

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for an increase in wastewater rates
In Monroe County by K W Resort Utilities Corp.

Docket No. 20240108-SU

APPLICATION FOR INCREASE IN RATES

Applicant, K W Resort Utilities Corp. (the “Utility”), by and through its undersigned attorneys and pursuant to Section 367.081, Florida Statutes, and Chapter 25-30, Florida Administrative Code, files this Application for an increase in its wastewater rates in Monroe County, Florida.

I.

The following information is provided pursuant to Rule 25-30.436, Florida Administrative Code:

1. (a) (i) The name of the Utility and its mailing address is:

K W Resort Utilities Corp
6630 Front Street
Key West, FL 33040

- (ii) The names and address of the persons authorized to receive notices

and communications in respect to this application are:

Martin S. Friedman, Esquire
Dean Mead Law Firm
420 S. Orange Ave., Suite 700
Orlando, FL 32801
Direct Telephone: (407) 310-2077
Fax: (407) 423-1831
Email: mfriedman@deanmead.com

Barton W. Smith, Esquire
Smith | Hawks
138 Simonton Street
Key West, FL 33040
Telephone: (305) 296-7227/Fax: (305) 296-8448
Email: bart@smithhawks.com

(b) The Utility is a Florida corporation authorized to do business in Florida on December 18, 1984. The names and addresses of the persons owning more than 5% of the Utility's membership interest are:

WS Utility, Inc.	100%
1212 Von Phister Street	
Key West, FL 33040	

(c) The Company's last rate proceeding was in Docket No. 20170141-SU, utilizing a test year ending June 30, 2017, which resulted in the issuance of Order No. PSC-2018-0446-FOF-SU issued September 4, 2018.

(d) The address where the Application is available for customer inspection during the time the rate application is pending is:

6630 Front Street
Key West, FL 33040

Pursuant to Rule 25-22.0407(2), Florida Administrative Code, the Utility is simultaneously herewith mailing a copy of this Application to the chief executive officer of the City of Key West and Monroe County.

(e) Not applicable.

(f) The Statement of Christopher A. Johnson, the President of the Utility, that the Utility will comply with the noticing requirements of Rule 25-22.0407, F.A.C., is attached hereto as Exhibit "A".

(g) The Utility requests to have the case processed using the proposed agency action procedure outlined in Section 367.081(10), F.S.

(2) The appropriate filing fee of \$4,500.00 (over 4,000 wastewater ERCs) will be provided to the Office of Commission Clerk with the paper copies of the MFRs.

(3) The Utility knows of no deviations from the policies, procedures and guidelines prescribed by the Commission in relevant rules or in the Utility's last rate case.

(4) Pursuant to Rule 25.30.436(4), F.A.C., within seven calendar days of e-filing this Application, ten paper copies of the financial MFRs (and a USB drive with the financial MFRs in Excel), and two paper copies of the billing analysis, will be provided to the Office of Commission Clerk.

(5) The Utility is requesting wastewater rates which would allow it to recover all expenses that the Utility will incur on a going-forward basis utilizing a historic June 30, 2024, test year, and to generate a fair rate of return on its investment on all property considered used and useful in the public service. The Utility is further requesting rates to recover the cost of pro-forma projects, as specifically identified below, which will be placed in service within 24 months of the test year. The revenue which the Company requests should be adjusted to incorporate the repression in the customer usage as a result of the rates established in this case, in accordance with the standard Commission methodology. The Utility has demonstrated through the supporting schedules that it is earning outside its range of reasonable returns, calculated in accordance with Section 367.082(5), Florida Statutes.

The Utility has demonstrated through the supporting schedules within **Volume I** that it is earning outside its range of reasonable returns, calculated in accordance with Section 367.082(5), Florida Statutes. Submitted as part of **Volume I** are schedules of rate base (Schedules A-1 and A-2), cost of capital (Schedule D-1) and net operating income (Schedule B-1 and Schedule B-2), as applicable, pursuant to Commission Rule 25-30.437(5), F.A.C.

Reconciliation Schedules are attached hereto as **Exhibit “B”**.

The Billing Analysis Schedules as required by Rule 25-30.437(4) are filed as **Volume II**.

II.

The Utility is also e-filing the additional engineering information required pursuant to Rule 25-30.437(3), Florida Administrative Code, as **Volume III**. Within seven calendar days of e-filing this Application, two paper copies of the engineering MFRs, and one copy of the required map will be provided to the Office of Commission Clerk.

III.

[Pro-Forma Capital Projects and Expenses]

The Utility has a pro-forma capital project consisting of the replacement of the South WWTP blowers and an electrical upgrade to the Treatment Plant, both of which are past their useful life. This project is estimated to cost \$2,550,000. Backup documentation is provided in **Volume III**. The pro-forma capital project will be completed no later than June 30, 2026. In addition, there will be pro forma expenses in the approximate amount of \$335,000 for the preparation of a Collection System Action Plan required by Rule 62-600.705(2), F.A.C., and the engineering expense of the permit renewal estimated to be \$40,000. Additionally, the Company’s loan matured on November 22, 2024, and has been renewed and its interest rate increased from its current fixed rate of 4% to the current market interest rate which was 5.9% with .5% charged for renewing the loan. The backup documentation is attached hereto as **Exhibit “C”**.

WHEREFORE, the Utility requests that the Florida Public Service Commission do the following:

1. Grant final wastewater rates and charges as requested herein and contained in the financial MFRs;
2. Provide such other and further relief as is fair, just and equitable.

Respectfully submitted this 13th day of December, 2024, by:

Dean Mead
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mfriedman@deanmead.com
/s/Martin S. Friedman
MARTIN S. FRIEDMAN

Barton W. Smith, Esquire
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Key West, FL 33040
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Email: bart@smithhawks.com

EXHIBIT "A"

Statement of Christopher A. Johnson regarding Noticing

STATEMENT OF CHRISTOPHER A. JOHNSON

[Pursuant to Rule 25-30.436(1)(f), F.A.C.]

K W Resort Utilities Corp. will comply with the noticing requirements of Rule 25-22.0407,
Florida Administrative Code.



Christopher A. Johnson, President
K W Resort Utilities Corp.

EXHIBIT “B”

Reconciliation Schedules

K W RESORT UTILITIES CORP
Docket No.:20240108
Reconciliation of Annual Report to MFRs
Test Tear Ending: June 30, 2024

Account Number - MFR	Description	Amount	Account Number Annual Report	Description	Amount	Page	
A-6(a): 351.1	Organization	<u>-</u> <u>-</u>	351	Organization	<u>-</u> <u>-</u>	S-4(a)	-
A-6(a): 352.1	Franchises	<u>92,864</u> <u>92,864</u>	352	Franchises	<u>92,864</u> <u>92,864</u>	S-4(a)	0
A-6(a): 353.2	Land and Land Rights	-					
A-6(a): 353.3	Land and Land Rights	-					
A-6(a): 353.4	Land and Land Rights	375,000					
A-6(a): 353.5	Land and Land Rights	-					
A-6(a): 353.6	Land and Land Rights	-					
A-6(a): 353.7	Land and Land Rights	<u>-</u> <u>375,000</u>	353	Land and Land Rights	<u>375,000</u> <u>375,000</u>	S-4(a)	(0)
A-6(a): 354.2	Structures and Improvements	-					
A-6(a): 354.3	Structures and Improvements	116,938					
A-6(a): 354.4	Structures and Improvements	7,299,686			7,416,625		
A-6(a): 354.7	Structures and Improvements	<u>-</u> <u>7,416,624</u>	354	Structures and Improvements	<u>7,416,625</u> <u>7,416,625</u>	S-4(a)	(1) Rounding
A-6(a): 390.7	Office Furniture and Equipment	<u>96,688</u> <u>96,688</u>	390	Office Furniture and Equipment	<u>96,688</u> <u>96,688</u>	S-4(a)	(0)
A-6(a): 393.7	Tools, Shop and Garage Equipment	32,360					
A-6(a): 343.5	Tools, Shop & Garage Equipment	<u>32,360</u> <u>32,360</u>	393	Tools, Shop and Garage Equipment	<u>32,360</u> <u>32,360</u>	S-4(a)	0
A-6(a): 396.7	Communication Equipment	-					
A-6(a): 346.5	Communication Equipment	<u>-</u> <u>-</u>	396	Communication Equipment	<u>-</u> <u>-</u>	S-4(a)	-
A-6(a): 398.7	Other Tangible Plant	-					
A-6(a): 348.5	Other Plant - Allocations	<u>-</u> <u>-</u>	398	Other Tangible Plant	<u>-</u> <u>-</u>	S-4(a)	-
A-6(a): 355.2	Power Generation Equipment	-					
A-6(a): 355.4	Power Generation Equipment	<u>99,120</u> <u>99,120</u>	355	Power Generation Equipment	<u>99,120</u> <u>99,120</u>	S-4(a)	0
A-6(a): 360.2	Collection Sewers - Force	<u>4,666,353</u> <u>4,666,353</u>	360	Collection Sewers - Force	<u>4,666,353</u> <u>4,666,353</u>	S-4(a)	0
A-6(a): 363.2	Services to Customers	<u>105,270</u> <u>105,270</u>	363	Services to Customers	<u>105,270</u> <u>105,270</u>	S-4(a)	(0)

K W RESORT UTILITIES CORP
Docket No.:20240108
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Test Tear Ending: June 30, 2024

Account Number -			Account Number				
MFR	Description	Amount	Annual Report	Description	Amount	Page	
A-6(a): 361.2	Collection Sewers - Gravity	1,117,711	361	Collection Sewers - Gravity	1,117,712	S-4(a)	
A-6(a): 361.2	Manholes		361	Manholes		S-4(a)	
		<u>1,117,711</u>			<u>1,117,712</u>		(1) Rounding
A-6(a): 364.2	Flow Measuring Devices	2,221	364	Flow Measuring Devices	2,221	S-4(a)	
		<u>2,221</u>			<u>2,221</u>		(0)
A-6(a): 365.2	Flow Measuring Installation	-	365	Flow Measuring Installation	-		
		<u>-</u>			<u>-</u>		-
A-6(a): 370.3	Receiving Wells	892,789	370	Receiving Wells	892,789		
		<u>892,789</u>			<u>892,789</u>		(1) Rounding
A-6(a): 371.3	Pumping Equipment	715,285					
A-6(a): 371.5	Pumping Equipment	-	371	Pumping Equipment	715,284	S-4(a)	
		<u>715,285</u>			<u>715,284</u>		1 Rounding
A-6(a): 375.6	Reuse Transmission and Distribution System	527,505	375	Reuse Transmission and Distribution System	527,505	S-4(a)	
A-6(a): 374.5	Reuse Distribution Reservoirs	-	374	Reuse Distribution Reservoirs	-	S-4(a)	
		<u>527,505</u>			<u>527,505</u>		0
A-6(a): 380.4	Treatment and Disposal Equipment	5,788,486					
		<u>5,788,486</u>	380	Treatment and Disposal Equipment	5,788,487	S-4(a)	
					<u>5,788,487</u>		(1)
A-6(a): 381.4	Plant Sewers	28,762					
		<u>28,762</u>	381	Plant Sewers	28,762	S-4(a)	
					<u>28,762</u>		0
A-6(a): 389.3	Other Plant Miscellaneous Equipment	44,203					
		<u>44,203</u>	389	Other Plant Miscellaneous Equipment	44,203	S-4(a)	
					<u>44,203</u>		(0)
A-6(a): 391.7	Transportation Equipment	279,496					
		<u>279,496</u>	391	Transportation Equipment	279,495	S-4(a)	
					<u>279,495</u>		1 Rounding
A-6(a): 394.7	Laboratory Equipment	23,671					
A-6(a): 344.5	Laboratory Equipment	-	394	Laboratory Equipment	23,671	S-4(a)	
		<u>23,671</u>			<u>23,671</u>		0
A-6(a): 395.7	Power Operated Equipment	110,843					
A-6(a): 345.5	Power Operated Equipment	-	395	Power Operated Equipment	110,842	S-4(a)	
		<u>110,843</u>			<u>110,842</u>		1 Rounding
A-6(a): 397.7	Miscellaneous Equipment	-	397	Miscellaneous Equipment	-	S-4(a)	
		<u>-</u>			<u>-</u>		-

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Docket No.:20240108
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Test Tear Ending: June 30, 2024

Account Number - MFR			Amount	Account Number Annual Report			Amount	Page	
A-6(a): 392.7	Stores Equipment		1,862	392	Stores Equipment	1,862	S-4(a)		
			<u>1,862</u>			<u>1,862</u>		-	
Total Wastewater UPIS A-6(a)			22,417,112	Total Wastewater UPIS S-4(a)			22,417,113		(1) Rounding
A-10(a): 380.4	Accum. Depr. Treatment and Disposal Equipment		3,424,156	380	Accum. Depr. Treatment and Disposal Equipment	3,424,157	S-6(b)		
A-10(a): 380.5	Accum. Depr. Treatment and Disposal Equipment		<u>3,424,156</u>			<u>3,424,157</u>		(1) Rounding	
A-10(a): 355.2	Accum. Depr. Power Generation Equipment		(11,611)	355	Accum. Depr. Power Generation Equipment	(11,613)	S-6(b)		
A-10(a): 355.4	Accum. Depr. Power Generation Equipment		<u>(11,611)</u>			<u>(11,613)</u>		2 Rounding	
A-10(a): 370.3	Accum. Depr. Receiving Wells		621,176	370	Accum. Depr. Receiving Wells	621,176	S-6(b)		
			<u>621,176</u>			<u>621,176</u>		(0)	
A-10(a): 374.6	Accum. Depr. Reuse Distribution Reservoir		-	375	Accum. Depr. Reuse Transmission and Distribution System	166,842	S-6(b)		
A-10(a): 375.6	Accum. Depr. Reuse Transmission and Distribution System		<u>166,842</u>			<u>166,842</u>		(0)	
A-10(a): 351.1	Accum. Depr. Organization		<u>-</u>	301	Accum. Depr. Organization	-	S-6(b)		
			<u>-</u>			<u>-</u>		-	
A-10(a): 352.1	Accum. Depr. Franchises		56,828	302	Accum. Depr. Franchises	56,830	S-6(b)		
			<u>56,828</u>			<u>56,830</u>		(2) Rounding	
A-10(a): 354.2	Accum. Depr. Structures and Improvements		-	354	Accum. Depr. Structures and Improvements	1,538,080	S-6(b)		
A-10(a): 354.3	Accum. Depr. Structures and Improvements		18,007			<u>1,538,080</u>		(0)	
A-10(a): 354.4	Accum. Depr. Structures and Improvements		1,520,072						
A-10(a): 354.7	Accum. Depr. Structures and Improvements		<u>-</u>						
			<u>1,538,080</u>						
A-10(a): 363.2	Accum. Depr. Services to Customers		41,703	363	Accum. Depr. Services to Customers	41,701	S-6(b)		
			<u>41,703</u>			<u>41,701</u>		2 Rounding	
A-10(a): 360.2	Accum. Depr. Collection Sewers - Force		3,016,646	360	Accum. Depr. Collection Sewers - Force	2,997,367	S-6(b)		
			<u>3,016,646</u>			<u>2,997,367</u>		Misclassified as Gravity on the Annual Report. Should be 19,279 Force	
A-10(a): 361.2	Accum. Depr. Collection Sewers - Gravity		595,418	361	Accum. Depr. Collection Sewers - Gravity	614,679	S-6(b)		

K W RESORT UTILITIES CORP
Docket No.:20240108
Reconciliation of Annual Report to MFRs
Test Tear Ending: June 30, 2024

Account Number - MFR	Description	Amount	Account Number Annual Report	Description	Amount	Page	Misclassified as Gravity on the Annual Report . Should be
		<u>595,418</u>			<u>614,679</u>		(19,261) Force
A-10(a): 371.3	Accum. Depr. Pumping Equipment	356,163					
A-10(a): 371.5	Accum. Depr. Pumping Equipment	-					
		<u>356,163</u>	371	Accum. Depr. Pumping Equipment	<u>356,162</u>	S-6(b)	1 Rounding
					<u>356,162</u>		
A-10(a): 390.7	Accum. Depr. Office Furniture and Equipment	48,261	390	Accum. Depr. Office Furniture and Equipment	48,261	S-6(b)	
		<u>48,261</u>			<u>48,261</u>		0
A-10(a): 391.7	Accum. Depr. Transportation Equipment	187,348	391	Accum. Depr. Transportation Equipment	187,348	S-6(b)	(0)
		<u>187,348</u>			<u>187,348</u>		
A-10(a): 393.7	Accum. Depr. Tools, Shop and Garage Equipment	35,789	393	Accum. Depr. Tools, Shop and Garage Equipment	35,789	S-6(b)	0
		<u>35,789</u>			<u>35,789</u>		
A-10(a): 394.7	Accum. Depr. Laboratory Equipment	20,633	394	Accum. Depr. Laboratory Equipment	20,634	S-6(b)	(1) Rounding
		<u>20,633</u>			<u>20,634</u>		
A-10(a): 395.7	Accum. Depr. Power Operated Equipment	73,636	395	Accumulated Depreciation Power Operated Equipment	73,636	S-6(b)	(0)
		<u>73,636</u>			<u>73,636</u>		
A-10(a): 396.7	Accum. Depr. Communication Equipment	-	396	Accum. Depr. Communication Equipment	-	S-6(b)	-
		<u>-</u>			<u>-</u>		
A-10(a): 398.7	Accum. Depr. Other Tangible Plant	-	398	Accum. Depr. Other Tangible Plant	-	S-6(b)	-
		<u>-</u>			<u>-</u>		
A-10(a): 364.2	A/D Flow Measuring Devices	2,221	364	A/D Flow Measuring Devices	2,220		1 Rounding
		<u>2,221</u>			<u>2,220</u>		
A-10(a): 397.7	Accum. Depr. Miscellaneous Equipment	-	397	Accum. Depr. Miscellaneous Equipment	-	S-6(b)	-
		<u>-</u>			<u>-</u>		
A-10(a): 381.4	Accum. Depr. Plant Sewers	14,687	381	Accum. Depr. Plant Sewers	14,688	S-6(b)	(1) Rounding
		<u>14,687</u>			<u>14,688</u>		

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Docket No.:20240108
Reconciliation of Annual Report to MFRs
Test Tear Ending: June 30, 2024

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A-10(a): 392.7	Accum. Depr. Stores Equipment	<u>1,603</u> <u>1,603</u>	392	Accum. Depr. Stores Equipment	<u>1,601</u> <u>1,601</u>	S-6(b)	2 Rounding
A-10(a): 389.1	Accum. Depr. Other Plant Miscellaneous Equipment	-					
A-10(a): 389.2	Accum. Depr. Other Plant Miscellaneous Equipment	-					
A-10(a): 389.3	Accum. Depr. Other Plant Miscellaneous Equipment	-					
A-10(a): 389.4	Accum. Depr. Other Plant Miscellaneous Equipment	24,102					
A-10(a): 389.5	Accum. Depr. Other Plant Miscellaneous Equipment	-					
		<u>24,102</u>	389	Accum. Depr. Other Plant Miscellaneous Equipment	<u>24,101</u> <u>24,101</u>	S-6(b)	1 Rounding
	Total Wastewater A/D A-10(a)	10,213,678		Total Wastewater UPIS S-6(b)	10,213,659		19 Rounding
B-6: 701	Salaries & Wages - Employees	<u>473,543</u> <u>473,543</u>	701	Salaries & Wages - Employees	<u>473,543</u> <u>473,543</u>	S-10(a)	-
B-6: 703	Salaries & Wages - Officers, Etc.	<u>211,979</u> <u>211,979</u>	703	Salaries & Wages - Officers, Etc.	<u>211,979</u> <u>211,979</u>	S-10(a)	-
B-6: 704	Employee Pensions & Benefits	<u>147,709</u> <u>147,709</u>	704	Employee Pensions & Benefits	<u>147,709</u> <u>147,709</u>	S-10(a)	0 0
B-6: 710	Purchased Sewage Treatment	<u>-</u> <u>-</u>	710	Purchased Sewage Treatment	<u>-</u> <u>-</u>	S-10(a)	-
B-6: 711	Sludge Removal Expense	<u>106,430</u> <u>106,430</u>	711	Sludge Removal Expense	<u>106,430</u> <u>106,430</u>	S-10(a)	-
B-6: 715	Purchased Power	<u>116,215</u> <u>116,215</u>	715	Purchased Power	<u>116,215</u> <u>116,215</u>	S-10(a)	(0)
B-6: 716	Fuel for Power Purchased	<u>-</u> <u>-</u>	716	Fuel for Power Purchased	<u>-</u> <u>-</u>	S-10(a)	-
B-6: 718	Chemicals	<u>107,640</u> <u>107,640</u>	718	Chemicals	<u>107,640</u> <u>107,640</u>	S-10(a)	-
B-6: 720	Materials & Supplies	<u>51,446</u> <u>51,446</u>	720	Materials & Supplies	<u>51,446</u> <u>51,446</u>	S-10(a)	(0)
B-6: 731	Contractual Services - Engr.	<u>5,085</u> <u>5,085</u>	731	Contractual Services - Engr.	<u>5,085</u> <u>5,085</u>	S-10(a)	-
B-6: 732	Contractual Services - Acct.	<u>-</u> <u>-</u>	732	Contractual Services - Acct.	<u>-</u> <u>-</u>	S-10(a)	-

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Docket No.:20240108
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Account Number -			Account Number			Account Number		
MFR	Description	Amount	Annual Report	Description	Amount	Page		
B-6: 733	Contractual Services - Legal	<u>1,271</u> <u>1,271</u>	733	Contractual Services - Legal	<u>1,271</u> <u>1,271</u>	S-10(a)	-	
B-6: 734	Contractual Services - Mgmt. Fees	<u>-</u> <u>-</u>	734	Contractual Services - Mgmt. Fees	<u>-</u> <u>-</u>	S-10(a)	-	
B-6: 735	Contractual Services - Testing	<u>14,425</u> <u>14,425</u>	735	Contractual Services - Testing	<u>14,425</u> <u>14,425</u>	S-10(a)	-	
B-6: 736	Contractual Services - Other	<u>-</u> <u>-</u>	736	Contractual Services - Other	<u>-</u> <u>-</u>	S-10(a)	-	
B-6: 741	Rental of Building/Real Prop.	<u>-</u> <u>-</u>	741	Rental of Building/Real Prop.	<u>-</u> <u>-</u>	S-10(a)	-	
B-6: 742	Rental of Equipment	<u>-</u> <u>-</u>	742	Rental of Equipment	<u>-</u> <u>-</u>	S-10(a)	-	
B-6: 750	Transportation Expenses	<u>15,675</u> <u>15,675</u>	750	Transportation Expenses	<u>15,675</u> <u>15,675</u>	S-10(a)	0	
B-6: 756	Insurance - Vehicle	<u>-</u> <u>-</u>	756	Insurance - Vehicle	<u>-</u> <u>-</u>	S-10(a)	-	
B-6: 757	Insurance - General Liability	<u>41,838</u> <u>41,838</u>	757	Insurance - General Liability	<u>41,838</u> <u>41,838</u>	S-10(a)	-	
B-6: 758	Insurance - Workman's Comp.	<u>16,714</u> <u>16,714</u>	758	Insurance - Workman's Comp.	<u>16,714</u> <u>16,714</u>	S-10(a)	-	
B-6: 759	Insurance - Other	<u>-</u> <u>-</u>	759	Insurance - Other	<u>-</u> <u>-</u>	S-10(a)	-	
B-6: 760	Advertising Expense	<u>458</u> <u>458</u>	760	Advertising Expense	<u>458</u> <u>458</u>	S-10(a)	-	
B-6: 766	Reg. Comm. Exp. - Rate Case Amort.	<u>-</u> <u>-</u>	766	Reg. Comm. Exp. - Rate Case Amort.	<u>-</u> <u>-</u>	S-10(a)	-	
B-6: 767	Reg. Comm. Exp. - Other	<u>-</u> <u>-</u>	767	Reg. Comm. Exp. - Other	<u>-</u> <u>-</u>	S-10(a)	-	
B-6: 770	Bad Debt Expense	<u>-</u> <u>-</u>	770	Bad Debt Expense	<u>-</u> <u>-</u>	S-10(a)	-	
B-6: 775	Miscellaneous Expenses	<u>37,624</u> <u>37,624</u>	775	Miscellaneous Expenses	<u>37,624</u> <u>37,624</u>	S-10(a)	(0)	

K W RESORT UTILITIES CORP
Docket No.:20240108
Reconciliation of Annual Report to MFRs
Test Tear Ending: June 30, 2024

Account Number - MFR	Description	Amount	Account Number Annual Report	Description	Amount	Page
	Total O&M Expenses per B-6 for July 2023 through December 2023	1,348,051		Total O&M Expenses per B-6 for July 2023 through December 2023	1,348,052	(0)
	WASTEWATER					
A-12(a)	Plant Capacity Fees	707,000				
A-12(a)	Line/Main Extension Fees	11,348,874				
A-12(a)	Contributed Property	-				
A-12(a)	Other - Tap Fees	-				
A-12(a)	Total Wastewater CIAC A-12	12,055,874	271	Contributions in Aid of Construction	<u>12,055,874</u>	F-2(b)
					<u>12,055,874</u>	0 Rounding
	WASTEWATER					
A-14(a)	Plant Capacity Fees	707,000				
A-14(a)	Line/Main Extension Fees	5,963,194				
A-14(a)	Contributed Property	-				
A-14(a)	Other - Tap Fees	-				
A-14(a)	Total Wastewater CIAC Amortization A-12	6,670,194		Amortization of Contributions in Aid of Construction	<u>(6,670,194)</u>	F-2(b)
					<u>(6,670,194)</u>	(0)
A-18; Line 5	Utility Plant in Service	22,417,112	101-106	Utility Plant	22,417,112	F-1(a)
A-18; Line 6	Less: Accum. Depr.	(10,213,677)	108-110	Less: Accumulated Depreciation	(10,213,660)	F-1(a)
A-18; Line 8	NET UTILITY PLANT	12,203,435		Total Net Utility Plant	<u>12,203,452</u>	F-1(a)
						(17) Rounding
A-18; Line 10	Cash	749,095	131	Cash	749,095	F-1(a)
		<u>749,095</u>			<u>749,095</u>	0
A-18; Line 11	Special Deposits	-	132	Special Deposits	-	F-1(a)
		<u>-</u>			<u>-</u>	-
A-18; Line 12	Accounts Rec'b - trade	431,570				
A-18; Line 16	Accounts Rec'b - Other	11,565				
A-18; Line 19	Allowance for Bad Debts	(10,000)	141-144	Accounts & Notes Receivable Less Provision for Uncollectable Accounts	433,135	F-1(a)
		<u>433,135</u>			<u>433,135</u>	(0)
A-18; Line 17	Prepayments	73,889	162	Prepayments	73,889	F-1(a)
		<u>73,889</u>			<u>73,889</u>	0
A-18; Line 21	Miscellaneous Current & Accrued Assets	24,562	174	Misc. Current and Accrued Assets	24,562	F-1(a)
		<u>24,562</u>			<u>24,562</u>	0
A-18; Line 23	TOTAL CURRENT ASSETS	1,280,682		Total Current and Accrued Assets	<u>1,280,681</u>	1 Rounding

K W RESORT UTILITIES CORP
Docket No.:20240108
Reconciliation of Annual Report to MFRs
Test Tear Ending: June 30, 2024

Account Number - MFR	Description	Amount	Account Number Annual Report	Description	Amount	Page
A-18; Line 26	Unamortized Debt Discount & Exp.	<u>5,550</u> <u>5,550</u>	181	Unamortized Debt Discount & Exp.	<u>5,550</u> <u>5,550</u>	0
A-18; Line 27	Prelim. Survey & Investigation Charges	<u>43,431</u> <u>43,431</u>	183	Preliminary Survey & Investigation Charges	<u>43,431</u> <u>43,431</u>	F-1(b) (0)
A-18; Line 28	Clearing Accounts	-				
A-18; Line 29	Deferred Rate Case Expense					
A-18; Line 30	Deferred Rate Case Appeal Expense 2017	54,175				
A-18; Line 21	Other Miscellaneous Deferred Debits	<u>-</u> <u>54,175</u>	186	Misc. Deferred Debits	<u>54,175</u> <u>54,175</u>	F-1(b) (0)
A-18; Line 35	TOTAL ASSETS	<u>13,587,273</u>		TOTAL ASSETS AND OTHER DEBITS	<u>13,587,289</u>	F-1(b) (16) Rounding
A-19; Line 1	Common Stock Issued	1,000	201	Common Stock Issued	1,000	F-2(a)
A-19; Line 3	Additional Paid in Capital	8,131,690	211	Additional Paid in Capital	5,514,206	F-2(a)
A-19; Line 4	Retained Earnings	(3,529,321)	214-215	Retained Earnings	(911,819)	F-2(a)
A-19; Line 7	TOTAL EQUITY CAPITAL	<u>4,603,368</u>		TOTAL EQUITY CAPITAL	<u>4,603,387</u>	F-2(a) (19) Rounding
A-19; Line 11	Advances from Associated Companies	-	223	Advances from Associated Companies		
A-19; Line 12	Other Long-Term Debt	2,994,625				
A-19; Line 13	Other Long-Term Debt(BB&T)	-	224	Other Long-Term Debt	<u>2,994,625</u>	
A-19; Line 15	TOTAL LONG-TERM DEBT	<u>2,994,625</u>			<u>2,994,625</u>	F-2(a) 0
A-19; Line 17	Accounts Payable	99,447	231	Accounts Payable	99,447	F-2(a)
A-19; Line 19	Notes & Accounts Payable -Assoc Cos.	-	234	Notes & Accounts Payable -Assoc Cos.		F-2(a)
A-19; Line 20	Customer Deposits	329,920	235	Customer Deposits	329,920	F-2(a)
A-19; Line 21	Accrued Taxes	87,414	236	Accrued Taxes	87,414	F-2(a)
A-19; Line 25	Misc. Current and Accrued Liabilities	<u>86,818</u>	241	Misc. Current and Accrued Liabilities	<u>86,819</u>	F-2(a)
A-19; Line 27	TOTAL CURRENT & ACCRUED LIABILITIES	<u>603,599</u>		TOTAL CURRENT & ACCRUED LIABILITIES	<u>603,600</u>	F-2(a) (1) Rounding
A-19; Line 36	Contribution in Aid of Construction	<u>12,055,874</u> <u>12,055,874</u>	271	Contribution in Aid of Construction	<u>12,055,874</u> <u>12,055,874</u>	F-2(b) 0
A-19; Line 37	Accum. Amortization of CIAC	<u>(6,670,194)</u> <u>(6,670,194)</u>	272	Accum. Amortization of CIAC	<u>(6,670,194)</u> <u>(6,670,194)</u>	F-2(b) 0
A-19; Line 38	Accumulated Deferred Income Taxes	-	281-283	Accumulated Deferred Income Taxes		F-2(b) -
A-18; Line 41	TOTAL EQUITY CAPITAL AND LIABILITIES	<u>13,587,274</u>		Total Current and Accrued Assets	<u>13,587,292</u>	(18) Rounding

Please note that some accounts may have a small difference, which is due to rounding error.

EXHIBIT “C”

Loan Pro Forma Documentation

LOAN CLOSING STATEMENT

Borrower: **K W Resort Utilities Corp., a Florida corporation**

Loan Amount: **\$2,881,226.56- Existing Loan**
 \$ 618,773.44- Additional Advance Loan
 \$3,500,000.00- Consolidated Loan

Lender: **Truist Bank, a North Carolina banking corporation**


Closing Date: **November 18, 2024**

Borrower Expenses:

Record Mortgage Modification	\$44.00
Documentary Stamp Taxes (based on \$618,773.40)	\$2,165.80
Intangible Taxes (based on \$618,773.40)	\$1,237.55
File UCC-3- Continuation	\$12.00
File UCC-3- Lender Name Change	\$12.00
Loan Origination Fee (.50%)	\$17,500.00
Appraisal Fee	\$9,500.00
Appraisal Review Fee	\$350.00
Flood Cert Fee	\$12.00
Tax Monitoring Fee	\$160.00
Interest due through 11/18/2024	\$9,283.95
Lender's Counsel Fee to Shumaker, Loop & Kendrick	\$4,250.00
Office Costs to Shumaker, Loop & Kendrick	<u>\$100.00</u>
Total Loan Coast/Fees Due:	\$44,627.30

The undersigned acknowledges receipt of this closing statement and agrees to the correctness thereof and authorizes and certifies the disbursements as stated herein.

K W Resort Utilities Corp., a Florida corporation

By: 

Christopher A. Johnson, as its President



Borrower: K W Resort Utilities Corp., a Florida corporation
Borrower Address: 6630 Front Street, Key West, FL 33040
Loan Amount: \$3,500,000.00
Execution Date: November 18, 2024
Obligor Number: 9661013327 Obligation Number: 00011

This Renewal Commercial Promissory Note (With Additional Advance) represents the renewal of that certain Consolidated Renewal Commercial Promissory Note (With Additional Advance) dated November 22, 2019 given by Borrower to Branch Banking and Trust Company, a North Carolina banking corporation, predecessor in interest to Lender, in the aggregate principal amount of \$3,500,000.00 (the "Original Note"), which has a current outstanding principal balance of \$2,881,226.56, upon which documentary stamp tax has been paid in full, plus an additional advance in the amount of \$618,773.44, upon which documentary stamp tax in the amount of \$2,165.80 is being paid upon the execution and delivery of this Renewal Commercial Promissory Note (With Additional Advance) and the recordation of a Modification of Promissory Note, Mortgage and Loan Documents and Receipt for Additional Advance in the Public Records of Monroe County, Florida.

RENEWAL COMMERCIAL PROMISSORY NOTE (WITH ADDITIONAL ADVANCE)

For value received, K W Resort Utilities Corp., a Florida corporation (whether one or more "Borrower") jointly and severally promise to pay to the order of **TRUIST BANK**, a North Carolina banking corporation, ("Bank") without offset the principal amount of Three Million Five Hundred Thousand and No/100 Dollars (\$3,500,000.00) ("Loan Amount") together with interest thereon, and such other fees and charges as may become due and payable, in immediately available currency of the United States of America, until paid in full (this "Note").

INTEREST RATE. Interest shall accrue on the unpaid principal balance outstanding under this Note from the date of disbursement through the date this Note is paid in full at the following rate ("Interest Rate"):

- Fixed rate of 5.9% per annum.
- Fixed rate of ____% per annum through _____, and at all times thereafter a variable rate equal to Bank's Prime Rate plus ____% per annum, which shall be adjusted daily as Bank's Prime Rate changes; provided that in no event shall the Interest Rate ever be less than ____% per annum, and the Interest Rate shall not exceed a maximum rate of ____%. Bank's Prime Rate means the rate of interest per annum announced by Bank from time to time and adopted as its Prime Rate; provided however, if the Bank's Prime Rate shall ever be less than zero, it shall be deemed zero for purposes of this Note. The Bank's Prime Rate is one of several rate indexes employed by Bank when extending credit, and not necessarily the lowest rate.
- Variable rate equal to Bank's Prime Rate plus ____% per annum, which shall be adjusted daily as Bank's Prime Rate changes; provided that in no event shall the Interest Rate ever be less than ____% per annum, and the Interest Rate shall not exceed a maximum rate of ____%. Bank's Prime Rate means the rate of interest per annum announced by Bank from time to time and adopted as its Prime Rate; provided however, if the Bank's Prime Rate shall ever be less than zero, it shall be deemed zero for purposes of this Note. The Bank's Prime Rate is one of several rate indexes employed by Bank when extending credit, and not necessarily the lowest rate.
- Variable rate equal to Wall Street Journal Prime Rate plus ____% per annum, which shall be adjusted daily as Wall Street Journal Prime Rate changes; provided that in no event shall the Interest Rate ever be less than ____% per annum, and the Interest Rate shall not exceed a maximum rate of ____%. Wall Street Journal Prime Rate means the Prime Rate published in the Money Rates section of the Wall Street Journal from time to time; provided however, if Wall Street Journal Prime Rate shall ever be less than zero, it shall be deemed zero for purposes of this Note.



Variable rate equal to Daily Simple SOFR (as defined, determined, and adjusted in accordance with the Daily Simple SOFR Addendum to Promissory Note of even date) plus ____% per annum; provided that in no event shall the Interest Rate ever be less than ____% per annum, and the Interest Rate shall not exceed a maximum rate of the greater of ____%.

Variable rate equal to Average SOFR (as defined, determined, and adjusted in accordance with the Average SOFR Addendum to Promissory Note of even date) plus ____% per annum; provided that in no event shall the Interest Rate ever be less than ____% per annum, and the Interest Rate shall not exceed a maximum rate of the greater of ____%.

Variable rate equal to Term SOFR (as defined, determined, and adjusted in accordance with the Term SOFR Addendum to Promissory Note of even date) plus ____% per annum; provided that in no event shall the Interest Rate ever be less than ____% per annum, and the Interest Rate shall not exceed a maximum rate of the greater of ____%.

PAYMENT TERMS. Borrower shall repay this Note in accordance with the following schedule:

Single Payment at Maturity. One payment of outstanding principal plus any accrued interest and any other amounts owed which shall be due and payable on _____.

Fixed Payment of Principal and Interest. Equal payments of \$29,504.00 at the rate of interest set forth above based on a fifteen (15) year amortization period shall be due and payable on the 18th day of each month, commencing on December 18, 2024 and continuing on the same day thereafter, with one final payment of all outstanding principal and accrued and unpaid interest and any other amounts owed due and payable on November 18, 2029.

Principal plus Accrued Interest. Payments consisting of _____ consecutive installments of principal in the amount of \$_____ each, plus accrued interest, shall be payable on the ___ day of each ___, beginning _____, and a final payment of all outstanding principal and accrued and unpaid interest and any other amounts owed shall be due and payable on _____.

Interest Only with Principal at Maturity. Accrued interest shall be payable on the ___ day of each _____ beginning on _____, and all outstanding principal plus any accrued and unpaid interest and any other amounts owed shall be due and payable on _____.

Interest Only Period to Term Payments. Accrued interest shall be payable on the ___ day of each _____ beginning on _____, and continuing on the same day of each calendar _____ thereafter through _____ (the "Conversion Date"), followed by _____ consecutive monthly installments of [principal in the amount of \$_____ plus accrued interest] [principal and interest in the amount of \$_____ payable on the ___ day of each month, beginning on _____, and continuing on the ___ day of each consecutive calendar month thereafter with a final payment of outstanding principal plus any accrued and unpaid interest and any other amounts owed shall be due and payable on _____.

Principal plus Accrued Interest with Swap. Payments consisting of _____ consecutive installments of principal plus accrued interest, beginning _____ and continuing on the ___ day of each _____, in the principal amount as described on the amortization schedule attached hereto as Schedule ___, Amortization Schedule, with a final payment of all outstanding principal, accrued and unpaid interest, and any other amounts owed under the terms of this Note due and payable on _____.

ADDITIONAL TERMS. The following additional terms apply:

Delayed Draw Term Loan. This Note evidences a delayed draw term loan. Borrower shall have until _____, 20__ to borrow up to the Loan Amount, subject to any terms and conditions set forth herein and in the Loan Agreement but may not reborrow amounts that have been repaid. Bank shall record and maintain in its internal records any advances under this Note and such records shall be conclusive of the principal and interest owed by Borrower unless there is a material error in such records. Advances under this Note may be requested orally (for which Bank may, but need not, require written confirmation), in writing by Borrower, or in accordance with or pursuant to the terms and conditions of any other agreement between Borrower and Bank, including but not limited to any sweep, controlled disbursement, treasury management, or other agreement between Borrower and Bank and the products or services offered thereunder.

Non-Revolving Line of Credit. This Note evidences a non-revolving line of credit. Borrower may borrow up to the Loan Amount, subject to any terms and conditions set forth herein and in the Loan Agreement but may not reborrow amounts that have been repaid. Bank shall record and maintain in its internal records any advances under this Note and such records shall be conclusive of the principal and interest owed by Borrower unless there is a material error in such records. Once the total Loan Amount is advanced, Borrower is not entitled to further loan advances. Advances under this Note may be requested orally (for which Bank may, but need not, require written confirmation), in writing by Borrower, or in accordance with or pursuant to the terms and conditions of any other agreement between Borrower and Bank, including but not limited to any sweep, controlled disbursement, treasury management, or other agreement between Borrower and Bank and the products or services offered thereunder.

Revolving Line of Credit. This Note evidences a revolving line of credit. Borrower may borrow, repay, and reborrow hereunder subject to any terms and conditions set forth herein and in the Loan Agreement; provided however, at no time shall Bank be obligated to make any advance under this Note to the extent the outstanding principal balance hereunder would exceed the Loan Amount less any reserve established under or any other limit provided in the Loan Agreement. Bank shall record and maintain in its internal records any advances under this Note and such records shall be conclusive of the principal and interest owed by Borrower unless there is a material error in such records. Advances under this Note may be requested orally (for which Bank may, but need not, require written confirmation), in writing by Borrower, or in accordance with or pursuant to the terms and conditions of any other agreement between Borrower and Bank, including but not limited to any sweep, controlled disbursement, treasury management, or other agreement between Borrower and Bank and the products or services offered thereunder.

Non-Revolving Line of Credit Converting to Term Note. This Note evidences a non-revolving line of credit. Until the Conversion Date (as defined above) and subject to the terms and conditions set forth herein and in the Loan Agreement, Borrower may borrow up to the Loan Amount, but may not reborrow amounts that have been repaid. Bank shall record and maintain in its internal records any advances under this Note and such records shall be conclusive of the principal and interest owed by Borrower unless there is a material error in such records. Advances under this Note may be requested orally (for which Bank may, but need not, require written confirmation), in writing by Borrower, or in accordance with or pursuant to the terms and conditions of any other agreement between Borrower and Bank, including but not limited to any sweep, controlled disbursement, treasury management, or other agreement between Borrower and Bank and the products or services offered thereunder.

Paydown Requirement for Revolving Line. Borrower agrees that at least once during each twelve consecutive month period that the revolving line evidenced hereunder is available, beginning with the date of this Note, Borrower shall maintain a zero balance outstanding on the line for 30 consecutive days.

Prepayment Compensation. Borrower shall pay the Prepayment Compensation as set forth (and as defined) in the Prepayment Compensation Addendum to the Note of even date herewith.

INTEREST CALCULATION. All interest shall be computed and charged for the actual number of days elapsed on the basis of a year consisting of three hundred sixty (360) days.

REAMORTIZATION. Bank reserves the right, in its sole discretion, from time to time to adjust any periodic fixed payment in such amounts and at such times to repay principal at the amortization period originally agreed upon and pay accruals of interest as the same becomes due which may result in an increase in Borrower's payments to pay all accruals of interest for the period and accruals of unpaid interest from previous periods.

LATE FEES; RETURNED ITEM FEE. Borrower shall pay to Bank a late fee in the amount of five percent (5.0%) of any installment past due for ten (10) or more days. Borrower shall pay to Bank a returned payment fee in accordance with Bank's then current fee schedule subject to any limitations provided by applicable law for any return or nonpayment of any payment however made, including without limitation by check or other instrument, or by any electronic means.

PAYMENTS. Borrower is directed to make payments at the address indicated on the billing statement provided by Bank, or at such place as Bank may otherwise indicate in writing. Unless otherwise expressly

required by applicable law, Bank may apply payments in such order as Bank may determine in its sole and absolute discretion to any unpaid collection costs, late fees and other charges and fees, accrued unpaid interest, and principal. Bank shall not be obligated to accept any check, money order, or other payment instrument marked "payment in full" or any similar designation on any disputed amount due hereunder, and Bank expressly reserves the right to reject all such payment instruments. Borrower agrees that tender of its check or other payment instrument so marked will not satisfy or discharge its obligation under this Note, disputed or otherwise, even if Bank processes such check or payment instrument unless such payment is in fact sufficient to pay the amount due hereunder.

LOAN AGREEMENT AND DOCUMENTS; COLLATERAL. Borrower acknowledges and agrees that the following agreements, as the same may be amended, modified, supplemented or restated from time to time, are entered in connection with this Note and that this Note is secured by the real and personal property as described in said agreements ("Collateral"):

Loan Agreement and Schedules, if any, dated November 22, 2019, executed by Borrower ("Loan Agreement").

Consolidated, Amended and Restated Mortgage and Security Agreement dated November 22, 2019, executed by Borrower in favor of Bank and recorded in Official Records Book 2996, Page 611, of the Public Records of Monroe County, Florida, as modified on even date herewith.

Assignment of Leases, Rents and Profits dated November 22, 2019, executed by Borrower in favor of Bank and Recorded in Official Records Book 2996, Page 631, of the Public Records of Monroe County, Florida.

Security Agreement(s) dated ____ given by _____.

Securities Account Pledge and Security Agreement dated _____, executed by _____.

Control Agreement(s) dated _____, among _____.

Assignment of Deposit Account dated _____, executed by _____.

Assignment of Life Insurance Policy as Collateral dated _____, executed by _____.

Guaranty Agreement dated of even date herewith given by WS Utility, Inc., a Florida corporation in favor of Bank.

UCC-1 Financing Statement recorded in Official Records Book 2996, Page 642, of the Public Records of Monroe County, Florida and UCC-1 Financing Statement filed with the State of Florida Secured Transaction Registry bearing filing number 201900247451.

Bank is entitled to the benefits of, and remedies provided in the above described agreements, this Note, and any other instrument, certificate, or document given by Borrower, any guarantor, or any pledgor in favor of Bank in connection with this Note, whether executed contemporaneously with this Note or at any time hereafter, (collectively "Loan Documents"). In addition, Borrower hereby grants to Bank a security interest in all of its deposit accounts maintained with and investment property held by Bank or any affiliate, which shall constitute Collateral for the indebtedness and obligations evidenced by this Note. Borrower shall pay all costs and expenses, including but not limited to any filing or recording fees, and any associated taxes, incurred by Bank in connection with the possession, collection, perfection of Bank's security interest in the Collateral and any amendment, continuation or termination thereof.

REPRESENTATIONS AND WARRANTIES. Until this Note is paid in full, Borrower represents and warrants to Bank:

(1) This Note has been duly executed and delivered by Borrower, constitutes Borrower's valid and legally binding obligation, is enforceable in accordance with its terms against Borrower, and no consent, approval, license, permit or other authorization of any third party or any governmental body or officer is required for the valid and lawful execution and delivery of this Note.

(2) The execution, delivery and performance of this Note and the consummation of the transaction contemplated hereby will not, with or without the giving of notice or the lapse of time, (a) violate any law applicable to Borrower, (b) violate any judgment, writ, injunction or order of any court or governmental body

or officer applicable to Borrower, (c) violate or result in the breach of any material agreement to which Borrower is a party, or (d) violate Borrower's charter, bylaws, organization or other governing documents, as applicable.

(3) This Note and all advances hereunder are incurred for and shall be used for business or commercial purposes and not for personal, family or household purposes.

(4) Borrower and the Collateral are not subject to any material claim, dispute or litigation which has not been previously disclosed to and accepted by the Bank in writing.

(5) No part of the proceeds of this Note will be used directly or indirectly (a) to fund or finance any operations, investments or activities in or make any payments to a (i) Person (as defined below) that is, or is owned or controlled by, Persons that are the subject of any Sanctions (as defined below) (each a "Sanctioned Person") or (ii) country or territory that is the subject of Sanctions, or is owned or controlled by one or more Sanctioned Person (a "Sanctioned Country"), or in any other manner that would result in a violation of any Sanctions by any Person, or (b) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any laws, rules or regulations of any jurisdiction concerning or relating to bribery or corruption. For purposes of this Note, the term "Person" shall mean any individual, partnership, firm, corporation, association, joint venture, limited liability company, trust or other entity, or any governmental authority or governmental agency. For purposes of this Note, "Sanctions" means any trade, economic or financial sanctions administered or enforced by the Office of Foreign Assets Control, the U.S. Department of State, the United Nations Security Council, the EU, His Majesty's Treasury or other relevant sanctions authority.

(6) No Obligor, nor any subsidiary, affiliate, director, officer, employee, or agent of an Obligor will (a) be or become a Sanctioned Person, (b) allow any of their assets to be located in a Sanctioned Country, or (c) derive any of their operating income from investments in, or transactions with, one or more Sanctioned Persons or Sanctioned Countries. For purposes of this Note, the term "Obligor" means individually and collectively Borrower, any guarantor, any other Person primarily or secondarily liable for the payment of this Note, and any Person that has conveyed or may hereafter convey any security interest or lien to Bank in any real or personal property to secure payment of this Note.

FINANCIAL STATEMENTS; OTHER INFORMATION. Borrower represents and warrants that the financial statements and other financial information delivered by Borrower or on its behalf to Bank, whether previously or in the future in connection with the extension of credit represented by this Note are true and correct and accurately, completely and fairly reflect the financial condition of Borrower and its Subsidiaries, if any, as of the dates thereof, including all contingent liabilities of every type, and such financial condition as stated thereon and that there has been no material adverse change in the financial condition of the Borrower since the date of the last financial statements delivered. Borrower shall furnish annually or upon such other frequency as Bank shall request financial statements in a form satisfactory to Bank, together with any certification as to the accuracy thereof that Bank may request, all of which shall be the property of Bank when delivered. In addition, Borrower promptly shall deliver to Bank upon request information related to the Collateral and such other financial information related to the financial condition of any Obligor.

EVENTS OF DEFAULT. The occurrence of any of the following shall constitute an event of default hereunder ("Event of Default"):

(1) Failure to pay any installment of the principal, interest, fees or any other amounts as the same becomes due and owing, whether by acceleration or otherwise under the terms of this Note, within ten (10) days after the same is due.

(2) Any representation, warranty, or statement made to Bank by any Obligor is incorrect, incomplete, false or misleading.

(3) A breach of or failure to fully perform any covenant, condition, obligation or agreement under this Note or any other Loan Documents.

(4) An event of default occurs under any Loan Document as defined therein or a default occurs under or in connection with any other loan, line of credit, indenture, mortgage instrument, security agreement, Hedge Agreement, or other agreement or indebtedness with Bank.

- (5) The dissolution, liquidation, merger, consolidation, termination or suspension of usual business of any Obligor.
- (6) The death or declaration of incompetency of any Borrower that is a natural person, or with respect to any other Obligor unless within thirty (30) days after the death or declaration of incompetency of such Obligor, a substitute Obligor acceptable to Bank shall have executed documentation in form and substance acceptable to Bank.
- (7) (a) The application for, consent to, or appointment of a custodian, receiver, trustee, liquidator or similar official for or to take possession of any or all of any Obligor's assets; (b) any Obligor voluntarily commences, files, consents to, or fails to timely contest (i) any proceeding or petition seeking liquidation, reorganization or other relief under any federal, state or foreign bankruptcy, insolvency or other similar law now or hereafter in effect or dissolution; or (c) any Obligor makes an assignment for the benefit of creditors.
- (8) (a) The commencement or filing of an involuntary petition by any Obligor seeking liquidation, reorganization, or other relief under any federal, state or foreign bankruptcy, insolvency or other similar law now or hereafter in effect; or (b) the appointment of a custodian, trustee, receiver, liquidator or other similar official for any Obligor or for a substantial part of such Obligor's assets, and in any such case, such proceeding or petition remains undismissed for a period of sixty (60) days.
- (9) The entry of any judgment, award or order which is not covered by insurance, or remains unstayed, unsatisfied or unbonded for thirty (30) days following the issuance of such judgment, award or order, or upon the issuance or service of any writ of garnishment against any Obligor or their respective properties or the repossession or seizure of property of any Obligor.
- (10) Any lien or security interest of Bank in the Collateral, or any portion thereof, terminates, fails for any reason to have the priority agreed to by Bank on the date granted, or becomes unenforceable, unperfected or invalid for any reason.
- (11) The termination of any guaranty agreement given in connection with this Note; any Loan Document shall, due to any act or failure to act by any Obligor, cease to be valid and binding on, or enforceable against, any Obligor, or any Obligor shall so state in writing; or any Obligor shall terminate or seek to terminate such Obligor's obligations under such agreements.
- (12) A material adverse change in the financial condition, operations, business, or prospects of any Obligor or the Collateral has occurred since the date of this Note as determined by Bank in its sole discretion.
- (13) Upon the failure of the Borrower or Guarantor to perform any non-monetary obligation hereunder or under any security instrument, Loan Document or other written obligation of any kind now or hereafter created between Bank, Borrower and Guarantor within thirty (30) days after receipt of written notice thereof from Bank to Borrower. Notwithstanding the foregoing, in the event that Borrower and/or Guarantor are diligently pursuing a cure during the aforementioned initial thirty (30) day period, Bank may, in Bank's sole and reasonable discretion, allow additional time within which Borrower and/or Guarantor may continue to pursue any such curative action.

RIGHTS AND REMEDIES. Without limiting any other conditions set forth in the Loan Agreement, Bank shall not be obligated to fund this Note or make any advance hereunder if there exists an Event of Default, an event or condition which with the passage of time or giving of notice would result in an Event of Default, a material deterioration in or impairment of the Collateral, or a material decline or depreciation in the value of the Collateral which causes the Collateral to become unsatisfactory in character or value as determined by Bank in its sole discretion. Upon the occurrence of an Event of Default, Bank at its option may: (a) declare the entire outstanding principal balance together with all interest thereon and any other amounts due under this Note, including any prepayment penalty or fee, to be due and(payable immediately without presentment, demand, protest or notice of any kind, except as required by law; (b) terminate any commitment of Bank to lend as evidenced by this Note; (c) cease making advances or disbursements; (d) take possession of the Collateral or any part thereof; (e) set off the amount due under this Note against any and all accounts whatsoever, whether now or in the future, on deposit with, held by, owed by, or in the possession of Bank or any affiliate to the credit of or for the account of Borrower, whether held individually or jointly with another, without notice to or consent by Borrower, and in furtherance of this right to

administratively freeze such accounts to protect interests therein; and (f) exercise any other right or remedy which Bank has under this Note or any Loan Documents or which is otherwise available at law or in equity. Upon the occurrence of an Event of Default under subparagraphs (7) or (8) of the preceding section, the entire outstanding principal balance together with all interest thereon and any other amounts due under this Note automatically shall become due and payable, without presentment, demand, protest, or notice of any kind, except notice required by law; and Bank's commitment to lend and any obligation to make advances under this Note shall automatically terminate without notice or further action by Bank. All of Bank's rights and remedies shall be cumulative and may be exercised singularly or concurrently. Any election by Bank to pursue any remedy shall not exclude the right to pursue any other remedy, and any election by Bank to make expenditures or to take action to perform an obligation of Borrower, or of any Obligor, shall not affect Bank's right to declare a default and exercise its rights and remedies. In addition, upon default, Bank may pursue its full legal remedies under the Loan Documents and other remedies at law or equity, and the balance due hereunder may be charged against any obligation of Bank to any party including any Obligor.

DEFAULT RATE OF INTEREST; ATTORNEY'S FEES, COSTS AND EXPENSES. Upon maturity, whether by acceleration, demand or otherwise, and at the Bank's option (and without notice to Borrower) upon the occurrence of any Event of Default hereunder, interest shall accrue at the Interest Rate plus four percent (4.0%) per annum ("Default Rate"); provided that such rate shall not exceed at any time the highest rate of interest permitted by the applicable law; and further provided that the Default Rate shall continue to apply after judgment. In addition to any other amounts owed under the terms of this Note or any Loan Document, Borrower agrees to pay: (a) all expenses including, without limitation, any and all costs incurred by Bank related to enforcement of this Note, all court costs, out-of-pocket collection expenses and reasonable attorneys' fees, whether or not there is a lawsuit, expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction) or appeals; (b) all costs incurred in evaluating, preserving or disposing of any Collateral granted as security for the payment of this Note, including the cost of any audits, appraisals, appraisal updates, reappraisals or environmental inspections which Bank from time to time in its sole discretion may deem necessary; (c) any premiums for property insurance purchased on behalf of Borrower or on behalf of the owner(s) of any Collateral pursuant to any security instrument relating to any Collateral; (d) any expenses or costs (including reasonable attorneys' fees) incurred in defending any claim arising out of the execution of this Note or the obligations which it evidences; and (e) any other charges permitted by applicable law. Borrower agrees to pay such amounts on demand together with interest thereon at the Interest Rate then in effect (including the Default Rate) until paid or, at Bank's option, such amounts may be added to the unpaid balance of the Note and shall accrue interest at the Interest Rate then in effect (including the Default Rate).

WAIVER BY BORROWER. Borrower, regardless of the time, order or place of signing, waives presentment, demand, protest and notices of every kind and assents to any one or more extensions or postponements of the time of payment, or any other indulgences; to any substitutions, exchanges or releases of Collateral by Bank; and to the additions or releases of any other parties or persons primarily or secondarily liable herefor. Borrower hereby waives all exemptions and homestead laws. Borrower waives any rights that it may have now or in the future under any statute, at common law, in equity or otherwise to require Bank to marshal assets, proceed against any other Obligor or any Collateral before proceeding against Borrower. Borrower waives all defenses available to a surety, guarantor or accommodation party other than full payment of the indebtedness. Borrower further agrees that without notice to any Obligor and without affecting any Obligor's liability, Bank, at any time or times, may grant extensions of the time for payment or other indulgences to any Obligor or permit the renewal or modification of this Note, or permit the substitution, exchange or release of any Collateral for this Note and may add or release any Obligor whether primarily or secondarily liable. Borrower further agrees that Bank may apply all monies made available to it from any part of the proceeds of the disposition of any Collateral or by exercise of the right of setoff either to the obligations under this Note or to any other obligations of any Obligor to Bank, as Bank may elect from time to time.

USURY SAVINGS CLAUSE. All fees and charges imposed by Bank upon Borrower in connection with this Note and the Loan Documents including, without limitation, any commitment fees, loan fees, facility fees, origination fees, discount points, default and late charges, prepayment fees, reasonable attorneys' fees, and reimbursements for costs and expenses paid by Bank to third parties or for damages incurred by Bank, are and shall be deemed to be charges made to compensate Bank for underwriting, administrative or other services and costs or losses incurred or to be incurred by Bank in connection with this Note and the loan and shall under no circumstances be deemed to be charges for the use of money. It is the intention of Bank and Borrower to conform strictly to the usury laws. Any interest in excess of the maximum amount permitted by law shall be reduced to the amount permitted by applicable law and, if paid, shall at the option of Bank, if allowed by an applicable law, either be rebated to Borrower or credited on the principal amount of this Note, or if all principal has been repaid, then the excess shall be rebated to Borrower.

NON-WAIVER BY BANK. No delay or omission on the part of Bank or other holder hereof in exercising any right hereunder shall operate as a waiver of such right or of any other right of such holder, nor shall any delay, omission or waiver on any one occasion be deemed a bar to or waiver of the same or of any other right on any future occasion.

MODIFICATIONS; RELEASES. From time to time, the maturity date of this Note may be extended, or this Note may be renewed in whole or in part, or a new note of different form may be substituted for this Note, or the rate of interest or other terms may be modified, or changes may be made in consideration of loan extensions, and Bank may, from time to time, waive or surrender, either in whole or in part any rights, guaranties, security interests or liens given for the benefit of Bank in connection with, and the securing of, payment of this Note; but no such occurrence shall in any manner affect, limit, modify, or otherwise impair any rights, guaranties or security of Bank not specifically waived, released, or surrendered in writing, nor shall Borrower or any Obligor be released from liability by reason of the occurrence of any such event. Bank, from time to time, shall have the unlimited right to release any person who might be liable hereunder, and such release shall not affect or discharge the liability of any other person who is or might be liable hereunder. No waivers and modifications shall be valid unless in writing and signed by Bank. Bank may, at its option, charge any fees for the modification, renewal, extension, or amendment of any of the terms of this Note. Any amendments will apply to all outstanding amounts that Borrower owes to Bank when the amendment becomes effective, as well as to new advances.

GOVERNING LAW; CHOICE OF VENUE. This Note shall be governed by and construed in accordance with the laws of the State of Florida, without giving effect to any conflict of law principles thereof. Any legal action with respect to the indebtedness evidenced by this Note may be brought in the courts of the State of Florida or in the appropriate United States District Court situated in Florida, and Borrower hereby accepts and unconditionally submits to the jurisdiction of such courts. Borrower hereby waives any objection to the laying of venue based on the grounds of forum non conveniens with respect thereto. Nothing in this provision shall affect any right that Bank may otherwise have to bring any action or proceeding relating to this Note or any other Loan Document against Borrower in the courts of any jurisdiction.

NOTICES. All notices or communications given to Borrower pursuant to the terms of this Note shall be in writing and may be given to Borrower at Borrower's address at the top of this Note unless Borrower notifies Bank in writing of a different address. Unless otherwise specifically provided herein to the contrary, such written notices and communications shall be delivered by hand or overnight courier service, or mailed by first class mail, postage prepaid, addressed to Borrower at the address referred to herein. Any written notice delivered by hand or by overnight courier service shall be deemed given or received upon receipt. Any written notice delivered by U.S. Mail shall be deemed given or received on the third (3rd) business day after being deposited in the U.S. Mail.

DOCUMENTARY AND INTANGIBLE TAXES. In the event that any documentary stamp, intangible tax or similar fee or tax is due from Bank to any state or other governmental agency or authority because of the execution or holding of this Note, Borrower shall, upon demand, reimburse Bank for any such tax paid.

PATRIOT ACT NOTICE AND OTHER INFORMATION. Bank hereby notifies Borrower that pursuant to the requirements of the USA PATRIOT Act (Title III of Pub. L. 107-56 signed into law October 26, 2001), Bank may be required to obtain, verify and record information that identifies Borrower, which information includes the name and address of Borrower and other information that will allow Bank to identify Borrower in accordance with the Act. Further, Bank hereby notifies Borrower that, pursuant to the requirements of the Beneficial Ownership Rule (31 C.F.R. §1010.230), Bank may be required to obtain, verify and record information contained in a beneficial ownership certification executed by Borrower, which will identify the key individuals who have beneficial ownership or control of Borrower. Borrower covenants and agrees to promptly furnish to Bank such information and certifications with respect thereto as Bank shall request from time to time to obtain, verify and record information that identifies each Person obtaining a loan or executing documents in connection therewith.

MISCELLANEOUS. All obligations of Borrower shall bind Borrower's heirs, executors, administrators, successors, and/or assigns; provided however, Borrower is not permitted to assign or otherwise transfer its rights, duties or obligations hereunder. If more than one party shall execute this Note, each Borrower agrees that it shall be jointly and severally obligated hereunder and absolutely and unconditionally guarantees to Bank the prompt payment and performance of all indebtedness and related obligations. Wherever possible each provision of this Note shall be interpreted in such a manner to be effective and valid under applicable law. If any provision of this Note shall be prohibited by or invalid under such law, such provision shall be ineffective but only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Note. All representations, warranties, covenants and agreements contained herein or made in writing by Borrower in connection herewith shall survive the execution and delivery of this Note and any other agreement, document or writing relating to or arising out of any of the foregoing. In case of a conflict between the terms of this Note and any Loan Agreement executed in connection herewith, the priority of controlling terms shall be first this Note, then the Loan Agreement. Any advance under this Note may be paid to any Borrower. If the Interest Rate is tied to an external index that becomes unavailable during the term of this Note and this Note or any Addendum hereto does not otherwise provide for a replacement of said Index, Bank may, in its sole and absolute discretion, designate a substitute index with notice to Borrower. This Note may be executed in any number of counterparts, each of which shall be an original but all of which taken together shall constitute one and the same instrument. All pronouns and any variations thereof used herein shall be deemed to refer to the masculine, feminine, neuter, singular or plural as the identity of the person or persons referred to may require. The headings in this Note are included for convenience only and shall neither affect the construction or interpretation of any provision in this Note nor affect any of the rights or obligations of the parties to the Note. Time is of the essence in the payment and performance of this Note.

WAIVER OF JURY TRIAL. BORROWER KNOWINGLY, VOLUNTARILY, INTENTIONALLY AND IRREVOCABLY WAIVES THE RIGHT TO A TRIAL BY JURY IN RESPECT ANY MATTERS OR CLAIMS ARISING OUT OF THIS NOTE, ANY LOAN DOCUMENT EXECUTED IN CONNECTION HEREWITH, OR OUT OF THE CONDUCT OF THE RELATIONSHIP BETWEEN BORROWER AND BANK, WHETHER SOUNDING IN CONTRACT OR TORT OR OTHERWISE. BORROWER AGREES AND CONSENTS THAT ANY SUCH CLAIM, DEMAND, ACTION OR CAUSE OF ACTION SHALL BE DECIDED BY COURT TRIAL WITHOUT A JURY, AND THAT BANK MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS PROVISION WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF BORROWER TO THE WAIVER OF ITS RIGHT TO TRIAL BY JURY. BORROWER ACKNOWLEDGES THAT BORROWER HAS HAD THE OPPORTUNITY TO CONSULT WITH COUNSEL REGARDING THIS PROVISION, FULLY UNDERSTANDS ITS TERMS, CONTENT AND EFFECT, AND VOLUNTARILY AND KNOWINGLY AGREES TO THE TERMS OF THIS PROVISION. THIS PROVISION IS A MATERIAL INDUCEMENT FOR BANK TO MAKE THE LOAN(S) OR OTHER FINANCIAL ACCOMMODATIONS

EVIDENCED BY THIS NOTE. FURTHER, BORROWER HEREBY CERTIFIES THAT NEITHER ANY REPRESENTATIVE OR AGENT OF BANK, NOR BANK'S COUNSEL, HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT BANK WOULD NOT SEEK TO ENFORCE THIS WAIVER OF RIGHT TO JURY TRIAL PROVISION IN THE EVENT OF LITIGATION. FURTHER, NO REPRESENTATIVE OR AGENT OF BANK, NOR BANK'S COUNSEL, HAS THE AUTHORITY TO WAIVE, CONDITION OR MODIFY THIS PROVISION.

DOCUMENTARY STAMP TAX:

Documentary stamp tax in the amount of \$2,165.80 and intangibles tax will be paid in connection with the recording of that certain Modification of Promissory Note, Mortgage and Loan Documents and Receipt for Additional Advance in the official records of Monroe County, Florida, securing this Promissory Note.

Documentary stamp tax in the amount of \$_____ has been or will be paid to the Florida Department of Revenue. Certificate of Registration No. 56-1074313-19-001.

This Promissory Note was executed, delivered and accepted outside of the State of Florida in accordance with the requirements of the Florida Department of Revenue and no documentary stamp tax is required.


Florida documentary stamp tax is not required.

This Note is given, not in payment or discharge of, but for the purpose of and in consideration of the extension of the time of payment under that certain Consolidated Renewal Commercial Promissory Note (With Additional Advance) dated November 22, 2019 given by Borrower to Lender in the aggregate principal amount of Three Million Five Hundred Thousand and No/100 Dollars (\$3,500,000.00) (the "Consolidated Note").

This Note constitutes a renewal, extension, increase and modification of the Consolidated Note and is not intended to and shall not terminate or extinguish any of the indebtedness or obligations under the Consolidated Note in such a manner as would constitute a novation of the original indebtedness or obligations under the Consolidated Note, and such indebtedness and obligations are acknowledged by Borrower to be valid and subsisting.

In Witness Whereof, Borrower has caused this Promissory Note to be duly executed as of the date first written above. This Promissory Note is and shall constitute and have the effect of a sealed instrument according to law. Borrower acknowledges receipt of a completed copy of this Promissory Note.

K W Resort Utilities Corp., a Florida corporation

By: 

Christopher A. Johnson, as its President

Prepared By and
When Recorded Return to:

SHUMAKER

Shumaker, Loop & Kendrick, LLP
P.O. Box 49948
Sarasota, FL 34230-6948
Phone: (941) 364-2705
Attention: **Malcolm J. Pitchford, Esq.**

Mtg Doc Stamp \$2,165.80 Intangible Tax \$1,237.55
Filed and Recorded in Official Records of
MONROE COUNTY KEVIN MADOK, CPA

NOTE TO CLERK: DOCUMENTARY STAMP TAX AND INTANGIBLE TAXES WERE PREVIOUSLY FULLY PAID UPON THE RECORDING OF THAT CERTAIN MORTGAGE OF REAL ESTATE AND SECURITY AGREEMENT RECORDED IN OFFICIAL RECORDS BOOK 2279, PAGE 343, OF THE PUBLIC RECORDS OF MONROE COUNTY, FLORIDA AND THAT CERTAIN MORTGAGE OF REAL ESTATE AND SECURITY AGREEMENT RECORDED IN OFFICIAL RECORDS BOOK 2817, PAGE 1002, OF THE PUBLIC RECORDS OF MONROE COUNTY, FLORIDA AND THAT CERTAIN CONSOLIDATED, AMENDED AND RESTATED MORTGAGE AND SECURITY AGREEMENT DATED NOVEMBER 22, 2019 AND RECORDED IN OFFICIAL RECORDS BOOK 2996, PAGE 611 OF THE PUBLIC RECORDS OF MONROE COUNTY, FLORIDA. AS OF THE DATE HEREOF, THE AGGREGATE OUTSTANDING PRINCIPAL BALANCE OF THE INDEBTEDNESS SECURED BY THE ORIGINAL MORTGAGES IS \$ 2,881,226.56). DOCUMENTARY STAMPS TAX IN THE AMOUNT OF \$2,165.80 AND INTANGIBLE TAXES IN THE AMOUNT OF \$1,237.55 ARE BEING PAID WITH THE RECORDING OF THIS INSTRUMENT BASED UPON ADDITIONAL ADVANCE IN THE AMOUNT OF \$618,773.44 UNDER THE RENEWAL NOTE DEFINED BELOW.

**MODIFICATION OF PROMISSORY NOTE, MORTGAGE
AND LOAN DOCUMENTS AND RECEIPT FOR ADDITIONAL ADVANCE**

This is a Modification of Promissory Note, Mortgage and Loan Documents and Receipt for Additional Advance between K W Resort Utilities Corp., a Florida corporation ("Mortgagor") and Truist Bank, a North Carolina banking corporation, successor in interest to Branch Banking and Trust Company, a North Carolina banking corporation ("Mortgagee"), dated November 18, 2024.

STATEMENT OF FACT

A. Mortgagee is the owner and holder of that certain Consolidated Renewal Commercial Promissory Note (With Additional Advance) dated November 22, 2019 given by Mortgagor to Mortgagee in the aggregate principal amount of Three Million Five Hundred Thousand and No/100 Dollars (\$3,500,000.00) (hereinafter referred to as the "Promissory Note")

B. The Promissory Note is secured, inter alia, by that certain Consolidated, Amended and Restated Mortgage and Security Agreement dated November 22, 2019 and recorded in

Official Records Book 2996, Page 611, of the Public Records of Monroe County, Florida (hereinafter referred to as the "Mortgage").

C. In addition to the Mortgage, the Promissory Note is further secured and evidenced, inter alia, by that certain Assignment of Leases, Rents and Profits dated November 22, 2019 and recorded in Official Records Book 2996, Page 631, of the Public Records of Monroe County (the "Assignment of Leases"); together with that certain UCC-1 Financing Statement recorded in Official Records Book 2996, Page 642, of the Public Records of Monroe County, Florida (the "UCC-1 Financing Statement"), together with certain other documents, instruments and agreements executed and delivered in connection with the Promissory Note and the Mortgage. The Promissory Note, the Mortgage, the Assignment of Leases, the UCC-1 Financing Statement and the other loan documents evidencing and/or securing the indebtedness evidenced by the Promissory Note are hereinafter collectively referred to as the "Loan Documents".

D. Mortgagor has requested that Mortgagee additionally advance the sum of Six Hundred Eighteen Thousand Seven Hundred Seventy-Three and 44/100 Dollars (\$618,773.44), pursuant to the provisions for future advances contained in the Mortgage, and to amend the Mortgage and Loan Documents to secure the additional advance, and Mortgagee is agreeable thereto under the terms and conditions hereof.

AGREEMENT

In consideration of the sum of Ten and No/100 Dollars (\$10.00), the promises and covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the parties, Mortgagor and Mortgagee agree as follows:

1. The foregoing recitals are acknowledged as true and correct and are incorporated herein.
2. As of the date hereof, the outstanding principal balance of the Promissory Note is Two Million Eight Hundred Eighty-One Thousand Two Hundred Twenty-Six and 56/100 Dollars (\$2,881,226.56).
3. Contemporaneously herewith, Mortgagee shall, pursuant to the future advance provisions of the Mortgage, made an additional advance to Mortgagor in the principal amount of Six Hundred Eighteen Thousand Seven Hundred Seventy-Three and 44/100 Dollars (\$618,773.44) (the "Additional Advance"), the receipt of which Mortgagor does hereby acknowledge.
4. Mortgagor and Mortgagee hereby agree that the above-referenced Additional Advance shall be consolidated with the indebtedness evidenced by the Promissory Note and that the consolidated indebtedness shall be evidenced by and repaid to Mortgagee in accordance with the terms and provisions of that certain Renewal Commercial Promissory Note (With Additional Advance) executed by Mortgagor in favor of Mortgagee on even date herewith in the aggregate

principal amount of Three Million Five Hundred Thousand and No/100 Dollars (\$3,500,000.00) (the "Renewal Note"), which Renewal Note consolidates the indebtedness evidenced by the Promissory Note and the Additional Advance.

5. The Mortgage and Loan Documents are hereby modified to secure payment of the Renewal Note.

6. Mortgagor and Mortgagee acknowledge and agree that this Modification is not intended to constitute a novation of the original indebtedness secured by the Mortgage and that the Mortgage shall, in all respects, retain the same lien, priority and effect of the Mortgage as originally recorded.

7. The debt secured by the Mortgage is a valid and subsisting debt and Mortgagor does not have any offsets, defenses or counterclaims to the enforcement of the Mortgage and the debt secured thereby. The Mortgagor hereby expressly ratifies, confirms and reaffirms the provisions of the Promissory Note, the Renewal Note, the Mortgage and Loan Documents and agrees that the whole of the real property described in the Mortgage, as modified hereby, shall be subject to the lien, charge and encumbrance of such Mortgage, and nothing herein contained or done pursuant hereto shall affect or be construed to affect the lien, charge, and encumbrance of the Mortgage or the priority thereof over other liens, charges and encumbrances, or to release or affect the liability of any party or parties whomsoever would now or may hereafter be liable under or on account of the Renewal Note.

8. Mortgagor and Mortgagor's heirs, personal representatives, successors and assigns, indemnify and agree to defend and hold Mortgagee harmless against Florida documentary stamp and intangible taxes, if any, imposed upon Mortgagee by virtue of its execution and acceptance of this document or its ownership of the Renewal Note, and as from time to time further modified and restated, including any penalties, interest, and attorneys' fees incurred by Mortgagee in connection therewith, and all such charges shall be secured by the lien of the Mortgage, and as from time to time amended, and bear interest at the default rate provided in the Renewal Note from the date of advance by Mortgagee until paid by Mortgagor. The provisions of this paragraph shall survive the repayment of the Renewal Note and the indebtedness evidenced thereby, and satisfaction of the Mortgage, and shall continue for so long as a claim may be asserted by the State of Florida or any of its agencies.

9. This Modification of Promissory Note, Mortgage and Loan Documents and Receipt for Additional Advance may be executed in any number of counterparts, each of which may be executed by only one party, which shall be enforceable against the parties actually executing such counterparts, and all of which together shall constitute one instrument.

10. Documentary stamps in the amount of \$2,165.80 and intangible taxes in the amount of \$1,237.55 for the Additional Advance have been paid upon the recording of this Modification of Promissory Note, Mortgage and Loan Documents and Receipt for Additional Advance in Monroe County, Florida.

11. Except as modified hereby, all terms of the Promissory Note, the Renewal Note, the Mortgage and Loan Documents are hereby ratified and confirmed.

This Modification of Promissory Note, Mortgage and Loan Documents and Receipt for Additional Advance has been executed the date set forth above.

WITNESSES:

MORTGAGOR:

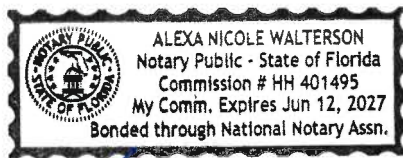
Pete Kammerer
Print Name: Pete Kammerer
Address: 138 Simonton St.
Key West, FL 33040

K W Resort Utilities Corp., a Florida corporation
By: *Christopher A. Johnson*
Christopher A. Johnson, as its President
Address: 6630 Front Street
Key West, FL 33040

Alexa Walteson
Print Name: Alexa Walteson
Address: 138 Simonton St.
Key West, FL 33040

STATE OF FLORIDA
COUNTY OF MONROE

The foregoing instrument was acknowledged before me by means of ✓ physical presence or online notarization this 18th day of November, 2024, by Christopher A. Johnson, as the President of K W Resort Utilities Corp., a Florida corporation, on behalf of the corporation.



Alexa Walteson
Notary Public
Print Name: Alexa Walteson
My Commission Expires: Jun 12, 2027

Personally Known ✓ (OR) Produced Identification
Type of identification produced

WITNESSES:

MORTGAGEE:

Truist Bank, a North Carolina banking corporation, successor in interest to Branch Banking and Trust Company, a North Carolina banking corporation

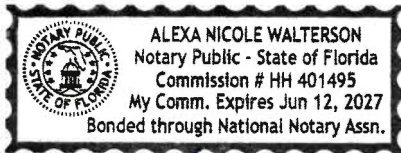
Alexa Walteson
Print Name: Alexa Walteson
Address: 138 Simonton Street
Key West, FL 33040

By: J - - Hall
James W. Hall, as its Senior Vice President
Address: 1010 Kennedy Drive, Suite 100
Key West, FL 33040

Pete Kammerer
Print Name: Pete Kammerer
Address: 138 Simonton Street
Key West, FL 33040

STATE OF FLORIDA
COUNTY OF MONROE

The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this 18th day of November, 2024, by James W. Hall, as the Senior Vice President of Truist Bank, a North Carolina banking corporation, successor in interest to Branch Banking and Trust Company, a North Carolina banking corporation, on behalf of the bank.



Alexa Walteson
Notary Public
Print Name: Alexa Walteson
My Commission Expires: Jun 12, 2027

Personally Known (OR) Produced Identification
Type of identification produced _____