REDEVELOPMENT AGREEMENT
Hallandale City Center

THIS REDEVELOPMENT AGREEMENT (the "Agreement") is made and entered into as of this 19th day of March, 2018 (the "Effective Date"), by and between **HALLANDALE CITY CENTER, LLC,** a Florida limited liability company (the "Developer") and the **HALLANDALE BEACH COMMUNITY REDEVELOPMENT AGENCY**, a body public and corporate of the State of Florida (the "HBCRA").

R E C I T A L S

1. The HBCRA is the owner of the real property located in the City of Hallandale Beach, Florida (the "City"), as more particularly described on Exhibit "A" attached hereto (the "Property"), which Property the HBCRA desires to be redeveloped within the HBCRA Community Redevelopment Area.

2. In order to dispose of the Property in accordance with applicable law, the HBCRA previously issued a public notice in accordance with Section 163.380, Florida Statutes.

3. Since that time, the HBCRA received proposals to redevelop the Property causing the HBCRA to engage in a process which resulted in three (3) proposals being thoroughly evaluated by a designated Evaluation Committee comprised of five experts in the fields of community redevelopment, economic development, urban planning, transportation and mobility and financial valuation.

4. The Evaluation Committee used in part the following criteria in no specific order to score and rank the proposals: (a) highest and best use of the Property, (b) proposal alignment with long term redevelopment objectives in accordance with the 2015 HBCRA Strategic Planning Retreat, (c) developer financial capacity, relevant experience and ability to proceed in a timely manner, (d) proposed deal terms including developer contributions and HBCRA incentives, and (e) aesthetic/development contribution of the project.

5. Pursuant to procedures implemented by the City's Procurement Department, Best and Final Offers ("BAFOs") were requested from the developers and received by the City Clerk on February 10, 2017. The BAFOs were distributed to the members of the Evaluation Committee. Based on the BAFOs, the Evaluation Committee held Oral Presentations at City Hall on April 5, 2017. The proposal submitted by the Developer was ranked first by the Evaluation Committee.

6. At the HBCRA Board meeting held on April 19, 2017, the HBCRA Board authorized the Executive Director to negotiate a Redevelopment Agreement with the Developer for the Project (as defined in Section 2.2).

NOW, THEREFORE, for and in consideration of the mutual promises and covenants herein set forth, the Developer and HBCRA hereby agree as follows:

Section 1. Recitals. The foregoing recitals are true and correct and are incorporated herein by this reference.

Section 2. General; Project; Definitions.

2.1 General. The purpose of this Agreement is to provide the terms and conditions pursuant to which the Developer shall redevelop the Property. The Property shall be redeveloped in substantial accordance with the Site Plan (as defined in Section 3.4) and Applicable Laws (as defined in Section 2.3) with the Project to be completed in accordance with the "Redevelopment Calendar" attached hereto as Exhibit "D" and made a part hereof, by the Developer on a "turn-key" basis for lease to third party commercial and residential tenants based upon the Plans and Specifications. From and after the date of this Agreement, Developer shall diligently, expeditiously, and in good faith take all action necessary in accordance with the Redevelopment Calendar to redevelop the Property for the Project in accordance with the terms and conditions of this Agreement.

2.2 Project. Subject to Section 4.6(a) below, the Project will be named Hallandale City Center and generally consists of eighty nine (89) two bedroom/two bathroom residential market rate and affordable rental units averaging one thousand (1,000) square feet each and not less than eight thousand (8,000) square feet of commercial space, as well as two hundred eighty (280) parking spaces (including both structured and surface parking) and related amenities. Buildings and parking together with related amenities and utilities, all as specified on the Site Plan and Plans and Specifications collectively comprise the Project which is generally set forth on the "Site Plan" attached as Exhibit "B" to this Agreement. The Project will be redeveloped on the Property with the Property being conveyed by the HBCRA to the Developer in accordance with the terms and conditions of this Agreement.

2.3 Definitions. As used in this Agreement, the following terms shall have the following meanings:

"Agreement" shall mean this Redevelopment Agreement including all attachments and Exhibits as may be amended form time to time in accordance herewith. This Agreement is not a Development Agreement as set forth in the Florida Local Government Development Act (F.S. 163.3220 – 163.3243)

"Applicable Laws" shall mean any applicable law, statute, code, ordinance, regulation, permit, license, approval or other rule or requirement now existing or hereafter enacted, adopted, promulgated, entered, or issued by Governmental Authorities including but not limited to, the Code (as defiend in this Section 2.2) and the Florida Building Code.

"Application Fee" shall mean the Twenty Five Thousand and 00/100 Dollars ($25,000) fee paid by the Developer to the HBCRA upon the submission of Developer's proposal to the HBCRA, which Application Fee shall be used to pay the costs and expenses of the HBCRA relative to this Agreement including, but not limited to, legal fees. Upon the request of the HBCRA, the Application Fee shall be replenished in increments of Twenty Five Thousand and 00/100 Dollars ($25,000.00) and shall be considered evergreen until Final Completion. Upon Final Completion, the parties shall perform a true-up of the Application Fee with any balance refunded to the

Developer or short fall paid by the Developer to the HBCRA. The Developer authorizes the HBCRA to make deductions from the Application Fee for the purposes set forth herein.

"Business Day" shall mean any day that the City is open for business.

"CBP Contribution" means One Hundred Thousand and 00/100 Dollars ($100,000). The CBP Contribution will be paid by the Developer to the City in two equal installments. The first installment shall be paid upon the issuance of the building permit and the second installment shall be paid upon the date that is two hundred seventy (270) days after the issuance of the building permit. The CBP Contribution shall be paid to and then held and disbursed by the City in accordance with the Community Needs Study.

"City" shall have the meaning provided in the first recital hereto.

"Code" shall mean the City's Charter, Code of Ordinances, and Land Development Regulations now existing or hereafter enacted, adopted, promulgated, entered, or issued by the City.

"Construction Contract" shall have the meaning provided in Section 4.3.

"Construction Costs" shall mean the cost of the Work as set forth in the building permit approval.

"Construction Documents" shall have the meaning provided in Section 3.7.

"Construction Loan" shall mean the financing to be obtained by the Developer in the amounts necessary to develop the Project in accordance with this Agreement, which Construction Loan shall be from a Lender and is subject to the approval of the HBCRA. At a minimum, the Construction Loan shall be (a) on commercial reasonable terms in the context of the then market conditions, (b) require a personal guaranty from the principal(s) of the Developer (c) include a Step-In Agreement in order for the HBCRA to exercise its rights set forth in Section 4.3 and (d) such other terms and conditions and the HBCRA deems necessary including, but not limited to, the terms and conditions set forth in Section 4.4.

"Developer Equity" shall mean either (a) the Developer's equity contribution to the Project which shall be all amounts necessary to develop the Project other than the Developer Financing or (b) if there is no Developer Financing the Developer's equity contribution to the Project which shall be all amounts necessary to develop the Project.

"Development Approvals" shall have the meaning provided in Section 3.5.

"Development Budget" shall have the meaning provided in Section 4.2.

"Developer" shall have the meaning provided in the introductory paragraph herein.

"Development Plan" shall have the meaning provided in Section 4.2.

"Governmental Authorities" shall mean the United States Government, the State of Florida, Broward County, the City or any other governmental agency or any instrumentality of any of them

"Hazardous Materials" shall mean any material which may be dangerous to health or to the environment, including without implied limitation all "hazardous matter", "hazardous waste", and "hazardous substances", and "oil" as defined in or contemplated by any applicable federal, state or local law, rule, order or regulation relating to the protection of human health and the environment or hazardous or toxic substances or wastes, pollutants or contaminants, including all of the following statutes and their implementing regulations, as the same may have been amended from time to time: (i) Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. §9601 et seq.; (ii) Toxic Substances Control Act, 15 U.S.C. §2601 et seq.; (iii) Federal Insecticide, Fungicide, and Rodenticide Act, 7 U.S.C. §136; (iv) Hazardous Materials Transportation Act, 49 U.S.C. §5101 et seq.; (v) Federal Water Pollution Control Act, 33 U.S.C. §1251 et seq.; (vi) Resource Conservation and Recovery Act, 42 U.S.C. §6901 et seq.; (vii) Clean Air Act, 42 U.S.C. §300f et seq.; (viii) Safe Drinking Water Act, 42 U.S.C. §3808 et seq.; or (ix) Applicable or equivalent laws and regulations of the State of Florida relating to hazardous matter, substances or wastes, oil or other petroleum products, and air or water quality.

"HBCRA" shall have the meaning provided in the introductory paragraph herein. The HBCRA is scheduled to sunset on September 30, 2026. If and when the HBCRA ceases to exist, then all of the rights, title, benefits and interests of the HBCRA in and to this Agreement shall immediately vest in the City by operation of law without any further action or execution and delivery of any other documents. The City shall be entitled to enforce this Agreement to the same extent as the HBCRA.

"HBCRA Contribution" shall mean the Property and the Gap Grant.

"Inspection Period" shall mean the period expiring at 5:00 P.M. Eastern Standard Time on the date which is ninety (90) days after the Effective Date.

"Lender" shall mean (a) an established federally chartered United States bank, United States trust company or other such recognized United States financial institution (or consortium thereof) or (b) the United States Department of Housing and Urban Development ("HUD"). The selection of the Lender will be subject to the prior written approval of the HBCRA and, except for HUD, such approval shall take into account the reputation, financial condition and legal qualifications of such entity.

"Pre-Development Budget" shall have the meaning provided in Section 3.4.

"Project" shall have the meaning provided in Section 2.2 above.

"Property" shall have the meaning provided in the first recital hereto.

"Site Plan" shall have the meaning provided in Section 3.4.

Section 3. Pre-Development.

3.1 Due Diligence Inspection. During the Inspection Period, HBCRA shall permit Developer and its authorized representatives to inspect the Property and to perform due diligence, surveys, soil analysis and environmental investigations. Developer will conduct any physical inspections, tests, examinations, studies, and appraisals only on Business Days. Developer may only enter upon the Property, provided (i) Developer provides HBCRA with at least twenty-four (24) hours prior notice (which notice may be oral or written) of its intent to inspect, test, survey or study, (ii) if requested by HBCRA, Developer is accompanied by a representative of HBCRA and (iii) Developer or Developer's agents or contractors, as applicable, furnishes to HBCRA a certificate of insurance acceptable to HBCRA naming HBCRA as an additional insured and with an insurer and insurance limits and coverage reasonably satisfactory to HBCRA. Developer and its agents and representatives shall not perform any invasive testing without the prior written consent of HBCRA, which consent shall not be unreasonably withheld. All inspection fees, appraisal fees, engineering fees and all other costs and expenses of any kind incurred by Developer relating to its the inspection of the Property for itself and/or its lender (collectively, the "Inspection Costs") shall be the responsibility of and paid for by the Developer and not paid from the Application Fee. To the extent that Developer or any of its representatives, agents or contractor's damages or disturbs the Property or any portion thereof, Developer shall return the same to substantially the same condition which existed immediately prior to such damage or disturbance. Developer hereby agrees to and shall indemnify, defend and hold harmless HBCRA from and against any and all expense, loss or damage which HBCRA may incur (including, without limitation, reasonable attorney's fees actually incurred) as a result of any act or omission of Developer or its representatives, agents or contractors arising from, related to, or in connection with the due diligence inspections including any soil analysis and environmental investigations, other than any expense, loss or damage to the extent arising from any act or omission of HBCRA during any such inspection and other than any expense, loss or damage resulting from the discovery or release of any Hazardous Substances at the Property for which discovery or release Developer shall have no liability, unless such discovery or release was caused by the negligence or intentional conduct of Developer or its representatives, agents or contractors and/or such Hazardous Substances were brought on to the Property by Developer or its representatives, agents or contractors). Developer shall promptly upon its receipt thereof, deliver to HBCRA, copies of all such audits and assessments obtained by Developer. Developer shall itself (and shall require its consultants to) keep the Property free and clear of all liens and encumbrances, including but not limited to mechanics' liens, arising out of any of Developer's (and such consultants') activities on the Property, including its consultants' investigations. In the event that the Developer's due diligence inspections reveal the presence of Hazardous Substances in violation of Applicable Laws, the parties agree that the HBCRA shall perform the required remediation in good faith and pay the costs therefore, provided that the HBCRA shall not be required to contribute more than Two Hundred Fifty Thousand and 00/100 Dollars ($250,000) to the remediation, and the parties agree to renegotiate the terms of this Agreement relative to any reduced development entitlements and/or timing of development due to the remediation process including the potential deletion of the contaminated portion of the Property form the Project; provided, however, if the parties cannot agree on the remediation process and/or cost allocation, the Developer shall also be entitled to terminate this Agreement as set forth in Section 3.2 even if the Inspection Period has expired. HBCRA has provided the Developer with the Limited Phase II Environmental Site Assessment dated July 31, 2014 for the Signature Collision property. Page 2 of the Phase II contains

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recommendations for the decommissioning of a shop sink and the registration of an AST with Broward County. HBCRA represents to the Developer that these two recommendations have been completed.

3.2 Termination of Agreement. Developer shall have until the expiration of the Inspection Period to determine, in Developer's sole opinion and discretion, the suitability of the Property for the Project. Developer shall have the right to terminate this Agreement for any reason or no reason at any time on or before said time and date of expiration of the Inspection Period by giving written notice to HBCRA of such election to terminate. The HBCRA shall have the right to terminate this Agreement for reasons related to the environmental condition of the Property at, on or before said time and date of expiration of the Inspection Period by giving written notice to the Developer of such election to terminate. If Developer or the HBCRA so elects to terminate this Agreement pursuant to this Section 3.2, the Developer shall pay the Inspection Costs and any balance of the Application Fee shall be refunded to the Developer whereupon, except for those provisions of this Agreement which by their express terms survive the termination of this Agreement, no party hereto shall have any other or further rights or obligations under this Agreement. If Developer or the HBCRA fail to terminate this Agreement prior to the expiration of the Inspection Period, the (except for the Developer's right to terminate in section 3.6 and the HBCRA's right to terminate in Section 3.5) each Party shall have no further right to terminate this Agreement except as set forth in Section 8.

3.3 Condition of the Property. Unless this Agreement is terminated by Developer pursuant to Section 3.2 above, as a material inducement to HBCRA to execute this Agreement, and except as otherwise expressly set forth in this Agreement, Developer agrees, represents and warrants that (i) the Developer will have fully examined and inspected the Property, including the environmental condition of the Property, (ii) Developer will have accepted and will be fully satisfied in all respects with the foregoing and with the physical condition of the Property, (iii) Developer will have decided to redevelop the Property for the Project solely on the basis of its own independent investigation. Developer hereby acknowledges and agrees that HBCRA has not made, does not make, and has not authorized anyone else to make any representation and warranty as to the present or future physical condition, value, financing status, leasing, operation, use, tax status, income and expenses and prospects, or any other matter or thing pertaining to the Property, except as expressly set forth in this Agreement. HBCRA shall not be liable for, or be bound by, any verbal or written statements, representations or information pertaining to the Property furnished by any employee, agent, servant or any other person unless the same are specifically set forth in writing in this Agreement. Except for the representations and warranties expressly set forth herein, all information and documentation relating to the Property that have been provided or that may be provided to Developer during the course of Developer's due diligence investigation of the Property have been maintained by HBCRA in the ordinary course of HBCRA's business and Developer acknowledges and agrees that such information and documentation is provided without warranty of any kind, including as to the accuracy, validity, or completeness of any such information or documentation.

3.4 Pre-Development Plan and Pre-Development Budget. The parties acknowledge and agree that the HBCRA has previously reviewed (a) a pre-development plan and (b) a

preliminary budget for the Project prepared by the Developer. Within forty-five (45) days after the expiration of the Inspection Period, Developer shall provide the HBCRA with an updated pre-development plan and updated budget. The updated pre-development shall be then referred to as the "Pre-Development Plan" and the updated budget shall be then referred to as the "Pre-Development Budget." The Pre-Development Plan and Pre-Development Budget will then be initialed and dated by the parties and attached hereto as Exhibit "C" and by this reference made a part hereof. As used in this Agreement, the defined term Pre-Development Plan shall also include the Pre-Development Budget as the context shall dictate.

3.5 Governmental Approvals. The term "Development Approvals" as used in this Agreement shall mean all City approvals, consents, permits, amendments, rezonings, platting, conditional uses or variances, site plan approval, as well as such other approvals and official actions of the Governmental Authorities which are necessary to develop the Project. No later than ninety (90) days after the expiration of the Inspection Period, the Developer shall submit to the HBCRA for its review and approval (a) a schedule which shall serve as the Developer's time frame for performance with respect to obtaining the Development Approvals and (b) all applications and other submittals required to obtain the Development Approvals, such approval for each not to be unreasonably withheld, delayed or conditioned provided the schedule, applications and other submittals are consistent with the Project. Following such review and approval, the HBCRA hereby agrees to execute and deliver to the Developer in the HBCRA's capacity as the owner of the Property all applications and other submittals required to obtain the Development Approvals. If the Developer fails to perform (a) and/or (b) within the ninety (90) day period and the Developer does not cure such failure within ten (10) days following receipt of written notice from the HBCRA to the Developer, then this Agreement may be terminated by the HBCRA upon written notice and five (5) Business Day opportunity to cure; and the Developer shall pay the Inspection Costs and any balance of the Application Fee shall be refunded to the Developer whereupon, except for those provisions of this Agreement which by their express terms survive the termination of this Agreement, no party hereto shall have any other or further rights or obligations under this Agreement. If any such documents in which HBCRA's joinder is requested contain material financial obligations binding (or which may become binding) upon HBCRA, such obligations must be included in the Pre-Development Budget or Development Budget, as applicable. If this Agreement is terminated according to the terms of this Agreement, then upon HBCRA's request, Developer shall withdraw all of its pending applications and terminate all agreements which are terminable and/or withdrawable by Developer, with respect to the Development Approvals, which foregoing obligations shall survive termination of this Agreement. The Developer will be responsible for initiating and diligently pursuing the Development Approvals applications pursuant to the approved schedule. The HBCRA shall cooperate with the Developer in processing all necessary Development Approvals to be issued by the City as well as all other Governmental Authorities. The HBCRA shall use commercially reasonable efforts to expedite the Development Approvals being issued by the City. The Developer may request that the HBCRA cause the City to use a private company for building code services, and the HBCRA shall pay twenty percent (20%) of the cost and the Developer shall pay eighty percent (80%) of the cost The parties recognize that certain Development Approvals will require the City and/or its boards, departments or agencies, acting in their police power/quasi-judicial capacity, to consider certain governmental actions. The parties further recognize that all such considerations and actions shall be undertaken

in accordance with established requirements of Applicable Laws in the exercise of the City's jurisdiction under the police power. Nothing in this Agreement is intended to limit or restrict the powers and responsibilities of the City in acting on such applications by virtue of the fact that the HBCRA may have been required to consent to such applications as the owner of the Property. Nothing in this Agreement shall entitle the Developer and/or the HBCRA to compel the City to take any action in its police power/quasi-judicial capacity, except to timely process the applications. Subject to Section 11 below, the Developer shall pay for all permit fees, impact fees and all other costs and expenses associated with the Development Approvals and as required by Applicable Laws, which amounts shall be included in the applicable Pre-Development and Development Budget for the Project and shall not be paid from the Application Fee. A list including estimated costs of the Development Approvals is attached hereto as Exhibit "F" and by this reference made a part hereof; provided, however, the parties acknowledge and agree that the list may not include all Development Approvals and shall in no way limit the obligation of the Developer to obtain all Development Approvals as set forth in this Agreement. The HBCRA agrees to use its good faith efforts to assist the Developer in expediting the review and approval process with applicable Governmental Authorities; provided, however, that HBCRA's obligation in the foregoing sentence is conditioned on such good faith efforts not requiring the HBCRA to pay any costs or expenses therefore, and for the sake of clarity shall not be paid from the Application Fee. If such good faith efforts require the HBCRA to expend funds including, but not limited to, legal fees or project management costs (including HBCRA and/or City staff), the HBCRA shall not be obligated to perform such good faith efforts unless and until the Developer agrees in writing to pay the costs therefore. Nothing in this Agreement is intended to, nor shall be construed as, zoning by contract.

3.6 Site Plan. The Developer has previously provided a site plan and elevations to the HBCRA for the Project as referenced on Exhibit "B" attached hereto (the attached site plan and elevations are collectively, the "Site Plan"). The HBCRA hereby acknowledges and agrees that the Site Plan is acceptable to the HBCRA. The foregoing shall in no way constitute or be construed as the approval or issuance of a development order, it being expressly acknowledged and agreed by the Developer that the Site Plan will require separate submission, review, and approval pursuant to the requirements of the City's Code. Except for a Permitted Change (as hereinafter defined), no changes, alterations or modifications shall be made to the Site Plan (either prior to or after approval by the City) without the prior written approval of the HBCRA, which approval shall not be unreasonably withheld, delayed or conditioned; provided, however such approval may be withheld in the HBCRA's sole and absolute discretion if the requested change, alteration or modification consists of a Material Change. For purposes of this Agreement, a "Material Change" means and refers to a requested change, alteration or modification so that (i) in the aggregate with all other changes, alterations and modifications increases or decreases the square footage of the buildings and/or the common areas by ten percent (10%) or more, (ii) changes the number of stories of a building, and/or (iii) deletes any Project amenities. Following approval of the Site Plan for the Project by the City staff pursuant to the City's Code, except for Permitted Changes, the Developer shall not initiate or request review by City staff of any changes or alterations to the approved Site Plan for the Project without the prior written approval of the HBCRA, which approval shall not be unreasonably withheld, conditioned or delayed. In the event the approval process by the Governmental Authorities results in changes to the Site Plan that materially and

adversely impacts the Developer's development scheme, plan, marketability, profitability and/or financeability of the Project, then Developer shall have the right to terminate this Agreement by giving written notice to the HBCRA whereupon all obligations and liabilities of the parties hereunder shall terminate and the Developer shall pay the Inspection Costs and any balance of the Application Fee shall be refunded to the Developer.

3.7 Plans and Specifications; Construction Documents. Following approval of the Site Plan and prior to commencement of any construction for the Project (including any demolition or site work), Developer shall prepare and submit to the HBCRA for review and its reasonable approval, all design documents prepared or furnished, in connection with the Work (as hereinafter defined) for the Project including, without limitation, architectural, structural, mechanical, electrical, plumbing, fire protection, drainage, landscaping, parking (including the bridge providing access to offsite parking) and any other engineering documents necessary for the permitting and construction of the Project for and through all phases of design and construction (e.g., schematic, design development, and construction) (collectively referred to as the "Plans and Specifications"). The Plans and Specifications shall comply with all Applicable Laws including, without limitation, the Florida Building Code and all design requirements established by the Florida Accessibility Code and the Americans with Disabilities Act. HBCRA shall provide its written approval or disapproval (specifying the basis for disapproval and/or comments) to any such Plans and Specifications within fifteen (15) days of receipt of request for same, it being understood that HBCRA review and approval of the Plans and Specifications as set forth herein is not the review required by the City, but only a general review for compliance with the terms and conditions of this Agreement and, therefore, such review need not be limited to, governmental requirements; provided, however, if the HBCRA fails to either approve or disapprove (either with or without conditions) the submitted Plans and Specifications within fifteen (15) days following submittal by Developer to HBCRA, the Plans and Specifications in the form submitted shall be deemed approved by HBCRA. Without limiting the foregoing, the approval of the Plans and Specifications pursuant to this Agreement shall in no way constitute or be construed as the approval or issuance of a development order, it being expressly acknowledged and agreed by Developer that the Plans and Specifications will require separate submission, review, and approval pursuant to the requirements of the City's Code and/or its applicable rules and regulations; provided, further, the Developer hereby releases the HBCRA from any claims, judgments, liabilities, defects, errors and omissions associated with the Plans and Specifications. Once any Plans and Specifications receive the written approval of the HBCRA or are deemed approved pursuant to this Agreement, such Plans and Specifications shall be deemed the "Construction Documents." The Construction Documents for the Project or any portion thereof shall be signed and sealed by the Developer's design professional and shall consist of: (a) working drawings, (b) technical specifications, (c) schedule for accomplishing improvements, and (d) such other information as may be required by the City in accordance with its Code and as otherwise necessary to confirm compliance with this Agreement. No material changes or alterations (other than Permitted Changes) shall be made to any Construction Documents, without the prior written approval of the HBCRA. Developer is hereby authorized to make Permitted Changes without HBCRA approval. A "Permitted Change" shall mean (i) a change which is required to be made to comply with Applicable Laws, including changes required by the City or other Governmental Authorities during the Development Approvals process; (ii) a change which involves only

substituting materials of comparable or better quality as approved by the HBCRA; (iii) a change required by the failure of the Construction Documents to satisfy field conditions where the change will not have a material adverse effect on the quality, appearance or function of Project; and (iv) a change which is made to correct inconsistencies in various Construction Documents. The Developer shall provide written notice to the HBCRA prior to making any Permitted Changes except to the extent such Permitted Change is required in an emergency situation, in which event the Developer shall provide notice to the HBCRA as soon as reasonable possible thereafter. The approval or deemed approval by the HBCRA of any Plans and Specifications, site plans, designs or other documents submitted to HBCRA pursuant to this Agreement shall not constitute a representation or warranty that such comply with all Applicable Laws and/or and procedures of all applicable Governmental Authorities, it being expressly understood that the responsibility therefore shall at all times remain with the Developer.

3.8 Proof of Financing Plan and Developer Equity. Notwithstanding anything herein to the contrary, within five (5) days after the expiration of the Inspection Period, Developer shall provide the HBCRA with (a) a financing plan in a form and substance acceptable to the HBCRA in all respects including, but not limited to, a preliminary construction loan commitment or equity financing in a form and substance acceptable to the HBCRA in all respects and (b) in either case evidence of the Developer Equity as set forth on the Form attached hereto as Exhibit "E" and the substance of which shall be acceptable to the HBCRA in all respects including, but not limited to, proof of funds. If such evidence of financing plan and/or Developer Equity is not acceptable to the HBCRA upon a reasonable and good faith basis, then (after written notice and ten (10) Business Day opportunity to cure), the HBCRA shall have the right to terminate this Agreement. If the HBCRA so elects to terminate this Agreement pursuant to this Section 3.8, the Developer shall pay the Inspection Costs whereupon, except for those provisions of this Agreement which by their express terms survive the termination of this Agreement, no party hereto shall have any other or further rights or obligations under this Agreement.

3.9 Pedestrian Bridge over FEC Railroad Tracks. Notwithstanding anything herein to the contrary, the Developer acknowledges and agrees to provide a financial contribution towards the approval and construction of a pedestrian bridge over the FEC railroad tracks (the "Bridge"). Developer shall pay to the HBCRA the amount of Two Hundred and Fifty Thousand and 00/100 Dollars (the "Bridge Contribution") towards the approval and construction of the Bridge as follows: (a) Fifty Thousand and 00/100 Dollars ($50,000.00) (the "Initial Installment) within thirty (30) days following the Effective Date and (b) Two Hundred Thousand and 00/100 Dollars ($200,000.00) (the "Second Installment") within sixty (60) days following written notice from the HBCRA to the Developer that the HBCRA has received all approvals necessary to construct the Bridge. Following receipt of the Initial Installment, the HBCRA is authorized to use such funds to proceed to obtain the approvals for the construction of the Bridge. Upon receipt of the approvals necessary to construct the Bridge and payment of the Second Installment, the HBCRA shall proceed to construct or cause the construction of the Bridge, provided the Developer may participate in the bid process to design and construct the Bridge using the Bridge Contribution. With respect to the construction costs of the Bridge, (i) any balance of the Bridge Contribution remaining after construction of the Bridge shall be refunded to the Developer or (ii) any construction costs over and above the Bridge Contribution shall be paid by the HBCRA. In the

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event that the approvals necessary to construct the Bridge are not obtained by the HBCRA within two (2) years following the Effective Date, the HBCRA shall return the balance of the Initial Installment to the Developer and the obligation of the Developer to pay the Second Installment shall be null and void.

3.10 City Parking Spaces. As additional consideration for the HBCRA Contribution, the Developer agrees that fifty five (55) parking spaces in the structured parking facility with fifty (50) parking spaces on the top floor and five (5) parking spaces on the floor below (the "City Parking Spaces") shall be dedicated to the exclusive use of the City pursuant to an easement agreement between the City and the Developer (the "Easement Agreement"). Simultaneously with the preparation and submission of the Plans and Specifications pursuant to Section 3.7 above, the parties shall mutually agree on the location of the City Parking Spaces which location, at a minimum, shall provide for simple and straightforward ingress and egress as well as the ability to provide for the installation at any time of restricted access systems such as gates and parking fee payment systems. The parties shall work in good faith to identify the location of the City Parking Spaces; provided, however, the HBCRA may withhold its approval of the Plans and Specification until such time as there is agreement by the parties as to the location of the City Parking Spaces. Similarly, the parties shall work in good faith to agree upon the terms and conditions of the Easement Agreement. The execution and delivery of the Easement Agreement shall be a condition precedent to the conveyance of the Property from the HBCRA to the Developer. The Easement Agreement shall be perpetual in nature and, among other things, provide that (a) the Developer shall, at its cost and expense, be responsible for the design, construction and maintenance of the structured parking facility including the City Parking Spaces, (b) not require the City to pay the Developer any type of fee or compensation for the City Parking Spaces and the maintenance thereof, (c) provide the City with replacement City Parking Spaces of a similar nature in the event of the redevelopment of the structured parking facility due to casualty, upgrade or obsolescence and (d) such other terms and conditions that are necessary and appropriate as the context dictates including, but not limited to, the Gap Grant Clawback in an amount equal to the portion of the Gap Grant allocated to the City Parking Spaces (i.e., $1,100,000).as set forth in Section 4.5 below in the event of an uncured default of the Easement Agreement. Costs associated with the installation and maintenance of the of restricted access systems such as gates and parking fee payment systems shall be paid by the HBCRA or the City. The costs and expenses of the HBCRA related to the preparation and negotiation of the Easement Agreement including, but not limited to, legal fees and costs shall be paid to the HBCRA from the Application Fee. The Easement Agreement shall require the City to self-insure.

3.11 Gap Grant. Subject to the terms and conditions hereof, the HBCRA shall provide the Developer with a grant in the amount of Two Million Seven Hundred Fifty Thousand and 00/100 Dollars ($2,750,000) (the "Gap Grant"). The Gap Grant shall be disbursed in three installments of Nine Hundred Sixteen Thousand Six Hundred Sixty Seven and 00/100 Dollars ($916,667) each over three consecutive HBCRA fiscal years commencing in fiscal year 2018-19 as follows:

(a) First installment shall be paid in fiscal year 2018-19 following written request from the Developer therefore accompanied by a written certification and supporting

documentation that Developer has expended at least Three Million and 00/100 Dollars ($3,000,000) towards the soft and hard costs for the Project. The HBCRA shall pay the first installment to the Developer within fifteen (15) days following the submission to the HBCRA of such written certification and supporting documentation in a form and substance reasonably acceptable to the HBCRA.

(b) Second installment shall be paid in fiscal year 2019-20 following written request from the Developer therefore accompanied by a written certification and supporting documentation that Developer has expended at least Ten Million and 00/100 Dollars ($10,000,000) towards the soft and hard costs for the Project. The HBCRA shall pay the second installment to the Developer within fifteen (15) days following the submission to the HBCRA of such written certification and supporting documentation in a form and substance reasonably acceptable to the HBCRA.

(c) Third installment shall be paid in fiscal year 2020-21 following written request from the Developer therefore accompanied by a written certification and supporting documentation that Developer has expended at least Thirteen Million and 00/100 Dollars ($13,000,000) towards the soft and hard costs for the Project. The HBCRA shall pay the third installment to the Developer within fifteen (15) days following the submission to the HBCRA of such written certification and supporting documentation in a form and substance reasonably acceptable to the HBCRA.

Notwithstanding anything herein to the contrary, the HBCRA shall not be obligated to pay any installment of the Gap Grant if an Event of Default on the part of Developer has occurred or circumstances exists that with the passage of time and the giving of notice would constitute an Event of Default on the part of Developer. The HBCRA shall be entitled to offset any amounts due and owing by the Developer to the HBCRA against the Gap Grant.

Section 4. Development Services.

4.1 General Obligations. Subject to the terms and provisions of this Agreement, Developer shall be responsible for the design, engineering, permitting and construction for the Project substantially in accordance with the Construction Documents. In connection therewith, Developer shall provide or cause to be provided and furnish or cause to be furnished, all materials, supplies, apparatus, appliances, equipment, fixtures, tools, implements and all other facilities provided for in the Construction Documents, and shall provide all labor, supervision, transportation, utilities and all other services, as and when required for or in connection with the construction, furnishing or equipping of, or for inclusion or incorporation in the Project (collectively, the "Work"). Developer shall cause the design, engineering, permitting and construction of the Project to be prosecuted with diligence and continuity and will achieve Substantial Completion (as hereinafter defined) of the Work, free and clear of liens or claims for liens for materials supplied and for labor or services performed in connection therewith on or before the applicable Completion Date (as hereinafter defined). To the extent that any claims are threatened or made against the HBCRA, the HBCRA may look to the Developer and/or the

applicable design professional, General Contractor and/or subcontractor with respect to any design and/or construction defect claims. For the purposes of this Agreement, "Substantial Completion" shall mean (i) the Project architect shall have certified in his/her reasonable discretion that the Project has been completed substantially in accordance with the Construction Documents subject to punch-list items, (ii) all temporary certificates of occupancy (or their equivalent) and all other certificates, licenses, consents and approvals required for the temporary occupancy, use and operation of the Project shall have been issued by or obtained from the appropriate Governmental Authorities (provided that in order for the Project to be deemed finally completed based upon the issuance of temporary certificates of occupancy [or their equivalent], following the issuance thereof, Developer shall diligently and in good faith proceed to obtain the issuance of all permanent certificates of occupancy [or their equivalent] and all other certificates, licenses, consents, and approvals required for the permanent occupancy, use and operation of each and all of the units in the Project, all within the time frames required by Applicable Laws including any legally permitted extension periods) and (iii) all construction costs and other costs and expenses incurred in connection with the Work have been paid in full or bonded, other than the costs to complete any punch list work or otherwise necessary to obtain the final certificates of occupancy. For the purposes of this Agreement, "Final Completion" shall mean for each and all units (a) the Project and all Work shall have been fully completed including all punch list items substantially in accordance with Construction Documents, (b) all final certificates of occupancy (or their equivalent) all other certificates, licenses, consents and approvals required for the permanent occupancy, use and operation of the Project shall have been issued or obtained from the appropriate Governmental Authorities, (c) all construction costs and other costs and expenses incurred in connection with the Work including punch list items have been paid in full or bonded, (d) all contractor certificates and final waivers of lien for the Work have been obtained, and (e) all record drawings and electronic files have been delivered to the HBCRA. Substantial Completion shall occur not later than the Substantial Completion Date (as defined below) and Final Completion shall occur no later than ninety (90) days after the Substantial Completion Date, subject to a day for day extension for events of Force Majeure (the "Project Completion Date" and along with the Substantial Completion Date, the "Completion Dates"). For purposes of this Agreement, the parties acknowledge and agree that the Substantial Completion Date shall be based upon number of calendar days from the issuance of the Notice to Proceed subject only to a day for day extension for events of Force Majeure. Prior to the issuance of a Notice to Proceed, the Developer and HBCRA shall in good faith negotiate and mutually agree upon the Substantial Completion Date which shall be no more than five hundred forth five (545) days from the date of issuance of the Notice to Proceed, which Substantial Completion Date shall then be set forth in the Notice to Proceed. If the Developer and HBCRA cannot agree on the Substantial Completion Date, then either party may elect to terminate this Agreement upon written notice to the other party and five (5) Business Days to resolve the dispute, and the Developer shall pay the Inspection Costs and any balance of the Application Fee shall be refunded to the Developer, whereupon, except for those provisions of this Agreement which by their express terms survive the termination of this Agreement, no party hereto shall have any other or further rights or obligations under this Agreement. The Notice to Proceed may only be issued following receipt of all Development Approvals necessary for the Project. Developer acknowledges and agrees that Force Majeure does not include delays due to inclement weather (other than tropical storms, hurricanes and tornados) and that the Substantial Completion Date takes into full consideration the effect of inclement

weather during the construction period and such effect on both cost and time for completing the Work is accounted for in the Construction Schedule, and the Substantial Completion Date incorporates the Developer's expectation that it may experience general weather delays during construction of the Project. Developer hereby waives the right to the utilize and/or benefit from any extensions to development orders that may be granted by the Governor or any other Governmental Authorities unless such extension relates directly to the construction industry in either Broward County, Miami-Dade County, and/or Palm Beach County.

4.2 Development Plan and Development Budget. Prior to commencing the Work (including any site work), Developer shall prepare a proposed development plan and development budget (as approved by the HBCRA, the "Development Plan") for the Project and submit the same to the HBCRA for its information only. The Development Plan shall include the following information, if not previously provided to HBCRA (which information shall be provided on the American Institute of Architects forms to the extent feasible): (a) a description in reasonable detail of the development requirements; (b) a line item budget for the estimated cost of the construction of the Work based upon the ninety percent (90%) Construction Documents (as approved by the HBCRA, the "Development Budget"); (c) a construction schedule which shall be updated throughout construction and shall encompass design and engineering, and all of the trades necessary for the construction of the Work; (d) a description of the Developer Equity (including sources thereof and proof of funds) and the Construction Loan; (e) such other information as the HBCRA may reasonably request; and (f) any relevant information provided by the HBCRA to the Developer. As used in this Agreement, the term Development Plan shall also include the approved Development Budget.

4.3 Construction Contract. Contemporaneously with approval of the Development Plan pursuant to Section 4.2, the Developer shall enter into a general construction contract (the "Construction Contract") with a general contractor (the "General Contractor"), which General Contractor shall be subject to the reasonable approval of the HBCRA. Prior to entering into each Construction Contract, the Developer shall submit the initial and final forms of the Construction Contract to the HBCRA for its review and approval, such approval not to be unreasonably withheld, unreasonably conditioned or unreasonably delayed, provided the General Contractor's fees for General Conditions, Overhead and Profit are competitive with then market conditions. The Construction Contract shall require the General Contractor to competitively select the contractors providing electrical, plumbing, structural and mechanical services (collectively, the "Major Subcontractors") in the same manner that Applicable Laws would require the HBCRA to competitively select such contractors. Prior to the advertisement of the solicitation document(s) for the Major Subcontractors, the Developer shall submit the solicitation documents to the HBCRA for its review and approval. The Developer shall also include in the Construction Contract and all other direct contracts for the design, engineering, construction, administration, and inspection of the Work (a) an indemnity, release and hold harmless agreements by the General Contractor, Major Subcontractors, design professional, consultant, contractor or subcontractor (for themselves and their agents, employees, invitees and licensees) in favor of the HBCRA relating to their acts or omission arising from, related to, or in connection with their portion of the Work, (b) a requirement that the HBCRA be copied on all notices of default from the Developer to the General Contractor, Major Subcontractors, design professional, consultant, contractor or subcontractor, and vice versa,

(c) the consent of the design professional, consultant, contractor or subcontractor to the assignment of the applicable contract by the Developer to the HBCRA, at the HBCRA's option, in the event of an uncured default by Developer, and the assumption of the applicable contract by the HBCRA (subject to Lender's rights as provided in the Step-In Agreement); provided, however, that as between the HBCRA and Developer, the Developer shall remain responsible for any loss or damage relating to its default, which loss or damage may be cured by making a claim on the Bonds, following written notice by HBCRA to Developer and a reasonable opportunity to cure as appropriate in the context of the default. Nothing contained herein shall, however, create an obligation on the HBCRA to assume the Construction Contract or any contractor contract or consultant contract or make any payment to any contractor or consultant upon default and termination of the Developer. Nothing contained herein shall create any contractual relationship between the HBCRA and any contractor, subcontractor, consultant or subconsultant (other than the benefit in favor of the HBCRA of certain provisions as set forth in the applicable contracts) unless expressly agreed to in writing by the HBCRA .

4.4 Financing of Project. The Developer represents to the HBCRA that the Developer may need to obtain a Construction Loan (as defined below) for the construction of the Project. Alternatively, the Developer may finance the Project on an equity basis. If the Developer intends to obtain a Construction Loan, the Developer will provide a commitment letter issued by a Lender to the HBCRA, which loan commitment letter shall specifically include those matters set forth in the definition of Construction Loan in Section 2.3. Thereafter, the Developer shall use its good faith and diligent efforts to obtain from the Lender a loan document package for the Construction Loan in an amount consistent with the Development Budget and close the Construction Loan within ninety (90) days following receipt of the Development Approvals. The Developer shall provide the loan package to the HBCRA and shall permit the HBCRA to negotiate any revisions to the loan documents directly with the Lender, the costs of which shall be paid form the Application Fee. If the Developer fails to close on the Construction Loan within ninety (90) days following receipt of the Development Approvals or cannot otherwise provide evidence to the reasonable satisfaction HBCRA that the Developer has adequate funding to complete the Project, and cannot cure such failure within fifteen (15) days following written notice from the HBCRA to the Developer of such failure; and, the HBCRA shall have the right to terminate this Agreement and, if this Agreement is terminated, the Developer shall pay the Inspection Costs and any balance of the Application Fee shall be refunded to the Developer whereupon, except for those provisions of this Agreement which by their express terms survive the termination of this Agreement, no party hereto shall have any other or further rights or obligations under this Agreement; provided, however, if the Developer fails to close on the Construction Loan within the ninety (90) period through no fault of the Developer, the initial ninety (90) day period shall be extended by up to another forty five (45) days provided that Developer has provided written notice to the HBCRA within the initial ninety (90) day period requesting the forty five (45) day extension and provides documentation to the HBCRA demonstrating the Developer has diligently pursued closing the Construction Loan and that the Lender requires additional time prior to closing the Construction Loan; provided further, if Developer fails to close on the Construction Loan by the expiration of the forty five (45) day extension period for any reason whatsoever, then this Agreement shall automatically terminate without the need for further notice; and the Developer shall pay the Inspection Costs and any balance of the Application Fee shall be refunded to the Developer

whereupon, except for those provisions of this Agreement which by their express terms survive the termination of this Agreement, no party hereto shall have any other or further rights or obligations under this Agreement. To the extent Developer is able to obtain a commitment letter and loan document package for the Construction Loan, provided that the Developer has met all other conditions precedent under Section 5.1 below (other than obtaining the Construction Loan) and any other conditions precedent to the closing of the Construction Loan, the Developer shall be obligated to close on the Construction Loan. The failure of the Developer to close on the Construction Loan shall be considered a material default of this Agreement entitling the HBCRA to its rights and remedies hereunder. The loan documents shall include at a minimum, requirements that (i) the Lender shall, in the manner provided in the loan documents, give notice to the HBCRA of each notice of default given to Developer under the loan documents and (ii) the HBCRA shall have the right, for a reasonable period beyond the cure period that is given to Developer, to remedy or cause to be remedied any default which is the basis of a notice and the lender shall accept performance by the HBCRA or its designee as performance by the Developer. The HBCRA has no obligation to allow any of its property (real or personal) to be mortgaged, assigned, pledged or hypothecated as security for any obligation of Developer in connection with the Project. To the extent required by the Lender making the Construction Loan, the HBCRA shall join in and execute the loan documents, provided such documents are non-recourse to the HBCRA. Similarly, the HBCRA agrees to process for approval by the HBCRA Board any amendments to this Agreement required by the Lender making the Construction Loan; provided, however, such amendments do not result in any financial obligations or recourse to the HBCRA or require a material change to the terms of this Agreement; provided, further, that nothing in this Agreement is intended to limit or restrict the powers and responsibilities of the HBCRA Board in approving such amendments. The Developer acknowledges and agrees such amendments are subject to the approval of the HBCRA Board.

4.5 Conveyance of the Property. Provided that an Event of Default on the part of Developer has not occurred, contemporaneous with the closing of the Construction Loan or written notice from the Developer to the HBCRA that the Project will be financed on an equity basis including the submission of proof of funds and such other documentation evidencing the obligations of the equity investor and financial controls, all in a form and substance acceptable to the HBCRA in all respects, and execution and delivery of the Easement Agreement, the HBCRA shall convey the Property to the Developer. Such conveyance shall be by Special Warranty Deed (the "Deed") and subject to all matters of record including, but not limited to, the mortgage and any other security documents related to the Construction Loan and otherwise on an "AS-IS" "WHERE-IS" basis with no representations or warranties of any kind whatsoever except for title as set forth in the Deed. The HBCRA shall convey the Property to the Developer without any tenants or occupants and the Developer will demolish all structures on the Property prior to such conveyance. HBCRA and the Developer shall each pay one half of the costs of such demolition; provided that the Developer's share of the demolition costs shall be capped at Twenty Five Thousand and 00/100 Dollars ($25,000). The Developer acknowledges and agrees that a covenant is to be recorded in the Public Records simultaneously with the Deed (as defined below) pursuant to which the Developer agrees to accept title to the Property subject to a perpetual Declaration of Restrictive Covenants (the "Declaration") to be recorded with the Deed and prepared by the HBCRA's legal counsel and in a form and substance reasonably acceptable to the HBCRA in all

respects that provides for, among other things, (a) the maintenance, repair and replacement of the improvements on the Project so that it remains consistent with the Site Plan for a period of fifteen (15) years, subject to any and all modifications to the Site Plan approved by the HBCRA from time to time, and (b) the prohibition of operation of the Property for the following uses: (i) a gas station or automobile repair facility, (ii) billiard parlor, night club or other place of recreation or amusement, (iii) any business serving alcoholic beverages except in conjunction with a restaurant operation, (iv) adult entertainment, adult bookstore or other store catering to adults only, (v) a smoke shop; provided, however, such does not preclude stores specializing tobacco and electronic smoking devices (such as e-cigarettes) but expressly prohibits so called "head shops", (vi) pawn shop, (vii) any business or facility used in growing, delivering, transferring, supplying, dispensing, dispersing, distributing or selling marijuana, whether by prescription, medical recommendation or otherwise, and whether consisting of live plants, seeds, seedlings or processed or harvested portions of the marijuana plant; or (viii) any combination of the foregoing uses. The Declaration shall contain a provision that, in the event of an uncured breach of the terms and conditions of the Declaration, the Developer shall pay to the HBCRA an amount equal to the Gap Grant as amortized on a straight line basis over the fifteen (15) year period at the time of the uncured breach (the "Gap Grant Clawback"). The HBCRA shall also provide an owner's affidavit as well as other documents reasonably required by the title company to provide Developer with an owner's title insurance policy. Notwithstanding anything to the contrary herein, the Developer, at its sole cost and expense, shall be responsible for platting and subdivision of the Property if required by Governmental Authorities. At any time prior to the conveyance of the Property to the Developer, the Developer may engage in marketing at its cost and expense, as it deems necessary and appropriate.

4.6 Developer Community Commitments. The Developer acknowledges and agrees that integral elements of the Project are certain community commitments consisting of the following three (3) components:

(a) Workforce Housing. For a period of fifteen (15) years following the Project Completion Date, at fourteen (14) of the residential rental units shall be Workforce Housing as such term is defined by Broward County from time to time pursuant to the Broward County Guidelines as Low Income for a household size of four (household must earn eighty percent [80%] or less of the median income for Broward County for a family of four); provided, however, if the Developer increases the foregoing Workhouse Housing obligation to more than fourteen (14) of the residential rental units, the HBCRA may provide a rental gap subsidy to the Developer as determined by the HBCRA in its sole discretion. If Broward County fails to define Workforce Housing at any time in the future, the HBCRA shall provide a definition which shall be the definition of Workforce Housing for all intents and purposes hereunder. The Developer shall provide the HBCRA with a written certification on a form prescribed by the HBCRA every year following Final Completion documenting compliance with the Workforce Housing requirements. Such certification shall be signed by an officer of Developer as being true and correct. All leases shall have a minimum one year term. The foregoing Workforce Housing obligation shall be included in the Declaration and is subject to the Gap Grant Clawback in an amount equal to the portion of the Gap Grant allocated to Workforce Housing (i.e., $1,650,000).

(b) Job Creation and Retention. The Developer hereby agrees to use its commercially reasonable efforts to cause the tenant of the grocery store to (a) cause at least ten percent (10%) of the full time equivalent jobs (defined below) in the grocery store be filled by employees that live in the City and (b) preference will be given to City residents for the remaining jobs. The Developer agrees to comply with (a) and (b) above for a period of fifteen (15) years following the Project Completion Date and shall include such requirements in the lease for the grocery store. For purposes of this Agreement, a "job" shall mean a full-time job or the equivalent thereof (consisting of at least 30 hours per week of employment and eligibility for all benefits generally available for full-time employees of the Developer) with the Developer, at a wage at least equal to minimum wage and located in the City. Every year following Final Completion, the Developer shall submit a written certification to the HBCRA stating that the grocery store's baseline job numbers are either in compliance or not in compliance with the requirements of Section 4.6(b). Such certification shall be signed by an officer of Developer as being true and correct. The foregoing Job Creation and Retention obligation shall be included in the Declaration but is not subject to the Gap Grant Clawback.

(c) Retail Leasing. For a period of fifteen (15) years following the Project Completion Date, the Developer shall use its commercially reasonable efforts to lease the retail spaces of the Project to local businesses. Local business shall be defined as a business (i) whose office address on record with the Florida Secretary of State is within the City and (ii) which has been issued a Business Tax Receipt by the City. Every year following Final Completion, the Developer shall submit a written certification to the HBCRA stating its efforts to lease the retail spaces of the Project to local businesses and the amount of square footage actually leased to local businesses. Such certification shall be signed by an officer of Developer as being true and correct. The foregoing Retail Leasing obligation shall be included in the Declaration but is not subject to the Gap Grant Clawback. Notwithstanding anything herein to the contrary, this Section 4.6(c) shall not apply if the entire retail space is leased to a grocery store.

If at any time the HBCRA reasonably believes that that Developer is in default of any of the requirements of Section 4.6, upon written notice, the HBCRA, or its designee, shall be provided full and complete access to all records of the Developer that would be reasonably necessary to verify the number and types of jobs created, and the wages paid to employees, as well as all residential and retail leasing. Subject to the notice and grace provisions of Section 8.1(a), failure to provide such access upon reasonable request shall constitute a default under the terms of this Agreement.

4.7 Third Party Services. All third party services to be provided to the Project following completion of the Project including telecommunications services (which may include cable, internet, voice data, video and alarm monitoring) shall be arranged for by the Developer as part of the Pre-Development Plan or Development Plan, as applicable, and shall be provided by independent third party service providers and not by the Developer or its affiliates. Subject to any competitive selection process required by Applicable Laws, all proposed third party service providers who are providing services to the Project following the completion thereof (and related service agreements) shall require the approval of the HBCRA, such approval not to be unreasonably withheld, unreasonably conditioned or unreasonably delayed provided that such

company is an established company of good repute and sound financial condition, and such agreements are on terms and conditions (including, but not limited to, price and duration) as generally accepted in such service industry. All agreements for third party services shall be in writing and subject to the prior written approval of the HBCRA, such approval not to be unreasonably withheld, delayed or conditioned.

Section 5. Performance of the Work.

5.1 Developer shall commence the Work immediately following the satisfaction (or waiver in writing by all of the parties hereto) of the following conditions: (a) approval of the applicable Plans and Specifications by Governmental Authorities, the issuance of all required Development Approvals and the expiration of any and all appeal periods with respect thereto without the filing of any appeals, including, without limitation, issuance by the City of a building permit authorizing the construction of the Work, (b) the Developer has provided proof of Developer Equity acceptable to the HBCRA in all respects, which Developer Equity is sufficient to fund the costs of the Work remaining to be funded under the Development Budget less the amount of the Construction Loan (c) the Developer has closed on the Construction Loan, (d) the Development Plan has been approved by the HBCRA (provided Developer has submitted such to the HBCRA as required by this Agreement), (e) a written amendment to this Agreement setting forth the Substantial Completion Date has been executed and delivered by the parties, (f) the Construction Contract consistent with the requirements of this Agreement and the Development Plan has been fully executed and (g) the Bonds (if required by Section 5.2) are in place, and (h) a Completion Guaranty in a form and substance prescribed by the HBCRA and executed by the principal(s) of the Developer or such other person(s) or entity(ies) acceptable to the HBCRA in all respects has been delivered to the HBCRA. In any case, the Work shall not commence unless and until a Notice to Proceed has been issued by the HBCRA to the Developer, which Notice to Proceed shall not be issued until receipt of all Development Approvals. The Developer and HBCRA agree to use their respective good faith and diligent efforts to satisfy the foregoing conditions for which each party is responsible and to otherwise cooperate with each other in this regard; provided, however, if any of the foregoing conditions are not satisfied within one hundred eighty (180) days from the date hereof, the parties shall continue to use their good faith and diligent efforts to satisfy such condition(s) for up to an additional ninety (90) days. If following such good faith and diligent efforts to satisfy such conditions the parties cannot do so by the expiration of the ninety (90) day extension period, unless the parties mutually waive in writing the conditions at issue, then either party may elect to terminate this Agreement upon written notice to the other party, in which case the Developer shall pay the Inspection Costs and the parties shall be relieved of all rights and obligations hereunder, except any rights or obligations that expressly survive termination. Following commencement of the Work, Developer shall diligently pursue in good faith the completion of the Work so that Substantial Completion of the Project is achieved no later than the applicable Substantial Completion Date, subject to extension as provided in this Agreement.

5.2 Prior to commencement of the Work or any portion thereof (including any demolition or site work), if there is a Construction Loan and the Lender requires bonds, the Developer shall obtain and provide to the HBCRA copies of the bonds required by the Lender (the

"Bonds") for the Project, which Bonds, if possible, shall be dual obligee bonds in favor of Lender and the HBCRA. The Bonds shall in all respects conform to the requirements of the laws of the State of Florida and shall (a) if possible, name the Lender and HBCRA as obligees: and (b) be in a form and substance reasonably satisfactory to the HBCRA and its legal counsel. The surety(ies) providing the Bonds must be licensed, duly authorized, and admitted to do business in the State of Florida and must be listed in the Federal Register (Dept. of Treasury, Circular 570). If Bonds are required, the cost of the premiums for the Bonds shall be included in the Development Budget. Within ten (10) days of issuance, Developer shall record the Bonds in the Public Records of Broward County, which may be recorded by attaching the same to the notice of commencement.

5.3 Except as may be otherwise expressly set forth in this Agreement, Developer shall be responsible for all costs and expenses for the design, engineering, permitting, construction, administration, and inspection of the Work including, but not limited to, the following: (a) all labor and materials for the construction of the Work; (b) all compensation for the design professionals and engineers (and any other consultants) in connection with the preparation of the site plan, Construction Documents, and other documents; (c) all permit, license, connection and impact fees and other fees of Governmental Authorities which are legally required at any time during the Developer's performance of the Work; (d) all costs associated with the installation, connection, removal, replacement, relocation, protection and undergrounding of all utilities and all related infrastructure including but not limited to water, sewer, stormwater drainage, telephone, cable, or electric, (e) all sales, consumer, use and other similar taxes for the Work, which are legally required at any time during the Developer's performance of the Work; and (f) all royalties and license fees that are legally required at any time during the Developer's performance of the Work. The parties acknowledge and agree that such costs and expenses are to be included in the Pre-Development Budget and/or Development Budget. The Developer shall defend all suits or claims for infringement of any patent rights related to the Work to be performed by Developer hereunder and shall hold HBCRA harmless from any loss, liability or expense on account thereof, including reasonable attorneys' fees (at both the trial and appellate levels) unless any claim results from an act of the HBCRA or arises in connection with the HBCRA performing its obligations hereunder. HBCRA represents to the Developer that there is adequate water and sewer capacity available to the Property for the Project and that water and sewer connections are available at the Property boundaries.

5.4 The Developer agrees that the Work performed under this Agreement shall be performed in accordance with Applicable Laws including the Florida Building Code.

5.5 The Developer agrees and represents that the direct contracts entered into by General Contractor shall require that (i) the Major Subcontractors, subcontractors, design professionals, engineers and consultants possess the licenses required by Applicable Laws to cause to be performed the Work, and (ii) the Work shall be executed in a good and workmanlike manner, free from defects, and that all materials shall be new (not used or reconditioned), except as otherwise expressly provided for in the Construction Documents.

5.6 In addition to any extended manufacturer's warranties provided by the manufacturer, Developer shall cause the General Contractor to warrant the Work for a period of at

least one (1) year from the date of Final Completion. Subject to the foregoing warranty, all maintenance and repair obligations with respect to the Work shall be the responsibility of the Developer (for warranty items only) and townhouse unit purchasers.

Section 6. Books and Records.

6.1 The Developer shall maintain complete and accurate books, records and accounts of all costs and expenses incurred in connection with the development of the Project. Upon the request of the HBCRA, all such books and records of the Developer which relate to the Project shall be available for inspection by the HBCRA or any of its authorized representatives at all reasonable times during normal business hours. The HBCRA acknowledges and agrees that such books and records are limited to the books and records of the Developer and not the books and records of the members of the Developer. The Developer shall be entitled to retain such copies of the books and records as the Developer deems appropriate. Upon the request of the HBCRA, all such books and records of the Developer which relate to the Project shall be subject to an audit by the HBCRA or any of its authorized representatives, and the HBCRA shall provide sufficient written notice to the Developer who shall then provide notice to its certified public accountant. The costs and expenses of the audit shall be paid by the HBCRA; provided, however, if the audit reveals a discrepancy of five percent (5%) or more from the costs and expenses, or other items being audited, as previously provided to the HBCRA, then the Developer shall be responsible for and pay the costs and expenses of the audit.

6.2 Developer's books and records shall be maintained or caused to be maintained in accordance with Generally Accepted Accounting Principles in a consistent manner, together with the pertinent documentation and data to provide reasonable audit trails for a period of seven (7) years following Final Completion. The foregoing obligation shall expressly survive the expiration or earlier termination of this Agreement.

Section 7. Developer's Responsibility for Costs.

7.1 The Developer shall be responsible for all costs and expenses of the Project including, but not limited to, the Work but only excluding costs and expenses incurred as a result of a breach by the HBCRA of its obligations under this Agreement.

Section 8. Default; Termination.

8.1 Developer Default. An "Event of Default" or "default" entitling HBCRA to its remedies below shall occur by the Developer on the happening of any of the following events:

(a) Failure to Observe Agreement. The Developer shall fail to observe, satisfy or perform any material term, covenant or agreement contained in this Agreement and such failure shall continue unremedied for thirty (30) days after written notice thereof from the HBCRA to the Developer; provided, however, that if such failure is capable of cure but cannot reasonably be cured within thirty (30) days, such failure shall not constitute an Event of Default so long as the Developer provides HBCRA with written notice within fifteen (15) days of receipt of the

HBCRA's default notice advising the HBCRA that the default cannot be reasonably cured within thirty (30) days and specifying the reasons therefore and, within the thirty (30) day period, commences and thereafter is in good faith proceeding diligently and continuously to remedy such failure, but in no event shall any additional time to cure granted hereunder exceed ninety (90) days in the aggregate after Developer 's receipt of the original written default notice; or

(b) Inaccuracy of Representation and Warranties. Any representation or warranty made herein by the Developer shall prove to have been incorrect in any material respect as of the date made; or

(c) Work Stoppage. Construction of the Project and/or the Work shall at any time be discontinued or interrupted for more than thirty (30) consecutive days other than as a result of Force Majeure, government action and/or legal proceedings initiated by a party other than the Developer or HBCRA; or

(d) Failure to Complete by Completion Dates. The failure of the Developer to complete the Project by the Substantial Completion Date or Project Completion Date, as applicable, or

(e) Abandonment. The Developer abandons the development and construction of the Project and/or the Work or any substantial part thereof for more than thirty (30) consecutive days other than as a result of Force Majeure, government action and/or legal proceedings initiated by a party other than the Developer or HBCRA; or

(f) Material Adverse Change. The occurrence of a material adverse change in the financial condition of the Developer that materially and adversely impairs the Developer's ability to perform or to cause to be performed its obligations under this Agreement and/or the failure of the Developer to provide written notice to the HBCRA of the occurrence of a material adverse change in the financial condition of the Developer, which obligation to provide such written notice is a duty under this Agreement; or

(g) Bankruptcy. The Developer or its members shall generally fail to pay debts as such debts become due or shall admit in writing its or their inability to pay its or their debts. as such debts become due or shall make a general assignment for the benefit of creditors; the Developer or its members shall commence any case, proceeding, or other action seeking reorganization, arrangement, adjustment, liquidation, dissolution or composition of it or them or its or their debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors, or seeking appointment of a receiver, trustee, custodian, or other similar official for it or them or for all or any substantial part of its or their property; or any case, proceeding or other action against the Developer or its members shall be commenced seeking to have an order for relief entered against the Developer or its members, as debtor, or seeking reorganization, arrangement, adjustment, liquidation, dissolution or composition of the Developer or its members or their debts under any law relating to insolvency, reorganization or relief of debtors, or seeking appointment of a receiver, liquidator, assignee, trustee, custodian, sequestrator or other similar official for the Developer or its members or for all or any substantial part of their respective

properties, and (i) the Developer or its members shall by any act or omission, indicate its consent or approval, of, or acquiescence in such case, proceeding or action, (ii) such case, proceeding or action results, in the entry of an order for relief that is not fully stayed within sixty (60) days after the entry thereof, or (iii) such, case, proceeding or action remains undismissed for a period of ninety (90) days or more or is dismissed or suspended only pursuant to Section 305 of the United States Bankruptcy Code or any corresponding provision of any future United States bankruptcy law; or'

(h) Attachment Garnishment. The issuance of any attachment or garnishment against the Developer and the failure to discharge the same (by bond or otherwise) within thirty (30) days from the issuance thereto and the impact of which shall materially and adversely affect the Developer's ability to perform its obligations hereunder; or

(i) Judgments. One or more judgments, orders or decrees shall be entered against the Developer involving an aggregate liability in excess of Two Hundred Fifty Thousand and 00/100 Dollars ($250,000.00), and such judgments, orders, or decrees are not fully covered by effective insurance (less deductibles) or shall not have been vacated, discharged, reduced to below an aggregate of Two Hundred Fifty Thousand and 00/100 Dollars ($250,000.00), stayed or bonded pending an appeal within thirty (30) days from the entry of such judgment, order or decree.

(j) Unpermitted Transfer. If the Developer effectuates a Transfer not permitted by this Agreement.

The parties acknowledge and agree that with respect to the Events of Default set forth in subsections (b) through (j) above, Developer is not entitled to any cure period except as may be expressly set forth herein. Upon the occurrence of an Event of Default by the Developer, the HBCRA may terminate this Agreement upon seven (7) days written notice to the Developer and shall thereafter be entitled to all rights and remedies available at law or in equity on account of such Event of Default.

8.2 HBCRA Default. An "Event of Default" or "default" entitling the Developer to its remedies below shall occur if the HBCRA shall fail to observe, satisfy or perform any material term, covenant or agreement contained in this Agreement and such failure shall continue unremedied for sixty (60) days after written notice thereof from the Developer to the HBCRA; provided, however, that if such failure is capable of cure but cannot reasonably be cured within sixty (60) days, such failure shall not constitute an Event of Default so long as the HBCRA provides the Developer with written notice within thirty (30) days of receipt of the Developer's default notice advising the Developer that the default cannot be reasonably cured within sixty (60) days and specifying the reasons therefore and, within the sixty (60) day period, commences and thereafter is in good faith proceeding diligently and continuously to remedy such failure, but in no event shall any additional time to cure granted hereunder exceed one hundred twenty (120) days in the aggregate after HBCRA's receipt of the original written default notice. Upon the occurrence of an Event of Default by the HBCRA, the Developer may terminate this Agreement upon seven (7) days written notice to the HBCRA and shall thereafter be entitled to all rights and remedies available at law or in equity on account of such Event of Default

8.3 Legal Proceedings; No Consequential or Punitive Damages. Except as expressly limited by this Agreement, either party may proceed to protect or enforce this Agreement by an action or actions at law or in equity or by any appropriate proceedings, including, without limitation, an action for specific performance of any of the other party's obligations hereunder, or, in the aid of the exercise or execution of any right, remedy or power granted herein or by law. Notwithstanding anything in this Agreement to the contrary, neither party shall be entitled to, nor shall either party make a claim for, consequential damages or punitive damages.

8.4 Termination. This Agreement shall terminate upon the occurrence of a termination under Section 8.1 or 8.2 above.

8.5 Effect of Termination. Upon termination of this Agreement under Section 8.1 or 8.2 above, the HBCRA shall be entitled to its rights and remedies as set forth in Section 8.3 above. Additionally, the HBCRA shall have the right, but not the obligation, to require the Property to be conveyed by the Developer back to the HBCRA. In the event that the HBCRA elects to exercise such right, then the Developer shall execute and deliver a Special Warranty Deed conveying the Property to the HBCRA or its designee including payment of all documentary stamp taxes, as soon as practicable but in no event later than the fifteenth (15^{th}) day after such notice is given. Additionally, the HBCRA may require that the Developer, which shall also be accomplished as soon as practicable but in no event later than the fifteenth (15^{th}) day after such notice is given:

(a) Deliver to the HBCRA all materials, equipment, tools and supplies, keys, contracts and documents relating to the Project, and copies of such other accountings, papers, and records as the HBCRA shall request pertaining to the Project;

(b) Assign such existing contracts relating to the development of the Project as the HBCRA shall require;

(c) Vacate any portion of the Project then occupied by the Developer as a consequence of this Agreement; and

(d) Furnish all such information and otherwise cooperate in good faith in order to effectuate an orderly and systematic ending of the Developer's duties and activities hereunder including the delivery to the HBCRA any written reports required hereunder for any period not covered by prior reports at the time of termination. With regard to the originals of all papers and records pertaining to the Project, the possession of which are retained by the Developer after termination, the Developer shall: (i) reproduce and retain copies of such records as it desires; (ii) deliver the originals to the HBCRA; and (iii) not destroy originals without first offering to deliver the same to the HBCRA.

Notwithstanding anything herein to the contrary, all representations and warranties of Developer shall survive the termination of this Agreement for a period of one (1) year, along with any other obligations of Developer that expressly survive termination or by their nature need to survive termination in order to provide the HBCRA with ability to enforce its rights and remedies hereunder.

Section 9. Indemnification.

9.1 Indemnification by the HBCRA. Subject to the provisions and monetary limitations of Section 768.28, Florida Statutes, as such may be amended, the HBCRA agrees to indemnify and hold the Developer, its managers, members, officers, directors, partners, agents and employees harmless to the fullest extent permitted by law from and against any and all liabilities, losses, interest, damages, costs or expenses (including, without limitation, reasonable attorneys' fees, whether suit is instituted or not, and if instituted, whether incurred at any trial or appellate level or post judgment) threatened or assessed against, levied upon, or collected from, the Developer, arising out of, from, or in any way arising from the negligence, gross negligence, fraud, and/or breach of trust of the HBCRA or from a failure of the HBCRA to perform its obligations under this Agreement. Notwithstanding the foregoing, the HBCRA shall not be required to indemnify the Developer with respect to any liability, loss, damages, cost or expense suffered as a result of the negligence, gross negligence and/or willful misconduct of Developer.

9.2 Indemnification by the Developer. The Developer agrees to indemnify and hold the HBCRA, its board members, and employees harmless to the fullest extent permitted by law from all liabilities, losses, interest, damages, costs or expenses (including without limitation, reasonable attorneys' fees, whether suit is instituted or not and if instituted, whether incurred at any trial, appellate or post judgment level), threatened or assessed against, levied upon, or collected from, the HBCRA arising out of, from, or in any way connected with or arising from the negligence, gross negligence, fraud, and/or breach of trust of the Developer or from a failure of the Developer to perform its obligations under this Agreement. Notwithstanding the foregoing, the Developer shall not be required to indemnify the HBCRA with respect to any liability, loss, damages, cost or expense suffered as a result of the negligence, gross negligence and/or willful misconduct of the HBCRA. To the extent this indemnification clause or any other indemnification clause in this Agreement is subject to the provisions of Chapter 725, Florida Statutes, and such does not comply with Chapter 725, Florida Statutes, as such may be amended, such provision shall hereby be interpreted as the parties' intention for the indemnification clauses and to comply with Chapter 725, Florida Statutes, as such may be amended.

9.3 Notice of Indemnification. A party's duty to indemnify pursuant to the provision of this Section 9 shall be conditioned upon the giving of notice by such party of any suit or proceeding and upon the indemnifying party being permitted to assume in conjunction with the indemnitor the defense of any such action, suit or proceeding in accordance with Section 9.4 hereof.

9.4 Third Party Claim Procedure. If a third party (including, without limitation, a governmental organization) asserts a claim against a party to this Agreement and indemnification in respect of such claim is sought under the provisions of this Section 9 by such party against another party to this Agreement, the party seeking indemnification hereunder (the "Indemnified Party") shall promptly (but in no event later than ten (10) Business Days prior to the time in which an answer or other responsive pleading or notice with respect to the claim is required) give written notice to the party against whom indemnification is sought (the "Indemnifying Party") of such claim. The Indemnifying Party shall have the right at its election to take over the defense or

settlement of such claim by giving prompt written notice to the Indemnified Party at least five (5) Business Days prior to the time when an answer or other responsive pleading or notice with respect thereto is required. If the Indemnifying Party makes such election, it may conduct the defense of such claim through counsel or representative of its choosing (subject to the Indemnified Party's approval of such counsel or representative, which approval shall not be unreasonably withheld), shall be responsible for the expenses of such defense, and shall be bound by the results of its defense or settlement of claim to the extent it produces damage or loss to the Indemnified Party. The Indemnifying Party shall not settle any such claim without prior notice to and consultation with the Indemnified Party, and no such settlement involving any equitable relief or which might have a material and adverse effect on the Indemnified Party may be agreed to without its written consent. So long as the Indemnifying Party is diligently contesting any such claim in good faith, the Indemnified Party may pay or settle such claim only at its own expense. If the Indemnifying Party does not make such election, or having made such election does not proceed diligently to defend such claim, or does not make the financial arrangements described in the immediately preceding sentence, then the Indemnified Party may, upon three (3) Business Days' written notice (or shorter notice if a pleading must be filed prior thereto) and at the expense of the Indemnifying Party, take over the defense of and proceed to handle such claim in its exclusive discretion and the Indemnifying Party shall be bound by any defense or settlement that the Indemnified Party may make in good faith with respect to such claim. The parties agree to cooperate in defending such third party claims and the defending party shall have access to records, information and personnel in control of the other party or parties which are pertinent to the defense thereof.

9.5 Survival. The provisions of this Article 9 shall survive the expiration or earlier termination of this Agreement for the applicable Statute of Limitations with respect to the applicable claim.

Section 10. Insurance.

10.1 Developer's Insurance. Developer shall provide the following insurance coverages at all times during the Term and furnish a certificate of insurance to HBCRA evidencing:

(a) Worker's Compensation insurance coverage in accordance with Florida statutory requirements.

(b) Employers' Liability insurance coverage with limits of $500,000 for bodily injury by accident per accident/$500,000 for bodily injury by disease per employee/$500,000 for bodily injury by disease policy limit.

(c) Commercial general liability insurance coverage with limits of no less than $1,000,000 per occurrence and $2,000,000 in the aggregate, which policy shall include coverage of the contractual liabilities contained in this Agreement.

(d) If the Developer has owns or leases any vehicles, Business Auto Liability including hired and non-owned auto coverage with minimum limits of $1,000,000 combined single limit.

(e) Builder's risk insurance (including flood insurance) during any period of construction of improvements upon the Property insuring such improvements against all casualties on a progressively insured basis for not less than 100% of the replacement cost.

The certificate shall provide that HBCRA will be given at least thirty (30) days prior written notice of cancellation of the policy. The cost of the Developer's insurance shall be included in the Pre-Development Budget and Development Budget as a Project expense.

10.2 General Contractor's and Subcontractor's Insurance. The Developer shall cause (a) its General Contractor to maintain and (b) the Construction Contract shall require that all Major Subcontractors and other subcontractors brought onto the Property have insurance coverage in the following minimum amounts:

(a) Worker's Compensation insurance coverage in accordance with Florida statutory requirements.

(b) Employers' Liability insurance coverage with limits of $500,000 for bodily injury by accident per accident/$500,000 for bodily injury by disease per employee/$500,000 for bodily injury by disease policy limit.

(c) Commercial general liability insurance coverage with limits of no less than $1,000,000 per occurrence and $2,000,000 in the aggregate.

(d) Business Auto Liability including hired and non-owned auto coverage with minimum limits of $1,000,000 combined single limit.

(e) Professional Liability Insurance with minimum limits of Two Million Dollars ($2,000,000) per occurrence with respect to Developer's architects and design consultants.

(f) Umbrella/excess liability insurance coverage, with limits of no less than $5,000,000 per occurrence and $5,000,000 in the aggregate (General Contractor only).

This insurance will be primary and noncontributory with respect to insurance outlined in Section 10.1. Developer shall ensure that Developer and HBCRA are named as additional insureds on the independent contractor's Commercial General Liability and Umbrella/excess insurance policies. Developer shall require the independent contractor and its insurers to waive all rights of subrogation with respect to the HBCRA and the Developer.

10.3 Certificates of Insurance. Developer shall obtain and keep on file Certificates of Insurance for any independent contractors performing services on the HBCRA's premises, Developer must obtain the HBCRA's permission to waive any of the above requirements. Higher amounts may be required if the work to be performed is sufficiently hazardous.

10.4 Waiver of Subrogation Rights. HBCRA and Developer, for themselves and anyone claiming through them, hereby waive all rights of their insurers to subrogation against the other to

the extent permitted by law. To the extent commercially available at reasonable rates, the HBCRA and Developer agree that their policies will include such a waiver or an endorsement to that effect. This mutual waiver of subrogation shall apply regardless of the cause or origin of the loss or damage, including negligence of the parties hereto, their respective agents and employees except that it shall not apply to willful conduct.

Section 11. Representations and Warranties.

11.1 Developer. The Developer represents and warrants to the HBCRA as follows:

(a) That (i) it and its members are duly organized, validly existing and in good standing under the laws of Florida; (ii) the execution, delivery and performance of this Agreement and the consummation of the transactions provided for in this Agreement have been duly authorized and upon execution and delivery by the Developer will constitute the valid and binding agreement of the Developer enforceable in accordance with its terms; and (iii) the execution and delivery of this Agreement and the performance by the Developer hereunder, will not conflict with, or breach or result in a default under, any agreement to which it is bound.

(b) That there are no pending, threatened, judicial, governmental or administrative proceedings, consent decrees or judgments against Developer which would materially and adversely affect Developer's ability to perform its obligations hereunder.

(c) That the Developer is adequately capitalized with sufficient financial resources to commence and complete the Project as evidenced by the Developer Equity, subject to the closing of the Construction Loan.

(d) The general contractor for the Project is RCL Construction, Inc., and the architect for the Project is CFM Architects, Fandino & Fernandez.

11.2 HBCRA. The HBCRA represents and warrants to the Developer as follows:

(a) That it is a public body corporate and politic of the State of Florida duly organized under the laws of the State of Florida, (ii) the execution, delivery and performance of transactions provided for this Agreement have been duly authorized and upon execution and delivery by the HBCRA will constitute the valid and binding agreement of the HBCRA enforceable in accordance with its terms; and (iii) the execution and delivery of this Agreement and the performance by the HBCRA hereunder, will not conflict with, or breach or result in a default under any agreement to which it is bound.

(b) That there are no pending, threatened, judicial, governmental, or administrative proceedings, consent decrees or judgments against the HBCRA which would materially and adversely affect the HBCRA's ability to perform its obligations hereunder.

(c) That the HBCRA has sufficient financial resources available to meet its funding obligations under this Agreement.

11.3 Survival. The representative and warranties set forth in this Article 12 shall survive the expiration or earlier termination of this Agreement.

Section 12. Restrictions on Transfer prior to Project Completion Date; Share of Net Revenues of Transfer.

12.1 Restrictions on Transfer Prior to Project Completion Date. Developer represents and agrees for itself and its successors and assigns (except as so authorized by the provisions of this Agreement) that it shall not, prior to Project Completion Date transfer Developer's interest in the Property or any portion thereof and/or this Agreement, or suffer to be made or created, any total or partial assignment, sale, transfer, or encumbrance of this Agreement (excluding a collateral assignment of this Agreement in connection with any financing for the Project) (hereinafter, collectively known as "Transfer") in any other mode or form or with respect to this Agreement without first obtaining the prior written approval of the HBCRA, which approval the HBCRA may withhold in its sole and absolute discretion. The HBCRA, in its determination of whether to approve a Transfer, shall be entitled to require, as conditions to granting any such prior approval, that:

(a) Any proposed successor to the Developer shall have the business experience and reputation, development track record and sufficient financial capacity to carry out the obligations under this Agreement, as determined, in the sole discretion of the HBCRA. If proposed successor developer is an entity, proof of existence and good standing from the state of origination as well as Florida shall be required.

(b) Any proposed successor to the Developer, by instrument in writing satisfactory to the HBCRA, in its sole discretion, and in recordable form, shall, for itself and its successors and assigns expressly assume all of the obligations of the successor Developer under this Agreement with respect to the interest assigned and shall agree to abide by and be subject to all of the terms, conditions, obligations, reservations and restrictions to which the transferor Developer is subject. As part of the Transfer, the Developer and proposed successor thereto shall deliver an assignment and assumption agreement ("Assignment Agreement") in a form and substance satisfactory to the HBCRA and its legal counsel which shall contain an indemnification and hold harmless provision by the Developer in favor of the HBCRA and the successor to the Developer for any liabilities and obligations as the Developer under this Agreement prior to the date of the Assignment Agreement.

(c) There shall be submitted to the HBCRA for review all instruments and other legal documents reasonably necessary to review compliance with this Section 12. A copy of the instruments and other legal documents, including the Assignment Agreement, shall be provided the HBCRA for review and approval at least thirty (30) days prior to being executed by Developer and the proposed successor to Developer. The HBCRA agrees to diligently proceed with and complete its review and approval as soon as possible, but in no event sooner than thirty (30) days after receipt of such instruments and documents.

(d) In connection with any proposed Transfer, the Developer shall pay the HBCRA the actual costs of time and materials incurred by the HBCRA in conjunction with the HBCRA review and prior written approval of any Assignment Agreement under this Agreement, including instruments and other legal documents which costs shall not exceed Twenty Five Thousand and 00/100 Dollars ($25,000) which amount shall be paid in advance with a reconciliation to be made after review and approval of any Assignment Agreement (the "Transfer Review Fee"). The payment of the Transfer Review Fee by the Developer shall be a prerequisite to the HBCRA obligation to review any proposed Transfer and Assignment Agreement.

(e) As to any Transfer approved prior to the Project Completion Date, Developer shall not be released from its liabilities and obligations as the Developer under this Agreement until the completion of the Project. Developer and its shareholders, officer and directors shall have the right to make Transfers between and among their affiliates, however, no Transfer may effect a change in the Developer's shareholders, officers and directors as provided in this Section 12.1, but the positions of the officers hold may change from time to time.

12.2 Share of Gross Revenue of Transfer. In the event of a Transfer either prior to the Project Completion Date and for a period of fifteen (15) years following the Project Completion Date, the Developer shall pay the HBCRA an amount equal to three percent (3%) of the Gross Revenue of the Transfer less the Transfer Review Fee paid under Section 12.1(d) above (the "Share of Gross Revenue"); provided, however, the Transfer Review Fee shall not be deducted if such would result in the HBCRA receiving less than One Hundred Thousand and 00/100 Dollars ($100,000); provided further, that if the Share of Gross Revenue is more than One Hundred Thousand and 00/100 Dollars ($100,000) and less than One Hundred Twenty Five and 00/100 Dollars ($125,000), that portion of the Transfer Fee shall be deducted so that the Share of Gross Revenue is One Hundred Thousand and 00/100 Dollars ($100,000). "Gross Revenue" shall consist of the consideration being paid for the Transfer, whether cash, equity or other form of consideration. The Share of Gross Revenue shall be paid to the HBCRA in cash at the closing of the Transfer. The Developer shall provide the HBCRA with documentation evidencing the Gross Revenue including, but not limited to, a copy of the purchase and sale agreement and closing statement. The foregoing shall be included in the Declaration. This Section applies only to the Developer and not to any successor to the Developer that is a bona fide purchaser for value.

12.3 Share of Cash Out Upon Refinancing. In the event of a refinance of the Project which results in cash out to the Developer, either prior to the Project Completion Date and for a period of fifteen (15) years following the Project Completion Date, the Developer shall pay the HBCRA an amount equal to either (a) three percent (3%) of the Cash Out Upon Refinancing if there was a Construction Loan or (b) one and one half percent (1.5%) of the Cash Out Upon Refinancing if the Project was financed on an equity basis (the "Share of Cash Out Upon Refinancing"). "Cash Out Upon Refinancing" shall consist of the cash being paid to the Developer upon refinancing as evidenced on the loan closing statement. The Share of Cash Out Upon Refinancing shall be paid to the HBCRA in cash at the closing of the loan. The Developer shall provide the HBCRA with documentation evidencing the Cash Out Upon Refinancing including, but not limited to, a copy of the loan commitment letter, loan documents and loan closing statement. The foregoing shall be included in the Declaration. The foregoing shall be included in

the Declaration. This Section applies only to the Developer and not to any successor to the Developer that is a bona fide purchaser for value.

Section 13. Ownership and Control of Developer.

Developer represents and warrants that:

(a) As of the Effective Date, [insert names of members and percentage ownership interests].

(b) As of the Effective Date, [insert name(s) of managers].

Unless otherwise approved in writing by the HBCRA in each instance, the members and managers and officers, if any, of the Developer shall remain the same through the Project Completion Date and shall not be changed, removed or substituted before the Project Completion Date. The HBCRA agrees not to unreasonably withhold its approval to any substitute, provided the qualifications of the substitute are at least equal to or better than those of the team member being substituted.

Section 14. Inspections.

14.1 Upon no less than twenty four (24) hours prior notice (which for purposes hereof may include oral and/or telephone notice) the HBCRA shall have reasonable access to the Work for inspection thereof provided that HBCRA's inspections do not interfere with the Work, but HBCRA shall not be obligated to conduct any such inspection. The Developer shall provide proper and safe facilities for such access and inspection by the HBCRA. If any of the Work is required to be inspected or approved by any public authority, the Developer shall cause such inspection or approval to be performed.

14.2 No inspection performed or failed to be performed by HBCRA shall be a waiver of any of the Developer's obligations or be construed as an approval or acceptance by HBCRA of the Work or any part thereof.

Section 15. No Liens.

15.1 The Developer shall not voluntarily permit any laborer's, materialmen's, mechanic's, or other similar lien to be filed or otherwise imposed on any part of the Work or the Property on which the Work is performed. If any laborer's, materialmen's, mechanic's, or other similar lien or claim thereof is filed, the Developer shall cause such lien to be released and discharged forthwith, or file a bond in lieu thereof. The Developer hereby indemnifies and holds harmless HBCRA from all claims, losses, demands, causes of action, expenses including attorneys' fees, or suits of whatever nature arising out of any such lien.

Section 16. Miscellaneous.

16.1 Notices. All notices, requests, consents and other communications required or permitted under this Agreement shall be in writing and shall be (as elected by the person giving such notice) hand delivered, delivered by overnight courier by a nationally recognized courier, delivered by facsimile or mailed (airmail or international) by registered or certified mail (Postage prepaid), return receipt requested, emailed or other electronic means provided that a follow-up hard copy is delivered by one of the preceding methods, addressed to:

(a) If to the HBCRA:

Hallandale Beach Community Redevelopment Agency
400 S. Federal Highway
Hallandale Beach. Florida 33009
Attn: Roger M. Carlton, Executive Director

With a copy (which shall not constitute notice) to:

Gray Robinson, P.A.
333 S.E. 2nd Avenue
Suite 3200
Miami, Florida 33131
Attn: Steven W. Zelkowitz, Esq.

(b) If to the Developer:

Hallandale City Center, LLC
1250 E. Hallandale Beach Boulevard
Suite 1002
Hallandale Beach, Florida 33009
Attn: Claudia Penas, Manager

With a copy (which shall not constitute notice) to:

_____
_____
_____
Attn:_____

Each such notice shall be deemed delivered (a) on the date faxed with confirmation of receipt, (b) next business day after deposited with an overnight courier, (c) the date of delivery if delivered by hand, and (d) on the date upon which the return receipt is signed or delivery is refused, as the case may be, if mailed. For purposes of this Agreement, copies of notices shall not constitute notice and may be delivered by means other than as required herein.

16.2 Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed an original and all of which counterparts together shall constitute one and the same instrument.

16.3 Assignment. The Developer may not assign this Agreement or any of its rights and obligations hereunder, in whole or in part, without the prior written consent of the HBCRA (which may be withheld in the HBCRA's sole discretion). The HBCRA shall not assign its respective rights and/or obligations under this Agreement.

16.4 Project Representatives. The HBCRA hereby appoints the HBCRA Executive Director to serve as its representative. The HBCRA Executive Director shall have the right and authority to provide all consents and approvals, and take other actions, required hereunder on behalf of the HBCRA including executing any Change Orders; provided, however, (i) the HBCRA Executive Director shall obtain the consent of the HBCRA Board to the extent required by Applicable Laws, and (ii) the HBCRA Executive Director may, in the HBCRA Executive Director's discretion, submit any matter to the HBCRA Board for their review and approval. The Developer hereby appoints Claudia Penas to serve as its representative. The Developer's representative shall have the right and authority to provide all consents and approvals, and take other actions, required hereunder on behalf of the Developer including executing any Change Orders. The parties may change their respective designated representative at any time by providing written notice thereof to the other party; provided, however, that, with respect to the Developer, any change of the designated representative must be accompanied by a duly certified company resolution from the Developer authorizing the change in representative signed by the shareholders or directors in accordance with the shareholder agreement, and such change in Developer representative shall not be effective unless and until such certified company resolution is received by the HBCRA.

16.5 No Permit. This Agreement is not and shall not be construed as a development agreement under Chapter 163, Florida Statutes, nor a development permit, development approval or authorization to commence development.

16.6 Governing Law. The nature, validity and effect of this Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Florida.

16.7 Captions. Captions are for descriptive purposes only and shall not control or alter the meaning of this Agreement as set forth in the text.

16.8 Entire Agreement and Amendment. This Agreement constitutes the entire agreement between the parties hereto related to the development and construction of the Project and no modification hereof shall be effective unless made by a supplemental agreement in writing executed by all of the parties hereto.

16.9 No Joint Venture. The Developer shall not be deemed to be a partner or a joint venturer with the HBCRA, and the Developer shall not have any obligation or liability, in tort or

in contract, with respect to the Property, either by virtue of this Agreement or otherwise, except as may be set forth to the contrary herein.

16.10 Severability. If any provision of this Agreement, or the application of such provision to any person or circumstances, shall be held invalid, the remainder of the Agreement, or the application of such provision to persons or circumstances other than those to which it is held invalid, shall not be affected thereby.

16.11 Successors. Except as herein otherwise specifically provided, this Agreement shall be binding upon and inure to the benefit of the parties and their successors and permitted assigns.

16.12 Pronouns. Whenever from the context it appears appropriate, each term stated in either the singular or the plural shall include the singular and the plural, and pronouns stated in either the masculine, the feminine or the neuter gender shall include the masculine, feminine and neuter.

16.13 Attorneys' Fees. If any party commences an action against the other party to interpret or enforce any of the terms of this Agreement or as the result of a breach by the other party of any terms hereof, the non-prevailing party shall pay to the prevailing party all reasonable attorneys' fees, costs and expenses incurred in connection with the prosecution or defense of such action, including those incurred in any appellate proceedings, and whether or not the action is prosecuted to a final judgment.

16.14 Further Assurances. The parties to this Agreement have negotiated in good faith. It is the intent and agreement of the parties that they shall cooperate with each other in good faith to effectuate the purposes and intent of, and to satisfy their obligations under, this Agreement in order to secure to themselves the mutual benefits created under this Agreement; and, in that regard, the parties shall execute such further documents as may be reasonably necessary to effectuate the provisions of this Agreement; provided that the foregoing shall in no way be deemed to inhibit, restrict or require the exercise of the City's police power or actions of the City when acting in a quasi-judicial capacity.

16.15 Equitable Remedies. In the event of a breach or threatened breach of this Agreement by any party, the remedy at law in favor of the other party will be inadequate and such other party, in addition to any and all other rights which may be available, shall accordingly have the right of specific performance in the event of any breach, or injunction in the event of any threatened breach of this Agreement by any party.

16.16 Force Majeure. For purposes of this Agreement, "Force Majeure" shall mean the inability of either party to commence or complete its obligations hereunder by the dates herein required resulting from delays caused by strikes, picketing, acts of God, tropical storms, hurricanes, tornados, war, governmental action or inaction, acts of terrorism, emergencies, Unforeseen Circumstances (as defined in Section 7.2) or other causes beyond either party's reasonable control which shall have been timely communicated to the other party. Events of Force

Majeure shall extend the period for the performance of the obligations for the period equal to the period(s) of any such delay(s).

16.17 Third Party Rights. The provisions of this Agreement are for the exclusive benefit of the parties to this Agreement and no other party (including without limitation, any creditor of the HBCRA or the Developer) shall have any right or claim against the HBCRA or the Developer by reason of those provisions or be entitled to enforce any of those provisions against the HBCRA or the Developer.

16.18 Survival. All covenants, agreements, representations and warranties made herein or otherwise made in writing by any party pursuant hereto shall survive the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby.

16.19 Remedies Cumulative; No Waiver. The rights and remedies given in this Agreement and by law to a non-defaulting party shall be deemed cumulative, and the exercise of one of such remedies shall not operate to bar the exercise of any other rights and remedies reserved to a non-defaulting party under the provisions of this Agreement or given to a non-defaulting party by law.

16.20 No Waiver. One or more waivers of the breach of any provision of this Agreement by any party shall not be construed as a waiver of a subsequent breach of the same or any other provision, nor shall any delay or omission by a non-defaulting party to seek a remedy for any breach of this Agreement or to exercise the rights accruing to a non-defaulting party of its remedies and rights with respect to such breach.

16.21 Signage. Subject to the reasonable approval of the HBCRA and in accordance with Applicable Laws, upon execution of this Agreement by both parties, the Developer shall have the right to place one or more appropriate signs upon the Property. Additionally, the HBCRA shall have the right to place its own signage on the Property indicating the HBCRA is a sponsor of the Project.

16.22 Construction. This Agreement shall be interpreted without regard to any presumption or rule requiring construction against the party causing this Agreement to be drafted.

16.23 JURISDICTION; VENUE; AND WAIVER OF JURY TRIAL. EACH OF THE PARTIES IRREVOCABLY AND UNCONDITIONALLY (A) AGREES THAT ANY SUIT, ACTION OR OTHER LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT SHALL BE BROUGHT IN THE FEDERAL OR STATE COURT SITUATED IN BROWARD COUNTY, FLORIDA; (B) CONSENTS TO THE JURISDICTION OF EACH SUCH COURT IN ANY SUCH SUIT, ACTION OR PROCEEDING; (C) WAIVES ANY OBJECTION WHICH IT MAY HAVE TO THE LAYING OF VENUE OF ANY SUCH SUIT, ACTION OR PROCEEDING IN ANY OF SUCH COURTS; AND (D) AGREES THAT SERVICE OF ANY COURT PAPER MAY BE EFFECTED ON SUCH PARTY BY MAIL, AS PROVIDED IN SECTION 13.1 HEREOF, OR IN SUCH OTHER MANNER AS MAY BE PROVIDED UNDER APPLICABLE LAWS

OR COURT RULES. EACH PARTY WAIVES ALL RIGHTS TO ANY TRIAL BY JURY IN ALL LITIGATION RELATING TO OR ARISING OUT OF THIS AGREEMENT.

Section 17. Safety and Protection**.**

17.1 Developer shall be responsible for initiating, maintaining and supervising commercially reasonable safety precautions and programs in connection with the Work taking into consideration the effect on the Development Budget. Developer shall take all necessary precautions required by Applicable Laws and that certain Developer's General Contractor's Safety Manual (the "Developer's Safety Manual"), if any, for the safety of, and shall take commercially reasonable precautions, taking into consideration the effect on the Development Budget, to prevent damage, injury or loss to:

(a) all persons on Property or who may be affected by the construction;

(b) all Work and materials and equipment to be incorporated in the Project, whether in storage on or off the Property; and

(c) other property at the Property or adjacent thereto, including trees, shrubs, lawns, walks, pavements, roadway, structures, utilities and underground facilities not designated for removal, relocation or replacement in the course of construction.

17.2 Developer shall comply with Applicable Laws of Governmental Authorities and the Developer's Safety Manual having jurisdiction for safety or persons or property to protect them from damage, injury or loss; and shall erect and maintain commercially reasonable safeguards for such safety and protection, taking into consideration the effect on the Development Budget. Developer shall notify owners of adjacent property regarding the commencement of the Work (and other matters as reasonably determined by Developer), and of underground facilities and utility owners as required by Applicable Laws and the Developer's Safety Manual. All damage, injury or loss to any property caused, directly or indirectly, in whole or in part, by the negligent acts of Developer, any contractor, subcontractor, materialman, supplier, vendor, or any other individual or entity directly or indirectly employed by any of them to perform or furnish any of the Work or anyone for whose acts any of them may be liable, shall be remedied by Developer. Developer's duties and responsibilities for safety and for protection of the construction shall continue until Final Completion.

17.3 The Developer shall protect and prevent damage to all phases of the Work, and any existing facilities or improvements, including but not limited to the protection thereof from damage by the elements, theft, or vandalism. During the course of the Work, the Developer shall remain responsible for the risk of loss of the Work and shall promptly remedy, repair and replace all damage and loss (other than damage or loss insured under required insurance) to the Work caused in whole or in part by the Developer, the General Contractor, a contractor, subcontractor, or anyone directly or indirectly employed or controlled by any of them, or by anyone for whose acts they may be liable and for which the Developer is responsible.

17.4 In connection with the approval of the Construction Contract, the parties may mutually agree to cause the General Contractor to designate a qualified and experienced safety representative at the Property whose duties and responsibilities shall be the prevention of accidents and the maintaining and supervising of safety precautions and programs.

17.5 Developer shall cause its General Contractor to be responsible for coordinating any exchange of material safety data sheets or other hazard communication information required to be made available to or exchanged between or among employers at the site in accordance with Applicable Laws and the Developer's Safety Manual.

17.6 In emergencies affecting the safety or protection of persons or the construction or property at the Property Site or adjacent thereto, Developer, without special instruction or authorization from the HBCRA, is obligated to act to prevent threatened damage, injury or loss. Developer shall give HBCRA prompt written notice of any significant changes in the construction or variation from the Construction Documents have been caused thereby.

17.7 In the event of any conflict between the requirements of Applicable Laws and the Developer's Safety Manual, the more restrictive requirements shall control.

18. Use of Property and Other Areas.

18.1 Developer shall confine construction equipment, the storage of materials and equipment and the operations of construction workers to the Property and other land and area permitted by Applicable Laws and regulations, rights-of-way, permits and easements, and shall not unreasonably encumber any such land or areas with construction equipment or other materials or equipment.

18.2 During the performance of the Work, Developer shall keep the Property free from accumulations of waste materials, rubbish, dust and other debris resulting from the construction. Upon Final Completion of the Work, Developer shall remove all waste materials, rubbish and debris from and about the premises as well as all tools, appliances, construction equipment, temporary construction and machinery and surplus materials. Developer shall leave the Property clean and ready for occupancy by the buyers at Substantial Completion except as necessary to achieve Final Completion.

18.3 Regardless of whether such is permitted by Applicable Laws, the Developer shall not allow, or seek to allow, Work to occur outside of the City's designated hours for construction without the prior written consent of the HBCRA in each instance.

18.4 Developer shall require the General Contractor to (a) submit a mobilization plan prior to commencement of any Work, (b) identify any offsite storage or holding areas for materials, supplies and/or equipment, (c) providing a parking plan for General Contractor's employees as

well as all subcontractors and their employees, and (d) provide a traffic management plan for all Work including site deliveries.

19. HBCRA's Representative. The parties acknowledge and agree that the HBCRA may engage in one or more consultants to assist the HBCRA in the administration of this Agreement and the Project. Any such consultants shall act as an "owner's representative" and shall not have authority to bind the HBCRA but shall have the authority to direct the Developer. Developer agrees to reasonably cooperate with any such consultants engaged by the HBCRA.

[Signature page follows]

Developer HBCRA

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be duly executed by their duly authorized officer where applicable and sealed as of the date first above written.

DEVELOPER:

HALLANDALE CITY CENTER, LLC
a Florida limited liability company

By:_____
Claudia Penas, Manager

HBCRA:

HALLANDALE BEACH COMMUNITY REDEVELOPMENT AGENCY,
a public body corporate and politic

By:_____
Roger M. Carlton
Executive Director

Attest:

By:_____
HBCRA Clerk

Approved as to form and legal sufficiency:

By:_____
Gray Robinson, P.A., HBCRA Attorney

EXHIBIT “A”

Legal Description of the Property

EXHIBIT “B”

Site Plan and Elevations

EXHIBIT "C"

Pre-Development Plan and Pre-Development Budget

(To be attached within forty-five (45) days after the expiration of the Inspection Period pursuant to Section 3.4)

EXHIBIT “D”

Redevelopment Calendar

HBCRA _____ Developer _____

EXHIBIT “E”

Financing Plan and Developer Equity

EXHIBIT “F”

Development Approvals