LAND AUTHORITY GOVERNING BOARD
AGENDA ITEM SUMMARY

Meeting Date: September 16, 2015

Department: Land Authority

Bulk Item: Yes __ No ___

Staff Contact / Phone #: Mark Rosch / 295-5180

Agenda Item Wording: Approval of a resolution authorizing subordination of the mortgage loan encumbering a portion of Poinciana Plaza in Key West for an affordable assisted and independent living facility.

Item Background: In 2004 the Key West Housing Authority (KWHA) purchased Poinciana Plaza in Key West from the US Navy with a $16 million Section 108 loan and a $2,210,000 mortgage loan from the Land Authority. A Land Use Restriction Agreement limits use of the property to affordable housing and runs in favor of the Land Authority and the Department of Economic Opportunity.

KWHA proposes to build a 108-unit Assisted and Independent Living Facility on an undeveloped 2.1 acre portion of Poinciana Plaza. KWHA proposes to finance the cost of construction with a mortgage loan from Centennial Bank in an amount not to exceed $21,500,000. The lender requires the construction loan to be in first mortgage position and therefore KWHA is requesting the Land Authority to subordinate its $2,210,000 mortgage. Of the 108 proposed units, 60 will be supported independent living units, 48 will be assisted living units, and all will be limited to residents whose household income does not exceed 120% of area median income. The property’s affordability restrictions are not being subordinated.

Advisory Committee Action: On August 26, 2015 the Committee voted 3/0 to approve the resolution and to authorize the Land Authority Attorney to incorporate language to allow future modifications of the construction mortgage so long as the debt does not exceed $21,500,000.

Previous Governing Board Action: On 6/18/03 the Board approved issuing the $2,210,000 mortgage loan to assist KWHA in purchasing Poinciana Plaza. On 4/16/14 the Board approved subordinating the $2,210,000 mortgage loan as to the developed portions of Poinciana Plaza to assist KWHA in refinancing the $16 M Section 108 loan with a $12 M mortgage loan from First State Bank.

Contract/Agreement Changes: N/A

Staff Recommendation: Approval

Total Cost: $_______ Indirect Cost: $_______ Budgeted: Yes ___ No ___.

Cost to Land Authority: $_______ Source of Funds: _______.

Revenue Producing: Yes ___ No ___ Amount per Month: _______ Year: _______.

Approved By: Attorney ___ County Land Steward ___.

Documentation: Included: ___ Not Required: ___.

Disposition: ____________________________

Agenda Item ____
RESOLUTION NO. _______

A RESOLUTION OF THE MONROE COUNTY COMPREHENSIVE PLAN LAND AUTHORITY AUTHORIZING SUBORDINATION OF THE MORTGAGE LOAN ENCUMBERING A PORTION OF POINCIANA PLAZA IN KEY WEST FOR AN AFFORDABLE ASSISTED AND INDEPENDENT LIVING FACILITY.

WHEREAS, in 2004 the Land Authority issued a 30-year, zero interest mortgage loan (OR 1965-1039) in the amount of $2,210,000 to the Housing Authority of the City of Key West, Florida (hereinafter “Key West Housing Authority”) to partially fund the purchase of a 21.6 acre portion of the affordable housing site known as the Poinciana Plaza on Duck Avenue in Key West; and

WHEREAS, Key West Housing Authority proposes to construct a 108 unit Assisted and Independent Living Facility (hereinafter “AILF”) on the 2.1 acre portion of Poinciana Plaza described in Exhibit A (hereinafter “AILF site”);

WHEREAS, in accordance with the Land Use Restriction Agreement (OR 1965-976) encumbering the AILF site, the facility will be limited to those residents whose household income does not exceed 120% of area median income;

WHEREAS, the $16,000,000 Section 108 loan issued by the U.S. Department of Housing and Urban Development and guaranteed by the Florida Department of Economic Opportunity (formerly the Florida Department of Community Affairs) that formerly encumbered the AILF site has been satisfied (OR 2683-354); and consequently the Land Authority’s mortgage loan is currently in first lien position on the AILF site; however, First State Bank of the Florida Keys currently holds a mortgage on the Property with an original principal balance of $12,000,000; and,

WHEREAS, on the AILF site the Key West Housing Authority requests the Land Authority to subordinate its mortgage loan to a first mortgage in an amount not to exceed $21,500,000 to provide financing for the development of the AILF, as such mortgage may be modified in the future so long as the amount of the mortgage does not exceed $21,500,000; and

WHEREAS, the First State Bank of the Florida Keys mortgage will be released from the AILF site at the time of the above-referenced closing; therefore, the Land Authority’s mortgage loan will be in second lien position.

WHEREAS, the Land Authority Advisory Committee considered this Resolution at a meeting held on August 26, 2015 and voted 3/0 to recommend approval; NOW, THEREFORE,

BE IT RESOLVED BY THE MONROE COUNTY COMPREHENSIVE PLAN LAND AUTHORITY:

The Chairman of the Land Authority Governing Board is hereby authorized to execute the necessary documents to subordinate the Land Authority’s $2,210,000 mortgage loan recorded in Official Records Book 1965 at Page 1039 to a first mortgage in an amount not to exceed
$21,500,000, as such mortgage may be modified in the future so long as the amount of the mortgage does not exceed $21,500,000 as to the AILF site described in Exhibit A.

PASSED AND ADOPTED by the Monroe County Comprehensive Plan Land Authority at a regular meeting on this ______ day of ____________________, 2015.

Vice Chairman Heather Carruthers
Mayor Danny Kolhage
Commissioner Sylvia Murphy
Commissioner George Neugent
Chairman David Rice

(Seal)

ATTEST: MONROE COUNTY COMPREHENSIVE PLAN LAND AUTHORITY

________________________________________  __________________________
Mark J. Rosch                           David P. Rice
Executive Director                     Chairman
LEGAL DESCRIPTION, Assistance Living:
Prepared by Undersigned:
A tract of land lying on the Island of Key West, Monroe County, Florida and being known as a portion of Lots 1–12, Block 18, "KEY WEST FOUNDATION COMPANY’S Plat No. 2", as recorded in Plat Book 1, at Page 189, of the Public Records of Monroe County, Florida and being more particularly described as follows:

Commence at the intersection of the Northerly Right-of-Way line of Duck Avenue and the Westerly Right-of-Way line of 19th Street, said point also being the Southeast corner of Lot 1, Block 17, of the "KEY WEST FOUNDATION COMPANY'S Plat No. 2; thence S 70°56’00” W along the said Northerly right-of-way Line of Duck Avenue for a distance of 1260.50 feet to the Point of Beginning;

thence N 19°04’00” W a distance of 98.16 feet; thence N 70°56’00” E a distance of 153.38 feet; thence N 19°04’00” W a distance of 84.40 feet; thence N 87°20’47” W a distance of 106.06 feet; thence N 02°47’50” E a distance of 19.63 feet; thence S 87°03’31” E a distance of 108.14 feet; thence N 70°56’00” E a distance of 178.94 feet; thence S 18°58’04” E a distance of 153.38 feet; thence N 70°56’00” E a distance of 100.80 feet; thence N 19°04’00” W a distance of 59.36 feet; thence N 70°56’00” E a distance of 76.47 feet; thence N 19°04’00” W a distance of 71.61 feet; thence N 70°56’00” E a distance of 128.96 feet; thence S 19°04’00” E a distance of 177.09 feet; thence S 70°56’00” W a distance of 647.59 feet to the point of beginning, having an area of 90111.0 square feet or 2.1 acres

Note: Legal description taken from Island Surveying Inc. drawing No. 15-383 revised 7/22/15. Drawing shown on following page.
August 3, 2015

Mr. Mark Rosch
Executive Director
Monroe County Comprehensive Plan Land Authority
1200 Truman, Suite 207
Key West, FL 33040

Dear Mr. Rosch:

The Key West City Commission passed Resolution No. 13-256 (Exhibit A) encouraging the Housing Authority to develop a request for proposal for the development of an Assisted and Independent Living Facility.

The Housing Authority has completed the process and has executed a Loan Commitment Letter with Centennial Bank for the financing of the project in an amount not to exceed $21,500,000. The facility with 60 Supported Independent Living units and 48 Assisted Living units is proposed for construction on a portion of the Poinciana Plaza.

The purpose of this letter is to request the Monroe County Comprehensive Plan Land Authority (Land Authority) subordinate its first lien on the portion of Poinciana Plaza (2.1 acres) as identified on (Exhibit B). The subordination is only for mortgage position from first to second. In accordance with the property’s existing Land Use Restriction Agreement (Exhibit C), the facility will be limited to those residents whose household income does not exceed 120% AMI.

If there is anything additional you need for either your advisory or governing boards, please let me know. Thank you as always.

Sincerely,

J. Manuel Castillo, Sr.
Executive Director

JMC: cac
Attachments
pc: File
RESOLUTION NO. 13-256

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF KEY WEST, FLORIDA, ENCOURAGING THE KEY WEST HOUSING AUTHORITY TO DEVELOP A REQUEST FOR PROPOSALS (RFP) FOR DEVELOPMENT OF AN ASSISTED AND INDEPENDENT LIVING FACILITY AT POINCIANA PLAZA OR ANOTHER SUITABLE SITE; PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, there is a vital community need for an assisted living facility for the residents of Key West; and

WHEREAS, the Key West Housing Authority owns and manages property at Poinciana Plaza. Housing Authority property, along with City-owned property at Poinciana, could be utilized for important new assisted and independent living facilities; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF KEY WEST, FLORIDA, AS FOLLOWS:

Section 1: That the Key West Housing Authority is hereby encouraged to develop an RFP and to issue it to the public to develop and construct an assisted and independent living facility at Poinciana Plaza, or another suitable site.
Section 2: That this Resolution shall go into effect immediately upon its passage and adoption and authentication by the signature of the Presiding Officer and the Clerk of the Commission.

Passed and adopted by the City Commission at a meeting held this 2nd day of October, 2013.

Authenticated by the Presiding Officer and Clerk of the Commission on 3rd day of October, 2013.

Filed with the Clerk on October 3, 2013.

Mayor Craig Cates  Yes
Vice Mayor Mark Rossi  Absent
Commissioner Teri Johnston  Yes
Commissioner Clayton Lopez  Yes
Commissioner Billy Wardlow  Yes
Commissioner Jimmy Weekley  Yes
Commissioner Tony Yaniz  Yes

ATTEST:

CRAIG CATES, MAYOR

CHERYL SMITH, CITY CLERK
LAND USE RESTRICTION AGREEMENT

(Poinciana Plaza Naval Housing Complex)

THIS LAND USE RESTRICTION AGREEMENT (hereinafter "Agreement") is made and entered into as of the 6th day of December, 2007, between THE HOUSING AUTHORITY OF THE CITY OF KEY WEST, FLORIDA, a public body corporate and politic (hereinafter "Borrower"), the MONROE COUNTY COMPREHENSIVE PLAN LAND AUTHORITY, a land authority pursuant to section 380.0663(1), Florida Statutes and Monroe County Ordinance No. 031-1986 (hereinafter "Land Authority"), the STATE OF FLORIDA DEPARTMENT OF COMMUNITY AFFAIRS, a Department of the State of Florida created by section 20.18, Florida Statutes (hereinafter "DCA"), and their respective successors and assigns.

RECITALS

A. The City of Key West, Florida, (the "City") on behalf of the Borrower, has requested and the Land Authority has agreed, under certain conditions, to provide a loan in the amount of TWO MILLION, TWO HUNDRED TEN THOUSAND AND NO/100 DOLLARS ($2,210,000) (the "Land Authority Loan") for the purchase of that certain multifamily rental housing development known as the Poinciana Naval Housing Complex located on property in Key West, Florida, more particularly described in Exhibit "A" attached hereto and incorporated herein by this reference (the "Property").

B. The City, on behalf of the Borrower, has requested and the U.S. Department of Housing and Urban Development ("HUD") has agreed, under certain conditions, to provide a Section 108 Loan in the amount of SIXTEEN MILLION AND NO/100 DOLLARS ($16,000,000) (the "Section 108 Loan") for the purchase and rehabilitation of the Property.

C. The City, on behalf of the Borrower, has requested and the DCA has agreed, under certain conditions, to provide a guarantee in the amount SIXTEEN MILLION AND NO/100 DOLLARS ($16,000,000) (the "DCA Loan Guarantee") to HUD of repayment of the City's note for the Section 108 Loan.

D. The Borrower has agreed that the Property shall comply with the affordable housing requirements specified herein.
NOW, THEREFORE, in consideration of the mutual covenants and undertakings set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Borrower, Land Authority, and DCA do hereby contract and agree as follows:

ARTICLE I
COMPLIANCE WITH LAND AUTHORITY REQUIREMENTS

In order to comply with the Land Authority’s requirements pursuant to section 380.0663(1), *et seq.*, Florida Statutes and Monroe County Ordinance No. 031-1986, the Borrower hereby covenants and agrees as follows:

1.01 Use of the Property shall be restricted to affordable housing for low income or moderate income persons as defined in section 420.0004, Florida Statutes.

1.02 The restrictions contained in this Article I shall not expire, shall run with the Property in perpetuity and shall be binding upon the Borrower, its successors or assigns, notwithstanding any future repayment of the Land Authority Loan.

ARTICLE II
COMPLIANCE WITH DCA REQUIREMENTS

In order to comply with the requirements imposed by DCA as a condition to granting the DCA Loan Guarantee, the Borrower hereby covenants and agrees as follows:

2.01 Use of the Property shall be restricted to affordable housing for low income or moderate income persons as defined in section 420.0004, Florida Statutes, and as further specified below.

2.01.1 A minimum of 60% of the Property’s housing units (87 units) shall be rented to and occupied by persons or families whose income is at or below 80% of the Area Median Income, adjusted for family size. Rent for said units shall not exceed 30% of 80% of the Area Median Income, adjusted for family size, less any applicable utility allowance.

2.01.2 The remaining housing units on the Property shall be rented to and occupied by persons or families whose income is at or below 120% of the Area Median Income, adjusted for family size. Rent for said units shall not exceed 30% of 120% of the Area Median Income, adjusted for family size, less any applicable utility allowance.

2.02 Any Very Low Income tenants residing on the Property at the time of recording this Agreement who are displaced shall be provided safe, suitable, affordable housing at the same rent level in accordance with the Uniform Relocation Act.
2.03 This Agreement shall be recorded in the Public Records of Monroe County just after the recording of the deed conveying title of the Property to the Borrower. The conditions of this Agreement shall survive any sale of the Property as a result of foreclosure.

2.04 The Borrower shall hire a Servicer, acceptable to DCA, for the Section 108 Loan. Said Servicer shall review, inspect, and monitor the construction work and draws during the construction portion of the loan.

2.05 The Borrower shall maintain a Debt Service Reserve Account of at least Seven Hundred Thousand Dollars ($700,000.00) during the entire life of the Section 108 Loan. Said Debt Service Reserve Account shall be held by First State Bank of the Florida Keys, or its successors in interest, as custodial agent (the “Custodial Agent”) for and on behalf of the Secretary of HUD as described in the HUD Contract for Loan Guarantee Assistance under Section 108 (the “HUD Contract”) and in the Acquisition and Rehabilitation Loan Agreement (the “Loan Agreement”) between the City of Key West, the Custodial Agent and the Borrower.

2.06 As provided for in Ordinance 03-17 of the City of Key West, the City will execute a Guaranty and Interlocal Agreement with the Borrower to replenish said Debt Service Reserve Account to be held by the Custodial Agent.

2.07 The restrictions contained in this Article II shall not expire, shall run with the property in perpetuity and shall be binding upon the Borrower, its successors or assigns, notwithstanding any future repayment of the Section 108 Loan.

ARTICLE III
CONSIDERATION

In addition to other purposes, the Land Authority has authorized and issued the Land Authority Loan and the DCA has authorized and issued the DCA Loan Guarantee as inducements to the Borrower to acquire the Property and provide affordable housing for the benefit of persons or families whose incomes are equal to or less than the amounts specified in this Agreement. In consideration of said Land Authority Loan and DCA Loan Guarantee for the foregoing purposes, the Land Authority, DCA, and Borrower have entered into this Agreement.

ARTICLE IV
RELIANCE

In performing its duties hereunder, the Land Authority and the DCA may rely upon statements and certificates of the Borrower and tenants of the Property believed to be genuine and to have been executed by the proper person or persons, and upon audits of the books and records of the Borrower pertaining to occupancy of the Property. In addition, the Land Authority and the DCA may consult with counsel, and the opinion of such counsel shall be full and complete authorization and protection with respect to any action taken or suffered by the Land Authority or the DCA in good faith and in conformity with the opinion of such counsel.
ARTICLE V
TERM

This Agreement shall become effective upon its execution and delivery, and shall remain in full force and effect without expiration, unless modified by mutual written consent of the parties.

ARTICLE VI
DAMAGE, DESTRUCTION OR CONDEMNATION

In the event that the Property’s improvements are damaged or destroyed or title to the Property, or any part thereof, is taken by any governmental body through the exercise or the threat of the exercise of the power of eminent domain, subject to the rights, if any, of the holders of superior mortgages, the Borrower shall, to the extent any insurance proceeds or any condemnation awards are available, promptly commence to rebuild, replace, repair or restore the Property or repay the Land Authority Loan and the Section 108 Loan, in such manner as is consistent with this Agreement, the Loan Agreement and the HUD Contract.

ARTICLE VII
ENFORCEMENT

If the Borrower defaults in the performance of its obligations under this Agreement or breaches any material covenant, agreement or warranty of the Borrower set forth in this Agreement, and if such default remains uncured for a period of thirty (30) days after written notice thereof shall have been given by the Land Authority or the DCA to the Borrower (or for an extended period approved by the parties if such default stated in such notice can be corrected, but not within such thirty (30) day period, and if the Borrower adopts a plan to correct or cure such default and commences such correction within such thirty (30) day period (subject to any rights of tenants in possession of units under a valid lease agreement), and thereafter diligently pursues the same to completion within such extended period), then the Land Authority or the DCA may take any action at law or in equity or otherwise, for specific performance or mandamus of any covenant in this Agreement or such other remedy as may be deemed most effectual by the Land Authority or the DCA to enforce the obligations of the Borrower with respect to the Property. Notwithstanding any of the foregoing, the Land Authority and the DCA shall have the right to seek specific performance of any of the covenants and requirements of this Agreement, and the Borrower recognizes and acknowledges that the remedy of specific performance is the most appropriate remedy available to the Land Authority or the DCA. The enforcement of this Agreement is not secured by the mortgage to the Land Authority securing the Land Authority Loan.

ARTICLE VIII
RECORDING AND FILING; COVENANTS TO RUN WITH THE LAND

8.01. Upon execution and delivery by the Borrower, the Borrower shall cause this Agreement and all amendments and supplements hereto to be recorded and filed in the official public records of the County and shall pay all fees and charges incurred in connection therewith,
including, without limitation, all documentary stamp tax, intangible tax or any other excise taxes which may be due and payable in connection with the transaction contemplated by the Land Authority Loan or the Section 108 Loan.

8.02 This Agreement and the covenants contained herein shall run with the land and shall bind, and the benefits shall inure to, respectively, the Borrower, Land Authority, and DCA and their respective successors and assigns during the Term of this Agreement.

ARTICLE IX
GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of the State of Florida, with respect to both substantive rights and with respect to procedures and remedies.

ARTICLE X
NOTICE AND EFFECT

All notices and other communications to be made or permitted to be made hereunder shall be in writing and shall be delivered to the addresses shown below or to such other addresses that the parties may provide to one another in accordance herewith. Such notices and other communications shall be given by any of the following means: (a) personal service; (b) national express air courier, provided such courier maintains written verification of actual delivery; or (c) facsimile. Any notice or other communication given by the means described in subsection (a) or (b) above shall be deemed effective upon the date of receipt or the date of refusal to accept delivery by the party to whom such notice or other communication has been sent. Any notice or other communication given by the means described in subsection (e) above shall be deemed effective the date on which the facsimile transmission occurs or if such date is not a business day on the business day immediately following the date on which the facsimile transmission occurs.

Land Authority:
Monroe County Land Authority
1200 Truman Avenue, Suite 207
Key West, FL 33040
Attention: Executive Director
FAX: (305) 295-5181

Borrower:
Key West Housing Authority
1403 12th Street
Key West, FL 33040
Attention: Executive Director
FAX: (305) 292-0932

DCA:
Florida Department of Community Affairs
2555 Shumard Oak Boulevard
Tallahassee, FL 32399-2100
Attention: General Counsel
Any party may change said address by giving the other parties hereto Notice of such change of address in accordance with the foregoing provisions.

ARTICLE XI
MISCELLANEOUS

11.01. If any provision of this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining portions shall not in any way be affected or impaired.

11.02. This Agreement may be simultaneously executed in multiple counterparts, all of which shall constitute one and the same instrument and each of which shall be deemed to be an original.
COUNTERPART SIGNATURE PAGE TO
LAND USE RESTRICTION AGREEMENT

(Poinciana Plaza Naval Housing Complex)

IN WITNESS WHEREOF, the Borrower, Land Authority, and DCA have caused this Agreement to be signed, sealed and attested on their behalf by duly authorized representatives, all as of the date first set forth above.

WITNESSES:

Print: John Smithson

Print: Linda Hernandez

HOUSING AUTHORITY OF THE CITY
OF KEY WEST, FLORIDA

By: Frank O. Joppino

Address: 1403 12th Street
Key West, FL 33040

STATE OF FLORIDA
COUNTY OF MONROE

The foregoing instrument was acknowledged before me this 6th day of December, 2008 by FRANK JOPPINO, as CHAIRMAN of the HOUSING AUTHORITY OF THE CITY OF KEY WEST, FLORIDA, a public body corporate and politic duly created and existing under the laws of the State of Florida, on behalf of the Borrower. Said person is personally known to me or has produced a valid driver's license as identification.

Notary Public: Linda Kay Arnold
Print Name: Linda Kay Arnold
My Commission Expires: 12/22/2008
My Commission No.: 08-894627

Linda Kay Arnold
Commission # 08-894627
Expires Jan. 22, 2008
Bonded Thru
Atlantic Bonding Co., Ltd.
COUNTERPART SIGNATURE PAGE TO
LAND USE RESTRICTION AGREEMENT

(Poinciana Plaza Naval Housing Complex)

IN WITNESS WHEREOF, the Borrower, Land Authority, and DCA have caused this Agreement to be signed, sealed and attested on their behalf by duly authorized representatives, all as of the date first set forth above.

WITNESSES:

MONROE COUNTY COMPREHENSIVE PLAN
LAND AUTHORITY

By: Charles "Sonny" McCoy, Vice Chairman

Address: 1200 Truman Avenue
Suite 207
Key West, FL 33040

STATE OF FLORIDA
COUNTY OF MONROE

The foregoing instrument was acknowledged before me this 11th day of December, 2003, by Charles "Sonny" McCoy, Chairman of the MONROE COUNTY COMPREHENSIVE PLAN LAND AUTHORITY, a land authority pursuant to section 380.0663(1), Florida Statutes and Monroe County Ordinance No. 031-1986, on behalf of the Land Authority. Said person is personally known to me or has produced a valid driver's license as identification.

Notary Public, State of Florida
Print Name: Kimberly A. Nystrom
My Commission Expires: April 19, 2007
My Commission No.: DD190997
COUNTERPART SIGNATURE PAGE TO
LAND USE RESTRICTION AGREEMENT

(Poinciana Plaza Naval Housing Complex)

IN WITNESS WHEREOF, the Borrower, Land Authority, and DCA have caused this Agreement to be signed, sealed and attested on their behalf by duly authorized representatives, all as of the date first set forth above.

WITNESSES:

[Signature]
Print: **CONNIE RAMOS**

[Signature]
Print: **Barbara J. Fine**

FLORIDA DEPARTMENT OF
COMMUNITY AFFAIRS

[Signature]
By: 
Oscar Anderson, Chief of Staff

Address: 2555 Shumard Oak Boulevard
Tallahassee, FL 32399-2100

[SEAL]

STATE OF FLORIDA
COUNTY OF LEON

The foregoing instrument was acknowledged before me this 9th day of December, 2003, by Oscar Anderson, as Chief of Staff of the FLORIDA DEPARTMENT OF COMMUNITY AFFAIRS (DCA"), an agency of the State of Florida, on behalf of DCA. Said person is personally known to me or has produced a valid driver's license as identification.

Notary Public; State of Florida
Print Name: **Sherry Slattery**
My Commission Expires: 
My Commission No.: 

[Notary Seal]

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Exhibit A

A Tract of land lying on the Island of Key West, Monroe County, Florida and being known as a portion of Lot 5, Lots 6 thru 12, Block 17, and Lots 1 thru 8, a portion of Lots 9 thru 12, Block 18 and land lying North of said Blocks and being more particularly described as follows:

COMMENCE at the intersection of the Northerly Right-of-Way Line of Duck Avenue and the extension of the Easterly Right-of-Way Line of 16th Street, said point also being the Southwest corner of Lot 12, Block 19 of the "KEY WEST FOUNDATION COMPANY'S Plat No. 2; thence N 70°56'00" E, and along the said Northerly Right-of-Way of Duck Avenue a distance of 660.00 feet to the Southwest corner of said Lot 12, Block 18; thence N 19°04'00" W, and along the Westerly line of said Lot 12, Block 18 a distance of 135.00 feet; thence S 70°56'00" W, a distance of 16.98 feet to the Point of Beginning; thence S 70°56'00" W, a distance of 93.02 feet; thence N 19°04'00" W, a distance of 129.38 feet; thence S 86°05'47" W, a distance of 29.11 feet; thence N 19°37'19" W, a distance of 344.10 feet; thence N 72°47'35" E, a distance of 188.81 feet; thence N 40°51'10" E, a distance of 208.64 feet; thence N 65°13'55" E, a distance of 105.78 feet; thence N 17°37'03" W, a distance of 57.73 feet; thence N 70°56'31" E, and along the Northerly Boundary of Poinciana Housing a distance of 925.97 feet to the Westerly Right-of-Way Line of 19th Street; thence S 19°04'00" E, and along the said Westerly Right-of-Way Line of 19th Street a distance of 533.99 feet; thence S 70°56'00" W, a distance of 172.38 feet; thence S 18°44'29" E, a distance of 74.73 feet; thence S 37°53'13" W, a distance of 78.40 feet; thence S 19°04'00" E, a distance of 131.14 feet to the Northerly Right-of-Way Line of Duck Avenue; thence S 70°56'00" W, and along the said Northerly Right-of-Way Line of Duck Avenue a distance of 1021.99 feet; thence N 19°04'00" W, and along the said Westerly line of Lot 12, Block 18 a distance of 98.16 feet; thence N 70°56'00" E, a distance of 153.38 feet; thence N 19°04'00" W, a distance of 84.40 feet; thence N 87°20'47" W, a distance of 114.08 feet; thence S 02°39'13" W, a distance of 6.82 feet; thence N 87°20'47" W, a distance of 36.33 feet to a point on a curve to the left having a radius of 19.88 feet, a central angle of 80°32'18", a chord bearing of S 40°14'27" W, and a chord length of 25.70 feet; thence along the arc of said curve, an arc length of 27.94 feet to a point on a curve to the left having a radius of 155.85 feet, a central angle of 15°52'21", a chord bearing of S 10°49'00" E and a chord length of 43.04 feet; thence along the arc of said curve, an arc length of 43.18 feet to the end of said curve; thence S 19°18'04" E, a distance of 41.18 feet to the Point of Beginning.