

GROUND LEASE AGREEMENT

THIS GROUND LEASE AGREEMENT (this “*Lease*”) is entered into as of the ___th day of September, 2020 (the “*Effective Date*”) between **CITY OF HOLLYWOOD, FLORIDA**, a Florida Municipal Corporation, whose address is 2600 Hollywood Boulevard, Hollywood, Florida 33020 (“*Landlord*”) and **UNIVERSITY STATION I, LLC**, a Florida limited liability company whose address is 3225 Aviation Avenue, 6th Floor, Coconut Grove, Florida 33133 (“*Tenant*”).

RECITALS

A. Landlord desires to lease to Tenant, and Tenant desires to lease from Landlord, that certain real property owned by Landlord located in the City of Hollywood, Broward County, Florida depicted on **Exhibit “A”** (the “*Leased Premises*”).

B. Landlord and Tenant intend to develop the Leased Premises with a multifamily mixed use and mixed income project consisting of 108 housing units together with parking, related amenities and commercial/community space (collectively, the “*Phase I Project*”). The Phase I Project and all future improvements on the Leased Premises shall be developed, constructed, operated and owned by the Tenant during the term of this Lease.

C. Landlord and Tenant desire to enter into this Lease to evidence their agreement related to Tenant’s right to lease the Leased Premises.

LEASE

NOW, THEREFORE, in consideration of the Leased Premises, the foregoing Recitals, which are incorporated herein by reference, the cumulative sum of Three Million Dollars (\$3,000,000.00), and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, Landlord and Tenant do hereby covenant, represent, warrant, and agree as follows:

1. **Grant of Lease.** As of the “*Commencement Date*” (as defined below), Landlord conveys and leases to Tenant, and Tenant accepts and leases from Landlord, the Leased Premises, together with all easements and rights-of-way pertaining thereto. Tenant shall have the right to lease the Leased Premises for and during the “*Term*” (as defined below). Tenant shall use the Leased Premises for the development and operation of the Phase I Project.

2. **Deposits.** Landlord acknowledges that Tenant has previously deposited \$25,000 (the “*Cost Deposit*”) with Landlord at the time Tenant submitted its Public Private Partnership Proposal pursuant to Section 255.065, Florida Statutes, and the City of Hollywood’s Ordinance 2015-07 (the “*P-3 Proposal*”). Within two (2) business days following the execution of this Lease, Tenant agrees to deposit \$25,000 (the “*Initial Escrow Deposit*”) with Stearns Weaver Miller Weissler Alhadeff & Sitterson, P.A. (the “*Escrow Agent*”). If Tenant receives an “invitation to credit underwriting” from Florida Housing Finance Corporation (“*Florida Housing*”) in connection with Tenant’s application for Housing Credits (as hereinafter defined), then within five (5) business days of such invitation, Tenant shall deposit an additional \$150,000 with Escrow Agent (the “*Additional Escrow Deposit*”). The Additional Escrow Deposit, together with the Initial Escrow Deposit, shall be referred to as the “*Escrow Deposit*”. The Initial Escrow Deposit and the Additional Escrow Deposit (if applicable) shall be held and disbursed by Escrow Agent in accordance with this Lease. Escrow agent fees to be paid by the Tenant.

3. Term.

(a) This Lease shall be effective as of the Effective Date, but the term shall commence on the Commencement Date and expire at 11:59 p.m. on the seventy-fifth (75th) anniversary of the Commencement Date (the “**Term**”), unless this Lease is terminated earlier pursuant to the provisions contained herein. For purposes of this Lease, the “**Commencement Date**” shall be the closing date of Tenant’s construction financing for the development of the Phase I Project (the “**Construction Financing**”), but in no event later than June 30, 2022. Tenant’s right to take physical possession of the Leased Premises shall begin on the Commencement Date.

(b) Landlord and Tenant acknowledge that the Leased Premises are currently improved with a recreational facility and ground parking lot, currently used by the Landlord. Until the Commencement Date, Landlord shall be solely responsible for the operation and maintenance of the Leased Premises and any uses on the Leased Premises.

(c) Before the Commencement Date, Tenant will be allowed to conduct necessary due diligence investigations on the Leased Premises, at Tenant’s cost.

(d) For purposes of this Lease, the term “**Lease Year**” means the twelve (12) consecutive month period beginning on the Commencement Date and each twelve (12) consecutive month period thereafter throughout the remainder of the Term.

(e) Tenant will pursue an allocation from Florida Housing of federal low income housing tax credits under Section 42 of the Internal Revenue Code of 1986, as amended (“**Housing Credits**”), in an amount sufficient, in Tenant’s sole and absolute discretion, to enable Tenant to make the Capital Lease Payment (as hereinafter defined) and construct the Phase I Project. In the event Tenant (i) fails to apply for Housing Credits in a given year, or (ii) fails to close on financing for the proposed Phase I Project, including syndication of the Housing Credits, by June 30, 2022 (collectively, the “**Financing Contingency Period**”), then either Landlord or Tenant may terminate this Lease by delivering written notice thereof to the other party. So long as Housing Credits are allocated to the Phase I Project within the Financing Contingency Period, Tenant shall have the right, in its sole discretion, to one (1) one-year extension of the Financing Contingency Period to close on such Housing Credits. Upon termination notice, Landlord and Tenant agree to enter into a written agreement to terminate this Lease. It is understood and agreed that Tenant’s failure to satisfy the Financing Contingency Period shall not constitute or be deemed a default by Tenant under this Lease. If this Lease is terminated by Landlord and Tenant pursuant to this paragraph, both Landlord and Tenant shall be released from all further obligations under this Lease, except those, if any, which specifically survive termination hereof. Notwithstanding anything contained in this Lease to the contrary, Tenant agrees to terminate this Lease promptly following Tenant’s good faith determination that its application(s) for Housing Credits will not be successful, whereupon, Escrow Agent shall disburse the Escrow Deposit to Tenant, and Landlord shall return to Tenant the Cost Deposit, less Landlord’s actual expenses incurred in connection with the P3 Proposal.

(f) If Housing Credits are achieved, the Phase I Project (or portions of the units and/or improvements) shall be subject to a certain Land Use Restriction Agreement for affordable housing or workforce housing and/or an Extended Low-Income Housing Agreement to be entered into between Florida Housing and Tenant and recorded among

the land records of Broward County (the “**Tax Credit Restrictive Covenant**”) with respect to those units that will be restricted or set aside for certain income levels (the “**Tax Credit Units**”). Landlord acknowledges that the Leased Premises may be subject to the Tax Credit Restrictive Covenant and other reasonable documentation required by Tenant’s financing to be approved by Landlord, which shall not be unreasonably withheld, conditioned, or delayed.

4. Rent. During the Term, Tenant covenants and agrees to pay Landlord rent as follows:

(a) Capital Lease Payment. On or before the Commencement Date, Tenant shall pay to Landlord a one-time capital lease payment for the Phase I Project to be developed on the Leased Premises in an amount equal to Three Million Dollars \$3,000,000.00 (the “**Capital Lease Payment**”). If this Lease is not sooner terminated, the Escrow Deposit shall be applied to the Capital Lease Payment on the Commencement Date.

5. Right to Construct the Phase I Project.

(a) After the Commencement Date and any necessary government approvals, Tenant shall have the right to demolish current structures on the Leased Premises to start construction of the Phase I Project and for that purpose Landlord does not have any agreements that would prevent such demolition or construction. Tenant shall keep Landlord informed of the progress of achieving financial closing and provide Landlord written notice at least sixty (60) days in advance of the estimated Commencement Date.

(b) Tenant shall commence construction of the Phase I Project no later than ninety (90) days after the Commencement Date, and shall substantially complete construction of the Phase I Project within twenty-four (24) months thereafter. The foregoing limitation of time for the completion of the Phase I Project may be extended by written agreement between Landlord and Tenant, with both parties agreeing to act reasonably and in good faith with regards to any such extension.

(c) During the course of construction of the Phase I Project, Tenant shall provide to Landlord quarterly written status reports, and such other reports as may reasonably be requested by Landlord.

(d) The Phase I Project shall be constructed in a good and workmanlike manner and in accordance with the requirements of all applicable laws, ordinances, codes, orders, rules and regulations (collectively, “**Applicable Laws**”) of all governmental entities having jurisdiction over the Project (collectively, “**Governmental Authorities**”), including, but not limited to, Landlord and the U.S. Department of Housing and Urban Development.

(e) Tenant shall apply for and prosecute, with reasonable diligence, all necessary approvals, permits and licenses (collectively, “**Approvals**”) required by any Governmental Authorities for the construction, development, zoning, use, and occupation of the Phase I Project. Landlord agrees to cooperate with, and publicly support, Tenant's efforts to obtain such Approvals; provided, however, that such Approvals shall be obtained at Tenant's sole cost and expense.

(f) Landlord agrees that the proposed Phase I Project is allowed under the GU (Government Use) zoning designation, subject to the usual City approval processes for this type of development project.

(g) Landlord and Tenant acknowledge and agree that Tenant shall be the owner of all improvements constructed on the Leased Premises during the Term, and as such, shall be entitled to all depreciation deductions, Housing Credits or other benefits for income tax purposes relating to said improvements.

(h) Before the completion of the construction of the Phase I Project, Tenant shall grant an easement in perpetuity to the Landlord or any of the Landlord's assignees for the public use of at least one hundred and ten (110) parking spaces (the "**Public Spaces**"). In Landlord's discretion, another type of agreement can be executed between Landlord and Tenant, in lieu of easement. Such Public Spaces shall be built by the Tenant at Tenant's cost, and Landlord or assignee may charge the general public for the use of those space. Such Public Spaces will count towards any non-residential parking requirements.

6. Forced Delay in Performance. Notwithstanding any other provisions of this Lease to the contrary, Tenant shall not be deemed to be in default under this Lease where delay in the construction or performance of its obligations under this Lease is caused by war, revolution, labor strikes, lockouts, riots, floods, earthquakes, fires, casualties, acts of God, governmental restrictions, embargoes, litigation beyond the control of the tenant (excluding litigation between Landlord and Tenant related to this Lease), tornadoes, hurricanes, acts or failures to act by Landlord, delays in obtaining Approvals caused by any Governmental Authorities, or any other causes beyond the reasonable control of Tenant. The time of performance hereunder shall be extended for the period of any delays caused or resulting from any of the foregoing causes.

7. Landlord's Representations and Warranties. Landlord hereby represents, warrants and covenants to Tenant on the Effective Date and as of the Commencement Date as follows (i) Landlord has the power and authority to execute, deliver and perform its obligations under this Lease, (ii) Landlord has obtained all authorizations and approvals which are necessary for it to execute, deliver, and perform its obligations under this Lease, and (iii) the person signing this Lease on behalf of Landlord is duly and validly authorized to do so.

8. Tenant's Representations and Warranties. Tenant hereby warrants and represents to Landlord on the Effective Date and as of the Commencement Date as follows:

(a) Tenant is, and as of the Commencement Date will be, a duly organized, lawfully existing limited liability company and is in good standing under the laws of the State of Florida;

(b) Tenant (i) has, and as of the Commencement Date will have, the power and authority to own its properties and assets, to conduct its business as presently conducted, and to execute, deliver and perform its obligations under this Lease and (ii) has, and as of the Commencement Date will have, obtained all company authorizations and approvals which are necessary for it to execute, deliver, and perform its obligations under this Lease;

(c) There is no action, suit, litigation or proceeding pending or, to the best of Tenant's knowledge, threatened against Tenant which could prevent or impair Tenant's entry into this Lease and/or performance of its obligations hereunder; and

(d) The person signing this Lease on behalf of Tenant is duly and validly authorized to do so.

9. Landlord Access to the Leased Premises and Right of Inspection. During the Term, Landlord or its duly appointed agents shall have the right, at all reasonable times upon the furnishing of reasonable notice under the circumstances (except in an emergency, when no notice shall be necessary), to enter upon the Leased Premises to examine and inspect the Phase I Project. Tenant hereby covenants to execute, acknowledge, and deliver all such further documents, and do all such other acts and things, necessary to grant to Landlord such right of entry.

10. Insurance and Performance Bonds.

(a) Prior to the commencement of construction of the Phase I Project, Tenant shall furnish to Landlord an "All Risk Builder's Risk Completed Value Form" for the full completed insurable value of the Leased Premises and in form satisfactory to any mortgage lien holders secured against the Leased Premises.

(b) During the Term, Tenant shall obtain and maintain at its sole expense a comprehensive general liability insurance policy(ies) insuring against the risk of loss resulting from accidents or occurrences on or about or in connection with, the development, construction, and operation of the Phase I Project, or in connection with, or related to, this Lease in such amounts set forth on Exhibit "B" attached hereto and incorporated herein by this reference. Such insurance policies shall be issued by companies acceptable to Landlord. Certified certificates evidencing such insurance coverage shall be delivered to Landlord within five (5) days of Landlord's request for such, along with evidence that the insurance premiums have been paid current to date. All insurance policies required to be maintained by Tenant shall require the insurer to give Landlord thirty (30) days prior written notice of any change in the policies and/or the insurer's intentions to cancel such policy or policies (without a disclaimer of liability for failure to give such notice).

(c) Prior to the commencement of construction of the Phase I Project, Tenant shall furnish a certificate to Landlord from an insurance company(ies) naming Landlord as an additional insured under insurance policy(ies) obtained by Tenant as required by this Lease and confirming that Tenant and the general contractor of the Phase I Project are covered by public liability, automobile liability, and workers' compensation insurance policies satisfactory to Landlord.

(d) Tenant agrees to cooperate with Landlord in obtaining the benefits of any insurance or other proceeds lawfully or equitably payable to Landlord in connection with this Lease.

(e) The "All Risk Builder's Risk Completed Value Form" policy with respect to the Leased Premises shall be converted to an "all risk" or comprehensive insurance policy upon completion of the Phase I Project, naming Landlord as an additional insured thereunder and shall insure the Leased Premises in an amount not less than the full replacement value of Phase I Project on the Leased Premises. Tenant hereby agrees that all insurance proceeds from the All Risk Builder Risk Completed Value Form policy (or if

converted, the “all risk” or comprehensive policy) shall be used to restore, replace or rebuild the Phase I Project.

(f) All such insurance policies shall contain (i) an agreement by the insurer that it will not cancel the policy without delivering prior written notice of cancellation to each named insured and loss payee thirty (30) days prior to canceling the insurance policy and (ii) endorsements that the rights of the named insured(s) to receive and collect the insurance proceeds under the policies shall not be diminished because of any additional insurance coverage carried by Tenant for its own account.

(g) If the Leased Premises are located in a federally designated flood plain, an acceptable flood insurance policy shall also be delivered by Tenant to Landlord, providing coverage in the maximum amount reasonably necessary to insure against the risk of loss from damage to the Leased Premises caused by a flood.

(h) Neither Landlord, nor Tenant, shall be liable to the other (or to any insurance company insuring the other party), for payment of losses insured by insurance policies benefitting the party suffering such loss or damage, even though such loss or damage might have been caused by the negligence of the other party, its agents or employees.

(i) Tenant will cause the contractor, at its sole expense, to obtain and keep in force during the construction of the Phase I Project on the Leased Premises, performance bonds, materials payment bonds, and labor payment bonds, in an amount equal to one hundred percent (100%) of the contract sum of the Phase I Project on the Leased Premises reasonably satisfactory to Landlord. The payment and performance bonds required of Tenant hereunder will be delivered to Landlord.

11. Taxes. During the Term, Tenant shall (a) be liable for the payment of all real estate taxes, special assessments, and any other taxes, levies, or impositions charged by an appropriate taxing authority with respect to the Leased Premises and (b) if the State of Florida or any other Governmental Authorities assess or levy a tax against Landlord on the Annual Rent or Base Rent payable under this Lease, Tenant shall pay and discharge such taxes levied against Landlord if Landlord is not exempt from such tax.

12. Utilities. During the Term, Tenant shall pay the cost of all utilities used, provided, or supplied upon, or in connection with, the development, construction, and operation of the Phase I Project, including, but not limited to, all charges for gas, electricity, telephone and other communication services, water and sewer service charges, and all sanitation fees or charges levied or charged against the Leased Premises.

13. Assignment of Lease by Tenant. Tenant has no right, without the prior written consent from Landlord (which consent shall not be unreasonably delayed, conditioned, or withheld), to assign, convey, or transfer any legal or beneficial interest in Tenant's estate hereunder, except that Tenant may, without Landlord's consent, assign, or mortgage its interest in this Lease as provided in Section 19 hereof.

14. Assignment of Lease by Landlord. Landlord has the right to assign its interest in this Lease without Tenant's prior written consent; however, Landlord must provide written notice to Tenant prior to such assignment. Tenant hereby agrees to accept Landlord's assignee and to

continue to comply with all of the obligations, covenants, and conditions of Tenant under this Lease throughout the remainder of the Term.

15. Eminent Domain. In the event of a condemnation or taking of any portion of the Leased Premises by any Governmental Authorities having the power of eminent domain, Landlord and Tenant agree as follows:

(a) Total Taking. This Lease shall be terminated if (i) the entire Leased Premises is taken by the exercise of the power of eminent domain or (ii) in the event of a partial taking, the remaining portion of the Leased Premises is rendered unusable for Tenant's use or occupancy as the result of such partial taking, in Landlord's and Tenant's reasonable opinion. Upon termination of this Lease pursuant to the provisions of this paragraph, Tenant and Landlord shall be released from their obligations under this Lease, effective on the date title to the Leased Premises is transferred to the condemning Governmental Authority.

(b) Partial Taking. This Lease shall continue in effect if, in the event of a partial taking of the Leased Premises, the remaining portion of the Leased Premises remains reasonably tenantable in Landlord's and Tenant's reasonable opinion.

(c) Award. If there is a taking, whether whole or partial, Landlord and Tenant shall be entitled to receive and retain such separate awards as may be allocated to their respective interests in any condemnation proceedings; provided, however, if such taking occurs prior to the Commencement Date, Landlord shall be entitled to receive and retain the entire condemnation award.

d) Determinations. If Landlord and Tenant cannot agree in respect to any matters to be determined under this section, a determination shall be requested of the court having jurisdiction over the taking.

16. Default by Tenant. The following shall constitute an “*Event of Default*” by Tenant under this Lease:

(a) Failure of Tenant to timely pay the Capital Lease Payment, or any other charge due hereunder, and such default continues for ten (10) days after written notice from Landlord; or

(b) Failure of Tenant to comply with the material terms, conditions, or covenants of this Lease that Tenant is required to observe or perform (other than the monetary obligations referenced in Section 16(a) above) and such breach continues for a period of thirty (30) days after written notice thereof from Landlord; provided, however, that if the cure cannot reasonably be effected within such thirty (30) day period, the cure period shall be extended for such additional time as may be required for Tenant to cure such breach (but in no event longer than one hundred twenty (120) days after written notice of the breach from Landlord to Tenant) so long as Tenant has commenced cure actions during the initial thirty (30) day cure period and diligently pursues the cure during the extended cure period; or

(c) This Lease or the Leased Premises or any part thereof are taken upon execution or by other process of law directed against Tenant, or are taken upon or subjected to any attachment by any creditor of Tenant or claimant against Tenant, and such attachment is not discharged within ninety (90) days after its levy; or

(d) A breach or termination by Tenant (or any affiliate of Tenant) of any written agreement relating to the development of the Phase I Project between Tenant (or an affiliate of Tenant) and Landlord that continues for a period of thirty (30) days after written notice from Landlord of such breach; provided, however, that if the cure cannot reasonably be effected within such thirty (30) day period, the cure period shall be extended for such additional time as may be required for Tenant to cure such breach (but in no event longer than one hundred twenty (120) days after written notice from Landlord to Tenant) so long as Tenant has commenced cure actions during the initial thirty (30) day cure period and diligently pursues the cure during the extended cure period; or

(e) Filing, by the Tenant, of a voluntary petition for bankruptcy or a voluntary petition seeking reorganization, or initiating, by the Tenant, of a plan or an arrangement with or for the benefit of Tenant's creditors; or

(f) Applying for or consenting to, by the Tenant, the appointment of a receiver, trustee or conservator for any portion of Tenant's property under this lease, or having such appointment made without Tenant's consent, and not removed within ninety (90) days; or

(g) After Commencement Date, abandonment of the Phase I Project or vacation of the Leased Premises by Tenant for a period of more than ninety (90) consecutive days.

17. Remedies. If Tenant fails to cure an Event of Default within the time provided, Landlord shall have the right to terminate this Lease, at which point the Term shall be deemed to have expired, Tenant's right to possession of the Leased Premises will cease, and the estate conveyed by this Lease to Tenant will revert to Landlord; provided, however, if such Event of Default shall occur prior to the Commencement Date, Landlord's remedy shall be to receive the Escrow Deposit as its sole and exclusive remedy.

18. Indemnity.

(a) During the term of this Lease, Tenant agrees to indemnify, save, and hold Landlord harmless from and against any and all damages, claims, losses, liabilities, costs, remediation costs, and expenses, including but not limited to, reasonable legal, accounting, consulting, engineering, and other expenses, which may be asserted against, imposed upon or incurred by Landlord, its successors and assigns, by any person or entity and caused by the Tenant's construction, development, or operation of the Phase I Project, including liability arising out of or in connection with any and all federal, State, and local "***Environmental Laws***" (as defined below). Notwithstanding anything to the contrary contained herein, Tenant's obligation to indemnify the Landlord expressly excludes any liability relating to any matters affecting the Leased Premises resulting from activities occurring prior to Tenant taking possession of the Leased Premises. Landlord agrees to indemnify Tenant for any liability costs Tenant may incur due to damage to the Leased Premises resulting from acts or omissions of Landlord or its employees, agents, independent contractors or invitees.

(b) For the purpose of this Lease, the term “*Environmental Laws*” as used herein means all federal, state or commonwealth, and local laws, regulations, statutes, codes, rules, resolutions, directives, orders, executive orders, consent orders, guidance from regulatory agencies, policy statements, judicial decrees, standards, permits, licenses and ordinances, or any judicial or administrative interpretation of, any of the foregoing, pertaining to the protection of land, water, air, health, safety, or the environment whether now or in the future enacted, promulgated or issued, including, but not limited to the following: Federal Water Pollution Control Act, 33 U.S.C. § 1251 et seq.; Clean Air Act, 42 U.S.C. § 741 et seq. The Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601 et seq., as amended by the Superfund Amendment and Reauthorization Act of 1986; The Toxic Substances Control Act, 15 U.S.C. § 2601 et seq.; The Occupational Safety and Health Act, 29 U.S.C. § 651 et seq.; The Safe Drinking Water Act, 42 U.S.C. § 300(f) et seq.; The Clean Water Act, 33 U.S.C. § 1317 et seq.; The Federal Insecticide Fungicide and Rodenticide Act, 7 U.S.C. § 136 et seq.; The Hazardous Materials Transportation Act, The Marine Protection, Research and Sanctuaries Act; and the Resource Conservation and Recovery Act, 42 U.S.C. §§ 6991-6991 i; and each as further amended from time to time and all regulations promulgated thereunder.

19. Right to Encumber the Leased Premises.

(a) During the Term, Landlord shall not encumber its interest in the Leased Premises.

(b) Tenant shall have the right to grant one or more mortgages encumbering its leasehold interest in the Leased Premises, and Landlord agrees that it shall enter into such amendments to this Lease as may be reasonably requested by any leasehold mortgagee in furtherance thereof; provided, however, that Landlord's fee estate in the Leased Premises shall not be subject to such leasehold mortgage or any related mortgage document.

20. Quiet Possession. Tenant shall, and may peaceably and quietly have, hold, and enjoy the Leased Premises during the Term, provided that Tenant pays the rent and performs all the covenants and conditions of this Lease that Tenant is required to perform.

21. Compliance with Applicable Laws.

(a) During the Term, Tenant agrees to comply with all Applicable Laws related to the use or occupancy of all, or any part of, the Leased Premises.

(b) Tenant shall, at its sole expense, obtain all necessary Approvals to operate the Phase I Project on the Leased Premises. Landlord shall cooperate with Tenant fully to help Tenant obtain all necessary Approvals required to operate the Phase I Project on the Leased Premises; provided; however, that the costs of obtaining such Approvals are paid by Tenant.

22. Construction Liens.

(a) At all times during the Term, Tenant agrees to keep the Leased Premises free of construction liens, mechanics liens, materialmen's liens, and other similar type of liens; and Tenant agrees to indemnify and hold Landlord harmless from and against any and all claims and expenses related thereto, including reasonable attorneys' fees, and other costs and expenses incurred by Landlord on account of any such claim or lien.

(b) Within twenty (20) business days of Landlord delivering notice to Tenant that a lien has been filed against the Leased Premises on account of labor or material furnished in connection Tenant's development of the Phase I Project, Tenant shall either (i) discharge the lien filed against the Leased Premises, or (ii) post a bond with the clerk of the court of competent jurisdiction, with instructions to apply the bond towards payment of the lien if it is upheld upon final judgment or return the bond to Tenant if the lien is discharged. Landlord may discharge the lien by paying the amount of the claim due or posting a bond with the applicable clerk of court if Tenant fails to do so within the time required under this Lease, and Tenant shall reimburse Landlord upon demand for the costs it incurred to pay or have the lien discharged. Such amounts due from Tenant shall be charged as Additional Rent under the terms of this Lease.

23. Notices. Any notice required by this Lease shall be delivered to the following parties at the following addresses:

If to Landlord:

City of Hollywood, Florida
2600 Hollywood Blvd.
Room 203
Hollywood, Florida 33020
Attention: Raelin Storey, Director
Office of Communications, Marketing and Economic
Development
Phone: 954-921-3620
Email: rstorey@hollywoodfl.org

And

With copies to:

City of Hollywood, Florida
2600 Hollywood Blvd.
Room 407
Attention: Douglas R. Gonzales
Office of the City Attorney
Phone: 954-921-3435
Email: dgonzales@hollywoodfl.org

If to Tenant:

University Station I, LLC
3225 Aviation Ave
6th floor,
Miami, FL 33133
Attention: Matthew Rieger, Esq.
Phone: 305-860-8188
Email: mattr@htgf.com

If to Escrow Agent:

Richard E. Deutch, Jr., Esq
Stearns Weaver Miller Weissler Alhadeff & Sitterson, P.A.
150 West Flagler Street, Suite 2200
Miami, FL 33130
Direct: 305-789-4108
Main: 305-789-3200
Fax: 305-789-2613
rdeutch@stearnsweaver.com

Any notice required or permitted to be delivered under this Lease shall be deemed to be given and effective when (a) deposited in the United States mail, postage prepaid, certified or registered mail, return receipt requested, (b) sent, if sent by a nationally recognized overnight carrier, or (c) received, if delivered personally, provided that all charges have been prepaid and the notice is addressed to the party(ies) as set forth above. The time period for a response to a notice shall be measured from date of receipt or refusal of delivery of the notice. Notices given on behalf of a party by its attorney shall be effective for and on behalf of such party. Copies of notices are for informational purposes only, and a failure to give or receive copies of any notice shall not be deemed a failure to give notice.

Each party shall have the right to specify that notice be addressed to another address by giving to the other party ten (10) days' written notice thereof.

24. Waiver. The rights and remedies of Landlord under this Lease, as well as those provided or accorded by law, shall be cumulative, and none shall be exclusive of any other rights or remedies hereunder or allowed by law. No waiver by Landlord of any violation or breach of any of the terms, provisions, and covenants of this Lease shall be deemed or construed to constitute a waiver of any other violation or breach of any of the terms, provisions, and covenants contained herein. Forbearance by Landlord to enforce one or more of the remedies provided herein upon an Event of Default shall not be deemed or construed to constitute a waiver of such Event of Default. Acceptance of any installment of rent by Landlord subsequent to the date it is due shall not alter or affect the covenant and obligation of Tenant to pay subsequent installments of rent promptly upon the due date thereof.

25. Applicable Law. This Lease shall be construed under the laws of the State of Florida and shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

26. Conflicts of Interest. No member, official, representative, or employee of the City shall have any personal interest direct or indirect in this Lease, nor shall any such member, official, representative or employee participate in any decision relating to this lease which affects his or her personal interest or the interest of any corporation, Partnership or association in which he or she is directly or indirectly, interested. No member, official, elected representative or employee of the City shall be personally liable to Tenant or any successor in interest in the event of any default or breach by the City or for any amount which may be become due the Tenant or successor or on any obligations under the terms of the lease.

27. Interpretation. The words "**Landlord**" and "**Tenant**" as used herein, shall include, apply to, bind and benefit, as the context permits or requires, the parties executing this Lease and

their respective successors and assigns. Wherever the context permits or requires, words of any gender used in this Lease shall be construed to include any other gender, and words in the singular numbers shall be construed to include the plural.

28. Escrow Agent. Escrow Agent has agreed to act as such for the convenience of the parties. Escrow Agent shall not be liable for any act or omission to act except for its own gross negligence or willful misconduct. Escrow Agent shall be entitled to rely on any document or paper received by it, believed by Escrow Agent, in good faith, to be bona fide and genuine. In the event of any dispute as to the disposition of the Escrow Deposit, Escrow Agent shall give written notice to all parties advising that, in the absence of written instructions signed by both Landlord and Tenant received within the next ten (10) business days, Escrow Agent shall interplead the Escrow Deposit by filing an interpleader action in the Circuit Court in and for Broward County, Florida (the “*Court*”) (to the jurisdiction of which both parties do hereby consent). If Escrow Agent receives the aforesaid written instructions from Landlord and Tenant, it shall comply with such instructions. If Escrow Agent does not receive the aforesaid written instructions, it shall deliver into the registry of the Court the Escrow Deposit, including all interest earned thereon, whereupon Escrow Agent shall be relieved and released from any further liability as Escrow Agent hereunder.

29. Captions and Gender. The headings and captions contained in this Lease are inserted only as a matter of convenience and in no way define, limit or describe the scope or intent of this Lease, nor of any provision contained herein. Unless the context clearly requires otherwise, the singular includes the plural, and vice versa, and the masculine, feminine and neutral adjectives one another.

30. Care of the Leased Premises. Tenant shall take good care of the Leased Premises and prevent waste. All damage or injury to the Leased Premises shall be promptly repaired by Tenant at its expense throughout the Term. Notwithstanding the foregoing sentences, Tenant shall have no obligation to repair or restore any damage to the Leased Premises resulting from acts or omissions of Landlord or its employees, agents, independent contractors, or invitees, and Landlord hereby indemnifies Tenant for any liability costs that Tenant may incur due to such damage, with such indemnity to survive expiration of the Term of this Lease.

31. Net Lease. This is a “*Net Lease*” and Landlord shall have no obligation to provide any services, perform any acts, or pay any expenses, charges, obligations or costs of any kind related to the construction, development, and operation of the Phase I Project on the Leased Premises. During the Term, Tenant hereby agrees to pay any and all Operating Expenses of the Leased Premises. For purposes of this Lease, the term “*Operating Expenses*” shall mean all ordinary and necessary operating expenses (including real estate taxes for the Phase I Project on the Leased Premises, property insurance for the Leased Premises (exclusive of any personal property located thereon), and replacement and maintenance reserves or accruals required by generally accepted accounting principles) and other reserves and accruals that are required to operate, maintain, and keep the Leased Premises (including the Phase I Project) in a neat, safe and orderly condition. If Landlord elects to take possession of the Leased Premises after an Event of Default under this Lease and Landlord or its agents operate and manage the Leased Premises, any and all Operating Expenses incurred in excess of rents generated by the Leased Premises shall be paid by Tenant upon receipt of a demand by Landlord. It is specifically understood and agreed that Landlord shall have no obligation under this Lease to expend any monies with regard to the Leased Premises during the Term of this Lease or any extensions thereof.

32. Surrender of Leased Premises. Upon the expiration of the Term, Tenant shall surrender possession of the Leased Premises, along with all alterations, additions, and

improvements thereto, to Landlord in good condition and repair, reasonable wear and tear and damage by casualty excepted. Tenant shall remove all its personal property not required to be surrendered to Landlord from the Leased Premises before surrendering possession to Landlord, and shall repair any damage to the Leased Premises caused by the removal of Tenant's personal property. Any personal property remaining in the Leased Premises at the expiration of the Lease Term shall become property of Landlord and Landlord shall not have any liability to Tenant under any circumstances. Tenant expressly waives the benefit of any Applicable Laws requiring notice from Landlord to vacate the Leased Premises at the end of the Term. Tenant acknowledges and agrees that upon the expiration of the Term any and all rights and interests it may have either at law or in equity to the Leased Premises shall immediately cease.

33. Alterations. After construction of the Phase I Project has been completed, Tenant shall have the right to make such changes and alterations to the Leased Premises deemed necessary or desirable by the parties. If Landlord's approval is required for changes or alterations to the Leased Premises, its approval shall not be unreasonably delayed, conditioned, or withheld.

34. Amendment and Reinstatement of this Lease. Parties understand that this Lease will be amended and reinstated to further adapt the terms of this Lease with any funding requirements and to finalize the negotiation of additional terms and conditions to further define details of the Phase I Project. Any modifications, alterations, or changes must be executed by a written agreement of both Landlord and Tenant. Within the additional terms and conditions to be added, parties can add the following provisions:

(a) In Landlord's discretion, provisions can be added to the following effect:

(i) That if the residential component is to be financed with Tax Credits, that not all the units shall be restricted to income levels equal or lower than 60% AMI, and that at least 25% of the Units shall have an income restriction of not greater than 80% AMI in the Tax Credit Restrictive Covenant; or be market rate units.

(ii) That if the Landlord or its affiliates can provide the resources (the "Landlord Resources") to fund additional improvements, Tenant can add those into the Phase I Project ("Additional Improvements"). In those cases, parties shall enter into an agreement for the construction, operation and funding of the Additional Improvements. Tenant shall not charge to the Landlord Resources additional fees other than the actual construction cost (including 14% GC mark-ups) of the Additional Improvements and any third-party fees and permitting fees related to the Additional Improvements. Tenant can work with Landlord to use the Capital Lease Payment, or a portion of it, as Landlord Resources to pay for the Additional Improvements. The Tenant's obligation to build the Additional Improvements is limited to the first three (3) years of the term of this Lease. The following are examples of Additional Improvements:

(1) Additional Public Parking: Tenant can increase the amount of Public Parking by adding floors to its parking garage up to 8 floors in total. Each additional floor of parking (approximately 85 spaces) is estimated to cost approximately \$1,445,000.00 (or approximately \$17,000 per parking space).

(2) A ticketing office for a future train stop, a gallery center and/or a community center (collectively, "Public Use Space"). At Landlord's

discretion, Tenant is willing to design, make all necessary interior improvements and furnish a portion of the Public Use Space to accommodate the Landlord's desired use(s). Tenant shall not charge the Landlord Resources the cost of the constructing the shell of any Public Use Space contained within primary structures of the Phase I Project, but shall charge to Landlord Resources all interior improvements to be made to the Public Use Space. If Landlord elects to use Landlord Resources to pay for all design, interior improvements and furniture/fixtures in the Public Use Space, Tenant shall not charge rent for the space, except the operating expenses of the Public Use Space, including taxes, insurance and utilities.

(3) Rehabilitation or Redevelopment of the Fred Lippman Multipurpose Center location ("Lipmann Center"). If desired by the Landlord, Tenant will design and either redevelop or rehabilitate the Lipmann Center, if enough Landlord Resources are allocated for that purpose and the necessary agreements are executed by all parties related to such endeavor.

(iii) The Tenant will make all reasonable effort to grant at least 20% of construction contracts to local Hollywood subcontractors and/or labor force.

(iv) Tenant shall provide Barry University ("Barry") with a right of first refusal to sublease at least 11,000 sf of commercial space in the Phase I Project under conditions similar to Barry's current lease with the Landlord for the parcel located along 21st Avenue between Fillmore and Taylor Streets ("Barry Current Location"), with the condition that Barry vacates the Barry Current Location by the commencement date of that certain ground lease to be executed between Landlord and University Station II, LTD.

(b) In Tenant's discretion, provisions can be added to the following effect:

(i) If Florida Housing allocations for Tax Credits are not achieved, Tenant may combine the Leased Premises of this Lease with the Leased Premises of the University Station II, LTD Lease, to develop a larger unified market rate housing development with substantially the same combined number of residential units, parking and commercial space.

(ii) If Florida Housing allocations for Tax Credits are not achieved and there are not Tax Credit Units as further verified by the Landlord before financing closing or the Commencement Date, the Landlord will not provide the Special Local Government Contribution Loan and the Capital Lease Payment shall not be Three Million Dollars (\$3,000,000.00), but Two Million Three Hundred Sixty Thousand Dollars (\$2,360,000.00).

35. Partial Invalidity. If any part of this Lease is invalid or unenforceable under applicable laws, such portions shall be deemed deleted from this Lease and the remainder of this Lease shall not be affected thereby and shall remain in full force and effect.

36. Binding Obligation. This Lease has been duly and validly executed and delivered by Landlord and Tenant and constitutes a legal, valid and binding obligation of Landlord and Tenant enforceable in accordance with its terms.

37. Counterparts. This Lease may be executed in multiple counterparts, each of which shall be deemed an original, but all of which, together, shall constitute but one and the same instrument. Any signature delivered by facsimile, Email or other forms of electronic transmission, such as a PDF, shall be considered an original signature by the sending party.

38. Entire Agreement. This Lease constitutes the entire agreement and supersedes all other prior agreements and understandings, both written and oral, between Landlord and Tenant with respect to the subject matter thereof.

[*SIGNATURES ARE ON THE FOLLOWING PAGE*]

IN WITNESS WHEREOF, Landlord and Tenant have caused this Lease to be executed as of the date first written above.

ATTEST:

Patricia Cerny, MMC
City Clerk

Approved as to form and legal sufficiency
For the use and reliance of the
City of Hollywood, Florida

Douglas R. Gonzales, City Attorney

WITNESS:

Print Name: _____

Print Name: _____

LANDLORD:

CITY OF HOLLYWOOD

By: _____
Josh Levy Mayor

By: _____
David Keller
Interim Direct, Financial Services

TENANT:

University Station I, LLC
a Florida limited liability company

By: University Station I, LLC
a Florida limited liability company,
its authorized member

By: _____
Matthew Rieger, Esq.
President and CEO

Exhibit "A"

LEGAL DESCRIPTION OF LEASED PREMISES

DESCRIPTION OF BLOCK 11 - SHUFFLEBOARD CENTER:

BEING THAT PORTION OF BLOCK 11 AND PUBLIC RIGHT-OF-WAY ADJACENT THERETO, "RE-SUBDIVISION OF BLOCKS ELEVEN AND TWELVE HOLLYWOOD", ACCORDING TO THE PLAT THEREOF, AS RECORDED IN PLAT BOOK 3, PAGE 1, OF THE PUBLIC RECORDS OF BROWARD COUNTY, FLORIDA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN AT THE POINT OF INTERSECTION OF THE NORTH RIGHT-OF-WAY LINE OF POLK STREET WITH THE EAST RIGHT-OF-WAY LINE OF NORTH 21ST AVENUE, BEING A LINE FIFTY (SO) FEET EAST OF, AND PARALLEL WITH THE EAST RIGHT-OF-WAY LINE OF THE F.E.C. RAILROAD;

THENCE NORTHERLY ALONG SAID EAST RIGHT-OF-WAY LINE AND THE NORTHERLY EXTENSION OF THE MOST WESTERLY LINE OF SAID BLOCK 11, A DISTANCE OF 282.98 FEET TO A POINT OF INTERSECTION WITH THE SOUTH RIGHT-OF-WAY LINE OF TAYLOR STREET;

THENCE EASTERLY ALONG SAID SOUTH RIGHT-OF-WAY LINE, A DISTANCE OF 135 FEET TO A POINT OF INTERSECTION WITH THE WEST LINE OF A 15 FOOT-WIDE ALLEY; THENCE SOUTHERLY ALONG SAID WEST LINE, A DISTANCE OF 282.98 FEET TO A POINT OF INTERSECTION WITH SAID NORTH RIGHT-OF-WAY LINE OF POLK STREET;

THENCE WESTERLY ALONG SAID NORTH RIGHT-OF-WAY LINE, A DISTANCE OF 135 FEET TO THE POINT OF BEGINNING.

SAID LANDS SITUATED, LYING AND BEING IN THE CITY OF HOLLYWOOD, BROWARD COUNTY, FLORIDA. CONTAINING 0.88 ACRES (38,202 SQUARE FEET), MORE OR LESS.

DESCRIPTION OF POLK STREET PARKING LOT:

BEING ALL OF LOTS 8, 9, 10, 11, 12 AND 13, BLOCK 11, "HOLLYWOOD", ACCORDING TO THE PLAT THEREOF, AS RECORDED IN PLAT BOOK 1, PAGE 21, OF THE PUBLIC RECORDS OF BROWARD COUNTY, FLORIDA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN AT THE SOUTHWEST CORNER OF SAID LOT 8, BLOCK 11, BEING A POINT OF INTERSECTION OF THE NORTH RIGHT-OF-WAY LINE OF POLK STREET WITH THE EAST LINE OF A 15 FOOT ALLEY AND THE WEST LINE OF SAID LOT 8;

THENCE NORTHERLY ALONG SAID WEST LINE OF SAID LOT 8, A DISTANCE OF 134.61 FEET TO THE NORTHWEST CORNER OF SAID LOT 8, BEING A POINT OF INTERSECTION OF SAID EAST LINE OF A 15 FOOT ALLEY WITH THE SOUTH LINE OF A 14 FOOT ALLEY;

THENCE EASTERLY ALONG THE NORTH LINE OF LOTS 8 THROUGH 13, AND SAID SOUTH LINE OF SAID 14 FOOT ALLEY, A DISTANCE OF 240.00 FEET TO THE NORTHEAST CORNER OF SAID LOT 13, BLOCK 11;

THENCE SOUTHERLY, ALONG THE EAST LINE OF SAID LOT 13, A DISTANCE OF 134.55 FEET TO A POINT ON THE NORTH RIGHT-OF-WAY LINE OF POLK STREET;

THENCE WESTERLY, ALONG SAID NORTH RIGHT-OF-WAY LINE, A DISTANCE OF 240.00 FEET TO THE SOUTHWEST CORNER OF SAID LOT 8 AND THE POINT OF BEGINNING.

SAID LAND SITUATED, LYING AND BEING IN THE CITY OF HOLLYWOOD, BROWARD COUNTY, FLORIDA. CONTAINING 0.74 ACRES (32,297 SQUARE FEET) MORE OR LESS.

Exhibit "B"

Insurance

Commercial general liability insurance with a combined single limit of not less than Two Million Dollars (\$2,000,000.00) for injury to or death of any one person, for injury to or death of any number of persons in one occurrence, and for damage to property, insuring against any and all liability of Tenant and Landlord including coverage for contractual liability and broad form property damage; provided Landlord shall have the right from time to time to determine such higher limits as may be reasonable and customary for similar properties similarly situated.

Such other insurance on or in connection with the Leased Premises as Landlord may reasonably require and which at the time is commonly obtained in connection with similar properties similarly situated.