

This Instrument Was Prepared By:

Richard E. Deutch, Jr., Esq.  
Stearns Weaver Miller, et al.  
150 W. Flagler Street, Suite 2200  
Miami, FL 33130

**NOTICE OF COMMENCEMENT**

The undersigned hereby informs you that improvements will be made to certain real property, and in accordance with Chapter 713.13 of the Florida Statutes, the following information is stated in this NOTICE OF COMMENCEMENT.

1. Description of Property: SEE EXHIBIT "A" ATTACHED HERETO
2. General Description of Improvements: The development of a 110 unit multifamily apartment project
3. Owner's Information:
  - a. Name and Address:  
HTG Valencia II, Ltd., a Florida limited partnership  
3225 Aviation Avenue, Suite 602  
Coconut Grove, FL 33133
  - b. Interest in Property: Fee Simple
  - c. Fee Simple Title Holder's Name and Address (If Other Than Owner):
4. Contractor's Name and Address (the "Contractor") is:  
  
HTG Hennessy, LLC  
c/o Kenneth Nielson  
2300 22<sup>nd</sup> Street North  
St. Petersburg, FL 33713
5. Surety:  
Frankenmuth Mutual Insurance Company  
1 Mutual Avenue  
Frankenmuth, MI 48787

Amount of Bond: \$13,696,463.75

A copy of the Payment Bond is attached hereto as Exhibit "B".

6. Construction Lenders' Names and Addresses:

The Bank of New York Mellon Trust Company, N.A.  
10161 Centurion Parkway  
Jacksonville, FL 32256

Florida Housing Finance Corporation  
227 North Bronough Street  
Suite 5000  
Tallahassee, FL 32301

7. Name and address of person within the State of Florida designated by Owner upon whom notices and other documents may be served as provided in Section 713.13(1)(a)(7), Florida Statutes:

Matthew Rieger  
HTG Valencia II, Ltd., a Florida limited partnership  
3225 Aviation Avenue, Suite 602  
Coconut Grove, FL 33133

8. In addition to itself, Owner designates the following persons to receive a copy of the Lienor's Notice as provided in Section 713.13(1)(b), Florida Statutes:

1. Construction Lenders:  
The Bank of New York Mellon Trust Company, N.A.  
10161 Centurion Parkway  
Jacksonville, FL 32256
2. Title Company:  
Construction Loan Department  
Fidelity National Title Group  
13800 NW 14th Street, Suite 190  
Sunrise, Fl 33323  
Attn: Doreen Brown
3. Owner's Counsel:  
Stearns Weaver Miller Weissler Alhadeff & Sitterson, P.A.  
150 West Flagler Street, Suite 2200  
Miami, FL 33130  
Attn: Richard E. Deutch, Jr., Esq.

4. Florida Housing Finance Corporation  
c/o First Housing Development Corporation of Florida  
107 So. Willow Avenue  
Tampa, FL 33606-1945  
Attn: Loan Administration

9. The Expiration Date of Notice of Commencement is one year from date of recording unless a different date is specified: June 30, 2022.

WARNING TO OWNER: ANY PAYMENTS MADE BY THE OWNER AFTER THE EXPIRATION OF THE NOTICE OF COMMENCEMENT ARE CONSIDERED IMPROPER PAYMENTS UNDER CHAPTER 713, PART I, SECTION 713.13, FLORIDA STATUTES, AND CAN RESULT IN YOUR PAYING TWICE FOR IMPROVEMENTS TO YOUR PROPERTY. A NOTICE OF COMMENCEMENT MUST BE RECORDED AND POSTED ON THE JOB SITE BEFORE THE FIRST INSPECTION. IF YOU INTEND TO OBTAIN FINANCING, CONSULT WITH YOUR LENDER OR AN ATTORNEY BEFORE COMMENCING WORK OR RECORDING YOUR NOTICE OF COMMENCEMENT.

[Signature and Notary appear on following page.]

[Notice of Commencement Signature Page]

OWNER:

HTG Valencia II, Ltd.  
a Florida limited partnersip

By: HTG Valencia II, LLC,  
a Florida limited liability company,  
its Special Limited Partner

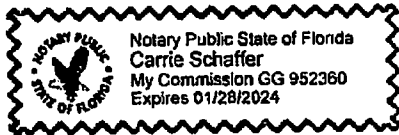
By: *[Signature]*  
Matthew Rieger, Manager

STATE OF FLORIDA )  
 )SS:  
COUNTY OF MIAMI-DADE )

Sworn to and subscribed before me this 02 day of JUNE, 2020,  
by Matthew Rieger, as Manager of HTG Valencia II, LLC, a Florida limited liability company,  
the Special Limited Partner of HTG Valencia II, Ltd., a Florida limited partnership, on behalf of  
the companies.

Personally Known ✓ OR Produced Identification \_\_\_\_\_

Type of Identification Produced



*[Signature]*  
Print or Stamp Name: CARRIE SCHAFER  
Notary Public, State of Florida  
Commission No.: GG 952360  
My Commission Expires: 01/28/24

**Exhibit "A"**  
**Legal Description**

VALENCIA GROVE PHASE II

THE NORTHWEST 1/4 OF THE NORTHEAST 1/4 OF THE NORTHEAST 1/4 OF SECTION 22,  
TOWNSHIP 19 SOUTH, RANGE 26 EAST, LAKE COUNTY FLORIDA.

LESS AND EXCEPT ROAD RIGHT-OF-WAY FOR MT. HOMER ROAD AND DILLARD ROAD

ALSO LESS AND EXCEPT

A PORTION OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4 OF THE NORTHEAST 1/4 OF  
SECTION 22, TOWNSHIP 19 SOUTH, RANGE 26 EAST, LAKE COUNTY, FLORIDA, BEING  
MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE NORTHEAST CORNER OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4  
OF THE NORTHEAST 1/4 OF SECTION 22, TOWNSHIP 19 SOUTH, RANGE 26 EAST, LAKE  
COUNTY, FLORIDA; THENCE ALONG THE EAST BOUNDARY LINE OF SAID NORTHWEST 1/4  
OF THE NORTHEAST 1/4 OF THE NORTHEAST 1/4 SOUTH 00°10'25" WEST, A DISTANCE OF  
25.00 FEET TO THE SOUTH RIGHT-OF-WAY LINE OF MT. HOMER ROAD FOR A POINT OF  
BEGINNING; THENCE CONTINUE ALONG SAID EAST BOUNDARY LINE SOUTH 00°10'25"  
WEST, A DISTANCE OF 207.43 FEET; THENCE SOUTH 89°58'31" WEST, A DISTANCE OF  
210.00 FEET; THENCE NORTH 00°10'25" EAST, A DISTANCE OF 207.43 FEET TO SAID  
SOUTH RIGHT-OF-WAY LINE OF MT. HOMER ROAD; THENCE ALONG SAID SOUTH RIGHT-  
OF-WAY LINE NORTH 89°58'31" EAST, A DISTANCE OF 210.00 FEET TO THE POINT OF  
BEGINNING.

Bond No. SUR0002627

# Document A312™ – 2010

Conforms with The American Institute of Architects AIA Document 312

## Payment Bond

**CONTRACTOR:**  
*(Name, legal status and address)*

HTG Hennessy, LLC  
2300 22nd St. North  
St. Petersburg, FL 33713

**SURETY:**  
*(Name, legal status and principal place of business)*

Frankenmuth Mutual Insurance Company  
1 Mutual Avenue  
Frankenmuth, MI 48787  
Mailing Address for Notices

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

Any singular reference to Contractor, Surety, Owner or other party shall be considered plural where applicable.

**OWNER:**  
*(Name, legal status and address)*

HTG Valencia II, Ltd.  
3225 Aviation Ave., 6th Floor  
Miami, FL 33133

Same as above

**CONSTRUCTION CONTRACT**

Date: December 23, 2019

Amount: \$13,696,463.75 - Thirteen Million Six Hundred Ninety-six Thousand Four Hundred Sixty-three & 75/100

Description:  
*(Name and location)*

Valencia Grove II Project  
2751 Dillard Rd., Eustis, FL 32726

**BOND**  
Date: June 11, 2020

*(Not earlier than Construction Contract Date)*

Amount: \$13,696,463.75 - Thirteen Million Six Hundred Ninety-six Thousand Four Hundred Sixty-three & 75/100

Modifications to this Bond:  None  See Section 18

**CONTRACTOR AS PRINCIPAL**  
Company: *(Corporate Seal)*  
Hennessy Construction Services Corp.

**SURETY**  
Company: *(Corporate Seal)*  
Frankenmuth Mutual Insurance Company



Signature:   
Name and Title: Mark J. Stalker, President

Signature:   
Name and Title: Donna K. Ashley, Attorney-in-Fact

*(Any additional signatures appear on the last page of this Payment Bond.)*  
**(FOR INFORMATION ONLY — Name, address and telephone)**

**AGENT or BROKER:**  
USI Holdings Corporation  
6100 Fairview Rd.  
Charlotte, NC 28210  
704-364-1233

**OWNER'S REPRESENTATIVE:**  
*(Architect, Engineer or other party:)*  
Fugleberg Koch, PLLC  
2555 Temple Trail  
Winter Park, FL 32789

§ 1 The Contractor and Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors and assigns to the Owner to pay for labor, materials and equipment furnished for use in the performance of the Construction Contract, which is incorporated herein by reference, subject to the following terms.

§ 2 If the Contractor promptly makes payment of all sums due to Claimants, and defends, indemnifies and holds harmless the Owner from claims, demands, liens or suits by any person or entity seeking payment for labor, materials or equipment furnished for use in the performance of the Construction Contract, then the Surety and the Contractor shall have no obligation under this Bond.

§ 3 If there is no Owner Default under the Construction Contract, the Surety's obligation to the Owner under this Bond shall arise after the Owner has promptly notified the Contractor and the Surety (at the address described in Section 13) of claims, demands, liens or suits against the Owner or the Owner's property by any person or entity seeking payment for labor, materials or equipment furnished for use in the performance of the Construction Contract and tendered defense of such claims, demands, liens or suits to the Contractor and the Surety.

§ 4 When the Owner has satisfied the conditions in Section 3, the Surety shall promptly and at the Surety's expense defend, indemnify and hold harmless the Owner against a duly tendered claim, demand, lien or suit.

§ 5 The Surety's obligations to a Claimant under this Bond shall arise after the following:

§ 5.1 Claimants, who do not have a direct contract with the Contractor,

- .1 have furnished a written notice of non-payment to the Contractor, stating with substantial accuracy the amount claimed and the name of the party to whom the materials were, or equipment was, furnished or supplied or for whom the labor was done or performed, within ninety (90) days after having last performed labor or last furnished materials or equipment included in the Claim; and
- .2 have sent a Claim to the Surety (at the address described in Section 13).

§ 5.2 Claimants, who are employed by or have a direct contract with the Contractor, have sent a Claim to the Surety (at the address described in Section 13).

§ 6 If a notice of non-payment required by Section 5.1.1 is given by the Owner to the Contractor, that is sufficient to satisfy a Claimant's obligation to furnish a written notice of non-payment under Section 5.1.1.

§ 7 When a Claimant has satisfied the conditions of Sections 5.1 or 5.2, whichever is applicable, the Surety shall promptly and at the Surety's expense take the following actions:

§ 7.1 Send an answer to the Claimant, with a copy to the Owner, within sixty (60) days after receipt of the Claim, stating the amounts that are undisputed and the basis for challenging any amounts that are disputed; and

§ 7.2 Pay or arrange for payment of any undisputed amounts.

§ 7.3 The Surety's failure to discharge its obligations under Section 7.1 or Section 7.2 shall not be deemed to constitute a waiver of defenses the Surety or Contractor may have or acquire as to a Claim, except as to undisputed amounts for which the Surety and Claimant have reached agreement. If, however, the Surety fails to discharge its obligations under Section 7.1 or Section 7.2, the Surety shall indemnify the Claimant for the reasonable attorney's fees the Claimant incurs thereafter to recover any sums found to be due and owing to the Claimant.

§ 8 The Surety's total obligation shall not exceed the amount of this Bond, plus the amount of reasonable attorney's fees provided under Section 7.3, and the amount of this Bond shall be credited for any payments made in good faith by the Surety.

§ 9 Amounts owed by the Owner to the Contractor under the Construction Contract shall be used for the performance of the Construction Contract and to satisfy claims, if any, under any construction performance bond. By the Contractor furnishing and the Owner accepting this Bond, they agree that all funds earned by the Contractor in the performance of the Construction Contract are dedicated to satisfy obligations of the Contractor and Surety under this Bond, subject to the Owner's priority to use the funds for the completion of the work.

**§ 10** The Surety shall not be liable to the Owner, Claimants or others for obligations of the Contractor that are unrelated to the Construction Contract. The Owner shall not be liable for the payment of any costs or expenses of any Claimant under this Bond, and shall have under this Bond no obligation to make payments to, or give notice on behalf of, Claimants or otherwise have any obligations to Claimants under this Bond.

**§ 11** The Surety hereby waives notice of any change, including changes of time, to the Construction Contract or to related subcontracts, purchase orders and other obligations.

**§ 12** No suit or action shall be commenced by a Claimant under this Bond other than in a court of competent jurisdiction in the state in which the project that is the subject of the Construction Contract is located or after the expiration of one year from the date (1) on which the Claimant sent a Claim to the Surety pursuant to Section 5.1.2 or 5.2, or (2) on which the last labor or service was performed by anyone or the last materials or equipment were furnished by anyone under the Construction Contract, whichever of (1) or (2) first occurs. If the provisions of this Paragraph are void or prohibited by law, the minimum period of limitation available to sureties as a defense in the jurisdiction of the suit shall be applicable.

**§ 13** Notice and Claims to the Surety, the Owner or the Contractor shall be mailed or delivered to the address shown on the page on which their signature appears. Actual receipt of notice or Claims, however accomplished, shall be sufficient compliance as of the date received.

**§ 14** When this Bond has been furnished to comply with a statutory or other legal requirement in the location where the construction was to be performed, any provision in this Bond conflicting with said statutory or legal requirement shall be deemed deleted herefrom and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. When so furnished, the intent is that this Bond shall be construed as a statutory bond and not as a common law bond.

**§ 15** Upon request by any person or entity appearing to be a potential beneficiary of this Bond, the Contractor and Owner shall promptly furnish a copy of this Bond or shall permit a copy to be made.

#### **§ 16 Definitions**

**§ 16.1 Claim.** A written statement by the Claimant including at a minimum:

- .1 the name of the Claimant;
- .2 the name of the person for whom the labor was done, or materials or equipment furnished;
- .3 a copy of the agreement or purchase order pursuant to which labor, materials or equipment was furnished for use in the performance of the Construction Contract;
- .4 a brief description of the labor, materials or equipment furnished;
- .5 the date on which the Claimant last performed labor or last furnished materials or equipment for use in the performance of the Construction Contract;
- .6 the total amount earned by the Claimant for labor, materials or equipment furnished as of the date of the Claim;
- .7 the total amount of previous payments received by the Claimant; and
- .8 the total amount due and unpaid to the Claimant for labor, materials or equipment furnished as of the date of the Claim.

**§ 16.2 Claimant.** An individual or entity having a direct contract with the Contractor or with a subcontractor of the Contractor to furnish labor, materials or equipment for use in the performance of the Construction Contract. The term Claimant also includes any individual or entity that has rightfully asserted a claim under an applicable mechanic's lien or similar statute against the real property upon which the Project is located. The intent of this Bond shall be to include without limitation in the terms "labor, materials or equipment" that part of water, gas, power, light, heat, oil, gasoline, telephone service or rental equipment used in the Construction Contract, architectural and engineering services required for performance of the work of the Contractor and the Contractor's subcontractors, and all other items for which a mechanic's lien may be asserted in the jurisdiction where the labor, materials or equipment were furnished.

**§ 16.3 Construction Contract.** The agreement between the Owner and Contractor identified on the cover page, including all Contract Documents and all changes made to the agreement and the Contract Documents.



§ 16.4 Owner Default. Failure of the Owner, which has not been remedied or waived, to pay the Contractor as required under the Construction Contract or to perform and complete or comply with the other material terms of the Construction Contract.

§ 16.5 Contract Documents. All the documents that comprise the agreement between the Owner and Contractor.

§ 17 If this Bond is issued for an agreement between a Contractor and subcontractor, the term Contractor in this Bond shall be deemed to be Subcontractor and the term Owner shall be deemed to be Contractor.

§ 18 Modifications to this bond are as follows:

NOTWITHSTANDING ANYTHING IN THE PAYMENT BOND OR THE CONSTRUCTION CONTRACT TO THE CONTRARY, THE PROVISIONS AND LIMITATIONS OF SECTION 713.23, FLORIDA STATUTES, INCLUDING BUT NOT LIMITED TO THE TIME LIMITATIONS ARE INCORPORATED IN THIS BOND BY REFERENCE.

Dual Obligee Rider is attached hereto and incorporated herein by reference.

(Space is provided below for additional signatures of added parties, other than those appearing on the cover page.)

CONTRACTOR AS PRINCIPAL

Company: (Corporate Seal)

SURETY

Company: (Corporate Seal)

Signature: 

Name and Title: Mark U. Stalker, President

Address:

Signature: 

Name and Title: Donna K. Ashley, Attorney-in-Fact

Address:



S-2149/AS 8/10

**DUAL  
OBLIGEE  
RIDER**

This Rider is to be attached to and forms a part of Performance and Payment Bonds No. SUR0002627 (hereinafter individually referred to as "Performance Bond" or "Payment Bond", and collectively referred to as "Bonds") issued by Frankenmuth Mutual Insurance Company, (hereinafter referred to as "Surety"), as Surety, on the 11 day of June, 2020.

WHEREAS, on or about the 23rd day of December, 2019, HTG Hennessy, LLC (hereinafter called the "Principal"), entered into a written agreement with HTG Valencia II, Ltd. (hereinafter called the "Primary Obligee") for the construction of the Valencia Grove II Project, 2751 Dillard Rd., Eustis, FL 33133 (hereinafter called the "Contract"); and

WHEREAS, the Principal and the Surety executed and delivered to said Primary Obligee the Bonds in connection with the Contract; and

WHEREAS, the Primary Obligee has requested the Principal and the Surety to execute and deliver this Rider.

NOW, THEREFORE, the undersigned hereby agree and stipulate that Florida Housing Finance Corporation and the Bank of New York Mellon Trust Company, N.A., as Fiscal Agent, and their successors and assigns and Fifth Third Bank, National Association, its successors and/or assigns shall be added to the Bonds as a named obligee (hereinafter referred to as "Additional Obligee"), subject to the conditions set forth below:

1. The Surety shall not be liable under the Bonds to the Primary Obligee, the Additional Obligee, or any of them, unless the Primary Obligee, the Additional Obligee, or any of them, shall make payments to the Principal (or in the case the Surety arranges for completion of the Contract, to the Surety) strictly in accordance with the terms of said Contract as to payments and shall perform all other obligations to be performed under said Contract at the time and in the manner therein set forth.

2. The aggregate liability of the Surety under the Performance Bond, to any or all of the obligees (Primary and Additional Obligees), as their interests may appear, is limited to the penal sum of the Performance Bond; the Additional Obligee's rights hereunder are subject to the same defenses Principal and/or Surety have against the Primary Obligee, and the total liability of the Surety shall in no event exceed the amount recoverable from the Principal by the Primary Obligee under the Contract. At the Surety's election, any payment due under the Performance Bond may be made by joint check payable to one or more of the obligees.

3. The aggregate liability of the Surety under the Payment Bond to any or all of the obligees (Primary and Additional Obligees), and persons or entities that are entitled to make claim under the Payment Bond (hereinafter, "Claimants"), as their interests may appear, is limited to the penal sum of the Payment Bond; the Additional Obligee's rights hereunder, if any, are subject to the same defenses Principal and/or Surety have against the Primary Obligee and/or the Claimants under the Payment Bond. At the Surety's election, any payment due under the Payment Bond may be made by joint check payable to one or more of the obligees and/or Claimants.

Except as herein modified, the Bonds shall be and remains in full force and effect.

Signed this 11 day of June, 2020.

HTG Hennessy, LLC  
(Principal)

By: [Signature]  
Mark J. Steiner, President

HTG Valencia II, Ltd  
(Primary Obligee)

By: \_\_\_\_\_

Frankenmuth Mutual Insurance Company

By: [Signature]  
Donna K. Ashley, Attorney



**FRANKENMUTH MUTUAL INSURANCE COMPANY**

**POWER OF ATTORNEY**

KNOW ALL MEN BY THESE PRESENTS, that Frankenmuth Mutual Insurance Company (the "Company"), a corporation duly organized and existing under the laws of the State of Michigan, having its principal office at 1 Mutual Avenue, Frankenmuth, Michigan 48787, does hereby nominate, constitute and appoint: Donna K. Ashley

Their true and lawful attorney(s)-in-fact, each in their separate capacity if more than one is named above, to make, execute, seal, acknowledge and deliver any and all bonds, contracts and undertakings of suretyship, with the exception of Financial Guaranty Insurance, provided, however, that the penal sum of any one such instrument shall not exceed the sum of:

**Fifty Million and 00/100 Dollars (\$50,000,000)**

Bond No: SUR0002627  
Principal Name: HTG Hennessy, LLC  
Obligee Name: HTG Valencia II, Ltd.

This Power of Attorney is granted pursuant to the following Resolution duly adopted at a meeting of the Board of Directors of Frankenmuth Mutual Insurance Company:

"RESOLVED, that the President, Senior Vice President or Vice President and each of them under their respective designations, hereby is authorized to execute powers of attorney, and such authority can be executed by use of facsimile signature, which may be attested or acknowledged by any officer of the Company, qualifying the attorney(s) named in the given power of attorney, to execute on behalf of, and acknowledge as the act and deed of Frankenmuth Mutual Insurance Company on all bonds, contracts and undertakings of suretyship, and to affix the corporate seal thereto."

IN WITNESS WHEREOF, the Company has caused these presents to be signed and attested by its appropriate officers and its corporate seal hereunto affixed this 10th day of September, 2018.



Frankenmuth Mutual Insurance Company  
By [Signature]  
Frederick A. Edmond, Jr.,  
President and Chief Operating Officer

Sworn to before me, a Notary Public in the State of Michigan, by Frederick A. Edmond, Jr., to me personally known to be the individual and officer described in, and who executed the preceding instrument, deposited and said the Corporate Seal and his signature as Officer were affixed and subscribed to said instrument by the authority of the Company.

IN TESTIMONY WHEREOF, I have set my hand, and affixed my Official Seal this 10th day of September, 2018.

[Signature] (Seal)  
Dianne L. Voss, Notary Public  
Saginaw County, State of Michigan  
My Commission Expires July 23, 2024



I, the undersigned, Vice President of Frankenmuth Mutual Insurance Company, do hereby certify that the foregoing is a true, correct and complete copy of the original Power of Attorney; that said Power of Attorney has not been revoked or rescinded and is in full force and effect as of this date.

IN WITNESS WHEREOF, I have set my hand and affixed the Seal of the Company, this 11 day of June, 20 20

[Signature]  
Andrew H. Knudsen, Vice President

**ALL CORRESPONDENCE RELATED TO BOND VALIDATION AND/OR A CLAIM SHOULD BE DIRECTED TO THE DIRECTOR OF SURETY, 701 US ROUTE ONE, SUITE 1, YARMOUTH, ME 04096**