



January 26, 2016

City Clerk
City of Key West
3126 Flagler Avenue
Key West, FL 34040

RE: RFP # 16-004 Peary Court Financing

Centennial Bank is pleased to advise you of its commitment to extend credit (the "Loan") to you subject to the following terms and conditions.

Borrower: City of Key West

Guarantor: City of Key West

Amount: \$46,000,000 (not to exceed)

Purpose: Finance the cost of acquiring, improving, equipping of the Peary Court Housing Project and to pay the associated cost of issuance

Rate: Initial Rate will be determined based off the Three (3) year US Treasury + index listed below based on the fixed period option selected Seven (7) days prior to loan closing. Floor rate will be the initial fixed period option.
Today (1/25/16) the Three (3) year US Treasury is at 1.06%.

Option for fixed period:

- 1) Five (5) years fixed at 3.10% (tax free), then to adjust annually to the Three (3) year US Treasury + 2.04, floor would be 3.10%
- 2) Seven (7) years fixed at 3.30% (tax free), then to adjust annually to the Three (3) year US Treasury + 2.24, floor would be 3.30%
- 3) Ten (10) years fixed at 3.60% (tax free), then to adjust annually to the Three (3) year US Treasury + 2.54, floor would be 3.60%

Term: Thirty (30) year amortized term loan

Repayment: First Twelve (12) months interest only to be paid monthly starting January 1, 2017. Monthly payments of principal and interest would then start January 1, 2018 for remainder of loan.

Collateral: First Real Estate Mortgage on property known as Peary Court of Key West located at 541 White Street, Key West, FL 33040. Property consists of Forty-nine (49) 2-story wood frame townhomes with a total of 157 units, each unit with 1 carport and enclosed storage. Also to include 3 units destroyed by fire with rights to re-build.

Prepayment: There will be a prepayment penalty based upon the fixed rate period selected, example 5 year fix would be 5,4,3,2,1. The prepayment fee shall not apply to any prepayment made from principal reductions, casualty insurance proceeds on the underlying assets or proceeds received by the Borrower resulting from a sale of the underlying assets to an entity, enterprise or person in which the Borrower has no beneficial interest or affiliation, direct or indirect.

Conditions
Precedent to
Closing:

The Closing (and initial funding) of the Loan will be subject to satisfaction of the conditions precedent deemed appropriate by Centennial Bank for transactions of this type, including, but not limited to the negotiation, execution and delivery of definitive documentation for the Loan satisfactory to Centennial (the "Loan Documents"), which shall include, without being limited to (a) satisfactory opinions of counsel to the Borrower (which shall cover, among other things, authority, legality, validity, binding effect and enforceability of the Loan Documents) and such other customary closing documents as Centennial Bank shall reasonably request and (b) satisfactory evidence that Centennial Bank upon attachment of the conditional security interests, will hold a perfected, first priority lien in all of the collateral for the Loan, subject to no other liens except for permitted liens to be determined. The terms of this commitment are subject to changes that may occur from time to time with respect to the standard operating procedures.

Representations
And Warranties:

Customary, including confirmation of corporation/partnership/limited partnership/limited liability company/limited liability partnership status and authority; execution, delivery and performance of loan documents do not violate law or existing agreements; no litigation except as disclosed to Bank; ownership of property; payment of taxes, no material adverse change in financial condition or operations; principal place of business; compliance with environmental laws and continuation of representation and warranties.

Borrower's
Affirmative
Duties:

Hazard Insurance: Borrower must provide proof of business property and liability insurance coverage issued by companies acceptable to the Bank with coverage in the face amount of the Loan or the highest insurable value, whichever is less. Borrower must also maintain Wind, Fire and Flood insurance policies in the form and substance that are issued by issuers acceptable to the Bank with coverage in the face amount of the Loan or the highest insurable value, whichever is less. Borrower agrees to maintain said insurance policies throughout the term of the Loan. The Bank is to be named as mortgagee/loss payee on the policies as follows:

CENTENNIAL BANK
its successors and/or assigns
P.O. Box 906
Conway, AR 72033

Taxes and Other Obligations: Borrower agrees to pay all taxes, assessments and other obligations, including but not limited to taxes, costs, or other expenses arising out of this transaction, as the same become due and payable, except to the extent the same are being contested in good faith by appropriate proceedings in a diligent manner.

Financial Information: Borrower agrees to furnish any and all financial information requested by the Bank during the term of the Loan including the yearly submission of financial statements and tax returns within 120 days of fiscal year end. If on extension, then submit extension form along with P&L.

Maintenance: Borrower agrees to maintain all of its tangible property in good condition and repair and make all necessary replacements thereof, and to preserve and maintain all licenses, trademarks, privileges, permits, franchises, certificates and the like necessary for the operation of its business.

Negative
Covenants:

Customary, including: limitations on capital expenditures, lease expenditures, compensation, transfer of assets or control, liens, borrowings and change of business.

Expenses:

Borrower will pay for all costs and expenses incurred by Centennial Bank in connection with the Bank's closing the loan, including the legal fees and expenses to the Bank in connection with the preparation of the Loan documentation.

Events of
Default:

Usual and customary for financings of this type. The Borrower will be in default under this agreement and all the documents given in connection herewith upon any of the following events:

Payment: If Borrower fails to pay (1) all or any part of the principal or interest of any note or any renewal note issued under this Agreement; or (2) any other amount Borrower owes the Bank when the same is due.

Duties: If Borrower fails to perform any of the Affirmative Duties to be performed by Borrower in this Agreement or any document given in connection herewith, and such failure continues for 30 days after written notice thereof has been given to Borrower by the bank.

Other Obligations: If Borrower defaults in any payment of principal or interest on obligation for borrowed money beyond any grace period provided with respect thereto, or in the performance of any other agreement, term, or condition contained in any agreement under which such obligation to cause such obligation to become due prior to its stated maturity.

Misrepresentation: If any representation or warranty made by the Borrower in this Agreement or in any written statement, certificate, or document now or later furnished by Borrower in connection herewith proves to be materially untrue as of the date with respect to which it was made.

Remedies in
Event of Default:

While Borrower is in default and at any time thereafter during the continuance of such default, the Bank may, at the same or different times, take one or more of the following actions:

- a) Terminate its commitment to make loans or future advances hereunder;
- b) The Bank may, by giving written notice to the Borrower, increase the interest rate on the unpaid principal balance to 18% per annum until such event of default is satisfied to the terms of this and all other Agreements given in connection herewith;
- c) The Bank may, by giving written notice to the Borrower then or any time thereafter, in its absolute discretion, declare the amount then remaining unpaid on any notes or any renewal notes issued under this Agreement to be forthwith due and payable, anything herein contained or in any note or any renewal note to the contrary notwithstanding.

Additional Terms
& Conditions:

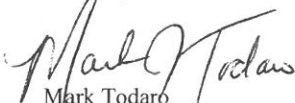
The commitment to this loan is subject to the following terms and conditions:

- 1) Bond secured as general obligation of the City of Key West
- 2) Reserve account begins with 6 months P&I payments and maintained at no less than 3 months P&I payments
- 3) Debt service coverage maintained at no less than 1.30x
- 4) Loan-to-value not to exceed 85%
- 5) Loan payments to be set-up on auto-debit

Any misrepresentation of a material fact, whether intentional or otherwise, made prior to issuance of this commitment or any change of any material fact after the issuance hereof shall, at the lender's sole option, render this commitment void with further notice to the borrower. In such event, the Lender, at its sole option, may elect not to close the loan.

On behalf of Centennial Bank, we appreciate the opportunity to present this commitment. If you have any questions, please do not hesitate to contact me at 305.676.3145

Sincerely,



Mark Todaro
VP/Commercial Loans
Centennial Bank

PROPOSAL FORM

PROPOSER

The name of the Proposer submitting this Proposal is

Centennial Bank doing business at

1229 Simonton St, Key West, FL, 33040
Street City State Zip

Mtodaro@my100bank.com

Email address

which is the address to which all communications concerned with this Proposal and with the Contract shall be sent.

The names of the principal officers of the corporation submitting this Proposal, or of the partnership, or of all persons interested in this Proposal as principals are as follows:

Name	Title
<u>Mark Todaro</u>	<u>VP Commercial Loan</u>
<u>Kevin Hester</u>	<u>EVP/CLO</u>
<u>Esther Tupino</u>	<u>VP/Key West City Executive</u>
<u>Mark Stanton</u>	<u>VP/CLO</u>
<u>Teresa Condas</u>	<u>President - SFL</u>

If Sole Proprietor or Partnership

IN WITNESS hereto the undersigned has set his (its) hand this _____ day of _____ 20__.

Signature of Proposer

Title

If Corporation

IN WITNESS WHEREOF the undersigned corporation has caused this instrument to be executed and its seal affixed by its duly authorized officers this 20 day of January 2016.

(SEAL)



Centennial Bank
Name of Corporation

By Raquel Mendez

Title Loan assistant

Attest _____
Secretary

ANTI-KICKBACK AFFIDAVIT

STATE OF Florida)

: SS

COUNTY OF Monroe)

I, the undersigned hereby duly sworn, depose and say that no portion of the sum herein bid will be paid to any employees of the City of Key West as a commission, kickback, reward or gift, directly or indirectly by me or any member of my firm or by an officer of the corporation.

By: Mark J. Todaro Mark J. Todaro

Sworn and subscribed before me this 24 day of January 2016.

NOTARY PUBLIC, State of Florida at Large

My Commission Expires:

RAQUEL MENDEZ
Notary Public - State of Florida
Commission # FF933049
My Commission Exp. Nov. 16, 2019

Raquel Mendez

* * * * *

SWORN STATEMENT UNDER SECTION 287.133(3)(A)
FLORIDA STATUTES ON PUBLIC ENTITY CRIMES

THIS FORM MUST BE SIGNED IN THE PRESENCE OF A NOTARY PUBLIC OR OTHER OFFICER AUTHORIZED TO ADMINISTER OATHS.

1. This sworn statement is submitted with Bid or Proposal for RFP # 16-004
Peary Court Financing

2. This sworn statement is submitted by Centennial Bank
(Name of entity submitting sworn statement)

whose business address is 1229 Simonton St

Key West, FL 33040

and (if applicable) its Federal Employer Identification Number (FEIN) is _____

71-0009885

(If the entity has no FEIN, include the Social Security Number of the individual

signing this sworn statement —

3. My name is Mark J Todaro
(Please print name of individual signing)

and my relationship to the entity named above is VP Commercial Loan

4. I understand that a "public entity crime" as defined in Paragraph 287.133(1)(g), Florida Statutes, means a violation of any state or federal law by a person with respect to and directly related to the transaction of business with any public entity or with an agency or political subdivision of any other state or with the United States, including but not limited

to, any bid or contract for goods or services to be provided to any public or an agency or political subdivision of any other state or of the United States and involving antitrust, fraud, theft, bribery, collusion, racketeering, conspiracy, material misrepresentation.

5. I understand that "convicted" or "conviction" as defined in Paragraph 287.133(1)(b), Florida Statutes, means a finding of guilt or a conviction of a public entity crime, with or without an adjudication of guilt, in any federal or state trial court of record relating to charges brought by indictment information after July 1, 1989, as a result of a jury verdict, nonjury trial, or entry of a plea of guilty or nolo contendere.
6. I understand that an "affiliate" as defined in Paragraph 287.133(1)(a), Florida Statutes, means
 - a. A predecessor or successor of a person convicted of a public entity crime; or
 - b. An entity under the control of any natural person who is active in the management of the entity and who has been convicted of a public entity crime. The term "affiliate" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in the management of an affiliate. The ownership by one person of shares constituting controlling interest in another person, or a pooling of equipment or income among persons when not for fair market value under an arm's length agreement, shall be a prima facie case that one person controls another person. A person who knowingly enters into a joint venture with a person who has been convicted of a public entity crime in Florida during the preceding 36 months shall be considered an affiliate.
7. I understand that a "person" as defined in Paragraph 287.133(1)(8), Florida Statutes, means any natural person or entity organized under the laws of any state or of the United States with the legal power to enter into a binding contract and which bids or applies to bid on contracts for the provision of goods or services let by a public entity, or which otherwise transacts or applies to transact business with public entity. The term "person" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in management of an entity.
8. Based on information and belief, the statement which I have marked below is true in relation to the entity submitting this sworn statement. (Please indicate which statement applies).

Neither the entity submitting this sworn statement, nor any officers, directors, executives, partners, shareholders, employees, members, or agents who are active in management of the entity, nor any affiliate of the entity have been charged with and

convicted of a public entity crime subsequent to July 1, 1989, AND (Please indicate which additional statement applies.)

____ There has been a proceeding concerning the conviction before a hearing of the State of Florida, Division of Administrative Hearings. The final order entered by the hearing officer did not place the person or affiliate on the convicted vendor list. (Please attach a copy of the final order.)

____ The person or affiliate was placed on the convicted vendor list. There has been a subsequent proceeding before a hearing officer of the State of Florida, Division of Administrative Hearings. The final order entered by the hearing officer determined that it was in the public interest to remove the person or affiliate from the convicted vendor list. (Please attach a copy of the final order.)

____ The person or affiliate has not been put on the convicted vendor list. (Please describe any action taken by or pending with the Department of General Services.)

Mark Todaro
(Signature)

Jan 26, 2016
(Date)

STATE OF Florida
COUNTY OF Monroe

PERSONALLY APPEARED BEFORE ME, the undersigned authority,

Mark Todaro who, after first being sworn by me, affixed his/her
(Name of individual signing)

signature in the space provided above on this 26 day of January, 2016

My commission expires:

RAQUEL MENDEZ
Notary Public - State of Florida
Commission # FF933049
My Commission Exp. Nov. 16, 2019

Raquel Mendez
NOTARY PUBLIC

CITY OF KEY WEST INDEMNIFICATION FORM

To the fullest extent permitted by law, the CONSULTANT expressly agrees to indemnify and hold harmless the City of Key West, their officers, directors, agents and employees (herein called the "indemnitees") from any and all liability for damages, including, if allowed by law, reasonable attorney's fees and court costs, such legal expenses to include costs incurred in establishing the indemnification and other rights agreed to in this Paragraph, to persons or property, caused in whole or in part by any act, omission, or default by CONSULTANT or its subcontractors, material men, or agents of any tier or their employees, arising out of this agreement or its performance, including such damages caused in whole or in part by any act, omission or default of any indemnitee, but specifically excluding any claims of, or damages against an indemnitee resulting from such indemnitee's gross negligence, or the willful, wanton or intentional misconduct of such indemnitee or for statutory violation or punitive damages except and to the extent the statutory violation or punitive damages are caused by or result from the acts or omissions of the CONSULTANT or its subcontractors, material men or agents of any tier or their respective employees.

Indemnification by CONSULTANT for Professional Acts. CONSULTANT hereby agrees to indemnify the City of Key West and each of its parent and subsidiary companies and the directors, officers and employees of each of them (collectively, the "indemnitees"), and hold each of the indemnitees harmless, against all losses, liabilities, penalties (civil or criminal), fines and expenses (including reasonable attorneys' fees and expenses) (collectively, "Claims") to the extent resulting from the performance of CONSULTANT'S negligent acts, errors or omissions, or intentional acts in the performance of CONSULTANT'S services, or any of their respective affiliates, under this Agreement. If claims, losses, damages, and judgments are found to be caused by the joint or concurrent negligence of the City of Key West and CONSULTANT, they shall be borne by each party in proportion to its negligence.

The indemnification obligations under the Contract shall not be restricted in any way by any limitation on the amount or type of damages, compensation, or benefits payable by or for the CONSULTANT under Workers' Compensation acts, disability benefits acts, or other employee benefits acts, and shall extend to and include any actions brought by or in the name of any employee of the CONSULTANT or of any third party to whom CONSULTANT may subcontract a part or all of the Work. This indemnification shall continue beyond the date of completion of the work.

CONSULTANT: Centennial Bank

SEAL:

1229 Simonton St, Key West, FL
Address

Mark J Toward
Signature

Mark J Toward
Print Name

VP Commercial loan
Title

DATE: Jan 26, 2016

**LOCAL VENDOR CERTIFICATION PURSUANT TO
CITY OF KEY WEST ORDINANCE 09-22 SECTION 2-798**

The undersigned, as a duly authorized representative of the vendor listed herein, certifies to the best of his/her knowledge and belief, that the vendor meets the definition of a "Local Business." For purposes of this section, "local business" shall mean a business which:

- a. Principle address as registered with the FL Department of State located within 30 miles of the boundaries of the city, listed with the chief licensing official as having a business tax receipt with its principle address within 30 miles of the boundaries of the city for at least one year immediately prior to the issuance of the solicitation
- b. Maintains a workforce of at least 50 percent of its employees from the city or within 30 miles of its boundaries.
- c. Having paid all current license taxes and any other fees due the city at least 24 hours prior to the publication of the call for bids or request for proposals.
 - Not a local vendor pursuant to Ordinance 09-22 Section 2-798
 - Qualifies as a local vendor pursuant to Ordinance 09-22 Section 2-798

If you qualify, please complete the following in support of the self-certification & submit copies of your County and City business licenses. Failure to provide the information requested will result in denial of certification as a local business.

Business Name _____ Phone: _____

Current Local Address: _____ Fax: _____
(P.O Box numbers may not be used to establish status)

Length of time at this address: _____ Date: _____

Signature of Authorized Representative

STATE OF _____ COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____ 2015.

By _____, of _____
(Name of officer or agent, title of officer or agent) (Name of corporation acknowledging)

or has produced identification _____ as identification
(Type of identification)

Signature of Notary

Print, Type or Stamp Name of Notary

Title or Rank

Return completed form with
Supporting documents to:
City of Key West Purchasing

EQUAL BENEFITS FOR DOMESTIC PARTNERS AFFIDAVIT

STATE OF Florida)

: SS

COUNTY OF Monroe)

I, the undersigned hereby duly sworn, depose and say that the firm of _____

Centennial Bank

provides benefits to domestic partners of its employees on the same basis as it provides benefits to employees' spouses, per City of Key West Code of Ordinances Sec. 2-799.

By: Mark J. Tolaw

Sworn and subscribed before me this 24 day of January, 2016

NOTARY PUBLIC, State of Florida at Large

My Commission Expires:

RAQUEL MENDEZ
Notary Public - State of Florida
Commission # FF933049
My Commission Exp. Nov. 16, 2019

Raquel Mendez

* * * * *

