



CRESTVIEW UNLIMITED INC. AGENDA

March 14, 2022

5:00 p.m.

Council Chambers

The Public is invited to view our meetings on the City of Crestview Live stream at <https://www.cityofcrestview.org> or the City of Crestview Facebook Page. You may submit questions on any agenda item in advance (by 3:00 PM the day of the meeting, please) to cityclerk@cityofcrestview.org.

- 1. Call to Order**
- 2. Action Items**
 - 2.1. Crestview Unlimited Inc. Promissory Notes
- 3. Comments from the Mayor and Council**
- 4. Comments from the Audience**
- 5. Adjournment**

The Presentations section is for items that were submitted by a citizen or group of Citizens no later than the Wednesday 2 weeks prior to the meeting to the Clerk's office for approval. These items will be scheduled under the section titles Presentations and Reports. Supporting documents must be submitted at this time to be on the regular agenda. All Action Items are for staff and elected officials only and must be submitted for approval no later than the Wednesday 10 days prior to the meeting. Those not listed on the regular agenda who wish to address the council should fill out a yellow card. The card must be submitted to the City Clerk. Speaking time should be three minutes or less, large groups may designate a spokesperson. All remarks should be addressed to the Council as a whole and not to individual members. All meeting procedures are outlined in the Meeting Rules and Procedures brochure available outside the Chambers. Florida Statute 286.0105. Notices of meetings and hearings must advise that a record is required to appeal. Each board, commission, or agency of this state or of any political subdivision thereof shall include in the notice of any meeting or hearing, if notice of the meeting or hearing is required, of such board, commission, or agency, conspicuously on such notice, the advice that, if a person decides to appeal any decision made by the board, agency, or commission with respect to any matter considered at such meeting or hearing, he or she will need a record of the proceedings, and that, for such purpose, he or she may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. The requirements of this section do not apply to the notice provided in s. 200.065(3). In accordance with Section 286.26, F.S., persons with disabilities needing special accommodations, please contact Maryanne Schrader, City Clerk at cityclerk@cityofcrestview.org or 850-628-1560 option2 within 48 hours of the scheduled meeting. Any invocation that is offered before the official start of the City Council meeting shall be the voluntary offering of a private person, to and for the benefit of the City Council. The views or beliefs expressed by the invocation speaker have not been previously reviewed or approved by the City Council or the city staff, and the City is not allowed by law to endorse the religious beliefs or views of this, or any other speaker. Persons in attendance at the City Council meeting are invited to stand during the opening invocation and Pledge of Allegiance. However, such invitation shall not be construed as a demand, order, or any other type of command. No person in attendance at the meeting shall be required to participate in any opening invocation that is offered. A person may exit the City Council Chambers and return upon completion of the opening invocation if a person does not wish to participate in or witness the opening invocation.



Staff Report

CITY COUNCIL MEETING DATE: March 14, 2022

TYPE OF AGENDA ITEM: Action Item

TO: Mayor and City Council
CC: City Manager, City Clerk, Staff and Attorney
FROM: Tim Bolduc, City Manager
DATE: 3/10/2022
SUBJECT: Crestview Unlimited Inc. Promissory Notes

BACKGROUND:

Crestview Unlimited, Inc. is a nonprofit corporation established in fiscal year 2021 to allow Great Life management company the ability to properly manage Blackwater Golf Club and to provide flexibility to perform their duties. Due to the corporation being recently created, establishing vendors has been challenging at times.

DISCUSSION:

The golf club is in need of golf carts as well as heavy equipment for maintaining the grounds. To assist Crestview Unlimited, Inc. in acquiring the necessary equipment, the City is proposing to purchase these items then, in turn, sell them to the nonprofit corporation based on the promissory note terms as provided below.

Promissory Note for Golf Carts:

- Principal amount: \$282,102.60
- 60 equal payments of accrued interest and principal shall be payable monthly commencing on May 1, 2022
- Monthly payment amount: \$5,194.20
- Interest rate: 3.9910%

Promissory Note for Equipment:

- Principal amount: \$273,850.15
- 60 equal payments of accrued interest and principal shall be payable monthly commencing on May 1, 2022
- Monthly payment amount: \$5,042.13
- Interest rate: 3.99%

Also included is a Security Agreement which includes both promissory notes. The security agreement provides the City with a first lien security interest in the assets that serve as collateral.

GOALS & OBJECTIVES

This item is consistent with the goals in A New View Strategic Plan 2020 as follows;

Foundational- these are the areas of focus that make up the necessary foundation of a successful local government.

Financial Sustainability- Achieve long term financial sustainability

Organizational Capacity, Effectiveness & Efficiency- To efficiently & effectively provide the highest quality of public services

Infrastructure- Satisfy current and future infrastructure needs

Communication- To engage, inform and educate public and staff

Quality of Life- these areas focus on the overall experience when provided by the city.

Community Character- Promote desirable growth with a hometown atmosphere

Safety- Ensure the continuous safety of citizens and visitors

Mobility- Provide safe, efficient and accessible means for mobility

Opportunity- Promote an environment that encourages economic and educational opportunity

Play- Expand recreational and entertainment activities within the City

Community Culture- Develop a specific identity for Crestview

FINANCIAL IMPACT

The annual financial impact from the promissory notes would be as follows:

\$62,330.40 - Golf Carts Promissory Note

\$60,505.56 - Equipment Promissory Note

RECOMMENDED ACTION

Staff respectfully requests Board approval of the two promissory notes and the security agreement.

Attachments

1. Prom Note - Golf Carts
2. Prom Note - Tractors
3. Amortization Schedule for Carts
4. Amortization Schedule for Tractors
5. Security Agreement

PROMISSORY NOTE

\$282,102.60

Crestview, Florida

March __, 2022

For value received, the undersigned Borrower agrees and promises to pay to the order of **CITY OF CRESTVIEW, FLORIDA, a municipal corporation**, and the successors and assigns thereof, the principal sum of Two Hundred Eighty Two Thousand One Hundred Two and 60/100s Dollars (\$282,102.60), with interest thereon at the rate set forth below from the date hereof until maturity, the principal and interest being payable as set forth below in lawful money of the United States of America at 198 North Wilson Street, Crestview, Florida 32536, or such other address as the holder from time to time may specify by written notice to the borrower, the principal and interest to be paid as follows:

60 equal payments of accrued interest and principal shall be payable monthly commencing on May 1, 2022, and continuing on the same day of each succeeding month until the Note is paid in full. Each monthly payment shall be \$5,194.20.

The interest rate on this Promissory Note is fixed at 3.991% per annum as long as Borrower is not in default of its obligations hereunder or in the performance of any agreement securing repayment of this note.

The indebtedness evidenced by this note may be prepaid in whole at any time without penalty or premium.

If there is a default in the payment of any of the sums due under this note or in the performance of any provision of any mortgage or agreement securing this note, then, at the option of the holder of the note, ten (10) days after written notice is given by holder to the undersigned borrower notifying borrower of such default and offering the opportunity to cure, the principal sum then remaining unpaid shall immediately become due and collectible without further notice, time being of the essence of this contract, and the principal sum and accrued interest shall both bear interest at the rate of 18% from the date of default until paid. All sums paid under this note shall be credited first to accrued interest and then to principal.

Except for the notice provision above, the undersigned borrower hereby waives presentment, protest, notice of protest and notice of dishonor and agrees to pay reasonable attorneys' fees and expenses in the enforcement of this note prior or subsequent to judgment and in any and all trial and appellate tribunals, whether suit be brought or not.

Borrower shall pay to the holder of this note a late charge of Five (5.0%) percent of any installment not received by the note holder within five (5) days after the installment is due. Acceptance of late payments or fees associated therewith shall not be considered a waiver by the holder of strict performance under the terms of this note.

This note is secured by a security agreement of even date herewith. This instrument, and any security agreement entered into for purposes of securing repayment hereof, is exempt from documentary stamp tax pursuant to Section 202.24, Florida Statutes.

**THIS NOTE, AND ANY SECURITY AGREEMENT SECURING SAME, SHALL
BE IMMEDIATELY DUE AND PAYABLE UPON THE SALE OF THE
PROPERTY ENCUMBERED BY THE SECURITY INSTRUMENT.**

BORROWER:

CRESTVIEW UNLIMITED, INC., a Florida not-
for-profit corporation

By: _____
Tim Bolduc, Manager

BORROWER'S ADDRESS:

198 North Wilson Street
Crestview, Florida 32536

PROMISSORY NOTE

\$273,850.15

Crestview, Florida

March __, 2022

For value received, the undersigned Borrower agrees and promises to pay to the order of **CITY OF CRESTVIEW, FLORIDA, a municipal corporation**, and the successors and assigns thereof, the principal sum of Two Hundred Seventy Three Thousand Eight Hundred Fifty and 15/100s Dollars (\$273,850.15), with interest thereon at the rate set forth below from the date hereof until maturity, the principal and interest being payable as set forth below in lawful money of the United States of America at 198 North Wilson Street, Crestview, Florida 32536, or such other address as the holder from time to time may specify by written notice to the borrower, the principal and interest to be paid as follows:

60 equal payments of accrued interest and principal shall be payable monthly commencing on May 1, 2022, and continuing on the same day of each succeeding month until the Note is paid in full. Each monthly payment shall be \$5,042.13.

The interest rate on this Promissory Note is fixed at 3.99% per annum as long as Borrower is not in default of its obligations hereunder or in the performance of any agreement securing repayment of this note.

The indebtedness evidenced by this note may be prepaid in whole at any time without penalty or premium.

If there is a default in the payment of any of the sums due under this note or in the performance of any provision of any mortgage or agreement securing this note, then, at the option of the holder of the note, ten (10) days after written notice is given by holder to the undersigned borrower notifying borrower of such default and offering the opportunity to cure, the principal sum then remaining unpaid shall immediately become due and collectible without further notice, time being of the essence of this contract, and the principal sum and accrued interest shall both bear interest at the rate of 18% from the date of default until paid. All sums paid under this note shall be credited first to accrued interest and then to principal.

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PROPERTY ENCUMBERED BY THE SECURITY INSTRUMENT.**

BORROWER:

CRESTVIEW UNLIMITED, INC., a Florida not-
for-profit corporation

By: _____
Tim Bolduc, Manager

BORROWER'S ADDRESS:

198 North Wilson Street
Crestview, Florida 32536

Loan Summary

Loan Amount:	\$282,102.60	Number of Payments:	60
Annual Interest Rate:	3.9910%	Periodic Payment:	\$5,194.20
Loan Date:	04/01/2022	1st Payment Due:	05/01/2022
Payment Frequency:	Monthly	Last Payment Due:	04/01/2027
Total Interest Due:	\$29,549.58	Total All Payments:	\$311,652.18

Payment Schedule

#/Year	Date	Payment	Interest	Principal	Balance
Loan:	04/01/2022	0.00	0.00	0.00	282,102.60
1:1	05/01/2022	5,194.20	938.23	4,255.97	277,846.63
2:1	06/01/2022	5,194.20	924.07	4,270.13	273,576.50
3:1	07/01/2022	5,194.20	909.87	4,284.33	269,292.17
4:1	08/01/2022	5,194.20	895.62	4,298.58	264,993.59
5:1	09/01/2022	5,194.20	881.32	4,312.88	260,680.71
6:1	10/01/2022	5,194.20	866.98	4,327.22	256,353.49
7:1	11/01/2022	5,194.20	852.59	4,341.61	252,011.88
8:1	12/01/2022	5,194.20	838.15	4,356.05	247,655.83
2022 Totals:		41,553.60	7,106.83	34,446.77	
Running Totals:		41,553.60	7,106.83	34,446.77	
9:1	01/01/2023	5,194.20	823.66	4,370.54	243,285.29
10:1	02/01/2023	5,194.20	809.13	4,385.07	238,900.22
11:1	03/01/2023	5,194.20	794.54	4,399.66	234,500.56
12:1	04/01/2023	5,194.20	779.91	4,414.29	230,086.27
13:2	05/01/2023	5,194.20	765.23	4,428.97	225,657.30
14:2	06/01/2023	5,194.20	750.50	4,443.70	221,213.60
15:2	07/01/2023	5,194.20	735.72	4,458.48	216,755.12
16:2	08/01/2023	5,194.20	720.89	4,473.31	212,281.81
17:2	09/01/2023	5,194.20	706.01	4,488.19	207,793.62
18:2	10/01/2023	5,194.20	691.09	4,503.11	203,290.51
19:2	11/01/2023	5,194.20	676.11	4,518.09	198,772.42
20:2	12/01/2023	5,194.20	661.08	4,533.12	194,239.30
2023 Totals:		62,330.40	8,913.87	53,416.53	
Running Totals:		103,884.00	16,020.70	87,863.30	
21:2	01/01/2024	5,194.20	646.01	4,548.19	189,691.11
22:2	02/01/2024	5,194.20	630.88	4,563.32	185,127.79
23:2	03/01/2024	5,194.20	615.70	4,578.50	180,549.29
24:2	04/01/2024	5,194.20	600.48	4,593.72	175,955.57
25:3	05/01/2024	5,194.20	585.20	4,609.00	171,346.57
26:3	06/01/2024	5,194.20	569.87	4,624.33	166,722.24
27:3	07/01/2024	5,194.20	554.49	4,639.71	162,082.53
28:3	08/01/2024	5,194.20	539.06	4,655.14	157,427.39
29:3	09/01/2024	5,194.20	523.58	4,670.62	152,756.77
30:3	10/01/2024	5,194.20	508.04	4,686.16	148,070.61
31:3	11/01/2024	5,194.20	492.46	4,701.74	143,368.87
32:3	12/01/2024	5,194.20	476.82	4,717.38	138,651.49
2024 Totals:		62,330.40	6,742.59	55,587.81	
Running Totals:		166,214.40	22,763.29	143,451.11	
33:3	01/01/2025	5,194.20	461.13	4,733.07	133,918.42
34:3	02/01/2025	5,194.20	445.39	4,748.81	129,169.61
35:3	03/01/2025	5,194.20	429.60	4,764.60	124,405.01
36:3	04/01/2025	5,194.20	413.75	4,780.45	119,624.56
37:4	05/01/2025	5,194.20	397.85	4,796.35	114,828.21
38:4	06/01/2025	5,194.20	381.90	4,812.30	110,015.91
39:4	07/01/2025	5,194.20	365.89	4,828.31	105,187.60
40:4	08/01/2025	5,194.20	349.84	4,844.36	100,343.24
41:4	09/01/2025	5,194.20	333.72	4,860.48	95,482.76
42:4	10/01/2025	5,194.20	317.56	4,876.64	90,606.12

Last payment increased by \$0.18 due to rounding

Calculation method: Normal, 365 days per year

Payment Schedule

#/Year	Date	Payment	Interest	Principal	Balance
43:4	11/01/2025	5,194.20	301.34	4,892.86	85,713.26
44:4	12/01/2025	5,194.20	285.07	4,909.13	80,804.13
2025 Totals:		62,330.40	4,483.04	57,847.36	
Running Totals:		228,544.80	27,246.33	201,298.47	
45:4	01/01/2026	5,194.20	268.74	4,925.46	75,878.67
46:4	02/01/2026	5,194.20	252.36	4,941.84	70,936.83
47:4	03/01/2026	5,194.20	235.92	4,958.28	65,978.55
48:4	04/01/2026	5,194.20	219.43	4,974.77	61,003.78
49:5	05/01/2026	5,194.20	202.89	4,991.31	56,012.47
50:5	06/01/2026	5,194.20	186.29	5,007.91	51,004.56
51:5	07/01/2026	5,194.20	169.63	5,024.57	45,979.99
52:5	08/01/2026	5,194.20	152.92	5,041.28	40,938.71
53:5	09/01/2026	5,194.20	136.16	5,058.04	35,880.67
54:5	10/01/2026	5,194.20	119.33	5,074.87	30,805.80
55:5	11/01/2026	5,194.20	102.45	5,091.75	25,714.05
56:5	12/01/2026	5,194.20	85.52	5,108.68	20,605.37
2026 Totals:		62,330.40	2,131.64	60,198.76	
Running Totals:		290,875.20	29,377.97	261,497.23	
57:5	01/01/2027	5,194.20	68.53	5,125.67	15,479.70
58:5	02/01/2027	5,194.20	51.48	5,142.72	10,336.98
59:5	03/01/2027	5,194.20	34.38	5,159.82	5,177.16
60:5	04/01/2027	5,194.38	17.22	5,177.16	0.00
2027 Totals:		20,776.98	171.61	20,605.37	
Running Totals:		311,652.18	29,549.58	282,102.60	

Last payment increased by \$0.18 due to rounding

Calculation method: Normal, 365 days per year

Loan Summary

Loan Amount:	\$273,850.15	Number of Payments:	60
Annual Interest Rate:	3.9900%	Periodic Payment:	\$5,042.13
Loan Date:	04/01/2022	1st Payment Due:	05/01/2022
Payment Frequency:	Monthly	Last Payment Due:	04/01/2027
Total Interest Due:	\$28,677.76	Total All Payments:	\$302,527.91

Payment Schedule

#/Year	Date	Payment	Interest	Principal	Balance
Loan:	04/01/2022	0.00	0.00	0.00	273,850.15
1:1	05/01/2022	5,042.13	910.55	4,131.58	269,718.57
2:1	06/01/2022	5,042.13	896.81	4,145.32	265,573.25
3:1	07/01/2022	5,042.13	883.03	4,159.10	261,414.15
4:1	08/01/2022	5,042.13	869.20	4,172.93	257,241.22
5:1	09/01/2022	5,042.13	855.33	4,186.80	253,054.42
6:1	10/01/2022	5,042.13	841.41	4,200.72	248,853.70
7:1	11/01/2022	5,042.13	827.44	4,214.69	244,639.01
8:1	12/01/2022	5,042.13	813.42	4,228.71	240,410.30
2022 Totals:		40,337.04	6,897.19	33,439.85	
Running Totals:		40,337.04	6,897.19	33,439.85	
9:1	01/01/2023	5,042.13	799.36	4,242.77	236,167.53
10:1	02/01/2023	5,042.13	785.26	4,256.87	231,910.66
11:1	03/01/2023	5,042.13	771.10	4,271.03	227,639.63
12:1	04/01/2023	5,042.13	756.90	4,285.23	223,354.40
13:2	05/01/2023	5,042.13	742.65	4,299.48	219,054.92
14:2	06/01/2023	5,042.13	728.36	4,313.77	214,741.15
15:2	07/01/2023	5,042.13	714.01	4,328.12	210,413.03
16:2	08/01/2023	5,042.13	699.62	4,342.51	206,070.52
17:2	09/01/2023	5,042.13	685.18	4,356.95	201,713.57
18:2	10/01/2023	5,042.13	670.70	4,371.43	197,342.14
19:2	11/01/2023	5,042.13	656.16	4,385.97	192,956.17
20:2	12/01/2023	5,042.13	641.58	4,400.55	188,555.62
2023 Totals:		60,505.56	8,650.88	51,854.68	
Running Totals:		100,842.60	15,548.07	85,294.53	
21:2	01/01/2024	5,042.13	626.95	4,415.18	184,140.44
22:2	02/01/2024	5,042.13	612.27	4,429.86	179,710.58
23:2	03/01/2024	5,042.13	597.54	4,444.59	175,265.99
24:2	04/01/2024	5,042.13	582.76	4,459.37	170,806.62
25:3	05/01/2024	5,042.13	567.93	4,474.20	166,332.42
26:3	06/01/2024	5,042.13	553.06	4,489.07	161,843.35
27:3	07/01/2024	5,042.13	538.13	4,504.00	157,339.35
28:3	08/01/2024	5,042.13	523.15	4,518.98	152,820.37
29:3	09/01/2024	5,042.13	508.13	4,534.00	148,286.37
30:3	10/01/2024	5,042.13	493.05	4,549.08	143,737.29
31:3	11/01/2024	5,042.13	477.93	4,564.20	139,173.09
32:3	12/01/2024	5,042.13	462.75	4,579.38	134,593.71
2024 Totals:		60,505.56	6,543.65	53,961.91	
Running Totals:		161,348.16	22,091.72	139,256.44	
33:3	01/01/2025	5,042.13	447.52	4,594.61	129,999.10
34:3	02/01/2025	5,042.13	432.25	4,609.88	125,389.22
35:3	03/01/2025	5,042.13	416.92	4,625.21	120,764.01
36:3	04/01/2025	5,042.13	401.54	4,640.59	116,123.42
37:4	05/01/2025	5,042.13	386.11	4,656.02	111,467.40
38:4	06/01/2025	5,042.13	370.63	4,671.50	106,795.90
39:4	07/01/2025	5,042.13	355.10	4,687.03	102,108.87
40:4	08/01/2025	5,042.13	339.51	4,702.62	97,406.25
41:4	09/01/2025	5,042.13	323.88	4,718.25	92,688.00
42:4	10/01/2025	5,042.13	308.19	4,733.94	87,954.06

Last payment increased by \$0.11 due to rounding

Calculation method: Normal, 365 days per year

Mortgage Payment Schedule

#/Year	Date	Payment	Interest	Principal	Balance
43:4	11/01/2025	5,042.13	292.45	4,749.68	83,204.38
44:4	12/01/2025	5,042.13	276.65	4,765.48	78,438.90
2025 Totals:		60,505.56	4,350.75	56,154.81	
Running Totals:		221,853.72	26,442.47	195,411.25	
45:4	01/01/2026	5,042.13	260.81	4,781.32	73,657.58
46:4	02/01/2026	5,042.13	244.91	4,797.22	68,860.36
47:4	03/01/2026	5,042.13	228.96	4,813.17	64,047.19
48:4	04/01/2026	5,042.13	212.96	4,829.17	59,218.02
49:5	05/01/2026	5,042.13	196.90	4,845.23	54,372.79
50:5	06/01/2026	5,042.13	180.79	4,861.34	49,511.45
51:5	07/01/2026	5,042.13	164.63	4,877.50	44,633.95
52:5	08/01/2026	5,042.13	148.41	4,893.72	39,740.23
53:5	09/01/2026	5,042.13	132.14	4,909.99	34,830.24
54:5	10/01/2026	5,042.13	115.81	4,926.32	29,903.92
55:5	11/01/2026	5,042.13	99.43	4,942.70	24,961.22
56:5	12/01/2026	5,042.13	83.00	4,959.13	20,002.09
2026 Totals:		60,505.56	2,068.75	58,436.81	
Running Totals:		282,359.28	28,511.22	253,848.06	
57:5	01/01/2027	5,042.13	66.51	4,975.62	15,026.47
58:5	02/01/2027	5,042.13	49.96	4,992.17	10,034.30
59:5	03/01/2027	5,042.13	33.36	5,008.77	5,025.53
60:5	04/01/2027	5,042.24	16.71	5,025.53	0.00
2027 Totals:		20,168.63	166.54	20,002.09	
Running Totals:		302,527.91	28,677.76	273,850.15	

Last payment increased by \$0.11 due to rounding

Calculation method: Normal, 365 days per year

SECURITY AGREEMENT

THIS SECURITY AGREEMENT (this “Agreement”), dated as of this _____ day of March, 2022, is made by and between CRESTVIEW UNLIMITED, INC., a Florida not-for-profit corporation (“**Crestview Unlimited**”), and the CITY OF CRESTVIEW, FLORIDA, a municipal corporation (“**City**”).

WHEREAS, as security for Crestview Unlimited’s Obligations, as defined below, City desires to obtain and Crestview Unlimited desires to grant City a first lien security interest in certain Collateral, as defined by and under the terms and provisions hereof.

NOW, THEREFORE, Crestview Unlimited and City, intending to be legally bound, hereby agree as follows:

1. Definitions.

(a) “**Collateral**” shall mean the assets owned by Crestview Unlimited, as set forth on Exhibit “A”.

(b) “**Loan Documents**” means the Notes, as defined below, this Agreement, any UCC-1 financing statement perfecting City’s security interest in the Collateral and all other documents and instruments evidencing, securing or executed in connection therewith.

(c) “**Notes**” means (a) that certain Promissory Note executed contemporaneously herewith by Crestview Unlimited for the benefit of City in the original principal amount of \$273,850.15 evidencing Crestview Unlimited’s debt for tractors and certain grounds-keeping and ancillary equipment, and (b) that certain Promissory Note executed contemporaneously herewith by Crestview Unlimited for the benefit of City in the original principal amount of \$282,102.60 evidencing Crestview Unlimited’s debt for golf carts and ancillary parts.

(d) “**Obligations**” shall mean (1) the payment of all amounts now or hereafter becoming due and payable under the Loan Documents, including the principal amount of the Notes, all interest thereon (including interest that, but for the filing of a petition in bankruptcy, would accrue on any such principal) and all other fees, charges and costs (including attorneys’ fees and expenses) payable in connection therewith, or under any modification, renewal or extension thereof; (2) the observance and performance by Crestview Unlimited of all of the provisions of the Loan Documents; (3) the payment of all sums advanced or paid by City in exercising any of its rights, powers or remedies under the Loan Documents, and all interest (including post-bankruptcy petition interest, as aforesaid) on such sums provided for herein or therein; and (4) the payment and performance of all other indebtedness, obligations and liabilities of Crestview Unlimited to City (including obligations of performance) of every kind whatsoever, whether evidenced by or arising under the Note or this Agreement or, whether absolute or contingent, joint or several, due or to become due, now existing or hereafter arising, and all costs and expenses of City incurred in the enforcement, collection or otherwise in connection with any of the foregoing, including reasonable attorneys’ fees, court costs and expenses. Until paid in full, all amounts due and payable by Crestview Unlimited hereunder shall be an Obligation and shall bear interest at the highest rate of interest set forth in the Notes for non-default interest.

(e) “UCC” means the Uniform Commercial Code, as adopted and enacted and as in effect from time to time in the State of Florida. Terms used herein which are defined in the UCC and not otherwise defined herein shall have the meanings ascribed to such terms in the UCC.

2. Grant of Security Interest. To secure the payment and performance in full of all the Obligations, Crestview Unlimited hereby assigns, grants, pledges, conveys and delivers to City a continuing lien on and security interest in the Collateral, wherever located.

3. Change in Name or Locations. Crestview Unlimited hereby agrees that the Collateral will be kept at Blackwater Golf Course. Crestview Unlimited shall not remove the Collateral from such location without providing at least 30 days prior written notice to City. In the event Crestview Unlimited changes its name or form or jurisdiction of organization, or establishes a different name in which it may do business, Crestview Unlimited will immediately notify City in writing of the additions or changes.

4. Crestview Unlimited’s Covenants. Crestview Unlimited covenants that it shall:

(a) from time to time and at all reasonable times allow City, by or through any of its officers, agents, attorneys, or accountants, to examine or inspect the Collateral, wherever located. Crestview Unlimited shall do, obtain, make, execute and deliver all such additional and further acts, things, deeds, assurances and instruments as City may require to vest in and assure to City its rights hereunder and in or to the Collateral, and the proceeds thereof, including waivers from landlords, warehousemen and mortgagees;

(b) keep the Collateral in as good of condition as it was at the time of acquisition from City, less ordinary wear and tear, and immediately notify City of any event causing a material loss or decline in value of the Collateral, whether or not covered by insurance, and the amount of such loss or depreciation;

(c) only use or permit the Collateral to be used in accordance with all applicable federal, state, county and municipal laws and regulations, and for golf course purposes; and

(d) pay promptly when due all taxes, assessments, rents, royalties, governmental charges and levies with regard to the Collateral or incurred in connection with the use or operation of such Collateral or incurred in connection with this Agreement; and

(e) have and maintain insurance at all times with respect to all Collateral against risks of fire (including so-called extended coverage), theft, property damage, collision, and other risks (including risk of flood if any Collateral is maintained at a location in a flood hazard zone) as City may reasonably require, in such form, in the minimum amount of the outstanding principal of the Note and written by such companies as are authorized to engage in the business of insurance in the State of Florida. Each such casualty insurance policy shall contain a standard Loss Payee Clause issued in favor of City under which all losses thereunder shall be paid to City. Such policies shall expressly provide that the requisite insurance cannot be altered or canceled without at least thirty (30) days prior written notice to City and shall insure City notwithstanding the act or neglect

of Crestview Unlimited. Upon City's demand, Crestview Unlimited shall furnish City with evidence of insurance as City may require. In the event of failure to provide insurance as herein provided, City may, at its option, obtain such insurance and Crestview Unlimited shall pay to City, on demand, the cost thereof. Proceeds of insurance may be applied by City to reduce the Obligations or to repair or replace Collateral, all in City's sole discretion.

(f) If any of the Collateral is, at any time, in the possession of a bailee other than for ordinary repairs and maintenance, Crestview Unlimited shall promptly notify City thereof and, if requested by City, shall promptly obtain an acknowledgment from the bailee, in form and substance satisfactory to City, that the bailee holds such Collateral for the benefit of City and shall act upon the instructions of City, without the further consent of Crestview Unlimited.

5. Negative Pledge; No Transfer. Crestview Unlimited will not sell or offer to sell or otherwise transfer or grant or allow the imposition of a lien or security interest upon the Collateral or use any portion thereof in any manner inconsistent with this Agreement or with the terms and conditions of any policy of insurance thereon.

6. Further Assurances. Crestview Unlimited hereby irrevocably authorizes City at any time and from time to time to file in any UCC jurisdiction any initial financing statements and amendments thereto that (a) indicate the Collateral and (b) contain any other information required by the UCC for the sufficiency or filing office acceptance of any financing statement or amendment, including, but not limited to (i) whether Crestview Unlimited is an organization, the type of organization and (ii) any organizational identification number issued to Crestview Unlimited. Crestview Unlimited agrees to furnish any such information to City promptly upon request.

7. Events of Default. The occurrence of any of the following events shall constitute an event of default (an "Event of Default") under this Agreement (whatever the reason for such event and whether or not it shall be voluntary or involuntary or be effected by operation of law):

(a) any representation, warranty or covenant made in this Agreement or in any of the other Loan Documents shall prove to be false or misleading in any material respect as of the time made; or

(b) default shall be made in the payment when due of any of the Obligations and such default remains uncured after notice by City; or

(c) default shall be made in the due observance or performance of any covenant, condition or agreement on the part of Crestview Unlimited to be observed or performed pursuant to the terms of this Agreement; or

(d) any default or event of default, as therein defined, shall occur under any of the other Loan Documents; or

(e) an uninsured material loss, theft, damage, or destruction to any of the Collateral, or the entry of any judgment against Crestview Unlimited or any lien against or the making of any levy, seizure or attachment of or on the Collateral which would be superior to City's lien.

8. Remedies. Upon the occurrence of an Event of Default and Crestview Unlimited's failure to cure such default within ten days after notice of such default from City, and at any time thereafter, City may declare all Obligations secured hereby immediately due and payable and shall have, in addition to any remedies provided herein or by any applicable law or in equity, all the remedies available to City under the UCC. City, without any other notice to or demand upon Crestview Unlimited, shall have in any jurisdiction in which enforcement hereof is sought, in addition to all other rights and remedies, the rights and remedies of a secured party under the UCC of the State and any additional rights and remedies as may be provided to a secured party in any jurisdiction in which Collateral is located, including, without limitation, the right to take possession of the Collateral, and for that purpose City may, so far as Crestview Unlimited can give authority therefor, enter upon any premises on which the Collateral may be situated and remove the same therefrom. City may in its discretion require Crestview Unlimited to assemble all or any part of the Collateral at such location or locations as City may reasonably designate. Unless the Collateral is perishable or threatens to decline speedily in value or is of a type customarily sold on a recognized market, City shall give to Crestview Unlimited at least five days prior written notice of the time and place of any public sale of Collateral or of the time after which any private sale or any other intended disposition is to be made. Crestview Unlimited hereby acknowledges that five days' prior written notice of such sale or sales shall be reasonable notice. In addition, Crestview Unlimited waives any and all rights that it may have to a judicial hearing in advance of the enforcement of any of City's rights and remedies hereunder, including, without limitation, its right following an Event of Default (subject to Crestview Unlimited's right to cure such default following notice) to take immediate possession of the Collateral and to exercise its rights and remedies with respect to this Agreement.

9. Marshalling. City shall not be required to marshal any present or future Collateral for, or other assurances of payment of, the Obligations or to resort to such Collateral or other assurances of payment in any particular order, and all of its rights and remedies hereunder and in respect of such Collateral and other assurances of payment shall be cumulative and in addition to all other rights and remedies, however existing or arising. To the extent that it lawfully may, Crestview Unlimited hereby agrees that it will not invoke any law relating to the marshalling of Collateral which might cause delay in or impede the enforcement of City's rights and remedies under this Agreement or under any other instrument creating or evidencing any of the Obligations or under which any of the Obligations is outstanding or by which any of the Obligations is secured or payment thereof is otherwise assured, and, to the extent that it lawfully may, Crestview Unlimited hereby irrevocably waives the benefits of all such laws.

10. Payment of Expenses. If such expenses are and remain unpaid by Crestview Unlimited after they come due, at its option, City may, but is not required to: discharge taxes, liens, security interests or such other encumbrances as may attach to the Collateral; pay for required insurance on the Collateral; and pay for the maintenance, appraisal or reappraisal, and preservation of the Collateral, as determined by City to be necessary. Crestview Unlimited will reimburse City on demand for any payment so made or any expense incurred by City pursuant to the foregoing authorization. Any advances or payments so made or expenses so incurred by City shall be an Obligation owed by Crestview Unlimited to City.

11. Deficiency. Upon the occurrence of an Event of Default and Crestview Unlimited's failure to cure such default within ten days after notice of such default from City, and at any time thereafter, Crestview Unlimited shall pay to City on demand any and all expenses, including reasonable attorney's fees and disbursements, incurred or paid by City in protecting, preserving, or enforcing City's rights and remedies under or in respect of any of the Obligations or any of the Collateral. After deducting all of said expenses, the residue of any proceeds of collection or sale or other disposition of Collateral shall, to the extent actually received in cash, be applied to the payment of the Obligations in such order or preference as City may determine. In the absence of final payment and full satisfaction of all the Obligations, Crestview Unlimited shall remain liable to City for any deficiency until paid in full.

12. Notices. All notices, demands, requests, consents, approvals and other communications required or permitted hereunder must be in writing and will be effective upon receipt. Such notices and other communications may be hand-delivered, sent by email or facsimile transmission, and a copy sent by first-class mail, or sent by nationally recognized overnight courier service, to a party's address set forth as follows or to such other address as any party may give to the other in writing for such purpose:

If to City, to:

City Clerk
198 North Wilson Street
Crestview, Florida 32536

If to Crestview Unlimited, to:

Manager
198 North Wilson Street
Crestview, Florida 32536

13. Non-Waiver. No delay or omission on City's part to exercise any right or power arising hereunder will impair any such right or power or be considered a waiver of any such right or power, nor will City's action or inaction impair any such right or power. City's rights and remedies hereunder are cumulative and not exclusive of any other rights or remedies which City may have under other agreements, at law or in equity.

14. Severability. In case any one or more of the provisions contained in this Agreement should be invalid, illegal or unenforceable in any respect, the validity, legality and

enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

15. Changes in Writing. No modification, amendment or waiver of any provision of this Agreement nor consent to any departure by Crestview Unlimited therefrom will be effective unless made in a writing signed by City, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. No notice to or demand on Crestview Unlimited in any case will entitle Crestview Unlimited to any other or further notice or demand in the same, similar or other circumstance.

16. Entire Agreement. This Agreement (including the Notes, documents and instruments referred to herein) constitutes the entire agreement and supersedes all other prior agreements and understandings, both written and oral, between the parties with respect to the subject matter hereof.

17. Counterparts. This Agreement may be signed in any number of counterpart copies and by the parties hereto on separate counterparts, but all such copies shall constitute one and the same instrument. Delivery of an executed counterpart of a signature page to this Agreement by email in pdf format or facsimile transmission shall be effective as delivery of a manually executed counterpart. Any party so executing this Agreement by email in pdf format or facsimile transmission shall promptly deliver a manually executed counterpart, provided that any failure to do so shall not affect the validity of the counterpart executed by email or facsimile transmission.

18. Successors and Assigns. This Agreement will be binding upon and inure to the benefit of Crestview Unlimited and City and their respective heirs, executors, administrators, successors and assigns; provided, however, that Crestview Unlimited may not assign this Agreement in whole or in part without City's prior written consent and City at any time may assign this Agreement in whole or in part.

19. Interpretation. In this Agreement, unless City and Crestview Unlimited otherwise agree in writing, the singular includes the plural and the plural the singular; words importing any gender include the other genders; references to statutes are to be construed as including all statutory provisions consolidating, amending or replacing the statute referred to; the word "or" shall be deemed to include "and/or", the words "including", "includes" and "include" shall be deemed to be followed by the words "without limitation"; references to articles, sections (or subdivisions of sections) or exhibits are to those of this Agreement unless otherwise indicated. Section headings in this Agreement are included for convenience of reference only and shall not constitute a part of this Agreement for any other purpose.

20. Governing Law and Jurisdiction. This Agreement has been delivered to and accepted by City and will be deemed to be made in the State of Florida. **THIS AGREEMENT WILL BE INTERPRETED AND THE RIGHTS AND LIABILITIES OF THE PARTIES HERETO DETERMINED IN ACCORDANCE WITH THE LAWS OF THE STATE OF FLORIDA.** Crestview Unlimited hereby irrevocably consents to the exclusive jurisdiction of any state court in Okaloosa County, Florida; provided that nothing contained in this Agreement will prevent City from bringing any action, enforcing any award or judgment or exercising any rights against Crestview Unlimited

individually, against any security or against any property of Crestview Unlimited within any other county, state or other foreign or domestic jurisdiction. Crestview Unlimited waives any objection to venue and any objection based on a more convenient forum in any action instituted under this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and date first above written.

CITY OF CRESTVIEW, FLORIDA, a Municipal Corporation

By: _____
Name: J.B. Whitten
As its: Mayor

Attest: _____
Name: Maryanne Schrader
As its: City Clerk

CRESTVIEW UNLIMITED, INC.

By: _____
Name: Tim Bolduc
As its: Manager

**EXHIBIT “A” TO TRIANGLE/COUCH
SECURITY AGREEMENT**

COLLATERAL

Qty	Make	Model	Year	Equipment Type	Serial/VIN Number
1	John Deere	5055E	2021	New Utility Tractor	1PY5055EHMN153252
1	John Deere	520M	2021	New Tractor	1P0520MXJMD082099
1	John Deere	800	2021	New Aeration	1TC800ACAMT160001
1	Lely	HR	2021	New Spreader	232011J1827859
1	Agrimetel	660D	2021	New Roller	41453-V
1	John Deere	2500B Diesel	2017	Greens Used Mower - Riding	1TC250BGPHT100081
1	John Deere	2500B Diesel	2017	Greens Used Mower - Riding	1TC250BGLHT100154
1	John Deere	2500B Diesel	2016	Greens Used Mower - Riding	1TC250BGCCT095564
1	John Deere	TX	2017	Used Mower	1M0TURFJLHM120495
1	John Deere	TX	2016	Used Mower	1M0TURFJCGM111959
1	John Deere	9009A TerrainCut	2017	Used Mower - Rough/Trim/Surround	1TC9009AEGV010670
1	Buffalo	KB4	2021	New Blower	34935
1	Greensgroomer	920E	2021	New Groomer	923340
1	Progressive	TDR-X	2021	New Mower	21111120
1	Progressive	TDR-X	2021	New Mower	21111121
1	Dakota	410	2019	Used Topdresser	41015319
1	TORO COMPANY	5800	2017	Used Sprayer	401367986
60	EZGO	TXT Gas EFI	2022	Golf Cart	To be added individually when delivered