

VILLAGE OF THE ARTS, LTD.

540 North West 4th Avenue
Fort Lauderdale, Florida 33311
Office: 954.467.1800
Facsimile: 954.467.4044

October 13, 2021

VIA FEDERAL EXPRESS

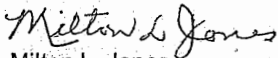
Chris Lagerbloom, City Manager
City of Fort Lauderdale
100 North Andrews Avenue
Fort Lauderdale, FL 33301

**Subject: Land Disposition, Development and Management Agreement by and between City
Of Fort Lauderdale and Milton Jones Development Corporation dated February 5,
2008, as amended/Phase II Project**

Dear Mr. Lagerbloom:

Enclosed is an amendment letter dated October 13, 2021 ("Amendment Letter") to the Commitment Letter dated November 6, 2017, as extended by those certain Letter Agreements dated February 27, 2018, June 28, 2018, October 25, 2018, February 26, 2019, June 21, 2019, October 23, 2019, February 26, 2020, June 22, 2020, October 22, 2020, February 16, 2021 and June 15, 2021 by and between Bank of America, N.A. and Village of the Arts, Ltd. which Amendment Letter extends the date of Closing to on or before February 15, 2022. If you have any questions or comments, please do not hesitate to contact me.

Sincerely,



Milton L. Jones
President

Enclosures

Cc: Clarence E. Woods III, Contract Administrator (via Electronic Mail and Fed Express w/enclosures) ✓
Alain E. Boileau, City Attorney (via Electronic Mail and Federal Express w/enclosures)

October 13, 2021

VIA ELECTRONIC MAIL

Village of the Arts, Ltd.
Nine North West 4th Avenue
Suite A
Dania Beach, Florida 33004
Attn: Milton L. Jones, Jr.

Re: Commitment Letter dated November 6, 2017, as extended by those certain Letter Agreements dated February 27, 2018, June 28, 2018, October 25, 2018, February 26, 2019, June 21, 2019, October 23, 2019, February 26, 2020, June 22, 2020, October 22, 2020, February 16, 2021 and June 15, 2021 (collectively with this Amendment Letter, the "Commitment Letter") by and between Bank of America, N.A. ("Lender"), Village of the Arts, Ltd., a Florida limited partnership ("Borrower") and Milton L. Jones, Jr. and Barbara H. Jones (together, "Guarantors")

Dear Mr. Jones:

Lender has considered your request to further extend the Commitment Letter and is pleased to inform you that the Lender has agreed (the "Amendment Letter") to extend and modify the Commitment Letter, upon the terms and conditions hereinafter set forth. All capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Commitment Letter.

A. Closing. The Section in the Commitment Letter entitled "Closing" is hereby modified to delete reference to "October 18, 2021" and replace it with the date "February 15, 2022". It is the intention of the Lender, Borrower and Guarantors that if the Facility is not closed by February 15, 2022, then, notwithstanding anything to the contrary contained in the Commitment Letter, the Commitment Letter shall expire and Lender shall have no further obligations under the Commitment Letter. By its execution hereof, Borrower and Guarantors acknowledge and agree that Lender is under no obligation to further extend either the Commitment Letter or the date of the Closing thereunder and that Lender shall have no liability to either Borrower or Guarantors if the Commitment Letter expires or Closing does not occur and Lender is unwilling, for any reason whatsoever, to further extend the Closing, this Commitment Letter or extend credit to Borrower or any Guarantor on any other terms and conditions.

B. Other Provisions. The parties hereto hereby consent to terms and conditions of this Amendment Letter as of date hereof. Except as amended, modified, and supplemented by this Amendment Letter, all of the terms and provisions of the Commitment Letter shall remain in full force and effect. The Borrower and Guarantors by its execution of this Amendment Letter, hereby signify their acceptance of this Amendment Letter.

C. Acceptance. Please indicate your acceptance of this Amendment Letter by signing below and returning the executed counterpart of this Amendment Letter to Lender. This Amendment Letter may be signed in any number of counterparts and by electronic signature, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

Very truly yours,

BANK OF AMERICA, N.A.

By: Michael Cooney
Name: Michael Cooney
Title: Senior Vice President

AGREED TO AND ACCEPTED BY:

BORROWER:

VILLAGE OF THE ARTS, LTD.,
a Florida limited partnership

By: MJDC VOA, Inc.,
a Florida corporation,
its sole general partner

By: Milton L. Jones, Jr.
Name: Milton L. Jones, Jr.
Its: President

GUARANTORS:

Milton L. Jones, Jr.
MILTON L. JONES, JR.

Barbara H. Jones
BARBARA H. JONES

VILLAGE OF THE ARTS, LTD.

540 North West 4th Avenue
Fort Lauderdale, Florida 33311
Office: 954.467.1800
Facsimile: 954.467.4044

November 7, 2017

VIA FEDERAL EXPRESS

Lee Feldman, City Manager
City of Fort Lauderdale
100 North Andrews Avenue
Fort Lauderdale, FL 33301

Subject: Development Agreement/Phase II Project

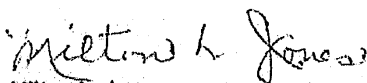
Dear Mr. Feldman:

Pursuant to the requirements of the Land Disposition, Development and Management Agreement by and between City of Fort Lauderdale and Milton Jones Development Corporation dated February 5, 2008, as amended and in connection with proof of Firm Financing Commitments and sufficient Equity Investment for the Phase II Project, enclosed are the following:

1. Commitment Letter from Bank of America, N.A. to Village of the Arts, Ltd. dated November 6, 2017, and
2. Letter from Goldstein, Zugman Weinstein & Poole, LLC to Lee Feldman, City of Fort Lauderdale dated October 30, 2017.

If there is anything further, please do not hesitate to contact me.

Sincerely,


Milton L. Jones
President

Enclosures

cc: D'Wayne Spence, Contract Administrator (with enclosures)
Cynthia A. Everett, City Attorney (with enclosures)

November 6, 2017

Village of the Arts, Ltd.
Nine North West 4th Avenue
Suite A
Dania Beach, Florida 33004
Attention: Milton L. Jones, Jr.

Dear Mr. Jones:

Bank of America, N.A. ("Bank of America" or "Lender") is pleased to provide this Commitment Letter (this "Commitment") for the proposed financing noted below. This Commitment does not purport to summarize all of the conditions, terms, covenants, representations, warranties and other provisions that would be contained in definitive legal documentation for the credit facility contemplated hereby.

GENERAL TERMS:

Property: The "Property" or "Project" is a seven story midrise apartment building consisting of 150 residential apartment units with a total rentable area of 112,805, and 7,500 square feet of commercial space to be constructed on 1.67 acres of land located at 543 N.W. 5th Avenue, Ft. Lauderdale, Florida.

Borrower: Village of the Arts, Ltd., a single purpose, bankruptcy remote entity that is controlled/wholly-owned by Guarantors.

Guarantors: Milton L. Jones, Jr. and Barbara H. Jones

Lender: Bank of America, N.A.

Facility: A senior, secured construction loan facility (the "Facility") in an aggregate amount (the "Facility Amount") equal to the lesser of (a) \$21,400,000, seventy (70%) percent of the projected costs set forth in the approved project budget; such amount that, when fully advanced, would provide a Debt Service Coverage Ratio (as defined below), of 1.20 to 1.0; and seventy (70%) percent of the "As Stabilized" value of the Property as determined by reference to an appraisal in form and substance satisfactory to Lender in its sole discretion.

Interest Rate: LIBOR Daily Floating Rate plus 275 basis points per annum (the "Interest Rate"); provided, however, upon achieving a Debt Service Coverage Ratio of 1.20x based on trailing 12 months performance, the Interest Rate will be reduced to a rate equal to the LIBOR Daily Floating Rate plus 250 basis points per annum.

"Alternative Rate" means, on any day, a fluctuating rate per annum equal to the higher of: (i) the Federal Funds Rate plus ½ of 1%, and (ii) the rate of interest in effect for such day as publicly announced by Lender as its "Prime Rate."

Bank of America
Merrill Lynch

Revised November 29, 2016

"Business Day" means any day other than a Saturday, Sunday or other day on which commercial banks are authorized to close under the Laws of, or are in fact closed in, the state where Lender's office is located.

"Federal Funds Rate" means, for any day, the rate per annum equal to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System on such day, as published by the Federal Reserve Bank on the Business Day next succeeding such day; provided that (a) if such day is not a Business Day, the Federal Funds Rate for such day will be such rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day, and (b) if no such rate is so published on such next succeeding Business Day, the Federal Funds Rate for such day will be the average rate (rounded upwards to the next higher 1/100 of 1%) charged to Lender on such day on such transactions as determined by Lender.

"LIBOR Daily Floating Rate" means, for any day, a fluctuating rate of interest per annum equal to LIBOR, or a comparable or successor rate, which rate is approved by Lender, as published on the applicable Bloomberg screen page (or such other commercially available source providing such quotations as may be designated by Lender from time to time), at or about 11:00 a.m., London time, two (2) LIBOR Business Days prior to such day, for U.S. Dollar deposits with a term of one (1) month commencing that day; provided that (a) to the extent a comparable or successor rate is approved by Lender in connection herewith, the approved rate will be applied in a manner consistent with market practice; provided, further, that to the extent such market practice is not administratively feasible for Lender, such approved rate will be applied in a manner as otherwise reasonably determined by Lender, and (b) if the LIBOR Daily Floating Rate shall be less than zero, such rate will be deemed zero. "LIBOR" means the London Interbank Offered Rate. If the LIBOR Daily Floating Rate becomes unavailable, indeterminable or illegal, or fails to reflect Lender's costs, the interest rate will be the Alternative Rate plus 175 basis points per annum.

Default Interest; Late Charge:

From and after the Maturity Date of the Facility and during the continuation of any default, the Facility will, at Lender's option, bear interest at a rate equal to the maximum rate permitted by applicable law (or, if no such rate is specified by applicable law, 25% per annum). Any payment of principal or interest not received by the Lender within twenty (20) days after its due date shall be accompanied by a late charge equal to five percent (5%) of the amount of the delinquent payment. Notwithstanding anything to the contrary in this section the late charge shall not apply to the principal balance due on the Maturity Date.

Repayment:

During the Construction Phase, on the first day of the month, the Borrower shall make monthly payments of accrued interest only (each, a "Payment Date"). Thereafter, during the Term Phase, the Borrower shall make monthly payments of principal and interest, each in the amount of the

Required Monthly Payment (calculated in the manner described below), on each Payment Date. The initial Required Monthly Payment shall be the amount required to pay the unpaid principal balance of the Facility (as of the date Borrower is required to commence making Required Monthly Payments), including accrued interest at the Interest Rate, over a twenty five (25) year modified mortgage-style amortization schedule, in equal monthly installments. Any remaining principal and interest, if not sooner paid, shall be due and payable on the Maturity Date.

Commitment Fee:

Borrower will pay to Lender a nonrefundable commitment fee in an amount equal to fifty (50) basis points of the Facility Amount (the "Commitment Fee"). Commitment Fee shall be paid by Borrower to Lender at the time of Closing. To the extent Closing does not occur, for any reason, Borrower and Guarantors shall reimburse Lender for any and all out of pocket expenses incurred by Lender, including, without limitation, appraisal fees, environmental fees and attorneys fees.

Maturity Date:

72 months from the closing date of the Facility (the "Maturity Date").

Conversion

The Facility shall consist of a "Construction Phase" of forty-eight (48) months from the Closing Date and a "Term Phase" of twenty-four (24) months from the end of the Construction Phase.

The Facility shall convert from the Construction Phase to the Term Phase, provided that (i) Borrower provides evidence that a Certificate of Occupancy has been issued for Project, (ii) Borrower is not in default under any of the documents evidencing or securing the Facility or under any related loans at the Lender, (iii) the Final Advance (defined below) shall have been made, (iv) Borrower pays to Lender a conversion fee equal to twenty (20) basis points of the outstanding balance of the Facility Amount, and (v) Borrower and Guarantors execute such other documents and instruments as Lender may require.

If the Conditions to Conversion have not been satisfied on or before the expiration of the Construction Phase, then the Facility will not convert to the Term Phase and the outstanding principal balance of the Facility, together with all accrued and unpaid interest thereon and all other amounts payable under any documents evidencing or security the Facility, shall be immediately due and payable on the expiration of the Construction Phase.

Guaranties and Indemnities:

Guarantors will provide a full payment guaranty of the Facility; provided, however, such guaranty shall be reduced to fifty (50%) percent of the principal amount of the Facility (subject to the Carve Out Guaranty) plus (a) one hundred (100%) percent of all interest and fees associated with the Facility plus (b) one hundred (100%) percent of all other costs and expenses relating to or arising from the Facility on the date that the Facility achieves a Debt Service Coverage Ratio of 1.20x based on six (6) consecutive months performance and using the higher of (i) actual operating expenses as determined by the Lender including a 3% management fee and a \$250 per unit replacement reserve or (ii) the expenses per the appraisal report dated May 6, 2017 by CBRE, Inc.

Guarantors will provide a guaranty with respect to non-recourse carveouts, including, without limitation, fraud, misapplication and full springing recourse upon voluntary or collusive involuntary bankruptcy (the "Carve Out Guaranty").

Guarantors will provide an unlimited completion, performance and cost overrun guaranty, including, without limitation, the timely contribution of any loan balancing deposits. The Completion Guaranty shall also guaranty the unlimited completion, performance and cost overruns of any improvements required to satisfy the terms and conditions of the Development Agreement.

Guarantors, on a joint and several basis with Borrower, will provide an environmental indemnity.

Project Completion Date:

No later than the earlier to occur of (a) thirty-six (36) months from the Closing of the Facility or (b) the date required by the Development Agreement.

Equity Contribution:

Guarantors will be required to contribute (or cause to be contributed) to the common equity of Borrower in an amount not less than (a) \$10,597,595 or (b) thirty (30%) percent of the total cost (presently estimated at \$31,997,595) as set forth in the approved budget, to be supported by Lender approved appraisal report and development expenditure documentation (itemized construction budget used for disbursements by current construction lender and copies of payment certificates to general contractor) to be reviewed and approved by Lender ("Guarantor Equity"). Guarantor Equity will include the "Basel Equity Contribution Requirement" defined below.

HVCRE:

Before the initial advance of the Facility, Borrower will be required to meet the Basel Equity Contribution Requirement, such that the Facility is not classified as a High Volatility Commercial Real Estate ("HVCRE") exposure pursuant to Basel III Regulations. Borrower will be further required to maintain all Guarantor Equity and all internally generated capital in the Borrower and in the Property until the "Permitted Distribution Date" defined below. To prevent characterization of the Facility as an HVCRE exposure, Borrower will be required to apply all revenues derived from the Property to pay costs and expenses of ownership, maintenance, development, operation, and marketing of the Property, with any remaining revenues to be maintained in the Borrower and the Property until the Permitted Distribution Date.

"Basel Equity Contribution Requirement" means the contribution of capital by Borrower of cash or unencumbered readily marketable assets or the payment of development costs out-of-pocket, as approved by Lender, equal to at least fifteen percent (15%) of the "As Completed" value of the Property as determined by reference to an appraisal in form and substance satisfactory to Lender. For the avoidance of doubt, the Basel Equity

Contribution Requirement is not added to the Guarantor Equity requirement. Instead, the Basel Equity Contribution Requirement is a component of Guarantor Equity.

"Permitted Distribution Date" means the date when the project has been "Substantially Completed" as defined in the Facility documentation and has achieved a Debt Service Coverage Ratio of at least 1.20 to 1.0.

Collateral:

Collateral for the Facility will include, without limitation, a first priority (a) mortgage lien on Borrower's fee interest in the Property, which property shall not be subject to any reversionary interest; (b) assignment of all leases, rents, income, licenses, permits and contracts relating to the Property; (c) lien on all operating reserve and other deposit accounts related to the Property, including, without limitation, the replacement reserve (which reserve shall be held at Bank of America); (d) assignment of all interest rate hedge agreements (if any); (e) An assignment of all permits, licenses, contracts and agreements associated with the ownership, construction and operation of the Property; (f) applicable UCC-1 Financing Statements; (g) customary collateral assignments of any other rights or property used in connection with the ownership or operation of the Property and deemed commercially reasonably prudent by Lender; (h) any and all rights of Borrower pursuant to the Development Agreement.

Interest Rate Protection:

Borrower may obtain interest rate protection in form and with parties acceptable to Lender for a notional amount of not less than \$10,000,000 and otherwise on terms to be agreed to in the Facility documentation. Borrower and any person or entity that at any time provides a guaranty of Borrower's obligations in respect of such interest rate protection (including but not limited to any general partner of any thereof) will be required to be an "eligible contract participant" as such term is defined in the Commodity Exchange Act (7 U.S.C. § 1 *et seq.*), as amended from time to time, and any successor statute.]

Optional Prepayment:

Borrower may prepay the Facility in whole or in part at any time without premium or penalty. Amounts prepaid cannot be re-borrowed.

Reporting Requirements:

Borrower and Guarantors shall furnish to Lender the following financial information, in each instance prepared in accordance with generally accepted accounting principles consistently applied and otherwise in form and substance satisfactory to Lender:

- (a) Not later than ninety (90) days after each calendar year end, annual financial statements of Borrower and any other information reasonably requested by Lender, certified and signed by the Borrower. The annual financial statement shall be accompanied by a compliance certificate, in form, scope and substance acceptable to Lender.
- (b) Not later than one hundred twenty (120) days after each calendar year end, annual personal financial statements of each Guarantor

including, without limitation, statements of financial condition, a listing of real estate holdings (including percentage of ownership and ownership status), a reconciliation of net worth, a listing of all contingent liabilities, notes to financial statements, and any other information reasonably requested by Lender, certified and signed by each Guarantor.

- (c) As soon as available, and in no event later than thirty (30) days after filing with the Internal Revenue Service, a true and complete copy of the federal tax returns, including all K-1s and other schedules, of Borrower and of Guarantors, together with copies of any extensions filed therefor.
- (d) Not later than one hundred twenty (120) days after each calendar year end, Guarantors shall each deliver a real estate developer worksheet on the Lender's approved form reflecting a comprehensive schedule of each of the commercial properties owned, directly or indirectly, by any Guarantor on an annual basis.
- (e) Not later than sixty (60) days after each March 31st, June 30th, September 30th and December 31st, operating statements and current rent roll on a quarterly basis until the Project reaches stabilization. Once stabilization has been achieved, the foregoing quarterly reports shall be reduced to deliveries no later than sixty (60) days following each June 30th and December 31st.
- (f) Not later than forty-five (45) days after each March 31st, June 30th, September 30th and December 31st, Borrower and Guarantors shall deliver quarterly compliance certification and reporting on unencumbered liquidity compliance to the extent such assets are not held with Lender or affiliate.
- (g) Such other information as Lender may from time to time reasonably request.

Facility Covenants:

In addition to such affirmative and negative covenants as are typically required by Lender, the Facility documents will contain the following additional covenants:

- (a) **Accounts.** Borrower shall maintain its operating accounts at Lender during the term of the Facility.
- (b) **No Encumbrances.** Borrower shall not create or permit to exist any mortgage lien, security interest or other encumbrance on the Property.
- (c) **No Mezzanine Financing.** Neither Borrower nor its constituents shall obtain any mezzanine or other secondary financing. Any loans between members of the Borrower and the Borrower (if permitted by

Lender), shall be subordinate in all respects to the repayment of the Facility.

(d) **No Transfers.** The documents evidencing the Facility shall contain a due on sale clause prohibiting the Borrower from transferring any interest in the Property during the term of the Facility without first repaying to Lender all amounts due under the Facility. Additionally, any change in the present ownership (directly or indirectly) of the Borrower or change in ownership structure of Borrower (directly or indirectly) made without the Lender's prior written consent shall constitute a default under the documents evidencing the Facility, and if prior to closing, shall constitute grounds for terminating this Commitment Letter.

Notwithstanding anything to the contrary contained in this Commitment Letter, as long as all of the Transfer Conditions (as defined below) are satisfied prior to and after any of the following transfers, transfers to Daphne Jones and Sean Jones shall be permitted provided that: (i) no uncured default is continuing under the Facility documents; (ii) no such transfer of interest shall result in a change of control of Borrower or the day-to-day operations of the Property, such that Milton L. Jones, Jr., Barbara H. Jones or another person or entity acceptable to Lender ceases, at any time, to be in full control of day-to-day decision-making authority as it pertains to Borrower; (iii) Borrower and all guarantors confirm that no such transfer affects or impairs their respective obligations or liability under the Facility documents; (iv) without limiting the foregoing, no such transfer, either singly or in the aggregate with other transfers, will result in a violation of the prohibitions against further indebtedness in the Facility documents; (v) Borrower shall provide to Lender prior written notice of each such transfer together with a diagram showing the structure of the Borrower and all its constituent entities after the contemplated transfer and a list of the names, types of interest and percentages of ownership of all owners of interests in the Borrower and its constituent entities after such transfer; (vi) Daphne Jones or Sean Jones, as applicable, satisfies all of Lender's then applicable due diligence and underwriting requirements, including, but not limited to, any "know your customer" regulations and confirmation that such transferee is not (A) any person, group or entity named as a "Specially Designated National and Blocked Person" or as a person who commits, threatens to commit, supports, or is associated with terrorism as designated by the United States Department of the Treasury's Office of Foreign Assets Control ("OFAC"), (B) any person, group or entity named in the lists maintained by the United States Department of Commerce (Denied Persons and Entities), (C) any government or citizen of any country that is subject to a United States Embargo identified in regulations promulgated by OFAC and (D) any person, group or entity named as a denied or blocked person or terrorist in any other list maintained by any agency of the United States government; and (vii) Borrower shall pay all fees and costs in connection with any such transfer, including without limitation, Lender's reasonable attorneys' fees.

(e) **Financial Covenant.** Failure to maintain a Debt Service Coverage Ratio of at least (a) with respect to the period ending on March

31, 2021, 1:0 to 1.0 and (b) 1.20 to 1.0 thereafter, tested no less than quarterly (as applicable, the "Debt Service Coverage Ratio").

"Debt Service" will be defined in the Facility documentation as, with respect to any calculation period for the Property, the higher of (a) the actual principal and interest payable (net of any payments made or received on interest rate swaps, caps or hedges) under the Facility during such period, or (b) principal and interest that would have been payable under a hypothetical loan during such period, assuming (i) an initial loan balance equal to the committed amount of the Facility at the inception of period, and (ii) an assumed interest rate equal to the 10 year U.S. Treasury yield (in an amount approximating the Facility amount) plus 275 basis points on the last day of the applicable period; provided, however, that the assumed interest rate shall not be less than 5.3%, and (iii) mortgage style amortization of the Facility Amount over a 25 year period.

"Debt Service Coverage Ratio" means the ratio obtained by dividing Net Operating Income by Debt Service.

"Net Operating Income" will be defined in the Facility documentation as, with respect to any calculation period, the Property's operating revenues (excluding extraordinary income) minus the higher of actual or appraisal operating expenses (excluding financing costs, depreciation, income taxes, capital expenditures, and distributions) including a minimum 3% management fee and a \$250 per unit replacement reserve.

Upon the failure to maintain the required Debt Service Coverage Ratio, the Borrower shall have the option to cure such non-compliance through some combination of the following: (i) a repayment of the Facility, (ii) the provision of cash collateral, (iii) the provision of marketable securities acceptable to Lender in its sole discretion or (iv) additional Collateral satisfactory to Lender, in its sole discretion, in each case in an amount that, on a pro forma basis after giving effect to such rebalancing, cures the noncompliance with the applicable Debt Service Coverage Ratio.

Failure to maintain a Debt Service Coverage Ratio or take the foregoing curative actions will constitute an Event of Default under the Facility.

(f) **Collateral Maintenance.** Lender will have the right to reappraise the Property at least once during term of the Facility at the Borrower's expense. The Loan to Value of the property, based on the appraisal approved by Lender shall not exceed seventy (70%) percent based on the current appraised market value (the "LTV Requirement"). In the event the Loan to Value exceeds the LTV Requirement, the Borrower will be required, within ten days of demand therefor, to reduce the outstanding loan balance to an amount which will result in a Loan to Value not to exceed the LTV Requirement.

(g) **Taxes and Insurance.** During the term of the Construction Phase, the Borrower shall provide Lender with evidence of payment of all real estate taxes and insurance premiums with respect to the Property. .

(h) **Inspections.** Lender shall have the right to inspect the Property and improvements at any and all reasonable times and provided that Lender uses commercially reasonable efforts not to interfere with Borrower's operations at the Property.

(i) **Compliance with Laws.** At all times, the Borrower, Guarantors, the Property and the proposed and actual use thereof, must comply in all material respects with all laws, statutes, ordinances, rules and regulations of all governmental authorities having jurisdiction over the same and, at the time of the Facility closing, there must be no action or proceeding pending before any court, quasi-judicial body or administrative body or regulatory agency, relating to the validity of the Facility, the Property, or Borrower's proposed or actual use of the Property, which, if decided adversely, would have a material adverse effect on Borrower's ability to satisfy its obligations under the Facility documents.

Guarantor Covenants:

Guarantors must maintain Unencumbered Liquid Assets (defined below) of not less than \$5,000,000 (the "Liquidity Requirement"); provided, however, upon the Project achieving a Debt Service Coverage Ratio of 1.20x based on trailing 12 months performance, the Liquidity Requirement will no longer be required. Guarantors will submit semi-annually, a compliance statement of liquidity together with acceptable documentation that demonstrates compliance with the foregoing liquidity requirements.

"Unencumbered Liquid Assets" means the following assets (excluding assets of any retirement plan) which (i) are not the subject of any lien, pledge, security interest or other arrangement with any creditor to have its claim satisfied out of the asset (or proceeds thereof) prior to the general creditors of the owner of the asset (other than the Net Equity permitted pursuant to subsection (g) below which may be subject to liens in favor of the applicable lender); (ii) are held solely in the name of any Guarantor (with no other persons or entities having ownership rights therein); (iii) may be converted to cash within five (5) days; (iv) are otherwise acceptable to Lender in its reasonable discretion; and (v) are not being counted or included to satisfy any other liquidity requirement under any other obligation, whether with Lender or any other lender, unless otherwise expressly agreed by the Lender in writing.

(a) Cash or cash equivalents held in the United States and denominated in United States dollars;

(b) United States Treasury or governmental agency obligations which constitute full faith and credit of the United States of America;

(c) Commercial paper rated P-1 or A1 by Moody's or S&P, respectively;

(d) Medium- and long-term securities rated investment grade by one of the rating agencies described in (c) above;

(e) Eligible Stocks (as defined below);

(f) Mutual funds quoted in The Wall Street Journal which invest primarily in the assets described in (a) through (e) above; and

(g) The Net Equity (as defined below) held in any of any Guarantor's margin brokerage accounts with any broker that is a member of the New York Stock Exchange and regulated by Regulation T of the Federal Reserve Board or in a collateral account held in the United States and pledged to other financial institutions as security for loans or other indebtedness.

"Eligible Stocks" shall include any common or preferred stock which (i) is not control or restricted stock under Rule 144 of the General Rules and Regulations promulgated by the Securities and Exchange Commission under the Securities Act of 1933, as amended, or subject to any other regulatory or contractual restrictions on sales, (ii) is traded on a U. S. national stock exchange, including NASDAQ, with a liquidity on such exchange for such stock acceptable to the Lender and (iii) has, as of the close of trading on the applicable exchange (excluding after hours trading), a per share price of at least Ten Dollars (\$10.00).

"Net Equity" means the market value of stocks and/or bonds or other assets described in (a) through (f) above as of the close of each trading day in any Guarantor's brokerage accounts or collateral accounts minus 100% of any outstanding loan or other outstanding indebtedness secured thereby. The Borrower and the Guarantors will provide Lender a Form U-1 Purpose Statement, confirming that none of the proceeds of the Loan will be used to purchase or carry any margin stock.

Closing Conditions:

The closing of the Facility will be conditioned upon satisfaction (or valid waiver) of the conditions precedent usual and customary for transactions of this type, including, without limitation, the conditions set forth in Schedule 1 attached hereto and Lender's receipt of the following at least fifteen (15) days prior to Closing, in each instance in form and substance satisfactory to Lender:

(a) **Appraisal.** The Lender must review and approve (in its sole discretion) a current Appraisal Report for the Property. In no event shall the amount of the Loan exceed seventy percent (70%) of the reviewed "As Completed" appraised value of the Project. The appraisal will be ordered by Lender from an appraiser acceptable to Lender. The fee for the appraisal and appraisal review shall be paid by Borrower prior to Lender ordering the appraisal. Further, after closing, the Lender shall have the right to conduct or have conducted by an independent appraiser acceptable to the Lender updated appraisals of the mortgaged Property in form and substance satisfactory to the Lender at the sole cost and expense of Borrower. Borrower shall pay the Lender for the cost of all such appraisals and reviews upon demand and such costs shall be secured by the documents securing the Facility.

(b) **Environmental Assessment.** Prior to closing, Borrower shall at Borrower's expense, provide the Lender a satisfactory Phase I Environmental Site Assessment Report (the "Phase I") conforming to Standard ASTM E 1527-05. The Phase I shall confirm that there is no apparent evidence of hazardous waste or asbestos containing materials as defined by federal, state or local law, of any kind, stored, kept, disposed upon or otherwise affecting the Property or any portion thereof, or other conditions which could cause liability under current government regulations. In the event the Phase I indicates the need for further testing, Lender may, in its sole and absolute discretion, either (i) require that Borrower provide an appropriate Phase II Environmental Site Assessment in accordance with the recommendations set forth in the Phase I and require as a condition to closing that all appropriate corrective action be taken or (ii) cancel and terminate this commitment in any event without further liability or obligation to Lender. Each Environmental Site Assessment ("ESA") shall be performed by a qualified "Environmental Professional" (as defined by ASTM) in accordance with the standards established by ASTM (formerly the American Society of Testing and Materials) for such ESA and the Auditor shall prepare a written report of the ESA certified to the Lender. . The report shall state that the ESA was performed in accordance with ASTM standards (specifically ASTM 1527-05) and shall include a description of the procedures used in performing the ESA along with a statement of the findings and recommendations of the Environmental Professional. To the extent Lender has a reasonable belief of the existence of any hazardous or toxic materials on, under or from the Property, Lender shall also have the option to obtain, at the Borrower's expense, additional or supplemental environmental audit reports the Lender reasonably considers are needed. Borrower expressly represents to Lender that the Property and the improvements thereon are not presently being used, and will not in the future be used for the handling, storage, transportation, or disposal of hazardous or toxic materials. Borrower agrees, to indemnify, defend, and hold harmless from and against any loss to Lender, including, without limitation, attorney's fees, incurred by storage, transportation, or disposal of hazardous or toxic materials; the foregoing indemnification and other provisions of this paragraph shall survive repayment of the Loan.

(c) **Title Insurance.** A title commitment issued by a title insurance company ("Title Insurer") selected by Borrower, but reasonably acceptable to Lender, together with copies of all documents identified therein, and pursuant to which the Title Insurer agrees to issue to Lender an ALTA form of Loan Policy acceptable to Lender insuring the Lender's mortgage as a valid first lien for the full amount of the Loan, free and clear of all liens (including mechanics' liens) and encumbrances, and subject only to such exclusions from coverage and such exceptions to title as may be approved by Lender, and containing such available endorsements as Lender may require. The title commitment shall name Lender, its successors and/or assigns, as the insured under the Loan Policy. Title to the Property shall be good and marketable. The title agent issuing the Loan Policy cannot have any direct or indirect ownership and/or management

interest in or spousal relationship with the Borrower. The Borrower agrees that in the event the Loan Policy is not received within forty-five (45) days after closing, the Lender, at its option, shall have the right to obtain a full title insurance policy at Borrower's expense. In addition to the foregoing, the Lender will require that the Borrower, the Lender, the general contractor and the title underwriter issuing the Loan Policy enter into a Construction Loan Disbursement Agreement, in form and substance acceptable to the Lender, pursuant to which the title underwriter shall agree to issue periodic title updates and construction endorsements to the Lender's Loan Policy.

(d) **Survey.** Four copies of a current ALTA/ACMS boundary and location survey of the Property prepared for Lender, certified to Title Insurer and Lender, its successors and assigns, and insurable by Title Insurer, by a land surveyor licensed in the state where the Property is located and acceptable to Lender. The survey shall comply with Lender's minimum standards for surveys and shall include, without limitation: (i) the boundaries of the Property by courses and distances; (ii) the location of all improvements; (iii) the location and width of all easements, utility lines, rights-of-way and building set-back lines and notes referencing the book and page numbers for the instruments granting the same; (iv) the location of all encroachments and restrictions, if any, affecting the Property; and (v) the certification of the surveyor as to (A) whether the roads abutting the Property are publicly dedicated, (B) the acreage of the Property, (C) whether the parcels comprising the Property (if applicable) are contiguous without any gores, gaps, overlaps or strips of land separating them, and (D) such other matters as reasonably requested by Lender or its counsel. In addition, Borrower shall deliver to Lender (i) a foundation survey, within thirty (30) days after completion of the foundation of the Project, and (ii) an as-built survey, within thirty (30) days after the completion of the Project.

(e) **Insurance.** Original or duplicate policies of insurance, or evidence of insurance on the appropriate ACORD form of certificate, each in effect for a period of not less than one year following the Loan closing date, the coverages provided for, and in the amounts set forth, on Exhibit "A" attached hereto and made a part hereof, which shall also include, coverage for loss of rents or business interruption (the latter of which is only required after the Temporary Certificate of Occupancy has been issued). If a Property is located within a "special flood hazard area" as identified by the Secretary of Housing and Urban Development under the National Flood Insurance Reform Act of 1994, flood insurance in the amount equal to the lesser of (A) the agreed upon full insurable replacement value of the Property, (B) the maximum available amount through the Federal Flood Insurance Program, or (C) the amount of the Loan, and naming Lender, its successors and assigns as their interests may appear, as the first mortgagee under a standard mortgagee endorsement clause; (iv) insurance which complies with the workers' compensation and employers' liability laws of all states in which Borrower shall be required to maintain such insurance; and (v) such other insurance as Lender may

require from time to time in amounts and with carriers reasonably satisfactory to Lender.

Each insurance policy shall include a provision that such policy will not be cancelled, altered or in any way limited in coverage or reduced in amount unless Lender is notified in writing at least thirty (30) days prior to such cancellation or change. Each insurance policy will be written on such forms as are reasonably acceptable to Lender by insurance companies authorized or licensed to do business in the state in which the Property is located and that are satisfactory to Lender. The Lender will require the Borrower to obtain insurance coverage with an insurance company that has at least a minimum rating of B+ (very good) for property/casualty insurance coverages as determined by A.M. Best Company.

(f) **Flood Zone Certification.** Satisfactory evidence that the Property is not located within an area that has been identified as a "special flood hazard area" as that term is used in the National Flood Insurance Reform Act of 1994, unless flood insurance will be provided. The flood search shall be ordered by Lender at Borrower's expense.

(g) **Plan and Cost Review.** A Plan and Cost Review pursuant to which Lender's inspector shall review and advise Lender with respect to all plans and specifications, the adequacy of the Budget and other matters related to the design, construction, operation and use of the Project. Lender's inspector, which shall be an independent architect, engineer or other qualified specialist approved by and for the benefit of the Lender, shall also monitor the progress of construction and review requests for Loan advances. The initial fees of Lender's inspector due through the closing date shall be paid by Borrower on the closing date, with all subsequent fees of Lender's inspector to be paid by Borrower promptly upon demand or as otherwise provided in the Loan documents.

(h) **Agreements of General Contractor, Architect and/or Engineer.** Separate agreements duly executed by the general contractor, Project architect and/or engineer, pursuant to which each agrees to perform under their respective contracts with Borrower at the request of Lender. The general contractor's contract shall include a guaranteed maximum price for the construction of the Project and a detailed breakdown of all building construction costs applicable to the contract (the "GC Contract") and must be on an AIA form that is reasonably acceptable to Lender. The general contractor, the sub-contractors under the GC Contract, the Project architect and/or engineer shall each be reasonably acceptable to Lender.

(i) **Architect's Certificate.** A certificate duly executed by the Project architect or engineer in favor of Lender establishing the compliance of the Project plans and specifications with all applicable legal requirements, including without limitation, the availability of all permits and other governmental approvals required for the construction and operation of the Project.

(j) **Budget.** A detailed line item budget of hard costs and soft costs and a reasonable amount for contingency.

(k) **Project Development Schedule.** A detailed schedule or time line showing the projected dates by which all stages of the Project are to be completed.

(l) **Construction Documents.** Executed copies of all agreements affecting or relating to the use, operation, development or construction of the Project, including without limitation, the construction contract and the architect's contract, together similar agreements to construct any improvements required pursuant to the Development Agreement.

(m) **Plans and Specifications.** A complete set of the final plans and specifications for the Project together any plans and specifications required pursuant to the Development Agreement.

(n) **Governmental Permits.** Evidence in the form of but not limited to, environmental permits, use permits, zoning permits, a certification of concurrency, building permits and subdivision and land development approvals, that the construction of the Project and any improvements required by the Development Agreement and its use and occupancy for the purposes contemplated herein is in compliance with all laws, ordinances and regulations (including all applicable environmental, zoning, building, use and subdivision laws, ordinances and regulations). All approvals and permits must be legally valid and remain in full force and effect throughout the term of the Loan. In the event that any of such approvals or permits is invalidated, rescinded or suspended, Lender will not be obligated to close the Loan during the period that any invalidation, rescission or suspension continues.

(o) **Utility Services.** Evidence that adequate utility services are available at the Property, including water, sewer, electric, gas, telephone and cable, and the Borrower may tap into such services.

(p) **Organizational Documents.** Borrower represents and warrants to Lender that attached as Schedule 2 is a true and correct organizational chart setting forth a list of all owners of a direct or beneficial interest in the Property, including any trusts, partnerships or corporations having an interest (direct or indirect) in the Property (the "Ownership Information"), which shall indicate the number of shares and/or percentage ownership interest owned by each owner. Any change in the Ownership Information prior to closing hereunder must be approved in writing by the Lender, which approval may be granted or withheld in Lender's sole discretion. Borrower shall also provide copies of the organizational documents of Borrower, as amended to the Loan closing date, including, without limitation, the certificate of limited partnership, the partnership agreement and good standing certificate for the Borrower.

(q) **Opinion of Counsel.** An opinion of Borrower's and any Guarantor's independent counsel, who shall be reasonably satisfactory to

Lender, as to such matters as Lender may reasonably request. Borrower's counsel shall not be required to provide a legal opinion that Borrower will not be substantively consolidated in any bankruptcy of Borrower's principals or affiliates. Borrower's counsel or land use counsel shall be required to issue a zoning opinion, in form, scope and substance acceptable to Lender.

(r) Searches. Title search, UCC searches, judgment, state/federal tax lien, litigation, bankruptcy searches and other searches on Borrower and Guarantors reasonably acceptable to Lender and its counsel.

(s) Other Documents. Such other documents, instruments and certificates including, without limitation, proofs, opinions and other assurances, as Lender or Lender's Counsel may reasonably require.

Development Agreement:

In addition to the other items set forth in this Commitment, the closing for the Facility will also be conditioned upon Bank of America's receipt of the following items at least 15 days prior to Closing, in each instance in form and substance satisfactory to Lender:

(a) An amendment to the Development Agreement confirming, among other items, (a) to the extent Lender obtains title to the Property, that, in such case, the Project would no longer be subject to any MBE/WBE or other hiring requirements set forth in Article 12 of the Development Agreement, (b) modifying Exhibit "G" to the Development Agreement to provide for completion of the milestones set forth therein upon dates and times acceptable to Lender, (c) extending the time period in which the Lender may cure a Developer default under the Development Agreement for such reasonable time as may be necessary to effectuate such cure, and (d) deleting Section 7.05 of the Development Agreement. As used herein, the term "Development Agreement" shall mean those certain documents set forth on Schedule 3 attached hereto.

(b) An estoppel letter from the City of Ft. Lauderdale (each an "Estoppel") confirming that Borrower is in full compliance with the terms and conditions of the Development Agreement, together with any other evidence Lender may require as to form, scope and substance of the Development Agreement and confirmation of no reversionary interest of property to City with Borrower's ability to comply with the terms and conditions contained therein. Lender shall require the Borrower to deliver an updated Estoppel at the end of each quarter.

(c) Representations and Warranties from Borrower in favor of Lender confirming, among other things, that Borrower is in full compliance with the terms and conditions of the Development Agreement, that the Borrower has not applied for, and is not presently under consideration for, any other form of financing, including, without limitation, tax credit financing, FHA or other institutional financing, together with any other evidence Lender may require as to form, scope and substance of the Development Agreement and the Borrower's ability to comply with the terms and conditions contained therein.

(d) Borrower, Lender and the City of Ft. Lauderdale (the "City") shall enter into a Recognition Agreement in form, scope and substance acceptable to Lender, confirming, among other things:

(1) the obligation of Lender to provide City with notice of any default by Borrower in the payment or performance of the terms, conditions, obligations or covenants set forth in the Facility documents;

(2) that City shall have a right to cure Borrower defaults under the Facility documents and/or the Development Agreement so long as such cure is commenced and effectuated on terms and conditions and within time periods acceptable to Lender;

(3) the obligation of City to provide Lender with notice of any default by Borrower in the in the payment or performance of the terms, conditions, obligations or covenants set forth in the Development Agreement;

(4) that Lender has the right, but is not obligated, to cure any Borrower defaults under the Development Agreement on terms and conditions and within time periods acceptable to Lender. To the extent effectuating any cure requires possession of the Property and/or Project, then Lender's period to effectuate such cure shall not commence until such times as Lender obtains full possession of the Property;

(5) that City has an option to purchase the Facility documents upon payment to Lender of any and all amounts outstanding under the Facility documents, including, without limitation, any principal, interest, out of pocket costs, and attorneys' fees (collectively, the "Outstandings"); provided, however, that in the event City elects to exercise any reversionary interests in the Property or Project, that City shall be required to purchase the Facility for the full amount of the Outstandings;

(6) that the City has a contractual right of redemption that may be exercised on terms and conditions and within time periods acceptable to Lender;

(7) that the Facility is not cross-collateralized with any other debt of the Borrower owing to Lender;

(8) that the City's reversionary interest in the Property and Project is subordinate to the lien of the Lender's mortgage; and

(9) that a default under the Development Agreement shall also constitute a default in the Facility documents and vice-versa.

Facility Documents:

This Commitment is subject to the execution of Lender's standard Facility documents containing such representations, warranties, affirmative and negative covenants, indemnities, waivers, closing conditions, defaults, events of default and remedies as are typically required by Lender and/or

**Background,
Credit Investigation
and Money
Laundering:**

are customary in this type of transaction, including without limitation, waivers of jury trial. Borrower acknowledges that not every provision imposing duties, burdens or limitations on Borrower have been set forth in this Commitment Letter. The failure of Borrower and Lender to reach agreement on such provisions shall not be deemed a breach by Lender of this Commitment.

The Lender's obligation to make the Facility is subject to satisfactory business rating, credit rating reports and personal references/background checks on the Borrower and Guarantors. During the term of the Facility, the Lender may update such information from time to time, as required by the USA Patriot Act, and as more particularly described in 31 C.F.R. 103.121 (the "Patriot Act"). Borrower and Guarantors represent to Lender that each is in compliance with any and all applicable provisions of the Patriot Act and will remain in compliance throughout the term of the Facility. To the best of Borrower's and Guarantors' knowledge, after making due inquiry, neither Borrower, any Guarantor nor any person providing funds to Borrower or Guarantors are under investigation by any governmental authority for, or has been charged with, or convicted of, money laundering, drug trafficking, terrorist related activities, any crimes which in the United States would be predicate crimes to money laundering, or any violation of any Anti-Money Laundering Laws. For purposes of this paragraph, the term "Anti-Money Laundering Laws" shall mean laws, regulations and sanctions, state and federal, criminal and civil, that (a) limit the use of and/or seek the forfeiture of proceeds from illegal transactions; (b) limit commercial transactions with designated countries or individuals believed to be terrorists, narcotics dealers or otherwise engaged in activities contrary to the interests of the United States; (c) require identification and documentation of the parties with whom a financial institution conducts business; or (d) are designated to disrupt the flow of funds to terrorist organizations. Such laws, regulations and sanctions shall be deemed to include the Patriot Act, the Bank Secrecy Act, 31 U.S.C. Section 5311 et. seq., the Trading with the Enemy Act, 50 U.S.C. App. Section 1 et. seq., the International Emergency Economic Powers Act, 50 U.S.C. Section 1701 et. seq., and the sanction regulations promulgated pursuant thereto by the OFAC as well as laws relating to prevention and detection of money laundering in 18 U.S.C. Sections 1956 and 1957.

Assignment & Participations:

Bank of America reserves the right to syndicate, assign or grant participations or other interests in all or part of the Facility. The holder of any such sale, assignment or participation, if the applicable agreement between Lender and such holder so provides, shall be: (i) entitled to all of the rights, obligations and benefits of Lender; and (ii) deemed to hold and may exercise the rights of setoff or banker's lien with respect to any and all obligations of such holder to Borrower, in each case as fully as though Borrower were directly indebted to such holder. Lender may in its discretion give notice to Borrower of such sale, assignment or participation; however, the failure to give such notice shall not affect any of Lender's or such holder's rights hereunder. Notwithstanding the foregoing, unless required by Lender to meet any regulatory requirements

or similar mandates applicable to Lender, and so long as no event of default then exists, Lender shall not syndicate the Facility; provided, however, that the foregoing limitation shall not apply to the Lender in the event a syndication is required under applicable law or otherwise pursuant to direction from one or more regulators having jurisdiction over the Lender. For the avoidance of doubt, during the continuation of a default, Lender may, in Lender's sole and absolute discretion, sell or assign the Facility, in whole or in part, to any entity or person without need for any consent or notice to Borrower or any Guarantor.

Indemnification and Expenses:

Borrower and Guarantor will pay all costs incurred in connection with the proposed Facility, including but not limited to legal fees of Lender's counsel, title/insurance fees, mortgage recording fees, and Lender's reasonable appraisal, engineering and insurance review fees. Borrower and the undersigned acknowledge that Lender may receive a benefit, including, without limitation, a discount, credit or other accommodation, from such counsel based on the fees such counsel may receive on account of their relationship with Lender including, without limitation, fees paid in connection with the Facility. Payment by Borrower of these expenses will not be contingent upon closing of the Facility.

Borrower and Guarantors acknowledge that this commitment letter is issued by Lender at a time when Lender has not undertaken a full credit and legal analysis of the Borrower, the Guarantors, the transaction contemplated by this commitment letter, or the Property. As a result of further investigation and analysis by the Lender or its counsel, information which Lender is not now aware of and/or certain other impediments to closing may come to Lender's attention. The Lender shall be the sole judge of what an impediment is and whether the impediment is so serious as to preclude closing the Facility, and, if it judges that such an impediment exists, may decline to close the Facility without liability to the Borrower or Guarantors. The Borrower and Guarantors shall duly execute and deliver whatever instruments, documents, certificates, opinions, and assurances, and do whatever else the Lender may reasonably request to effectuate the purposes of the transactions described in this commitment letter, subject to the limitations and other provisions of this Commitment Letter. All proceedings, agreements, instruments, documents and other matters relating to the making of the Facility and all other transactions contemplated by this commitment letter must be satisfactory to the Lender and its counsel before the Lender shall have any obligation to close the Facility. Borrower will indemnify and hold harmless Lender and its affiliates and their respective partners, directors, officers, employees, agents and advisors from and against all losses, claims, damages, liabilities and expenses arising out of or relating to the Facility, any other aspect of the contemplated transactions, Borrower's use of Facility proceeds or the commitments, including, but not limited to, reasonable attorneys' fees (including the allocated cost of internal counsel) and settlement costs and any claim for loan brokerage fees or similar payments.

Compliance:

Lender's obligations under this Commitment Letter are subject to the requirements of the supervisory authorities regulating the Lender, and all applicable federal and state laws and regulations, including, without limitation, those related to lending limits. If the terms of this Commitment Letter or the obligations of the Lender hereunder conflict with any applicable law or regulation, such law or regulation shall control over and supersede any such conflicting term or obligation. Borrower agrees that Lender shall have no liability whatsoever to Borrower or any third party, including any intended or incidental beneficiary hereof, as a result of any such conflict, and Borrower shall indemnify and exculpate Lender from all liabilities, costs and attorneys' fees resulting from any such conflict, unless the suits, claims or damages are solely caused by the Lender's material breach of contract, gross negligence or willful misconduct.

Damages:

Under no circumstances shall Lender (or the parent companies and affiliates of Lender, and its members, shareholders, officers, directors, agents and employees) be liable to Borrower or Guarantors (or their respective parent companies and affiliates, and their respective members, shareholders, officers, directors, agents and employees) for any consequential, incidental, indirect, special, exemplary or punitive damages (including, without limitation, loss of actual or anticipated profits, revenues or product; increased expense of borrowing or financing; and increased cost of capital) arising out of this Commitment; and, regardless of whether any such claim arises out of breach of contract, guarantee or warranty, tort, product liability, indemnity, contribution, strict liability or any other legal theory.

Governing Law:

This Commitment and the Facility documents will be construed and enforced in accordance with the laws of the State of Florida.

Closing:

The closing of the Facility will take place at the offices of the Lender, on a date which shall be on or before March 1, 2018. If the Facility is not closed by such date (unless extended in writing by Lender), Lender shall have no further obligations under this Commitment.

Miscellaneous:

(a) **Assignment.** Neither this Commitment nor the Facility proceeds are assignable by Borrower without the prior written consent of Lender, and any purported or attempted assignment without such consent shall be void and of no force or effect.

(b) **Integration.** This Commitment contains the entire understanding between Lender and Borrower, and supersedes in its entirety any prior understandings, agreements and correspondence between Lender and Borrower respecting the subject matter hereof.

(c) **Modification.** No change or modification of this Commitment will be valid and binding unless acknowledged and confirmed in writing by an authorized officer of Lender.

(d) **Brokers.** All brokerage commissions relating to the Facility, if any, will be payable by Borrower. The acceptance of this Commitment

will constitute an undertaking on the part of Borrower to indemnify, defend and hold Lender harmless from and against any and all liability, loss, cost or expense (including reasonable attorneys' fees) resulting from any claim of a broker arising in connection with the execution of this Commitment by Lender or the consummation of the Facility, except that Lender hereby confirms that Lender has not engaged or retained any such broker.

(e) **Time of the Essence.** With respect to the performance of all obligations of Borrower under this Commitment Letter, time is agreed to be of the essence.

(f) **Liability of Lender.** By accepting or approving anything required to be observed, performed or fulfilled by Borrower or to be given to Lender pursuant to the terms of this Commitment, including without limitation, any certificate, financial statement, survey, receipt, appraisal or insurance policy, Lender shall not be deemed to have warranted or represented the sufficiency, legality, effectiveness or legal effect of the same, or of any term, provision or condition thereof, and such acceptance or approval thereof shall not be or constitute any warranty or representation to any party with respect thereto by Lender.

(g) **Waiver of Jury Trial.** To the extent permitted by applicable law, Borrower and Lender knowingly, voluntarily and irrevocably waive any right they may have to trial by jury in any action or proceeding between Borrower and Lender in connection with or arising out of this Commitment and the transactions related hereto.

(h) **Waiver of Rights of Lender.** Neither the failure nor the delay by Lender to exercise any right, power or privilege under this Commitment shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or privilege preclude any other or further exercise of any other right, power or privilege.

(i) **Termination of Commitment.** Lender shall have the right to cancel its obligations under this Commitment, in the event of: (a) loss or damage to the Property or any other collateral securing the Facility due to fire or other casualty; (b) a taking of all or any portion of the Property by exercise of the power of eminent domain; (c) a material adverse change in the financial condition, operations or prospects of Borrower, Guarantors or the Property since that disclosed in any previous financial statements or other information submitted to Lender for the purpose of obtaining the Commitment; or (d) the presence or likely presence of any hazardous substances on or at the Property or any part thereof. Borrower shall immediately notify Lender of the occurrence of any of the foregoing.

Acceptance:

Please indicate your acceptance of this Commitment by signing below and returning one executed copy of this Commitment to the undersigned. This Commitment shall expire and be void unless the acceptance is received by Lender on or before November 22, 2017.

All interest rates and other pricing terms are quoted based on the assumption that the Facility will not be classified as HVCRE (High Volatility Commercial Real Estate Exposure) pursuant to Basel III Regulations. The quoted interest rates and other pricing terms are potentially subject to change if the Facility is anticipated to be classified as HVCRE pursuant to Basel III Regulations.

Any Facility, as contemplated by this Commitment, will be subject to applicable flood insurance regulations at all times during the life of such Facility. Compliance with flood insurance regulations will be tested prior to making, increasing, renewing or extending any such Facility.

Bank of America and MLPFS hereby notify you that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "Patriot Act") and recent regulations implemented by the US Treasury's Financial Crimes Enforcement Network ("FinCEN") under the Bank Secrecy Act ("Additional KYC Regulations"), each of them is required to obtain, verify and record information that identifies you, which information includes, but is not limited to, your name, your address, a list of individuals, if any, who own directly or indirectly 25% or more equity interests of Borrower, the identification of one controlling person, organizational information on the ultimate parent of Borrower, and such other information that will allow Bank of America or MLPFS, as applicable, to identify you and comply with the Patriot Act and the Additional KYC Regulations prior to closing this Facility.

The undersigned acknowledges and agrees that: (i) the transaction contemplated by this Commitment is an arm's length, commercial transaction between you and Bank of America in which Bank of America is acting solely as a principal and for its own interest; (ii) Bank of America is not acting as a municipal advisor or financial advisor to you; (iii) Bank of America has no fiduciary duty pursuant to Section 15B of the Securities Exchange Act of 1934 to you with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether Bank of America has provided other services or is currently providing other services to you on other matters); (iv) the only obligations Bank of America has to you with respect to the transaction contemplated hereby expressly are set forth in this Commitment; and (v) Bank of America is not recommending that you take an action with respect to the transaction contemplated by this Commitment, and before taking any action with respect to the contemplated transaction, you should discuss the information contained herein with your own legal, accounting, tax, financial and other advisors, as you deem appropriate. If you would like a municipal advisor in this transaction that has legal fiduciary duties to you, you are free to engage a municipal advisor to serve in that capacity. This Commitment is provided to you pursuant to and in reliance upon the "bank exemption" provided under the municipal advisor rules of the Securities and Exchange Commission, Rule 15Ba1-1 et seq.

In consideration of the time and resources that Bank of America will devote to consideration of the Facility as described herein, you hereby agree that, effective upon your acceptance of this Commitment and continuing through November 22, 2017, you will not solicit any other bank, investment bank, financial institution, person or entity to provide, structure, arrange or syndicate any component of the Facility or any other senior financing similar to or as a replacement of any component of the Facility.

Any loan commitment will not be binding upon Bank of America or Borrower unless executed by both parties.

This Commitment will expire at 5:00 p.m. on November 22, 2017 unless prior to that time Borrower executes this Commitment and returns same to Bank of America. In no event will any expiration or termination of this Commitment relieve Borrower or any other person from any obligation to pay fees, costs and expenses as described herein, all such obligations expressly surviving any such expiration or termination.

We are pleased to have the opportunity to work with you in connection with this important financing. Please feel free to contact us to clarify any issues or answer any questions.

Very truly yours,

BANK OF AMERICA, N.A.

By: *M. C.*

Name: Michael C. Coney

Title: SVP

By: *[Signature]*

Name: Stefan C. Coney

Title: SVP

AGREED TO AND ACCEPTED BY:

VILLAGE OF THE ARTS, LTD.,

a Florida limited partnership

By: MSDC VOA, Inc., a Florida corporation and sole General Partner

By: *Milton L. Jones Jr.*

Name: Milton L. Jones, Jr.

Its: President

GUARANTORS:

Milton L. Jones Jr.
MILTON L. JONES, JR.

Barbara H. Jones
BARBARA H. JONES

Schedule 1

Conditions Precedent to Closing

Conditions to closing of the Facility will include (all of the items to be delivered to be in form and substance satisfactory to Lender):

- receipt of all due diligence materials necessary and relevant to identifying Borrower's identity and background information, as deemed necessary by Lender;
- completion of all due diligence, including reputational due diligence, with respect to Borrower, Guarantors and their respective subsidiaries and each Property in scope and determination satisfactory to Lender;
- receipt of copies of the form of all leases for each Property and, to the extent and leases are in existence, executed copies of all leases, together with estoppels, subordination, nondisturbance and attornment agreements from such tenants as Lender shall require;
- receipt of copies of payment and performance bonds with respect to such construction contracts as Lender shall require;
- receipt of evidence that signed trade contracts for construction representing at least 75% of the total trade costs for construction in the approved budget have been bought out prior to the closing date (for the avoidance of doubt, "trade costs" excludes contingency, interest reserve, leasing commissions, insurance, legal costs, permit fees and developer fees);
- receipt of evidence that the anticipated use of the Property and that all existing and proposed improvements thereto comply with applicable zoning ordinances, regulations and restrictive covenants;
- receipt of a report from Lender's engineering consultant with respect to the plans, specifications and project budget;
- receipt of the required interest rate protection agreement and an acknowledgment by the counterparty thereunder of the assignment thereof to Lender;
- receipt of satisfactory legal opinions, financial statements, certificates, documents and other instruments as are customary or otherwise appropriate for transactions of this type;
- Updated Personal Financial Statement, including all contingent liabilities for Barbara H. Jones and Milton L. Jones plus completed US Trust Certification;
- Past two years Personal Tax Returns including all K-1's for Milton L. Jones, Barbara H. Jones and other guarantors, as applicable;
- Updated Developer Worksheet for Milton L. Jones, Barbara H. Jones and other guarantors, as applicable.
- Current brokerage and bank statements for verification of liquidity for Barbara H. Jones and Milton L. Jones, as applicable;
- Borrower current Pro-forma
- Past two years Tax Returns for Regal Trace, Ltd and Milton Jones Development Corporation, as applicable;
- Evidence of the City of Fort Lauderdale granting the land Fee Simple to Village of the Arts, Ltd.; and
- Receipt of such other documents, instruments, agreements or information as reasonably requested by Lender.

Schedule 2

Organization Chart of Village Of The Arts, Ltd.

<u>Name</u>	<u>Type of Interest</u>	<u>Percentage Interest</u>
MJDC VOA, Inc.	General Partner	1%
Milton L. Jones, Jr. and Barbara Jones as Tenants by the Entirety	Limited Partner	99%

Organization Chart of MJDC VOA, Inc.

<u>Name</u>	<u>Type of Interest</u>	<u>Percentage Interest</u>
Milton L. Jones, Jr.	Shareholder	50%
Barbara Jones	Shareholder	50%

Schedule 3

List of Development Agreement Documents

Development Agreement between City of Fort Lauderdale and Milton Jones Development Corporation dated February 5, 2008 - Development Agreement covers the construction and operation of a development to be located on the southeast corner of N.W. 7th Avenue and N.W. 6th Street in Fort Lauderdale, Florida. The development will include affordable residential dwelling units, 19,000 to 50,000 square feet of commercial or retail space, and grocery store with minimum of 25,000 square feet.

First Amendment to Development Agreement (June 1, 2010)- The purpose of the First Amendment to Development Agreement is to allow the Project to be split into two phases and incorporates a commitment for a grocery store from Moran Foods, Inc. d/b/a Save A Lot, Ltd. for a 15,680 square feet grocery store. Phase I of the Project includes the grocery store. Phase II of the Project is the Mixed Use Development. Mixed Use Development is defined as a 5 story structure with 7,500 square feet of ground floor retail and 103 residential units.

Second Amendment to Development Agreement (December 21, 2010) - The purpose of the Second Amendment to Development Agreement is to extend the time to obtain Firm Financing Commitment for Phase I.

Third Amendment to Development Agreement (March 1, 2011) - The purpose of the Third Amendment to Development Agreement is to extend the time for the Developer to obtain Firm Financing Commitment for Phase I and incorporates a 21 day period to toll deadlines for meeting the deadline for Firm Financing Commitment to cure any defects in the financing commitment from construction lender.

Assignment of Rights and Assumption of Obligations Under Development Agreement and Consent (Phase I Project) (June 7, 2011)- The purpose of the assignment is to assign the rights and obligations to Phase I Project from Milton Jones Development Corporation to MJDC AOA, LLC.

Assignment of Rights and Assumption of Obligations Under Development Agreement and Consent (Phase II Project) June 7, 2011- The purpose of the assignment is to assign the rights and obligations to Phase II Project from Milton Jones Development Corporation to Village Of The Arts, Ltd.

Fourth Amendment to Development Agreement (July 6, 2011) - The purpose of the Fourth Amendment to Development Agreement is to change the square footage of the bank in Phase I from 2,367 to 3,756.

First Amended and Restated Fourth Amendment to Development Agreement (February 7, 2012)- The purpose of the First Amended and Restated Fourth Amendment to Development Agreement is to respond to a comment from Florida Housing Finance Corporation in connection with 2011 Universal Cycle Application for tax credits. Village Of The Arts, Ltd. was added as a party to the Fourth Amendment.

First Amended and Restated Assignment of Rights and Assumption of Obligations Under Development Agreement and Conditional Consent (Phase II Project) (February 7, 2012) - The purpose of the First Amended and Restated Assignment of Rights and Assumption of Obligations Under Development Agreement and Conditional Consent is to correct a scrivener's error in the signature block correcting the name of the General Partner of Village Of The Arts, Ltd.

Fifth Amendment to Development Agreement (February 7, 2012) - The purpose of the Fifth Amendment to Development Agreement was to include a provision for specific performance as a

remedy to meet the definition of a Qualified Contract as defined in the 2011 Universal Application Instructions for tax credits.

Sixth Amendment to Development Agreement (June 19, 2012)-The purpose of the Sixth Amendment to Development Agreement was to change the square footage of the bank in Phase I from 2,367 to 2,355.

Second Amended and Restated Assignment of Rights and Assumption of Obligations Under Development Agreement and Conditional Consent (Phase II Project) (July 2, 2013) - The purpose of the Second Amended and Restated Assignment of Rights and Assumption of Obligations Under Development Agreement and Conditional Consent is to correct a scrivener's error in the signature block of the General Partner to Village Of The Arts, Ltd. and to extend the Conditional Consent by the City to the assignment and time in which Developer can demonstrate Firm Financing Commitment to December 31, 2012.

Seventh Amendment to Development Agreement (July 2, 2013) - The purpose of the Seventh Amendment to Development Agreement is to extend the deadline for obtaining Firm Financing Commitment for Phase II.

First Amended and Restated Fifth Amendment to Development Agreement (October 15, 2013) - The purpose of the First Amended and Restated Fifth Amendment to Development Agreement is to clarify that the Principals are a party to the Original Fifth Amendment and to correct a scrivener's error in paragraph D of the Recital of the Fifth Amendment to Development Agreement in response to comments made by Florida Housing Finance Corporation in its review of a submitted application for tax credits.

First Amended and Restated Seventh Amendment to Development Agreement (October 15, 2013) - The purpose of the First Amended and Restated Seventh Amendment to Development Agreement is to clarify the purpose of the Seventh Amendment to Development Agreement and to correct a scrivener's error in the Seventh Amendment in response to comments made by Florida Housing Finance Corporation in its review of a submitted application for tax credits.

Third Amended and Restated Assignment of Rights and Assumption of Obligations Under Development Agreement and Conditional Consent (Phase II Project) (October 15, 2013)- The purpose of the Third Amended and Restated Assignment of Rights and Assumption of Obligations Under Development Agreement and Conditional Consent is to clarify the purpose and correct scrivener's error in the Second Amended and Restated Assignment of Rights and Assumption of Obligations Under Development Agreement and Conditional Consent in response to comments made by Florida Housing Finance Corporation in its review of a submitted application for tax credits.

Eighth Amendment to Development Agreement (October 15, 2013) - The purpose of the Eighth Amendment to Development Agreement is to amend the definition of Mixed Use Development to change the height of the building to seven stories in Phase II.

Fourth Amended and Restated Assignment of Rights and Assumption of Obligations Under Development Agreement and Conditional Consent (April 21, 2015) - The purpose of the Fourth Amended and Restated Assignment of Rights and Assumption of Obligations Under Development Agreement and Conditional Consent is to extend the Conditional Consent of the City in which the Developer can demonstrate Firm Financing Commitment for Phase II Project to September 1, 2016.

Ninth Amendment to Development Agreement (April 21, 2015) The purpose of the Ninth Amendment to Development Agreement is to amend the definition of Mixed Use Development to change the number of residential units from 103 to 104 and to amend the development schedule.

Tenth Amendment to Development Agreement- (February 7, 2017) The purpose of the Tenth Amendment to Development Agreement is release the Project from HUD regulations described in the Development Agreement (release from affordable housing requirements), amend the definition of Mixed Use Development to allow for no less than 104 residential units and no more than 150 residential units and reduced the number of parking spaces to 198 from 232 and to amend the date upon which evidence of Firm Financing Commitment is provided to City to December 1, 2017.

Fifth Amended and Restated Assignment of Rights and Assumption of Obligations Under Development Agreement and Conditional Consents' (August 16, 2016) - The purpose of Fifth Amended and Restated Assignment of Rights and Assumption of Obligations Under Development Agreement and Conditional Consent extend the Conditional Consent of the City in which Developer can demonstrate Firm Financing Commitment for Phase II to December 1, 2017.