



## City of Miami Gardens Agenda Cover Memo

<b>Council Meeting Date:</b>	July 8, 2009		<b>Item Type:</b>	<b>Resolution</b>	<b>Ordinance</b>	<b>Other</b>		
				X				
<b>Fiscal Impact:</b>	Yes	No	<b>Ordinance Reading:</b>		<b>1<sup>st</sup> Reading</b>		<b>2<sup>nd</sup> Reading</b>	
	X		<b>Public Hearing:</b>		<b>Yes</b>	<b>No</b>	<b>Yes</b>	<b>No</b>
<b>Funding Source:</b>	Bond Proceeds		<b>Advertising Requirement:</b>	<b>Yes</b>		<b>No</b>		
				X				
<b>Contract/P.O. Required:</b>	Yes	No	<b>RFP/RFQ/Bid #:</b>		<i>RFP#08-09-053 Financing Proposal</i>			
	X							
<b>Sponsor Name</b>	Dr. Danny Crew, City Manager		<b>Department:</b>		<i>City Manager</i>			

### Short Title:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MIAMI GARDENS, FLORIDA, AUTHORIZING THE CITY MANAGER AND CITY ATTORNEY TO NEGOTIATE AND EXECUTE AN AGREEMENT WITH BANK OF AMERICA FOR FINANCING IN THE AMOUNT OF FOUR MILLION DOLLARS (\$4,000,000.00), FOR THE PURCHASE OF CERTAIN REAL PROPERTY; PROVIDING FOR THE ADOPTION OF REPRESENTATIONS; PROVIDING AN EFFECTIVE DATE.

### Staff Summary:

The City requires financing of four million for the purchase of a fourteen (14) acre tract of land which includes five buildings to renovate on building as a senior center and develop a park on the remaining acreage.

Staff prepared the proposal document RFP#08-09-052 and advertised on June 12, 2009. A broadcast notice was sent to 511 vendors. Twenty-three proposal packages were requested. The proposals were opened on June 22, 2009. Four proposals were received and publicly read. Proposals were received from Bank of America, Naples, Florida; BBT Governmental Finance, Orlando, Florida; Fifth Third Bank, Sunrise, Florida and Wachovia Bank, NA, Miami, Florida. A copy of the proposal document and submittals are available at the assistant to the mayor and council's office for review.

An evaluation committee consisting of Danny Crew, City Manager and William Alonso, Finance Director evaluated the proposals in accordance with the criteria. The committee met on June 30, 2009, to discuss the criteria. Mr.

**ITEM J-10) CONSENT AGENDA  
RESOLUTION  
Agreement w/ Bank of America  
(\$4 Million Bond)**

Alonso provided the committee with a spreadsheet which included type of facility, draw down rate, fixed rate, bank fees, and prepayment penalties.

After considering the responses and the City's needs, the Committee has ranked as number one, the proposal received from Bank of America.

In reaching the ranking, the committee considered a number of factors including: interest rates, call terms, collateral requirements, debt coverage requirements and flexibility and ease of utilization and creativity in financing. The top ranked proposal offers the best all-around approach to our potential borrowing needs as well as providing the lowest interest rate of the four proposals received.

## **Proposed Action:**

Recommendation: That the City Council approve the resolution authorizing the negotiation of a contract with Bank of America, located in Naples, Florida for the City's financing needs.

## **Attachment:**

The spread sheet is attached as exhibit A.

Copies of the proposals have been provided earlier.

RESOLUTION No. 2009 -

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MIAMI GARDENS, FLORIDA, AUTHORIZING THE CITY MANAGER AND CITY ATTORNEY TO NEGOTIATE AND EXECUTE AN AGREEMENT WITH BANK OF AMERICA FOR FINANCING IN THE AMOUNT OF FOUR MILLION DOLLARS (\$4,000,000.00), FOR THE PURCHASE OF CERTAIN REAL PROPERTY; PROVIDING FOR THE ADOPTION OF REPRESENTATIONS; PROVIDING AN EFFECTIVE DATE.

1           WHEREAS, the City Council has made a determination that it would like to  
2 purchase a fourteen (14) acre tract of land at the Northwest Corner of 183<sup>rd</sup> Street and  
3 12<sup>th</sup> Avenue, which includes five buildings to renovate on building as a senior center  
4 and develop a park on the remaining acreage, and

5           WHEREAS, staff prepared RFP#08-09-052 and advertised it on June 12, 2009,  
6 and

7           WHEREAS, proposals were received from Bank of America, BBT Governmental  
8 Finance, Fifth Third Bank, and Wachovia Bank, NA, Miami, Florida, and

9           WHEREAS, a staff evaluation committee evaluated the proposals in accordance  
10 with the criteria established by the RFP, and

11           WHEREAS, after considering the responses and the City's needs, the Committee  
12 has ranked the proposal received from Bank of America as number one, and

13           WHEREAS, in reaching the ranking, the committee considered a number of  
14 factors including: interest rates, loan term, call terms, collateral requirements, debt  
15 coverage requirements, flexibility, and ease of utilization and creativity in financing,

16           NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY  
17 OF MIAMI GARDENS, FLORIDA, AS FOLLOWS:

18 Section 1. ADOPTION OF REPRESENTATIONS: The foregoing Whereas  
19 paragraphs are hereby ratified and confirmed as being true, and the same are hereby  
20 made a specific part of this Resolution.

21 Section 2. AUTHORIZATION: The City Council of the City of Miami Gardens  
22 hereby authorizes the City Manager to negotiate and execute a financing agreement  
23 with Bank of America, in the amount of four million dollars (\$4,000,000.00) for the  
24 purchase of that certain (14) acre tract of land at the Northwest Corner of 183<sup>rd</sup> Street  
25 and 12<sup>th</sup> Avenue.

26 Section 3. EFFECTIVE DATE: This Resolution shall take effect immediately  
27 upon its final passage.

28 PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF MIAMI  
29 GARDENS AT ITS REGULAR MEETING HELD ON JULY 2009.

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SHIRLEY GIBSON, MAYOR

36 ATTEST:  
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40 \_\_\_\_\_  
41 RONETTA TAYLOR, CMC, CITY CLERK

42  
43 PREPARED BY: SONJA KNIGHTON DICKENS, ESQ.  
44 City Attorney

45  
46 SPONSORED BY: DANNY CREW, CITY MANAGER

47  
48 MOVED BY: \_\_\_\_\_

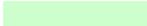
49  
50 **VOTE:** \_\_\_\_\_

51

52	Mayor Shirley Gibson	___(Yes)	___(No)
53	Vice Mayor Barbara Watson	___(Yes)	___(No)
54	Councilman Melvin L. Bratton	___(Yes)	___(No)
55	Councilman Aaron Campbell	___(Yes)	___(No)
56	Councilman Oliver Gilbert, III	___(Yes)	___(No)
57	Councilwoman Sharon Pritchett	___(Yes)	___(No)
58	Councilman André Williams	___(Yes)	___(No)
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63	8592200.1		

CITY OF MIAMI GARDENS  
 ANALYSIS OF BID RESPONSES  
 \$4 Million Financing Proposal

	Bank of America	Wachovia	BB&T	Fifth Third Bank
<b>Amount</b>	\$ 4,000,000	\$ 4,000,000	\$ 4,000,000	\$ 4,000,000
<b>Type</b>	Bank Qualified tax exempt loan	Bank Qualified tax exempt loan	Bank Qualified tax exempt loan	Bank Qualified tax exempt loan
<b>Interest Rate</b>				
<b>Terms</b>	4.79% as of June 18 (Sum of 63.7% of the 10 year Interest Swap Rate plus 222 basis points)	4.4% as of June 12, 2009(5 year US Dollar Swap Offering rate plus 102 basis points.)	5.41%	2.15% as of June 22, 2009 (Floating Tax Exempt equivalent of monthly LIBOR plus 300 basis points.) REQUIRED HEDGE IF YOU WANT FIXED RATE
<b>Prepayment Penalty</b>	Fixed rate for twenty years	Five Year note with 20 yr amortization. Balloon payment due at the end of five years or you need to refinance the debt	20 Year fixed rate note	364 day loan with Put Option
<b>Collateral</b>	Yes	Yes	Yes, none after 10 years	Znone
<b>Depository Requirement</b>	Communication Services Tax, Half Cent Tax, and the Electric Utility Tax	Electric Utility Tax	Communication Services Tax, Half Cent Tax, and the Electric Utility Tax	Communication Services Tax, Half Cent Tax, and the Electric Utility Tax
<b>Closing Costs</b>	Maintain deposit balances of at least \$2.6 million for at least two years, plus all unspent proceeds shall be left on deposit with them	NONE	NONE	Requires city to keep \$11 Million on deposit
	\$4,500.00	\$3,500.00	None	\$800.00





## City of Miami Gardens Agenda Cover Memo

<b>Council Meeting Date:</b> July 8, 2009			<b>Item Type:</b> <i>(Enter X in box)</i>	<b>Resolution</b> x	<b>Ordinance</b>	<b>Other</b>	
<b>Fiscal Impact:</b> <i>(Enter X in box)</i>	Yes	No	<b>Ordinance Reading:</b> <i>(Enter X in box)</i>	<b>1<sup>st</sup> Reading</b>		<b>2<sup>nd</sup> Reading</b>	
	x			<b>Public Hearing:</b> <i>(Enter X in box)</i>	<b>Yes</b>	<b>No</b>	<b>Yes</b>
<b>Funding Source:</b>	Proposed Revenue Bond		<b>Advertising Requirement:</b> <i>(Enter X in box)</i>		<b>Yes</b>		<b>No</b>
<b>Contract/P.O. Required:</b> <i>(Enter X in box)</i>	Yes	No		<b>RFP/RFQ/Bid #:</b>			
<b>Sponsor Name</b>	Danny Crew, City Manager		<b>Department:</b>		City Manager		

**Short Title:**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MIAMI GARDENS, FLORIDA, EXERCISING AN OPTION TO PURCHASE THAT CERTAIN REAL PROPERTY DESCRIBED IN THE OPTION AGREEMENT ATTACHED HERETO AS EXHIBIT "A" IN THE AMOUNT OF EIGHT MILLION, EIGHT HUNDRED THOUSAND DOLLARS (8,800,000.00) AUTHORIZING THE USE OF PROCEEDS FROM A \$9,000,000.00 LAND ACQUISITION AND IMPROVEMENTS BOND ISSUE FOR THE PURCHASE; AUTHORIZING THE CITY MANAGER AND CITY ATTORNEY TO TAKE ALL STEPS NECESSARY TO EFFECTUATE THE PURCHASE OF THE PROPERTY; PROVIDING FOR THE ADOPTION OF REPRESENTATIONS; PROVIDING AN EFFECTIVE DATE.

**Staff Summary:**

Extraordinary time bring extraordinary opportunities. One such opportunity was the recent Warren Henry land purchase and option. That deal provided the City with the opportunity to assist a major developer stay in the community while at the same time, giving the City a revenue source (\$72,000 per year) and/or the opportunity to own a major commercial development site with the City at a price \$2 million under appraisal. Now another major economic development opportunity has been presented to the City for consideration.

The Warren Henry deal set a high standard for City participation. As I described at the time, I wouldn't recommend a deal that was not a win-win situation for the City. Now the City has been offered another

**ITEM K-1) RESOLUTION  
Exercising an Option Agreement**

development opportunity that I could also describe as a win-win for the City and have secured a purchase option to give City Council the opportunity to consider the offer.

Council is aware of the 46 acre commercial/residential development approved several years ago with Cornerstone Properties on the east side of NW 27<sup>th</sup> Avenue, east and south of NW 191<sup>st</sup> Street. The development consisted of office commercial along NW 27<sup>th</sup> Avenue and 600+ residential townhouses in the area behind the old police station south almost to the County Library.

Cornerstone Properties has approached the City with a deal similar to that reached with Warren Henry. They are proposing a similar arrangement; however, as an added incentive, they are willing to deed the two (2) commercial office lots immediately north of 191<sup>st</sup> Street along NW 27<sup>th</sup> Avenue to the City. These lots have an appraised value of \$2.4 million. They would be deeded to the City at the closing; allowing the City to immediately offer the lots for sale/development.

Other particulars would be similar to the Warren Henry transaction. They would propose an option to re-purchase the remaining land and would pay the City monthly, non-refundable option fees plus 1% for our carrying cost (approx. \$100,000/year). Upon issuance of their building permits, they could exercise the option and complete the project. All out-of-pocket costs of the transactions would be borne by Cornerstone. In addition, any increase in the market value of the property during this period would be split 50/50 with the optionee as was the case in the Warren Henry transaction.

Currently, Cornerstone owes approximately \$10 million on the property. The appraised price of this land (excluding the 2 commercial lots) is \$12,500,000. The City's purchase price is \$8,800,000. In order to complete the deal, the City would have to issue a not-to-exceed \$9 million in Taxable revenue bond (includes issuing expenses) to make the purchase. This would result in a yearly debt service payment of approximately \$850,000. The City's pledge for this payment would be the electric franchise. I have also attached a memo from Daniel Rosemond detailing the economic development aspects of the proposal.

As was the case with Warren Henry, if the option is not exercised, the City would have the property to use in its economic development efforts. And like Warren Henry, the City would have to assume payment on the bond. It is anticipated that the marketability of this property would limit the City's exposure; additionally, the City will have a new revenue source available at that time to help cover this cost – the Calder Revenue. This could be used as a temporary bridge until the property is re-sold.

## Recommendation:

That City Council approve the purchase of the Cornerstone properties.

## Attachment:

Attachment #1 is a map of the property.

Appraisal Summary - 46 acres (Full report available with Hillary)

Appraisal Summary – 2 Commercial Lots

Environmental Report (Full report available with Hillary)

Option and Contract

Attachment #1



RESOLUTION No

1  
2  
3 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MIAMI  
4 GARDENS, FLORIDA, EXERCISING AN OPTION TO PURCHASE THAT  
5 CERTAIN REAL PROPERTY DESCRIBED IN THE OPTION  
6 AGREEMENT ATTACHED HERETO AS EXHIBIT "A" IN THE AMOUNT  
7 OF EIGHT MILLION, EIGHT HUNDRED THOUSAND DOLLARS  
8 (8,800,000.00) AUTHORIZING THE USE OF PROCEEDS FROM A  
9 \$9,000,000.00 LAND ACQUISITION AND IMPROVEMENTS BOND  
10 ISSUE FOR THE PURCHASE; AUTHORIZING THE CITY MANAGER  
11 AND CITY ATTORNEY TO TAKE ALL STEPS NECESSARY TO  
12 EFFECTUATE THE PURCHASE OF THE PROPERTY; PROVIDING FOR  
13 THE ADOPTION OF REPRESENTATIONS; PROVIDING AN EFFECTIVE  
14 DATE.

15  
16 WHEREAS, pursuant to Ordinance No. 2006-03-84, which amended Ordinance  
17 No. 2005-10-48, the City's Purchasing Ordinance, the City Manager has the authority to  
18 negotiate and execute option agreements on real property for consideration by the City  
19 Council, so long as any good faith deposit money does not exceed the City Manager's  
20 purchasing limits, and

21 WHEREAS, although the City Manager may execute an option agreement, only  
22 the City Council can exercise an option, and

23 WHEREAS, the City Manager has executed the Option Agreement, attached  
24 hereto as Exhibit "A," and

25 WHEREAS, the property to be purchased will be meaningful to the City's  
26 redevelopment efforts,

27 WHEREAS, pursuant to the Option Agreement, the Purchase And Sale  
28 Agreement which is attached thereto as Composite Exhibit "B," and incorporated herein  
29 by reference, the purchase price for the property is \$8,800,000.00, and

1           WHEREAS, the City Council would like to exercise the Option and would like to  
2 authorize the City Manager and City Attorney to take all necessary steps to effectuate  
3 the purchase of the Property, and

4           WHEREAS, the City Council would like to utilize proceeds from a \$9,000,000.00  
5 land acquisition and improvements bond for this purchase,

6           NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY  
7 OF MIAMI GARDENS, FLORIDA, AS FOLLOWS:

8           Section 1.   ADOPTION OF REPRESENTATIONS: The foregoing Whereas  
9 paragraphs are hereby ratified and confirmed as being true, and the same are hereby  
10 made a specific part of this Resolution.

11           Section 2.   EXERCISE OF OPTION: The City Council for the City of Miami  
12 Gardens, Florida, hereby exercises the Option to purchase the real property described  
13 in the Option Agreement and to purchase the subject property in accordance with the  
14 Purchase & Sale Agreement attached hereto as Exhibit "B" (the "Property").

15           Section 3.   AUTHORIZATION: The City Manager and City Attorney are hereby  
16 authorized to take all steps necessary to effectuate the purchase of the Property and to  
17 fulfill the intent of this Resolution.

18           Section 4.   AUTHORIZATION: The City Council hereby authorizes the City  
19 Manager to utilize the proceeds from \$9,000,000.00 land acquisition and improvements  
20 bond for the purchase of the Property.

21           Section 5.   EFFECTIVE DATE This Resolution shall take effect immediately  
22 upon its final passage.

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1 PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF MIAM1  
2 GARDENS AT ITS REGULAR MEETING HELD ON JULY 8, 2009.

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\_\_\_\_\_  
SHIRLEY GIBSON, MAYOR

7 ATTEST:

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\_\_\_\_\_  
RONETTA TAYLOR, MMC, CITY CLERK

14 Prepared by: SONJA K. DICKENS, City Attorney  
15 Assistant City Attorney

17 SPONSORED BY: DANNY O. CREW, CITY MANAGER

18  
19 MOVED BY: \_\_\_\_\_

21 **VOTE:** \_\_\_\_\_

23 Mayor Shirley Gibson	___(Yes)	___(No)
24 Vice Mayor Barbara Watson	___(Yes)	___(No)
25 Councilman Melvin L. Bratton	___(Yes)	___(No)
26 Councilman Aaron Campbell	___(Yes)	___(No)
27 Councilman André Williams	___(Yes)	___(No)
28 Councilwoman Sharon Pritchett	___(Yes)	___(No)
29 Councilman Oliver Gilbert, III	___(Yes)	___(No)

30

Lawrence R. Pendleton, MAI

REAL ESTATE APPRAISERS · CONSULTANTS

1890 NORTH 68th AVENUE  
HOLLYWOOD, FLORIDA 33024  
TELEPHONE [954] 967-0036  
FAX [954] 986-4948

May 28, 2009

Dr. Danny Crew, City Manager  
City of Miami Gardens  
1515 NW 167 Street, #200  
Miami Gardens, Florida 33169

Dear Dr. Crew,

As requested, we have personally inspected and appraised the vacant residential land located between NW 184<sup>th</sup> -191<sup>st</sup> Streets and NW 27<sup>th</sup> Avenue, Miami Gardens, Florida. The purpose of this assignment was to give our opinion of the market value of the fee simple interest of the entire subject property, as of May 6, 2009, which is also the date of inspection. We were also asked to give an opinion of the southern ±7 acre parcel known as Emerald Place Phase III.

The only intended use of the appraisal will be to assist our client, City of Miami Gardens as the intended user, for use as a purchasing guide. We have prepared the appraisal in compliance with the Uniform Standards of Professional Appraisal Practice as promulgated by the Appraisal Foundation effective January 1, 2008.

It is our opinion and conclusion that the market value of the fee simple interest of the herein described subject property, as of May 6, 2009, is as follows:

**Total 43.97 Acre Site = \$12,500,000**

**7 Acre Site = \$2,750,000**

This transmittal letter is followed by the certification and the summary appraisal report #090506-2LS containing 48 pages, describing the subject property and containing the reasoning and pertinent data leading to the opinion of value. Your attention is directed to the Scope of Work section of this report.

Respectfully submitted,

THE ERNEST JONES COMPANY



LAWRENCE R. PENDLETON, MAI  
PRESIDENT  
STATE-CERTIFIED GENERAL REAL  
ESTATE APPRAISER #RZ725

Lawrence R. Pendleton, MAI

1890 NORTH 88th AVENUE  
HOLLYWOOD, FLORIDA 33024  
TELEPHONE [954] 967-0036  
FAX [954] 986-4948

May 28, 2009

Dr. Danny Crew, City Manager  
City of Miami Gardens  
1515 NW 167 Street, #200  
Miami Gardens, Florida 33169

Dear Dr. Crew,

As requested, we have personally inspected and appraised the vacant commercial land located at the NEC of NW 27<sup>th</sup> Avenue and 191<sup>st</sup> Street, Miami Gardens, Florida. The purpose of this assignment was to give our opinion of the market value of the fee simple interest of the subject property, as of May 6, 2009, which is also the date of inspection. The only intended use of the appraisal will be to assist our client, City of Miami Gardens as the intended user, for use as a purchasing guide.

We have prepared the appraisal in compliance with the Uniform Standards of Professional Appraisal Practice as promulgated by the Appraisal Foundation effective January 1, 2008.

It is our opinion and conclusion that the market value of the fee simple interest of the herein described subject property, as of May 6, 2009, is **\$2,400,000**.

This transmittal letter is followed by the certification and the summary appraisal report #090506-1LS containing 40 pages, describing the subject property and containing the reasoning and pertinent data leading to the opinion of value. Your attention is directed to the Scope of Work section of this report.

Respectfully submitted,

THE ERNEST JONES COMPANY



LAWRENCE R. PENDLETON, MAI  
PRESIDENT  
STATE-CERTIFIED GENERAL REAL  
ESTATE APPRAISER #RZ725

**OPTION TO PURCHASE REAL PROPERTY**

THIS OPTION is made this 29 day of April, 2009, by Cornerstone CW Commercial, L.L.C., and Cornerstone CW, L.L.C., Florida limited liability companies, having an address of 2121 Ponce de Leon Blvd., PH, Coral Gables, Florida 33134 (collectively, "Optionor"), to City of Miami Gardens, having an address of 1515 Northwest 167<sup>th</sup> Street, Building 5, Suite 200, Miami Gardens, Florida ("Optionee").

**WITNESSETH:**

WHEREAS, Optionor owns that certain real property located in Miami-Dade County, State of Florida, more particularly described as:

**Parcel 1:** (Cornerstone CW Commercial, L.L.C.)- SEE EXHIBIT "A-1"

**Parcel 2:** (Cornerstone CW, L.L.C.)- SEE EXHIBIT "A-2"),

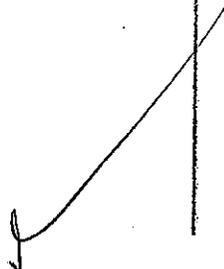
less approximately seven (7) acres, 4.83 acres of which are particularly described on Exhibit "A-3", attached hereto and made a part hereof, and the balance of which constitutes the "Buffer" lands lying to the east of said 4.83 acres.

(hereinafter "Property"),

WHEREAS, Optionee would like an option to purchase, and Optionor would like to grant Optionee the option to purchase, the Property upon the terms and conditions stated in the Contract, attached hereto and made a part hereof as Exhibit "B" ("Contract"),

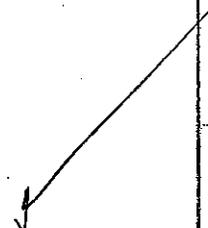
NOW, THEREFORE, in consideration of the monies herein described and for other good and valuable consideration, the legal sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Optionor grants to Optionee an option to purchase the Property in accordance with the terms set forth in the Contract.
2. This Option is effective as of the date of execution by Optionor and Optionee, and will expire ninety (90) calendar days from execution of this Option by both parties, unless the same shall be exercised as provided herein.
3. While this Option is in effect (the "Investigation Period"), Seller shall permit and, to the extent reasonably required by Purchaser, shall assist Purchaser in the making of (i) a complete physical inspection of the Property; and (ii) investigations of all leases, books, financial data, records, insurance policies, utility bills, tax bills, and all documents or papers in the possession of the Seller, its agents or other parties (the "Records") pertaining to the ownership, condition and operation of the Property. If, at any time prior to the termination of the Investigation Period, Purchaser, in its sole and absolute discretion, determines that it is unwilling to proceed with this transaction for any reason whatsoever or for no reason, then Purchaser may terminate this Agreement by notifying Seller, in writing, on or before the termination of the Investigation Period and, upon such notice, the Escrow Agent shall return the remainder of the Deposit (with interest accrued thereon) to Purchaser, and this Agreement shall become null and void. Purchaser's investigation hereunder shall not abridge, diminish or otherwise affect any of the warranties of Seller under the Contract. If Purchaser fails to notify Seller of its termination of this Agreement as set forth above or otherwise provided for herein, then Purchaser shall be deemed to have waived its right of termination under this Paragraph. Optionee shall use its best efforts to complete its inspections of the Property within sixty (60) days, although it has the entire Investigation Period to do same.
4. Optionee may exercise this Option only by delivering a written notice thereof, signed by Optionee, to Optionor before the time herein set for expiration.
5. The date of Optionee's delivery of the notice described herein to Optionor shall constitute the Effective Date for the Contract, and the provisions of the Contract shall be given full force and effect. Such notice may be sent to the addresses first set forth above via fax, e-mail or first class mail. Any such notice, if sent by mail, shall be considered delivered when deposited in the United States mail. If sent via fax or e-mail, such notice shall be considered delivered



upon receipt of a confirmation.

6. As consideration for the grant of this Option, Optionee has paid to Optionor, concurrently with execution of this Option, the sum of \$25,000.00 ("Option Price"), receipt of which is acknowledged by Optionor. The Escrow Agent described in the Contract shall hold the Option Price in escrow in the same manner as under the Contract. In the event the Optionee shall exercise the Option herein granted, the Option Price shall constitute and be deemed for all purposes, the initial deposit required by the Contract. If Optionee decides not to exercise the option, Optionee shall have the right to a return \$24,900.00 of the Option Price, upon providing written notice to Optionor of Optionee's decision not to exercise the Option, on or before the expiration of the Option period. However, should Optionee fail to provide such written notice, then Optionee shall forfeit all rights and claim to the Option Price, and Optionor shall be entitled to retain the Option Price.
7. During the term of this Option, the Optionor shall not convey or encumber the Property or any portion thereof, in any manner. This Option may not be recorded in the Public Records of Miami-Dade County Florida.
8. This Option shall be binding upon and shall inure to the benefit of the parties hereto, and to their respective heirs, successors, or assigns.
9. Should any dispute arise hereunder, the prevailing party shall be entitled to recover against the non-prevailing party, all costs, expenses and attorney's and paralegal fees incurred by the prevailing party in such dispute, whether or not suit be brought, and such right shall include all of such costs, expenses and attorney's and paralegal's fees through all appeals or other actions.
10. This Agreement shall be governed by the laws of the State of Florida, and venue shall lie in Miami-Dade County, Florida.
11. This Agreement shall not be interpreted for or against any party by reason of its preparation. In the event a provision hereof is deemed unenforceable it shall be severed from the balance of this Agreement and the balance of this Agreement shall continue in full force and effect. This Agreement contains the entire understanding between the Parties with regard to the subject matter expressed herein. This Agreement may be modified only in writing signed by



all Parties hereto. This Agreement shall be binding upon the heirs, successors and assigns of all parties hereto.

- 12. Facsimile Signatures. Facsimile or electronic mail signatures on this Agreement shall be deemed binding. In the event of a conflict between the terms of the Contract and the terms hereof, the terms hereof shall prevail. A default under the Contract shall constitute a default hereunder and visa versa.

IN WITNESS WHEREOF, the parties have executed this Agreement, effective as of the 29 day of April, 2009.

OPTIONER:

CORNERSTONE CW  
COMMERCIAL, L.L.C.

And

CORNERSTONE CW, L.L.C.

WITNESSES

Signature: [Signature]  
 Print Name: Dem J. [Signature]  
 Signature: [Signature]  
 Print Name: Leyani Roman

By: [Signature]  
 Title: Jorge Lopez  
 Title: Vice-Chairman

STATE OF FLORIDA )  
 ) SS:  
 COUNTY OF MIAMI-DADE )

The foregoing instrument was acknowledged before me this 29th day of April, 2009 by Jorge Lopez, Vice-Chairman of Cornerstone CW Commercial, L.L.C. and Cornerstone CW, L.L.C. He is personally known to me or has produced \_\_\_\_\_ as identification.

[Signature]  
 Notary Public, State of Florida At Large

My Commission Expires:

8432229.1

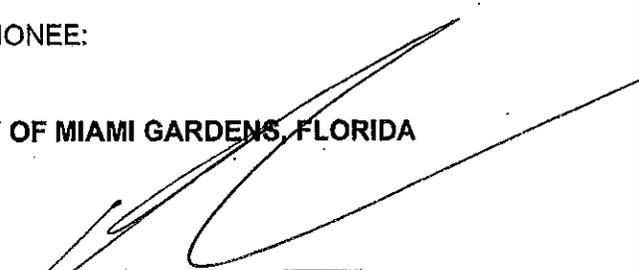
NOTARY PUBLIC  
STATE OF FLORIDA  
LEYANI ROMAN  
MY COMMISSION # DD 783398  
EXPIRES: April 28, 2012  
Bonded Thru Budget Notary Services

4

[Handwritten mark]

OPTIONEE:

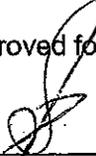
CITY OF MIAMI GARDENS, FLORIDA

By   
Danny Crew, City Manager

Attest:

  
\_\_\_\_\_  
Ronetta Taylor, City Clerk

Approved for Legal Sufficiency

  
\_\_\_\_\_  
Sonja K. Dickens, City Attorney

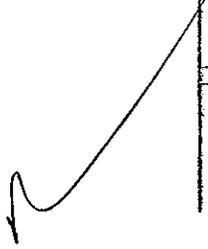


EXHIBIT "A-1"

LEGAL DESCRIPTION- CORNERSTONE CW COMMERCIAL, L.L.C.

A parcel of land, being a portion of Tracts 37 and 38, MIAMI GARDENS, according to the Plat thereof, as recorded in Plat Book 2, page 96 of the Public Records of Miami-Dade County, Florida, lying in Section 3, Township 52 South, Range 41 East, being more particularly described as follows:

COMMENCE at the northwest corner of said Section 3; thence along the West line of said Section 3, South 02°46'26" East, 2182.13 feet; thence North 87°13'34" East, 66.00 feet to the POINT OF BEGINNING; thence North 87°14'13" East, 265.28 feet; thence South 02°45'53" East, 157.36 feet; thence South 02°46'24" East, 80.97 feet; thence South 02°22'27" East, 157.61 feet to a point on the arc of a tangent curve; thence southwesterly along the arc of said curve being concave to the northwest, having a radius of 39.00 feet, a central angle of 89°36'34", an arc distance of 61.00 feet; thence tangent to said curve, South 87°14'07" West, 162.13 feet; thence North 02°42'51" West, 26.75 feet to a point on the arc of a non-tangent curve (a radial line through said point bears South 02°50'01" East); thence northwesterly along the arc of said curve being concave to the northeast, having a radius of 50.00 feet, a central angle of 90°03'35", an arc distance of 78.59 feet; thence tangent to said curve, North 02°46'26" West, 275.00 feet; thence North 22°37'45" West, 38.28 feet; thence North 02°46'26" West, 46.93 feet to the Point of Beginning.



EXHIBIT "A-2"

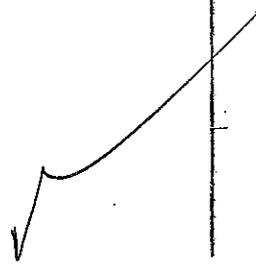
LEGAL DESCRIPTION- CORNERSTONE CW, L.L.C.

A PARCEL OF LAND, BEING A PORTION OF TRACTS 37, 38, 39, 40, 61, 62, 63, 64, 67, 68, 93, 94, 99, AND 100 OF MIAMI GARDENS, ACCORDING TO THE PLAT THEREOF, AS RECORDED IN PLAT BOOK 2, PAGE 96 OF THE PUBLIC RECORDS OF MIAMI-DADE COUNTY, FLORIDA, LYING IN SECTION 3, TOWNSHIP 52 SOUTH, RANGE 41 EAST, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE NORTHWEST CORNER OF SAID SECTION 3; THENCE ALONG THE WEST LINE OF SAID SECTION 3, SOUTH 02°46'26" EAST, 2182.13 FEET; THENCE NORTH 87°13'34" EAST, 66.00 FEET; THENCE NORTH 87°14'13" EAST, 265.28 FEET TO THE POINT OF BEGINNING; THENCE NORTH 87°14'13" EAST 219.14 FEET; THENCE SOUTH 84°47'25" EAST 125.99 FEET TO A POINT; THENCE NORTH 87°14'37" EAST 504.79 FEET TO A POINT ON THE WEST LINE OF TRACT "D" OF DOLPHIN CENTER - STADIUM SITE, ACCORDING TO THE PLAT THEREOF RECORDED IN PLAT BOOK 129, PAGE 91 OF THE PUBLIC RECORDS OF MIAMI-DADE COUNTY, FLORIDA; THENCE SOUTH 02°45'54" EAST, ALONG THE WEST LINE OF SAID TRACT "D," 438.93 FEET TO THE INTERSECTION OF THE WEST LINE OF SAID TRACT "D" WITH THE SOUTH LINE OF THE NORTHWEST QUARTER (NW ¼) OF SAID SECTION 3; THENCE SOUTH 02°46'44" EAST, ALONG THE WEST LINE OF SAID TRACT "D," 2202.46 FEET TO THE SOUTHWEST CORNER OF SAID TRACT "D"; THENCE SOUTH 87°15'51" WEST 520.00 FEET TO A POINT IN THE WEST LINE OF TRACT 99 OF MIAMI GARDENS, ACCORDING TO THE PLAT THEREOF RECORDED IN PLAT BOOK 2, PAGE 96 OF THE PUBLIC RECORDS OF MIAMI-DADE COUNTY, FLORIDA; THENCE NORTH 02°46'44" WEST, ALONG THE WEST LINE OF SAID TRACT 99 AND THE WEST LINE OF TRACT 94 OF SAID PLAT OF MIAMI GARDENS, 880.66 FEET TO THE SOUTHWEST CORNER OF TRACT 67 OF SAID PLAT OF MIAMI GARDENS; THENCE NORTH 87°13'16" EAST, ALONG THE SOUTH LINE OF SAID TRACT 67, 7.84 FEET TO A POINT; THENCE NORTH 02°46'44" WEST, IN PART ALONG THE EAST LINE OF M.D.P.D. NORTH DISTRICT STATION, ACCORDING TO THE PLAT THEREOF RECORDED IN PLAT BOOK 158, PAGE 19 OF THE PUBLIC RECORDS OF MIAMI-DADE COUNTY, FLORIDA, 660.59 FEET TO A POINT IN THE SOUTH LINE OF TRACT 62 OF SAID PLAT OF MIAMI GARDENS; THENCE SOUTH 87°13'34" WEST, ALONG THE SOUTH LINE OF SAID TRACT 62 AND THE SOUTH LINE OF TRACTS 63 AND 64 OF SAID PLAT OF MIAMI GARDENS, 564.81 FEET TO A POINT OF CURVATURE OF A CIRCULAR CURVE HAVING A RADIUS OF 25.00 FEET; THENCE WESTERLY, NORTHWESTERLY, AND NORTHERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 90°00'00" FOR AN ARC LENGTH OF 39.27 FEET TO A POINT OF TANGENCY; THENCE NORTH 02°46'26" WEST, ALONG THE EAST LINE OF NW 27TH AVENUE AS SHOWN ON SAID PLAT OF

M.D.P.D. NORTH DISTRICT STATION, 200.00 FEET TO A POINT; THENCE NORTH 02°31'07" WEST, ALONG THE EAST LINE OF SAID NW 27TH AVENUE, 150.00 FEET TO A POINT; THENCE NORTH 01°21'25" EAST, ALONG THE EAST LINE OF NW 27TH AVENUE AS RECORDED IN SAID OFFICIAL RECORDS BOOK 13023, PAGE 3408, 4.62 FEET TO A POINT; THENCE NORTH 02°46'26" WEST, ALONG THE EAST LINE OF SAID NW 27TH AVENUE, 180.00 FEET TO A POINT OF CURVATURE OF A CIRCULAR CURVE HAVING A RADIUS OF 50.00 FEET; THENCE NORTHERLY, NORTHEASTERLY, AND EASTERLY, ALONG SAID CURVE AND ALONG THE EAST LINE OF SAID NW 27TH AVENUE, THROUGH A CENTRAL ANGLE OF 89°56'25" FOR AN ARC LENGTH OF 78.49 FEET TO A POINT; THENCE NORTH 02°42'51" WEST, ALONG THE EAST LINE OF SAID NW 27TH AVENUE, 73.25 FEET TO A POINT; THENCE NORTH 87°14'07" EAST, 162.13 FEET TO A POINT OF CURVATURE; THENCE EASTERLY, NORTHEASTERLY, AND NORTHERLY ALONG A CURVE TO THE LEFT HAVING A RADIUS OF 39.00 FEET AND A CENTRAL ANGLE OF 89°36'34" FOR AN ARC LENGTH OF 61.00 FEET TO A POINT OF TANGENCY; THENCE NORTH 02°22'27" WEST 157.61 FEET; THENCE NORTH 02°46'24" WEST 80.97 FEET; THENCE NORTH 02°45'53" WEST 157.36 FEET TO THE POINT OF BEGINNING.

SAID LANDS LYING AND SITUATE IN MIAMI-DADE COUNTY, FLORIDA.



**EXHIBIT "A-3"**

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EXHIBIT "A"

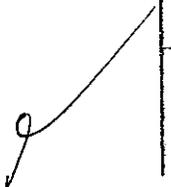
LEGAL DESCRIPTION:

A PORTION OF TRACTS 93, 94, 99, AND 100 OF "MIAMI GARDENS", ACCORDING TO THE PLAT THEREOF, AS RECORDED IN PLAT BOOK 2, AT PAGE 96 OF THE PUBLIC RECORDS OF MIAMI-DADE COUNTY, FLORIDA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN AT THE SOUTHWEST CORNER OF THE TRACT "D" OF "DOLPHIN CENTER- STADIUM SITE", ACCORDING TO THE PLAT THEREOF, AS RECORDED IN PLAT BOOK 129, AT PAGE 91 OF THE PUBLIC RECORDS OF MIAMI-DADE COUNTY, FLORIDA; THENCE N02°46'44"W ALONG THE WEST LINE OF SAID TRACT "D" OF SAID PLAT OF "DOLPHIN CENTER-STADIUM SITE" FOR A DISTANCE OF 404.40 FEET; THENCE S87°15'51"W ALONG A LINE WICH IS 878.96 FEET NORTH OF AND PARALELL WITH THE SOUTH LINE OF SAID TRACTS 99 AND 100 OF SAID PLAT OF "MIAMI GARDENS" FOR A DISTANCE OF 520.00 FEET TO THE WEST LINE OF SAID TRACT 94; THENCE S02°46'44"E ALONG THE WEST LINE OF SAID TRACTS 94 AND 99 OF SAID PLAT OF "MIAMI GARDENS" FOR A DISTANCE 404.40 FEET; THENCE N87°15'51"E ALONG A LINE WICH IS 440.00 FEET NORTH OF AND PARALLEL WITH THE SOUTH OF SAID TRACT 99 AND 100 OF SAID PLAT OF "MIAMI GARDENS" FOR A DISTANCE OF 520.00 FEET TO THE POINT OF BEGINNING.

CONTAINING 210,288 SQUARE FEET (4.83 ACRES).

**EXHIBIT "B"**

A handwritten mark or signature, possibly a stylized 'J' or 'I', is located in the bottom right corner of the page, near the right margin.

**AGREEMENT OF SALE AND PURCHASE**

**THIS AGREEMENT** by and between the CITY OF MIAMI GARDENS, a municipal corporation under the laws of the State of Florida ( "Purchaser" or "City"), and CORNERSTONE CW COMMERCIAL, L.L.C, together with CORNERSTONE CW, L.L.C, Florida limited liability companies ( collectively "Seller"), their nominees, successors and assigns, is made as of the last date of execution by any party to this Agreement ("Effective Date").

**WITNESSETH:**

1. **Sale.** Upon the terms and provisions and subject to the conditions hereof, Seller shall sell and convey to Purchaser, on the Closing Date (hereinafter defined), and Purchaser shall purchase from Seller, for the purchase price herein set forth, these certain parcels of land, being located in Miami-Dade County, Florida, owned in fee simple by Seller, and described as:

**Parcel 1:** (Cornerstone CW Commercial, L.L.C.)- SEE EXHIBIT "A-1"

**Parcel 2:** (Cornerstone CW, L.L.C.) SEE EXHIBIT "A-2"

less approximately seven (7) acres on the South portion of Parcel 2, 4.83 acres of which are particularly described on **Exhibit "A-3"**, attached hereto and made a part hereof, and the balance of which constitutes the "Buffer" lands lying to the east of said 4.83 (the "Land"), including all strips and gores of land lying adjacent to the Land and owned by Seller, together with Seller's interest in all easements, privileges, rights-of-way, riparian and other water rights, lands underlying any adjacent streets or roads, and appurtenances pertaining to or accruing to the benefit of the Land, together with:

(a) All improvements, buildings, structures and fixtures (the "Improvements") located on the Land, together with any and all related facilities, structures, fixtures and amenities, and

(b) All deposits, zoning and/or development rights, licenses, leases, mineral rights, permits, rents, issues, moneys or rights to receive money by reason of eminent domain and contract rights pertaining to ownership or operation of the Land and Improvements ("Personal Property").

The Property shall be conveyed by use of the legal description set forth in the Survey required by Paragraph 4(c) hereof.

The Land, Improvements, if any, and Personal Property will be collectively hereinafter referred to as the "Property", and the Property is being sold in its "As Is" condition subject to any representations or warranties contained herein.

2. Purchase Price.

(a) The total purchase price ("Purchase Price") to be paid by Purchaser to Seller for the Property is Ten Million (\$10,000,000.00) Dollars, less Seller's Reimbursement Obligations as set forth in sub-section 2(d) hereof.

(b) Deposit. Upon exercise of the Option by Purchaser under the Option Agreement, the Option Price previously paid by Purchaser to and received, in escrow, shall constitute the deposit hereunder with Escrow Agent (hereinafter named), to be held and disbursed by Escrow Agent in accordance with the terms and provisions of this Agreement.

(c) Cash to Close. On the Closing Date, the Purchaser shall pay to the Seller or Seller's designee the Purchase Price of which the Deposit given hereunder shall constitute a part, increased or diminished by credits, proration and adjustments, by confirmed wire transfer (the form of payment to be at Purchaser's option).

(d) Financing Contingency. The Closing of this transaction is subject to and contingent on Purchaser procuring approval from the City Council of the Purchaser for the Issuance of Bonds ("Bonds") sufficient to raise the money necessary to pay the Purchase Price to Seller at Closing and the Purchase of the Bonds by a Financial Institution ("Financial Institution") on terms and conditions acceptable to Purchaser, in Purchaser's sole and absolute discretion.

Purchaser shall pursue the issuance of the Bonds with reasonable diligence. If Purchaser fails to obtain the necessary approvals for the Bonds within the earlier of (i) 30 days after the ordinance approving the purchase and financing is approved on second reading, or (ii) 90 days of Effective Date or, having obtained such approval, the approval is rescinded by the Financial Institution prior to the Closing Date ("Financing Deadline"), then this transaction shall terminate, whereupon the Deposit shall be promptly released to the Purchaser, and neither party shall have any further rights or obligation to each other under this Agreement.

Seller agrees to reimburse Purchaser as follows:

(i) Upon closing all costs, expenses, closing costs or monies paid or incurred by Purchaser or Financial Institution, including attorney's fees of Purchaser or any third party Financial Institution, involved in trying to procure approval for the issuance and purchase of the Bonds, including, but not limited to, cost of preparation of this Agreement, Bond documents and closing of this transaction and the issuance and purchase of the Bonds, not to exceed \$100,000.00 (collectively, the reimbursement obligations of Seller as reflected in this sub-section (d)(i) shall be referred to hereinafter as "Seller Reimbursement Obligations").

The parties agree that this provision and the obligation of Seller to pay the Seller Reimbursement Obligations to the Purchaser is a material consideration for Purchaser entering into this Agreement and that, but for the undertaking thereof by Seller, Purchaser would not have executed this Agreement, due in part to the market conditions which are severely affecting the price of land and the ability to finance a purchase of land.

3. **Investigation Period.** Purchaser has conducted its investigation of the property during the Option, and is satisfied with the condition of the Property.

4. **Title and Survey Matters.**

(a) **Status of Title.** At Closing, Seller shall convey good, marketable and insurable fee simple title to Purchaser by means of a Statutory General Warranty Deed (the "Deed"), in recordable form, free and clear of all claims, liens and encumbrances, except for the following items (the "Permitted Exceptions"): (i) real property taxes and assessments for 2009 and subsequent years which are not then due and payable (subject, however to adjustments pursuant to Paragraph 5 hereof); and (ii) the matters set forth in First American Title Insurance Company Owner's policy FA-35-1481527, Items 2 thru 21 inclusive of Schedule B of the Title Policy, First American Title Insurance Company Owner's policy FA-35-1481528, Items 2 thru 21 inclusive of Schedule B of the Title Policy, and Easement recorded in Officials Record Book 26251, Page 610 ("Title Policies"), attached as part of Exhibit "B" and made a part hereof ("Permitted Exceptions").

(b) **Evidence of Title.** Purchaser shall order a title insurance commitment within five (5) days after the date of this Agreement showing Seller to be vested with and able to convey to Purchaser good, marketable and insurable fee simple title to the Property, free and clear of all claims, liens, encumbrances, objections, defects, and all exceptions which would render title unmarketable, except those which can and shall be discharged by Seller at or before the Closing and the Permitted Exceptions.

(c) **Survey.** As soon as possible, but in no event later than five (5) days after the date of this Agreement, Seller shall deliver to Purchaser a copy of Seller's survey. Purchaser may then have until the end of the Investigation Period to have a survey made by a registered professional surveyor licensed to practice in the State of Florida (the "Survey"). The Survey shall: (i) be certified, signed and sealed by a Florida Registered Land Surveyor; (ii) be a closed boundary survey; (iii) locate and identify all existing above-ground utilities either on site or adjacent to the Land; (iv) specifically identify all perimeter lines; (v) show the relation of the point of beginning of the Land to the monument from which it is fixed; (vi) locate all existing easements, reservations, dedications and setbacks of record (setting forth official recording information), adjoining alleys, streets and roads and distances thereto, and the centerline and width thereof; (vii) show any encroachments or overlaps on or affecting the Land; (viii) show all existing improvements, if any (such as buildings, power lines, curb cuts, fences, parking and paved areas, lakes, etc.); (ix) provide a legal description of the Land (which shall be used as the legal description to be attached to the Deed to be delivered by Seller to Purchaser); (x) show the

total square footage of the Land and Improvements; (xi) be prepared in accordance with the minimum technical standards for land surveyors pursuant to Section 472.027, Fla. Stats. (1999); (xii) state whether the property appears on any U.S. Department of H.U.D. Flood Insurance Boundary Map, and, if so, whether the Property appears in the "Flood Hazard Area" shown on the map, and further identify Miami-Dade County Minimum Flood Criteria elevations; and (xiii) contain a surveyor's certification conforming with ALTA Standards naming the Title Company, Purchaser's counsel, Purchaser and Purchaser's proposed mortgagee, if any, and their respective assigns, in a form sufficient to cause the Title Company to delete the standard survey exceptions from the Title Policy (as defined in this Paragraph 4), as well as to show the Title Policy to be free and clear of all survey related objections or exceptions whatsoever. In the event the Survey reflects any encroachments or overlaps, easements or any condition which shall render the Seller's title other than good, marketable and insurable or other similar matter not listed as a Permitted Exception, such items shall be considered Title Defects and shall be governed by the provisions of Subparagraph (e) of this Paragraph 4.

(d) UCC Searches. Seller, at Seller's sole cost and expense, shall deliver to Purchaser, within twenty (20) days after the Effective Date hereof, current searches of all Uniform Commercial Code financing statements filed with the Secretary of State of the State of Florida against (i) the Property and (ii) Seller. If such searches reveal claims or liens affecting the Property, then such claim shall be a Title Defect as set forth in Subparagraph (e) below and the cure provisions set forth in Subparagraph (e) shall apply.

(e) Defects and Cure. The items described in this Paragraph 4 are collectively referred to as "Title Evidence." Purchaser shall have twenty (20) days from the Effective Date to cause the title commitment to be examined and to notify the Seller of any objections. If the Title Evidence discloses liens, encumbrances, exceptions, objections or defects or any condition which shall render the Seller's title other than good, marketable and insurable, as herein provided (collectively "Title Defects"), other than the Permitted Exceptions, such Title Defects shall, as a condition precedent to Purchaser's obligation to Close, be cured and removed by Seller within ninety (90) days after written notification by Purchaser to Seller of such Title Defect(s) and the Closing Date shall be postponed, if necessary. Seller shall be required to promptly use reasonable diligence, including the institution and prosecution of necessary judicial proceedings, if reasonable, to make its title good, marketable and insurable. If Seller fails to remove, discharge or correct all Title Defects, then Purchaser may, at its option, either (i) terminate this Agreement by written notice to the Seller given within ten (10) days after the expiration of the cure period; or (ii) Extend the Cure Period in writing for a period as determined by Purchaser, in its sole discretion; (iii) proceed to close and accept title "as is" without reduction in the Purchase Price (except for any claim of lien which can be removed by the payment of money or the transfer to bond) by deducting from the cash payment due at Closing and/or escrowed with the Escrow Agent the amount necessary to cure and/or cause the Title Company to insure and/or endorse over such Title Defects. Notwithstanding the foregoing, any Title Defect which can be cured by the payment of money will be paid, released and discharged at Closing that can be paid, released as to all of the Property and otherwise discharged as an

encumbrance upon the Property by application of the Purchase Price. If Purchaser shall elect to terminate this Agreement pursuant to this Paragraph 4(e), then the Deposit and all interest earned thereon shall be repaid to Purchaser, and Seller shall pay to Purchaser the Seller's Reimbursement Obligations, and, thereafter, this Agreement shall be null and void and of no further force and effect.

On the day of Closing, Title Evidence shall be updated and shall reflect title free of Title Defects. To the extent that the Title update at Closing reflects any Title Defect, Seller shall have ten (10) days to cure said Title Defect and, upon failure to remove such Title Defect as required herein, Purchaser shall have the options for Seller's failure to cure a Title Defect as set forth above.

5. **Adjustments and Prorations.** The following items shall be prorated as of 12:01 A.M. on the Closing Date:

(a) Current real estate and personal property taxes applicable to the Property for 2008/2009. Taxes for 2008 shall be paid in full by Seller prior to Closing. Taxes for 2009 shall be preliminarily prorated at Closing based on one hundred percent (100%) of the current or most recent ascertainable tax bill and shall be reprorated, if necessary, upon the issuance of final bills therefor. Any amounts due from either party to the other shall be paid in cash at that time.

(b) Taxes (other than real estate and sales), insurance (if assumed), interest (if applicable), water and sewer charges, employees' wages and vacation pay (if applicable), charges under any service contracts or agreements (if assumed) and all other apportionable operating costs, charges and expenses shall be prorated as of the Closing Date. Utilities shall be read on the date of the Closing, and the bills to such date paid by Seller. All prepaid deposits for insurance, utilities and taxes shall be either refunded to Seller at the Closing or transferred to Purchaser in which event the aggregate amount thereof shall be added to the cash portion of the Purchase Price payable by Purchaser for the Property. In the event that Purchaser shall elect not to continue the present insurance coverage on the Property, such coverage shall be terminated as of the Closing Date and there shall be no proration of insurance premiums. Any advance payments on service contracts and agreements or agreements of any kind relating to the management, operation or maintenance of the Property which the Purchaser shall agree to assume and continue shall be reimbursed to the Seller.

(c) Seller represents that there is no sales tax due and unpaid on rents collected prior to the Closing. At the closing, Seller shall execute and deliver to Purchaser an indemnification agreement, in form reasonably satisfactory to Purchaser's attorneys, under which Seller shall indemnify, defend and hold Purchaser harmless from and against all claims, losses, liabilities and obligations made against or incurred by Purchaser with respect to sales tax on rents collected prior to the Closing.

(d) All assessments, general or special, pending or certified as of the Closing Date, shall be paid by Seller prior to or at Closing, and Purchaser shall not be obligated to pay such assessments.

**6. Representations, Warranties and Covenants of Seller.** In addition to any representations and warranties elsewhere contained in this Agreement, the Seller hereby represents and warrants to its reasonable knowledge without further inquiry or investigation as follows:

(a) Seller is the fee simple owner of the Property (as set forth individually on Exhibit "A-1" and "A-2"). No other agreement concerning or restricting the sale of the Property is in effect, and no person or entity, other than the Purchaser, has any right or option to acquire all or any portion of the Property.

(b) Seller has received no notice and to the best of its knowledge the existing use and condition of the Property does not violate any environmental, zoning, building, health, fire, water use, or similar statute, or any ordinance, law, rule, regulation, code of any Governmental Authority, with respect to the Property. The Property is in full conformance with current zoning requirements, and is not a nonconforming or special use. The Property as conveyed to Purchaser shall include all rights to any off-site facilities necessary to ensure compliance with all zoning, building, health, fire, water use or similar statutes, laws and regulations.

(c) There are no pending or, to Seller's best knowledge, threatened matters of litigation, administrative actions or arbitration against or with respect to the Property, or any pending or threatened eminent domain, condemnation proceeding or other governmental taking of the Property or any part thereof, except for Metrorail expansion along NW 27<sup>th</sup> Avenue, and in connection with Seller's lender. No attachments, execution proceedings, assignments or insolvency proceedings are pending or threatened against or contemplated by Seller.

(d) No fact or condition exists which would result in the termination or impairment of access to the Property or discontinuation of necessary water, sewer, electric, gas, telephone or other utilities or services. The facilities servicing the Property are in full compliance with all governmental rules and regulations.

(e) All utilities required for the operation of the Property including, but not limited to, sewer, water, electric, gas and telephone, are supplied directly to the Property by facilities of public utilities entering the Property either through adjoining public streets or, if they pass through adjoining land, do so in accordance with valid public or private easements, the rights to which will be conveyed to Purchaser as part of the Property, and all installation and connection charges for same have been paid in full to date or such facilities are available to the Property line. At the time of Closing, Seller will furnish written evidence to Purchaser that no monies are due to any utility companies furnishing service to

the Property and that there are no restrictions upon such utility companies that would interfere with utility service to the Property.

(f) There are no special agreements with any utility companies, governmental agencies or bodies, or with any entity furnishing any utility service to the Property, the cost of which is not included in the utility charge represented in this Agreement by Seller.

(g) All documents being delivered by Seller hereunder are all true, accurate and complete and fairly present the information set forth in a manner which is not misleading. All third party reports and information are delivered in their entirety without representation or warranty as to the information contained therein.

(h) The Seller is comprised of Florida limited liability companies duly organized, validly existing and in good standing under the laws of the State of Florida, and its designee executing this agreement has all requisite power and authority to bind the Seller to this Agreement. An appropriate resolution, acceptable to Purchaser, shall be provided at Closing to reflect the accuracy of this representation.

(i) Seller has full power and authority to execute and deliver this Agreement and to consummate the transactions and perform its obligations contemplated in this Agreement, and Seller represents that the execution, delivery and performance of this Agreement has been duly and validly authorized and approved by Seller, and its Board of Directors and all other actions necessary to the execution and delivery of this Agreement and the consummation of this transaction has been taken. The foregoing shall include any approval required by any receiver or trustee or any court of competent jurisdiction having authority over a partner or affiliate of any partner. Seller shall provide Purchaser with evidence satisfactory to Purchaser's attorney that all persons signing this Agreement, the deed and other documents on behalf of the Seller, have all necessary power and authority to do so. Seller has the right and authority to perform all of its obligations hereunder without obtaining any consents from any partners, shareholders, officers, directors, investors, Governmental Authorities or others.

(j) This Agreement and the transactions herein contemplated will not conflict with or result in a breach under any agreement or instrument to which the Seller (or any of its partners) is a party or by which Seller, the Property or any of its partners are bound, and will not constitute a violation of any applicable law, rule, regulation, judgment, order or decree of any governmental entity or court to which the Seller or the Property is subject.

(k) Seller is not a party to, and the Property is not subject to, any contract, written or oral, which is not cancelable upon fourteen (14) days notice (each of which is in full force and effect and referred to herein as the "Service Contracts"). Seller shall pay and perform all pre-closing payments and obligations under the Service Contracts through the Closing Date. Any and all service Contracts are attached hereto as Exhibit "D".

(l) Seller has not received any notice from any insurance company of any defects or inadequacies in the Property which would adversely affect the insurability of the Property or which would increase the cost of insuring the Property beyond that which is customarily charged for similar properties in the vicinity of the Property. Prior to Closing, Seller will keep the Property fully insured in a prudent and customary manner.

(m) Within fourteen (14) calendar days after the date hereof, Seller shall furnish to Purchaser a complete and accurate list of all employees engaged in the operation, repair and maintenance of the Property, giving the name, position, rate of compensation, social security number, term of employment agreement, if any, and other relevant information as to each such employee. Purchaser is assuming no responsibilities or obligations whatsoever relative to such employees, and Seller hereby indemnifies Purchaser against any and all obligations and other matters relative to such employees.

(n) Any alterations, installations, decorations and other work required to be performed by the Seller (or others) as lessor prior to the Closing Date under the provisions of any leases or other agreements affecting the Property have been or will by the Closing Date be completed and paid for in full or deducted from the Purchase Price. Seller has paid in full all bills and invoices for labor and material of any kind relating to the Property, and there are no mechanics' liens or other claims outstanding in connection with the Property.

(o) All of the Improvements used in the general operation of the Property are in good working order and not in need of repair or replacement, except for standard maintenance resulting from normal usage.

(p) All Improvements (including all streets, curbs, sidewalks, sewers and other utilities) have been completed and installed in accordance with the plans and specifications approved by the various governmental authorities having jurisdiction. All permanent certificates of occupancy, licenses, permits, authorizations and approvals required by all governmental authorities having jurisdiction and the requisite certificates of the local board of fire underwriters (or other body exercising similar functions) have been paid for, issued, and remain in full force and effect for the Property.

(r) Except as disclosed in the Environmental Assessment Report being furnished by Seller to Purchaser, the Property is free: (i) of the presence of any Hazardous Substances (as herein defined), including, but not limited to, transformers or equipment containing polychlorinated biphenyl ("PCBs"), on the Property, (ii) of any spills, releases, discharges, or disposal of Hazardous Substances that have occurred or are presently occurring on or onto the Property, (iii) of any spills or disposal of Hazardous Substances that have occurred or are occurring off the Property as a result of any construction on or operation and use of the Property, (iv) the presence of any asbestos in use or on the Property, (v) of the presence of mold on the Property or any Improvements, or (vi) of any failure to comply with any applicable local, state or federal environmental laws, regulation,

ordinance, or administrative or judicial order relating to the generation, recycling, reuse, sale, storage, handling, transport, and disposal of any Hazardous Substances with respect to the Property. The Seller has not received any notice from any Governmental Authority regarding the existence of any Hazardous Substance on or with respect to the Property. "Hazardous Substance" shall mean any substance or material defined or designated as hazardous or toxic waste, hazardous or toxic material, a hazardous or toxic substance, or other similar term by any federal, state, or local environmental statute, regulation, or ordinance presently in effect or that may be promulgated in the future, as such statutes, regulations, and ordinances may be amended from time to time, and asbestos. The Seller agrees to indemnify, protect, defend and hold Purchaser harmless from and against any and all claims, demands, damages, cleanup, losses, liens, liabilities, penalties, fines, lawsuits, and other proceedings, costs, and expenses (including without limitation reasonable attorney's fees), arising directly or indirectly from or out of, or in any way connected with the foregoing.

(s) Intentionally deleted.

(t) Between the date hereof and the Closing, no part of the Property will be alienated, encumbered, mortgaged, leased or transferred in favor of or to any party whatsoever, and Seller will execute no instrument which will affect title to the Property.

(u) Seller has no knowledge of nor has received any notice of any special assessments of any nature pending or being contemplated with respect to the Property or any part thereof.

(v) Seller has not, nor to the best of Seller's knowledge or belief, has any predecessor in title, executed or caused to be executed any document with or for the benefit of any Governmental Authority restricting the development, use or occupancy of the Property that has not specifically been disclosed to Purchaser, or which is recorded in the Public Records of Miami-Dade County, Florida.

(w) There are not any and have been no defaults or events or circumstances which, with the passage of time, the failure to cure or the giving of notice, would constitute a default under any agreements pertaining to the Property to which Seller is a party, and Seller has been diligently performing its obligations under any agreements pertaining to the Property so as to satisfy, and enable Purchaser to satisfy, any and all time constraints set forth in said agreements, except as provided herein.

(x) All documents furnished to Purchaser by Seller are true and complete originals or copies of such documents have not been modified or discharged other than as indicated in the documents timely furnished by Seller to Purchaser and constitute all the documents within the possession or control of Seller falling within the category of furnished documents described.

(y) There are no parties in possession of any portion of the Property as lessees, tenants-at-sufferance or trespassers, and Seller shall provide sole possession of the Property to Purchaser at closing.

(aa) No commitments have been made to any Governmental Authority, utility company, school board, church or other religious body, or any homeowners or homeowners' association, or to any other organization, group or individual relating to the Property which would impose an obligation upon Purchaser or its successors or assigns to make any contributions or dedications of money or land or to construct, install or maintain any improvements of a public or private nature on or off the Property; and no Governmental Authority has imposed any requirement that any developer of the Property pay directly or indirectly any special fees or contributions or incur any expenses or obligations in connection with any development of the Property or any portion thereof.

(bb) No attachments, execution proceedings, assignment or insolvency proceedings are pending or threatened against or contemplated by Seller.

Seller shall disclose any changes with respect to the information or warranties contained in this Agreement which occur prior to Closing and of which Seller receives notice. All warranties of Seller set forth in this Agreement shall (i) be deemed remade as of the Closing Date, (ii) survive the Closing for one (1) year and the delivery of the Deed and shall not merge into the Closing or Deed and (iii) shall not be abrogated, diminished or otherwise affected by any inspections made by Purchaser or by any knowledge Purchaser may obtain prior to Closing. With respect to each warranty, Seller shall be charged with making reasonable inquiries to its partners, employees, managers, agents and other appropriate parties and the inspection of public records of all relevant Governmental Authorities as to the accuracy of the warranties.

**7. Closing and Related Matters.**

(a) The Closing Date and Conditions. The delivery of the Deed, documents, money and other acts necessary to complete the transactions provided for in this Agreement shall be referred to as the "Closing." The Closing shall take place simultaneously with the closing and funding in regards to the issuance and Purchase of the Bonds but in any event on a day selected by Purchaser which shall occur no later than August 31, 2009, unless the same shall be extended by other provisions of this Agreement or changed by written agreement executed by Purchaser and Seller, (the "Closing Date") at the office of Purchaser's counsel or other location designated by the Purchaser. Seller shall deliver possession of the Property to Purchaser at the Closing. In all events, the obligations of Purchaser to close this transaction are contingent upon (i) title to the Property being shown to be good, marketable and insurable as required by this Agreement; (ii) the representations, warranties and covenants of Seller being materially true and accurate on the Closing Date with the same force and effect as if made at that time; (iii) Seller otherwise having performed all of its obligations hereunder; (iv) all of the closing documents which Seller is required to deliver to Purchaser under this Agreement will have

been delivered at least five (5) calendar days prior to Closing or if not, the Closing shall be delayed by the number of days of delay; and (v) the other conditions precedent to Closing provided for in this Agreement being satisfied. Purchaser shall have the right to waive any or all of the foregoing conditions precedent, which waiver shall be enforceable against Purchaser only if in writing. In the event that Seller fails to perform any of Seller's obligations hereunder, as set forth in (i) through (v) in the preceding sentence, Purchaser shall not be required to tender the Purchase Price, and Seller shall be in default under this Agreement, except as otherwise specifically provided in this Agreement.

(b) Seller's Obligations at Closing. At Closing, Seller shall give (i) full and complete possession of the Property to Purchaser (including all keys to the Property in possession or under control of Seller) (ii) execute and deliver to Purchaser all documents required by Exhibit "C", attached hereto and made a part hereof, and (iii) execute and deliver any and all other documents necessary or advisable to consummate the transactions contemplated hereby.

(c) Purchaser's Obligations at Closing. At Closing, Purchaser shall (i) pay to Seller the Purchase Price specified in Paragraph 2 hereof, (ii) execute and deliver to Seller all documents required by Exhibit "C" hereof and (iii) execute and deliver all documents necessary or advisable to consummate the transactions contemplated hereby.

(d) Closing Costs. Seller shall pay up to \$100,000.00 for all Closing costs associated with closing on the purchase of the Property and the issuance and Purchase of the Bonds whether incurred by Seller or Purchaser including but not limited to: Attorney fees, recording costs, taxes, documentary or intangible taxes (the documentary or intangible taxes shall be in addition to the \$100,000.00 cap), surtax (the surtax shall be paid in addition to the \$100,000.00 cap), points, appraisals, all costs charged or incurred by title insurance company selected by the Purchaser, survey, credit reports, all cost expenses or money paid for the Bond issuance and Purchase of Bonds by a Financial Institution, title updates and cost of title insurance commitments and policies including endorsements.

(e) Insured Closing. The Closing shall take place in such a fashion that the Title Company will insure the "gap" in time between the last examination of title to the Property and the recording of the Deed to the Property in favor of Purchaser, and the closing cash proceeds due Seller hereunder will be disbursed to it upon the written undertaking of the insurance of such "gap" by the Title Company at the Closing. Seller shall furnish the Title Company or other title insurer with appropriate affidavits and other documents of Seller as Title Company may reasonably require to insure the "gap".

**8. Existing Mortgage; Estoppel Letter.**

(a) Existing Mortgage. The existing first mortgage ("Existing Mortgage") is that certain mortgage held by Regions Bank d/b/a Am South Bank, an Alabama state-chartered bank, dated December 4, 2006, recorded on December 15, 2006, in Official

Records Book 25195, Page 1584 of the Public Records of Miami-Dade County, Florida, as amended securing a promissory note (the "Existing Note") of even date therewith, in the original principal amount of Ten Million Four Hundred Thousand (\$10,400,000.00) Dollars, and Second Mortgage to Regions Bank recorded in Official records Book 25832, at Page 20, as amended.

(b) Representations and Warranties. Seller represents and warrants (i) that copies of the Existing Note and Existing Mortgage provided by Seller to Purchaser as recorded in the Public Records of Miami Dade County, Florida ("Public Records") are true, correct and complete copies thereof, (ii) that such documents have not been and will not, as of the Closing Date, be modified, rescinded or revoked and (iii) that there is no breach on the part of the Seller with respect thereto, except as has been disclosed herein.

(c) Intentionally deleted.

(d) Mortgagee Estoppel Letter. As an additional condition precedent to Purchaser's obligation to close, Seller shall obtain and deliver to Purchaser within thirty (30) days from the execution of this Agreement by Seller, an estoppel letter executed by the holder or a duly authorized officer of the holder of each Existing Note and Existing Mortgage or duly authorized loan servicing agent, directed to Purchaser and Seller stating and certifying the amount of the unpaid balance of principal and accrued interest upon its Existing Note as of the date of the Estoppel Letter, and any amounts necessary to pay the loan off in full at the time of closing.

(e) Purchaser Representation and Warranty. Purchase covenants that they will not communicate with or in any way contact Seller's lender, except after the financing bonds have been approved by Purchaser's lender, the Title Agent may contact Seller's lender for the sole purpose of obtaining a payoff and estoppel letter.

**9. Risk of Loss, Condemnation, and Casualty.**

(a) All risk of condemnation and the risk of loss, damage, or destruction of the Property, by fire or otherwise, prior to the Closing shall be on Seller. Seller agrees to maintain existing fire and extended coverage insurance on the Property until the Closing.

(b) If, after the Effective Date and prior to the Closing all or a part of the Property is subjected to a bona fide threat of condemnation by a body having the power of eminent domain or is taken by eminent domain or condemnation (or sale in lieu thereof), or all or a part of the Property is damaged or destroyed by any cause, Seller shall immediately notify Purchaser in writing, and Purchaser may give written notice to Seller electing to cancel this Agreement prior to the Closing hereunder, in which event both parties shall be relieved and released of and from any further liability hereunder except Seller's responsibility to pay the Seller's Reimbursement Obligations, the Deposit and interest shall forthwith be returned to Purchaser by the Escrow Agent and Seller shall pay to Purchaser the Seller Reimbursement Obligations, and thereupon this Agreement shall become null

and void and be considered cancelled. If no such election is made, this Agreement shall remain in full force and effect and the sale and purchase contemplated herein, less any interest taken by eminent domain or condemnation, shall be effected with no further adjustment, and upon the Closing Seller shall assign, transfer, and set over to Purchaser all of the right, title and interest of Seller in and to any awards that have been or that may thereafter be made for such taking; and Seller shall assign, transfer and set over to Purchaser any sums of insurance money paid for any damages or destruction. Purchaser shall not have the right to cancel is eminent domain is due to Metrorail expansion along NW 27<sup>th</sup> Avenue or any action by the City of Miami Gardens.

10. **Default.**

(a) **Seller's Default.** In the event that Seller should fail to consummate the transactions contemplated herein for any reason, except Purchaser's default or the failure of Purchaser to satisfy any of the conditions precedent to Seller's obligations set forth herein, ("Seller's Default"), Purchaser may, at its option, either terminate this Agreement and receive a full and immediate refund of the Deposit held by Escrow Agent and Seller shall pay to Purchaser the Seller's Reimbursement Obligations or enforce specific performance of this Agreement.

(b) **Purchaser's Default.** In the event Purchaser should fail to consummate the transactions contemplated herein for any reason, except default by Seller or the failure of the Seller to satisfy any of the conditions precedent to Purchaser's obligations, the Escrow Agent shall deliver the Deposit with interest to Seller, and it shall become the property of Seller, such sum together with the forgiveness by Purchaser of the Seller's Reimbursement Obligations being agreed upon as liquidated damages for the failure of Purchaser to perform the duties, liabilities, and obligations imposed upon it by the terms and provisions of this Agreement and because of the difficulty, inconvenience and uncertainty of ascertaining actual damages. The maximum liability that the Purchaser has with respect to a default by Purchaser hereunder is loss of the Deposit and payment of the Seller's Reimbursement Obligations, and no other damages, right, or remedies shall be available to or collectible by Seller, and Seller agrees to accept and take the Deposit and forgiveness of the Seller's Reimbursement Obligations as its total damages in relief hereunder in such event. No delay or omission in the exercise of any right or remedy accruing to Seller upon any breach by Purchaser under this Agreement shall impair such right or remedy or be construed as a waiver of any such breach theretofore or thereafter occurring. The waiver by Seller of any condition or the breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of any other condition or of any subsequent breach of the same or any other term, covenant or condition herein contained.

(c) **Notice; Right to Cure.** As used in this Agreement, the word "default" is to mean that a party hereto has breached a term, covenant or condition contained herein; and, except for the failure to timely close, such party has failed to cure same within thirty (30) days from receipt of written notice from the other party specifying the nature of the

alleged default. No default shall become actionable until the expiration of the aforesaid cure period with the default unremedied.

**11. Care and Maintenance of Property.** From the date of this Agreement until Closing, Seller shall (i) continue to operate the Property in the usual and customary manner and perform all ordinary and extraordinary repairs, replacements, and maintenance with respect to the Property;; (ii) pay all bills and discharge all obligations arising from ownership and operation of the Property prior to Closing; (iii) not, and will not, suffer or permit any third party to adversely affect Seller's title to or interest in the Property and will refrain from creating or incurring, or suffering to exist, any mortgage, lien, pledge or other encumbrance in any way affecting the Property other than the Permitted Exceptions; (iv) not enter into any leases, contracts or agreements pertaining to the Property; (v) refrain from committing any waste or nuisance upon the Property; (vi) comply with all the terms, conditions and provisions of all Existing Mortgage and other contractual arrangements referred to herein and make all payments required to be paid thereunder and suffer no default therein, except for payments on the Existing Mortgage; (vii) neither negotiate nor enter into any new contract or modify any existing contract without prior written approval of Purchaser for or on behalf of, or affecting the Property which cannot be terminated without charge, cost, penalty or premium on the Closing Date; (viii) not further encumber the Property or subject it to any lien or mortgage other than the Existing Mortgage and (ix) observe all laws, ordinances, regulations, and restrictions affecting the Property and its use, until the Closing Date and remedy or cause to be remedied all violations thereof including closing any open permits.

**12. Access.** From time to time after the execution of this Agreement during normal business hours up to the time of Closing hereunder, the Purchaser through its authorized agents, personnel, employees, and independent contractors, shall be entitled to enter upon the Property in order to make such inspections thereof as it may deem necessary, and likewise be given access to the Seller's Records with respect to the Property in order to inspect fully the same.

**13. Notices.** Any notice, consent approval or communication given pursuant to the provisions of this Agreement shall (except where otherwise permitted by this Agreement) be in writing and shall be (a) delivered by hand, or (b) mailed by certified mail or registered mail, return receipt requested, postage prepaid, (c) delivered by a nationally recognized overnight courier, U.S. Post Office Express Mail, or similar overnight courier which delivers only upon signed receipt of the addressee, or (d) sent by facsimile with a receipt for transmission and sent by overnight courier and addressed as described below. The time of the giving of any notice shall be the time of receipt thereof by the addressee or any agent of the addressee, except that in the event the addressee or such agent of the addressee shall refuse to receive any notice given as above provided or there shall be no person available at the time of delivery thereof to receive such notice, the time of the giving of such notice shall be the time of such refusal or the time of such delivery, as the case may be. Such notices shall be given to the parties hereto at the following addresses:

If to Seller: Cornerstone CW Commercial, L.L.C.  
Mr. Lenny Wolfe, President  
2121 Ponce de Leon Blvd., PH  
Coral Gables, FL 33134  
Fax: (305) 443-9339

If to Seller: Cornerstone CW, L.L.C.  
Mr. Lenny Wolfe, President  
2121 Ponce de Leon Blvd., PH  
Coral Gables, FL 33134  
Fax: (305) 443-9339

With a copy to: Berman Rennert Vogel & Mandler, PA  
Attention: Andrew Ives, Esq.  
100 S.E. 2<sup>nd</sup> Street, Suite 2900  
Miami, FL 33133  
Fax: (305) 347-6470

If to Purchaser: City of Miami Gardens  
1515-200 NW 167<sup>th</sup> Street  
Miami Gardens, Florida 33169  
Attention: Dr. Danny O. Crew  
Fax: \_\_\_\_\_

With a copy to: Arnstein & Lehr LLP  
Attn: Sonja K. Dickens, Esq., City Attorney  
200 East Las Olas Boulevard, Suite 1700  
Fort Lauderdale, Florida 33134  
Fax: \_\_\_\_\_

Any party hereto may, by giving five (5) days written notice to the other party hereto, designate any other address in substitution of the foregoing address to which notice shall be given. Notices to and from counsel to the parties shall constitute proper notice hereunder.

**14. Brokers.** Each party warrants to the other that no broker or finder has been engaged or consulted by either party or any affiliated person or entity of such party or is in any way entitled to compensation as a consequence of the sale of the Property to Purchaser. Each party hereby indemnifies, defends and holds the other party harmless from any loss, cost (including reasonable attorneys' fees), damage, claim, demand or liability for any such commission or fee incurred by the indemnified party and arising by, through or under the indemnifying party.

**15. Escrow Agent.** The Escrow Agent under this Agreement shall be Arnstein & Lehr LLP, located at 200 East Las Olas Boulevard, Suite 1700, Fort Lauderdale, Florida 33301, telephone (954) 713-7600. Any funds delivered to the Escrow Agent pursuant to this Agreement shall be held by said Escrow Agent in trust and shall be deposited in a non-interest bearing account, certificate of deposit or re-purchase agreement maintained with or issued by a federally insured commercial or savings bank doing business in Miami-Dade County, Florida, as may be agreed between Purchaser and Escrow Agent, under Purchaser's taxpayer's I.D. number. All interest earned on the Deposit shall be for the account of the Purchaser, unless the Deposit is forfeited to Seller by reason of Purchaser's default, without any default of Seller, in which case all interest shall also be forfeited to Seller in accordance with Paragraph 10 of this Agreement. The execution of this Agreement by the Escrow Agent is solely for purposes of evidencing the acknowledgment by said Escrow Agent of the receipt by it of the Deposit specified in Paragraph 2 hereinabove. In the event of any dispute regarding any action taken, or proposed to be taken, by the Escrow Agent with respect to the Deposit, any other funds held by it, and any interest earned thereon, or any policies, documents, agreements and/or property (collectively "the Escrow") held by the Escrow Agent pursuant to this Agreement, the Escrow Agent, in its sole discretion, may:

(a) Refuse to comply with any demands on it and continue to hold the Escrow until it receives either (i) written notice signed by Purchaser and Seller and the other person, if any, directing the disbursement of the Escrow, or (ii) an order of Court, having final jurisdiction thereover, directing the disbursement of the Escrow;

(b) On notice to Seller and Purchaser, take such affirmative action as it may deem appropriate to determine its duties as Escrow Agent including, but not limited to, the deposit of the Escrow with a court of competent jurisdiction and the commencement of an action for interpleader; or

(c) If Purchaser or Seller shall have commenced litigation with respect to the Escrow, deposit the Escrow with the Clerk of the Court in which said litigation is pending.

Upon disbursing the Escrow under the provision of (a), (b) or (c) above, the Escrow Agent shall have no further obligation with respect to the Escrow.

Both Purchaser, Seller and Escrow Agent acknowledge that the Escrow Agent is acting hereunder as a depository only to the parties, and Purchaser and Seller, jointly and severally, do hereby agree to indemnify and hold harmless the Escrow Agent of and from any and all liabilities, costs, expenses and claims, of any nature whatsoever, by reason of or arising out of any act as Escrow Agent hereunder, except in the case of Escrow Agent's gross negligence or willful misconduct.

All parties agree that the Escrow Agent shall not be liable to any party or person whomsoever for (i) the sufficiency, correctness, genuineness or validity of any instrument

deposited with it or any notice or demand given to it or for the form of execution of such instrument, notice or demand, or for the identification, authority or rights of any person executing, depositing or giving the same or for the terms and conditions of any instrument, pursuant to which the parties may act; (ii) acting upon any signature, notice, demand, request, waiver, consent, receipt or other paper or document believed by Escrow Agent to be genuine and Escrow Agent may assume that any person purporting to give it any notice on behalf of any party in accordance with the provisions hereof has been duly authorized to do so, or (iii) otherwise acting or failing to act under this Paragraph except in the case of Escrow Agent's gross negligence or willful misconduct. Seller acknowledges that Escrow Agent is counsel to the Purchaser and Seller agrees that Escrow Agent shall not be precluded from representing the Purchaser in the transactions contemplated by this Agreement and all matters arising hereunder.

**16. Compliance with Code.** In order to comply with the provisions of Section 1445 of the Internal Revenue Code of 1986 (the "Code"), as amended, Seller shall deliver to Purchaser at Closing, an affidavit in which Seller, under penalty of perjury, affirms that Seller is not a "foreign person" as defined in the Code, states the United States taxpayer identification number of Seller, affirms that Seller intends to timely file a United States income return with respect to the transfer of the Property and which otherwise conforms to the requirements of Section 1445 of the Code and the Regulations promulgated thereunder. If Seller fails to furnish an affidavit as required by law, Purchaser may withhold ten percent (10%) of the gross sales price of the Property, in lieu of payment thereof to Seller, and may instead pay such amount to the Internal Revenue Service in such form and manner as may be required by law.

**17. Compliance with OFAC.**

Purchaser and Seller hereby covenant, represent and warrants to each other as of the Effective Date and as of the Closing Date as follows:

(a) Purchaser and Seller and each of their Affiliates are U.S. Persons as defined in the regulations administered by United States Treasury Department's Office of Foreign Assets Control ("OFAC"), and are subject to those regulations and to Executive Order 13224 effective on September 24, 2001 ("EO 13224") (the OFAC regulations and EO 13224 together Blocking Regulations) and are in full compliance with the requirements of all Blocking Regulations. Affiliates in this Paragraph 17 means with respect to any Person, any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such Person. For purposes of this definition, control, when used with respect to any Person, means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms controlling and "controlled" have meanings correlative to the foregoing. Person or Person in this Paragraph 17 means any individual, corporation, partnership, joint venture, association, joint stock company, trust, trustee(s) of a trust,

unincorporated organization, or government or governmental authority, agency or political subdivision thereof, and shall include such Person's successors and assigns.

(b) None of (i) Seller, Purchaser, or any of their Affiliates, (ii) any Person that owns voting shares of Purchaser, Seller, or any of their Affiliates, or any director of such Person, (iii) any director of Purchaser, Seller, or any of their Affiliates, nor (iv) any Person who owns or controls (as determined by OFAC) any of the Persons specified in clauses (i) through (iii) of this subsection, is a Person (A) that is subject to the prohibitions contained in EO 13224 or any other Blocking Regulations or (B) whose name appears on OFAC's most current list of Specially Designated Nationals and Blocked Persons.

(c) Purchaser shall deliver to Seller any and all information reasonably requested by Seller to enable Seller to ensure Purchaser's compliance with this Paragraph 17. The provisions of this Paragraph 17 shall also apply to any assignee of Purchaser. Seller shall not be obligated to consummate the transaction contemplated by this Agreement if Purchaser fails to comply with the provisions of this Paragraph 17 or if the representations by Purchaser in this Paragraph 17 are false.

(d) Seller shall deliver to Purchaser any and all information reasonably requested by Purchaser to enable Purchaser to ensure Seller's compliance with the terms of this Paragraph 17. The provisions of this Paragraph 17 shall also apply to any assignee of Seller. Purchaser shall not be obligated to consummate the transaction contemplated by this Agreement if Seller fails to comply with the provisions of this Paragraph 17 or if the representations by Seller in this Paragraph 17 are false.

**18. General Provisions.**

(a) Governing Law. This Agreement and all questions of interpretation, construction and enforcement hereof, and all controversies arising hereunder, shall be governed by the applicable statutory and common law of the State of Florida. The Venue for any lawsuit shall be Miami-Dade County, Florida.

(b) Severability. In the event any term or provision of this Agreement shall be held illegal, unenforceable or inoperative as a matter of law, the remaining terms and provisions of this Agreement shall not be affected thereby and shall remain in full force and effect.

(c) Binding Effect, Entire Agreement, Modification. This Agreement shall be binding upon, and shall inure to the benefit of, the heirs, representatives, successors and permitted assigns of the parties hereto. This Agreement embodies the entire contract between the parties hereto with respect to the Property and supersedes any and all prior agreements and understandings, written or oral, formal or informal. No modifications or amendments to this Agreement, of any kind whatsoever, shall be made or claimed by

Seller or Purchaser, and no notices of any extension, change, modification or amendment made or claimed by Seller or Purchaser (except with respect to permitted unilateral written waivers of conditions precedent by Purchaser) shall have any force or effect whatsoever, unless the same shall be endorsed in writing and fully signed by Seller and Purchaser.

(d) Further Assurances. In addition to the foregoing, the parties hereto, at the time and from time to time at or after Closing, upon request of Purchaser or of Seller, as the case may be, agree to do, execute, acknowledge and deliver all such further acts, deeds, assignments, transfers, conveyances, powers of attorney and assurances as may be reasonably required for: (i) the better assigning, transferring, granting and conveying unto the Purchaser all of Seller's right, title and interest in and to the Property; and (ii) the more effective consummation of the other transactions referred to in this Agreement.

(e) Captions. Captions and Article 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.

(f) Litigation. In the event of any litigation between the parties to this Agreement relating to or arising out of this Agreement, the prevailing party shall be entitled to an award of reasonable attorneys' fees and costs, including such fees and costs at trial and on appeal.

(g) Remedies. Unless otherwise specified herein, no remedy conferred upon either party in this Agreement is intended to be exclusive of any other remedy herein or by law provided or permitted, but each shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity. Every power or remedy given by this Agreement to the Purchaser or to which the Purchaser may otherwise be entitled may be exercised concurrently or independently, from time to time, and as often as may be deemed expedient by the Purchaser, and the Purchaser may pursue inconsistent remedies.

(h) Assignment. This Agreement is freely assignable by Purchaser, and Seller agrees to close with Purchaser's assignee, and to be bound by all terms and conditions set forth in this Agreement with such assignee as if such assignee were the Purchaser.

(i) Waiver. No delay or omission in the exercise of any right or remedy accruing to either party upon any breach by the other party under this Agreement shall impair such right or remedy or be construed as a waiver of any such breach theretofore or thereafter occurring. No waiver of any provision of this Agreement shall be effective unless it is in writing and 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.

(j) Survival. Any portion of this Agreement not consummated at or by Closing, and not specified elsewhere in this Agreement to the contrary, shall survive the Closing of this transaction as a continuing agreement by and between the parties.

(k) Recordation of Agreement. This Agreement or any memorandum thereof or reference thereto may not be recorded in any Public Records in the State of Florida.

(l) 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.

(m) Interpretation. 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. This Agreement shall be interpreted without regard to any presumption or other rule requiring interpretation against the party causing this Agreement or any part thereof to be drafted. Wherever used in this Agreement, "any" means "any and all"; "include" and "including" each are without limitation; "indemnify" means that the indemnitor will defend, indemnify and hold the indemnitee harmless against any claims, demands, losses or liabilities asserted against or incurred by the indemnitee to any third party because of the subject matter of the indemnity; "may not" and other negative forms of the verb "may" each are prohibitory; and "will", "must" and "should" each are mandatory. Unless this Agreement expressly or necessarily requires otherwise (i) any time period measured in "days" means consecutive calendar days, except that the expiration of any time period measured in days that expires on a Saturday, Sunday or legal holiday automatically will be extended to the next day so that it is not a Saturday, Sunday or legal holiday on which the Title Company is closed for business (collectively "Business Day"); (ii) any action is at the sole expense of the party required to take it; (iii) the scope of any indemnity includes any costs and expenses, including reasonable attorneys' fees through all levels of proceedings incurred in defending any indemnified claim, or in enforcing the indemnity, or both.

(n) Exhibits. Exhibits "A" through "D" attached hereto are an integral part of this Agreement.

(o) Time for Acceptance. The Purchaser has executed this Agreement as of the date set forth below. In the event this Agreement has not been duly executed by the Seller and two (2) duly executed counterparts delivered to the Purchaser in accordance with the Option Agreement, then the offer herein and herewith made by the Purchaser shall terminate, and this Agreement shall be null and void, and the Escrow Agent shall return to the Purchaser any Deposit made hereunder.

(p) Radon Gas. The following notice is given pursuant to Section 404.056, Fla. Stats. (1999): Radon is a 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 time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing and radon testing may be obtained from your county public health unit.

(r) Governmental Authority. Governmental Authority means Miami-Dade County, the City of Miami Gardens, the Government of the United States of America, the State of Florida and each and every agency, division, commission, subdivision and instrumentality of the foregoing, any or all of which have jurisdiction over the Property or any part thereof except that if reference is made to a single governing authority, such term shall include only the single governmental authority specified.

(s) Effective Date. The "Effective Date" of this Agreement shall be when Purchaser has validly delivered a Notice exercising its option under the Option Agreement to Seller.

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement on the respective dates indicated below.

**WITNESSES:**

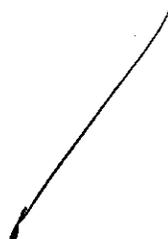
**PURCHASER:**

City of Miami Gardens,

\_\_\_\_\_  
Print Name: \_\_\_\_\_

\_\_\_\_\_  
Print Name: \_\_\_\_\_

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Date: \_\_\_\_\_



JJM  
Print Name: Leon J. Wolfe  
Leyani Roman  
Print Name: Leyani Roman

**SELLER:**

Cornerstone CW Commercial, L.L.C.,  
a Florida limited liability company

By: Jorge Lopez  
Jorge Lopez, Vice Chairman  
Date: \_\_\_\_\_

JJM  
Print Name: LEON J. WOLFE  
Leyani Roman  
Print Name: Leyani Roman

**SELLER:**

Cornerstone CW, L.L.C.,  
a Florida limited liability company

By: Jorge Lopez  
Jorge Lopez, Vice-Chairman  
Date: \_\_\_\_\_

**RECEIPT BY ESCROW AGENT**

Receipt is hereby acknowledged of the sum of \_\_\_\_\_  
\_\_\_\_\_ (\$ \_\_\_\_\_) Dollars which is the Initial Deposit  
under the terms and conditions of the foregoing Agreement this \_\_\_\_\_ day of  
\_\_\_\_\_, 20\_\_.

**ESCROW AGENT:**

**ARNSTEIN & LEHR LLP**

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_

EXHIBIT "A-1"

LEGAL DESCRIPTION- CORNERSTONE CW COMMERCIAL, L.L.C.

A parcel of land, being a portion of Tracts 37 and 38, MIAMI GARDENS, according to the Plat thereof, as recorded in Plat Book 2, page 96 of the Public Records of Miami-Dade County, Florida, lying in Section 3, Township 52 South, Range 41 East, being more particularly described as follows:

COMMENCE at the northwest corner of said Section 3; thence along the West line of said Section 3, South  $02^{\circ}46'26''$  East, 2182.13 feet; thence North  $87^{\circ}13'34''$  East, 66.00 feet to the POINT OF BEGINNING; thence North  $87^{\circ}14'13''$  East, 265.28 feet; thence South  $02^{\circ}45'53''$  East, 157.36 feet; thence South  $02^{\circ}46'24''$  East, 80.97 feet; thence South  $02^{\circ}22'27''$  East, 157.61 feet to a point on the arc of a tangent curve; thence southwesterly along the arc of said curve being concave to the northwest, having a radius of 39.00 feet, a central angle of  $89^{\circ}36'34''$ , an arc distance of 61.00 feet; thence tangent to said curve, South  $87^{\circ}14'07''$  West, 162.13 feet; thence North  $02^{\circ}42'51''$  West, 26.75 feet to a point on the arc of a non-tangent curve (a radial line through said point bears South  $02^{\circ}50'01''$  East); thence northwesterly along the arc of said curve being concave to the northeast, having a radius of 50.00 feet, a central angle of  $90^{\circ}03'35''$ , an arc distance of 78.59 feet; thence tangent to said curve, North  $02^{\circ}46'26''$  West, 275.00 feet; thence North  $22^{\circ}37'45''$  West, 38.28 feet; thence North  $02^{\circ}46'26''$  West, 46.93 feet to the Point of Beginning.

EXHIBIT "A-2"

LEGAL DESCRIPTION- CORNERSTONE CW, L.L.C.

A PARCEL OF LAND, BEING A PORTION OF TRACTS 37, 38, 39, 40, 61, 62, 63, 64, 67, 68, 93, 94, 99, AND 100 OF MIAMI GARDENS, ACCORDING TO THE PLAT THEREOF, AS RECORDED IN PLAT BOOK 2, PAGE 96 OF THE PUBLIC RECORDS OF MIAMI-DADE COUNTY, FLORIDA, LYING IN SECTION 3, TOWNSHIP 52 SOUTH, RANGE 41 EAST, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE NORTHWEST CORNER OF SAID SECTION 3; THENCE ALONG THE WEST LINE OF SAID SECTION 3, SOUTH 02°46'26" EAST, 2182.13 FEET; THENCE NORTH 87°13'34" EAST, 66.00 FEET; THENCE NORTH 87°14'13" EAST, 265.28 FEET TO THE POINT OF BEGINNING; THENCE NORTH 87°14'13" EAST 219.14 FEET; THENCE SOUTH 84°47'25" EAST 125.99 FEET TO A POINT; THENCE NORTH 87°14'37" EAST 504.79 FEET TO A POINT ON THE WEST LINE OF TRACT "D" OF DOLPHIN CENTER - STADIUM SITE, ACCORDING TO THE PLAT THEREOF RECORDED IN PLAT BOOK 129, PAGE 91 OF THE PUBLIC RECORDS OF MIAMI-DADE COUNTY, FLORIDA; THENCE SOUTH 02°45'54" EAST, ALONG THE WEST LINE OF SAID TRACT "D," 438.93 FEET TO THE INTERSECTION OF THE WEST LINE OF SAID TRACT "D" WITH THE SOUTH LINE OF THE NORTHWEST QUARTER (NW ¼) OF SAID SECTION 3; THENCE SOUTH 02°46'44" EAST, ALONG THE WEST LINE OF SAID TRACT "D," 2202.46 FEET TO THE SOUTHWEST CORNER OF SAID TRACT "D"; THENCE SOUTH 87°15'51" WEST 520.00 FEET TO A POINT IN THE WEST LINE OF TRACT 99 OF MIAMI GARDENS, ACCORDING TO THE PLAT THEREOF RECORDED IN PLAT BOOK 2, PAGE 96 OF THE PUBLIC RECORDS OF MIAMI-DADE COUNTY, FLORIDA; THENCE NORTH 02°46'44" WEST, ALONG THE WEST LINE OF SAID TRACT 99 AND THE WEST LINE OF TRACT 94 OF SAID PLAT OF MIAMI GARDENS, 880.66 FEET TO THE SOUTHWEST CORNER OF TRACT 67 OF SAID PLAT OF MIAMI GARDENS; THENCE NORTH 87°13'16" EAST, ALONG THE SOUTH LINE OF SAID TRACT 67, 7.84 FEET TO A POINT; THENCE NORTH 02°46'44" WEST, IN PART ALONG THE EAST LINE OF M.D.P.D. NORTH DISTRICT STATION, ACCORDING TO THE PLAT THEREOF RECORDED IN PLAT BOOK 158, PAGE 19 OF THE PUBLIC RECORDS OF MIAMI-DADE COUNTY, FLORIDA, 660.59 FEET TO A POINT IN THE SOUTH LINE OF TRACT 62 OF SAID PLAT OF MIAMI GARDENS; THENCE SOUTH 87°13'34" WEST, ALONG THE SOUTH LINE OF SAID TRACT 62 AND THE SOUTH LINE OF TRACTS 63 AND 64 OF SAID PLAT OF MIAMI GARDENS, 564.81 FEET TO A POINT OF CURVATURE OF A CIRCULAR CURVE HAVING A RADIUS OF 25.00 FEET; THENCE WESTERLY, NORTHWESTERLY, AND NORTHERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 90°00'00" FOR AN ARC LENGTH OF 39.27 FEET TO A POINT OF TANGENCY; THENCE NORTH 02°46'26" WEST, ALONG THE EAST LINE OF NW 27TH AVENUE AS SHOWN ON SAID PLAT OF M.D.P.D. NORTH DISTRICT STATION, 200.00 FEET TO A POINT; THENCE NORTH 02°31'07" WEST, ALONG THE EAST LINE OF SAID NW 27TH AVENUE, 150.00 FEET TO A POINT;

THENCE NORTH  $01^{\circ}21'25''$  EAST, ALONG THE EAST LINE OF NW 27TH AVENUE AS RECORDED IN SAID OFFICIAL RECORDS BOOK 13023, PAGE 3408, 4.62 FEET TO A POINT; THENCE NORTH  $02^{\circ}46'26''$  WEST, ALONG THE EAST LINE OF SAID NW 27TH AVENUE, 180.00 FEET TO A POINT OF CURVATURE OF A CIRCULAR CURVE HAVING A RADIUS OF 50.00 FEET; THENCE NORTHERLY, NORTHEASTERLY, AND EASTERLY, ALONG SAID CURVE AND ALONG THE EAST LINE OF SAID NW 27TH AVENUE, THROUGH A CENTRAL ANGLE OF  $89^{\circ}56'25''$  FOR AN ARC LENGTH OF 78.49 FEET TO A POINT; THENCE NORTH  $02^{\circ}42'51''$  WEST, ALONG THE EAST LINE OF SAID NW 27TH AVENUE, 73.25 FEET TO A POINT; THENCE NORTH  $87^{\circ}14'07''$  EAST, 162.13 FEET TO A POINT OF CURVATURE; THENCE EASTERLY, NORTHEASTERLY, AND NORTHERLY ALONG A CURVE TO THE LEFT HAVING A RADIUS OF 39.00 FEET AND A CENTRAL ANGLE OF  $89^{\circ}36'34''$  FOR AN ARC LENGTH OF 61.00 FEET TO A POINT OF TANGENCY; THENCE NORTH  $02^{\circ}22'27''$  WEST 157.61 FEET; THENCE NORTH  $02^{\circ}46'24''$  WEST 80.97 FEET; THENCE NORTH  $02^{\circ}45'53''$  WEST 157.36 FEET TO THE POINT OF BEGINNING.

SAID LANDS LYING AND SITUATE IN MIAMI-DADE COUNTY, FLORIDA.

**EXHIBIT "A-3"**

A handwritten signature or mark, possibly a stylized 'N' or 'C', located in the bottom right corner of the page.

EXHIBIT "A"

LEGAL DESCRIPTION:

A PORTION OF TRACTS 93, 94, 99, AND 100 OF "MIAMI GARDENS", ACCORDING TO THE PLAT THEREOF, AS RECORDED IN PLAT BOOK 2, AT PAGE 96 OF THE PUBLIC RECORDS OF MIAMI-DADE COUNTY, FLORIDA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN AT THE SOUTHWEST CORNER OF THE TRACT "D" OF "DOLPHIN CENTER- STADIUM SITE", ACCORDING TO THE PLAT THEREOF, AS RECORDED IN PLAT BOOK 129, AT PAGE 91 OF THE PUBLIC RECORDS OF MIAMI-DADE COUNTY, FLORIDA; THENCE N02°46'44"W ALONG THE WEST LINE OF SAID TRACT "D" OF SAID PLAT OF "DOLPHIN CENTER-STADIUM SITE" FOR A DISTANCE OF 404.40 FEET; THENCE S87°15'51"W ALONG A LINE WHICH IS 878.96 FEET NORTH OF AND PARALLEL WITH THE SOUTH LINE OF SAID TRACTS 99 AND 100 OF SAID PLAT OF "MIAMI GARDENS" FOR A DISTANCE OF 520.00 FEET TO THE WEST LINE OF SAID TRACT 94; THENCE S02°46'44"E ALONG THE WEST LINE OF SAID TRACTS 94 AND 99 OF SAID PLAT OF "MIAMI GARDENS" FOR A DISTANCE 404.40 FEET; THENCE N87°15'51"E ALONG A LINE WHICH IS 440.00 FEET NORTH OF AND PARALLEL WITH THE SOUTH OF SAID TRACT 99 AND 100 OF SAID PLAT OF "MIAMI GARDENS" FOR A DISTANCE OF 520.00 FEET TO THE POINT OF BEGINNING.

CONTAINING 210,288 SQUARE FEET (4.83 ACRES).

**EXHIBIT "B"**

**TITLE POLICY/  
PERMITTED EXCEPTIONS**

First American Title Insurance Company Owner's policy FA-35-1481527, Items 2 thru 21 inclusive of Schedule B of the Title Policy,

First American Title Insurance Company Owner's policy FA-35-1481528, Items 2 thru 21 inclusive of Schedule B of the Title Policy , and

Easement recorded in Officials Record Book 26251, Page 610.

FATIC 524

Policy No. FA-35-1481527

# POLICY OF TITLE INSURANCE



ISSUED BY

## First American Title Insurance Company

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B AND THE CONDITIONS AND STIPULATIONS, FIRST AMERICAN TITLE INSURANCE COMPANY, a California corporation, herein called the Company, insures, as of Date of Policy shown in Schedule A, against loss or damage, not exceeding the Amount of Insurance stated in Schedule A, sustained or incurred by the Insured by reason of:

1. Title to the estate or interest described in Schedule A being vested other than as stated therein;
2. Any defect in or lien or encumbrance on the title;
3. Unmarketability of the title;
4. Lack of a right of access to and from the land.

The Company will also pay the costs, attorneys' fees and expenses incurred in defense of the title, as insured, but only to the extent provided in the Conditions and Stipulations.

First American Title Insurance Company

BY *Gary L. Keruett* PRESIDENT

ATTEST *Mark R. Arneson* SECRETARY

**EXCLUSIONS FROM COVERAGE**

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
- (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:
  - (a) created, suffered, assumed or agreed to by the insured claimant;
  - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
  - (c) resulting in no loss or damage to the insured claimant;
  - (d) attaching or created subsequent to Date of Policy; or
  - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the estate or interest insured by this policy.
4. Any claim, which arises out of the transaction vesting in the insured the estate or interest insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:
  - (a) the transaction creating the estate or interest insured by this policy being deemed a fraudulent conveyance or fraudulent transfer; or
  - (b) the transaction creating the estate or interest insured by this policy being deemed a preferential transfer except where the preferential transfer results from the failure:
    - (i) to timely record the instrument of transfer; or
    - (ii) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

**CONDITIONS AND STIPULATIONS**

**1. DEFINITION OF TERMS.**

The following terms when used in this policy mean:

(a) "insured": the insured named in Schedule A, and, subject to any rights or defenses the Company would have had against the named insured, those who succeed to the interest of the named insured by operation of law as distinguished from purchase including, but not limited to, heirs, distributees, devisees, survivors, personal representatives, next of kin, or corporate or fiduciary successors.

(b) "insured claimant": an insured claiming loss or damage.

(c) "knowledge" or "known": actual knowledge, not constructive knowledge or notice which may be imputed to an insured by reason of the public records as defined in this policy or any other records which impart constructive notice of matters affecting the land.

(d) "land": the land described or referred to in Schedule (A), and improvements affixed thereto which by law constitute real property. The term "land" does not include any property beyond the lines of the area described or referred to in Schedule A, nor any right, title, interest, estate or easement in abutting streets, roads, avenues, alleys, lanes, ways or waterways, but nothing herein shall modify or limit the extent to which a right of access to and from the land is insured by this policy.

(e) "mortgage": mortgage, deed of trust, trust deed, or other security instrument.

(f) "public records": records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without knowledge. With respect to Section 1(a)(iv) of the Exclusions From Coverage, "public records" shall also include environmental protection liens filed in the records of the clerk of the United States district court for the district in which the land is located.

(g) "unmarketability of the title": an alleged or apparent matter affecting the title to the land, not excluded or excepted from coverage, which would entitle a purchaser of the estate or interest described in Schedule A to be released from the obligation to purchase by virtue of a contractual condition requiring the delivery of marketable title.

**2. CONTINUATION OF INSURANCE AFTER CONVEYANCE OF TITLE.**

The coverage of this policy shall continue in force as of Date of Policy in favor of an insured only so long as the insured retains an estate or interest in the land, or holds an indebtedness secured by a purchase money mortgage given by a purchaser from the insured, or only so long as the insured shall have liability by reason of covenants of warranty made by the insured in any transfer or conveyance of the estate or interest. This policy shall not continue in force in favor of any purchaser from the insured of either (i) an estate or interest in the land, or (ii) an indebtedness secured by a purchase money mortgage given to the insured.

**3. NOTICE OF CLAIM TO BE GIVEN BY INSURED CLAIMANT.**

The insured shall notify the Company promptly in writing (i) in case of any litigation as set forth in Section 4(a) below, (ii) in case knowledge shall come to an insured hereunder of any claim of title or interest which is adverse to the title to the estate or interest, as insured,

All information designated as confidential by the insured claimant provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of the insured claimant to submit for examination under oath, produce other reasonably requested information or grant permission to secure reasonably necessary information from third parties as required in this paragraph shall terminate any liability of the Company under this policy as to that claim.

**6. OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS; TERMINATION OF LIABILITY.**

In case of a claim under this policy, the Company shall have the following additional options:

**(a) To Pay or Tender Payment of the Amount of Insurance.**

(i) To pay or tender payment of the amount of insurance under this policy together with any costs, attorneys' fees, and expenses incurred by the insured claimant, which were authorized by the Company, up to the time of payment or tender of payment and which the Company is obligated to pay.

(ii) Upon the exercise by the Company of this option, all liability and obligations to the insured under this policy, other than to make the payment required, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, and the policy shall be surrendered to the Company for cancellation.

**(b) To Pay or Otherwise Settle With Parties Other than the Insured or With the Insured Claimant.**

(i) to pay or otherwise settle with other parties for or in the name of an insured claimant any claim insured against under this policy, together with any costs, attorneys' fees, and expenses incurred by the insured claimant which were authorized by the Company up to the time of payment and which the Company is obligated to pay; or

(ii) to pay or otherwise settle with the insured claimant the loss or damage provided for under this policy, together with any costs, attorneys' fees, and expenses incurred by the insured claimant which were authorized by the Company up to the time of payment and which the Company is obligated to pay.

Upon the exercise by the Company of either of the options provided for in paragraphs (b)(i) or (ii), the Company's obligations to the insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute or continue any litigation.

**7. DETERMINATION, EXTENT OF LIABILITY AND COINSURANCE.**

This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the insured claimant who has suffered loss or damage by reason of matters insured against by this policy and only to the extent herein described.

(a) The liability of the Company under this policy shall not exceed the least of:

(i) the Amount of Insurance stated in Schedule A; or,

If loss should result from any act of the insured claimant, as stated above, that act shall not void this policy, but the Company, in that event, shall be required to pay only that part of any losses insured against by this policy which shall exceed the amount, if any, lost to the Company by reason of the impairment by the insured claimant of the Company's right of subrogation.

**(b) The Company's Rights Against Non-Insured Obligors.**

The Company's right of subrogation against non-insured obligors shall exist and shall include, without limitation, the rights of the insured to indemnities, guaranties, other policies of insurance or bonds, notwithstanding any terms or conditions contained in those instruments which provide for subrogation rights by reason of this policy.

**14. ARBITRATION.**

Unless prohibited by applicable law, arbitration pursuant to the Title Insurance Arbitration Rules of the American Arbitration Association may be demanded if agreed to by both the Company and the Insured. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the Insured arising out of or relating to this policy, and service of the Company in connection with its issuance or the breach of a policy provision or other obligation. Arbitration pursuant to this policy and under the Rules in effect on the date the demand for arbitration is made or, at the option of the Insured, the Rules in effect at Date of Policy shall be binding upon the parties. The award may include attorneys' fees only if the laws of the state in which the land is located permit a court to award attorneys' fees to a prevailing party. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court having jurisdiction thereof.

The law of the situs of the land shall apply to an arbitration under the Title Insurance Arbitration Rules.

A copy of the Rules may be obtained from the Company upon request.

**15. LIABILITY LIMITED TO THIS POLICY; POLICY ENTIRE CONTRACT.**

(a) This policy together with all endorsements, if any, attached hereto by the Company is the entire policy and contract between the insured and the Company. In interpreting any provision of this policy, this policy shall be construed as a whole.

(b) Any claim of loss or damage, whether or not based on negligence, and which arises out of the status of the title to the estate or interest covered hereby or by any action asserting such claim, shall be restricted to this policy.

(c) No amendment of or endorsement to this policy can be made except by a writing endorsed hereon or attached hereto signed by either the President, a Vice President, the Secretary, an Assistant Secretary, or validating officer or authorized signatory of the Company.

and which might cause loss or damage for which the Company may be liable by virtue of this policy, or (iii) if title to the estate or interest, as insured, is rejected as unmarketable. If prompt notice shall not be given to the Company, then as to the insured all liability of the Company shall terminate with regard to the matter or matters for which prompt notice is required; provided, however, that failure to notify the Company shall in no case prejudice the rights of any insured under this policy unless the Company shall be prejudiced by the failure and then only to the extent of the prejudice.

**4. DEFENSE AND PROSECUTION OF ACTIONS; DUTY OF INSURED CLAIMANT TO COOPERATE.**

(a) Upon written request by the insured and subject to the options contained in Section 6 of these Conditions and Stipulations, the Company, at its own cost and without unreasonable delay, shall provide for the defense of an insured in litigation in which any third party asserts a claim adverse to the title or interest as insured, but only as to those stated causes of action alleging a defect, lien or encumbrance or other matter insured against by this policy. The Company shall have the right to select counsel of its choice (subject to the right of the insured to object for reasonable cause) to represent the insured as to those stated causes of action and shall not be liable for and will not pay the fees of any other counsel. The Company will not pay any fees, costs or expenses incurred by the insured in the defense of those causes of action which allege matters not insured against by this policy.

(b) The Company shall have the right, at its own cost, to institute and prosecute any action or proceeding or to do any other act which in its opinion may be necessary or desirable to establish the title to the estate or interest, as insured, or to prevent or reduce loss or damage to the insured. The Company may take any appropriate action under the terms of this policy, whether or not it shall be liable hereunder, and shall not thereby concede liability or waive any provision of this policy. If the Company shall exercise its rights under this paragraph, it shall do so diligently.

(c) Whenever the Company shall have brought an action or interposed a defense as required or permitted by the provisions of this policy, the Company may pursue any litigation to final determination by a court of competent jurisdiction and expressly reserves the right, in its sole discretion, to appeal from any adverse judgment or order.

(d) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding, the insured shall secure to the Company the right to so prosecute or provide defense in the action or proceeding, and all appeals therein, and permit the Company to use, at its option, the name of the insured for this purpose. Whenever requested by the Company, the insured, at the Company's expense, shall give the Company all reasonable aid (i) in any action or proceeding, securing evidence, obtaining witnesses, prosecuting or defending the action or proceeding, or effecting settlement, and (ii) in any other lawful act which in the opinion of the Company may be necessary or desirable to establish the title to the estate or interest as insured. If the Company is prejudiced by the failure of the insured to furnish the required cooperation, the Company's obligations to the insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such cooperation.

**5. PROOF OF LOSS OR DAMAGE.**

In addition to and after the notices required under Section 3 of these Conditions and Stipulations have been provided the Company, a proof of loss or damage signed and sworn to by the insured claimant shall be furnished to the Company within 90 days after the insured claimant shall ascertain the facts giving rise to the loss or damage. The proof of loss or damage shall describe the defect in, or lien or encumbrance on the title, or other matter insured against by this policy which constitutes the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage. If the Company is prejudiced by the failure of the insured claimant to provide the required proof of loss or damage, the Company's obligations to the insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such proof of loss or damage.

In addition, the insured claimant may reasonably be required to submit to examination under oath by any authorized representative of the Company and shall produce for examination, inspection and copying, at such reasonable times and places as may be designated by any authorized representative of the Company, all records, books, ledgers, checks, correspondence and memoranda, whether bearing a date before or after Date of Policy, which reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the insured claimant shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect and copy all records, books, ledgers, checks, correspondence and memoranda in the custody or control of a third party, which reasonably pertain to the loss or damage.

(ii) the difference between the value of the insured estate or interest as insured and the value of the insured estate or interest subject to the defect, lien or encumbrance insured against by this policy.

(b) (This paragraph dealing with Coinsurance was removed from Florida policies.)

(c) The Company will pay only those costs, attorneys' fees and expenses incurred in accordance with Section 4 of these Conditions and Stipulations.

**8. APPORTIONMENT.**

If the land described in Schedule A consists of two or more parcels which are not used as a single site, and a loss is established affecting one or more of the parcels but not all, the loss shall be computed and settled on a pro rata basis as if the amount of insurance under this policy was divided pro rata as to the value on Date of Policy of each separate parcel to the whole, exclusive of any improvements made subsequent to Date of Policy, unless a liability or value has otherwise been agreed upon as to each parcel by the Company and the insured at the time of the issuance of this policy and shown by an express statement or by an endorsement attached to this policy.

**9. LIMITATION OF LIABILITY.**

(a) If the Company establishes the title, or removes the alleged defect, lien or encumbrance, or cures the lack of a right of access to or from the land, or cures the claim of unmarketability of title, all as insured, in a reasonably diligent manner by any method, including litigation and the completion of any appeals therefrom, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused thereby.

(b) In the event of any litigation, including litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals therefrom, adverse to the title as insured.

(c) The Company shall not be liable for loss or damage to any insured for liability voluntarily assumed by the insured in settling any claim or suit without the prior written consent of the Company.

**10. REDUCTION OF INSURANCE; REDUCTION OR TERMINATION OF LIABILITY.**

All payments under this policy, except payments made for costs, attorneys' fees and expenses, shall reduce the amount of the insurance pro tanto.

**11. LIABILITY NONCUMULATIVE.**

It is expressly understood that the amount of insurance under this policy shall be reduced by any amount the Company may pay under any policy insuring a mortgage to which exception is taken in Schedule B or to which the insured has agreed, assumed, or taken subject, or which is hereafter executed by an insured and which is a charge or lien on the estate or interest described or referred to in Schedule A, and the amount so paid shall be deemed a payment under this policy to the insured owner.

**12. PAYMENT OF LOSS.**

(a) No payment shall be made without producing this policy for endorsement of the payment unless the policy has been lost or destroyed, in which case proof of loss or destruction shall be furnished to the satisfaction of the Company.

(b) When liability and the extent of loss or damage has been definitely fixed in accordance with these Conditions and Stipulations, the loss or damage shall be payable within 30 days thereafter.

**13. SUBROGATION UPON PAYMENT OR SETTLEMENT.**

**(a) The Company's Right of Subrogation.**

Whenever the Company shall have settled and paid a claim under this policy, all right of subrogation shall vest in the Company unaffected by any act of the insured claimant.

The Company shall be subrogated to and be entitled to all rights and remedies which the insured claimant would have had against any person or property in respect to the claim had this policy not been issued. If requested by the Company, the insured claimant shall transfer to the Company all rights and remedies against any person or property necessary in order to perfect this right of subrogation. The insured claimant shall permit the Company to sue, compromise or settle in the name of the insured claimant and to use the name of the insured claimant in any transaction or litigation involving these rights or remedies.

If a payment on account of a claim does not fully cover the loss of the insured claimant, the Company shall be subrogated to these rights and remedies in the proportion which the Company's payment bears to the whole amount of the loss.

16. **STIPULATIONS.**  
In the event any provision of the policy is held invalid or unenforceable under applicable law, the policy shall be deemed not to include that provision and all other provisions shall remain in full force and effect.  
17. **NOTICES, WHERE SENT.**

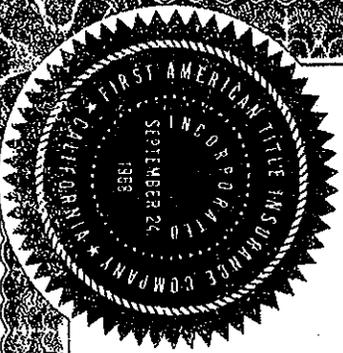
All notices required to be given the Company and any statement in writing required to be furnished the Company shall include the number of this policy and shall be addressed to the Company, Attention: Claims Department, 1 First American Way, Santa Ana, California 92707.



First American Title Insurance Company

POLICY  
OF  
TITLE  
INSURANCE

FIRST AMERICAN



2

FATIC-521  
SCHEDULE A OWNER'S POLICY

**First American Title Insurance Company**

**SCHEDULE A**

Issuing Office File No.: 4447

Policy No.: FA-35-1481527

Date of Policy: December 15, 2006 at 13:13:39

Amount of Insurance \$10,514,158.00

1. Name of Insured:

**Cornerstone CW, L.L.C. (Parcels 2 and 3), a Florida limited liability company**

2. The estate or interest in the land which is covered by this policy is: **Fee Simple**

3. Title to the estate or interest in the land is vested in:

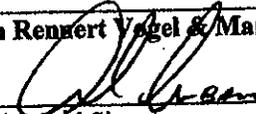
**Cornerstone CW, L.L.C. (Parcels 2 and 3), a Florida limited liability company**

4. The land referred to in this policy is described as follows:

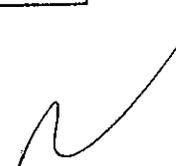
**SEE EXHIBIT "A" ATTACHED HERETO**

Issue Date: December 15, 2006

**Berman Rennert Vogel & Mandler, P.A.**

By: 

Authorized Signatory



Patlc-514  
Schedule B  
ALTA Owner's Policy  
(with printed mineral exception)

# First American Title Insurance Company

Policy No.: FA-35-1481527

File No.: 4447

## SCHEDULE B

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

### EXCEPTIONS FROM COVERAGE

1. Taxes and assessments for the year 2007 and subsequent years.
2. Restrictions, dedications, conditions, reservations, easements and other matters shown on the plat of MIAMI GARDENS, as recorded in Plat Book 2, Page(s) 96, but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status or national origin to the extent such covenants, conditions or restrictions violate 42 USC 3604(c).
3. Agreement (Developer) between Dapet Corp., a Florida corporation, and North Dade Water Co., a Florida corporation, recorded in Official Records Book 578, at Page 35, as affected by Agreement filed November 12, 1958, in Official Records Book 1098, at Page 215.
4. Developer's Agreement in favor of Household Gas Company recorded under Clerk's File No. GG-191915.
5. Agreement (Easement) between Lawrence Morton, Emil Morton and Sydney S. Levine and North Dade Water Co., a Florida corporation, filed December 31, 1958, in Official Records Book 1182, at Page 313.
6. Covenant Governing Land Development, filed June 30, 1977, in Official Records Book 9727, at Page 685, as modified by Partial Release of Covenant Governing Land Development, filed February 4, 1986, in Official Records Book 12780, at Page 1927, as modified by Partial Release of Covenant Governing Land Development, filed July 1, 1986, in Official Records Book 12940, at Page 707, as modified by Release of Covenant Governing Land Development, filed August 12, 1986, in Official Records Book 12985, at Page 90, and as modified by Resolution No. Z-211-85 regarding District boundary changes, filed December 23, 1986, in Official Records Book 13125, at Page 1791.
7. Grant of Easement in favor of Miami-Dade Water and Sewer Authority, filed May 20, 1980, in Official Records Book 10753, at Page 1885.
8. Pre-Development Agreement, filed May 3, 1985, in Official Records Book 12498, at Page 1612.
9. Pre-Development Agreement, filed July 15, 1985, in Official Records Book 12574, at Page 207.

Fatic-514  
Schedule B  
ALTA Owner's Policy  
(with printed mineral exception)

***First American Title Insurance Company***

**SCHEDULE B**  
(Continuation)

10. Notice of Adoption of Dolphin Center Development Order, filed November 27, 1985, in Official Records Book 12714, at Page 683, as modified by Notice of Adoption of Amendment to Dolphin Center Development Order, filed June 30, 1986, in Official Records Book 12937, at Page 3353, as modified by Notice of Adoption of Amendment to Development Order, filed February 25, 1988, in Official Records Book 13585, at Page 2220, as modified by Notice of Adoption of Amendment to Development Order, filed August 17, 1988, in Official Records Book 13788, at Page 2161, as modified by Notice of Adoption of Amendment to Development Order, filed November 17, 1988, in Official Records Book 13897, at Page 661, as modified by Notice of Adoption of Amendment to Development Order, filed October 11, 1990, in Official Records Book 14738, at Page 771.
11. Ordinance No. 86-78 regarding creation of the Dolphin Center Multipurpose Special Taxing District, filed December 23, 1986, in Official Records Book 13125, at Page 1759.
12. Resolution No. Z-210-85 regarding creation of a Development of Regional Impact, filed December 23, 1986, in Official Records Book 13125, at Page 1808, as modified by Notice of Adoption of a Modification of a Development Order for a Development of Regional Impact, filed June 7, 1993, in Official Records Book 15941, at Page 1058, as modified by Notice of Amendment to Development Order for Robbie Stadium Corporation, filed September 12, 1995, in Official Records Book 16917, at Page 475, and as modified by Notice of Amendment to Development Order for Robbie Stadium Corporation, et al, filed February 8, 1996, in Official Records Book 17090, at Page 651.
13. Resolution No. R-1098-87 regarding preliminary assessments for the Dolphin Center Multipurpose Special Taxing District, filed September 14, 1987, in Official Records Book 13410, at Page 1176.
14. Restrictive Covenant, filed January 19, 1996, in Official Records Book 17065, at Page 4523.
15. Declaration of Restrictions, filed July 12, 2005, in Official Records Book 23560, at Page 651.
16. Non-Exclusive Reciprocal Access Easement Agreement, filed July 12, 2005, in Official Records Book 23560, at Page 701.
17. Access Easement Agreement, filed July 12, 2005, in Official Records Book 23560, at Page 726, as modified by First Amendment to Access Easement Agreement, filed February 9, 2006, in Official Records Book 24223, at Page 1443, and as modified by Second Amendment to Access Easement Agreement, filed October 18, 2006, in Official Records Book 25016, at Page 1573.
18. Declaration of Restrictions, recorded August 21, 2006, in Official Records Book 24840, at Page 3471, as re-recorded on September 20, 2006, in Official Records Book 24927, at Page 691.
19. Declaration of Restrictions in favor of The School Board of Miami-Dade County, Florida, recorded September 20, 2006, in Official Records Book 24927, at Page 705.
20. Declaration of Restrictions, recorded November 9, 2006, in Official Records Book 25084, at Page 1956.

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Schedule B  
ALTA Owner's Policy  
(with printed mineral exception)

***First American Title Insurance Company***

**SCHEDULE B  
(Continuation)**

21. Declaration of Restrictions, recorded on December 15, 2006, in Official Records Book 25195, at Page 1503.
22. Mortgage from Cornerstone CW, L.L.C. (Parcels 2 and 3), a Florida limited liability company, and Cornerstone CW Commercial, L.L.C. (Parcels 1 and 3), a Florida limited liability company to Regions Bank Doing Business As AmSouth Bank, an Alabama state chartered bank, dated December 4th, 2006, and recorded on December 15<sup>th</sup>, 2006, in Official Records Book 25195, Page 1584, of the Public Records of MIAMI-DADE County, Florida, securing the original principal sum of \$10,400,000.00.
23. UCC-1 Financial Statement recorded on December 15, 2006 in Official Records Book 25195, at Page 1615.



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Schedule B  
ALTA Owner's Policy  
(with printed mineral exception)

# First American Title Insurance Company

## EXHIBIT "A"

### Legal Description

#### Parcel 2:

A PARCEL OF LAND, BEING A PORTION OF TRACTS 37, 38, 39, 40, 61, 62, 63, 64, 67, 68, 93, 94, 99, AND 100 OF MIAMI GARDENS, ACCORDING TO THE PLAT THEREOF, AS RECORDED IN PLAT BOOK 2, PAGE 96 OF THE PUBLIC RECORDS OF MIAMI-DADE COUNTY, FLORIDA, LYING IN SECTION 3, TOWNSHIP 52 SOUTH, RANGE 41 EAST, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE NORTHWEST CORNER OF SAID SECTION 3; THENCE ALONG THE WEST LINE OF SAID SECTION 3, SOUTH 02°46'26" EAST, 2182.13 FEET; THENCE NORTH 87°13'34" EAST, 66.00 FEET; THENCE NORTH 87°14'13" EAST, 265.28 FEET TO THE POINT OF BEGINNING; THENCE NORTH 87°14'13" EAST 219.14 FEET; THENCE SOUTH 84°47'25" EAST 125.99 FEET TO A POINT; THENCE NORTH 87°14'37" EAST 504.79 FEET TO A POINT ON THE WEST LINE OF TRACT "D" OF DOLPHIN CENTER - STADIUM SITE, ACCORDING TO THE PLAT THEREOF RECORDED IN PLAT BOOK 129, PAGE 91 OF THE PUBLIC RECORDS OF MIAMI-DADE COUNTY, FLORIDA; THENCE SOUTH 02°45'54" EAST, ALONG THE WEST LINE OF SAID TRACT "D," 438.93 FEET TO THE INTERSECTION OF THE WEST LINE OF SAID TRACT "D" WITH THE SOUTH LINE OF THE NORTHWEST QUARTER (NW ¼) OF SAID SECTION 3; THENCE SOUTH 02°46'44" EAST, ALONG THE WEST LINE OF SAID TRACT "D," 2202.46 FEET TO THE SOUTHWEST CORNER OF SAID TRACT "D"; THENCE SOUTH 87°15'51" WEST 520.00 FEET TO A POINT IN THE WEST LINE OF TRACT 99 OF MIAMI GARDENS, ACCORDING TO THE PLAT THEREOF RECORDED IN PLAT BOOK 2, PAGE 96 OF THE PUBLIC RECORDS OF MIAMI-DADE COUNTY, FLORIDA; THENCE NORTH 02°46'44" WEST, ALONG THE WEST LINE OF SAID TRACT 99 AND THE WEST LINE OF TRACT 94 OF SAID PLAT OF MIAMI GARDENS, 880.66 FEET TO THE SOUTHWEST CORNER OF TRACT 67 OF SAID PLAT OF MIAMI GARDENS; THENCE NORTH 87°13'16" EAST, ALONG THE SOUTH LINE OF SAID TRACT 67, 7.84 FEET TO A POINT; THENCE NORTH 02°46'44" WEST, IN PART ALONG THE EAST LINE OF M.D.P.D. NORTH DISTRICT STATION, ACCORDING TO THE PLAT THEREOF RECORDED IN PLAT BOOK 158, PAGE 19 OF THE PUBLIC RECORDS OF MIAMI-DADE COUNTY, FLORIDA, 660.59 FEET TO A POINT IN THE SOUTH LINE OF TRACT 62 OF SAID PLAT OF MIAMI GARDENS; THENCE SOUTH 87°13'34" WEST, ALONG THE SOUTH LINE OF SAID TRACT 62 AND THE SOUTH LINE OF TRACTS 63 AND 64 OF SAID PLAT OF MIAMI GARDENS, 564.81 FEET TO A POINT OF CURVATURE OF A CIRCULAR CURVE HAVING A RADIUS OF 25.00 FEET; THENCE WESTERLY, NORTHWESTERLY, AND NORTHERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 90°00'00" FOR AN ARC LENGTH OF 39.27 FEET TO A POINT OF TANGENCY; THENCE NORTH 02°46'26" WEST, ALONG THE EAST LINE OF NW 27TH AVENUE AS SHOWN ON SAID PLAT OF M.D.P.D. NORTH DISTRICT STATION, 200.00 FEET TO A POINT; THENCE NORTH 02°31'07" WEST, ALONG THE EAST LINE OF SAID NW 27TH AVENUE, 150.00 FEET TO A POINT; THENCE NORTH 01°21'25" EAST, ALONG THE EAST LINE OF NW 27TH AVENUE AS RECORDED IN SAID OFFICIAL RECORDS BOOK 13023, PAGE 3408, 4.62 FEET TO A POINT; THENCE NORTH 02°46'26" WEST, ALONG THE EAST LINE OF SAID NW 27TH AVENUE, 180.00 FEET TO A POINT OF CURVATURE OF A CIRCULAR CURVE HAVING A RADIUS OF 50.00 FEET;



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# *First American Title Insurance Company*

## EXHIBIT "A"

### Legal Description (Continuation)

THENCE NORTHERLY, NORTHEASTERLY, AND EASTERLY, ALONG SAID CURVE AND ALONG THE EAST LINE OF SAID NW 27TH AVENUE, THROUGH A CENTRAL ANGLE OF 89°56'25" FOR AN ARC LENGTH OF 78.49 FEET TO A POINT; THENCE NORTH 02°42'51" WEST, ALONG THE EAST LINE OF SAID NW 27TH AVENUE, 73.25 FEET TO A POINT; THENCE NORTH 87°14'07" EAST, 162.13 FEET TO A POINT OF CURVATURE; THENCE EASTERLY, NORTHEASTERLY, AND NORTHERLY ALONG A CURVE TO THE LEFT HAVING A RADIUS OF 39.00 FEET AND A CENTRAL ANGLE OF 89°36'34" FOR AN ARC LENGTH OF 61.00 FEET TO A POINT OF TANGENCY; THENCE NORTH 02°22'27" WEST 157.61 FEET; THENCE NORTH 02°46'24" WEST 80.97 FEET; THENCE NORTH 02°45'53" WEST 157.36 FEET TO THE POINT OF BEGINNING.

SAID LANDS LYING AND SITUATE IN MIAMI-DADE COUNTY, FLORIDA.

#### Parcel 3:

Access Easement Agreement, filed July 12, 2005, in Official Records Book 23560, at Page 726, as modified by First Amendment to Access Easement Agreement, filed February 9, 2006, in Official Records Book 24223, at Page 1443, and as modified by Second Amendment to Access Easement Agreement, filed October 18, 2006, in Official Records Book 25016, at Page 1573.

FATIC 524

Policy No. FA-35-1481528

# POLICY OF TITLE INSURANCE



ISSUED BY

*First American Title Insurance Company*

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B AND THE CONDITIONS AND STIPULATIONS, FIRST AMERICAN TITLE INSURANCE COMPANY, a California corporation, herein called the Company, insures, as of Date of Policy shown in Schedule A, against loss or damage, not exceeding the Amount of Insurance stated in Schedule A, sustained or Incurred by the Insured by reason of:

1. Title to the estate or interest described in Schedule A being vested other than as stated therein;
2. Any defect in or lien or encumbrance on the title;
3. Unmarketability of the title;
4. Lack of a right of access to and from the land.

The Company will also pay the costs, attorneys' fees and expenses incurred in defense of the title, as insured, but only to the extent provided in the Conditions and Stipulations.

*First American Title Insurance Company*

BY *Gary L. Keruett* PRESIDENT

ATTEST *Mark R. Arneson* SECRETARY



The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
- (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:
  - (a) created, suffered, assumed or agreed to by the insured claimant;
  - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
  - (c) resulting in no loss or damage to the insured claimant;
  - (d) attaching or created subsequent to Date of Policy; or
  - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the estate or interest insured by this policy.
4. Any claim, which arises out of the transaction vesting in the insured the estate or interest insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:
  - (a) the transaction creating the estate or interest insured by this policy being deemed a fraudulent conveyance or fraudulent transfer; or
  - (b) the transaction creating the estate or interest insured by this policy being deemed a preferential transfer except where the preferential transfer results from the failure:
    - (i) to timely record the instrument of transfer; or
    - (ii) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

### CONDITIONS AND STIPULATIONS

#### 1. DEFINITION OF TERMS.

The following terms when used in this policy mean:

(a) "insured": the insured named in Schedule A, and subject to any rights or defenses the Company would have had against the named insured, those who succeed to the interest of the named insured by operation of law as distinguished from purchase including, but not limited to, heirs, distributees, devisees, survivors, personal representatives, next of kin, or corporate or fiduciary successors.

(b) "insured claimant": an insured claiming loss or damage.

(c) "knowledge" or "known": actual knowledge, not constructive knowledge or notice which may be imputed to an insured by reason of the public records as defined in this policy or any other records which impart constructive notice of matters affecting the land.

(d) "land": the land described or referred to in Schedule (A), and improvements affixed thereto which by law constitute real property. The term "land" does not include any property beyond the lines of the area described or referred to in Schedule A, nor any right, title, interest, estate or easement in abutting streets, roads, avenues, alleys, lanes, ways or waterways, but nothing herein shall modify or limit the extent to which a right of access to and from the land is insured by this policy.

(e) "mortgage": mortgage, deed of trust, trust deed, or other security instrument.

(f) "public records": records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without knowledge. With respect to Section 1(a)(iv) of the Exclusions From Coverage, "public records" shall also include environmental protection liens filed in the records of the clerk of the United States district court for the district in which the land is located.

(g) "unmarketability of the title": an alleged or apparent matter affecting the title to the land, not excluded or excepted from coverage, which would entitle a purchaser of the estate or interest described in Schedule A to be released from the obligation to purchase by virtue of a contractual condition requiring the delivery of marketable title.

#### 2. CONTINUATION OF INSURANCE AFTER CONVEYANCE OF TITLE.

The coverage of this policy shall continue in force as of Date of Policy in favor of an insured only so long as the insured retains an estate or interest in the land, or holds an indebtedness secured by a purchase money mortgage given by a purchaser from the insured, or only so long as the insured shall have liability by reason of covenants of warranty made by the insured in any transfer or conveyance of the estate or interest. This policy shall not continue in force in favor of any purchaser from the insured of either (i) an estate or interest in the land, or (ii) an indebtedness secured by a purchase money mortgage given to the insured.

#### 3. NOTICE OF CLAIM TO BE GIVEN BY INSURED CLAIMANT.

The insured shall notify the Company promptly in writing (i) in case of any litigation as set forth in Section 4(a) below, (ii) in case knowledge shall come to an insured hereunder of any claim of title or interest which is adverse to the title to the estate or interest, as insured,

All information designated as confidential by the insured claimant provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of the insured claimant to submit for examination under oath, produce other reasonably requested information or grant permission to secure reasonably necessary information from third parties as required in this paragraph shall terminate any liability of the Company under this policy as to that claim.

#### 6. OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS; TERMINATION OF LIABILITY.

In case of a claim under this policy, the Company shall have the following additional options:

(a) To Pay or Tender Payment of the Amount of Insurance.

(i) To pay or tender payment of the amount of insurance under this policy together with any costs, attorneys' fees, and expenses incurred by the insured claimant, which were authorized by the Company, up to the time of payment or tender of payment and which the Company is obligated to pay.

(ii) Upon the exercise by the Company of this option, all liability and obligations to the insured under this policy, other than to make the payment required, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, and the policy shall be surrendered to the Company for cancellation.

#### (b) To Pay or Otherwise Settle With Parties Other than the Insured or With the Insured Claimant.

(i) to pay or otherwise settle with other parties for or in the name of an insured claimant any claim insured against under this policy, together with any costs, attorneys' fees, and expenses incurred by the insured claimant which were authorized by the Company up to the time of payment and which the Company is obligated to pay; or

(ii) to pay or otherwise settle with the insured claimant the loss or damage provided for under this policy, together with any costs, attorneys' fees, and expenses incurred by the insured claimant which were authorized by the Company up to the time of payment and which the Company is obligated to pay.

Upon the exercise by the Company of either of the options provided for in paragraphs (b)(i) or (ii), the Company's obligations to the insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute or continue any litigation.

#### 7. DETERMINATION, EXTENT OF LIABILITY AND COINSURANCE.

This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the insured claimant who has suffered loss or damage by reason of matters insured against by this policy and only to the extent herein described.

(a) The liability of the Company under this policy shall not exceed the least of:

(i) the Amount of Insurance stated in Schedule A;

If loss should result from any act of the insured claimant, as stated above, that act shall not void this policy, but the Company, in that event, shall be required to pay only that part of any losses insured against by this policy which shall exceed the amount, if any, lost to the Company by reason of the impairment by the insured claimant of the Company's right of subrogation.

#### (b) The Company's Rights Against Non-Insured Obligors.

The Company's right of subrogation against non-insured obligors shall exist and shall include, without limitation, the rights of the insured to indemnities, guaranties, other policies of insurance or bonds, notwithstanding any terms or conditions contained in those instruments which provide for subrogation rights by reason of this policy.

#### 14. ARBITRATION.

*Unless prohibited by applicable law, arbitration pursuant to the Title Insurance Arbitration Rules of the American Arbitration Association may be demanded if agreed to by both the Company and the Insured. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the Insured arising out of or relating to this policy, and service of the Company in connection with its issuance or the breach of a policy provision or other obligation. Arbitration pursuant to this policy and under the Rules in effect on the date the demand for arbitration is made or, at the option of the Insured, the Rules in effect at Date of Policy shall be binding upon the parties. The award may include attorneys' fees only if the laws of the state in which the land is located permit a court to award attorneys' fees to a prevailing party. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court having jurisdiction thereof.*

The law of the situs of the land shall apply to an arbitration under the Title Insurance Arbitration Rules.

A copy of the Rules may be obtained from the Company upon request.

#### 15. LIABILITY LIMITED TO THIS POLICY; POLICY ENTIRE CONTRACT.

(a) This policy together with all endorsements, if any, attached hereto by the Company is the entire policy and contract between the insured and the Company. In interpreting any provision of this policy, this policy shall be construed as a whole.

(b) Any claim of loss or damage, whether or not based on negligence, and which arises out of the status of the title to the estate or interest covered hereby or by any action asserting such claim, shall be restricted to this policy.

(c) No amendment of or endorsement to this policy can be made except by a writing endorsed hereon or attached hereto signed by either the President, a Vice President, the Secretary, an Assistant Secretary, or validating officer or authorized signatory of the Company.

and which might cause loss or damage for which the Company may be liable by virtue of this policy, or (iii) if title to the estate or interest, as insured, is rejected as unmarketable. If prompt notice shall not be given to the Company, then as to the insured all liability of the Company shall terminate with regard to the matter or matters for which prompt notice is required; provided, however, that failure to notify the Company shall in no case prejudice the rights of any insured under this policy unless the Company shall be prejudiced by the failure; and then only to the extent of the prejudice.

**4. DEFENSE AND PROSECUTION OF ACTIONS; DUTY OF INSURED CLAIMANT TO COOPERATE.**

(a) Upon written request by the insured and subject to the options contained in Section 6 of these Conditions and Stipulations, the Company, at its own cost and without unreasonable delay, shall provide for the defense of an insured in litigation in which any third party asserts a claim adverse to the title or interest as insured, but only as to those stated causes of action alleging a defect, lien or encumbrance or other matter insured against by this policy. The Company shall have the right to select counsel of its choice (subject to the right of the insured to object for reasonable cause) to represent the insured as to those stated causes of action and shall not be liable for and will not pay the fees of any other counsel. The Company will not pay any fees, costs or expenses incurred by the insured in the defense of those causes of action which allege matters not insured against by this policy.

(b) The Company shall have the right, at its own cost, to institute and prosecute any action or proceeding or to do any other act which in its opinion may be necessary or desirable to establish the title to the estate or interest, as insured, or to prevent or reduce loss or damage to the insured. The Company may take any appropriate action under the terms of this policy, whether or not it shall be liable hereunder, and shall not thereby concede liability or waive any provision of this policy. If the Company shall exercise its rights under this paragraph, it shall do so diligently.

(c) Whenever the Company shall have brought an action or interposed a defense as required or permitted by the provisions of this policy, the Company may pursue any litigation to final determination by a court of competent jurisdiction and expressly reserves the right, in its sole discretion, to appeal from any adverse judgment or order.

(d) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding, the insured shall secure to the Company the right to so prosecute or provide defense in the action or proceeding, and all appeals therein, and permit the Company to use, at its option, the name of the insured for this purpose. Whenever requested by the Company, the insured, at the Company's expense, shall give the Company all reasonable aid (i) in any action or proceeding, securing evidence, obtaining witnesses, prosecuting or defending the action or proceeding, or effecting settlement, and (ii) in any other lawful act which in the opinion of the Company may be necessary or desirable to establish the title to the estate or interest as insured. If the Company is prejudiced by the failure of the insured to furnish the required cooperation, the Company's obligations to the insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such cooperation.

**5. PROOF OF LOSS OR DAMAGE.**

In addition to and after the notices required under Section 3 of these Conditions and Stipulations have been provided the Company, a proof of loss or damage signed and sworn to by the insured claimant shall be furnished to the Company within 90 days after the insured claimant shall ascertain the facts giving rise to the loss or damage. The proof of loss or damage shall describe the defect in, or lien or encumbrance on the title, or other matter insured against by this policy which constitutes the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage. If the Company is prejudiced by the failure of the insured claimant to provide the required proof of loss or damage, the Company's obligations to the insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such proof of loss or damage.

In addition, the insured claimant may reasonably be required to submit to examination under oath by any authorized representative of the Company and shall produce for examination, inspection and copying, at such reasonable times and places as may be designated by any authorized representative of the Company, all records, books, ledgers, checks, correspondence and memoranda, whether bearing a date before or after Date of Policy, which reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the insured claimant shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect and copy all records, books, ledgers, checks, correspondence and memoranda in the custody or control of a third party, which reasonably pertain to the loss or damage.

(ii) the difference between the value of the insured estate or interest as insured and the value of the insured estate or interest subject to the defect, lien or encumbrance insured against by this policy.

(b) (This paragraph dealing with Coinsurance was removed from Florida policies.)

(c) The Company will pay only those costs, attorneys' fees and expenses incurred in accordance with Section 4 of these Conditions and Stipulations.

**8. APPORTIONMENT.**

If the land described in Schedule A consists of two or more parcels which are not used as a single site, and a loss is established affecting one or more of the parcels but not all, the loss shall be computed and settled on a pro rata basis as if the amount of insurance under this policy was divided pro rata as to the value on Date of Policy of each separate parcel to the whole, exclusive of any improvements made subsequent to Date of Policy, unless a liability or value has otherwise been agreed upon as to each parcel by the Company and the insured at the time of the issuance of this policy and shown by an express statement or by an endorsement attached to this policy.

**9. LIMITATION OF LIABILITY.**

(a) If the Company establishes the title, or removes the alleged defect, lien or encumbrance, or cures the lack of a right of access to or from the land, or cures the claim of unmarketability of title, all as insured, in a reasonably diligent manner by any method, including litigation and the completion of any appeals therefrom, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused thereby.

(b) In the event of any litigation, including litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals therefrom, adverse to the title as insured.

(c) The Company shall not be liable for loss or damage to any insured for liability voluntarily assumed by the insured in settling any claim or suit without the prior written consent of the Company.

**10. REDUCTION OF INSURANCE; REDUCTION OR TERMINATION OF LIABILITY.**

All payments under this policy, except payments made for costs, attorneys' fees and expenses, shall reduce the amount of the insurance pro tanto.

**11. LIABILITY NONCUMULATIVE.**

It is expressly understood that the amount of insurance under this policy shall be reduced by any amount the Company may pay under any policy insuring a mortgage to which exception is taken in Schedule B or to which the insured has agreed, assumed, or taken subject, or which is hereafter executed by an insured and which is a charge or lien on the estate or interest described or referred to in Schedule A, and the amount so paid shall be deemed a payment under this policy to the insured owner.

**12. PAYMENT OF LOSS.**

(a) No payment shall be made without producing this policy for endorsement of the payment unless the policy has been lost or destroyed, in which case proof of loss or destruction shall be furnished to the satisfaction of the Company.

(b) When liability and the extent of loss or damage has been definitely fixed in accordance with these Conditions and Stipulations, the loss or damage shall be payable within 30 days thereafter.

**13. SUBROGATION UPON PAYMENT OR SETTLEMENT.**

**(a) The Company's Right of Subrogation.**

Whenever the Company shall have settled and paid a claim under this policy, all right of subrogation shall vest in the Company unaffected by any act of the insured claimant.

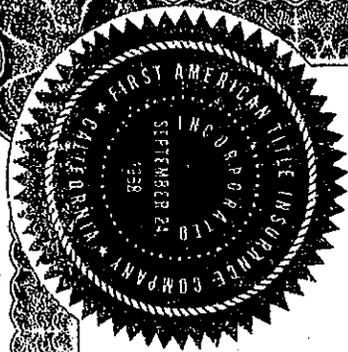
The Company shall be subrogated to and be entitled to all rights and remedies which the insured claimant would have had against any person or property in respect to the claim had this policy not been issued. If requested by the Company, the insured claimant shall transfer to the Company all rights and remedies against any person or property necessary in order to perfect this right of subrogation. The insured claimant shall permit the Company to sue, compromise or settle in the name of the insured claimant and to use the name of the insured claimant in any transaction or litigation involving these rights or remedies.

If a payment on account of a claim does not fully cover the loss of the insured claimant, the Company shall be subrogated to these rights and remedies in the proportion which the Company's payment bears to the whole amount of the loss.

SEVERABILITY. In the event any provision of this policy is held invalid or unenforceable under applicable law, the policy shall be deemed not to include that provision and all other provisions shall remain in full force and effect.

**17. NOTICES, WHERE SENT.**

All notices required to be given the Company and any statement in writing required to be furnished the Company shall include the number of this policy and shall be addressed to the Company, Attention: Claims Department, 1 First American Way, Santa Ana, California 92707.



First American Title Insurance Company

FIRST AMERICAN



POLICY  
OF  
TITLE  
INSURANCE



FATIC-521  
SCHEDULE A OWNER'S POLICY

**First American Title Insurance Company**

**SCHEDULE A**

Issuing Office File No.: 4447

Policy No.: FA-35-1481528

Date of Policy: December 15, 2006 at 13:13:39

Amount of Insurance \$500,000.00

1. Name of Insured:

**Cornerstone CW Commercial, L.L.C. (Parcels 1 and 3), a Florida limited liability company**

2. The estate or interest in the land which is covered by this policy is: **Fee Simple**

3. Title to the estate or interest in the land is vested in:

**Cornerstone CW Commercial, L.L.C. (Parcels 1 and 3), a Florida limited liability company**

4. The land referred to in this policy is described as follows:

**SEE EXHIBIT "A" ATTACHED HERETO**

Issue Date: December 15, 2006	Berman Renner Vogel & Mandler, P.A. By:  Authorized Signatory
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Fatic-514  
Schedule B  
ALTA Owner's Policy  
(with printed mineral exception)

# First American Title Insurance Company

Policy No.: FA-35-1481528

File No.: 4447

## SCHEDULE B

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

### EXCEPTIONS FROM COVERAGE

1. Taxes and assessments for the year 2007 and subsequent years.
2. Restrictions, dedications, conditions, reservations, easements and other matters shown on the plat of MIAMI GARDENS, as recorded in Plat Book 2, Page(s) 96, but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status or national origin to the extent such covenants, conditions or restrictions violate 42 USC 3604(c).
3. Agreement (Developer) between Dapet Corp., a Florida corporation, and North Dade Water Co., a Florida corporation, recorded in Official Records Book 578, at Page 35, as affected by Agreement filed November 12, 1958, in Official Records Book 1098, at Page 215.
4. Developer's Agreement in favor of Household Gas Company recorded under Clerk's File No. GG-191915.
5. Agreement (Easement) between Lawrence Morton, Emil Morton and Sydney S. Levine and North Dade Water Co., a Florida corporation, filed December 31, 1958, in Official Records Book 1182, at Page 313.
6. Covenant Governing Land Development, filed June 30, 1977, in Official Records Book 9727, at Page 685, as modified by Partial Release of Covenant Governing Land Development, filed February 4, 1986, in Official Records Book 12780, at Page 1927, as modified by Partial Release of Covenant Governing Land Development, filed July 1, 1986, in Official Records Book 12940, at Page 707, as modified by Release of Covenant Governing Land Development, filed August 12, 1986, in Official Records Book 12985, at Page 90, and as modified by Resolution No. Z-211-85 regarding District boundary changes, filed December 23, 1986, in Official Records Book 13125, at Page 1791.
7. Grant of Easement in favor of Miami-Dade Water and Sewer Authority, filed May 20, 1980, in Official Records Book 10753, at Page 1885.
8. Pre-Development Agreement, filed May 3, 1985, in Official Records Book 12498, at Page 1612.
9. Pre-Development Agreement, filed July 15, 1985, in Official Records Book 12574, at Page 207.

Fatic-514  
Schedule B  
ALTA Owner's Policy  
(with printed mineral exception)

*First American Title Insurance Company*

**SCHEDULE B**  
(Continuation)

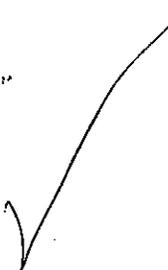
10. Notice of Adoption of Dolphin Center Development Order, filed November 27, 1985, in Official Records Book 12714, at Page 683, as modified by Notice of Adoption of Amendment to Dolphin Center Development Order, filed June 30, 1986, in Official Records Book 12937, at Page 3353, as modified by Notice of Adoption of Amendment to Development Order, filed February 25, 1988, in Official Records Book 13585, at Page 2220, as modified by Notice of Adoption of Amendment to Development Order, filed August 17, 1988, in Official Records Book 13788, at Page 2161, as modified by Notice of Adoption of Amendment to Development Order, filed November 17, 1988, in Official Records Book 13897, at Page 661, as modified by Notice of Adoption of Amendment to Development Order, filed October 11, 1990, in Official Records Book 14738, at Page 771.
11. Ordinance No. 86-78 regarding creation of the Dolphin Center Multipurpose Special Taxing District, filed December 23, 1986, in Official Records Book 13125, at Page 1759.
12. Resolution No. Z-210-85 regarding creation of a Development of Regional Impact, filed December 23, 1986, in Official Records Book 13125, at Page 1808, as modified by Notice of Adoption of a Modification of a Development Order for a Development of Regional Impact, filed June 7, 1993, in Official Records Book 15941, at Page 1058, as modified by Notice of Amendment to Development Order for Robbie Stadium Corporation, filed September 12, 1995, in Official Records Book 16917, at Page 475, and as modified by Notice of Amendment to Development Order for Robbie Stadium Corporation, et al, filed February 8, 1996, in Official Records Book 17090, at Page 651.
13. Resolution No. R-1098-87 regarding preliminary assessments for the Dolphin Center Multipurpose Special Taxing District, filed September 14, 1987, in Official Records Book 13410, at Page 1176.
14. Restrictive Covenant, filed January 19, 1996, in Official Records Book 17065, at Page 4523.
15. Declaration of Restrictions, filed July 12, 2005, in Official Records Book 23560, at Page 651.
16. Non-Exclusive Reciprocal Access Easement Agreement, filed July 12, 2005, in Official Records Book 23560, at Page 701.
17. Access Easement Agreement, filed July 12, 2005, in Official Records Book 23560, at Page 726, as modified by First Amendment to Access Easement Agreement, filed February 9, 2006, in Official Records Book 24223, at Page 1443, and as modified by Second Amendment to Access Easement Agreement, filed October 18, 2006, in Official Records Book 25016, at Page 1573.
18. Declaration of Restrictions, recorded August 21, 2006, in Official Records Book 24840, at Page 3471; as re-recorded on September 20, 2006, in Official Records Book 24927, at Page 691.
19. Declaration of Restrictions in favor of The School Board of Miami-Dade County, Florida, recorded September 20, 2006, in Official Records Book 24927, at Page 705.
20. Declaration of Restrictions, recorded November 9, 2006, in Official Records Book 25084, at Page 1956.

Fatic-514  
Schedule B  
ALTA Owner's Policy  
(with printed mineral exception)

***First American Title Insurance Company***

**SCHEDULE B  
(Continuation)**

21. Declaration of Restrictions, recorded on December 15, 2006, in Official Records Book 25195, at Page 1503.
22. Mortgage from Cornerstone CW, L.L.C. (Parcels 2 and 3), a Florida limited liability company, and Cornerstone CW Commercial, L.L.C. (Parcels 1 and 3), a Florida limited liability company to Regions Bank Doing Business As AmSouth Bank, an Alabama state chartered bank, dated December 4th, 2006, and recorded on December 15<sup>th</sup>, 2006, in Official Records Book 25195, Page 1584, of the Public Records of MIAMI-DADE County, Florida, securing the original principal sum of \$10,400,000.00.
23. UCC-1 Financial Statement recorded on December 15, 2006 in Official Records Book 25195, at Page 1615.



Fatic-514  
Schedule B  
ALTA Owner's Policy  
(with printed mineral exception)

# First American Title Insurance Company

## EXHIBIT "A"

### Legal Description

#### Parcel 1:

A parcel of land, being a portion of Tracts 37 and 38, MIAMI GARDENS, according to the Plat thereof, as recorded in Plat Book 2, page 96 of the Public Records of Miami-Dade County, Florida, lying in Section 3, Township 52 South, Range 41 East, being more particularly described as follows:

COMMENCE at the northwest corner of said Section 3; thence along the West line of said Section 3, South 02°46'26" East, 2182.13 feet; thence North 87°13'34" East, 66.00 feet to the POINT OF BEGINNING; thence North 87°14'13" East, 265.28 feet; thence South 02°45'53" East, 157.36 feet; thence South 02°46'24" East, 80.97 feet; thence South 02°22'27" East, 157.61 feet to a point on the arc of a tangent curve; thence southwesterly along the arc of said curve being concave to the northwest, having a radius of 39.00 feet, a central angle of 89°36'34", an arc distance of 61.00 feet; thence tangent to said curve, South 87°14'07" West, 162.13 feet; thence North 02°42'51" West, 26.75 feet to a point on the arc of a non-tangent curve (a radial line through said point bears South 02°50'01" East); thence northwesterly along the arc of said curve being concave to the northeast, having a radius of 50.00 feet, a central angle of 90°03'35", an arc distance of 78.59 feet; thence tangent to said curve, North 02°46'26" West, 275.00 feet; thence North 22°37'45" West, 38.28 feet; thence North 02°46'26" West, 46.93 feet to the Point of Beginning.

#### Parcel 3:

Access Easement Agreement, filed July 12, 2005, in Official Records Book 23560, at Page 726, as modified by First Amendment to Access Easement Agreement, filed February 9, 2006, in Official Records Book 24223, at Page 1443, and as modified by Second Amendment to Access Easement Agreement, filed October 18, 2006, in Official Records Book 25016, at Page 1573.

EXHIBIT "C"

REQUIRED DOCUMENTS

1. At Closing, Seller shall furnish and deliver to Purchaser the following:
  - (a) A duly executed and acknowledged Statutory General Warranty Deed conveying the Property to Purchaser, or to the assignee or nominee of Purchaser, subject only to the Permitted Exceptions, which shall be in form for recording with any required revenue or transfer stamps in the proper amount affixed thereto by Seller at its expense.
  - (b) A duly executed blanket assignment and bill of sale assigning and conveying to Purchaser title to all Personal Property covered by this Agreement, free and clear of all liens and encumbrances, other than the Permitted Exceptions.
  - (c) A duly executed assignment or assignments assigning to Purchaser all licenses, service contracts, contract rights, development rights and approvals, architectural plans and specifications, names, trademarks, subsisting assignable guarantees and warranties issued or made in connection with the construction, improvements, alteration and repair of any improvements comprising a part of the Property (together with the original of each such guaranty and warranty, if any) and any other property rights included in this transaction.
  - (d) A duly executed affidavit setting forth the following: (i) that Seller is the owner of the Property and the equipment connected therewith, free and clear of any and all encumbrances, save for the Permitted Exceptions hereinabove defined; (ii) that all work, labor, services and material furnished to or in connection with the Property and the improvements thereon and the installation of equipment therein have been fully paid for, and that no mechanic's, materialmen's or other lien may properly be filed against the Property or such improvements or equipment; (iii) that Seller is not the subject of any insolvency or bankruptcy proceeding, nor the subject of any suit or proceeding at law or in equity, or otherwise, the result of any of which might affect the title to the Property or to such improvements and equipment; (iv) that Seller has no knowledge of any violations against the Property, whether filed or threatened, nor of any restriction against the sale of the Property or of such Improvements and equipment; (v) that Seller has no knowledge of any claim or claims made or threatened, the result of which could in any way affect the title to the Property, or to such improvements and equipment; (vi) that all corporate or partnership action as may be necessary to authorize and effectuate the within transaction has been undertaken and legally completed; (vii) the statement required by the Title Company to insure the "gap" period. If Seller is a limited partnership, the affidavit shall be executed by all Seller's general partners and by the President of any corporate general partner and attested to by such corporation's secretary.

(e) Copies of all certificates of occupancy, licenses, permits, authorizations and approvals required by law and issued by all governmental authorities having jurisdiction over the Property and copies of all certificates issued by the local board of fire underwriters (or other body exercising similar functions) if any, and the original of each bill for current real estate and personal property taxes, together with proof of payment thereof (if any of the same have been paid).

(f) Evidence reasonably satisfactory to the Purchaser that:

(i) All streets and roads necessary for access to the Property for the use thereof for its intended purpose and all utility facilities have been completed, and, if applicable, dedicated and accepted for maintenance and public use by the appropriate governmental authorities; and

(ii) All necessary utility service for the Property is available. Letters from local utility companies or municipal authorities stating that gas, electric, sewer, water and telephone facilities are available to the Property will be considered satisfactory evidence that necessary utility service is available.

(g) A duly executed estoppel letter executed by the legal owner and holder or a duly authorized officer of the holder of each Existing Note and Existing Mortgage in accordance with the provisions of Paragraph 8 hereof.

(h) A certified copy of a resolution of the Board of Directors or other appropriate authority of Seller authorizing the sale of the Property contemplated by the Agreement and naming the agent(s) having authority to execute the proper instruments on behalf of the Seller.

(i) A certificate under seal from the Secretary of State or other appropriate official of the state of Seller's formation, showing that Seller is validly organized and existing in said state, is in good standing in said state and that all fees and/or taxes required to be paid by Seller to maintain said good standing have been paid.

(j) A certificate of Seller as to its non-foreign status as required by this Agreement.

2. At Closing, Purchaser shall furnish and deliver to Seller:

(a) The funds required by Paragraph 2 of this Agreement;

3. At Closing, Seller and Purchaser shall mutually execute and deliver each to the other:

- (a) a Closing Statement in customary form;
- (b) Indemnification Agreement with respect to Florida sales tax;
- (c) Escrow Agreement, if required; and
- (d) such other documents as are required by this Agreement or required to convey insurable and marketable title or as otherwise required by the title company selected by Purchaser.



**EXHIBIT "D"**

**SERVICE CONTRACTS**

NONE

A handwritten signature or mark, possibly initials, located in the bottom right corner of the page.