

Prepared by:  
DAVID JOVE, City Attorney  
City of Hallandale Beach  
400 South Federal Highway  
Hallandale Beach, FL 33009-6433

**Mortgage to Secure a Loan**

This Mortgage made on August 22, 2011, between S& R Plaza Inc., hereinafter called "Mortgagor", 927 Old Federal Highway, Hallandale Beach, Florida 33009 in Broward County, Florida, and the Hallandale Beach Community Redevelopment Agency, hereinafter called "Mortgagee".

WITNESSETH, that to secure the payment of an indebtedness in the principal amount of Forty Thousand Dollars (\$40,000.00), which shall be payable in accordance with a certain note, bearing even date herewith, a true and correct copy of which, exclusive of the signature of the Mortgagor, marked "Schedule "A", is annexed hereto and made a part thereof, and all other indebtedness which the Mortgagor is obligated to pay to the Mortgagee pursuant to the provisions of the Note and this Mortgage hereby grants, conveys and mortgages to the Mortgagee:

ALL that certain lot, piece or parcel of land situate in the County of Broward, State of Florida, bounded and described as follows:

**LOTS 4, 5, 6, 7, 8, AND 9, IN BLOCK 9, LESS PORTION FOR ROAD-RIGHT-OF-WAY DEEDED IN DEED BOOK 155, PAGE 200, AND LOTS 6, 7, AND 8, IN BLOCK 10, OF HALLANDALE PARK, ACCORDING TO THE PLAT THEREOF, RECORDED IN PLAT BOOK 5, PAGE 20, OF THE PUBLIC RECORDS OF BROWARD COUNTY, FLORIDA**

**Folio Number: 1227-14-0540**

**TOGETHER** with all appurtenances thereto and all the estate and rights of the Mortgagor in and to such property, buildings and other structures now or hereafter thereon erected or installed, and all fixtures and articles of personal property now or hereafter attached to, or used in, or in the operation of, any such land, buildings or structures which are necessary to the complete use and occupancy of such buildings or structures for the purpose for which they were or are to be erected or installed, including, but not limited to, all heating, plumbing, bathroom, lighting, cooking, laundry, ventilating, refrigerating, incinerating and air-conditioning equipment and fixtures, and all replacements thereof and additions thereto, whether or not the same are or shall be attached to such land, buildings or structures in any manner.

TOGETHER with any and all awards now or hereafter made for the taking of the property mortgaged hereby, or any part thereof (including any easement) by the exercise of the power of eminent domain, including any award for change of grade of any street or other roadway, which awards are hereby assigned to the Mortgagee and are deemed a part of the property mortgaged hereby, and the Mortgagee is hereby authorized to collect and receive the proceeds of such awards to give proper receipts and acquittances therefore, and to apply the same toward the payment of the indebtedness secured by this Mortgage, notwithstanding the fact that the amount owing thereon may not then be due and payable; and the Mortgagor hereby agrees, upon request, to make, execute and deliver any and all assignments and other instruments sufficient for the purpose of assigning each such award to the Mortgagee, free, clear and discharged of any encumbrances of any kind or nature whatsoever; and

TOGETHER with all right, title and interest of the Mortgagor in and to the land lying in the streets and roads in front of and adjoining the above described land (all the above described land, buildings, other structures, fixtures, articles of personal property, awards and other rights and interests being hereinafter collectively called the "mortgaged property").

TO HAVE AND TO HOLD the mortgaged property and every part thereof unto the Mortgagee, its successors and assigns forever for the purposes and uses herein set forth.

AND the Mortgagor further covenants and agrees with the Mortgagee, as follows:

1. The Mortgagor will promptly pay the principal of the indebtedness evidenced by the Note, and all other charges at the times and in the manner provided in the Note and in this Mortgage.

2. The Mortgagor will pay when due as hereinafter provided, all ground rents, if any, and all taxes, assessments, water rates and other governmental charges, fines and impositions, of every kind and nature whatsoever, now or hereafter imposed on the mortgaged property, or any part thereof, and will pay when due every amount of indebtedness secured by any lien to which the lien of this Mortgage is expressly subject.

3. This Mortgage and the Note were executed and delivered to secure monies in the total amount of \$40,000.00 paid in periodic draws to the Mortgagor and companies by the Mortgagee as or on account of a loan evidenced by the Note, for the purpose of making specific improvements to the mortgaged property. The Mortgagor shall make or cause to be made all the listed Improvements as required by the City, attached hereto as Attachment One. The cost breakdown for those improvements to be paid for with the \$40,000.00 loan funds is attached hereto as Attachment Two. In addition to the improvements paid for with the \$40,000.00 loan funds, the Mortgagor

shall bring the mortgaged property into full code compliance as described in the plans approved on by the City Commission on June 17, 2003. If the construction or installation of the Improvements shall not be carried out with reasonable diligence, or shall be discontinued at any time for any reason, other than strikes, lock-outs, acts of God, fires, floods, or other similar catastrophes, riots, war or insurrection, the Mortgagee, after due notice to the Mortgagor, is hereby authorized (a) to enter upon the mortgaged property and employ any watchmen, protect the Improvements from depredation or injury and to preserve and protect such property, (b) to carry out any or all then existing contracts between the Mortgagor and other parties for the purpose of making any of the improvements, (c) to make and enter into additional contracts and incur obligations for the purpose of completing the Improvements pursuant to the obligations of the Mortgagor hereunder, either in the name of the Mortgagee or by the Mortgagor, and (d) to pay and discharge all debts, obligations and liabilities incurred by reason of any action taken by the Mortgagee as provided in this Paragraph, all of which amounts so paid by the Mortgagee, with interest thereon from the date of each such payment, at the rate of **seven percent (7%)** per annum, shall be payable by the Mortgagor to the Mortgagee on demand and shall be secured by this Mortgage.

4. The Mortgagor agrees to the following penalties in the event the property is sold or transferred within a five year period from the date of the Mortgage.

1. There is no loan penalty if the owner(s) of the property benefiting from the improvements do not sell or transfer the property within a five year period following execution of the Mortgage documents.
2. The following penalties shall be assessed if the property benefiting from the improvements is sold or transferred within a five year period following execution of the Mortgage documents:

#### **Penalty for Property Sale or Transfer Within Three Years**

The remaining balance of 100% of the total loan amount, up to **\$40,000.00**, plus 7% amortized annual interest is repaid to the City if the property is sold or transferred within three years of the effective date of the Mortgage.

#### **Penalty for Property Sale or Transfer Within Four Years**

The remaining balance of 100% of the loan amount, up to **\$40,000.00**, plus 5% amortized annual interest, is repaid to the City if the property is sold or transferred during the fourth year after the loan closing date; and,

#### **Penalty for Property Sale or Transfer Within Five Years**

The remaining balance of 100% of the loan amount, up to **\$40,000.00**, plus 3% amortized annual interest, is repaid to the City if the property is sold or transferred during the fifth year after the loan closing date.

5. The Mortgagor will maintain the mortgaged property in good condition and state of repair and will not suffer or permit any waste to any part thereof, and will promptly comply with all the requirements of Federal, State and local governments, pertaining to such property or any part thereof.

6. The improvements and all plans specifications therefore shall comply with all applicable municipal ordinances, regulations and rules made or promulgated by lawful authority, and upon their completion shall comply therewith and with the rules of the Board of Fire Underwriters having jurisdiction.

7. Upon any failure by the Mortgagor to comply with or perform any of the terms, covenants or conditions of this Mortgage requiring the payment of any amount of money by the Mortgagor, other than the principal amount of the loan evidenced by the Note, interest and other charges, as provided in the Note, the Mortgagee may at its option make such payment. Every payment so made by the Mortgagee (including reasonable attorney's fees incurred thereby), with interest thereon from the date of such payment at the rate of seven (7%) per annum. This Mortgage with respect to any such amount and the interest thereon shall constitute a lien on the mortgaged property prior to any other lien attaching or accruing subsequent to the lien of this Mortgage.

8. The Mortgagee, by any of its agents or representatives, shall have the right to inspect the mortgaged property from time to time at any reasonable hour of the day. Should the mortgaged property, or any part thereof, at any time require inspection, repair, care of attention of any kind or nature not provided by this Mortgage as determined by the Mortgagee in its sole discretion, the Mortgagee may after notice to the Mortgagor, enter or cause entry to be made upon the mortgaged property and inspect, repair, protect, care for or maintain such property, as the Mortgagee may in its sole discretion deem necessary, and may pay all amounts of money therefore, as the Mortgagee may in its sole discretion deem necessary.

9. The principal amount owing on the Note and all other amounts of money owing by the Mortgagor to the Mortgagee pursuant to and secured by this Mortgage shall immediately become due and payable without notice or demand upon the appointment of a receiver or liquidator, whether voluntary or involuntary, for the Mortgagor or any of the property of the Mortgagor, or upon the filing of a petition by or against the Mortgagor under the provisions of any State insolvency law, or under the provisions of the Bankruptcy Act of 1898, as amended, or upon the making by the Mortgagor of an assignment for the benefit of the Mortgagor's creditors. The Mortgagee is authorized to declare, at its option, all or any part of such indebtedness immediately due and payable upon the happening of any of the following events:

- (a) Failure to pay the amount of any installment of principal payable on the Note, which shall have become due, prior to the due date of the next such installment.

(b) Nonperformance by the Mortgagor of any covenant, agreement, term or condition of this Mortgage, or of the Note [except as otherwise provided in subdivision (a) hereof] or of any other agreement heretofore, herewith or hereafter made by the Mortgagor with the Mortgagee in connection with such indebtedness, after the Mortgagor has been given due notice by the Mortgagee of such nonperformance.

(c) Failure of the Mortgagor to perform any covenant, agreement, term or condition in any instrument creating a lien upon the mortgaged property, or any part thereof, which shall have priority over the lien of the Mortgage.

(d) The Mortgagee's discovery of the Mortgagor failure in any application of the Mortgagor to the Mortgagee to disclose any fact deemed by the Mortgagee to be material, or of the making therein, or in any of the agreements entered into by the Mortgagor with the Mortgagee (including, but not limited to, the Note and this Mortgage) of any misrepresentation by, on behalf of, or for the benefit of the Mortgagor.

(e) The sale, lease or other transfer of any kind or nature of the mortgaged property, or any part thereof, without the prior written consent of the Mortgagee.

(f) The failure of Mortgagor to complete the improvements within one year of the execution of this Mortgage.

The Mortgagee's failure to exercise any of its rights hereunder shall not constitute a waiver thereof. All the events in this Paragraph enumerated upon the happening of any of which the Note shall become, or may be declared to be immediately due and payable are in this Mortgage called "events of default".

10. The Mortgagee may from time to time cure each default under any covenant or agreement in any instrument creating a lien upon the mortgaged property, or any part thereof, which shall have priority over the lien of this Mortgage, to such extent as the Mortgagee may exclusively determine, and each amount paid, if any, by the Mortgagee to cure any such default shall be paid by the Mortgagor to the Mortgagee, and the Mortgagee shall also become subrogated to whatever rights the holder of the prior lien might have under such instrument.

11. The Mortgagee in any action to foreclose this Mortgage shall be entitled to the appointment of a receiver without notice, as a matter of right and without regard to the value of the mortgaged property, or the solvency or insolvency of the Mortgagor or other party liable for the payment of the Note and other indebtedness secured by this Mortgage.

12. The Mortgagor will give immediate notice by registered or certified mail to the Mortgagee of any fire, damage or other casualty affecting the mortgaged property, or of any conveyance, transfer or change in ownership of such property, or any part thereof.

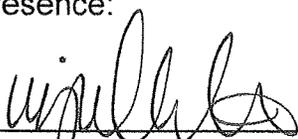
13. The Mortgagor is lawfully seized of the mortgaged property and has good right, full power and lawful authority to sell and convey the same in the manner above provided, and will warrant and defend the same to the Mortgagee forever against the lawful claims and demands of any and all parties whatsoever.

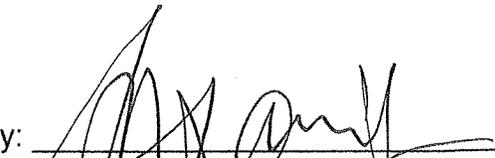
14. This Mortgage and all the covenants, agreements, terms and conditions herein contained shall be binding upon and inure to the benefit of the Mortgagor and the heirs, legal representatives and assigns of the Mortgagor, and, to the extent permitted by law, every subsequent owner of the mortgaged property, and shall be binding upon and inure to the benefit to the Mortgagee and its assigns.

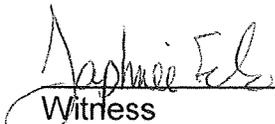
If the Mortgagor, as defined herein, consists of two or more parties, this Mortgage shall constitute a grant and mortgage by all of them jointly and severally, and they shall be obligated jointly and severally under all the provisions hereof and under the Note. The word "Mortgagee" shall include any person, corporation or other party who may from time to time be the holder of this Mortgage. Wherever used herein, the singular number shall include the plural, the plural number shall include the singular, and the use of any gender shall be applicable to all genders wherever the sense requires.

IN WITNESS WHEREOF, this Mortgage has been duly signed and sealed by the Mortgagor on or as of the day and year first above written.

Signed, sealed and delivered  
in the presence:

  
\_\_\_\_\_  
Witness

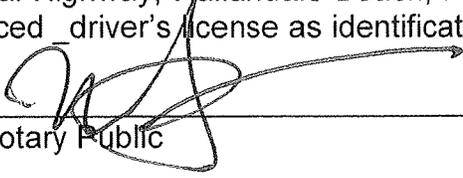
By:   
\_\_\_\_\_  
Mohamad Sharif Mukati, Director  
S & R Plaza Inc.

  
\_\_\_\_\_  
Witness

STATE OF FLORIDA        )  
  ) ss  
COUNTY OF BROWARD )



The foregoing instrument was acknowledged before me this August 22, 2011 by  
Mohammad Sharif Mukati, 927 Old Federal Highway, Hallandale Beach, Florida 33009  
\_\_\_ personally known to me or who produced driver's license as identification.

  
\_\_\_\_\_  
Notary Public

**PROMISSORY NOTE FOR  
S& R Plaza Inc.  
CRA COMMERCIAL LOAN - #FCD01**

Schedule "A"

Date: August 22, 2011

Amount: **\$ 40,000**

**FOR VALUE RECEIVED**, the undersigned promises to pay to the order of the Hallandale Beach Community Redevelopment Agency (CRA) the total sum of **\$40,000.00**, Forty Thousand Dollars which is detailed as follows: a sum of Six Thousand Dollars (**\$6,000**) is waived as an incentive in exchange for this 10-year mortgage, and the remaining Thirty Four Thousand Dollars (**\$34,000.00**) represents the unpaid principal balance to be amortized at four (4%) percent per annum for a total amortized balance of Forty One Thousand One Hundred and Ninety Six Dollars and Seventy Two Cents (**\$41,230.72**). Notwithstanding anything in the Note and Mortgage to the contrary, payment of principal and interest shall be due and owing upon the execution of this instrument. Owners must do all diligent effort to ensure that all rehabilitation repairs are completed to specification, especially those denoted in the comprehensive reports, including but not limited to code related items, and said property receives its Certificate of Occupancy or Certificate of Completion from the City of Hallandale Beach. The principal and interest due under this Note is payable quarterly on the first day of each quarter, commencing **October 1, 2011**.

I will make any and all payments at the office of: **Finance Department, City of Hallandale Beach, 400 S. Federal Highway, Hallandale Beach, Florida 33009**.

Amount of Quarterly Payments on **\$ 34,000.00** at 4% interest is **\$1,035.49**. Payments are required under this Note and/or the Mortgage bearing even dates. This amount and schedule shall be in accordance with the amortization schedule attached hereto as Schedule "B".

The undersigned reserves the right to prepay at any time all or any part of the principal amount of this Note without the payment of penalties or premiums.

Should borrower fail to pay the principal and interest amounts of this Note when due, and if such failure subsists on the date the next installment payment under this Note shall become due and payable, the unpaid principal and interest amounts of this Note, shall become due and payable at the option of the CRA, without notice to the undersigned. Failure of the CRA to exercise such option shall not constitute a waiver of such default. No default shall exist by reason of nonpayment of any required installment of principal and interest so long as the amount of optional prepayments already made pursuant hereto equals or exceeds the amount of the required installments.



	Periodic Totals	Payment No.	Date	Principal Payment	Interest Payment	Payment Amount	Cumulative
Principal	\$34,000	1	Oct-01-11	(\$695.49)	(\$151.11)	(\$846.60)	\$846.60
Rate	4%	2	Jan-01-12	(\$702.45)	(\$333.05)	(\$1,035.49)	\$1,882.09
	1.00%	3	Apr-01-12	(\$709.47)	(\$326.02)	(\$1,035.49)	\$2,917.58
		4	Jul-01-12	(\$716.56)	(\$318.93)	(\$1,035.49)	\$3,953.07
Pmts/yr	4	5	Oct-01-12	(\$723.73)	(\$311.76)	(\$1,035.49)	\$4,988.56
Years	10	6	Jan-01-13	(\$730.97)	(\$304.52)	(\$1,035.49)	\$6,024.05
		7	Apr-01-13	(\$738.28)	(\$297.21)	(\$1,035.49)	\$7,059.54
Payment	(\$1,035.49)	8	Jul-01-13	(\$745.66)	(\$289.83)	(\$1,035.49)	\$8,095.03
		9	Oct-01-13	(\$753.12)	(\$282.37)	(\$1,035.49)	\$9,130.52
Start Date	Aug-22-11	10	Jan-01-14	(\$760.65)	(\$274.84)	(\$1,035.49)	\$10,166.01
		11	Apr-01-14	(\$768.25)	(\$267.24)	(\$1,035.49)	\$11,201.50
		12	Jul-01-14	(\$775.94)	(\$259.55)	(\$1,035.49)	\$12,237.00
		13	Oct-01-14	(\$783.70)	(\$251.79)	(\$1,035.49)	\$13,272.49
		14	Jan-01-15	(\$791.53)	(\$243.96)	(\$1,035.49)	\$14,307.98
		15	Apr-01-15	(\$799.45)	(\$236.04)	(\$1,035.49)	\$15,343.47
		16	Jul-01-15	(\$807.44)	(\$228.05)	(\$1,035.49)	\$16,378.96
		17	Oct-01-15	(\$815.52)	(\$219.97)	(\$1,035.49)	\$17,414.45
		18	Jan-01-16	(\$823.67)	(\$211.82)	(\$1,035.49)	\$18,449.94
		19	Apr-01-16	(\$831.91)	(\$203.58)	(\$1,035.49)	\$19,485.43
		20	Jul-01-16	(\$840.23)	(\$195.26)	(\$1,035.49)	\$20,520.92
		21	Oct-01-16	(\$848.63)	(\$186.86)	(\$1,035.49)	\$21,556.41
		22	Jan-01-17	(\$857.12)	(\$178.37)	(\$1,035.49)	\$22,591.90
		23	Apr-01-17	(\$865.69)	(\$169.80)	(\$1,035.49)	\$23,627.39
		24	Jul-01-17	(\$874.34)	(\$161.15)	(\$1,035.49)	\$24,662.88
		25	Oct-01-17	(\$883.09)	(\$152.40)	(\$1,035.49)	\$25,698.37
		26	Jan-01-18	(\$891.92)	(\$143.57)	(\$1,035.49)	\$26,733.86
		27	Apr-01-18	(\$900.84)	(\$134.65)	(\$1,035.49)	\$27,769.35
		28	Jul-01-18	(\$909.85)	(\$125.64)	(\$1,035.49)	\$28,804.84
		29	Oct-01-18	(\$918.95)	(\$116.55)	(\$1,035.49)	\$29,840.33
		30	Jan-01-19	(\$928.13)	(\$107.36)	(\$1,035.49)	\$30,875.82
		31	Apr-01-19	(\$937.42)	(\$98.07)	(\$1,035.49)	\$31,911.31
		32	Jul-01-19	(\$946.79)	(\$88.70)	(\$1,035.49)	\$32,946.80
		33	Oct-01-19	(\$956.26)	(\$79.23)	(\$1,035.49)	\$33,982.29
		34	Jan-01-20	(\$965.82)	(\$69.67)	(\$1,035.49)	\$35,017.78
		35	Apr-01-20	(\$975.48)	(\$60.01)	(\$1,035.49)	\$36,053.27
		36	Jul-01-20	(\$985.23)	(\$50.26)	(\$1,035.49)	\$37,088.76
		37	Oct-01-20	(\$995.09)	(\$40.40)	(\$1,035.49)	\$38,124.25
		38	Jan-01-21	(\$1,005.04)	(\$30.45)	(\$1,035.49)	\$39,159.74
		39	Apr-01-21	(\$1,015.09)	(\$20.40)	(\$1,035.49)	\$40,195.23
		40	Jul-01-21	(\$1,025.24)	(\$10.25)	(\$1,035.49)	\$41,230.72

Total Loan: \$40,000

**SCHEDULE "B"**  
 S&R Plaza  
 927 Old Federal Highway  
 HALLANDALE BEACH, FL 33009