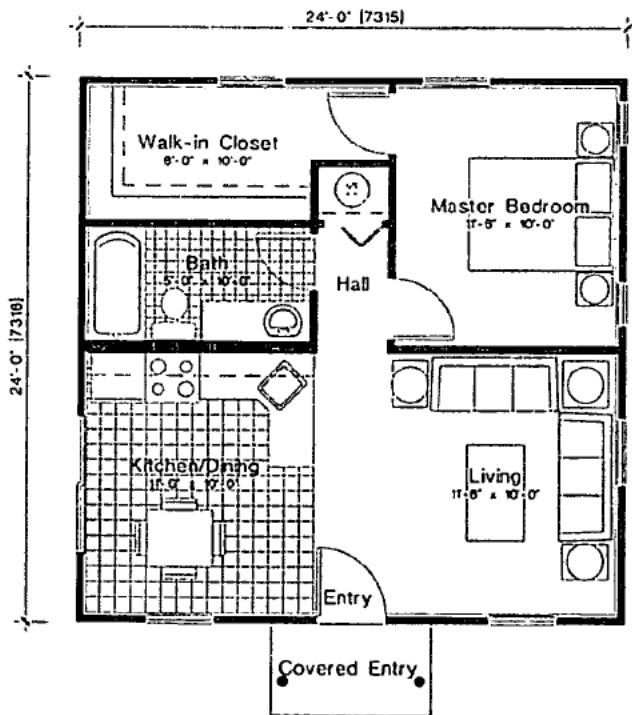
SPECIFICATIONS

- Energy Star Rated
- Exterior walls 6.5" SIP, R24
- Roof or ceiling 8.25" SIP, R32
- Tile or wood laminate flooring
- Double pane windows
- Asphalt shingle or metal roof
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- Attic stairs
- Appliances included
 - Range Oven
 - Microwave hood
 - Dishwasher
 - Disposal
 - Refrigerator
 - Washer & Dryer
- Basic landscaping, sod & plants
- Parking pad

Exhibit D

Sanibel

1 Story * 1 Bedroom * 1 Bath
576 Sq.ft. Living Space
14 Sq.ft. Covered Entry



SPECIFICATIONS

- Energy Star Rated
- Exterior walls 6.5" SIP, R24
- Roof or ceiling 8.25" SIP, R32
- Tile or wood laminate flooring
- Double pane windows
- Asphalt shingle or metal roof
- Hardie Fiber Cement Siding
- Central HVAC
- Attic stairs
- Appliances included
 - Range Oven
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