

**AGREEMENT OF SALE AND PURCHASE**

THIS AGREEMENT OF SALE AND PURCHASE (“**Agreement**”) made as of the \_\_\_\_\_ day of \_\_\_\_\_, 2013, by and between **THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA** (“**Seller**”) and **JAG DEVELOPMENT COMPANY LLC** a Delaware limited liability company (Purchaser), with the joinder and consent of **JOSEPH M. BALOCCO, JR., P.A.** (hereinafter referred to as “**Escrow Agent**”).

**W I T N E S S E T H:**

WHEREAS, Seller is the owner and holder of the fee simple title to that certain parcel of real property lying, being and situate in Broward County, Florida, legally described on **Exhibit “A”** attached hereto and made a part hereof, together with all easements, rights-of-way, privileges, appurtenances, licenses, development rights, entitlements, permits, credits, reversionary rights and other rights to same, belonging to and inuring to the benefit of said real property; all strips and gores, if any; all right title and interest, if any, of Seller in and to any land lying in the bed of any street, road, avenue, open or proposed, in front of or adjoining said real property to the center line thereof, and all right, title and interest of Seller in and to any awards made or to be made in lieu thereof, and in and to any unpaid awards for damage to said real property by reason of change of grade of any street (“**Land**”); and

WHEREAS, the Land, together with all of the rights and appurtenances appertaining thereto, are hereinafter collectively referred to as the “**Subject Property**”; and

WHEREAS, Purchaser desires to purchase the Subject Property from Seller and Seller desires to sell the Subject Property to Purchaser, all for the price and pursuant to the terms and conditions hereinafter set forth;

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the parties hereto, each intending to be legally bound, do hereby agree as follows:

1. **Recitation.** The recitations set forth in the preamble of this Agreement are true and correct and are incorporated herein by this reference.

2. **Sale of Subject Property.** Seller shall sell, transfer, assign and convey to Purchaser at the Closing, as hereinafter defined, the Subject Property, and Purchaser shall accept such conveyance, subject to the conditions hereof and upon the representations and warranties herein made.

3. **Purchase Price.**

3.1 The Purchase Price to be paid by Purchaser to Seller for the Subject Property (“**Purchase Price**”) shall be Nine Million Seven Hundred Fifty Thousand and No/100 Dollars (\$9,750,000.00)

3.2 The Purchase Price shall be paid as follows:

(a) Within three (3) business days from the Purchaser's execution of this Agreement, Purchaser shall deliver to Escrow Agent an earnest money deposit in the amount of One Hundred Ten Thousand and No/100 Dollars (\$110,000.00) ("**Initial Deposit**"), which Deposit shall be held in escrow by Escrow Agent in accordance with the terms of this Agreement. This Agreement is subject to the formal approval by the School Board of Broward County (the "**Board**") in a meeting to be held on or before January 31, 2014. In the event the Board shall fail to approve this Agreement and Seller shall fail to execute it on or before January 31, 2014, the Initial Deposit shall be forthwith returned to the Purchaser and this Agreement shall be void and of no further force or effect. In the event Purchaser fails to notify the Seller of its intent to terminate, pursuant to the terms of Section 8 of this Agreement, on or prior to the end of the "Inspection Completion Date" (as hereinafter defined), the Initial Deposit shall be non-refundable, except in the event of an uncured Seller default as referenced in Section 18 or the failure of Closing Conditions in Section 11.1 and Section 11.4 hereof.

(b) In the event Purchaser notifies the Seller of its intent to proceed, pursuant to the terms of this Agreement on or prior to the "Inspection Completion Date" (as hereinafter defined), then and in that event, Purchaser shall deliver to Escrow Agent within five (5) days following the Inspection Completion Date an additional earnest money deposit in the amount of One Hundred Ninety Thousand and No/100 Dollars (\$190,000.00) ("**Additional Deposit**"), which Additional Deposit shall be held in escrow by Escrow Agent in accordance with the terms of this Agreement. The Initial Deposit together with the Additional Deposit, if, as and to the extent delivered to Escrow Agent, shall collectively hereinafter be referred to as "**Deposit**".

(c) At Closing, Purchaser shall pay to the Seller the balance of the Purchase Price, of which the Deposit shall be a part thereof, payable in cash, by wire transfer, subject to prorations, adjustments and credits as hereinafter set forth.

4. **Permitted Encumbrances.** At Closing, Seller shall deliver the Land by a special warranty deed, conveying good, marketable and insurable title to the Subject Property, free and clear of all liens, claims, easements, limitations, restrictions or encumbrances whatsoever, except for the following "Permitted Encumbrances", to wit:

4.1 Ad valorem real estate taxes for the year of Closing and subsequent years not yet due and payable; and

4.2 Zoning restrictions and prohibitions imposed by governmental and/or quasi-governmental authority; and

4.3 Those matters set forth in **Exhibit "B"** attached hereto and made a part hereof.

5. **Title.** Seller shall deliver to Purchaser, within 15-days of the Effective Date as hereinafter defined, a copy of Seller's prior owner's title insurance policy, together with a survey

of the Subject Property (if in Seller's possession or control). Within five (5) days following the date that the Seller's owner's title insurance policy and survey are delivered to Purchaser, Purchaser shall obtain, at Purchaser's cost, an ALTA Form B title insurance commitment ("**Commitment**") with respect to the Land in the amount of the Purchase Price prepared by Chicago Title Insurance Company ("**Title Company**") issued by Escrow Agent, together with legible hard copies of all exceptions contained in the Commitment. Further, Purchaser may obtain, at Purchaser's cost, within forty-five (45) days following the Effective Date, an up-to-date survey (with appropriate monuments) on the ground ("**Survey**") prepared in accordance with the Minimum Technical Standards set forth in rules adopted by the Florida Board of Land Surveyors pursuant to Florida Statutes 472.027 and certified to Purchaser, Seller, Escrow Agent and the Title Company under seal by surveyor licensed by the State of Florida acceptable to Purchaser showing the legal description of the Land and calculation of the acreage of the Land and shall overlay all easements, (temporary or permanent), rights-of-way, improvements, fences, utilities, poles, water areas and all other matters affecting title to the Land as of the effective date of the Commitment. If the Survey shows any encroachments affecting the Land, the same shall be deemed to be a title defect. Purchaser shall have until forty-five (45) days after the Effective Date to examine the Commitment and the Survey (collectively referred to as "**Title Evidence**") ("**Title Review Period**"). In the event that Purchaser is not satisfied with the status of title with respect to the Land for any reason (including an objection as to any of the Permitted Encumbrances), Purchaser shall have the right to terminate this Agreement upon delivery of written notice to Seller prior to the end of the Title Review Period, whereupon Escrow Agent shall return to Purchaser the Deposit, together with interest earned thereon, if any, and the parties shall be released of all further obligations each to the other under this Agreement, except to the extent of the indemnities and obligations stated to survive such termination ("**Surviving Obligations**"). Additionally, if Purchaser does not elect to terminate this Agreement as provided in the preceding sentence and if title is found to be subject to any matters other than the Permitted Encumbrances, Purchaser shall within said Title Review Period, notify Seller in writing specifying the defects. Seller shall have sixty (60) days from receipt of such notice to exercise its best efforts to cure the defect and if after said sixty (60) day period Seller shall not have cured such defect, then the Deposit shall be refunded to Purchaser and this Agreement shall be terminated except for the Surviving Obligations. Seller shall not be obligated to file suit to cure title.

6. **Representations and Warranties.** As a material inducement to Purchaser to execute this Agreement and to close the transaction contemplated hereby and to pay the Purchase Price therefor, Seller covenants, represents and warrants to Purchaser as follows, to wit:

6.1 Subject to the Board's approval, the Seller has the full right, power and authority to own, operate and convey the Subject Property, and does not need any further consents, joinders or other authorization from any governmental or private entity, corporation, partnership, firm, individual or other entity to execute, deliver and perform its obligations under this Agreement, and to consummate the transactions contemplated hereby.

6.2 At Closing, no work shall have been performed or be in progress and no materials or services shall be furnished with respect to the Subject Property or any portion thereof which could give rise to any mechanic's, materialmen or other liens. At Closing, Seller shall furnish to Purchaser an affidavit in form and substance acceptable to Title

Company, attesting to the absence of any such liens or potential liens (if there are no such liens) required by the Title Company to delete the mechanic's lien standard preprinted exception.

6.3 Seller is not a party to and the Subject Property is not affected by any service, maintenance, property management or any other contracts or other agreements of any kind ("**Service Contracts**").

6.4 Seller is neither a "foreign person" nor a "foreign corporation" (as those terms are defined in Section 7701 of the Internal Revenue Code of 1986, as amended).

6.5 There are no leases use rights or other rights of occupancy which affect the Subject Property, and there will be no leases, use rights or other rights of occupancy affecting the Subject Property at Closing.

6.6 Other than Seller and the rights of Purchaser under this Agreement, no person, firm or entity has any right, title, interest or estate in any of the Subject Property or has any right or option to acquire fee title to any of the Subject Property or any part thereof.

6.7 There are no taking, condemnation, zoning (other than the Approvals), betterment or assessment actions, suits, arbitrations, claims, attachments or proceedings, or any other litigation or proceedings, actual or proposed, pending or threatened, against Seller which would materially and adversely affect the use, value or operation of the Property or the Anticipated Use or which would in any way constitute a lien, claim or obligation of any kind against the Property or affect Seller's ability to perform its obligations under this Agreement in any way.

The representations, warranties and agreements made in this Agreement shall be deemed to apply as of the date of execution of this Agreement and shall be construed as continuing warranties, representations and agreements which shall survive the Closing for a period of one (1) year from the date of closing.

7. **Covenants of Seller.** As a material inducement to Purchaser entering into this Agreement, Seller hereby covenants unto Purchaser the following, to wit:

7.1 Within five (5) days from the Effective Date, Seller will furnish, or cause to be furnished, to Purchaser any documents and other information requested by Purchaser with respect to the Subject Property which Seller has in its possession or control;

7.2 If Seller receives any actual notice of the commencement of any legal action or notice from any governmental authority affecting the Subject Property, or the transaction contemplated by this Agreement, Seller agrees to immediately provide written notice of same to Purchaser. Seller shall not seek any change in the existing governmental approvals for the Subject Property without the prior written consent of Purchaser in each instance and as otherwise required hereunder. In the event of any legal action or violation of governmental or quasi-governmental authority which will affect the Subject Property and Seller shall fail to cure such matter giving rise to such legal action or violation within one hundred thirty (130) days from date of notice to Purchaser thereof (whereupon the

Closing shall be extended for up to one hundred thirty (130) days without the payment of any extension fees to permit Seller's cure thereof, if applicable), Purchaser shall have the right to terminate this Agreement upon written notice to Seller, whereupon the Deposit shall be immediately returned to Purchaser, and the parties shall be released of all further obligations each to the other hereunder, provided however, Purchaser shall not be released with respect to its indemnities and obligations that expressly survive termination of this Agreement.

7.3 Seller will not promote, advertise, market, option, transfer, lease or convey all or any portion of the Subject Property or any interest therein, nor enter into any agreement to promote, advertise, market, option, transfer, lease or convey all or any portion of the Subject Property or any interest therein.

7.4 Seller will not enter into any lease or other agreement, written or oral, that will be or purport to be binding on Purchaser or the Subject Property subsequent to the Closing.

7.5 Seller will maintain the Subject Property in a condition at least as good as its condition on the Execution Date and will continue to operate the Subject Property as it has been operated.

7.6 Except for the Approvals or as may be otherwise requested by Purchaser in writing, Seller will not take, approve or consent to any action or omission that would change the zoning, use, permits or licenses of or for the Subject Property or that would otherwise adversely affect the Subject Property in any way.

7.7 Seller shall not place on any of the Subject Property, any lien, encumbrance or other matter which would constitute an encumbrance or title exception to the Subject Property and/or under Schedule B-1 of the Commitment.

## 8. Inspections.

8.1 The parties hereto acknowledge that Purchaser, as of the date of the execution of this Agreement, has not yet had an opportunity to review, examine, evaluate or otherwise satisfy itself with respect to the financial or economic viability of the transaction contemplated hereby, the soil condition, environmental condition, or other aspects of the Subject Property. In that regard, Purchaser shall have a period ("**Inspection Period**") which shall be sixty (60) days following the Effective Date in which to conduct such inspections and otherwise examine same. If, prior to 5:00 p.m. e.s.t. on the date ("**Inspection Completion Date**") which is the end of the Inspection Period, Purchaser determines that the Subject Property is not acceptable to Purchaser for any reason or no reason in its sole and absolute discretion, Purchaser shall deliver to Seller a written notice terminating this Agreement, whereupon the Agreement shall be deemed terminated and the Escrow Agent is hereby authorized and directed to pay the Initial Deposit to Purchaser and the parties shall be relieved of all further obligations each to the other; provided however, Purchaser shall not be released with respect to obligations and indemnities that expressly survive termination of this Agreement. Should Purchaser determine that the Subject

Property is acceptable in Purchaser's sole and absolute discretion, Purchaser shall give written notice to Seller on or before 5:00 p.m. e.s.t. on the Inspection Completion Date electing to proceed pursuant to the terms of this Agreement. Either said notice may be given via email to Seller's attorney. In the event either said notice is not delivered prior to 5:00 p.m. e.s.t. on the Inspection Completion Date, said failure to notice shall constitute Purchaser's election to proceed pursuant to the terms of this Agreement. Purchaser hereby indemnifies and holds Seller forever harmless from and against any and all loss, cost, damage, liability, lien, claim, threat(s) of claim, or other exposure suffered or incurred by Seller caused by the acts or omissions of Purchaser, its employees, agents and/or contractors with respect to the inspections (including, without limitation, reasonable attorney's fees, paralegal's fees and court costs through all trial and appellate levels incurred by Seller through the defense thereof).

8.2 Purchaser, its agents, employees and representatives, shall have access to the Subject Property at all reasonable times subsequent to the Effective Date and prior to the Closing or earlier termination of this Agreement, upon reasonable prior notice to the Seller, with full right to perform the inspections (provided the inspections are non-intrusive, and as otherwise approved by Seller, which approval shall not be unreasonably withheld or delayed). Upon completion of any inspections, Purchaser shall restore any damage to the Property caused, directly or indirectly, by Purchaser's inspections to the condition existing immediately prior to such inspections of the Subject Property. Purchaser shall, at Purchaser's expense, promptly cause: (i) all borings made by or on behalf of Purchaser to be plugged or capped in a safe manner in accordance with applicable law; (ii) all property, if any, damaged or destroyed by Purchaser, its employees, agents and independent contractors to be repaired, restored and replaced; and (iii) all debris, if any, and all underbrush cut or uprooted, if any, resulting from or in connection with the inspections to be removed from the Land, provided, however, in no event shall such inspections disturb environmentally sensitive lands nor shall Purchaser cut or uproot, or permit or cause any of Purchaser's employees, agents or independent contractors to cut or uproot, any living trees or disturb any wetlands situated on the Land.

8.3 All inspections of the Subject Property by Purchaser and all costs and expenses in connection with Purchaser's inspections of the Subject Property, shall be at the sole cost of Purchaser, and shall be performed free and clear of all liens, claims and encumbrances and in a manner not to unreasonably interfere with the Seller's ownership, operation and maintenance of the Subject Property. Purchaser shall not permit any liens to be placed against the Subject Property, or any portion thereof, as a result of any actions taken or inactions or omissions by, through or under Purchaser and shall promptly remove any such liens so filed by payment or bonding of same in the manner required by Florida law so that such liens, claims or encumbrances no longer constitute same on any portion of the Subject Property.

8.4 Notwithstanding anything contained herein to the contrary, prior to Purchaser's performing any inspections upon the Subject Property, Purchaser shall furnish Seller with a certificate of insurance evidencing that Purchaser has in effect a general liability policy (from an insurance company licensed by the State of Florida and reasonably acceptable to the Seller), with limits of not less than One Million and No/100

Dollars (\$1,000,000.00) combined single limit for bodily injury and property damage liability in any one occurrence naming Seller as an additional insured.

The provisions of this Section 8 shall prevail over any other section or paragraph of this Agreement in the event of any conflict or ambiguity and shall survive the Closing.

9. **Governmental Approval Period.**

Purchaser shall have three hundred sixty-five (365) days from the Inspection Completion Date (the "**Governmental Approval Period**") within which to obtain non-appealable, final site plan, zoning and land use amendment approvals, as necessary, and permits to construct a multi-family development consisting of up to two hundred-eighty (280) residential units in multiple buildings, retail space, clubhouse, storm water system, surface parking, and related amenities (the "**Anticipated Use**") in accordance with a site plan and subject only to such stipulations, conditions and requirements as are acceptable to Purchaser in its sole discretion (the "**Approvals**"). Purchaser shall diligently pursue obtaining the Approvals and shall provide Seller with quarterly progress reports detailing Purchaser's efforts to obtain the Approvals. Seller shall fully cooperate with Purchaser in connection with Purchaser's efforts to obtain all such permits and approvals, including, without limitation, executing such applications or such other documents and instruments and attending such meetings with governmental authorities as may be reasonably necessary to allow Purchaser to process Approvals in its name or in the name of the Seller. If Purchaser has proceeded diligently and in good faith towards obtaining the Approvals, Purchaser shall have the right to extend the Governmental Approval Period for thirty (30) additional days by delivery of written notice to Seller of its election to so extend on or before the expiration of the Governmental Approval Period, which delivery shall be accompanied by an additional earnest money deposit in the sum of Twenty-Five Thousand and No/100 Dollars (\$25,000.00), which additional earnest money deposit shall be part of the Deposit and credited towards the Purchase Price. In the event that Purchaser shall fail to timely obtain the necessary governmental approvals, and provided Purchaser has exercised good faith efforts to obtain same, Purchaser shall have the option upon written notice to Seller, prior to the expiration of the Governmental Approval Period (as may be extended hereby), to waive the obtaining of said Approvals or terminate this Agreement, in which event the Additional Deposit only shall be forthwith returned to the Purchaser. Thereafter, neither Party shall have any further obligation to the other with the exception of the Surviving Obligations.

10. **The Closing.** The closing of title hereunder ("**Closing**") shall take place at the offices of Escrow Agent, 1323 SE 3<sup>rd</sup> Avenue, Fort Lauderdale, Florida 32501 ("**Closing Location**") commencing at such time as may be mutually agreed to by the Parties on the earlier to occur of: (i) thirty (30) days after the expiration of the Governmental Approval Period; or (ii) thirty (30) days after receipt by Purchaser of the Approvals referenced in Section 9 hereof; unless extended by other provisions of this Agreement ("**Closing Date**").

11. **Conditions to Obligations of Purchaser.** The obligations of Purchaser under this Agreement to purchase the Subject Property and consummate the other transactions contemplated hereby shall be subject to the satisfaction of the following conditions (the "**Closing Conditions**") on or before the Closing Date (and, in the case of Sections 11.1, 11.2 and 11.3, such conditions shall additionally exist as of the last day of the Inspection Period), except to the extent that any of

such Closing Conditions may be waived by Purchaser or the period of time for satisfaction thereof extended by Purchaser, in writing, on or before Closing:

11.1 Representations, Warranties and Covenants of Seller. All representations and warranties of Seller in this Agreement shall be true and correct in all material respects, with the same force and effect as if such representations and warranties were made anew as of the Closing Date, and Seller shall have performed and complied with all covenants and agreements required by this Agreement to be performed or complied with by Seller prior to or on the Closing Date.

11.2 No Orders. No order, writ, injunction or decree directed against Seller or any of the Subject Property or proposal to change the permitted use or zoning of any of the Subject Property (other than the Approvals or as approved, in writing, by Purchaser) shall be pending or threatened or shall have been proposed or entered into and be in effect by any court of competent jurisdiction or any applicable governmental authorities.

11.3 No Suits. No suit or other proceeding before any court or applicable governmental authority shall be pending or threatened by any third party seeking to declare illegal, restrain or prohibit the transactions contemplated herein, including, without limitation, the ability of Purchaser to develop the Subject Property for the Anticipated Use, or seeking damages against Seller in connection with the transactions contemplated by this Agreement.

11.4 Environmental Status. Environmental tests shall indicate no change in the Environmental Status of the Subject Property after the end of Inspection Period that cannot be remedied to Purchaser's satisfaction. For the purposes of this Agreement "**Environmental Status**" means the status of the Property with respect to (i) any violation of any federal, state or local law, statute, code, ordinance, regulation or requirement regarding Hazardous Materials or (ii) the existence of Hazardous Materials in, on, under or about the Property. For the purposes of this Agreement, "**Hazardous Materials**" means and includes any hazardous, toxic or dangerous waste, substance, contaminant or material defined as such in (or for purposes of) the Comprehensive Environmental Response, Compensation and Liability Act, any so-called "Superfund" or "Superlien" Law or any other applicable Law or other requirement of any Governmental Authority regulating, relating to, or imposing liability or standards of or for conduct concerning, any hazardous, toxic or dangerous waste, substance, contaminant or material, as now or at any time hereafter in effect.

11.5 Later Title Objections. No additional matters affecting title to the Subject Property shall have arisen on any update of the Commitment after the initial issuance of the Commitment, which were not shown on the Commitment ("**Later Title Objections**") and which adversely affect the ability of the Purchaser to develop the Subject Property for its Anticipated Use.

11.6 Approvals. Purchaser shall have obtained the Approvals.

11.7 Leases. All leases (if any) encumbering the Property shall be



month-to-month and terminable at Purchaser's discretion with no penalty or fee; otherwise, the Property shall be free and clear of any tenancies or other possessory rights of third parties except for Permitted Encumbrances.

12. **Non-Satisfaction of Closing Conditions.** If all of the Closing Conditions contained in Section 11 are not satisfied by the Closing Date, Purchaser may, in addition to and not in limitation of Purchaser's other rights and remedies hereunder, elect to either: (a) waive the failure of such Closing Conditions and consummate the transactions contemplated in this Agreement; or (b) terminate this Agreement following which none of the parties hereto shall have any further duties, liabilities or obligations to one another hereunder excepting the Surviving Obligations. In the event Purchaser terminates this Agreement as a result of a failure of any of the Closing Conditions, Purchaser shall be entitled to a return of the Additional Deposit. If Purchaser terminates this Agreement as a result of the failure of the Closing Conditions in Section 11.1 or Section 11.4, then Purchaser shall also be entitled to return of the Initial Deposit. If the failure of a Closing Condition is also a default by Seller hereunder, Purchaser shall also have those remedies set forth in Section 18 hereof.

13. **Prorations and Adjustments.** Special assessment liens which have been certified and physically commenced (certified liens) as of the Closing shall be paid in full by Seller (and discharged such that the Subject Property is free of same) at the Closing. Special assessment liens which have been authorized, but where the work has not been commenced and are pending (pending liens) as of the Closing shall be assumed by Purchaser.

Seller represents that it is a tax exempt entity. The Parties agree to comply with the provisions of Florida Statute 196.295 with respect to payment of real property taxes.

The provisions of this Section 13 shall survive the Closing.

14. **Brokerage.** The parties hereto each represent to the other that the only broker instrumental in the procurement of this Agreement or the transactions contemplated hereby is Dennis F. Palumbo Realty, P.A. (the "**Authorized Broker**") and that except for the Authorized Broker, there is no other broker that is or was instrumental in the negotiation and/or consummation of this transaction. Dennis F. Palumbo Realty, P.A. shall be paid a brokerage commission by Purchaser, at Closing, in the amount of 3% of the Purchase Price in accordance with a separate written agreement between Authorized Broker and Purchaser. The Seller shall not be obligated for the payment of any brokerage commission whatsoever in connection with this Agreement. Seller and Purchaser hereby indemnify and hold each other harmless from and against any cost, fees, damages, claims and liabilities, including, but not limited to, reasonable attorney's and paralegal's fees, arising out of any claim or demand or threats of claim made by any broker or salesmen claiming by reason of its relationship with the offending party or its representatives, employees or agents, whether incurred by settlement and whether or not litigation results in all trial, arbitration and appellate levels. Authorized Broker hereby indemnifies and holds Seller and Purchaser harmless from and against any cost, fees, damages, claims and liabilities, including, but not limited to, reasonable attorney's and paralegal's fees, arising out of any claim or demand or threats of claim made by any broker or salesman who has worked by, through or under Authorized Broker on the transaction contemplated hereby whether incurred by settlement and whether or not litigation results in all trial, arbitration and appellate levels. The provisions of this Section shall

survive Closing or earlier termination of this Agreement.

15. **Closing Costs.** The costs of recording any corrective instruments shall be paid by Seller. All documentary stamps and transfer taxes will be paid by Purchaser. The cost of recording the Deed and the cost of the Title Evidence and the title insurance premium due with respect to the Title Policy to be issued from the Commitment shall be paid by Purchaser. Except in the event of a default hereunder, the parties shall each bear their own respective attorney's fees. Escrow fees will be shared by Seller and Purchaser equally.

16. **Documents to be Delivered.**

16.1 At the Closing, simultaneously with the payment of the Purchase Price by Purchaser to Seller, Seller shall deliver or cause to be delivered to Escrow Agent on behalf of Purchaser the following, to wit:

(a) The deed conveying the fee simple title to the Subject Property to Purchaser, subject only to the Permitted Encumbrances.

(b) A standard No-Lien, Parties in Possession and FIRPTA Affidavit executed by Seller which shall be in recordable form and otherwise satisfactory to the Title Company in order to delete the standard printed exceptions relating to mechanic's liens and parties-in-possession.

(c) An affidavit or indemnity requested by the Title Company as may be necessary to insure the gap between the effective date of the Commitment to and through the date of the recordation of the deed.

16.2 Purchaser shall deliver to Escrow Agent on behalf of the Seller the Purchase Price adjusted for all appropriate prorated items, credits and adjustments, of which the Deposit shall constitute a part thereof.

16.3 At Closing, Seller and Purchaser shall mutually execute and deliver to each other a Closing statement in customary form.

16.4 All interest accruing on the Deposit shall be considered part of the Deposit.

17. **Assignability.** Except as otherwise set forth herein, Purchaser shall not assign this Agreement. Notwithstanding anything to the contrary herein, Purchaser shall have the right to assign this Agreement to any entity controlling, controlled by or under common control with Purchaser (an "Affiliate"), including, without limitation, an entity formed by an Affiliate of Purchaser and a third party equity provider formed for the purpose of owning title to the Subject Property.

18. **Default.**

18.1 In the event that Seller has complied with all terms and provisions required to be complied with by Seller hereunder and Seller is ready, willing and able to close but for the default of Purchaser and such default is not cured within ten (10) days after written notice by Seller to Purchaser specifying such default and the action deemed necessary to cure such default, then and upon the occurrence of all of the foregoing events, Escrow

Agent shall deliver the Deposit together with interest earned thereon, if any, to Seller as full and agreed upon liquidated damages and as its sole and exclusive remedy in full settlement of any and all claims against Purchaser for damages or otherwise whereupon, this Agreement shall be null, void and of no further force and effect and neither party shall have any further liability or obligation to the other hereunder.

18.2 If: (i) Seller shall have failed to comply with any material obligations of Seller in this Agreement; or (ii) any of the representations and warranties made by Seller herein shall be in any material respect inaccurate; or (iii) Seller shall otherwise be in material default of this Agreement, Purchaser shall have the right:

(a) to cancel this Agreement by giving notice to Seller and this Agreement shall be deemed to be terminated as of the date of such notice, in which event the Escrow Agent is hereby authorized and directed to return to Purchaser the Deposit, including the Initial Deposit, (together with interest earned thereon, if any), whereupon, the parties hereto shall be released of all further obligations each to the other hereunder, save and except for the Surviving Obligations;

(b) to take title subject to the defect, exception, objection, inaccuracy or failure without diminution of the Purchase Price; or

(c) seek any and all remedies available at law or in equity including specific performance or other equitable remedies.

Purchaser hereby waives any claim for damages against Seller.

18.3 The parties further agree that in the event it becomes necessary for either party to litigate in order to enforce its rights under the terms of this Agreement, then, and in that event, the prevailing party shall be entitled to recover reasonable attorneys' and paralegal fees and the costs of such litigation, through and including all trial and appellate litigation. The provisions of this Section 18 shall survive Closing.

19. **Condemnation or Eminent Domain.** In the event of any condemnation or eminent domain proceedings for any public or quasi-public purposes at any time prior to Closing resulting in a taking of any part or all of the Subject Property, Seller shall immediately provide written notice thereof to Purchaser and, Purchaser shall have the option: (i) to cancel this Agreement, in which event the Deposit, including the Initial Deposit, with interest thereon shall be promptly returned to Purchaser, and upon such return, this Agreement shall be terminated and the parties released of any further obligation hereunder; or (ii) to Close the transaction contemplated by this Agreement, in which event the Purchase Price shall not be abated; provided, however, Seller shall cause any condemnation or eminent domain award to be assigned to Purchaser. Purchaser shall notify Seller of its election of (i) or (ii) above within ten (10) business days of Purchaser's receipt of written notice from Seller of any such condemnation or eminent domain proceedings. Seller agrees that it shall not enter into any settlement of any condemnation

proceedings or eminent domain award without the prior written consent of Purchaser.

20. **Escrow Agent.** Escrow Agent agrees by the acceptance of the Deposit to hold same in escrow and to disburse it in accordance with the terms and conditions of this Agreement; provided, however, that in the event a dispute shall arise between any of the parties to this Agreement as to the proper disbursement of the Deposit, the Escrow Agent may, at its option: (1) take no action and hold all funds until agreement is reached between the disputing parties, or until a judgment has been entered by a court of competent jurisdiction and the appeal period has expired thereon, or if appealed then until the matter has been finally concluded, and then to act in accordance with such final judgment; or (2) institute an action for declaratory judgment, interpleader or otherwise joining all affected parties and thereafter complying with the ultimate judgment of the court with regard to the disbursement of the deposit and disposition of documents, if any. In the event of any suit between Seller and Purchaser wherein the Escrow Agent is made a party by virtue of acting as such escrow agent hereunder, or in the event of any suit wherein Escrow Agent interpleads the subject matter of this escrow, the Escrow Agent shall be entitled to recover all attorneys' fees and costs incurred, including costs and attorneys' fees for appellate proceeding, if any, said fees and costs to be charged and assessed as court costs against the losing party or parties, jointly and severally. Further, the parties hereto acknowledge that Escrow Agent shall have the right to represent Seller and itself in connection with the matters contemplated by this Agreement, and in that regard, Purchaser shall not, and is hereby estopped from objecting to such representative.

21. **Notices.** All notices of request, demand and other communications hereunder shall be addressed to the parties as follows:

As to Seller:

Superintendent of Schools  
The School Board of Broward County Florida  
600 Southeast Third Avenue -10<sup>th</sup> floor  
Fort Lauderdale, FL 33301  
Telephone No: (754) 321-2600  
Telecopier No: (754) 321-2179  
E-Mail: [super.runcie@broward.schools.com](mailto:super.runcie@broward.schools.com)

With a copy to:

Director of Facility Planning and Real Estate  
The School Board of Broward County Florida  
600 Southeast Third Avenue - 8<sup>th</sup> floor  
Fort Lauderdale, FL 33301  
Telephone No: (754) 321-2162  
Telecopier No: (754) 321-2179  
E-Mail: [chris.akagbosu@browardschools.com](mailto:chris.akagbosu@browardschools.com)

With a copy to:

Office of the General Counsel  
The School Board of Broward County Florida  
600 Southeast Third Avenue -11<sup>th</sup> floor  
Fort Lauderdale, FL 33301

With a copy to: Joseph M. Balocco, Sr. Esq.  
Joseph M. Balocco, Jr. P.A.  
1323 SE 3<sup>rd</sup> Avenue  
Fort Lauderdale, FL 33316  
Telephone No: (954) 764-0005  
Telecopier No: (954) 764-1478  
E-Mail: [jbalooco@balocolaw.com](mailto:jbalooco@balocolaw.com)

As to Purchaser: JAG Development Company LLC  
Attn.: Greg Lamb  
1420 Spring Hill Road, Suite 420  
McLean, VA 22102  
Telephone No: (703) 563-5202  
Telecopier No: (703) 563-5209  
E-Mail: [glamb@jagllc.com](mailto:glamb@jagllc.com)

With a copy to: Scheef & Stone, L.L.P.  
Attn: Gardner Savage  
500 N. Akard, Suite 2700  
Dallas, Texas 75201  
Telephone No: (214) 706-4230  
Telecopier No: (214) 706-4242  
E-Mail: [gardner.savage@solidcounsel.com](mailto:gardner.savage@solidcounsel.com)

As to Escrow Agent: Joseph M. Balocco, Sr., Esq.  
Joseph M. Balocco, Jr., P.A.  
1323 SE 3<sup>rd</sup> Avenue  
Fort Lauderdale, FL 33316  
Attn: Joseph M. Balocco, Jr.  
Telephone No: (954) 764-0005  
Telecopier No: (954) 764-1478  
E-Mail: [jbalooco@balocolaw.com](mailto:jbalooco@balocolaw.com)

unless the address is changed by the party by like notice given to the other parties. Notice shall be in writing, mailed certified mail, return receipt requested, postage prepaid and shall be deemed delivered when mailed or upon hand delivery to the address indicated. Notwithstanding the foregoing, notices, requests or demands or other communications referred to in this Agreement may be sent by telegraph, telephonic communication reduced to written form (i.e., telecopier) or Federal Express, but shall only be deemed to have been given when received.

22. **Effective Date.** The “Effective Date” shall mean the later of (i) last day upon which this Agreement becomes fully executed by Seller and the Purchaser and approved by the Board; or (ii) January 6, 2014. All time periods shall be calculated in calendar days unless specifically provided otherwise herein.

23. **Further Assurances.** Each of the parties hereto agree to execute, acknowledge and deliver and cause to be done, executed, acknowledged and delivered all such further acts, assignments, transfers and assurances as shall reasonably be requested of it in order to carry out this Agreement and give effect thereto. The parties hereto acknowledge that it is to their mutual

benefit to have an orderly and efficient transfer of ownership as contemplated hereby. Accordingly, without in any manner limiting the specific rights and obligations set forth in this Agreement, the parties declare their intention to cooperate each with the other in effecting the terms of this Agreement.

24. **Time is of the Essence.** For purposes herein, the parties agree that time shall be of the essence of this Agreement and the representations and warranties made are all material and of the essence of this Agreement.

25. **Captions and Section Headings.** Captions and Section headings contained in this Agreement are for convenience and reference only and in no way define, describe, extend or limit the scope or intent of this Agreement, nor the intent of any provision hereof.

26. **No Waiver.** No waiver of any provision of this Agreement shall be effective unless it is in writing, signed by the party against whom it is asserted and any such written waiver shall only be applicable to the specific instance to which it relates and shall not be deemed to be a continuing or future waiver.

27. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which shall constitute one and the same Agreement. A facsimile or similar transmission of a counterpart signed by a party hereto shall be regarded as signed by such party for purposes hereof, provided Seller shall have received a minimum of three (3) duplicate originals signed by a person authorized to bind Purchaser.

28. **Binding Effect.** This Agreement shall inure to the benefit of and shall be binding upon the parties hereto and their respective heirs, personal representatives, successors and assigns.

29. **Governing Law.** This Agreement shall be construed and interpreted according to the laws of the State of Florida and venue with respect to any litigation shall be Broward County, Florida.

30. **Gender.** All terms and words used in this Agreement regardless of the number and gender in which used, shall be deemed to include any other gender or number as the context or the use thereof may require.

31. **Entire Agreement.** This Agreement contains and sets forth the entire understanding between Seller and Purchaser, and it shall not be changed, modified or amended except by an instrument in writing and executed by the party against whom the enforcement of any such change, modification or amendment is sought. This Agreement shall be binding upon the parties hereto and their respective heirs, personal representatives, successors and assigns.

32. **Relationship.** Nothing contained in this Agreement shall constitute or be construed to be or create a partnership, joint venture or any other relationship between Seller and Purchaser other than the relationship of a buyer and seller of real and personal property as set forth in this Agreement.

33. **Offer.** Once executed by Purchaser, this constitutes an offer to purchase the Subject Property upon the terms and conditions set forth herein. **This offer is non-binding on the Seller until such time as it shall be reviewed and approved by the Board. The Board reserves the right to reject or accept same. In the event that the Board shall reject same,**

**Purchaser's Deposit shall be refunded to Purchaser forthwith and neither Party shall have any rights or obligations hereunder.**

34. **Possession**. Possession of the Subject Property shall be delivered to Buyer at the Closing, free and clear of all tenancies, use agreements and possessory rights.

35. **Modification**. This Agreement shall not be modified (and no purported modification thereof shall be effective) unless in writing and signed by the party to be charged.

36. **Joint Preparation**. The preparation of this Agreement has been a joint effort of the parties and the resulting documents shall not, solely as a matter of judicial construction, be construed more severely against one of the parties than the other.

37. **Recording**. The parties hereby agree that neither party shall record this Agreement or any memorandum of its terms without the prior written consent of the other party.

38. **Radon Gas**. Radon gas is naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who were exposed to it over a time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information concerning radon and radon testing may be obtained from your public health unit.

39. **Days**. Except where business days are expressly referred to, references in this Agreement to days are to calendar days, not business days. Business day means any calendar day except a Saturday, Sunday or banking holiday in Broward County, Florida.

40. **Holidays**. If the final date of any period provided for herein for the performance of an obligation or for the taking of any action falls on a Saturday, Sunday or banking holiday in Palm Beach County, Florida, then the time of such period shall be deemed extended to the next day which is not a Saturday, Sunday or banking holiday in Broward County, Florida.

41. **DISCLAIMER**. EXCEPT AS EXPRESSLY STATED HEREIN, THE PROPERTY IS BEING SOLD "AS IS", "WHERE IS" AND "WITH ALL FAULTS" AS OF CLOSING, WITHOUT ANY REPRESENTATION OR WARRANTY WHATSOEVER AS TO ITS CONDITION, FITNESS FOR ANY PARTICULAR PURPOSE, MERCHANTABILITY OR ANY OTHER WARRANTY, EXPRESS OR IMPLIED, EXCEPT AS IS SPECIFICALLY PROVIDED ELSEWHERE BY THIS AGREEMENT. EXCEPT AS EXPRESSLY STATED HEREIN, SELLER SPECIFICALLY DISCLAIMS ANY WARRANTY, GUARANTY OR REPRESENTATION, ORAL OR WRITTEN, PAST OR PRESENT, EXPRESS OR IMPLIED, CONCERNING THE PROPERTY, EXCEPT AS SPECIFICALLY SET FORTH IN THIS AGREEMENT. PURCHASER ACKNOWLEDGES THAT PURCHASER IS PURCHASING THE PROPERTY BASED SOLELY UPON PURCHASER'S OWN INDEPENDENT INVESTIGATIONS AND FINDINGS AND NOT IN RELIANCE UPON ANY INFORMATION PROVIDED BY SELLER OR SELLER'S AGENTS OR CONTRACTORS. THE PROVISIONS OF THIS SECTION SHALL SURVIVE TERMINATION OR CLOSING.

42. **RELEASE**. EXCEPT AS EXPRESSLY STATED HEREIN, PURCHASER HEREBY RELEASES SELLER AND ANY SERVICER, AGENT, REPRESENTATIVE,

MANAGER, AFFILIATE, OFFICER, PARTNER, SHAREHOLDER OR EMPLOYEE OF SELLER (EACH A "SELLER RELATED PARTY") FROM ALL CLAIMS, LOSSES, DAMAGES, LIABILITIES, COSTS AND EXPENSES WHICH PURCHASER OR ANY PARTY RELATED TO OR AFFILIATED WITH PURCHASER HAS OR MAY HAVE ARISING FROM OR RELATED TO ANY MATTER OR THING RELATED TO THE PHYSICAL CONDITION OF THE PROPERTY, ANY CONSTRUCTION DEFECTS, ANY ERRORS OR OMISSIONS IN THE DESIGN OR CONSTRUCTION OF THE PROPERTY AND ANY ENVIRONMENTAL CONDITIONS AT, IN, ON OR UNDER THE PROPERTY, AND PURCHASER WILL NOT LOOK TO SELLER OR ANY SELLER RELATED PARTY IN CONNECTION WITH THE FOREGOING FOR ANY REDRESS OR RELIEF. THE PROVISIONS OF THIS SECTION SHALL SURVIVE TERMINATION OR CLOSING.

[THIS SPACE INTENTIONALLY LEFT BLANK]



IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the day and year first above written.


WITNESS:

\_\_\_\_\_  
\_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Robert W. Runcie,  
Superintendent of Schools

WITNESS:

  
\_\_\_\_\_  
\_\_\_\_\_


SELLER:

THE SCHOOL BOARD OF BROWARD  
COUNTY, FLORIDA

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: Chair


APPROVED as to form and legal content:

OFFICE OF THE GENERAL COUNSEL

By:   
Name: ROBERT PAUL VIGNOLA 11/25/13  
Title: DEPUTY GENERAL COUNSEL VIA CADRE


PURCHASER:

JAG DEVELOPMENT COMPANY LLC

By:   
Name: Greg Lammis  
Title: Executive Vice President

The undersigned joins in this Agreement to acknowledge receipt of the Initial Deposit in the amount of One Hundred Ten Thousand and No/100 Dollars (\$110,000.00) and to agree to hold same (subject to collection), in escrow, pursuant to the terms of Section 20 of this Agreement.

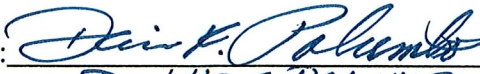
**JOSEPH M. BALOCCO, JR., P.A.**

By:   
\_\_\_\_\_  
Joseph M. Balocco, Jr., President

Date: Nov 22<sup>nd</sup>, 2013

The undersigned hereby agrees to the terms and provisions of Section 14 hereof.

**Dennis F. Palumbo Realty, P.A.**

By:   
Name: DENNIS F. PALUMBO  
Title: PRESIDENT

Date: NOV. 19, 2013

**INDEX OF EXHIBITS**

- EXHIBIT "A" - LEGAL DESCRIPTION
- EXHIBIT "B" - PERMITTED ENCUMBRANCES

EXHIBIT "B"

PERMITTED ENCUMBRANCES

1. Restrictions, conditions, reservations, easements, and other matters contained on the Plat of THE ENCLAVE 2ND SECTION, as recorded in Plat Book 156, Page 8, Public Records of Broward County, Florida.
2. Covenants, conditions, and restrictions recorded October 15, 1971 in O.R. Book 4641, Page 892, O.R. Book 4743, Page 859, O.R. Book 4844, Page 691 and O.R. Book 4844, Page 693, Public Records of Broward County, Florida.
3. Road Impact Agreement recorded in O.R. Book 20744, Page 813, Public Records of Broward County, Florida.
4. Educational Impact Agreement recorded in O.R. Book 22040, Page 715, Public Records of Broward County, Florida.
5. Recreational Impact Agreement recorded in O.R. Book 22040, Page 727, Public Records of Broward County, Florida.
6. Agreement for Traffic Signalization recorded in O.R. Book 22040, Page 733, Public Records of Broward County, Florida.
7. Agreement for Phasing the Installation of Required Road Improvements recorded in O.R. Book 22112, Page 799, Public Records of Broward County, Florida.
8. Affidavit of Gulfstream Utility Company recorded in O.R. Book 24183, Page 846, Public Records of Broward County, Florida.
9. Surveyor's Affidavit recorded in O.R. Book 24495, Page 926, Public Records of Broward County, Florida.
10. Any adverse ownership claim by the State of Florida by right of sovereignty to any portion of the lands insured hereunder, including submerged, filled, and artificially exposed lands and lands accreted to such lands.
11. Any adverse claim relating to any portion of the Property lying waterward of the mean-high water line of canals shown on Plat of THE ENCLAVE SECOND SECTION, recorded in Plat Book 156, Page 8, Public Records of Broward County, Florida.
12. Inalienable rights of the public to use the navigable waters covering the lands.
13. Rights of the State of Florida and the United States to regulate the use of the navigable waters.

Reference to the foregoing shall not serve to reimpose same.