

THIRD AMENDMENT TO GROUND LEASE

THIS THIRD AMENDMENT TO GROUND LEASE (“Amendment”), made as of _____, 2022 by and between **BROWARD COUNTY**, a political subdivision of the State of Florida (“Landlord”) and **RELATED FATVILLAGE, LLC**, a Florida limited liability company (“Tenant”) (collectively, Landlord and Tenant are the “Parties”).

WITNESSETH:

WHEREAS, Landlord and Tenant entered into that certain Ground Lease Agreement dated as of December 12, 2017, as amended by that certain First Amendment to Ground Lease Agreement dated February 11, 2020, as modified by that certain Second Agreement to Extend Ground Lease Commencement Date dated December 29, 2020, as further amended by that certain Second Amendment to Ground Lease Agreement dated January 25, 2021, as further amended by that certain Third Agreement to Extend Ground Lease Commencement Date dated October 12, 2021, as further amended by that certain Fourth Amendment to Extend Ground Lease Commencement Date dated August 17, 2022 (as amended, collectively, the “Lease”) for premises located 600 North Andrews Avenue, Fort Lauderdale, Broward County, Florida, on which Tenant will design, develop, construct and operate a mixed-use development (the “Project”); and

WHEREAS, the Parties desire to modify certain terms of the Lease, as more particularly described herein;

NOW, THEREFORE, in consideration of the premises and the mutual obligations of the parties set forth herein, Landlord and Tenant do hereby covenant and agree as follows:

1. Recitals; Defined Terms. The recitals set forth above are true, accurate and fully incorporated by reference herein. All capitalized terms used herein but not otherwise defined shall have the meaning given to such terms in the Lease.

2. Definitions. The following definitions are hereby added to the Lease:

(a) “Conversion” shall have the meaning set forth in that certain Construction Phase Financing Agreement dated [_____, 2022], by and among Federal Home Loan Mortgage Corporation, Grandbridge Real Estate Capital, JPMorgan Chase Bank, N.A., and Tenant.

(b) “First Priority Lender” shall mean (i) prior to Conversion, JPMorgan Chase Bank, N.A., as initial funding lender, the Housing Finance Authority of Broward County, Florida, as governmental lender and The Bank of New York Mellon Trust Company, N.A., as fiscal agent, and (ii) following Conversion, Grandbridge Real Estate Capital, LLC, as funding lender, the Housing Finance Authority of Broward County, Florida, as governmental lender and The Bank of New York Mellon Trust Company, N.A., as fiscal agent.

(c) “First Priority Loan” shall mean that certain loan to Tenant from First Priority Lender in an original principal amount not to exceed \$[_____].

(d) “Leasehold Mortgage” shall mean any mortgage, deed to secure debt, security agreement or collateral assignment encumbering Tenant’s estate created hereunder (regardless of the priority thereof), any assignment thereof, and any modification and amendment of any of the terms thereof, including, specifically, the First Priority Loan and further including, without limitation, any extension, renewal or refinancing of any indebtedness secured thereby or an

additional advance secured by any Leasehold Mortgage or any additional Leasehold Mortgage given to secure the same.

(e) "Leasehold Mortgagee" shall mean the holder, mortgagee, grantee or secured party under any Leasehold Mortgage.

3. Annual Base Rent. Section 4(b) of the Lease is hereby deleted in its entirety and replaced with the following:

4(b) Annual Base Rent.

1. *Development*. On the Effective Date of the Second Amendment, Tenant shall make an additional rent payment of \$25,000. Thereafter on each successive January 1st during the Term until Rent Stabilization (as defined below), Tenant shall make an Annual Base Rent Payment of \$50,000.
2. *Upon Rent Stabilization*. Commencing on January 1 of the year immediately following Rent Stabilization, and continuing on each successive January 1st thereafter during the Term, Tenant shall make an Annual Base Rent Payment in the amount of \$100,000 (payable from available Cash Flow), increasing each year thereafter by three percent (3%) ("Minimum Rent Obligation"). To the extent there is insufficient Cash Flow in any year for Tenant to pay all or any portion of the Minimum Rent Obligation, the amount of the Minimum Rent Obligation not made in such year shall be deferred and shall accrue until the date when there is sufficient Cash Flow available to make such payment. "Rent Stabilization" shall mean the later of: (1) the date which is thirty (30) months after the Commencement Date; or (2) the date upon which (i) the Project shall have been ninety percent (90%) occupied for a period of 90 consecutive days, (ii) the construction loan has converted to its permanent phase, (iii) a 1.2x debt service coverage ratio has been achieved and (iv) the Investor Member's capital Contribution earmarked for stabilization has been made. Tenant hereby unconditionally warrants and represents that it will use its best efforts to ensure that the Project achieves Rent Stabilization as soon as possible.

4. Net Cash Flow Rent. Section 4(d) of the Lease is hereby deleted in its entirety and replaced with the following:

4(d) Net Cash Flow Rent. After repayment in full of all equity contributed by Tenant's manager or affiliated entity to capitalize the Project, twenty-five percent (25%) of any net Cash Flow generated from the Project, less the Minimum Rent Obligation, shall be paid to Landlord by Tenant on an annual basis as additional rent. Such net Cash Flow shall be paid no later than ninety (90) days following the end of each Lease Year throughout the Term of this Lease without notice or demand.

5. Utility Allowance. Notwithstanding anything in the Lease to the contrary, Landlord and Tenant acknowledge and agree that a utility allowance shall not be deducted from the maximum rents charged on the residential rental units rented by one or more natural persons or a family whose total annual adjusted gross household income equals or exceeds 120 percent (120%) of the median annual adjusted gross income for Broward County, adjusted for family size.

6. Insurance and Condemnation Proceeds. The following section is hereby added as Section 13(g) of the Lease:

13(g) Insurance and Condemnation Proceeds. Notwithstanding anything contained herein to the contrary, so long as a Leasehold Mortgage encumbers the Leased Premises: (a) all insurance proceeds payable in connection with any casualty, damage or destruction to any portion of the Leased Premises to which Tenant is entitled and/or any awards or sales proceeds which are attributable to any Improvements in the event any portion of the Leased Premises is taken in any proceedings by public authorities (by condemnation or otherwise) or is acquired for public or quasi-public purposes by sale in lieu thereof, shall be governed by the provision of the loan documents of the senior-most Leasehold Mortgagee (and all insurance and condemnation proceeds relating to the Project shall be applied in accordance with the terms and conditions of such loan documents of the senior-most Leasehold Mortgagee) and Landlord hereby subordinates any right that it may have to such proceeds, to the rights and liens of the Leasehold Mortgagee in and to such proceeds; (b) such payment must not be less than the total award minus the value of the remainder interest in the fee estate considered as unimproved; (c) in the event of a partial taking, Tenant shall be permitted to rebuild and restore the Improvements unless the Leasehold Mortgagee consents to distribution of such proceeds; and (d) Leasehold Mortgagee shall be permitted to participate on Tenant's behalf in the adjustment of losses and settlement.

7. Subleases. Section 19 of the Lease is hereby deleted in its entirety and replaced with the following:

19. Subleases. Tenant shall have the right to enter into one or more subleases of the commercial component of the Project with the Landlord's prior written consent, which consent shall not be unreasonably withheld. Notwithstanding any other provisions of this Lease or any sublease, no sublease shall extend beyond the Term of this Lease or relieve Tenant of any obligations under this Lease. Within seven (7) days after the execution of any sublease, Tenant shall provide written notice to Landlord specifying the name of the sublessee, the sublessee's address to which all notices required by this Lease shall be sent, and a copy of the sublease. Notwithstanding anything in the foregoing to the contrary, Tenant shall have the right to enter into one or more subleases of the residential units at the Project without the Landlord's consent.

8. New Mortgagee Lease after Default of Tenant. Section 20(d)(i) of the Lease is hereby deleted in its entirety and replaced with the following:

If, within ninety (90) days after the mailing of any notice of termination or such later date as is ninety (90) days following the expiration of the cure period, if any, afforded Tenant (the "Mortgagee Cure Period"), any mortgagee shall pay, or arrange to the satisfaction of Landlord for the payment of, a sum of money equal to any and all rents or other payments due and payable by Tenant hereunder then, upon the written request of such mortgagee made any time prior to the expiration of the Mortgagee Cure Period, Landlord and the party making such request shall, within ninety (90) days after such request, execute a new lease of the Leased Premises for the remainder of the term of this Lease and on the same terms and conditions, and with the same priority over any encumbrances created at any time by Landlord, its successors and assigns which Tenant has or had by virtue of this Lease. Such priority shall exist by virtue of the notice created by this Lease to any transferee of Landlord or person receiving an encumbrance from Landlord, and the priority

shall be self-operative and shall not require any future act by Landlord. Tenant under any such new lease shall have the same right, title and interest in and to and all obligations accruing thereafter under this Lease with respect to the applicable portion of the Leased Premises as Tenant has under this Lease.

9. Limitation of Leasehold Mortgagee Liability. The following is hereby added as Section 20(f) of the Lease:

The liability of the Leasehold Mortgagee (or its designee) hereunder (including following the foreclosure of the mortgage) shall be limited to its interest in the Leased Premises and Leasehold Mortgagee (or its designee) shall automatically be released from such liability from and after the date it no longer holds an interest in the Leased Premises.

10. Non-Disturbance. The following is hereby added as Section 20(g) of the Lease:

Landlord shall cause any future fee mortgagee of Landlord's interest in the Property to execute and deliver to Leasehold Mortgagee a commercially reasonable written agreement providing further assurance that (1) such fee mortgage does not encumber and is subject to the Lease and to the rights of Tenant and Leasehold Mortgagee under the Lease, and (2) upon any foreclosure under the fee mortgage, fee mortgagee will not disturb Tenant's and/or Leasehold Mortgagee's (as applicable) use and occupancy of the Leased Premises.

11. Condemnation Awards. Section 24(c) of the Lease is hereby deleted in its entirety and replaced with the following:

If there is a taking, whether whole or partial, Landlord shall be entitled to receive and retain the condemnation award with regard to the Landlord's fee and any value placed on the Landlord's interest as fee owner under this Lease. Subject to the rights of Leasehold Mortgagee, any award to the Tenant based on the value of the Tenant's leasehold estate shall be paid to Tenant and/or Leasehold Mortgagee, as more particularly set forth in said Leasehold Mortgage. In the event there is a conflict between the terms of this Lease and those of a Leasehold Mortgagee with respect to the disposition of such condemnation award payable to the Tenant, the terms of the Leasehold Mortgage shall govern.

12. Subordination of Fee Mortgage. The following sentence is hereby added to the end of Section 27 of the Lease:

"Landlord hereby confirms that there are no existing mortgages on Landlord's fee estate and that any future mortgage granted by Landlord on its fee estate shall be expressly subordinate to the Lease. In addition, Landlord hereby agrees that it shall not, and Tenant is expressly prohibited from, require Tenant to subordinate its interest in the Ground Lease to any future mortgage on Landlord's fee estate."

13. Tenant's Notice Address. Section 30 of the Lease is hereby amended to reflect the following address for Tenant's notice address:

Related FATVillage, LLC
c/o The Related Group
2850 Tigertail Avenue, Suite 800
Miami, FL 33133

For the avoidance of doubt, all other provisions of Section 30 shall remain the same.

14. Damage by Casualty. The following sentence is hereby added to the end of Section 39:

“This Lease may not be terminated in the event of a casualty or condemnation without the prior consent of the Leasehold Mortgagee.”

15. Modification of Lease. Section 42 of the Lease is hereby deleted in its entirety and replaced with the following:

42. Modification of Lease. Except as otherwise provided herein, this Lease may not be modified, altered, or changed in any manner other than by written agreement between and executed by the Parties. The Parties may amend this Lease to add customary provisions requested by Leasehold Mortgagees or equity investors which would not conflict with or violate Applicable Laws, or impair or lessen Landlord’s rights under this Lease. Notwithstanding anything in the foregoing to the contrary, Tenant and Landlord hereby expressly stipulate and agree that, they will not modify or amend this Lease in any way nor cancel or terminate this Lease by mutual agreement, nor will Tenant voluntarily surrender, nor will Landlord accept any surrender of, Tenant’s interest in this Lease, without the prior written consent of all Leasehold Mortgagees.

16. Estoppel. Section 45 of the Lease is hereby deleted in its entirety and replaced with the following:

45. Estoppel. Landlord agrees, upon not less than twenty (20) days’ prior written notice by Tenant or by a leasehold mortgagee, to furnish a statement in writing setting forth the effective date, the Commencement Date, the rents, payments and other monies then payable under this Lease, if then known; consenting to any approved leasehold mortgage(s); certifying that this Lease is unmodified and in full force and effect (or if there shall have been modifications that the Lease is in full force and effect as modified and stating the modifications) and the dates to which rents, payments and other monies have been paid; stating whether or not to the best of Landlord’s knowledge, Tenant is in default in keeping, observing and performing any of the terms of this Lease, and, if Tenant shall be in default, specifying each such default of which Landlord may have knowledge. It is intended that any such statement delivered pursuant to this Section may be relied upon by any prospective assignee, transferee or purchaser of Tenant’s interest in this Lease, any leasehold mortgagee or any assignee thereof, but reliance on such certificate may not extend to any default of Tenant as to which Landlord shall have had no actual knowledge

17. Commercial Lease SNDA. Landlord and Tenant acknowledge and agree, that each tenant of the commercial space shall have the right to obtain a non-disturbance agreement from Landlord and Tenant.

18. Non-Merger. Except upon expiration of the Term, there shall be no merger of either this Lease or Tenant's estate created hereunder with the fee estate of the Premises or any part thereof by reason of the fact that the same person may acquire, own or hold, directly or indirectly, (a) this Lease, Tenant's estate created hereunder or any interest in this Lease or Tenant's estate (including the Improvements), and (b) the fee estate in the Leased Premises or any part thereof or any interest in such fee estate (including the Improvements), unless and until all persons,

including any assignee of Landlord and, having an interest in (i) this Lease or Tenant's estate created hereunder, and (ii) the fee estate in the Leased Premises or any part thereof, shall join in a written instrument effecting such merger and shall duly record the same.

19. Ownership of Improvements. From and after the Commencement Date through the end of the Term, Tenant shall be deemed to exclusively own the Improvements and the Personal Property for federal tax purposes, and Tenant alone shall be entitled to all of the tax attributes of ownership thereof, including, without limitation, the right to claim depreciation or cost recovery deductions and the right to claim the low-income housing tax credit described in Section 42 of the Internal Revenue Code, with respect to the Improvements and the Personal Property, and Tenant shall have the right to amortize capital costs and to claim any other federal tax benefits attributable to the Improvements and the Personal Property. Subject to the rights of any permitted leasehold mortgagee, at the expiration or earlier termination of the Term of this Lease or any portion thereof, Tenant shall peaceably leave, quit and surrender the Premises, and the Improvements thereon (or the portion thereof so terminated), subject to the rights of tenants in possession.

20. Landlord's Intent to Market the Premises. In the event Landlord decides to sell its interest in the Leased Premises ("Fee Estate"), Landlord must provide Tenant and the senior-most Leasehold Mortgagee, with notice ("Sales Notice") of such intent, including the desired terms and conditions of such sale.

21. Ratification; No Further Amendments. Except as provided herein, the Lease has not been and is not amended or modified in any way, is in full force and effect and is ratified by Landlord and Tenant. In the event of any conflict between the term of the Lease and the terms of this Amendment, the terms of this Amendment shall control.

SIGNATURES ARE ON FOLLOWING PAGES

[COUNTY SIGNATURE PAGE TO THIRD AMENDMENT TO GROUND LEASE]

IN WITNESS WHEREOF, the Parties hereto have made and executed this Third Amendment to Ground Lease: BROWARD COUNTY through its County Administrator, authorized to execute same by Board action on the ____ day of _____, 2022 (Agenda Item No. ____), and Related FATVillage, LLC, signing by and through its Vice President, duly authorized to execute same.

LANDLORD

WITNESS:

BROWARD COUNTY, by and through its
County Administrator

(Signature)

By: _____
County Administrator

(Print Name of Witness)

____ day of _____, 2022

(Signature)

Approved as to form by
Andrew J. Meyers
Broward County Attorney
Governmental Center, Suite 423
115 South Andrews Avenue
Fort Lauderdale, Florida 33301
Telephone: (954) 357-7600
Telecopier: (954) 357-7641

(Print Name of Witness)

By: _____
Annika E. Ashton (Date)
Deputy County Attorney

[TENANT SIGNATURE PAGE TO THIRD AMENDMENT TO GROUND LEASE]

TENANT:

Related FATVillage, LLC a Florida limited liability company

By: Related FATVillage Manager, LLC, a Florida limited liability company, its manager

By: _____
Tony Del Pozzo, Vice President