

**AGREEMENT
FOR
DEVELOPMENT OF PROPERTY
[Avenue Lofts Project]**

This Agreement for Development of Property [Avenue Lofts Project] (the "Agreement") is entered into by and between the Fort Lauderdale Community Redevelopment Agency (the "Agency") and Avenue Lofts, Ltd. (the "Developer").

WHEREAS, the Agency desires to encourage and assist projects in its area of operation which further the purposes and goals of the Community Redevelopment Plan for the Community Redevelopment Area; and

WHEREAS, the Developer desires to develop, construct and operate the Project in the Community Redevelopment Area consisting of predominant residential use with some specialty retail; and

WHEREAS, in order to successfully develop the Project, the Developer has represented to the Agency that it needs financial and other assistance from the Agency; and

WHEREAS, in consideration of the Developer agreeing to construct the Project and operate it as contemplated by this Agreement the Agency is willing to financially assist the Developer so the Project will be developed, and opened in a timely manner, and operated;

NOW, THEREFORE, for and in consideration of the recitals, the mutual promises, covenants and agreements contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE 1

Definitions

- 1.1. Agency means the Fort Lauderdale Community Redevelopment Agency.
- 1.2. Andrews Avenue Plan means a plan to improve Andrews Avenue between Broward Boulevard and Flagler Drive which plan will include parallel parking, sidewalk and streetscape improvements.
- 1.3. Agency Staff means the staff of the Agency, whether employees or contract employees.
- 1.4. Agreement means this Agreement for Development of Property.
- 1.5. Annual Payment Amount means the amount of increment revenues to be paid each year by the Agency to the Developer as provided in Section 4.8 of this Agreement.

- 1.6. Base Payment Amount means One Million One Hundred Twelve Thousand Five Hundred Seventy-Four Dollars (\$1,112,574).
- 1.7. Certificate of Occupancy means the Temporary Certificate of Occupancy issued by the City or other appropriate Governmental Authority for any specific Phase of the Project that allows such Phase of the Project to be occupied, opened for business and used as contemplated by this Agreement.
- 1.8. City means the City of Fort Lauderdale, Florida, a Florida municipal corporation.
- 1.9. Commercially Reasonable Efforts means that level of effort which a prudent business would undertake in circumstances which are the same as or similar to the circumstances referred to or described, but without any obligation to incur any unreasonable or unduly burdensome expenses or obligations or any guaranty of completion or results.
- 1.10. Community Redevelopment Area means the Northwest/Progresso/Flagler Heights Community Redevelopment Area as described in Resolution No. 95-86 of the City adopted on June 2, 1995, and such other resolutions as may amend the boundaries of such area.
- 1.11. County means Broward County, Florida, a political subdivision of the State of Florida.
- 1.12. Developer means Avenue Lofts, Ltd., and any successor or assignor thereof.
- 1.13. Developer's Lender means the financial institution or other person which has provided financing to Developer for the acquisition, design, development, construction, ownership, use or operation of the Project or any part thereof.
- 1.14. Developer Road Improvements means those street improvements within the alley which runs north-south between Northwest 4th and 5th Streets south of the project, Northwest 1st Avenue between Northwest 4th Street and Northwest 5th Street, Northwest 5th Avenue between Andrews Avenue and Flagler Drive and those certain improvements to the ROW expansion Property immediately adjacent to the Property, being approximately nine (9) feet of road frontage, including water and sewer upgrades, right of way landscaping, sidewalks, paving, curbs, gutters, utility relocations and right of way lighting, as described and depicted on such as Exhibit "A" hereto. It is understood by the Agency and Developer that to the extent permitted by law the Developer Road Improvements may be modified to provide for existing back-out parking on adjoining properties and that the Developer will assist the Agency in designing such revisions, if necessary.
- 1.15. DRC Approved Plans and Specifications means the Plans and Specifications submitted by Developer to, and approved by, the Development Review Committee of the City on February 22, 2002.
- 1.16. Effective Date means the date on which this Agreement is executed and delivered by both the Agency and the Developer.

- 1.17. Finance Plan means the Strategic Finance Plan of the Agency, dated as of March 27, 2001, and any amendments or revisions thereto effective as of the date hereof.
- 1.18. Governmental Authorities means all state, city, county, administrative or other governmental authorities which now or hereafter have jurisdiction, review, approval or consent rights relating to the design, development, construction, ownership, occupancy or use of the Property or the Project.
- 1.19. Interlocal Agreement means the agreement between the City and the Agency pertaining to the actions, duties and responsibilities of the City and the Agency pertaining to this Agreement entered into pursuant to the authority of Sections 163.01 and 163.400, Florida Statutes.
- 1.20. Open for Business means that any specific Phase is substantially complete, a Temporary Certificate of Occupancy has been issued for the entire residential portion of that Phase and the entire residential portion of that Phase is available for occupancy by residents.
- 1.21. Outside Construction Commencement Date means the date which is twelve (12) months after the Effective Date. If the Developer requests an extension of the Commencement Date from the Agency prior to the expiration of the Commencement Date and the Agency grants such extension (which the Agency must not unreasonably withhold) then the outside construction date shall be deemed to be the date which is twenty-four (24) months.
- 1.22. Permits and Approvals means any and all development, zoning, platting, subdivision, site plan, design, Plans and Specifications, construction permit and other applicable permits and approvals and variances, if necessary, from all applicable Governmental Authorities pertaining to the Project and the Property.
- 1.23. Person means any individual, corporation, firm, partnership, trust, association, limited liability company or other entity of any nature.
- 1.24. Phase means any one of the five (5) buildings shown on the Plans and Specifications. It is understood by the Agency and Developer that, although a unified project, each building may be constructed and operated as an independent component.
- 1.25. Plans and Specifications means architectural, engineering and construction documents constituting the concept documents, preliminary plans and drawings, schematic design documents, design development documents and construction documents for the Project.
- 1.26. Project means a mixed-use multi-family complex containing (i) approximately one hundred (100) residential/office units and (ii) approximately 9,500 square feet of ground floor/office/retail space, all as more particularly described in the Plans and Specifications.
- 1.27. Project Completion Date means the date on which the construction of the Project is substantially complete and the Certificate of Occupancy has been issued by the appropriate Governmental Authority such that the Project can be substantially opened for business as contemplated by this Agreement.

- 1.28. Prompt Payment Act means Sections 218.70 through 218.79, Florida Statutes (2001), as amended.
- 1.29. Property means the parcel of land on which the Project will be located legally described on Exhibit "B".
- 1.30. Public Cross Street Infrastructure Improvements means improvements to be made to certain streets, public space, parking, urban landscaping, infrastructure improvements, pedestrian walkways and other public improvements located in the Flagler Heights neighborhood area as described in the Public Space Plan and the Finance Plan as the location and timing of such improvements may be determined or changed from time to time by the Agency as affected by other redevelopment occurring or not occurring in the vicinity of the Property.
- 1.31. Public Space Plan means the Flagler Heights Urban Village Public Space Improvement Plan, dated as of March 20, 2001, prepared by Anthony Abbate Architect, P.A., a copy of which is on file with the Agency and was reviewed by the Agency on June 12, 2001.
- 1.32. Redevelopment Plan means the Northwest/Progresso/Flagler Heights Redevelopment Area Plan adopted by the City Commission on November 7, 1995, as amended, a copy of which is on file with the Agency.
- 1.33. Reimbursement Amount means the amount of Four Hundred Ninety-Nine Thousand Thirty-Eight and 98/100 Dollars (\$499,038.98) to be paid by the Agency to the Developer in consideration of the design installation and construction of the Developer Road Improvements.
- 1.34. ROW Expansion Property means the land adjacent to the existing right-of-way as of the Effective Date for Andrews Avenue which shall be granted and conveyed by the Developer to the appropriate unit of local government so that there will be a right-of-way for Andrews Avenue of forty-four (44) feet from the current center line of Andrews Avenue to the eastern line of the Property, as more particularly described and depicted on Exhibit "B" attached hereto.
- 1.35. Special Permit Process means the expedited processing of applications for permits and approvals by the City as more particularly described in Section 4.6.
- 1.36. TCO means a temporary certificate of occupancy issued by the City or other applicable Governmental Authority for all or a portion of the Project.

ARTICLE 2

Findings

The parties to this Agreement do hereby find and acknowledge the following:

- 2.1. The City Commission of the City adopted Resolution No. 95-86 on June 2, 1995 finding the existence of blight conditions in the Community Redevelopment Area, as more particularly described in that Resolution, in which the Property is located.
- 2.2. The Agency was created by Resolution No. 95-86 adopted by the City Commission of the City on June 20, 1995 pursuant to part III of Chapter 163, Florida Statutes.
- 2.3. By adoption by the City Commission of Resolution No. 95-170, the Redevelopment Plan was adopted on November 7, 1995.
- 2.4. By adoption of Resolution No. 95-1084 on November 26, 1995, the Broward County Board of County Commissioners approved the Redevelopment Plan.
- 2.5. The Redevelopment Plan contemplates redevelopment in the Community Redevelopment Area for the uses identified in the Project.
- 2.6. The Public Space Plan has been reviewed and tentatively accepted by the Agency, and sets forth and provides for certain public improvements to be made to certain streets, public space, parking, urban landscaping, infrastructure improvements, pedestrian walkways and other public improvements generally located in the Flagler Heights neighborhood area, which is a part of the Community Redevelopment Area in which the Property is located and from which the Property and the Project would benefit.
- 2.7. The Agency has prepared the Finance Plan, which provides a comprehensive financial plan for the Community Redevelopment Area, covers a five (5) year capital investment period and utilizes the powers and tools bestowed upon the Agency by means of Part III, Chapter 163, Florida Statutes, with funding sources including Tax Increment Financing secured bonds, Department of Housing and Urban Development Section 108 Funds, Community Development Block Grants and other funding sources, to provide for completion of the contemplated improvements.
- 2.8. Pursuant to the Redevelopment Plan and the Public Space Plan, it is contemplated that the Agency will provide funding for certain road improvements in the Community Redevelopment Area, for Northeast 6th Street (aka "Sistrunk Boulevard") and other areas outside the Developer Road Improvements, as shown in the Public Space Plan and the Finance Plan.
- 2.9. Developer owns the Property .
- 2.10. Developer has proposed to develop the Project on the Property.
- 2.11. The Project is consistent with and furthers the provisions of the Redevelopment Plan and the Agency desires to encourage redevelopment of the Property for use for the Project and to encourage Developer in its development, design, construction, use, ownership and operation of the Project.
- 2.12. Certain street improvements, which will include, but are not limited to the Andrews Avenue Plan and the Developer Road Improvements are required to support the Project and will be necessary for the successful development of the Project.

- 2.13. The Developer has asked to be reimbursed the Reimbursement Amount.
- 2.14. In consideration of the development of the Project by the Developer, the Agency will pay to Developer an amount each year as shown in Section 4.8.
- 2.15. Developer has agreed to convey to the appropriate unit of local government the ROW Expansion Property.
- 2.16. The Developer has requested that the City assist Developer and the Project by expediting the processing for Permits and Approvals.
- 2.17. The Developer has represented to the Agency and the Agency has accepted such representation that the residential loft units will be offered for sale by the Developer.

ARTICLE 3

Project Overview

- 3.1 Project Development. Prior to the Effective Date, Developer has been pursuing development of the Project and shall continue to do so, subject to reasonable financing and pre-sale requirements. Developer represents to the Agency that but for the assistance to be provided by the Agency pursuant to this Agreement, including the Andrews Avenue Plan and the Public Cross Street Infrastructure Improvements and the payment of the Annual Payment Amount and the Reimbursement Amount, the Developer would not undertake development of the Project. Developer shall be responsible for all aspects of development, design, construction, ownership, use and operation of the Project.
- 3.2 Determinations by Agency. The Agency hereby determines that the Project is consistent with and furthers the goals and objectives of the Redevelopment Plan and that its design, development, construction, ownership, use and operation will promote the health, safety, morals and welfare of the residents of the Area. Further, the Agency finds that the Project is consistent with the Public Space Plan and the Finance Plan. The Agency hereby agrees to undertake the Public Cross Street Infrastructure Improvements as provided in the Public Space Plan and the Finance Plan when determined by the Agency.
- 3.3 Termination for Not Commencing Phase I. In the event the Developer has not commenced construction of Phase I of the Project on the Property by the Outside Construction Commencement Date, then this Agreement may be terminated by the Agency at any time prior to the commencement of construction by providing the notice provided in Section 9.19.

ARTICLE 4

Obligations of the Parties

- 4.1 Developer. Developer, with the assistance of the Agency Staff, shall use Commercially Reasonable Efforts to obtain or cause to be obtained all Permits and Approvals, necessary under applicable law for the design, development, construction, ownership, operation and

use of the Project as described in the DRC Approved Plans and Specifications and to commence construction of the Project on or before the Outside Construction Commencement Date, which shall include, when applicable, the timely filing of necessary applications, with permit fees when required, the prosecution of the application to the same extent as used by the party charged with the effort as such party has devoted to the approvals, timely follow through with such amendments and revisions or additions to the documentation required by the application or other process as shall be customary with like kind projects of economic magnitude in the Broward County area, and the prompt payment of costs and fees associated therewith. After commencement of any construction Phase of the Project and prior to the issuance of the Certificate of Occupancy of such Phase, Developer shall not abandon construction of such Phase, which shall mean the cessation of meaningful construction work on any specific Phase for a period of ninety (90) days or more. For purposes of this Section 4.1, "meaningful construction work on the Project" shall be the standard set forth in the South Florida Building Code or the applicable building code for purposes of maintaining any Permits and Approvals. The Developer shall maintain all Permits and Approvals for the Project and agrees to observe all applicable laws and requirements of all applicable Governmental Authorities in connection with the Project.

4.2 Dedication of Right of Way. Prior to commencement of construction of the Project on the Property, Developer shall grant and convey the ROW Expansion Property to the City or the County, as applicable, for the expansion of the right of way for Andrews Avenue to a width of forty-four (44) feet from the current center line of such street to the eastern line of the Property, subject to the acceptance by the City or the County, as applicable, of the ROW Expansion Property.

4.3 Vacation of Alley and Dedication of Utility Easements. The City has adopted Ordinance No. C-01-05 vacating and abandoning a portion of certain alley lying in Block 26 of Amended Plat of Blocks 1, 2, 3, 4, 5, 6, 7, 8, 25, 26, 27, 28, 29, 30, 31, 32 and 33 of the North Lauderdale Plat between N.W. 5th Street and N.W. 4th Street. Further, the Agency acknowledges that Developer shall dedicate and convey a public access and utility easement across the Property, which easements are described in Exhibit "C".

4.4 Andrews Avenue Plan and Public Cross Street Infrastructure Improvements.

(a) Subject to approval by the County where applicable, the Agency shall use its best efforts to obtain approval of the Andrews Avenue Plan prior to December 31, 2004 consistent with the terms described herein. Such best efforts shall include the obligation for the Agency to enter into an Interlocal Agreement with the City to institute this provision. If such plan is not adopted by the City and County, the Agency acknowledges the Developer may amend its Plans and Specifications to replace the retail/office uses along Andrews Avenue with residential units. If the Developer revises the Plans and Specifications to provide residential use on the ground floor then the design of the first floor shall be reviewed by the Agency for consistency with the City's Code of Ordinances and consistency with the Public Space Plan (or such other plan the City may, from time to time, adopt) for the Flagler Heights Area. In the case of a conflict between the City's Code of Ordinances and Public Space Plan, the Code of Ordinances will control. Such amendment shall not affect the terms of this Agreement. Further, Agency agrees that (a) during the course of any work on Andrews Avenue the Agency shall (i) not restrict

continuous reasonable access to the Project from Northwest 5th Street and will provide written notice to Developer at least forty-eight (48) hours in advance of any proposed closing of Northwest 5th Street and (ii) allow installation by Developer of traffic management detour signage on Andrews Avenue directing all interested persons around any such work and to the Project, which signage shall be acceptable to Developer and that (b) at least one of 5th Street or Northwest 4th Street shall be an open public street at all times.

(b) The Agency will cause the construction, installation and completion of the Public Cross Street Improvements at such times and in such locations as the Agency may determine from time to time in accordance with the Finance Plan and the Public Space Plan.

4.5 Developer Road Improvements. Developer shall design, construct and install the Developer Road Improvements as provided in Section 5.2. The Agency shall reimburse Developer for a portion of the costs of the Developer Road Improvements in the amount of the Reimbursement Amount.

4.6 Processing of Permits and Approvals.

(a) As of the Effective Date, the Plans and Specifications have been approved by the City's Development Review Committee.

(b) Developer desires to use expedited or Special Permit Process ("Special Permit Process") processing of Permits and Approvals for the Project. The Developer and the Agency acknowledge that such Special Permit Process will be desirable for both the Agency and the Developer in order to expedite the successful construction and completion of the Project. Accordingly, the Agency hereby agrees that, to the extent not otherwise prohibited by the South Florida Building Code or other applicable law, the Developer is qualified to apply for Special Permit Process as a means of fast tracking the review and processing of Permits and Approvals for the development, design and construction of the Project, including that Developer may submit separate modified Plans and Specifications as to a portion of the Project then being or to be built, including any individual phase. Developer represents to the Agency that it may separately request and that the City may be asked to separately issue the following permits on the various portions of the Project being constructed: (i) demolition, clearing and miscellaneous site work; (ii); (iii) pilings; (iv) foundation; (v) structural framing and exterior cladding (collectively, the Shell Permit); (vi) interior framing and interior partitioning; (vii) for mechanical, electrical, plumbing and finish package; (viii) all other Permits and Approvals necessary for the completion of the construction of that portion of the Project then being, or to be, built. The Agency will urge the City to issue TCOs for units in the Project on a floor by floor and/or Phase by Phase basis as such units are substantially completed and ready for occupancy. However, in no event will Developer cause any work to be performed on any portion of the Project without an approved set of Plans and Specifications for that portion of the Project then being, or to be, built. Further, it is understood that the Project will be constructed in phases.

4.7 Moratorium. In the event that the City imposes a moratorium on construction in the City such that construction of the Project is adversely affected, then upon notification to that

effect by the Developer to the Agency, the Agency shall endeavor to cause the City to exempt the Project from any such moratorium or that the City shall waive any limitations on construction of the Project which would otherwise be imposed by any such moratorium. If the City does not exempt the Project or waive any limitations on construction of the Project, then such moratorium shall be deemed an event of Force Majeure.

4.8 Annual Payment.

(a) The Agency finds that the Project will add significantly to the revitalization of the Community Redevelopment Area and, when completed, will increase the assessed value of the Property on the real property ad valorem tax roll.

(b) Beginning in the earlier to occur of (a) in the fiscal year of the Agency in which Phase I and Phase II of the Project are both Open for Business, or a date which is six (6) years after commencement of construction of Phase I (whichever occurs last) or (b) in the fiscal year of the Agency in which when all five Phases are Open of Business, then the Agency will pay to Developer annually on or before the later to occur of (a) December 31 of each year, or (b) thirty (30) days after the date on which Developer pays its ad valorem property taxes for the Property and the Developer delivers notice of such payment to the Agency, an Annual Payment Amount until such time as the Developer has received an aggregate sum equal to the Base Payment Amount plus any interest as described below. The Annual Payment Amount shall be the sum which is equal to the Base Payment Amount divided by the total number of loft (work/live) units (100) multiplied by the number of units for which TCOs have been issued and which are located in a Phase that is Open for Business, and, further, divided by the remaining number of years which the Agency has to pay the Base Payment Amount in full (14 years from the date of execution of this Agreement) plus interest on such sum at the rate of ten percent (10%) per annum on the portion of the Base Payment Amount (the Base Payment Amount divided by the number of units which have received TCOs and are Open for Business) outstanding from time to time thereafter. The interest contemplated herein shall accrue from the date each Phase is Open for Business. In lieu of the Annual Payment Amount, the Agency may, at its discretion, pay the Outstanding Base Payment Amount plus accrued interest in a lump sum. Such lump sum shall equal the Base Payment Amount still remaining less any principal amounts previously paid toward the Base Payment Amount. Agency and Developer also agree that if after the issuance of a TCO for any Phase, construction of a subsequent Phase does not commence within eighteen (18) months from the date of issuance of such TCO, then the Agency's obligation to pay the Annual Payment Amount for a Phase not then constructed and Open for Business shall terminate. The Developer may ask for an extension from the Agency of this time period which approval shall not be unreasonably withheld.

(c) The Annual Payment Amount and Base Payment Amount shall be in consideration of and dependent on the development of the Project in accordance with this Agreement.

4.9. Agency Coordination with the City. The Agency shall use its best efforts to cause the City to take such action or course of action, to negotiate and enter into the Interlocal Agreement and to provide a copy of such executed agreement to Developer.

4.10. Approval of Agreement.

4.10.1 The Agency hereby represents and warrants to Developer that the execution and delivery hereof have been approved at duly convened meetings of the Agency and the same is binding upon the Agency.

4.10.2 Developer hereby represents and warrants to the Agency that (i) the execution and delivery hereof have been approved by all parties whose approval is required under the terms of the governing documents creating Developer, (ii) this Agreement does not violate any of the terms or conditions of such governing documents and the same is binding upon Developer and enforceable against it in accordance with its terms; (iii) the Persons executing this Agreement on behalf of Developer are duly authorized and empowered to execute the same for and on behalf of the Developer; (iv) Developer is a Florida limited partnership and is duly authorized to transact business in the State of Florida; and (v) this Agreement does not violate the terms of any other agreement to which the Developer is a party.

ARTICLE 5

Project Financing

5.1 Developer. Developer shall use its own funds and funds obtained from Developer's Lender to design, develop, construct, own, sell, operate and use the Project for the purposes contemplated by this Agreement. The Agency shall not have any claim to any right, title, or interest in and to the Property or the Project and Developer shall be free to arrange other financing in connection with the Property and the Project as Developer may desire, whether using Developer's Lender or any other source for any such financing. Developer shall promptly notify the Agency of the identity of any such Developer's Lender and the occurrence of any event of default under any such financing. The Developer shall provide that in the event of a default by the Developer under the financing of the Project by Developer's Lender that Developer's Lender will notify the Agency of such default and what will be necessary, if anything, for the Agency to cure such default at the election of the Agency.

5.2. Developer Road Improvements. The Developer shall construct the Developer Road Improvements as provided herein and in substantial accordance with City and County standards and specifications for such construction and in connection therewith shall contribute the ROW Expansion Property to the City or the County, as applicable. The Agency shall be responsible for paying the Reimbursement Amount directly to Developer in monthly payments for the Developer Road Improvements ("Partial Reimbursement Amount"), each of which shall be equal to the value of improvements completed less ten percent (10%) of such sum as retainage (the "Retainage"), as certified to Developer and the Agency by Craven & Thompson Engineers, or such other civil engineer as may be

retained by the Developer from time to time up to a maximum aggregate amount of the Reimbursement Amount. Upon completion of each such portion of the Developer Road Improvements, Developer shall notify the Agency of such completion and bill the Agency for the Partial Reimbursement Amount then due and the Agency shall then pay each such Partial Reimbursement Amount directly to Developer as provided in the Prompt Payment Act. Upon final completion and acceptance of the Developer Road Improvements by the City or the County, as applicable, the Agency shall pay the Retainage to Developer. Developer further agrees that with respect to the Developer Road Improvements it will comply with the performance bond requirements of Section 255.05, Florida Statutes (2001) and City Code Section 25-77 and, will within ninety (90) days after completion of such improvements clear any liens placed on the improvements and will be responsible for any cost of the improvements that exceeds the Reimbursement Amount. Further, Developer will ensure that such performance bonds are valid for thirty (30) months from the commencement of construction or until all Developer Road Improvements are complete. The Developer shall be entitled to provide substitute bonds as the Developer Road Improvements are completed.

- 5.3. Taxes and other charges. Developer shall pay and discharge, or cause to be paid and discharged, all taxes, charges, liabilities or claims of any type at any time assessed against or incurred by the Property or the Project, and shall not allow sale of tax certificates, provided that nothing in this Section shall require the payment of any such sum if Developer contests the same in good faith by appropriate proceedings.

ARTICLE 6

Project Development

- 6.1 Permits and Approvals. Developer shall cause its architects and engineers to prepare appropriate Plans and Specifications for the Project and, at such times as shall be deemed to be appropriate by Developer shall seek all applicable Permits and Approvals for the Project on or before the Outside Construction Commencement Date, and shall apply for an initial building permit on or before that date which is six (6) months after the Effective Date hereof. The Agency hereby agrees to urge the City to review all such Plans and Specifications submitted to it on a Special Permit Process basis. Developer shall additionally seek all such other Permits and Approvals from other applicable Governmental Authorities as may be required for the development, design, construction, ownership, use and occupancy of the Project.
- 6.2 Project Schedule. Developer represents that as of the Effective Date it anticipates that construction of the Project will be commenced by Developer on or before July 30, 2002, provided that such construction shall be undertaken, if at all, on or before the Outside Construction Commencement Date, and that completion of the Project to allow first occupancy by tenants is anticipated to be attained on or before August 31, 2003. Failure of the Developer to meet these scheduled timeframes shall not be deemed a default by the Developer under this Agreement.

ARTICLE 7

Developer Defaults; Agency Remedies

7.1 Event of Default. The occurrence of any one or more of the following and the continuance thereof for the period of time hereinafter provided shall constitute an Event of Default hereunder:

7.1.1 The Developer defaults in the performance of any material obligation imposed upon it under this Agreement or the Developer fails to complete any material item required to be completed by it as provided herein, including constructing the Project substantially in accordance with the final Plans & Specifications contemplated by Section 4.6, as amended from time to time by the City, and the Developer does not commence to cure such default within thirty (30) days after delivery of notice of such default from the Agency and diligently pursue such cure to completion thereafter within ninety (90) days after delivery of such notice as to any default which by its nature is capable of being cured within such period of time, or within a reasonable period of time as to any default which by its nature is not capable of being cured within such period of time; or

7.1.2 Any statement, representation or warranty made by the Developer herein or in any writing now or hereafter furnished in connection herewith shall be false in any respect which materially affects the rights, duties or obligations of the Agency hereunder; or

7.1.3 (i) an order, judgment or decree is entered by any court of competent jurisdiction adjudicating the Developer bankrupt or insolvent, approving a petition seeking a reorganization or appointing a receiver, trustee or liquidator of the Developer or of all or a substantial part of its assets, or (ii) there is otherwise commenced as to the Developer or any of its assets any proceeding under any bankruptcy, reorganization, arrangement, insolvency, readjustment, receivership or similar law, and if such order, judgment, decree or proceeding continues unstayed for more than sixty (60) days after any stay thereof expires.

7.2 Remedies. Upon the occurrence of any Event of Default by Developer hereunder, the Agency shall have the following rights as its sole and exclusive remedy hereunder: (a) to terminate this Agreement, without cost or liability to Developer, except that Developer shall assign and transfer to the Agency, free of any liens or other obligations or conditions, all plans, specifications and contracts for the Developer Road Improvements, if any, (b) to stop any disbursements of funds by the Agency hereunder, including the Reimbursement Amount and the Annual Payment Amount, and (c) to immediately enforce any of its rights under this Agreement.

ARTICLE 8

Agency Defaults, Developer Remedies

- 8.1. Agency Event of Default. An event of default shall be the Agency fails to timely complete any of its obligations under this Agreement.
- 8.2. Remedies. If at any time there is a default by the Agency which is not cured within any applicable cure period provided herein, Developer shall have all available remedies, including (a) the right to terminate this Agreement, (b) the right to seek from the Agency, specific performance of any payments owed or due and all reasonable costs and expenses incurred by the Developer in connection with failure to make such payments, and (c) to enforce any of its rights under this Agreement.

ARTICLE 9

General Provisions

- 9.1. Non-liability of Agency Officials. No member, official or employee of the Agency, the Agency Staff or the City shall be personally liable to the Developer or to any Person with whom the Developer shall have entered into any contract, or to any other Person in the event of any default or breach by the Agency, or for any amount which may become due to the Developer or any other Person under this Agreement.
- 9.2. Approval. Whenever this Agreement requires the Agency or the Developer to approve any contract, document, plan, specification, drawing or other matter, such approval shall not be unreasonably withheld, delayed or conditioned. The Developer and the Agency shall perform all obligations imposed upon them under this Agreement in a reasonable and timely fashion.
- 9.3. Force Majeure. Neither the Developer nor the Agency shall be deemed in default hereunder where such a default is based on a delay in performance as a result of war, insurrection, terrorist activity, strikes, lockouts, riots, floods, earthquakes, fires, casualty, acts of God, acts of public enemy, epidemic, quarantine restrictions, freight embargo, shortage of labor or materials, interruption of utilities service, lack of transportation, litigation, weather and other acts or occurrences beyond the control or without the control of such Party; provided, however, that the extension of time granted for any delay caused by any of the foregoing shall not exceed the actual period of such delay and a reasonable time to resume after such delay. The party invoking this Section 9.3 shall deliver notice to the other party as provided in Section 9.4 setting forth the event of Force Majeure and the anticipated delay resulting from such event of Force Majeure. Upon expiration of the event of Force Majeure, either party may notify the other that the event has expired and that the extension of time granted as a result of such delay has ended.
- 9.4. Notices. All notices to be given hereunder shall be in writing and (a) personally delivered, (b) sent by registered or certified mail, return receipt requested, (c) delivered by a courier service utilizing return receipts or (d) sent by facsimile with confirmation of receipt to the Parties at the following addresses (or to such other or further addresses as

any Party may designate by like notice similarly sent). Such notices shall be deemed given and received for all purposes under this Agreement (i) three (3) business days after the date same are deposited in the United States Mail if sent by registered or certified mail, or (ii) the date actually received if sent by personal delivery or courier service, or (iii) the date of transmission of a facsimile, with telephonic or machine confirmation of receipt:

If to the Agency:

Fort Lauderdale Community Redevelopment Agency
100 North Andrews Avenue, Suite 300
Fort Lauderdale, Florida 33301
Attn: Kim Jackson, CRA Manager

If to the Developer:

Avenue Lofts, Ltd.
c/o Mr. Alan Hooper
202 S.W. 2nd Street, Suite C
Fort Lauderdale, FL 33301

and

Robert B. Lochrie, III, Esquire
Ruden, McClosky, Smith, Schuster & Russell, P.A.
200 East Broward Boulevard, 18th Floor
Fort Lauderdale, FL 33301

Any change to an address shall be given in the same manner as a notice under this Section 9.4.

- 9.5. Time. Time is of the essence in the performance by any party of its obligations hereunder.
- 9.6. Entire Agreement. This Agreement constitutes the entire understanding and agreement between the Parties and supersedes all prior negotiations and agreements between them with respect to all or any of the matters contained herein.
- 9.7. Amendment. This Agreement may be amended by the Parties hereto only upon the execution of a written amendment or modification signed by the Parties.
- 9.8. Waivers. All waivers, amendments or modifications of this Agreement must be in writing and signed by the party to be obligated. Any failures or delays by any party in asserting any of its rights and remedies as to any default shall not constitute a waiver of any other default or of any such rights or remedies. Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the parties hereto are cumulative, and the exercise by any party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or other default by any other party.

9.9 Assignment.

(a)(1) Prior to the issuance of a TCO for the last Phase (Phase V) of the Project, the Developer may sell, convey, assign or otherwise dispose of any or all of its right, title, interest and obligations in and to this Agreement, or any part thereof to another party, only after obtaining the prior written consent of the Agency, provided that such party (hereinafter referred to as the "assignee"), to the extent of the sale, conveyance, assignment or other disposition by the Developer to the assignee, shall be bound by the terms of this Agreement the same as the Developer for such Phase as is subject to such sale, conveyance, assignment or other disposition. In reviewing such assignment, the Agency shall not withhold approval of an assignee provided that such assignee has provided the following materials:

- A. Reasonable evidence that the Developer has the financial resources to assure the future performance by such assignee of Developer's obligations hereunder; and
- B. Evidence of the assignee's development experience in development of projects in comparable size and use of the Project.

(a)(2) If the assignee of Developer's right, title, interest and obligations in and to this Agreement, or any part thereof, assumes all of Developer's obligations hereunder for the Project, or that part subject to such sale, conveyance, assignment or other disposition, then the Developer shall be released from all such obligations hereunder which have been so assumed by the assignee, and the Agency agrees to execute an instrument evidencing such release, which shall be in recordable form.

(b) An assignment by the Developer to any corporation, limited partnership, general partnership, or joint venture, in which the Developer is the general partner or is a general partner or has either the controlling interest or through a joint venture or other arrangement shares equal management rights with a financial institution and maintains such controlling interest or equal management rights for the term of this Agreement shall not be deemed an assignment or transfer subject to any restriction on or approvals of assignments or transfers imposed by this Section 9.9, provided, however, that notice of such assignment shall be given by the Developer to the Agency no less than thirty (30) days prior to such assignment being effective. The assignee shall be bound by the terms of this Agreement to the same extent as would the Developer in the absence of such assignment.

(c) A foreclosure by a Developer's Lender or an assignment of the Developer's rights, duties, obligations and interests in this Agreement or the Project, or any part thereof, to Developer's Lender shall not constitute an assignment requiring the prior approval of the Agency, but notice of such foreclosure or assignment shall be given by the Developer or the Developer's Lender as soon as is reasonably possible.

(d) After issuance of a TCO for the final Phase (Phase V) of the Project, Developer shall have the right to assign this Agreement to any successor or assign of Developer without the written consent of the Agency. It is acknowledged by Agency that the Developer may sell all or portions of any Phase of the Project at any time and the rights and duties imposed by this Agreement shall not run with the land but shall remain with the Developer until such time as the Developer assigns its interest or all obligations

contemplated herein by both parties are satisfied. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the parties provided that any assignee of Developer shall confirm in writing that it shall be bound as fully as if it had been the Developer hereunder upon completion of any such assignment, which may be effected by delivery to the Agency of a copy of the Assignment and Assumption Agreement.

(e) The sale or lease of any residential unit or commercial space in the Project does not constitute an assignment for purposes of this Section 9.9 and the rights of the Developer under this Agreement shall remain with the Developer or its assignee notwithstanding such sale or lease.

- 9.10 Indemnification. To the extent permitted by law, including Section 768.28, Florida Statutes (2001), as amended, in the case of the Agency only, each party ("Indemnifying Party") agrees to indemnify and defend the other party (the "Non-Indemnifying Parties") from and against all suits or actions of any kind brought against the Non-Indemnifying Parties based on personal injury, bodily injury, death or property damage, destruction received or reasonably claimed to be received or sustained by any Person or Persons arising out of or in connection with any negligent or intentional act or omission of the Indemnifying Party, its agents, employees or assigns while performing the duties and obligations required by this Agreement but only for events occurring prior to the termination or expiration of this Agreement. This indemnification shall survive the termination of this Agreement. It is understood and agreed that no party to this Agreement waives any immunity it may have as provided by law.
- 9.11 Severability. The invalidity, illegality or unenforceability of any one or more of the provisions of this Agreement shall not affect any other provision of this Agreement, but this Agreement will be construed as if such invalid, illegal or unenforceable provision had never been contained herein.
- 9.12 Contingent Fee. The Developer represents and warrants that it has not employed or retained any Person to solicit or secure this Agreement and that it has not paid or agreed or promised to pay any Person any fee, commission, percentage, gift or any other consideration contingent upon or resulting from the execution of this Agreement, including any broker fee or commission.
- 9.13 Independent Contractor. In the performance of this Agreement, the Developer will be acting in the capacity of an independent contractor and not as an agent, employee, and partner of the Agency. The Developer and its employees and agents shall be solely responsible for the means, methods, techniques, sequences and procedures utilized by the Developer in the performance of its obligations under this Agreement.
- 9.14 Timing of Approvals. Unless specifically provided otherwise, each party hereto shall have a period of not more than twenty (20) business days from the date of submission to such party of any item under this Agreement to take any action or give its approval or denial, subject to the provisions of the Prompt Payment Act with regard to the Agency, and the failure to take any such action, or give such approval or denial within such period of time shall be deemed approval, provided that no approval by the City is subject to this Section 9.14.

- 9.15 Not A General Obligation. (a) Neither this Agreement nor the obligations imposed upon the Agency hereunder shall be or constitute an indebtedness or general obligation of the Agency or other Governmental Authority within the meaning of any constitutional, statutory or charter provisions requiring the Agency or other Governmental Authority to levy ad valorem taxes nor a lien upon any properties or funds of the Agency or other Governmental Authority. The Developer agrees that the obligation of the Agency to make any payments by the Agency to the Developer pursuant to this Agreement shall be subordinate to the obligations of the Agency to pay debt service on any bonds to be issued by the Agency as contemplated by the Finance Plan up to the principal amount of the first issuance of such bonds.
- (b) Nothing contained herein shall be deemed, construed or applied to cause any Governmental Authority, specifically including the Agency, to waive its right to exercise its governmental power and authority or to consider any request causing the exercise of its governmental powers in any manner other than that which is customary for the exercise of such governmental powers.
- 9.16 Parties to Agreement. This is an agreement solely between the Agency and the Developer. The execution and delivery hereof shall not be deemed to confer any rights or privileges on any Person not a party hereto other than the successors or assigns of the Agency and the Developer.
- 9.17 Venue; Applicable Law. All legal actions arising out of or connected with this Agreement must be instituted in the Circuit Court of Broward County, Florida, or the United States District Court for the Southern District of Florida. The laws of the State of Florida shall govern the interpretation and enforcement of this Agreement.
- 9.18 Insurance. During the term of this Agreement, the Developer shall obtain and maintain casualty insurance on the Project in an amount equal to the cost of replacing the Project in the event of a damage or destruction of the Project, including builder's risk insurance during construction. Developer shall use the proceeds of such insurance to either (a) rebuild or repair the Project to substantially the same condition as before such damage or destruction or (b) to demolish the remaining improvements and clear the site. Certificate(s) of insurance evidencing such insurance to the satisfaction of the Agency shall be provided to the Agency by the Developer.
- 9.19. Termination. In the event of a termination of this Agreement as provided herein prior to its expiration the party terminating the Agreement shall provide notice to that effect to the other party and upon receipt of such notice and the expiration of any cure period provided herein, this Agreement shall then be of no force and effect, neither party will be liable to the other for any payments or other obligations other than any payments or obligations earned or incurred as of such date of termination.
- 9.20 Term. This Agreement shall take effect upon the Effective Date and, if not earlier terminated as provided herein, shall expire on the date of the last payment of the Annual Payment Amount or upon full payment of the outstanding Base Payment Amount in lump sum.

[PLEASE SEE NEXT PAGE FOR SIGNATURE BLOCKS]

IN WITNESS WHEREOF, this Agreement is made and entered into this 17 day of June, 2002.

AGENCY:

WITNESSES:

FORT LAUDERDALE COMMUNITY REDEVELOPMENT AGENCY

Safecia B. Ali
Print Name: Safecia B. Ali

Maxine A. Singh
Print Name: MAXINE A. SINGH

By: [Signature]
Name: Jim Naugle
Title: Chairman

Yvonne Brackett Buck
Print Name: YVONNE BRACKETT BUCK

Suzanne Cogswell
Print Name: SUZANNE COGSWELL

By: [Signature]
Name: F.T. Johnson
Title: Executive Director

DEVELOPER:

AVENUE LOFTS, LTD. by its general partner AVENUE LOFTS DEVELOPMENT, LLC, a Florida limited liability company

Cheryl A. Hanley
Print Name: Cheryl A. Hanley

Kristen Ferretti Cassino
Print Name: Kristen Ferretti Cassino

By: [Signature]
ALAN HOOPER, President

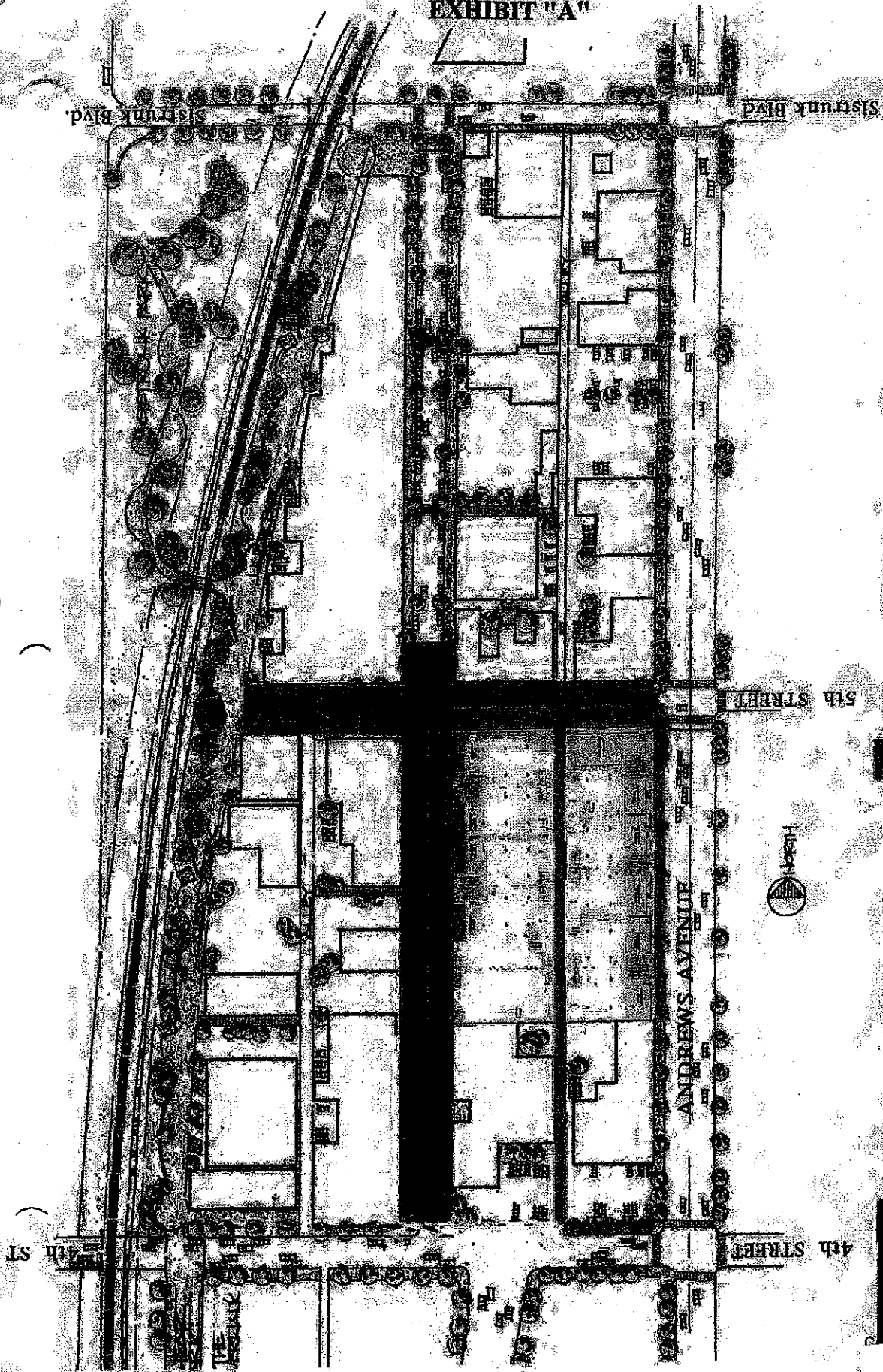
TABLE OF EXHIBITS

- EXHIBIT "A"** - **Developer Road Improvements**
- EXHIBIT "B"** - **Property**
- EXHIBIT "C"** - **Alley Easement Dedication**

EXHIBIT "A"

Developer Road Improvements

EXHIBIT "A"



PROPOSED STREETSCAPE IMPROVEMENTS BY DEVELOPER AMORTIZED BY TIF OVER 25 YEARS

PROPOSED STREETSCAPE IMPROVEMENTS FUNDED BY AVENUE LOFTS.

AVENUE LOFTS

FAT VILLAGE
CONCEPTUAL STREETSCAPE PLAN
RIO NUEVO DEVELOPMENT

AVENUE LOFTS

EXHIBIT "B"

Property

DESCRIPTION: (OVERALL PROPERTY)

ALL OF LOTS 1 THRU 14, INCLUSIVE, LESS THE EAST 15.00 FEET THEREOF, TOGETHER WITH ALL OF LOTS 31 THRU 37, INCLUSIVE, BLOCK 26, ALSO TOGETHER WITH THAT CERTAIN 15.00 FOOT ALLEY LYING ADJACENT TO SAID LOTS 1 THRU 14, INCLUSIVE, AMENDED PLAT OF BLOCKS 1-2-3-4-5-6-7-8-25-26-27-28-29-30-31-32 AND 33 OF NORTH LAUDERDALE, ACCORDING TO THE PLAT THEREOF, AS RECORDED IN PLAT BOOK 1, PAGE 182, OF THE PUBLIC RECORDS OF MIAMI-DADE COUNTY, FLORIDA.

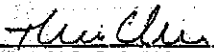
SAID LANDS SITUATE, LYING AND BEING IN THE CITY OF FORT LAUDERDALE, BROWARD COUNTY, FLORIDA AND CONTAINING 2.049 ACRES (89,250 SQUARE FEET) MORE OR LESS.

THE BEARINGS SHOWN HEREON ARE BASED ON AN ASSUMED MERIDIAN WITH THE EAST LINE OF BLOCK 26, AMENDED PLAT OF BLOCKS 1-2-3-4-5-6-7-8-25-26-27-28-29-30-31-32 AND 33 OF NORTH LAUDERDALE, RECORDED IN PLAT BOOK 1, PAGE 182, OF THE PUBLIC RECORDS OF MIAMI-DADE COUNTY, FLORIDA.

CERTIFICATE:

WE HEREBY CERTIFY THAT THIS DESCRIPTION AND SKETCH CONFORMS TO THE MINIMUM TECHNICAL STANDARDS FOR LAND SURVEYING IN THE STATE OF FLORIDA, AS OUTLINED IN CHAPTER 61G17-6 (FLORIDA ADMINISTRATIVE CODE), AS ADOPTED BY THE DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION, BOARD OF PROFESSIONAL SURVEYORS AND MAPPERS IN SEPTEMBER, 1981, AS AMENDED, PURSUANT TO CHAPTER 472.027 OF THE FLORIDA STATUTES, AND IS TRUE AND CORRECT TO THE BEST OF OUR KNOWLEDGE AND BELIEF.

CRAVEN THOMPSON & ASSOCIATES, INC.
CERTIFICATE OF AUTHORIZATION NO. LB271


THOMAS C. SHAHAN
PROFESSIONAL SURVEYOR AND MAPPER NO. 4387
STATE OF FLORIDA

THIS SKETCH & DESCRIPTION IS NOT VALID UNLESS IT BEARS AN ORIGINAL SIGNATURE AND A RAISED, EMBOSSED SURVEYOR'S SEAL.

FEB 04 2002

EXHIBIT "C"

Page 1 of 2

DESCRIPTION: ACCESS AND UTILITY EASEMENT

A PORTION OF LOTS 1, AND 31 THRU 37 INCLUSIVE, BLOCK 26, AMENDED PLAT OF BLOCKS 1-2-3-4-5-6-7-8-25-26-27-28-29-30-31-32 AND 33 OF NORTH LAUDERDALE, ACCORDING TO THE PLAT THEREOF, AS RECORDED IN PLAT BOOK 1, PAGE 182, OF THE PUBLIC RECORDS OF DADE COUNTY, FLORIDA, TOGETHER WITH A PORTION OF THE 15 FOOT WIDE ALLEY LYING IN SAID BLOCK 26, AS VACATED BY CITY OF FORT LAUDERDALE ORDINANCE NO. C-01-05, RECORDED IN OFFICIAL RECORDS BOOK 31710, PAGE 431, OF THE PUBLIC RECORDS OF BROWARD COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF SAID LOT 31, THENCE NORTH, A DISTANCE OF 8.41 FEET; THENCE NORTH 05°29'47" WEST, A DISTANCE OF 46.11 FEET; THENCE NORTH, A DISTANCE OF 16.02 FEET; THENCE NORTH 04°28'02" WEST, A DISTANCE OF 32.19 FEET; THENCE NORTH, A DISTANCE OF 211.30 FEET TO THE POINT OF CURVATURE OF A CIRCULAR CURVE TO THE RIGHT; THENCE NORTHERLY, ALONG THE ARC OF SAID CURVE HAVING A RADIUS OF 42.50 FEET, A CENTRAL ANGLE OF 14°09'47" FOR A DISTANCE OF 10.51 FEET TO THE POINT OF REVERSE CURVATURE OF A CIRCULAR CURVE TO THE LEFT; THENCE NORTHERLY, ALONG THE ARC OF SAID CURVE HAVING A RADIUS OF 42.50 FEET, A CENTRAL ANGLE OF 14°09'47", FOR A DISTANCE OF 10.51 FEET TO THE POINT OF TANGENCY; THENCE NORTH, A DISTANCE OF 15.57 FEET TO THE NORTH LINE OF SAID BLOCK 26; THENCE EAST, ALONG SAID NORTH LINE, A DISTANCE OF 20.00 FEET; THENCE SOUTH, A DISTANCE OF 11.71 FEET TO THE POINT OF CURVATURE OF A CIRCULAR CURVE TO THE RIGHT; THENCE SOUTHERLY, ALONG THE ARC OF SAID CURVE HAVING A RADIUS OF 47.00 FEET, A CENTRAL ANGLE OF 15°11'02" FOR A DISTANCE OF 12.46 FEET TO THE POINT OF REVERSE CURVATURE OF A CIRCULAR CURVE TO THE LEFT; THENCE SOUTHERLY, ALONG THE ARC OF SAID CURVE HAVING A RADIUS OF 27.00 FEET, A CENTRAL ANGLE OF 15°11'02" FOR A DISTANCE OF 7.16 FEET TO THE POINT OF TANGENCY; THENCE SOUTH, A DISTANCE OF 195.49 FEET; THENCE SOUTH 04°53'57" WEST, A DISTANCE OF 29.27 FEET; THENCE SOUTH, A DISTANCE OF 39.22 FEET; THENCE SOUTH 05°29'47" EAST, A DISTANCE OF 46.11 FEET; THENCE SOUTH, A DISTANCE OF 9.13 FEET TO THE SOUTHWEST CORNER OF LOT 14 OF SAID BLOCK 26; THENCE WEST, A DISTANCE OF 15.00 FEET TO THE POINT OF BEGINNING;


SAID LAND SITUATE IN THE CITY OF FORT LAUDERDALE, BROWARD COUNTY, FLORIDA, CONTAINING 6,506 SQUARE FEET OR 0.149 ACRES MORE OR LESS.

THE BEARINGS SHOWN HERON ARE BASED ON AN ASSUMED MERIDIAN. THE SOUTH BOUNDARY OF BLOCK 26 BEARS EAST.

CERTIFICATE:

WE HEREBY CERTIFY THAT THIS DESCRIPTION AND SKETCH CONFORMS TO THE MINIMUM TECHNICAL STANDARDS FOR LAND SURVEYING IN THE STATE OF FLORIDA, AS OUTLINED IN CHAPTER 61G17-6 (FLORIDA ADMINISTRATIVE CODE), AS ADOPTED BY THE DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION, BOARD OF PROFESSIONAL SURVEYORS AND MAPPERS IN SEPTEMBER, 1981, AS AMENDED, PURSUANT TO CHAPTER 472.027 OF THE FLORIDA STATUTES, AND IS TRUE AND CORRECT TO THE BEST OF OUR KNOWLEDGE AND BELIEF.

CRAVEN THOMPSON & ASSOCIATES, INC.
CERTIFICATE OF AUTHORIZATION NO. LB271


THOMAS C. SHAHAN
PROFESSIONAL SURVEYOR AND MAPPER NO. 4387
STATE OF FLORIDA

THIS SKETCH & DESCRIPTION IS NOT VALID UNLESS IT BEARS AN ORIGINAL SIGNATURE AND A RAISED, EMBOSSED SURVEYOR'S SEAL.

SHEET 1 OF 2 SHEETS
JOB NO. 00-0140
DATED: November 9, 2001
Revised: March 19, 2002

MAR 19 2002

NA\Clerical\VOBS\00-0140\LEGAL\Ssd-utility.d



CRAVEN • THOMPSON & ASSOCIATES, INC.
ENGINEERS PLANNERS SURVEYORS

3563 N.W. 53RD STREET, FORT LAUDERDALE, FLORIDA 33309 FAX: (954) 739-6409 TEL: (954) 739-64C

FLORIDA LICENSED ENGINEERING, SURVEYING & MAPPING BUSINESS No. 271

FLORIDA LICENSED LANDSCAPE ARCHITECTURE BUSINESS No. C000114

MATERIAL SHOWN HEREON IS THE PROPERTY OF CRAVEN THOMPSON & ASSOCIATES, INC. AND SHALL NOT BE REPRODUCED IN WHOLE OR IN PART WITHOUT PERMISSION OF CRAVEN THOMPSON & ASSOCIATES, INC. WRITING CRAVEN THOMPSON & ASSOCIATES, INC. COPYRIGHT © 2000

FOR: AVENUE LOFTS

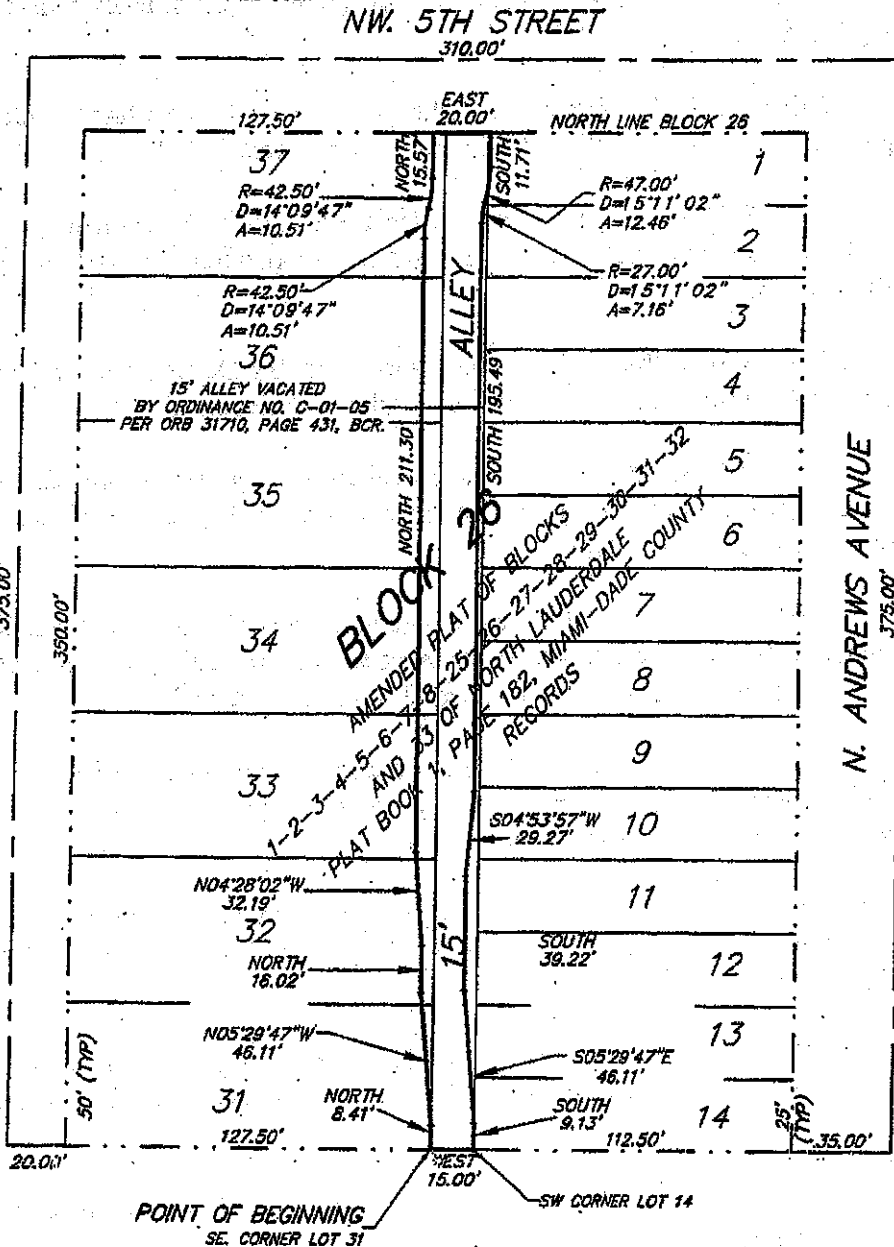
EXHIBIT "C"
 Page 2 of 2

**SKETCH TO ACCOMPANY DESCRIPTION
 ACCESS AND UTILITY EASEMENT**

NOTE: THIS IS NOT A SKETCH OF SURVEY, but only a graphic depiction of the description shown hereon. There has been no field work, viewing of the subject property, or monuments set in connection with the preparation of the information shown hereon.

LEGEND:
 BCR = BROWARD COUNTY RECORDS
 R = RADIUS
 D = CENTRAL ANGLE
 A = ARC LENGTH
 ORB = OFFICIAL RECORDS BOOK

SCALE: 1" = 50'



SHEET 2 OF 2

DATES and/or REVISIONS	DATE	BY	CK'D
REVISE TO ACCESS & UTILITY	11/20/01	DMD	DMD
REVISE LIMITS OF EASEMENT	03/19/02	T.S.	JVN

NOTE The undersigned and CRAVEN-THOMPSON & ASSOCIATES, INC. make no representations or guarantees as to the information reflected hereon pertaining to easements, rights-of-way, set back lines, reservations, agreements and other similar matters, and further, this instrument is not intended to reflect or set forth all such matters. Such information should be obtained and confirmed by others through appropriate title verification.

NOTE Lots shown hereon were not abstracted for right-of-way and/or easements of record.

JOB NO. 00-0140	DRAWN BY: DMD	CHECKED BY: TCS	F.B. N/A	PG.	DATED: 11
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FIRST AMENDMENT TO DEVELOPMENT AGREEMENT

This is the First Amendment ("First Amendment") to the Development Agreement entered into this 23rd day of August, 2004, by and between AVENUE LOFTS, LTD., by and through its general partner AVENUE LOFTS DEVELOPMENT, LLC, and the FORT LAUDERDALE COMMUNITY REDEVOLPMENT AGENCY, an agency duly created in accordance with Chapter, 163, Florida Statutes ("CRA").

WHEREAS, the Developer and the CRA executed that certain Development Agreement on June 12, 2002 ("Development Agreement"); and

WHEREAS, in accordance with the Development Agreement, Developer agreed to construct and operate a residential/commercial mixed-use project ("Project"); and

WHEREAS, the CRA in accordance with the Development Agreement, agreed to financially assist the Developer with the Project; and

WHEREAS, Article 9.7 of the Development Agreement provided for the amendment of same upon the written execution of an amendment signed by the Developer and the CRA; and

WHEREAS, the Developer has met all of the obligations and deadlines as established by the Development Agreement to date, including the completion of Phase 1 and the commencement of Phase 2 of the project; and

WHEREAS, as a result of certain market conditions related to residential developments, Developer must modify certain aspects of the Development Agreement as further specified herein; and

WHEREAS, the CRA and the Developer agree that it is in the best interest of all parties to amend the Development Agreement consistent with this First Amendment.

NOW, THEREFORE, in connection with the various and mutual terms, conditions, promises, covenants hereinafter set forth, the CRA and Developer agree as follows:

1. Recitals. The above recitals are true and correct and are hereby incorporated herein.

2. Amendments.

A) The term Project, as defined in Section 1.26 of the Development Agreement is hereinafter amended. This term, as amended shall apply to the Development Agreement, and the corresponding Plans and Specifications for the Project as follows:

Project means a mixed-use multi-family complex containing (i) approximately ~~one hundred (100)~~ ninety-eight (98) residential/office units and (ii) approximately 9,500 square feet of ground floor/office/retail space, all as more particularly described in the Plans and Specifications.

B) Section 4.8(b) of the Development Agreement shall be modified as follows:

(b) Beginning in the earlier to occur of (a) in the fiscal year of the Agency in which Phase I and Phase II of the Project are both Open for Business, or a date which is six (6) years after commencement of construction of Phase I (whichever occurs last) or (b) in the fiscal year of the Agency in which when all five Phases are Open of Business, then the Agency will pay to Developer annually on or before the later to occur of (a) December 31 of each year, or (b) thirty (30) days after the date on which Developer pays its ad valorem property taxes for the Property and the Developer delivers notice of such payment to the Agency, an Annual Payment Amount until such time as the Developer has received an aggregate sum equal to the Base Payment Amount plus any interest as described below. The Annual Payment Amount shall be the sum which is equal to the Base Payment Amount divided by the total number of loft (work/live) units ~~(100)~~ (98) multiplied by the number of units for which TCOs have been issued and which are located in a Phase that is Open for Business, and, further, divided by the remaining number of years which the Agency has to pay the Base Payment Amount in full (14 years from the date of execution of this Agreement) plus interest on such sum at the rate of ten percent (10%) per annum on the portion of the Base Payment Amount (the Base Payment Amount divided by the number of units which have received TCOs and are Open for Business) outstanding from time to time thereafter. The interest contemplated herein shall accrue from the date each Phase is Open for Business. In lieu

of the Annual Payment Amount, the Agency may, at its discretion, pay the Outstanding Base Payment Amount plus accrued interest in a lump sum. Such lump sum shall equal the Base Payment Amount still remaining less any principal amounts previously paid toward the Base Payment Amount. Agency and Developer also agree that if after the issuance of a TCO for any Phase, construction of a subsequent Phase does not commence within eighteen (18) months from the date of issuance of such TCO, then the Agency's obligation to pay the Annual Payment Amount for a Phase not then constructed and Open for Business shall terminate. The Developer may ask for an extension from the Agency of this time period which approval shall not be unreasonably withheld.

3. Except as modified herein, the Development Agreement remains in full force and effect.

4. Defined terms used in this First Amendment shall have the same meaning as such defined terms are used in the Development Agreement, except as specifically set out to the contrary in this First Amendment.

5. No provision of this First Amendment or the Development Agreement may be amended or added to, except by an agreement in writing signed by the parties hereto or their respective successors in interest.

6. If any term, covenant or condition of this First Amendment shall, to any extent, be invalid or unenforceable, the remainder of this First Amendment or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term, covenant or condition of this First Amendment shall be valid and enforceable to the fullest extent permitted by law.

7. This First Amendment shall be governed by the laws of the State of Florida, and any proceeding arising by the parties in any manner pertaining to this First Amendment shall, to the extent permitted by law, be held in Broward County, Florida.

IN WITNESS WHEREOF, Developer and CRA have caused this instrument to be executed as of the day and year first above written.

AGENCY:

WITNESSES:

FORT LAUDERDALE COMMUNITY REDEVELOPMENT AGENCY

Saleem B. Ali
Print Name:

By: [Signature]
Jim Naugle, Chairman

Saleem B. Ali
Print Name:

Judith Johnson
Print Name:

By: [Signature]
George Gretsas, Executive Director

Judith Johnson
Print Name:

Approved as to Form:
[Signature]
Community Redevelopment Agency Attorney

DEVELOPER:

AVENUE LOFTS, LTD. by its general partner AVENUE LOFTS DEVELOPMENT, LLC, a Florida limited liability company

Chris Bellissimo
Print Name: Chris Bellissimo

By: [Signature]
Alan Hooper, President

Mariagabriela Coltraz
Print Name: Mariagabriela Coltraz

**SECOND AMENDMENT TO AGREEMENT
FOR
DEVELOPMENT OF PROPERTY
[Avenue Lofts Project]**

This Second Amendment to Agreement for Development of Property [Avenue Lofts Project] ("Second Amendment") is entered into this 29 day of December, 2006, by and between the FORT LAUDERDALE COMMUNITY REDEVELOPMENT AGENCY, a community redevelopment agency duly created in accordance with Chapter, 163, Florida Statutes (the "Agency") and AVENUE LOFTS, LTD., a Florida limited partnership (the "Developer").

WHEREAS, Agency and Developer entered into that certain Agreement for Development of Property [Avenue Lofts Project] dated June 12, 2002 (the "Agreement"); and

WHEREAS, Developer modified the Plans and Specifications for the Project with the consent of the Agency on June 15, 2004 to reduce the number of residential/office units from one hundred (100) to ninety-eight (98) residential/office units and the parties entered into the First Amendment to the Agreement dated August 23, 2004; and

WHEREAS, the Agreement is in full force and effect and Developer continues to meet its obligations under the Agreement including, but not limited to, the completion of Phases 1-3 of the Project; and

WHEREAS, on June 20, 2006, the Agency approved the drafting of an amendment to the Agreement to provide for additional grant funds to the Developer and changing the obligations of the parties; and

WHEREAS, on October 17, 2006, the Agency authorized the execution of this Second Amendment and a Partial Assignment and Assumption Agreement; and

WHEREAS, Developer and Agency desire to amend the Agreement to reflect the modifications; and

WHEREAS, the Foundry-Mill, Ltd., a Florida limited partnership ("Foundry-Mill"), through its general partner Foundry-Mill Development, LLC, a Florida limited liability company is currently developing two (2) residential/mixed use projects located within the Community Redevelopment Area commonly known as the "Mill Lofts" located adjacent to and south of the Avenue Lofts Project and the "Foundry Lofts" located to the west of the Mill Lofts on N.W. 1st Avenue; and

WHEREAS, Alan Hooper, the Developer, is the Manager of Foundry-Mill Development, LLC; and

WHEREAS, Developer has completed and is currently in the process of completing certain streetscape improvements pursuant to the terms of the Agreement; and

FTL:1815042:4
July 25, 2006

WHEREAS, pursuant to Memorandum No. 06-114 dated June 12, 2006 ("Memorandum"), Developer requested that the Agency and, the Agency agreed to provide Developer, with an additional grant from the Flagler Heights Strategic Investment Streetscape Program to support expanded streetscape improvements around the Foundry Lofts and the Mill Lofts projects in the not to exceed amount of \$356,949.21 to cover 50% of the costs related to the construction of the expanded streetscape improvements ("Additional Grant"), which such costs for the expanded streetscape improvements are estimated to cost \$713,898.42; and

WHEREAS, Developer desires to assign its obligations to the Foundry-Mill to complete a portion of the Developer Road Improvements around the Foundry Lofts and Mill Lofts projects and the expanded streetscape improvements and the right to receive the Additional Grant; and

WHEREAS, pursuant to Article 9.7 of the Agreement, the Developer and the Agency desire to amend the Agreement pursuant to the terms and conditions set forth in this Second Amendment.

NOW, THEREFORE, for and in consideration of the recitals, the mutual promises, covenants and agreements contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. The foregoing recitals are true and are incorporated in this Second Amendment by this reference.

2. Capitalized terms used herein and not expressly defined herein shall have the same meaning as set forth in the Agreement unless the context indicates a different meaning.

3. In case of any conflict or ambiguity between the terms and provisions of this Second Amendment and the terms and provisions of the Agreement, the terms and provisions of this Second Amendment shall control to the extent of such conflict or ambiguity.

4. Article 1.14. of the Agreement entitled "Developer Road Improvements" is hereby amended by substituting Exhibit "A" with Exhibit "A" attached hereto and as follows:

1.14. Developer Road Improvements means those street improvements within the alley which runs north-south between Northwest 4th and 5th Streets between the Project from the southern boundary of the Project and Northwest 5th Street, Northwest 1st Avenue between the southern boundary of the Project and Northwest 5th Street, Northwest 5th Street between Andrews Avenue and Northwest 1st Avenue inclusive of the intersection and those certain improvements to the ROW eExpansion Property immediately adjacent to the Property, being approximately nine (9) feet of road frontage, including water and sewer upgrades, right of way landscaping, sidewalks, paving, curbs, gutters, utility relocations and right of way lighting, as described and depicted on Exhibit "A" hereto and labeled Avenue Lofts Streetscape. It is understood by the Agency and Developer that to the extent permitted by law the Developer Road Improvements may be modified to provide for existing back-out parking on adjoining properties and that the Developer will assist the Agency in designing such revisions, if necessary.

Pursuant to that certain Partial Assignment and Assumption Agreement by and between Developer and Foundry-Mill with the joinder and consent of the Agency

("Assignment"), Foundry-Mill is assuming Developer's obligation to complete those street improvements adjacent to the Mill Lofts and/or the Foundry Lofts, as the case may be, within the alley which runs north-south between Northwest 4th and 5th Streets between Northwest 4th Street and the northern boundary of the Mill Lofts project and the street improvements within Northwest 1st Avenue between Northwest 4th Street and the northern boundaries of the Mill Lofts and Foundry Lofts projects as described and depicted on Exhibit "A" hereto and labeled "Foundry-Mill Streetscape" ("Foundry-Mill Road Improvements"). Additionally, Foundry-Mill is assuming Developer's obligation set forth in the Memorandum to complete those street improvements within the alley which runs north-south between Northwest 4th Street and Northwest 5th Street to the west of the Foundry Lofts Project as described and depicted on Exhibit "A" hereto ("Expanded Road Improvements").

5 Pursuant to Article 9.9 (a)(1) of the Agreement entitled "Assignment" Agency hereby consents to the partial assignment to the Foundry-Mill of Developer's obligations to complete the Foundry-Mill Road Improvements and the Expanded Road Improvements and the right to receive the Additional Grant for the completion of the Expanded Road Improvements in accordance with the terms and provisions of the Assignment attached hereto and incorporated herein.

6 In all other respects, this Second Amendment is hereby ratified and confirmed by the parties to be in full force and effect, as amended hereby, and has not otherwise been modified or amended except as set forth herein.

7 This Second Amendment may be executed in any number of counterparts, all of which, when taken together, shall constitute one (1) original.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]

L:\Agmts\CRA\2006\Final Second Amendment to Avenue Lofts Development Agreement -I.DOC

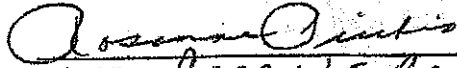
FTL1815042:4
July 25, 2006

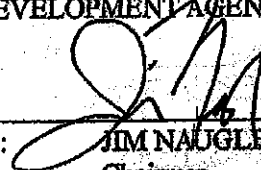
IN WITNESS WHEREOF, this First Amendment is made and entered into this 29
day of December, 2006.

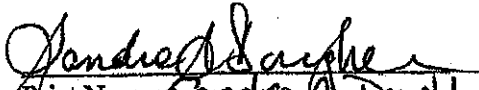
AGENCY:

**FORT LAUDERDALE COMMUNITY
REDEVELOPMENT AGENCY**

WITNESSES:



Print Name: ROSANNA PICCOLLO

By: 
Name: JIM NAUGLE
Title: Chairman

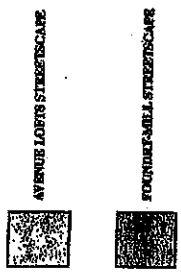
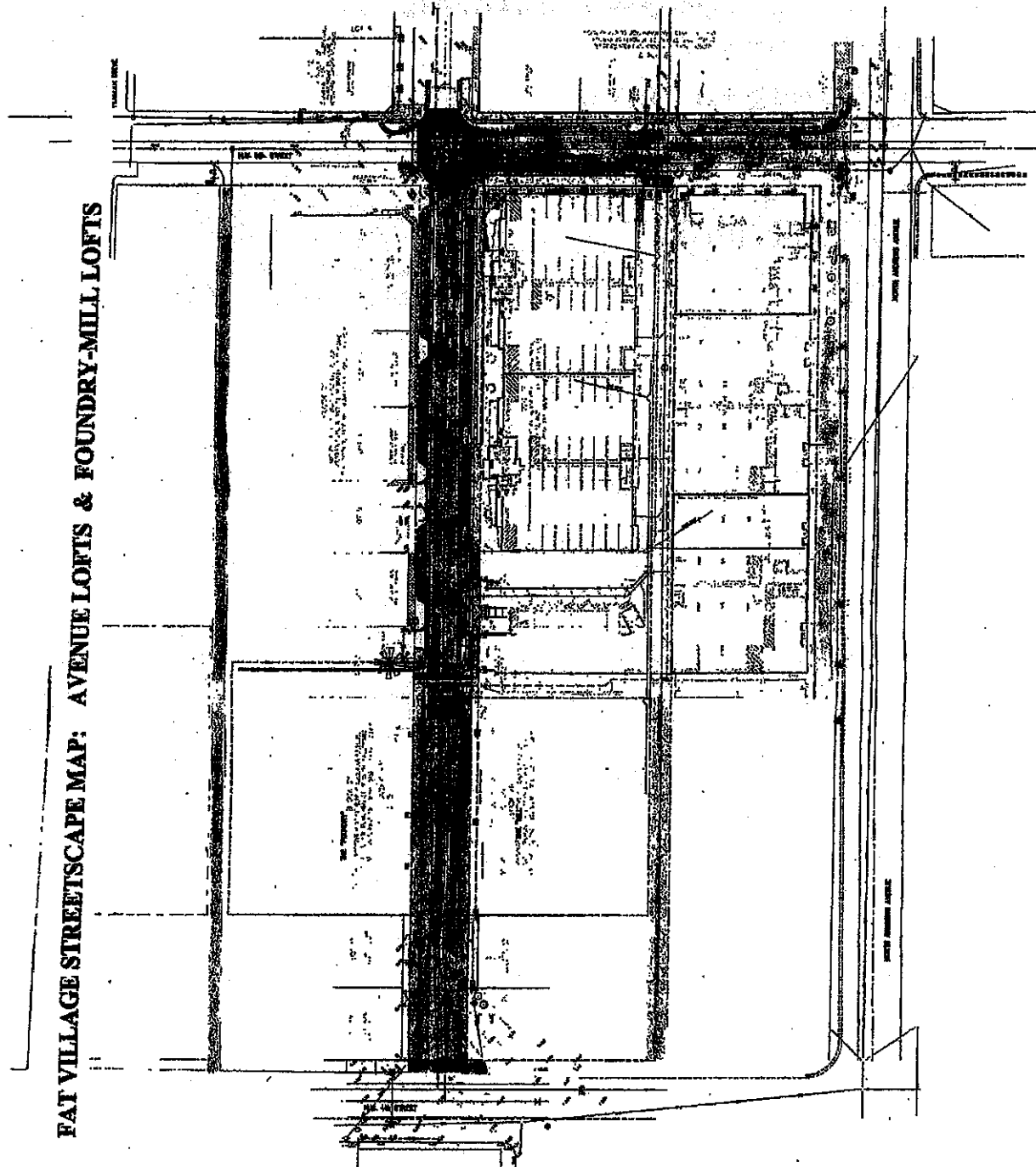

Print Name: Sandra A. Douglas

By: 
Name: GEORGE GRETSAS
Title: Executive Director

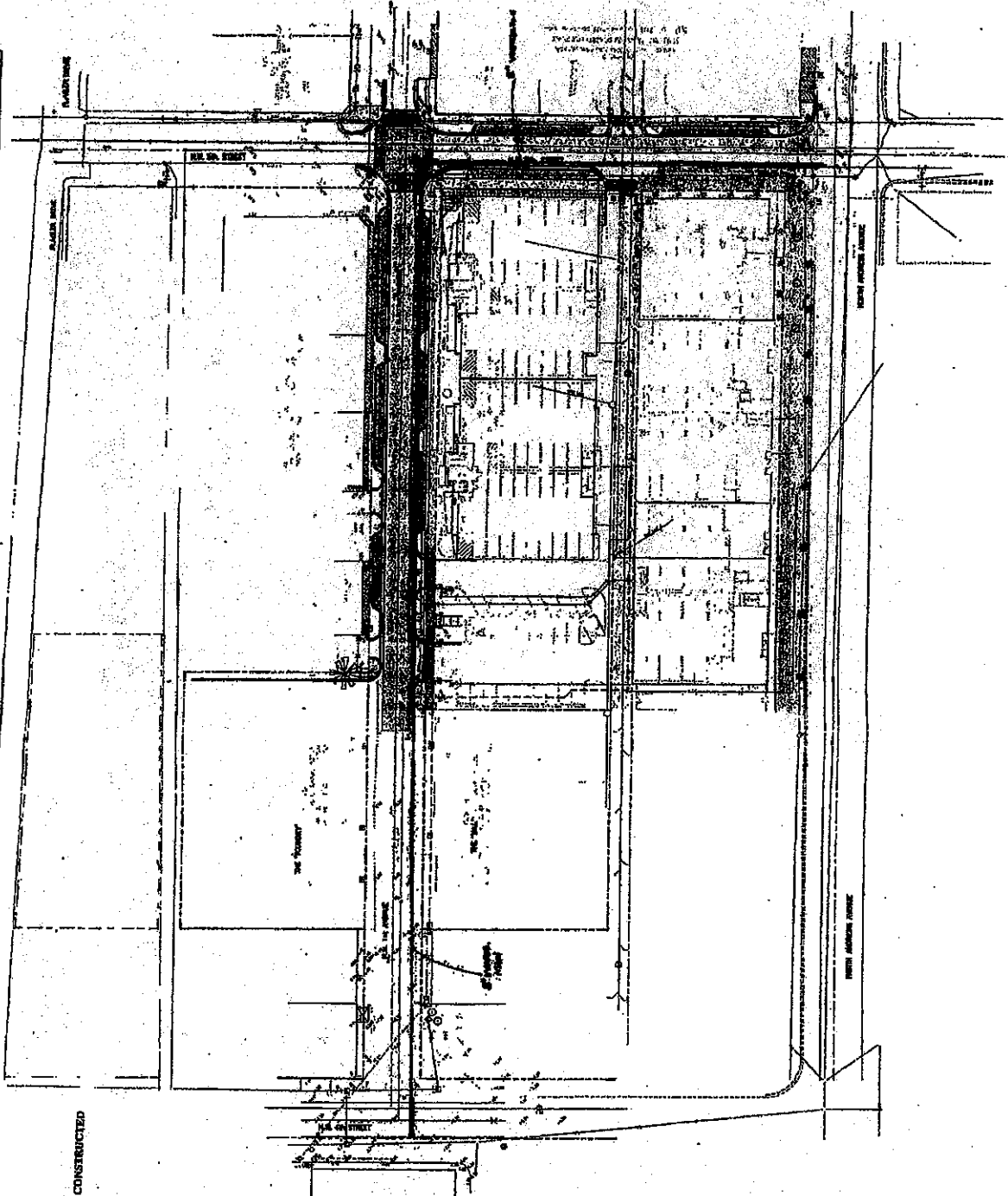
Approved as to form:


Assistant Agency Attorney

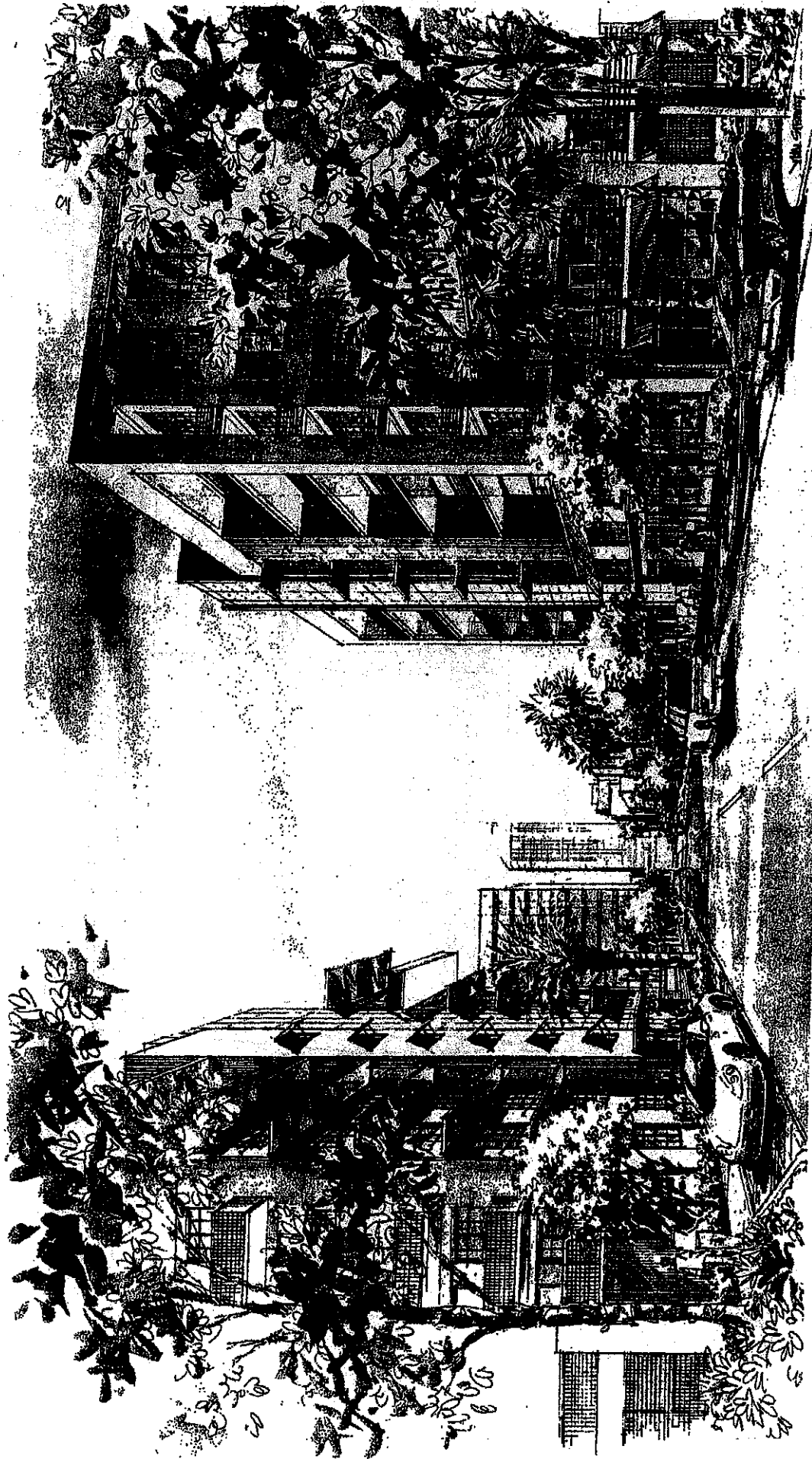
FAT VILLAGE STREETSCAPE MAP: AVENUE LOFTS & FOUNDRY-MILL LOFTS



FAT VILLAGE STREETSCAPE MAP: AVENUE LOFTS PORTION OF WORK ALREADY CONSTRUCTED



AVENUE LOFTS STREETSCAPE: ALREADY CONSTRUCTED



FAT Village CRA Streetscape Improvements: Cost Breakdown

Items/Description	Avenue Lofts Streetscape 2002	Avenue Lofts Streetscape 2002	Foundry-MHI Streetscape	TOTAL Investment
Demolition Work				
Concrete Removal				
Asphalt/Subgrade/Removal				
Curb & Gutter Removal				
Vegetation Removal				
Total Demolition Work	68,900.00	721,600.00	1,168,000.00	188,535.94
Hardscape				
Concrete Pavers Vehicular				
Concrete Sidewalk				
Asphaltwork				
Curb and Gutter				
Total Hardscape	351,150.00	3,500,000.00	3,500,000.00	758,048.19
Landscape				
Canopy Trees				
Accent Palms				
Shrubs and Groundcover				
Total Landscape	25,795.50	42,000.00	42,000.00	63,893.56
Site Amenities: Tree Grates	156,600.00	156,600.00	156,600.00	36,421.67
Site Lighting				
Street Light Fixtures				
Electrical Work				
Total Site Lighting	375,000.00	2,776,720.00	2,776,720.00	420,250.00
8" Water Main		176,300.00	176,300.00	176,300.00
Storm Drainage		51,250.00	51,250.00	102,500.00
Sub Total	977,445.50	1,225,168.13	1,225,168.13	1,745,949.36
Contingency (15%)				93,117.19
TOTAL	977,445.50	1,225,168.13	1,225,168.13	1,839,066.55
CRA	499,038.98	499,038.98	499,038.98	886,988.19
Avenue Lofts Ltd./Foundry-MHI Ltd.	478,406.52	626,129.15	726,129.15	983,078.36

* Avenue Lofts Ltd. has already completed a portion of the streetscape work as indicated on the street map.