Property Task Force

REGULAR MEETING AGENDA

September 28, 2007
8:00 a.m.

South Florida Regional Transportation Authority

Board Room

800 NW 33rd Street, Suite 100
Pompano Beach, Florida 33064

www.sfrta.fl.gov

FOR FURTHER INFORMATION CALL WILLIAM CROSS AT (954) 788-7916

Members

George Morgan, Jr., Chair
Bill T. Smith, Vice-Chair
James A. Cummings
Neisen Kasdin

Directions to SFRTA: I-95 to Copans Road. Go west on Copans to North Andrews Avenue Ext. and turn right. Go straight to Center Port Circle, which is NW 33rd Street, and turn right. SFRTA's offices are in the building to the right. The SFRTA offices are also accessible by taking the train to the Pompano Beach Station. The SFRTA building is South of the station. Parking is available across the street from SFRTA's offices, at the Pompano Beach Station.

PROPERTY TASK FORCE MEETING
OF SEPTEMBER 28, 2007

The meeting will convene at 8:00 a.m., and will be held in the Board Room of the South Florida Regional Transportation Authority, Administrative Offices, 800 NW 33rd Street, Suite 100, Pompano Beach, FL 33064.

CALL TO ORDER

AGENDA APPROVAL – Additions, Deletions, Revisions

MATTERS BY THE PUBLIC – Persons wishing to address the Committee are requested to complete an "Appearance Card" and will be limited to three (3) minutes. Please see the Minutes Clerk prior to the meeting.

DISCUSSION ITEMS

D1 – Cypress Creek Offer to be forwarded by Property Task Force Chair, George Morgan

CONSENT AGENDA
Those matters included under the Consent Agenda are self-explanatory and are not expected to require review or discussion. Items will be enacted by one motion in the form listed below. If discussion is desired by any Committee Member, however, that item may be removed from the Consent Agenda and considered separately.

C1 – MOTION TO APPROVE: Minutes of Property Task Force Meeting of August 22, 2007

REGULAR AGENDA
Those matters included under the Regular Agenda differ from the Consent Agenda in that items will be voted on individually. In addition, presentations will be made on each motion, if so desired.

R1 – REQUESTED ACTIONS:

(A) MOTION TO ACCEPT: Proposals from Yamato Road Joint Venture and Boca Tri-Rail Center, LLC, as satisfying the minimum requirements of SFRTA's Policy for Unsolicited Proposals.

(B) MOTION TO SELECT: Panel of Evaluators to perform a Comprehensive Evaluation within 30 days, of the Unsolicited Proposals that were received from Yamato Road Joint Venture and Boca Tri-Rail Center, LLC, for development at the Tri-Rail Boca Raton Station.

INFORMATION / PRESENTATION ITEMS
Action not required, provided for information purposes only.

I1 – INFORMATION: Appraisal of SFRTA Cypress Creek Property.

OTHER BUSINESS

SFRTA EXECUTIVE DIRECTOR REPORTS/COMMENTS

PROPERTY TASK FORCE MEMBER COMMENTS

ADJOURNMENT

In accordance with the Americans with Disabilities Act and Section 286.26, Florida Statutes, persons with disabilities needing special accommodation to participate in this proceeding, must at least 48 hours prior to the meeting, provide a written request directed to the Planning and Capital Development Department at 800 NW 33rd Street, Suite 100, Pompano Beach, Florida, or telephone (954) 942-RAIL (7245) for assistance; if hearing impaired, telephone (800) 273-7545 (TTY) for assistance.

Any person who decides to appeal any decision made by the South Florida Regional Transportation Authority Property Task Force with respect to any matter considered at this meeting or hearing, will need a record of the proceedings, and that, for such purpose, he/she may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.

Persons wishing to address the Committee are requested to complete an "Appearance Card" and will be limited to three (3) minutes. Please see the Minutes Clerk prior to the meeting.

MINUTES
PROPERTY TASK FORCE MEETING
OF AUGUST 22, 2007

The Property Task Force meeting was held at 9:40 a.m. on Wednesday, August 22, 2007 in the Board Room of the South Florida Regional Transportation Authority (SFRTA), Administrative Offices, located at 800 NW 33rd Street, Suite 100, Pompano Beach, FL 33064.

PROPERTY TASK FORCE MEMBERS PRESENT:

Mr. James A. Cummings, SFRTA Board Member
Mr. Neisen Kasdin, SFRTA Board Member
Mr. George Morgan, Jr., SFRTA Board Member and Property Task Force Chair

PROPERTY TASK FORCE MEMBERS ABSENT:

Mr. Bill Smith, SFRTA Board Member and Property Task Force Vice-Chair

ALSO PRESENT:

Mr. Joseph Giulietti, SFRTA Executive Director
Mr. Jack Stephens, SFRTA Deputy Executive Director
Mr. Edward Ames, Ames Appraisal Services
Ms. Bonnie Arnold, SFRTA
Mr. Brad Barkman, SFRTA
Mr. Chris Bross, SFRTA
Ms. Loraine Cargill, SFRTA
Dr. Kim DeLaney, Treasure Coast Regional Planning Council
Ms. Mary Jane Lear, SFRTA
Mr. Michael Masanoff, Cypress Creek Partners, LLC
Ms. Renee Mathews, SFRTA
Mr. Dan Mazza, SFRTA
Ms. Teresa Moore, Greenberg Traurig
Mr. Jeff Olson, SFRTA
Mr. Justin Sayfie, Blosser & Sayfie, Counselors at Law
Ms. Flavia Silva, SFRTA
Ms. Lynda Kompelien Westin, SFRTA
Mr. Edward Woods, SFRTA

CALL TO ORDER

The Chair called the meeting to order at 9:40 a.m.

AGENDA APPROVAL – Additions, Deletions, Revisions

Mr. Cummings moved for approval of the Agenda. The motion was seconded by Mr. Kasdin.

The Chair called for further discussion and/or opposition to the motion. Upon hearing none, the Chair declared the Agenda approved.

The Chair moved the discussions to the next item on the Agenda.

MATTERS BY THE PUBLIC – Persons wishing to address the Committee are requested to complete an "Appearance Card" and will be limited to three (3) minutes. Please see the Minutes Clerk prior to the meeting.

Mr. Sayfie from Blosser & Sayfie Counselors at Law, on behalf of Cypress Creek Partners, LLC (CCP), addressed the Property Task Force regarding the Minutes of the May 11, 2007 Property Task meeting. Mr. Sayfie requested to present his client's understanding of the Agreements between the Florida Department of Transportation (FDOT) and Cypress Creek Park and Ride Associates Limited Partnership and the amendments to the Agreement between FDOT and CCP in a form of a letter to be entered into the record.

The Chair moved the discussions to the next item on the Agenda.

CONSENT AGENDA
Those matters included under the Consent Agenda are self-explanatory and are not expected to require review or discussion. Items will be enacted by one motion in the form listed below. If discussion is desired by any Committee Member, however, that item may be removed from the Consent Agenda and considered separately.

C1 – MOTION TO APPROVE: Minutes of Property Task Force Meeting of May 11, 2007

Mr. Kasdin moved for approval of the Consent Agenda. The motion was seconded by Mr. Cummings.

The Chair called for further discussion and/or opposition to the motion. Upon hearing none, the Chair declared the Consent Agenda approved unanimously.

The Chair moved the discussions to the next item on the Agenda.

REGULAR AGENDA
Those matters included under the Regular Agenda differ from the Consent Agenda in that items will be voted on individually. In addition, presentations will be made on each motion, if so desired.

R1 – REQUESTED ACTIONS:

(1) MOTION TO RECOMMEND: Submittal of a Notice of Proposed Change for the Boca Raton Phase II Joint Development Project to change the development configuration of the site to accommodate 60,000 square feet of office space and 10,000 square feet of retail, and extend the expiration date of the Development of Regional Impact from November 2008 to November 2011.

(2) MOTION TO RECOMMEND: Allowing staff to pursue a revision to the City of Boca Raton zoning regulations to allow less restrictive signage for the retail space.

Mr. Kasdin moved for approval of Agenda Item R1: MOTION TO RECOMMEND: Submittal of a Notice of Proposed Change for the Boca Raton Phase II Joint Development Project to change the development configuration of the site to accommodate 60,000 square feet of office space and 10,000 square feet of retail, and extend the expiration date of the Development of Regional Impact from November 2008 to November 2011. The motion was seconded by Mr. Cummings.

Mr. Kasdin moved for approval of Agenda R2: MOTION TO RECOMMEND: Allowing staff to pursue a revision to the City of Boca Raton zoning regulations to allow less restrictive signage for the retail space. The motion was seconded by Mr. Cummings.

The Chair called for further discussion and/or opposition to the motions.

There was discussion amongst the members regarding the submittal of a Notice of Proposed Change (NOPC) timeline and the receipt of the Unsolicited Proposal for the Boca Raton Phase II Joint Development Project and after discussions Mr. Kasdin withdrew his previous motions.

Mr. Kasdin moved to defer R1: MOTION TO RECOMMEND: Submittal of a Notice of Proposed Change for the Boca Raton Phase II Joint Development Project to change the development configuration of the site to accommodate 60,000 square feet of office space and 10,000 square feet of retail, and extend the expiration date of the Development of Regional Impact from November 2008 to November 2011 to the next Property Task Force meeting. The motion was seconded by Mr. Cummings.

Mr. Kasdin moved to defer R2: MOTION TO RECOMMEND: Allowing staff to pursue a revision to the City of Boca Raton zoning regulations to allow less restrictive signage for the retail space, to the next Property Task Force meeting. The motion was seconded by Mr. Cummings.

The Chair called for further discussion and/or opposition to the motions. Upon hearing none, the Chair declared the motions approved unanimously.

The Chair moved the discussions to the next item on the Agenda.

INFORMATION / PRESENTATION ITEMS
Action not required, provided for information purposes only.

I1 – INFORMATION: Proposal from OPUS South Corporation

Mr. Stephens, SFRTA, informed the Property Task Force members that the SFRTA sent a letter to Mr. Deckinger, OPUS South Corporation, advising that their Proposal did not meet all the requirements of the Authority's Unsolicited Proposal Policy and that no actions are required from the Property Task Force at this time.

The Chair moved the discussions to the next item on the Agenda.

I2 – INFORMATION: Appraisal of SFRTA Cypress Creek Property

Mr. Sayfie, on behalf of Cypress Creek Partners, LLC (CCP), addressed the Property Task Force stating that CCP received the SFRTA Cypress Creek Property appraisal performed by Ames Appraisal Services and is currently reviewing the appraisal and added that CCP would like to continue negotiating with the SFRTA.

Mr. Cummings stated that the Property Task Force should recommend to the SFRTA Governing Board to reject the CCP Proposal.

Mr. Kasdin exited the meeting at 10:10 a.m.

Mr. Ames, Ames Appraisal Services, explained to the Property Task Force members how he arrived at the estimate of market value of the SFRTA owned parcel located west of the Cypress Creek Tri-Rail Station in the City of Fort Lauderdale.

Mr. Masanoff, CCP, addressed the Property Task Force regarding the appraisal report. Mr. Masanoff stated that there are factual or mathematical errors in the appraisal report and that it does not reflect the current market value of the property. Mr. Masanoff stated that on July 6, 2007, Mr. Sayfie submitted a letter to the SFRTA Governing Board Chair and to SFRTA's Executive Director which contains the appraised value of the land and, requested the letter to be entered into the SFRTA's records.

Mr. Cummings stated that the Property Task Force will make a recommendation to the SFRTA Governing Board regarding the Cypress Creek Station Parking Proposal within 60 days.

The Chair moved the discussions to the next item on the Agenda.

I3 – INFORMATION: Definition of Transit-Oriented Development (TOD)

Ms. Kompelien Westin, SFRTA, stated that the draft definition of TOD and its benefits are based on extensive research; local examples; national searches for best TOD practices; Federal Transit Administration, Miami-Dade, Broward and Palm Beach counties definitions as well as TOD definitions from Denver and California.

Dr. DeLaney, Treasure Coast Regional Planning Council, explained to the Property Task Force members that a TOD is a moderate to higher-density development, located within an easy walk of a major transit stop, generally with a mix of residential, employment, and shopping opportunities designated for pedestrian without excluding the auto. Dr. DeLaney continued stating that TOD can be new construction or redevelopment of one or more buildings whose design and orientation facilitate transit use and added that the TOD will increase location efficiency, boost transit ridership at the same time that it will minimize traffic, provide a mix of housing, jobs, shopping and recreational choices, provide value for the public and private sectors, and for new and existing residents will create a sense of community.

The Chair moved the discussions to the next item on the Agenda.

OTHER BUSINESS

There was no Other Business discussed at this meeting.

SFRTA EXECUTIVE DIRECTOR REPORTS/COMMENTS

There were no Reports/Comments from the SFRTA Executive Director.

PROPERTY TASK FORCE MEMBER COMMENTS

There were no Comments from the Property Task Force Members.

ADJOURNMENT

The meeting was adjourned at 11:15 a.m.

AGENDA ITEM NO. R1

SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY
PROPERTY TASK FORCE
MEETING: SEPTEMBER 28, 2007

AGENDA ITEM REPORT

☐ Consent ☒ Regular ☐ Public Hearing

PROPOSALS FROM YAMATO ROAD JOINT VENTURE AND
BOCA TRI-RAIL CENTER, LLC

REQUESTED ACTIONS:

(A) MOTION TO ACCEPT: Proposals from Yamato Road Joint Venture and Boca Tri-Rail Center, LLC, as satisfying the minimum requirements of SFRTA's Policy for Unsolicited Proposals.

(B) MOTION TO SELECT: Panel of Evaluators to perform a Comprehensive Evaluation within 30 days, of the Unsolicited Proposals that were received from Yamato Road Joint Venture and Boca Tri-Rail Center, LLC, for development at the Tri-Rail Boca Raton Station.

SUMMARY EXPLANATION AND BACKGROUND:

The South Florida Regional Transportation Authority (SFRTA) has received for consideration two unsolicited proposals under the provisions of its Unsolicited Proposal Policy (Policy) for development at the Tri-Rail Boca Raton Station. The Proposals will undergo a Comprehensive Evaluation over the next 30 days by a Panel of Evaluators, consistent with the Policy, and the evaluation brought back to the Property Task Force at the next meeting.

The Panel of Evaluators include: Loraine Cargill and Lynda Westin with SFRTA Planning & Capital Development Department; and Ed Woods, SFRTA Director of Finance. Consultant services may be utilized to assist with the Comprehensive Evaluation using fees received from each Proposal.

Department: Planning & Capital Development
Department Director: Daniel Mazza
Project Manager: Loraine K. Cargill

FISCAL IMPACT: N/A

EXHIBITS ATTACHED:
Exhibit 1: Proposal from Yamato Road Joint Venture
Exhibit 2: Proposal from Boca Tri-Rail Center, LLC
Exhibit 3: SFRTA Policy for Unsolicited Proposal

PROPOSALS FROM YAMATO ROAD JOINT VENTURE AND
BOCA TRI-RAIL CENTER, LLC

Committee Action:

R1 – (A)

Approved: _____Yes _____No

Vote: _____ Unanimous

Amended Motion:

George Morgan	_____	Yes	_____	No
Bill T. Smith	_____	Yes	_____	No
James A. Cummings	_____	Yes	_____	No
Neisen Kasdin	_____	Yes	_____	No

R1 – (B)

Approved: _____Yes _____No

Vote: _____ Unanimous

Amended Motion:

George Morgan	_____	Yes	_____	No
Bill T. Smith	_____	Yes	_____	No
James A. Cummings	_____	Yes	_____	No
Neisen Kasdin	_____	Yes	_____	No

Exhibit 1

LB Jax Development, L.L.C.

SEPTEMBER 17, 2007

VIA HAND DELIVERY

Mr. Bryan Kohlberg
Contracts Compliance Specialist
South Florida Regional Transportation Authority
800 N.W. 33rd Street, Suite 100
Pompano Beach, FL 33064

Dear Sir;

The attached Yamato Road Tri-Rail Station Development Proposal (YRTSDP) represents a competing unsolicited proposal for simultaneous consideration with the proposal previously submitted by Boca Tri-Rail Center LLC that was the subject of the attached Notice of Receipt of an Unsolicited Proposal for a Proposed Ground Lease for SFRTA's Boca Yamato Station. This YRTSDP is submitted on behalf of Atlantic Coast Developers, LLC and LB Jax Development, LLC who have agreed to undertake these efforts as joint venture partners in the ground lease (or other transfer of real property interests) and in the development efforts proposed herein.

My signature below is presented as the signature of the person authorized to represent and contractually obligate the joint venture offeror (consisting of LB Jax Development, LLC and Atlantic Coast Developers, LLC) and to evidence approval of this Yamato Road Joint Venture proposal and its submittal to South Florida Regional Transportation Authority for their review, evaluation, and approval.

Sincerely yours,

Michael E. Langton, Managing Partner
LB Jax Development, LLC

Signed for and behalf of the LB Jax Development, LLC and Atlantic Coast Developers, LLC joint venture partnership regarding the Yamato Road Tri-Rail Station Development Proposal and development.

Cc: William M Sulzbacher, President
Atlantic Coast Developers, LLC.

09-17-07P04:41 RCVD

118 W. Adams Street, Ste. 700, Jacksonville, Florida 32202 Phone (904) 598-1368 Fax (904) 598-1837

LB Jax Development, L.L.C.

SEPTEMBER 17, 2007

VIA HAND DELIVERY

Mr. Bryan Kohlberg
Contracts Compliance Specialist
South Florida Regional Transportation Authority
800 N.W. 33rd Street, Suite 100
Pompano Beach, FL 33064

Dear Sir;

The attached Yamato Road Tri-Rail Station Development Proposal (YRTSDP) represents a competing unsolicited proposal for simultaneous consideration with the proposal previously submitted by Boca Tri-Rail Center LLC that was the subject of the attached Notice of Receipt of an Unsolicited Proposal for a Proposed Ground Lease for SFRTA's Boca Yamato Station. This YRTSDP is submitted on behalf of Atlantic Coast Developers, LLC and LB Jax Development, LLC who have agreed to undertake these efforts as joint venture partners in the ground lease (or other transfer of real property interests) and in the development efforts proposed herein.

My signature below is presented as the signature of the person authorized to represent and contractually obligate the joint venture offeror (consisting of LB Jax Development, LLC and Atlantic Coast Developers, LLC) and to evidence approval of this Yamato Road Joint Venture proposal and its submittal to South Florida Regional Transportation Authority for their review, evaluation, and approval. A similar letter from Atlantic Coast Developers, LLC is attached to present an additional signature of a person authorized to represent and contractually obligate the joint venture offeror.

Sincerely yours,

Michael E. Langton, Managing Partner
LB Jax Development, LLC

118 W. Adams Street, Ste. 700, Jacksonville, Florida 32202 Phone (904) 598-1368 Fax (904) 598-1837

Atlantic Coast Developers, LLC

September 17, 2007

VIA HAND DELIVERY
Mr. Bryan Kohlberg
Contracts Compliance Specialist
South Florida Regional Transportation Authority
800 N.W. 33rd Street, Suite 100
Pompano Beach, FL 33064

Dear Sir;

The attached Yamato Road Tri-Rail Station Development Proposal (YRTSDP) represents a competing unsolicited proposal for simultaneous consideration with the proposal previously submitted by Boca Tri-Rail Center LLC that was the subject of the attached Notice of Receipt of an Unsolicited Proposal for a Proposed Ground Lease for SFRTA's Boca Yamato Station. This YRTSDP is submitted on behalf of Atlantic Coast Developers, LLC and LB Jax Development, LLC who have agreed to undertake these efforts as joint venture partners in the ground lease (or other transfer of real property interests) and in the development efforts proposed herein.

My signature below is presented as the signature of the person authorized to represent and contractually obligate the joint venture offeror (consisting of LB Jax development, LLC and Atlantic Coast Developers, LLC) and to evidence approval of this Yamato Road Joint venture proposal and its submittal to South Florida Regional Transportation Authority for their review, evaluation, and approval. A similar letter from LB Jax Development, LLC is attached to present an additional signature of a person authorized to represent and contractually obligate the joint venture offeror.

Sincerely yours,

William M Sulzbacher, President
Atlantic Coast Developers, LLC.

2008 Riverside Avenue, Suite 300 • Jacksonville, Florida 32204 • (904) 634-1500 • Fax (904) 634-1700

09.17.2007

PROPOSED GROUND LEASE FOR SFRTA'S BOCA YAMATO PROPERTY:

A PROPOSAL FOR THE YAMATO ROAD TRI-RAIL STATION DEVELOPMENT

SUBMITTED BY: YAMATO ROAD JOINT VENTURE (ATLANTIC COAST DEVELOPERS, LLC AND LB JAX DEVELOPMENT, LLC)

TO

SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHOITY

INTRODUCTION

This Proposed Ground Lease for SFRTA's Boca Yamato Property submittal proposes a means by which the Yamato Road Tri-Rail Station Development Proposal (YRTSDP) could be implemented. This unsolicited proposal is submitted to South Florida Regional Transportation Authority (SFRTA) by Atlantic Coast Developers, LLC and LB Jax Development, LLC who are organized as joint venture partnership (Yamato Road Joint Venture or YRJV) to implement this development with the approval of the SFRTA. In some cases, the YRTSDP is also referred to as the Yamato Road Joint Venture's proposal.

The Yamato Road Joint Venture was formed to:

1) Acquire by lease, purchase, or otherwise acquire the rights to real property required for the development depicted by the attached Yamato Road Development illustration and Yamato Road Development Program Summary (Yamato Road Tri-Rail Station Development Site).
2) Obtain the development entitlements required for such development.
3) Receive the federal, state, regional, and local governmental support for funding strategies, in addition to funding secured through private equity sources.
4) Pursuant to 23USC137 and consistent with Florida's Strategic Intermodal System (SIS) planning process, secure fringe and corridor parking facilities funds in partnership with SFRTA in order to build the parking facilities with the understanding that the parking facilities will be operated and maintained as a public private partnership. It is expected that some of the parking structure costs (30 % or so) and all operations and maintenance costs are to be paid as part of the YRTSDP development and related ongoing fees, assessments, or other revenues.
5) Undertake development of the Yamato Road Tri-Rail Station Development Site, as generally depicted, with additional equity partners and specific building development partners and facility owners as appropriate and with approval of the SFRTA Board when, from time, to time such new partners are identified.

Further, the YRTSDP is submitted by the YRJV to SFRTA as a competitive unsolicited proposal for simultaneous consideration with the proposal previously submitted by Boca Tri-Rail Center, LLC that was the subject of the attached Notice of Receipt of an Unsolicited Proposal for a Proposed Ground Lease for SFRTA's Boca Yamato Station based upon the following factors:

1) This YRTSDP has been timely submitted in triplicate (3 copies) on or before 5:00 PM on Monday, September 17, 2007 to SFRTA (via Mr. Bryon Kohlberg, SFRTA Contracts Compliance Specialist, 800 N.W. 33rd Street, Suite 100, Pompano Beach, Florida 33064) with the $25,000 initial fee payment.
2) This YRTSDP is clearly identified as "Proposed Ground Lease for SFRTA's Boca Yamato Road Property." YRJV will meet/exceed the terms offered therein.
3) This YRTSDP is a good faith effort, very consistent with the mission responsibilities of SFRTA, to improve upon the benefits to be received by SFRTA and the South Florida region that arise from such land related ground leases, other real property transactions, and land development when compared to the proposal submitted by Boca Tri-Rail Center, LLC. Specifically, the YRTSDP proposes development on the Yamato Road Tri-Rail Station Development Site more likely to increase the number Tri-Rail commuter rail public transit service customers and increase the amount SFRTA revenues.
4) This YRTSDP is innovative and unique using proprietary inventions (useful, new, and not obvious to one skilled in the trade) that: increase the number of pedestrians walking at any given hour of the day and night within the Yamato Road Tri-Rail Station Development Site; increase the length of their walking trips; and, therefore, increase the number of Tri-Rail customers that access SFRTA commuter rail public transit service at the Yamato Road Ti-Rail Station.
5) This YRTSDP has been independently originated and developed by YRJV offeror and the YRTSDP consultant team that includes those individuals that have a professional, personal, and deep understanding of the needs and mission responsibilities of SFRTA.
6) This YRTSDP has been prepared without SFRTA supervision, endorsement, direction, or direct SFRTA involvement.
7) This YRTSDP includes sufficient detail to permit a determination the SFRTA support could be worthwhile and the proposed work would benefit the mission responsibilities of SFRTA.

Finally, in these respects, the YRTSDP is competitive with and superior to the proposal submitted by Boca Tri-Rail, LLC and the YRJV hereby requests that following the necessary reviews, comprehensive evaluations, and endorsements by the SFRTA staff and Property Committee and SFRTA Board approvals of the YRTSDP as submitted on September17, 2007 or revised by YRJV from time to time with the approval of SFRTA, that the SFRTA will thereafter commence negotiations on a sole sources basis in accordance with SFRTA's Procurement Rule, policies, and procedures and award and execute the necessary contracts contingent upon USDOT approval and funding of the fringe and corridor parking facilities.

BASIC INFORMATION

1) The offeror is the Yamato Road Joint Venture, a joint venture partnership of limited liability for profit corporations (LB Jax Development, LLC and Atlantic Coast Developers, LLC) that are organized to implement the development described in the YRTSDP with the approval of the SFRTA. The offeror mailing and physical address for YRJV is 118 West Adams Street, Suite 700, Jacksonville, Florida 32202.
2) Names and telephone numbers of technical and business personnel to be contacted for evaluation or negotiation purposes:

(A) MICHAEL E. LANGTON
Managing Partner of LB Jax Development, LLC
Office phone: 904 598-1368
Cellular phone: 904 614-9861

(B) WILLIAM M. SULZBACHER
President/Chief Executive Officer of Atlantic Coast Developers, LLC
Office phone: 904 634-1500
Cellular phone: 904 631-8767

(C) CHRISTOPHER J. BROWN
Managing Partner of LB Jax Development, LLC
Office Phone: 941 388-0094
Cellular phone: 561 706-5545

(D) ROBERT A. ABBASI
Director of Atlantic Coast Development, LLC
Office phone: 310 532-9122 x101
Cellular phone: 310 753-4966

Further, the YRTSDP consultant team, as listed below, is available to provide information required for the evaluation or negotiations. Please coordinate contacts with the YRTSDP consultant team through Michael E. Langton or Tom Gustafson.

<u>As to general site plan and community development issues:</u>

(A) DOUG COOLMAN
Principal at <u>EDSA</u>
Office Phone: 954 524-3330
Cellular phone: 954 240-7000

(B) RAMON TRIAS
Founder of <u>Trias & Associates</u>
Office phone: 772 460-1779
Cellular phone: 772 971-5048

As to transportation, development entitlements, civil engineering, and community development issues:

(C) JOE YESBECK
Vice President and Managing Principal of Carter & Burgess
Office phone: 954 315-1003
Cellular phone: 954 560-1593

(D) BRET NEIN
Unit Manager of Urban Design & Planning Unit at Carter & Burgess
Office phone: 954 315-1009
Cellular phone: 954 658-1483

(E) RICK CHESSER
Vice President, Florida Operations/Transportation and Public Infrastructure Programs at Reynolds, Smith, and Hills
Office phone: 954 236-7394
Cellular phone: 954 242-6072

As to peer review, property ownership/easements, and community development issues:

(F) JACK SCHNETTLER
Vice President of Post, Buckley, Schuh & Jernigan
Office phone: 305 592-7275 x3369
Cellular phone: 954 305-803-7539

(G) JIM MCDONALD
Senior Project Manager in the South Florida area/Urban Planning and Design/Regional and Strategic Master Planning/Land Development Master Planning and Design/Landscape Architecture at Post, Buckley, Schuh & Jernigan
Office Phone: 954 733-7233
Cellular phone: 954 954-560-2375

As to consultant team coordination, community intermodal systems, and community development issues:

(H) TOM GUSTAFSON
Director of Government and Ocean Policy at Nova Southeastern University Oceanographic Center
Office phone: 954 262-5128
Cellular phone: 954 661-7848

(I) MICHAEL E. LANGTON
President of Langton Associates, Inc. (Grant Consulting Services)
Office phone: 904 598-1368
Cellular phone: 904 614-9861

3) There is no proprietary data to identify.

4) No Federal, state, or local agencies or parties have yet received the proposal, however, if the SFRTA has an interest in pursuing the YRTSDP, then the proposal, as a part of a broader request to fund fringe and corridor parking facilities or other transportation improvements would jointly be pursued by SFRTA and YRJV. In such case, the YRTSDP or approved revised components thereof would be shared with the United States Department of Transportation, Florida Department of Transportation, the Treasure Coast Regional Planning Council, the Palm Beach MPO, Palm Beach County, the City of Boca Raton, and others.
5) Submission date: September 17, 2007
6) The signature of the person authorized to represent and contractually obligate the YRJV offeror is found at the first page of this submittal.

INFORMATION REQUIRED

1) Concise title and abstract of the proposed effort:

YAMATO ROAD TRI-RAIL STATION DEVELOPMENT PROPOSAL (YRTSDP)

The YRTSDP is a product of decades of work by the developers and consultant team members in the development of smart growth communities that provide, to public transit systems and the South Florida communities, desirable destinations and a method to increase transit customers and revenues from grants and operations. Referenced as an Intermodal Urban Community (IUC) and distinguishable from a more generalized and less urban "transit village", such IUC development represents a paradigm shift in community building using an aggregation of knowledge gained from diverse sources.

Within the approximate six (6) acre footprint, the proposal suggests that 1,160,000 total square feet can be developed in buildings ranging in height from three to eight stories consisting of:

- Parking (700,000 square feet or approximately 1731 parking spaces).
- Office use (90,000 square feet).
- Hotel use (75,000 square feet or approximately 150 rooms).
- Residential use including work force housing (240,000 square feet or approximately 198 units).
- Retail use (55,000 square feet).

In ***TheNewCommunityParadigm***, buildings touch from one to the next. Cars are parked within the structures that frame the new urban form. In the spaces between the urban forms, people live, work, and play. Parking lots do not exist.

2) The objectives of these efforts is to establish a new paradigm for community building associated with public transit service that will: reduce traffic congestion; improve productivity, economic competitiveness, and workforce housing; provide for transportation resiliency and redundancy; and, improve social and educational conditions of the citizens to live, work, and visit such intermodal urban communities

The proposal as submitted by YRJV is unique and innovative and is superior to the proposal submitted by Boca Tri-Rail Center, LLC. The distinctive and significant components of this YRJV proposal include:

(A) Use of federal interstate funds to reduce congestion through the development of fringe and corridor parking facilities.

(B) The YRJV offeror will pursue workforce housing grants through the Florida Housing Finance Corporation to increase the workforce housing component of the residential uses and still deliver a high quality community development responsive to multiple economic and social strata and broader community needs. YRJV will explore these funding opportunities throughout the YRTSDP review and approval process as part of the YRJV's overall development and funding activities.

(C) Narrowed parking garages with one directional traffic aisles, angled and parallel parking spaces and central air wells arranged to create pleasant, well-lighted, and clean pedestrian-oriented environments within these parking facilities and the positioning of all parking spaces to be more immediately accessible to liner building destinations, pedestrian corridors that bisect the Yamato Road Tri-Rail Station Development Site, and the trains that stop to collect customers at the Yamato Road Tri-Rail Station.

(D) Use of mid-rise buildings to create high density without local roadways and the use of interior traffic aisles within the parking facilities instead to provide automotive access directly to adjoining and nearby destinations (thereby creating three dimension alleys).

(E) Use of pavement designs, water features, specific uses, landscaping, and other urban environmental conditions or patterns (what you see, smell, hear, taste, and feel) to induce large scale walking behaviors that are the condition predicate for large scale transit access (creating outdoor space that is useful, interesting, safe, and comfortable).

(F) Building edges, roof overhangs, balconies, awnings, arcades, and other architectural features (creating building eyebrows), continuous building faces, overhead structural components, and wide pedestrian corridors (generally 30 feet or more in width) protect the pedestrians from the rain, sun, wind, heat, and cold and allow them to mitigate adverse weather conditions by the simple act of walking within that part of the corridor where it is comfortable or desirable.

(G) The convergence of more than one pedestrian corridor into a plaza adjacent the Tri-Rail Station to create a larger pedestrian flow to the commuter rail trains.

(H) While the existing developer agreements, orders, and Boca Technology Center (Blue Lake) DRI restrictions might require the initial offeror of a Proposed Ground Lease for SFRTA's Boca Yamato Property (Boca Tri-Rail, LLC and its principals) by the aggregation rule (9J-2.0275) to limit their development proposal to 50,000 square feet as stipulated in this site in the approve DRI, without filing for a 'substantial deviation' to increase the intensity of their proposal, this YRJV offeror intends to proceed with a simpler 'notice of proposed change' (NOPC) for the existing DRI, to request removal of the Yamato Rail Tri-Rail Station Development Site, as depicted herein, from the Blue Lake DRI. Once removed and with no longer having substantial common ownership, master planning, or infrastructure in place, such removal will not prevent the previous DRI conditions from being met. Furthermore, the new development program proposed for the subject site is well below the current DRI thresholds for mixed use DRI on its own. While the development as proposed by YRJV will still require local approvals of the sites' land use and zoning modifications and a final development order to facilitate the development as proposed, this YRJV proposal successfully responds to significant community needs and approved goal and objectives of state, regional, county, and local strategic and comprehensive plans. Moreover, this YRJV is generally consistent with a proposed multi-modal transportation district zoning overlay district being developed by the City of Boca Raton planning staff, consultants, and local citizens as described in subparagraph (I) below. No limited, stand-alone, 50,000 square feet office building (with or without a retail component), located within a sea of surface parking, can reasonably compete with the YRTSDP regarding the level of support for SFRTA mission accomplishments or provide benefits to the South Florida community similar to those derived by such a IUC development.

(I) The proposal is specifically drawn to conform with the requirements of a multimodal transportation district as provided for at F.S. 163.3180(15)(a) and the efforts by the City of Boca Raton to create such a zoning overlay district for the Northwest Subdistrict Study Area (inclusive of the Yamato Road Tri-Rail Station Development Site (see: http://www.bocamobility.com/.

(J) Linkages to downtown Boca Raton will be investigated with the Boca Raton Community Redevelopment Agency (CRA) including linkages with the Boca Raton Airport and Florida Atlantic University (FAU) by the YRJV during the proposal review and approval process and thereafter as opportunities arise..

(K) Use of license fee revenues, paid for use of CIS-related patented inventions, to fund on-site higher education and community events that mitigate adverse social urban conditions.

(L) The proposal will be consistent with the use of a safe neighborhood district pursuant to F.S. 163.501-516, and other special district applications to establish additional funding mechanisms. YRJV will discuss such opportunities with the City of Boca Raton during the YRTSDP review and approval process.

(M) Further, it is expected that additional grants will be available pursuant to the following implementation strategies: energy efficiencies and reduced carbon emissions (see: http://www.flgov.com/release/9230); emergency preparedness, hurricane evacuation and refuge facilities, and disaster recovery planning (see: http://www.floridadisaster.org/index.asp); and, community gardening (see: http://www.communitygarden.org/).

If such IUC strategies are followed consistently at each and every Tri-Rail Station, additional federal grants, SFRTA customer revenues, and real estate profits will reduce, if not eliminate, SFRTA operating revenue shortfalls. YRJV will report to SRRTA all grant opportunities as they are identified and prior to formal submittal to determine how best to proceed with the grant requests (individually, jointly, or otherwise). YRJV will meet or exceed the terms offered in the Boca Tri-Rail Center, LLC unsolicited proposal

3) Names and Biographical information of the YRJV offeror's key personnel who would be involved:

(A) **MICHAEL E. LANGTON** - A former member of the Florida House of Representative (1985-1992), Mike Langton has had an extensive career in Florida State and local government. While serving as a member of the Florida House he had tours of duty as Chair and Vice Chair of the Advisory Council on Intergovernmental Relations, Chair of the Oversight Committee, Chair of the Committee on Children and Youth and Deputy Majority Leader. He was recognized for his service by numerous statewide organizations including the Florida League of Cities, the Florida Chamber of Commerce and Florida Taxwatch.

His grantsmanship career began 30 years ago as a mayor's aide in which he assisted in writing the grant and administering the City of Jacksonville's first CDBG Entitlement Program. He also served as a Special Consultant to U.S. HUD, National Science Foundation and Stanford Research Institute, Palo Alto, CA on national housing trends and non-service approaches. He has successfully obtained over $75 million in grant funds for Langton Associates local government clients since 1981. He holds a B.A. in Political Science from Florida Atlantic University.

Langton has had extensive hands-on experience in the area of affordable housing, and has worked directly in programs such as the HOME program, the Community Development Block Grant program (Entitlement and Small Cities), Homeless Continuum of Care, Hope 6, and the State Housing Initiatives Partnership Program. Langton assisted Pasco County in the development of its first Comprehensive Housing Affordability Strategy, (CHAS), and wrote the program description for Volusia County's HOME program. Langton provided technical assistance to two County governments, Bay and Baker, during the implementation of their SHIP programs. He prepared their SHIP plans; Incentive plans and organized their local partnerships. Langton has a thorough understanding of the HOME Investment Partnerships Program and was the project manager for the Florida Housing Finance Agency contract to provide on-site technical assistance for HOME grant recipients and has provided HOME technical assistance state-wide through the Florida Catalyst Program for DCA.

Langton coordinated the City of Jacksonville's application for federal Empowerment Zone designation. This effort involved recruiting, organizing and facilitating a 200-person partnership for preparation of a Strategic Plan. Community redevelopment activities include: preparing a paper on "Establishing a CRA in Florida" and an Action Plan for External Funds Procurement for Delray Beach CRA.

His contacts in state, federal and local government are vast. He has been a featured speaker to the Florida Association of Counties, the Florida League of Cities and Florida Redevelopment Association. He has served on the steering committees of statewide campaigns for U.S. Senate, Governor and Cabinet officers. President Clinton appointed Langton to the Rules Committee of the Democratic National Convention in July of 1992 and was appointed again by Vice President Al Gore at the 2000 convention. Langton also served as a campaign coordinator for Northeast Florida for the Clinton/Gore campaign of 1992 and 1996. He serves as Vice President of the Florida Democratic Leadership Council and is an advisor to the Field Office of the National DLC. In the year 2000 Langton served as the Gore/Lieberman Chairman for Northeast Florida. Langton is currently serving as the Chair of the Hillary Clinton for President Steering Committee.

Langton founded Langton Associates, a grant consulting services firm, in 1981 and has served as company President since that time. Langton Associates is Florida's oldest and largest grants consulting firm.

In 1999 he founded LB Jax Development, LLC, a housing and mixed use development company, focusing on the urban housing market in Florida cities. Langton is committed to the concept of Downtown revitalization through the creation of workforce and affordable housing opportunities.

PROJECTS DEVELOPED AND/OR CONSTRUCTED BY MICHAEL E. LANGTON (PARTIAL LIST):

1350 Main (Planning, zoning, development, and sales) – 134 unit downtown upscale urban condominium project with 6,200 SF retail (17 floors) in Sarasota, FL

West University Avenue Lofts (Planning, zoning, development, and sales) – 31 unit downtown urban condominium project with 2,500 SF retail (3 floors) in Gainesville, FL

113 West Adams Street (Planning, zoning, development, and leasing) - 12 unit downtown urban condominium complex with 10,000 SF of retail in Jacksonville, FL

(B) **WILLIAM M. SULZBACHER** – A seasoned commercial real estate professional with over thirty years of wide-ranging and highly successful experience; well-developed relationships with national and regional retailers, brokers and lenders; experienced in the development of open-air retail centers, single tenant properties, and mixed use projects, and the creation and enhancement of value through the repositioning of underutilized retail properties through cost-effective redevelopment and strategic retenanting.

A Florida Licensed Real Estate Broker and ICSC Senior Certified Shopping Center Manager and Senior Certified Leasing Specialist, competent in the full range of commercial property transactions including shopping center development and redevelopment, market analysis and site evaluation and selection, due diligence, planning and zoning processes, negotiation of leases and sales contracts, development and preparation of lease documentation, and construction management.

PROFESSIONAL EXPERIENCE:

<u>ATLANTIC COAST DEVELOPERS, LLC</u>
February 2004 – present
President and Chief Executive Officer
Co-Founder and partner in organization focused on retail and mixed-use development and redevelopment projects in Florida and the South. Current projects include three joint venture developments with Kimco Developers Inc. in the greater

Jacksonville market, including Avenues Walk, a Regional Activity Center that includes retail, residential, hotel and office development. In addition, the company is involved in commercial developments ranging in size from one acre to 466 acres, focusing on Florida and the Southern United States.

AGORA DEVELOPMENTS, LLC
March 2003 - present
President and Chief Executive Officer
Became the sole owner of the development entity that was formerly part of Baita, a group of related real estate companies specializing in the development and redevelopment of open-air retail and mixed-use projects in the Southeastern United States. Acted as fee developer for projects in Bradenton and Jacksonville FL and completed a power center in Tallahassee in a joint venture with Kimco Developers

THE BAITA GROUP OF COMPANIES -- Atlanta GA/Jacksonville FL
Principal
March 1991 - June 2003
As President of Baita Property Services and later as President of Baita Real Estate, Inc., built the organization for growth of the Baita portfolio from eleven properties to 26 open-air shopping centers one regional mall, and two office buildings totaling over five million square feet. Hired, trained and supervised staff including leasing, asset management, property management, and marketing personnel. Oversaw the acquisition, management and leasing, and disposition of all Baita-owned properties and properties owned by third parties.

As President of Baita Development Company and later Agora Developments, responsible for the development and redevelopment of shopping centers; the structuring of joint venture partnerships for developing, owning and operating shopping centers; obtaining financing and maintaining lender relationships; interfacing with local and regional planning, zoning, and environmental authorities and with architects, engineers and general contractors; and procuring and negotiating anchor tenant leases.

Developments included properties in Jacksonville, FL; Boca Raton, FL; Raleigh NC; Lake Forest, NC and San Antonio, TX.

LAKEWEST EQUITY, INC./LAKEWEST EQUITY MANAGEMENT CORPORATION – Chicago IL/Jacksonville FL

Principal, 1979 - 1991

Exercised responsibility for the acquisition, redevelopment and daily operation of a portfolio of as many as nine neighborhood and community shopping centers in Florida and Alabama, including property management, lease negotiation, construction supervision, marketing, advertising, and promotional programs. Supervised the redevelopment and retenanting of open-air centers in Jacksonville, West Palm Beach, Boynton Beach, Tallahassee and Pensacola, Florida, and Mobile, Alabama.

REGENCY SQUARE, Jacksonville FL
1973 - 1981
Assistant manager of 725,000 square foot regional mall, manager of adjacent office complex and privately owned water and sewer utility company.

EDUCATION AND PROFESSIONAL CERTIFICATIONS:

B.A. - University of Pennsylvania
M.A.T. - Jacksonville University
Senior Certified Shopping Center Manager
Senior Certified Leasing Specialist
Florida Licensed Real Estate Broker

AFFILIATIONS:

Member - International Council of Shopping Centers
Member - ICSC Florida Government Affairs Committee
Member - ICSC North Florida Conference Planning Committee
Member – Urban Land Institute
Member - Jacksonville Chamber of Commerce
Member - Rotary Club of Jacksonville
Member - Jacksonville Community Council, Inc.
Member - Leadership Jacksonville Alumni Association
Member - Florida Theatre for the Performing Arts Board
Member – I.M. Sulzbacher Center Board
Member - Jacksonville Housing Authority Board
Member - San Jose Catholic Housing Association, Inc
Past Chairman - Jacksonville Housing Authority Board
Past Chairman - Florida Theatre for the Performing Arts Board
Past President - San Jose Catholic Housing Association, Inc.
Past President - Arts Assembly of Jacksonville

Past President - Preservation Association for Tree Hill
Past President - Catholic Charities Bureau, Inc., Jacksonville
Past President - Family Housing Company, Inc. Diocese of St. Augustine
Past President - St. Paul's Catholic Church Parish Council
Past President - BOMA (Building Owners and Managers Association) Jacksonville

PROJECTS CONSTRUCTED OR BEING DEVELOPED BY WILLIAM M. SULZBACHER (PARTIAL LIST):

AD New Berlin (Retail Development) – 4 acres in Jacksonville, FL

Atlantic Pasco, LLC (Retail Development) – 6.9 acres in Pasco County, FL

Avenue Walk (Mixed Use Development consisting of retail, multi-family, hotel, and office) – 161 acres in Jacksonville, FL

Bay Street Station (Mixed Use Urban Development consisting of retail, hotel, and office in development stage) – 4 acres in Jacksonville, FL

Boater's World Plaza (Retail Development) – 1.35 acres in Nassau County, FL

Branan Field Walk (Retail Development (Retail Development) – 15.85 in Clay County, FL

Russell Town Center (Retail Development) – 3.25 acres in Winder, GA

The Crossings of Carmel Creek (Mixed Use Development consisting of retail, multi-family, hotel, and office) – 466 acres in Hutto, TX

Plantation Crossing (Retail Development) – 40 acres in Clay County, FL

Pottery (Mixed Use Development consisting of\ retail, multi-family, hotel, and office) – 250 acres in Commerce, GA

Prairie Crossing (Mixed Use Development consisting of retail, senior housing, and office) – 85 acres in Grayslake, IL

Shoppes of Amelia Concourse (Retail Development) – 80 acres in Nassau County, FL

Cochran Corner (Retail Development) – 7 acres in Part Charlotte, FL

Yellow Bluff Square (Retail Development) – 4acres in Jacksonville, FL

(C) **CHRISTOPHER J. BROWN** - Mr. Brown commenced his real estate career with two national real estate companies, Mitchell Energy and Development of Houston and Campeau Corporation of Toronto. His thirty year's of real estate development also included nine years of public redevelopment, serving as the CEO of the Delray Beach CRA. Most recently his concentration has been in downtown urban, mixed use developments in Florida. He currently serves as operating partner for Sarasota projects for Sarasota Main Street Realty, an affiliated company of LB Jax Development, LLC where the company is constructing a 17 story mixed-use residential condominium. Mr. Brown's educational background is a combination of architecture, planning and business where he graduated from Yale University (Bachelor Arts in Fine Arts) and the University of Pennsylvania (Master of Architecture and a Master of City Planning). He is a licensed real estate broker and a licensed general contractor in the State of Florida and serves on the board of the Florida Redevelopment Association.

Mr. Brown is a licensed general contractor and real estate broker in the State of Florida. He also serves on several non-profit and governmental boards including Palm Beach County Impact Fee Review Committee, Florida Redevelopment Association (serving for two years as President of that organization), Palm Beach Photographic Centre, and the Downtown Sarasota Partnership Workforce Housing Committee. His memberships in organizations related to his field include the Florida Redevelopment Association, International Council of Shopping Centers, Urban Land Institute, Congress for New Urbanism and the Sarasota Downtown Partnership.

Christopher Brown has been an urbanist his entire life, promoting the principals of redeveloping downtown urban cores, which include providing a unique quality of life for people who live, work, recreate and entertain in the downtown. Mr. Brown is a real estate developer and an urban planner and each discipline influences the other. He recently moved to Sarasota, Florida, after having spent thirteen years in Delray Beach, where he worked on revitalizing that city's urban core, and created the first Andre Duany inspired urban, mixed-use building in downtown Sarasota. The project called "1350 Main", located at Main Street and Palm Avenue will provide retail shops and restaurants and residential condominiums, including uniquely designed studio lofts. The project is also the first in the downtown to contribute to a mass transit trust fund as well as an important affordable housing trust fund.

Mr. Brown's interest in affordable housing dates back to his graduate school days at the University of Pennsylvania when he and his brother negotiated with the City of Philadelphia and HUD to approve a community based program of affordable housing, utilizing the existing historic brick row houses of West Philadelphia. Recently in his role as CRA Director for the City of Delray Beach, he created a multi-agency affordable housing program in the city, constructing over 150 new homes for families whose incomes range from 50% to 80% of the county's median income. The program has been heralded as one of the most successful single lot, for-sale, affordable housing programs in the State of Florida. In addition Mr. Brown incubated Delray's local Habitat for Humanity housing program, providing them office space, technical assistance and staffing. The program has constructed over 50 homes in the Delray area.

His recent co-authoring with the City of Sarasota of the Downtown Residential Overlay District included two important ingredients: funds for mass transit and funds for affordable housing. As a developer he accepted the exchange of being granted higher density for a monetary contribution to these important funds. He was recently appointed by the Downtown Partnership to head the chairmanship of the affordable housing task force. His philosophy is that downtown Sarasota and its edge neighborhoods must have residential units that are affordable to lower income residents. His rationale: "it makes a real city, not one with just one income class. We need a work force that lives downtown and works downtown in the banks, government offices, restaurants, cultural institutions, and businesses. With workforce housing, the urban city gains in being an exciting place to live and visit. Workforce housing will reduce traffic trips, and we will see people walking to and from work in the morning and evenings. This makes a great city."

Mr. Brown's experience includes both private sector development and public sector redevelopment. He recently served as the Executive Director of the Delray Beach Community Redevelopment Agency for nine years where he transformed the depressed downtown into an economically vibrant center. Delray Beach has gained a national reputation for its resurgence, and Mr. Brown was at the forefront of its development.

In the 1970's and through the 1980's Mr. Brown as a developer concentrated on residential development, constructing both rental apartments and for-sale townhomes. He also served as a senior manager for two large public companies, Mitchell Energy (Houston) and Campeau (Toronto).

Mr. Brown together with Michael Langton formed the company LB Jax Development in 1999 to develop urban infill, mixed–use, predominately residential, projects. The company recently completed a 1920 historic 18,000 square feet structure in downtown Jacksonville. Its residential units, affordable to downtown workers, rent from $650 to $1,000 a month.

PROJECTS DEVELOPED AND/OR CONSTRUCTED BY CHRISTOHER J. BROWN (PARTIAL LIST):

Residential/Mixed-Use

1350 Main (Planning, zoning, development, and sales) – 134 unit downtown upscale urban condominium project with 6,200 SF retail (17 floors) in Sarasota, FL

West University Avenue Lofts (Planning, zoning, development, and sales) – 31 unit downtown urban condominium project with 2,500 SF retail (3 floors) in Gainesville, FL

113 West Adams Street (Planning, zoning, development, and leasing) - 12 unit downtown urban condominium complex with 10,000 SF of retail in Jacksonville, FL

Deer Creek (Planning, zoning, development, construction and sales) - 106 unit suburban single family home subdivision- Sarasota, FL

Prestancia Country Club (Construction and sales) – 20 units custom single family homes in Sarasota, FL

Laural Oaks Country Club (Construction) – 6 single family custom homes in Sarasota, FL
The Oaks (Construction and sales) - 6 single family custom homes in Sarasota, FL

Ocean Trail (Management) – 3 thirteen story, 315 units, residential oceanfront condominiums in Jupiter, FL

Boca Grove Plantation Country Club (Management) – 300 acre golf course community development in Boca Raton, FL

Citation Club Apartments (Planning, zoning, development) – 215 unit rental apartment community in Sarasota, FL

Citation Club Apartments (Planning, zoning, development) – 225 unit rental apartment community in Coral Springs, FL

Citation Club Apartments (Planning, zoning, development) – 215 unit rental apartment community in Parkland, FL

(D) **ROBERT A. ABBASI** – Having established an impressive record of investment, real estate, and property management successes, Robert Abbasi co-founded Atlantic Coast Developers, LCC in February 2004, while continuing his works as President and CEO of TRI Properties, Inc. As a Chairman at Atlantic Coast Developers, Inc., Mr. Abbasi is actively involved all business decisions and investment strategies.

Robert holds a California Real Estate Broker's license and has extensive experience analyzing the feasibility of large commercial and multifamily projects having participated in the brokerage of over $300,000,000 in transactions prior to 1990. This experience and his keen understanding of community economics and proven management techniques have allowed him to acquire and develop a large portfolio of multi-family units, office buildings and retail centers. Robert is also a co-founder and bank board member of Western Commercial Bank in Los Angeles; he presently sits on the Loan and ALCO committees of the Bank.

EXPERIENCE:

February 2004 to Present: Chairman of Atlantic Coast Developers, LLC

July 1986 to Present: President/CEO
RTI Properties, Inc., Gardena, CA

Real Estate Asset Management -- Oversee management of current property portfolio of multi-family residential complexes (over 4,000 units), office buildings, and retail centers. Oversight functions include administration, budgeting, human resources, property renovation/maintenance, risk management, and strategic planning.

Investment Real Estate Acquisition -- Locate, analyze, acquire, and finance suitable investment property for personal and partnership investment. Add substantial value through expert management, renovation, and turnaround. Have performed numerous renovation projects with excellent results.

Private Money Lending -- Originate and invest in real estate debt (trust deeds). Proficient in collateral evaluation, yield analysis, due diligence documentation, and loan servicing.

Commercial Property Broker -- Successfully involved in and completed over $300,000,000 in brokerage transactions prior to 1990 including all aspects of consulting, analysis, marketing,

negotiating, and financing of apartment and commercial property for clients.

Commercial Property Development -- Constructed luxury multi-residential units in West Los Angeles prior to 1990, currently involved in commercial, residential, and land developments with partners in California, Texas, and Florida. Co-founder of Atlantic Coast Developers, LLC in early 2004 as a partnership with William M. Sulzbacher, Eusabia L. Fink and David Blitz.

Co-founder and Bank Board Member of Western Commercial Bank in Los Angeles. On loan and ALCO committees of bank.

June 1983 to June 1986: SENIOR INVESTMENT CONSULTANT at The Hanes Company, Inc., Torrance, CA

"Top Five" Broker of investment properties at one of the largest Southern California investment brokerage firms at that time. Marketed and sold apartment complexes, office buildings, retail centers, and mobile home parks.

Concurrently held Assistant Manager position in the South Bay Regional Office. Reviewed contracts, lead management meetings, motivated agents, conducted training sessions, and implemented sales contests and promotions.

Senior Trainer of new agents. Involved in all areas of training and development from analysis to conducting sales meetings with prospective clients.

EDUCATION:

University of Southern California Executive MBA (Master of Business) Degree. Graduated with Honors, May 1993.

University of Southern California Bachelor of Arts Degree in Economics. Graduated with Honors, May 1983.

Department of Real Estate Approved Seminars.

Numerous seminars pertaining to ethics, finance, law, taxation, and real estate development.

Numerous Continuing Education Seminars/Workshops.

Numerous seminars and workshops pertaining to real estate industry outlook and prospects, sponsored by Lusk Center of Real Estate Development, Building Industry Association, and The Real Estate Conference Group.

Hold California Real Estate Broker's License as corporate officer of RTI Properties, Inc.

HONORS AND AWARDS:

Graduated Magna Cum Laude in 1983 at USC.

USC Department of Economics Honors, 1983.

USC Dean's list, 1979-1983 and 1991-1993.

Member of Phi Beta Kappa (National Honors Society).

Member of Beta Gamma Sigma (National Business School Honors Society).

Member Phi Kappa Phi (National Honors Society).

Consistent Sales Excellence Award recipient, The Hanes Co, Inc.; ranked within top five agents company-wide during 1984 and 1985.

Ranked as #1 broker in Hanes Company South Bay Region, 1984-1985.

Published author in international real estate journal (Real Estate Review).

TRACK RECORD:

Excellent returns on capital invested. Turned initial personal investment capital from brokerage earnings into sizeable real estate portfolio within several years of starting in business.

Prospered through the 1990's real estate downturn through disciplined management control of properties, unlike many other owners with similar portfolios purchased in the late 1980's.

Impeccable credit and payment record with banks and other financial institutions.

Excellent reputation within industry for integrity, knowledge, and following through with commitments.

Confidante and advisor to many in the industry including institutions, brokers, investors, property managers, and bank executives.

Accomplished in business school and study of economics, business, and finance. Well versed on the impact of macroeconomic changes on the real estate business and on relevant hedging strategies.

Highly effective management ability; properties under management operate efficiently and in excellent condition.

4) The YRJV will need SFRTA Board and staff support in order to apply for and receive fringe and corridor parking facilities grant and other related transportation improvement grants. The parking structures, outdoor public spaces, pedestrian corridors, and the land they rest upon will (to the extent such property is currently owned by SFRTA) will be owned by SRFTA with agreements with the YRJV or a SFRTA approved successor group or managing entity for the continued operation and maintenance of such facilities. YTJV will need to reach agreement with other land owners or entities possessing Yamato Road Tri-Rail Station Development Site property rights and would request SFRTA cooperation in this regard. YRJV will assume sole responsibility to secure all development entitlements and financing (other than the aforementioned fringe and corridor parking facility or related transportation improvement grants) for the project as shown on the attached Yamato Road Development and attached described in the Yamato Road Development Program Summary.

SUPPORTING INFORMATION

1) Financial Plan - The proposed total estimated cost of the effort is $200 million plus land costs based upon the following assumptions: residential costs of 300 per square feet and office; hotel, and retail costs of $200 per square feet; and, parking costs at 40,000 per parking space (keeping in mind that a fringe and corridor parking facility for which federal funding may be sought includes access roads, buildings, structures, equipment, improvements, and interests in lands). Pedestrian-oriented public space improvements, as part of or independent from the parking facilities costs, are to be include in the over costs.

Funding sources will include:

(A) Equity funds from the YRJV. Available for review during the proposal review and approval process and expended as necessary to initiate project. Assume the federal fringe and corridor parking facilities grant will require one to three years to be approved and that funds would be made available thereafter.
(B) Equity partners to be identified during the course of the proposal review and approval process. Similar funding schedule.
(C) Conventional financing. Similar funding schedule.
(D) Federal and state grants as referenced herein. One to three years for approval and funds made available thereafter.
(E) Safe neighborhood or other special districts and entities formed for capital, maintenance, and operating expenses. Upon approval of the City of Boca Raton.
(F) Recurring planning, improvements, higher education, and community education budgets funded by property assessments, user fees, CIS-related patent fees, or otherwise. Established with the construction of the Phase II development and expanded as each phase is constructed (Phases III and IV).
(G) Operation and maintenance of parking facilities and public spaces undertaken as a public-private partnership between SFRTA and YRJV, and its SFRTA approved assigns or successors.

Estimated construction schedule: 18 months per phase (II, III, IV) and five years to complete the entire project.

2) Period of Time for which the proposal is valid – Three (3) years.

3) Type of Contract preferred – A lease as proposed by Boca Tri-Rail Center, LLC, but for the land depicted at the Yamato Road Tri-Rail Station Development Site other than where parking facilities and pedestrian corridors, plazas, and such other public spaces shown to be located. YRJV would be willing to structure parts of the property transactions as a fee simple purchase of land owned by SFRTA.

4) Proposed duration of effort – Once mobilized, the construction of each phase expected to be complete in 18 month intervals, for the expected total construction duration of five years. Continued operation of the parking structure and public spaces would be an ongoing public-private undertaking of SFRTA and YRJV, its SFRTA approved assigns or successors. Recurring planning, improvements, higher education, and community education budgets funded by property assessments, user fees, CIS-related patent fees, or otherwise. Established with the construction of the Phase II development and expanded as each phase is constructed (Phases III and IV).

5) The Yamato Road Joint Venture for the development of the Yamato Road Tri-Rail Station Development Site consists of Atlantic Coast Developers, LLC and

LB Jax Development, LLC, two entities with principals that have long and continuing business and personal relationships with each other. Business decisions will be made by the four principal listed above (Michael E. Langton, William M. Sulzbacher, Christopher J. Brown, and Robert A. Abbasi). Day-to-do decisions will be discussed and resolved by Michael and William, and Michael will be the lead contact between YRJV and SFRTA (except as such time when we is not available, arrangements be made or William or Christopher to temporarily assume that role). Previous and relevant experience of the principle is contained in the earlier section providing the biographical information on the four principals (see pages 8 through 19). Facilities at the Yomato Road Tri-Rail Station Development Site will be used for staging of the three phases of construction anticipated in such a way as to maintain or improve upon the use of the Yomato Road Tri-Rail Station facilities for Tri-Rail Commuter service customers.

6) Other statements, if applicable, about organizational conflicts of interest, security clearances, and environmental impacts. Marie Horenburger is a contract consultant engaged by Langton Associates to assist on specific local governmental contracts (Palm Beach county, City of Lake Worth, and City of Delray Beach)

7) The names and telephone numbers of SFRTA technical and other SFRTA points of contact already contacted regarding the unsolicited proposal. YRJV offeror Consult Team Member (Tom Gustafson) made initial call to Board Member James A. Cummings (954 733-4211) to discuss initiating a response proposal regarding the Yamato Road Tri-Rail Station Development Site, but immediately terminated the conversion upon being immediately reminded by Mr. Cummings that he still serves on the SFRTA Board. The conversation took place last May or June 2007 when another unsolicited proposal was being reported in the newspapers (Palm Beach Post article dated May 12, 2007). Subsequent discussions have occurred between Tom Gustafson and SFRTA staff regarding unsolicited proposal procedures, status of proposals at the Yamato Road Tri-Rail station, and status of development efforts at this and other Tri-Rail Station sites (Carol Gold at 954 788-7919, Bryan Kohlberg at 954 788-7910, Bill Cross at 954 788-7916, Loraine Kelly Cargill at 954 788-7921, Diane Hernandez Del Calvo at 954 788-7919). Marie Horenburger was advised by Michael E. Langton that LB Jax Development, LLC would be submitting an unsolicited proposal relating to the Yamato Road Tri-Rail Station development opportunities and that, due to Mr. Langton's relationship with Ms. Horenburger via Langton Associates, he suggested she might want to consult with SFRTA staff regarding how she should deal with the situation once such proposal is filed.

ATTACHMENT I –

SOUTH FLORIDA REGIONAL TRANSPORATION AUTHORITY (SRFTA) NOTICE OF RECEIPT OF AN UNSOLICITED PROPOSAL FOR A PROPOSED GROUND LEASE FOR SFRTA'S BOCA YAMATO PROPERTY

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South Florida Regional Transportation Authority (SFRTA)
Notice of Receipt of an Unsolicited Proposal for a Proposed Ground Lease for SFRTA's Boca Yamato Property

SFRTA has received and accepted for consideration an unsolicited proposal under the provisions of its Unsolicited Proposal Policy for a ground lease for SFRTA's Boca Yamato Property. SFRTA intends to evaluate this unsolicited proposal for further consideration or may negotiate a lease with the offeror based on the proposal.

Other interested firms or other private entities are invited to submit competing unsolicited proposals for this lease for simultaneous consideration by submitting three (3) complete copies and the initial fee of $25,000 to the address below. Proposals must be clearly identified as "Proposed Ground Lease for SFRTA's Boca Yamato Property" and be received by September 17, 2007, at 5:00 PM local time at the following address:

Mr. Bryan Kohlberg
Contracts Compliance Specialist
South Florida Regional Transportation Authority
800 N.W. 33 Street, Suite 100
Pompano Beach, FL 33064
Phone: 954-788-7910
Fax: 954-788-7963
Email: kohlbergb@sfrta.fl.gov

Proposals received after this date/time shall be rejected.

Copies of the received unsolicited proposal are available by contacting Bryan Kohlberg at the number above.

Questions regarding this advertisement must be submitted in writing and received no later than August 29, 2007 at 5:00 PM to the address above.

Christopher C. Bross, CPPO, FCPM
Director, Procurement

ATTACHMENTS II –

YAMATO ROAD DEVELOPMENT ILLUSTRATIONS

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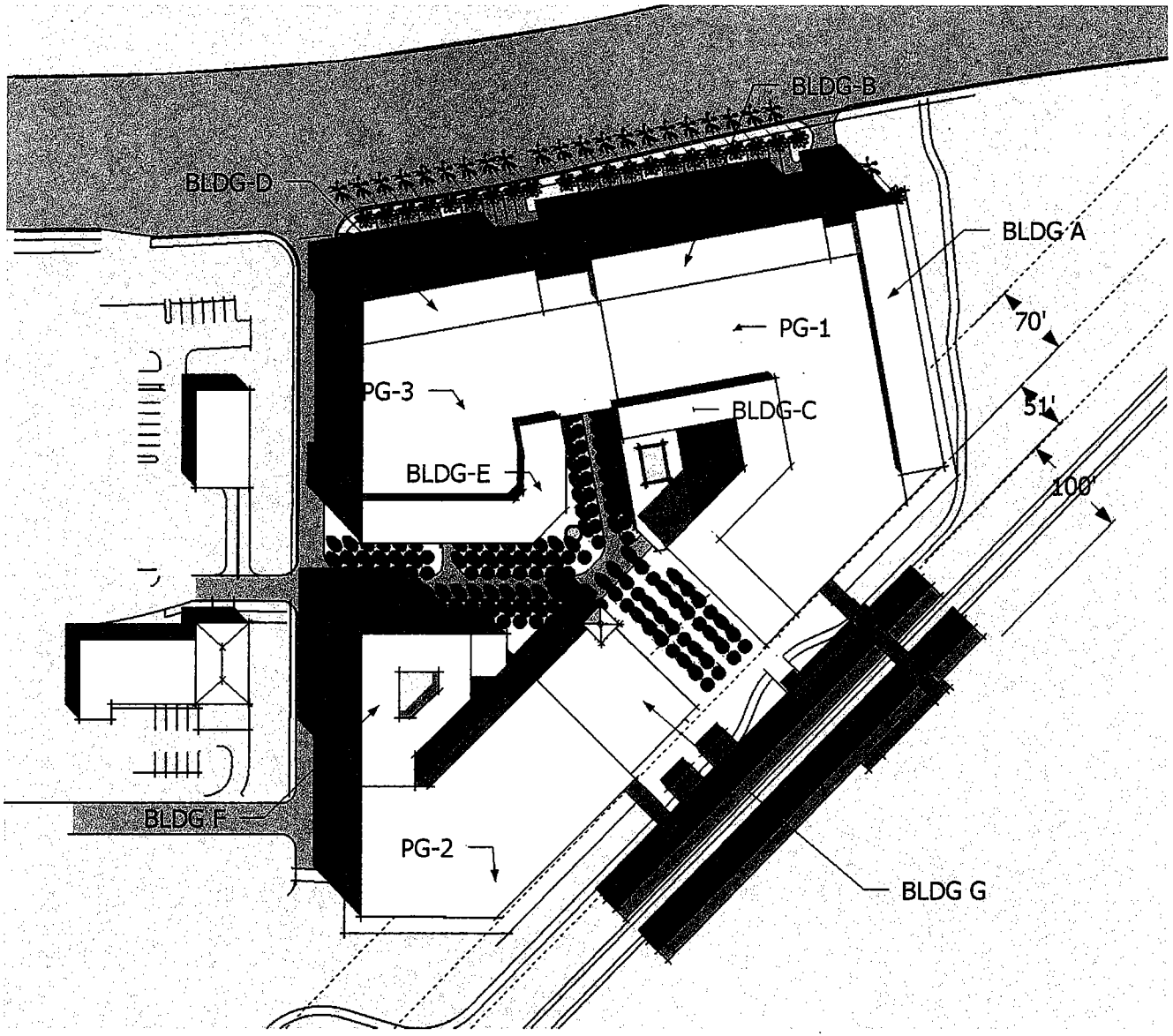
YAMATO ROAD DEVELOPMENT



PARKING GARAGES

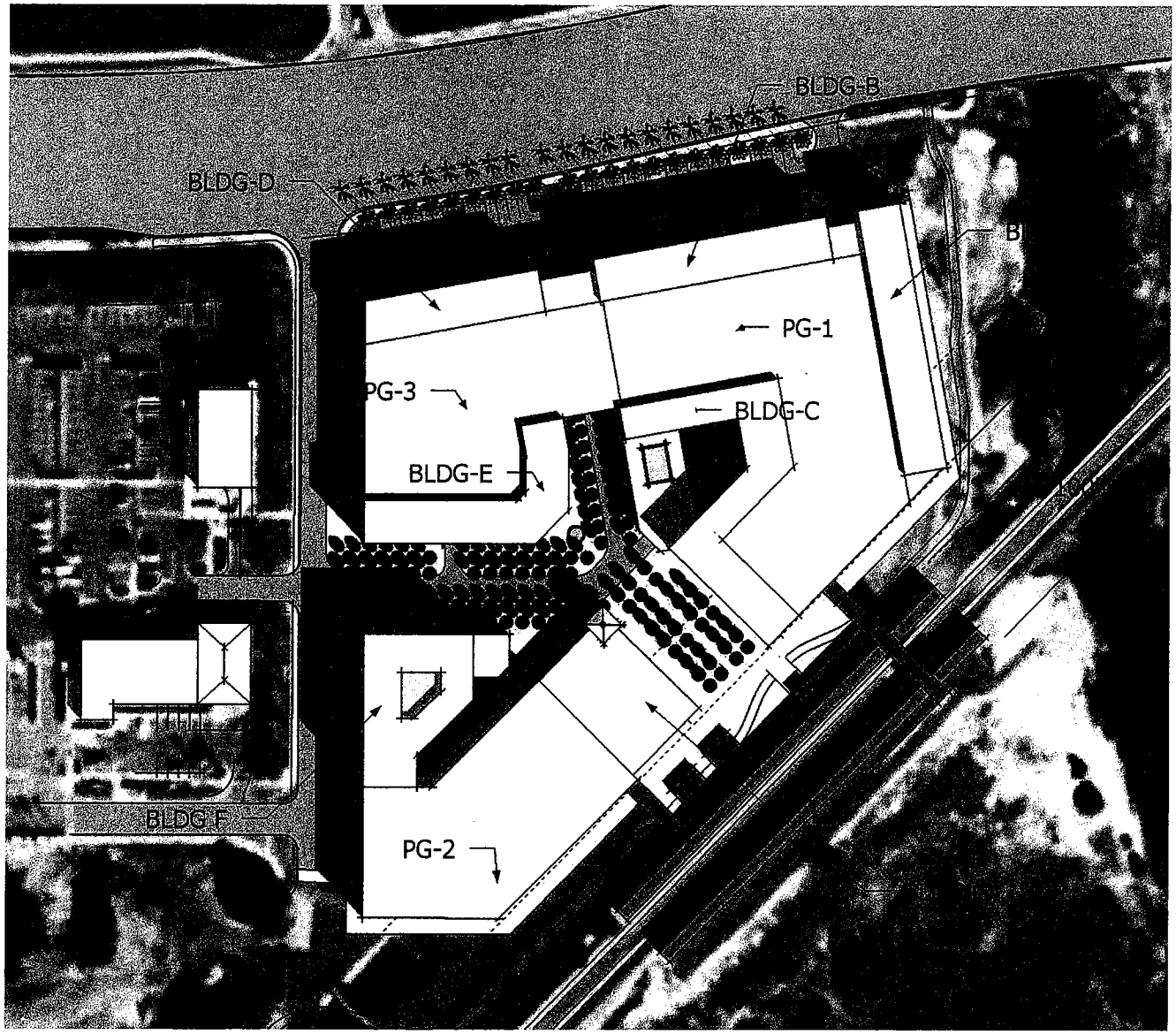
LINER BUILDINGS

RAILWAY STATION

PLAN VIEW
1"=100'

UPDATE 08/28/2007

YAMATO ROAD DEVELOPMENT



PARKING GARAGES

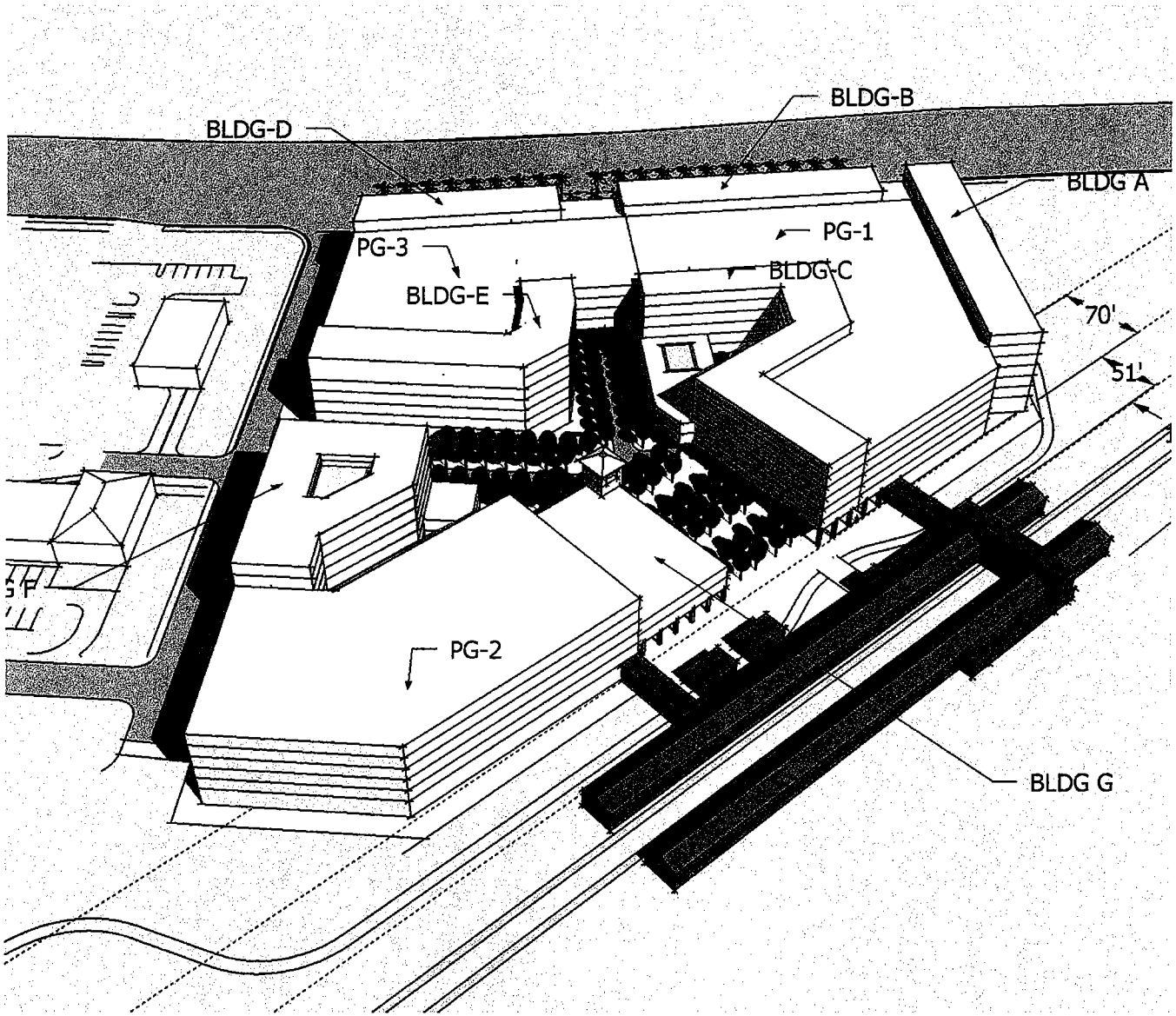
LINER BUILDINGS

RAILWAY STATION

PLAN VIEW WITH AERIAL
1"=100'

UPDATE 08/28/2007

YAMATO ROAD DEVELOPMENT



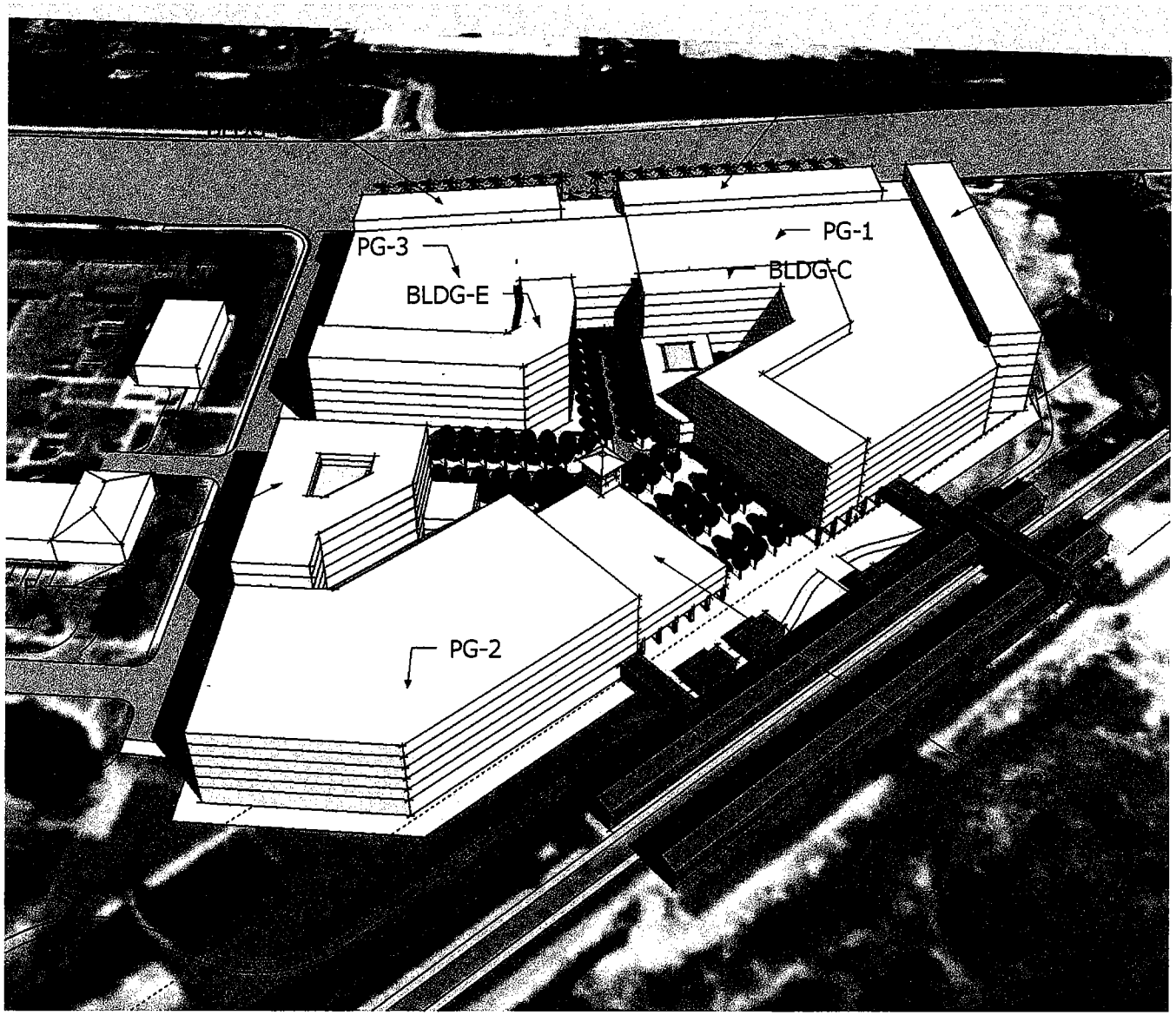
PARKING GARAGES

LINER BUILDINGS

RAILWAY STATION

PERSPECTIVE VIEW 1

UPDATE 08/28/2007



YAMATO ROAD DEVELOPMENT

PARKING GARAGES

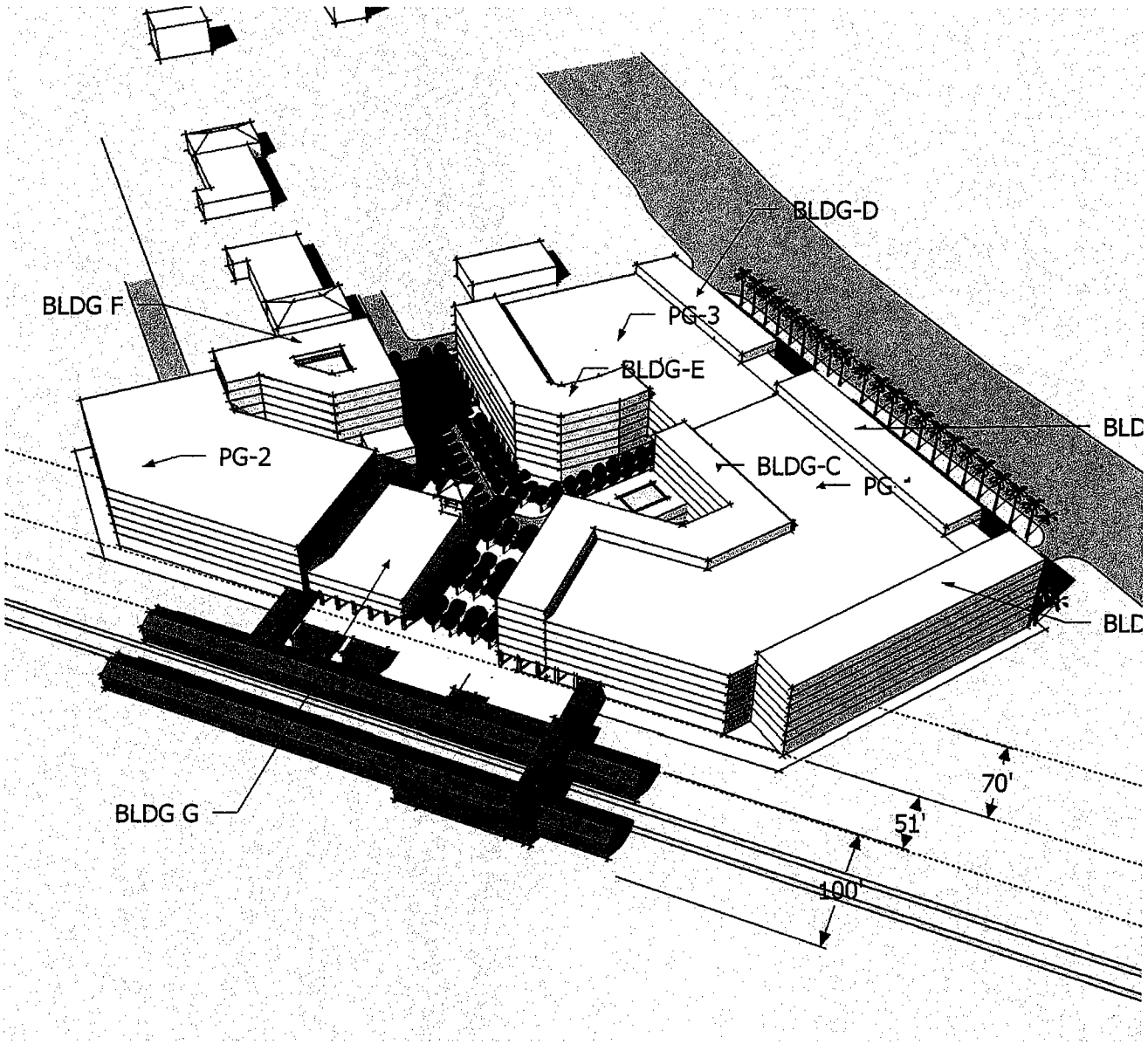
LINER BUILDINGS

RAILWAY STATION

PERSPECTIVE VIEW 1
WITH AERIAL

UPDATE 08/28/2007

YAMATO ROAD DEVELOPMENT



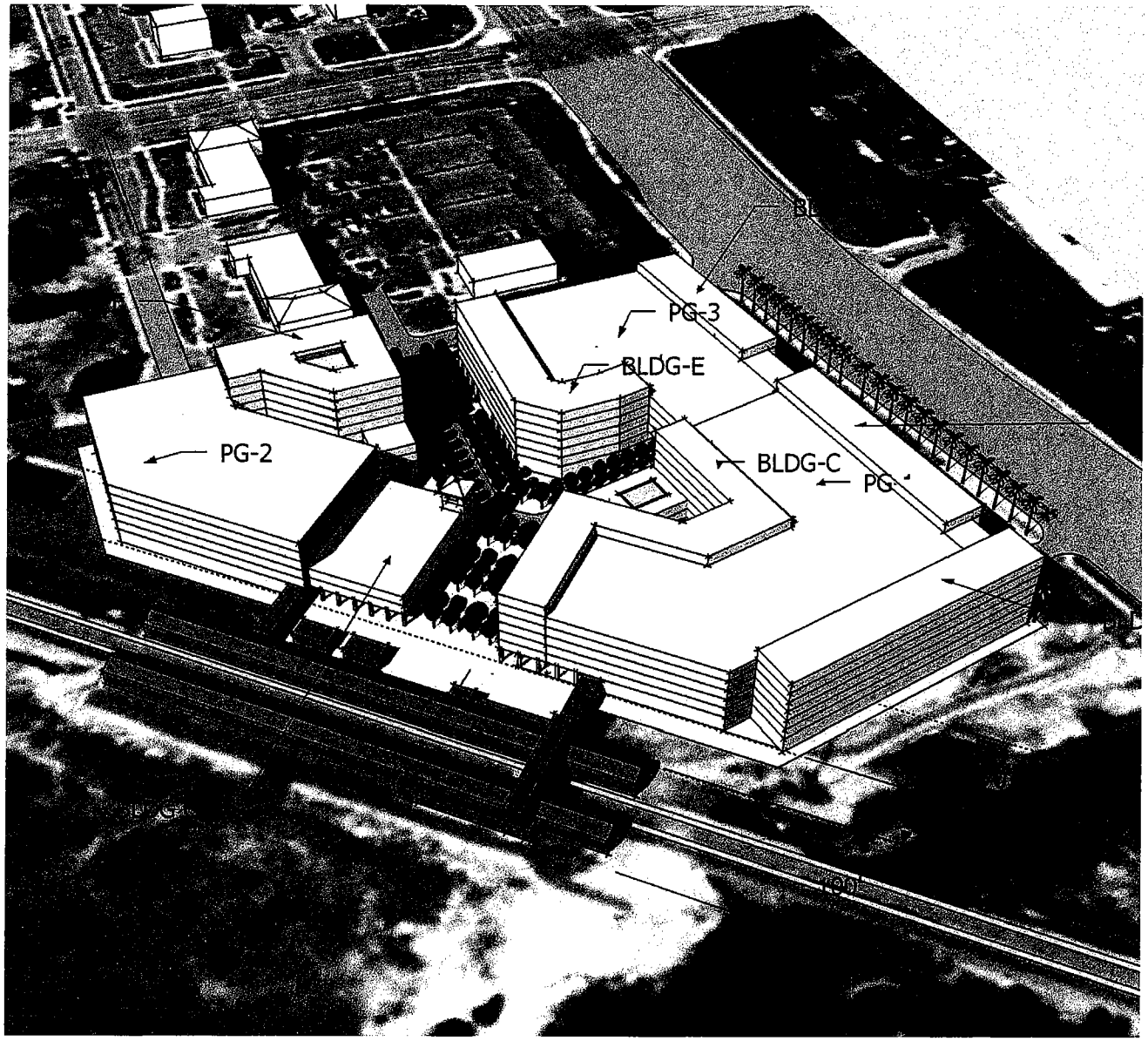
PARKING GARAGES

LINER BUILDINGS

RAILWAY STATION

PERSPECTIVE VIEW 2

UPDATE 08/28/2007



YAMATO ROAD DEVELOPMENT

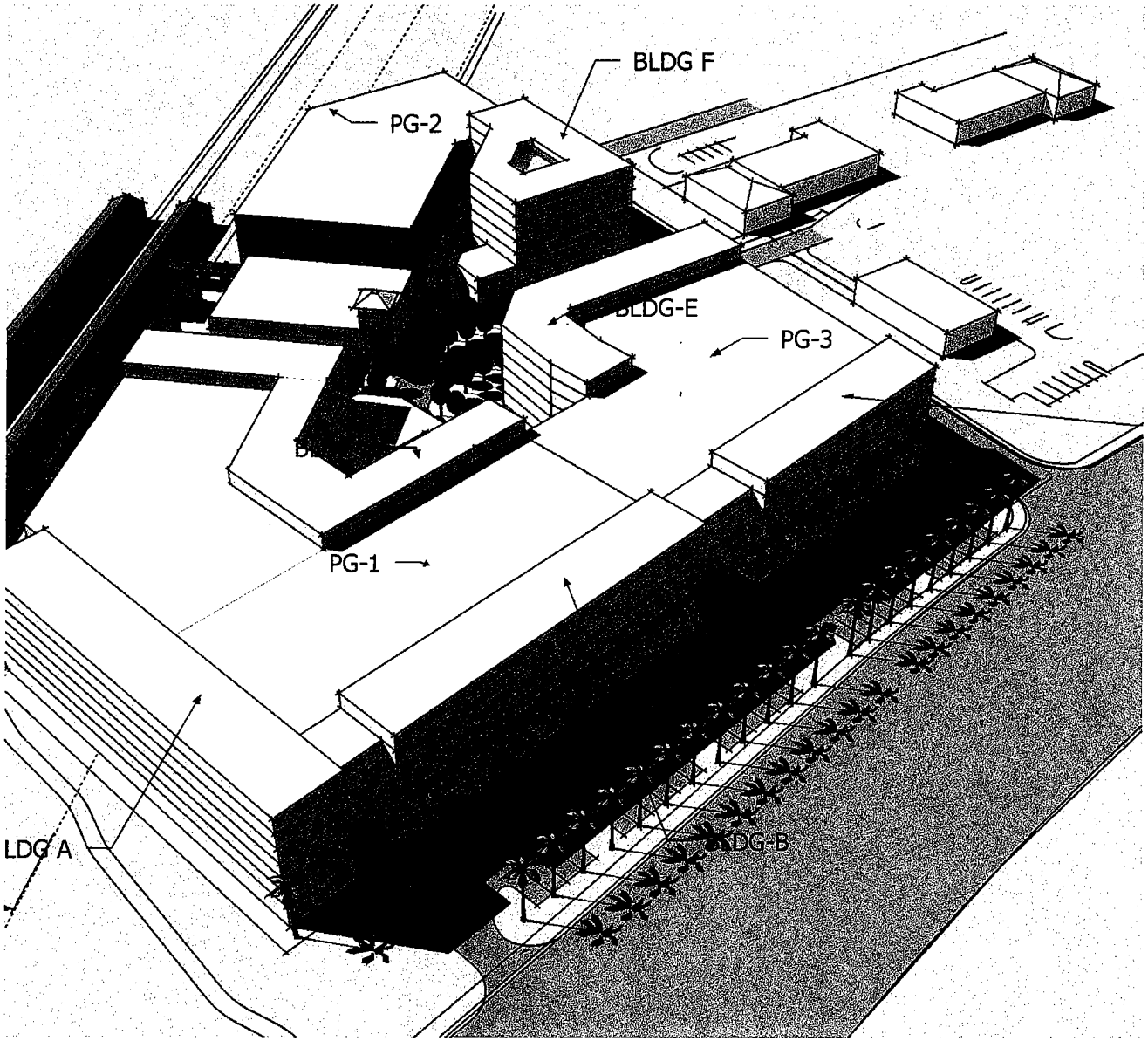
PARKING GARAGES

LINER BUILDINGS

RAILWAY STATION

PERSPECTIVE VIEW 2
WITH AERIAL

UPDATE 08/28/2007



YAMATO ROAD DEVELOPMENT

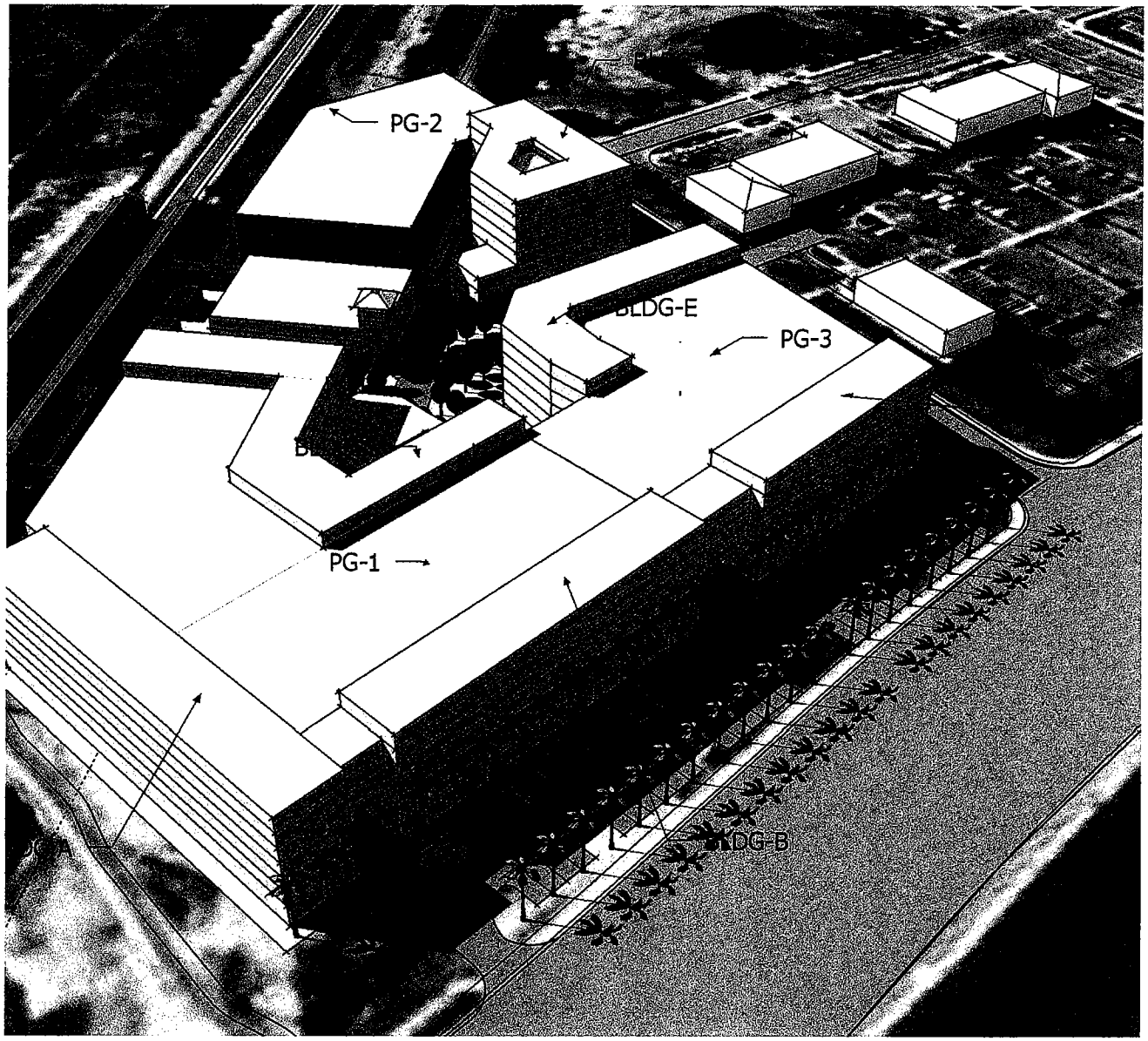
PARKING GARAGES

LINER BUILDINGS

RAILWAY STATION

PERSPECTIVE VIEW 3

UPDATE 08/28/2007



YAMATO ROAD DEVELOPMENT

PARKING GARAGES

LINER BUILDINGS

RAILWAY STATION

PERSPECTIVE VIEW 3
WITH AERIAL

UPDATE 08/28/2007

ATTACHMENT III –

YAMATO ROAD DEVELOPMENT PROGRAM SUMMARY

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YAMATO ROAD DEVELOPMENT PROGRAM SUMMARY

9/12/2007

PHASE II (EAST PARCEL)

Building Code	Height	Building use	Sub categoris	sqft	*units*	Total sqft	Parking spcs
PG-1	6 stories	Parking garage	-	240,000	-	240,000	600
PG-SG	Sub grade	Subgrade parking	-	100,000	-	100,000	250
Sub Total						**340,000**	**850**
BLDG-A	7 stories	Office	Office	70,000		70,000	-
BLDG-B	7 stories	Mixed use	Retail	10,000	-	60,000	-
			Residential	50,000	41		
BLDG-C	7 stories	Mixed use	Retail	20,000	-	100,000	-
			Residential	80,000	66		
Sub Total					107	**230,000**	-
PHASE II TOTAL DEVELOPMENT						**570,000**	**850**

PHASE III (SOUTH WEST PARCEL)

Building Code	Height	Building use	Sub categoris	sqft	*units*	Total sqft	Parking spcs
PG-2	6 stories	Parking	Bus Terminal	30,000	-	180,000	-
			Parking garage	150,000	-		375
Sub Total						**180,000**	**375**
BLDG-F	8 stories	Hotel	Hotel		*150 rm*	75,000	-
BLDG-G	3 stories	Office/Mixed use	Retail	10,000	-	30,000	-
			Office	20,000	-		-
Sub Total						**105,000**	-
PHASE IV TOTAL DEVELOPMENT						**285,000**	**375**

PHASE IV (NORTH WEST PARCEL)

Building Code	Height	Building use	Sub categoris	sqft	*units*	Total sqft	Parking spcs
PG-3	**6 stories**	parking	-	-	-	180,000	450
Sub Total						**180,000**	**450**
BLDG-D	7 stories	Mixed Use	Retail	7,000	-	57,000	-
			Residential	50,000	41		-
BLDG-E	7 stories	Residential/Mixed Use	Retail	8,000		68,000	-
			Residential	60,000	49		-
Sub Total					**91**	**125,000**	-
PHASE IV TOTAL DEVELOPMENT						**305,000**	**450**

YAMATO ROAD DEVELOPMENT PROGRAM SUMMARY

9/12/2007

OVERALL DEVELOPMENT SUMMARY

CATEGORY		PHASE II	PHASE III	PHASE IV		Sub total
RESIDENTIAL	sqft	130,000	-	110,000		240,000
	units	*107*	-	*91*		198
OFFICE		70,000	20,000	-		90,000
HOTEL		-	75,000	-		75,000
RETAIL		30,000	10,000	15,000		55,000
GARAGE		340,000	180,000	180,000		700,000
GRAND TOTAL		**570,000**	**285,000**	**305,000**		**1,160,000**

PARKING SUMMARY

PARKING REQUIRED

USE		note				Total spcs
TRI-RAIL		80 spaces*				80
RESIDENTIAL		1.5spcs/unit				296
OFFICE		1/300sf				300
HOTEL		1.2spcs /rm				180
RETAIL		1spcs/200 sf				275
TOTAL						**1,131**

*refer to PBSJ plan

PARKING PROVIDED

		SURFACE	SUBGRADE	GARAGE		Total spcs
PHASE II		32	250	600		882
PHASE III				375		375
PHASE IV		24		450		474
TOTAL				**975**		**1,731**

NOTES: 400 sqft/spc

PROVIDED PARKING	**1,731**
REQUIRED PARKING	**1,131**
EXCESS PARKING	**600**

ATTACHMENTS IV –

ORGANIZATIONAL INFORMATION FOR ATLANTIC COAST DEVELOPERS, LLC:

Atlantic Coast Developers, LLC was founded early in 2004 by a group of four real estate veterans, two from each coast. These individuals have over a century of active real estate development and management experience; William Sulzbacher, Eusebia Fink, Robert Abbasi and David Blitz.

Atlantic Coast Developers, LLC is a Florida corporation headquartered in Jacksonville. William Sulzbacher serves as the Managing Member, President and CEO, Eusebia Fink as the Executive Vice President through May Street Developers, LLC which is the Managing Member of Atlantic Coast Developers, LLC. Robert Abbasi serves as Chairman of Atlantic Coast Developers, LLC, he and David Blitz hold their interest in Atlantic Coast Developers, LLC through Southeast Development, LLC a California corporation.

The founders wanted to capitalize on their experience by developing; retail, mixed-use and single-tenant projects with an emphasis on high growth corridors in the southeastern United States.

The principals have been involved in numerous retail projects during their years in the industry, ranging from enclosed malls in Colorado and South Carolina, redevelopment of open-air projects in Boynton Beach, Jacksonville, Palm Springs, Pensacola, St. Petersburg, and Tallahassee. The partners also have significant experience in the multifamily and office markets.

Atlantic Coast Developers, LLC presently has in excess of one-thousand acres under active retail and mix use development in the southeastern United States. The retail component of these projects exceeds two million square feet. The projects span the spectrum of suburban "Town Centers" to "Urban Mix-Use" redevelopment. Atlantic Coast Developers, LLC is also actively pursuing its first project that will utilize the Green Building Rating System which is the nationally accepted benchmark for the design, construction, and operation of high performance green buildings.

An project list describing some of the projects being undertaken by Atlantic Coast Developers, LLC projects has been included elsewhere in this proposal (see page 13 above) to give a better understanding of the depth and scope of Atlantic Coast Developers, LLC projects.

ORGANIZATIONAL INFORMATION FOR
LB JAX DEVELOMENT, LLC:

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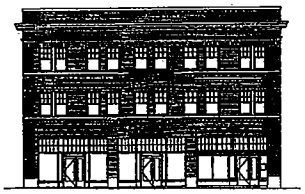
LB JAX INTRODUCTION

LB Jax Development, L.L.C. is a rapidly emerging and aggressive company! The primary focus of our company is in-fill mixed-use projects, with a special emphasis on adaptive reuse of historic buildings, when they are available. Our company was the first developer in the City of Jacksonville to undertake an adaptive reuse, mixed-use project in Downtown Jacksonville. Jacksonville's First Live/Work Lofts opened in October 2002; the W.A. Knight Building has been a very successful project that is centrally located in the heart of Downtown. A list of our current projects (in planning and development stage) is as follows:

Current:

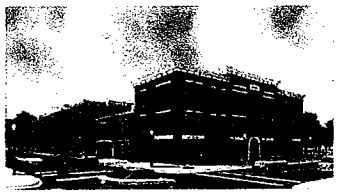
W.A. Knight Building, L.L.C.

- 12 loft apartments and 2 retail units on ground floor
- adaptive re-use of 1923 structure in the heart of Downtown
- rendering attached



West University Avenue Lofts, L.L.C.

- 31 loft apartments and 4 retail units on ground floor
- new construction in Gainesville, Florida half way between Downtown and the University of Florida
- rendering attached



Sarasota Main Street, L.L.C.

- 150 luxury apartments and 8,000 square feet of ground floor retail
- 18 story high rise new construction in Sarasota, Florida in the heart of Downtown
- rendering attached

Bay Street Station, L.L.C.

- TOD in conjunction with Jacksonville Transportation Authority
- Joint Venture with Atlantic Coast Developers in Downtown Jacksonville, Florida
- $250 million development including two hotels with 375 rooms, 14 screen movie complex, 80,000 sq. ft. Office building, 150 Workforce Housing units, and multiple garages for over 3,000 vehicles.
- Hard connection to Automated Skyway System at Jefferson Street Station
- rendering attached

Bay Street Station Rendering

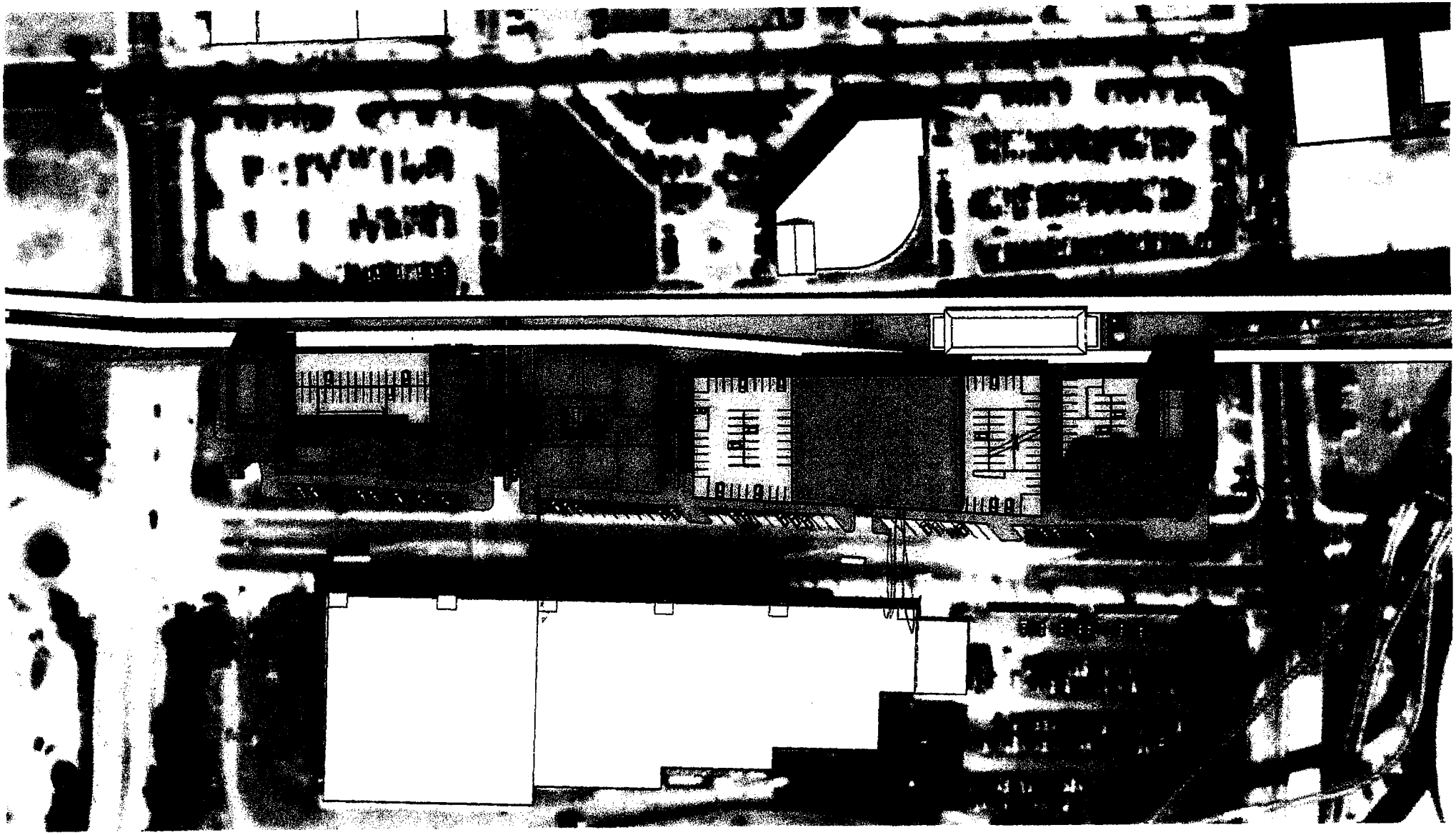


Exhibit 2

WEISS, HANDLER,
ANGELOS & CORNWELL, P.A.
ATTORNEYS AT LAW
ONE BOCA PLACE
SUITE 218A
2255 GLADES ROAD
BOCA RATON, FLORIDA 33431-7392

BOCA RATON (561) 997-9995
BROWARD (954) 421-5101
PALM BEACH (561) 734-8008
PORT ST. LUCIE (772) 345-LAWS
TELECOPIER (561) 997-5280
www.weissandhandler.com
E-MAIL hbh@weissandhandlerpa.com

CYNTHIA G. ANGELOS*
WILLIAM J. CORNWELL**
DAVID K. FRIEDMAN
ROBERT BLAIR GOLDMAN
ANTHONY GUETTLER
HENRY B. HANDLER
CAROL A. KARTAGENER◊
ANNETTE J. SZOROSY
HOWARD I. WEISS***
NORMA ECHARTE WIENER

*FL, VA BARS
**FL, GA BARS
***FL, NY BARS
◊BOARD CERTIFIED MARITAL & FAMILY LAW
+NY BAR, NOT ADMITTED IN FL

PORT ST. LUCIE OFFICE
10521 SW VILLAGE CENTER DRIVE
SUITE 101
PORT ST. LUCIE, FLORIDA 34987
(772) 345-LAWS

OF COUNSEL
RAOUL LIONEL FELDER+
DEREK A. SCHWARTZ
HARRY WINDERMAN

RECEIVED
AUG 07 2007
EXECUTIVE

August 7, 2007

VIA HAND DELIVERY
Jack L. Stephens
Deputy Executive Director
South Florida Regional Transportation Authority
800 N.W. 33rd Street
Suite 100
Pompano Beach, FL 33064

RE: Boca Site – Unsolicited Proposal from Boca Tri-Rail Center, LLC

Dear Jack:

Attached is the Unsolicited Proposal of Boca Tri-Rail Center, LLC for the Boca Raton site. I have also submitted herewith the application fee of $25,000 made payable to the Authority. Please notify us immediately of any questions in connection with the enclosed submission.

Very truly yours,

WEISS, HANDLER,
ANGELOS & CORNWELL, P.A.

HENRY B. HANDLER

HBH/wv
Enclosures

BOCA TRI-RAIL, LLC
5000 T-Rex Ave.
Ste. 150
Boca Raton, FL 33431

August 7, 2007

South Florida Regional Transportation Authority
800 NW 33rd Street
Suite 100
Pompano Beach, FL 33064
Attn: Joseph J. Giulietti, Executive Director

RE: Unsolicited Proposal of Boca Tri-Rail, LLC ("BTR") for Boca Raton Site

Dear Mr. Giulietti:

BTR is pleased to deliver this letter and attachments in conformity with Articles III and IV of the SFRTA Policy for Unsolicited Proposals.

III.

(1) Basic Information:

a. The Offeror is Boca Tri-Rail, LLC, a Florida limited liability company;

b. The names and telephone numbers of the personnel to be contacted for evaluation or negotiation purposes are:

i. Ned Siegel, 5000 T-Rex Ave., Ste. 150, Boca Raton, FL 33431, Telephone: (561) 998-3705.

ii. Malcolm Butters, Butters Construction & Development, 6820 Lyons Technology Circle, Suite 100, Coconut Creek, FL 33073, Telephone: (954) 570-8111.

iii. O. Ford Gibson, Gibson Development Partners, 1500 San Remo Avenue, Suite 251, Coral Gables, FL 33146, Telephone: (786) 268-2225.

iv. Henry B. Handler, Esq., Weiss, Handler, Angelos & Cornwell, P.A., 2255 Glades Road, Suite 218-A, Boca Raton, FL 33431, Telephone (561) 997-9995.

c. There is no proprietary data in this proposal.

d. There are no Federal, State or local agencies or parties receiving this proposal.

e. August 7, 2007; and

f. The signature of the person authorized to represent and contractually obligate the Offeror appears at the end of this proposal.

(2) The Offeror submits the following required information:

a. Concise title and abstract:

Partnership for Boca Transit Center

BTR proposes to create a commercial transit center on the approximate 3.64 acres located on the southwest corner of Yamato Road and I-95 in Boca Raton (also known as Phase II of the Intermodal Facility). BTR's vision is to create an integrated community of Class-A commercial and market-sensitive retail space accommodating transit ridership needs. Specifically, BTR proposes a 99-year lease of the Boca Raton site, on which it will construct a Class-A office building consisting of three floors containing 50,000 square feet of general commercial office use, with underground parking, and 15,000 square feet of retail space, if permitted, on the south side of the first floor. Presently, 10,000 square feet of retail space is permitted by Boca Raton. BTR proposes a multi-level rent schedule, with an annual participation rent tied to gross revenues and transaction rent resulting from a sale or refinancing, in addition to a base annual rent to the Authority. The site design contemplates integration of the office building and retail space with transit traffic by offering several access points through multiple lobbies and a covered walkway to the depot. The underground parking will satisfy the principal preference parking needs of the commercial occupants, leaving significant near-proximity parking available for the use of transit riders driving to the center.

b. BTR will plan, develop and build the commercial transit center with the approval of the SFRTA and all other governing bodies. The objectives of the commercial transit center are to increase ridership, provide revenue in partnership with the SFRTA and serve as a prototype for regional transportation nodes. The design of the center is meant to facilitate access to and from individual vehicles parked in close proximity to the rail depot and to provide attractive, responsive service to the needs of the transit ridership both entering and exiting trains at the site. The center is intended to be a viable candidate for LEED certification under the Green Building Rating System. The center also is designed in order to protect ridership from inclement weather in accessing train cars. Transit riders will have the opportunity to park close to the office building since preference parking for office space occupants will be accommodated beneath the three-story structure. The lease agreement contemplates a sharing of revenue resulting from gross revenue generated at the center, a percentage of net proceeds from a sale and/or each refinancing as well as a base rent for the SFRTA. Transit facilities at the center will provide a tremendous service to the local student population which is attracted to Boca Raton's two major colleges, the community college and numerous adult education programs conducted throughout the City. The retail facilities will be sufficient in number and variety to service the ridership with its proximity and services recognizing the need to get to and from trains, local mass transit and individual vehicles. While 10,000 square feet of retail use is presently permitted by Boca Raton, BTR will apply for the right to develop 15,000 square feet of retail space. If the market, however, does not support the amount of square footage permitted by the City and leases cannot be secured within a specified period of time, then BTR has reserved the right to develop and rent the contemplated retail space for office use. A seven-page preliminary site plan and elevation is enclosed for a graphic display of BTR's efforts to accomplish these objectives with the SFRTA. The terms of the proposed 99 year lease and agreement for the development of the center are contained in a document submitted herewith entitled Development and Lease Agreement.

c. The names and biographical information on BTR's key personnel are included as the resumes of Ned Siegel, Malcolm Butters, O. Ford Gibson and Howard I. Weiss.

d. Types of support needed, if any, from the SFRTA:

    i. BTR looks forward to working closely with SFRTA in helping to finalize a site plan which will be submitted for approval to the City of Boca Raton and Palm Beach County. BTR looks forward to the active participation of the SFRTA representatives at public hearings in order to gain public approval of development and building plans for the center.

(3) The initial fee of $25,000 made payable to the SFRTA is included herewith.

IV. Supporting information:

(1) BTR'S financial plan is contained in the enclosed proposed Development and Lease Agreement;

(2) BTR's proposal remains valid for the time period required by the SFRTA to review the proposal, advertise same and to negotiate its terms to its successful conclusion.

(3) The preferred type of contract is the enclosed Development and Lease Agreement.

(4) The proposed duration of effort is cited both in response to request IV(2) above and the Development and Lease Agreement. BTR is a Florida limited liability company. The previous experience, relevant past performance and facilities to be used are recited in the respective enclosed biographies.

(5) The previous experience, relevant past performance and facilities to be used by BTR are described in the enclosed biographies. No Authority facilities are anticipated to be used.

(6) There are no organizational conflicts of interests, security clearances or environmental impacts to the best of BTR's knowledge.

(7) BTR has contacted Jack L. Stephens and Christopher Bross concerning general information about SFRTA procedure and practice.

We look forward to working with the SFRTA in creating a meaningful partnership in maximizing the development potential of this commercial transit center in Boca Raton.

Thank you.

BOCA TRI-RAIL CENTER, LLC

By: _____
Its Agent

III (2) b

Preliminary Site Plan and Building Elevation

See Attachments

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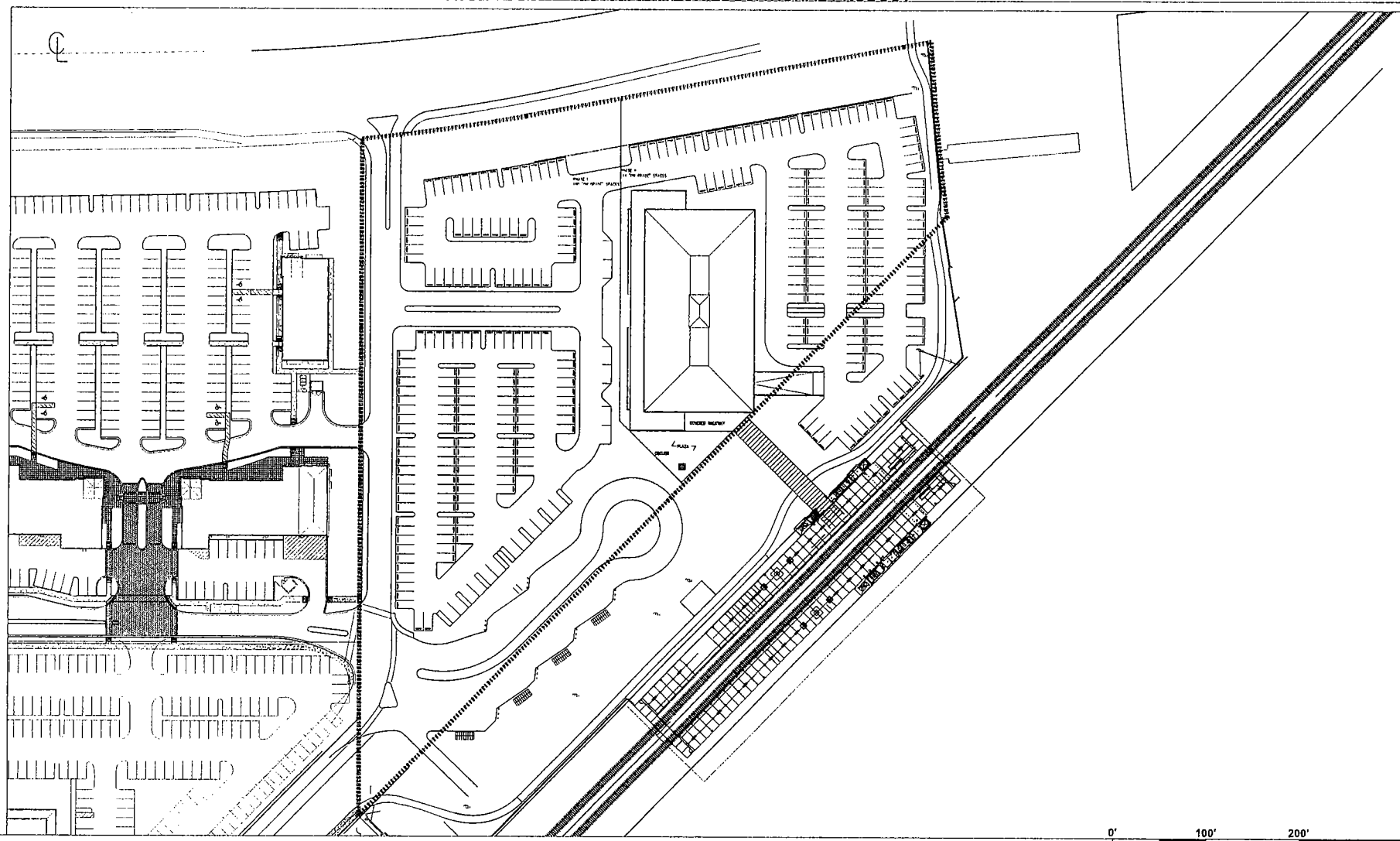

SITE PLAN

0' 100' 200'

TRI RAIL

07.06.07

RLCRetzschArLanaochiCaycedotects

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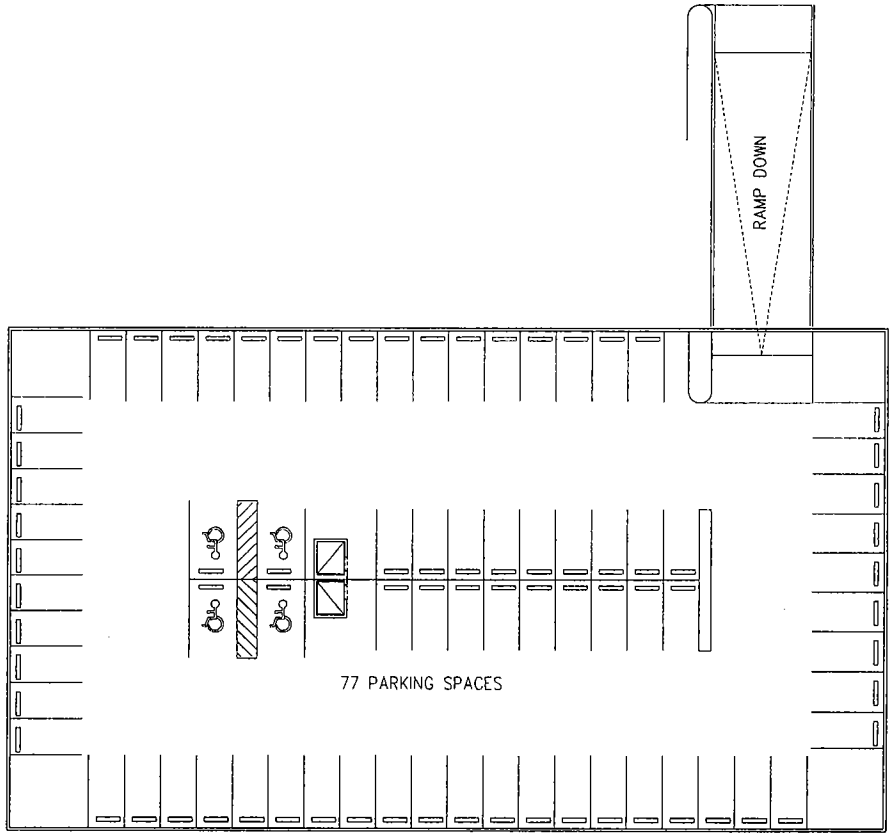
BASEMENT PLAN



UNDERGROUND PLAN

0' 30' 60'

TRI RAIL

07.06.07

RLCRetzschArLanaochiCaycedotects

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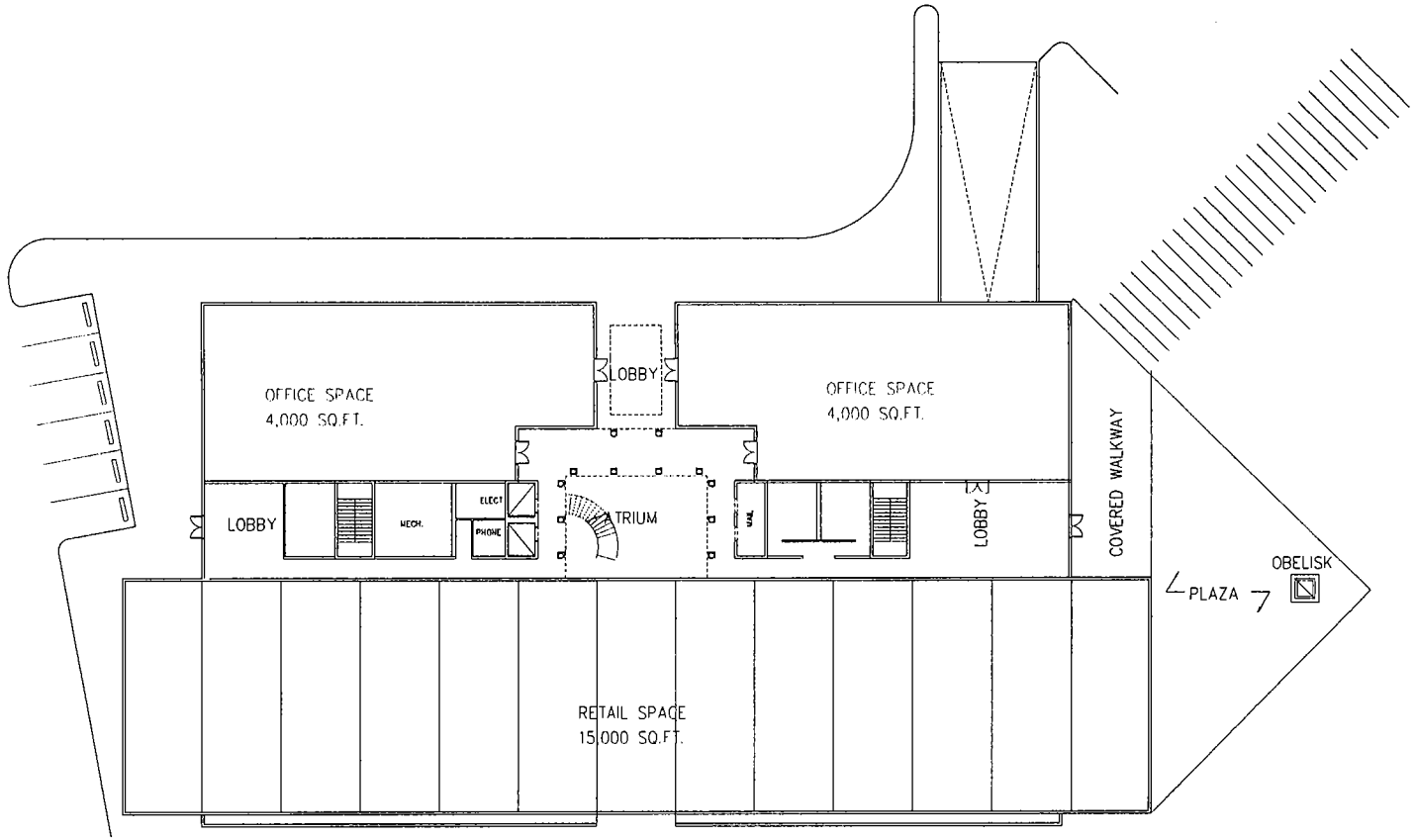
FIRST FLOOR PLAN



FIRST FLOOR

0' 30' 60'

TRI RAIL

07.06.07

RLCRetzschArLanaoChiCaycedotects

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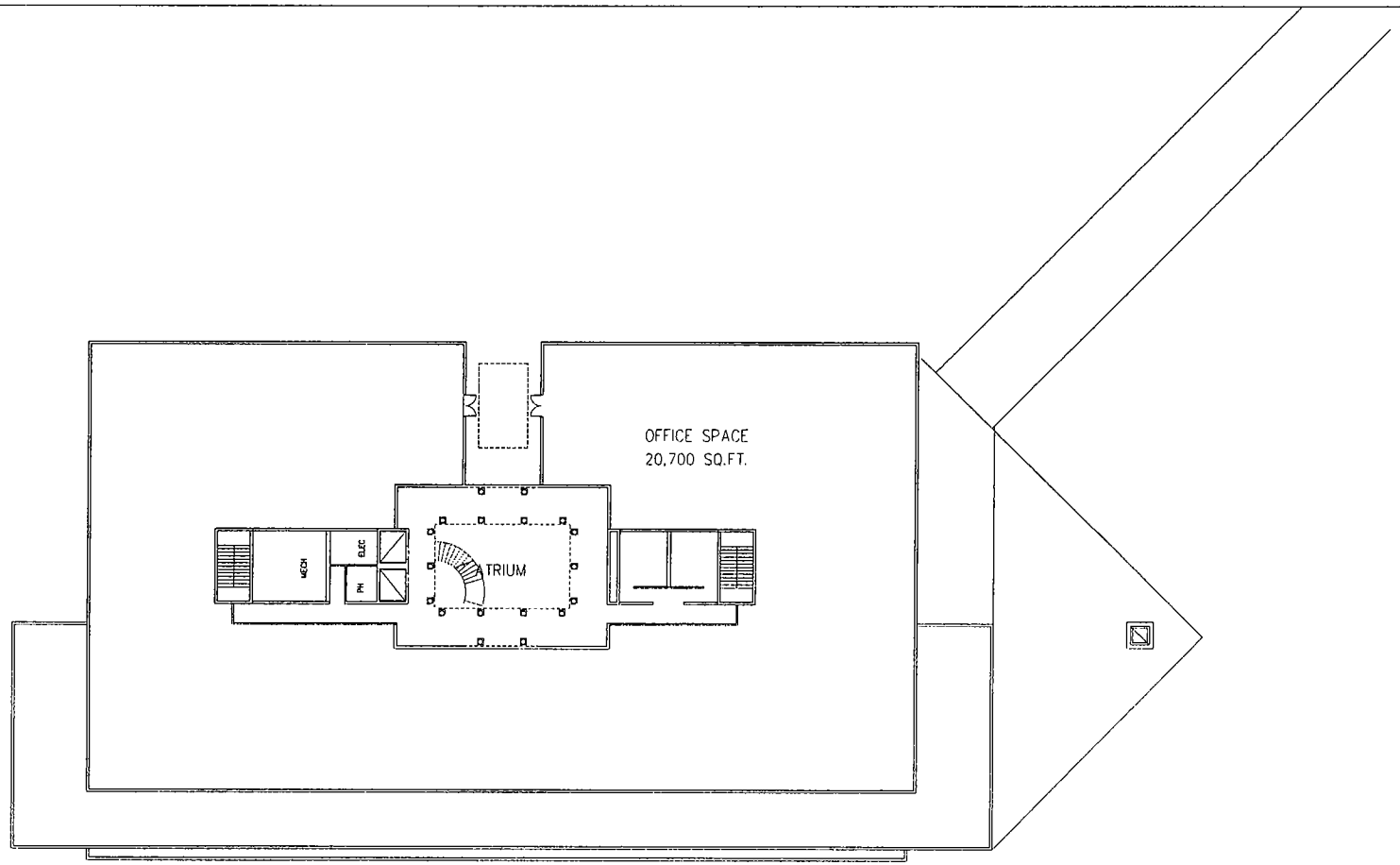
PRODUCED BY AN AUTODESK EDUCATIONAL PRODUCT

SECOND FLOOR PLAN



SECOND FLOOR

0' 30' 60'

TRI RAIL

07.06.07

RLCRetzschArLanaochiCaycedotects

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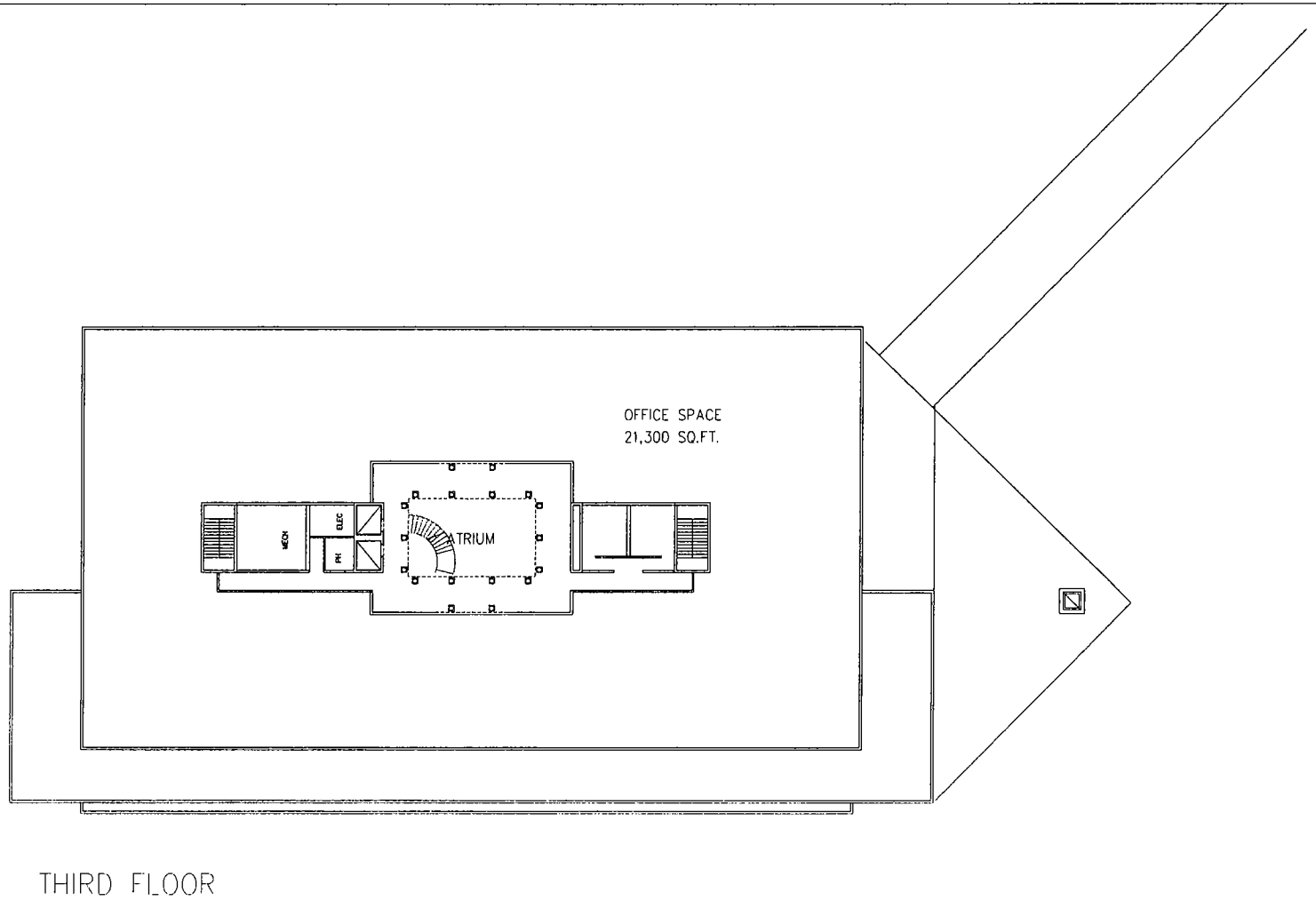
THIRD FLOOR PLAN



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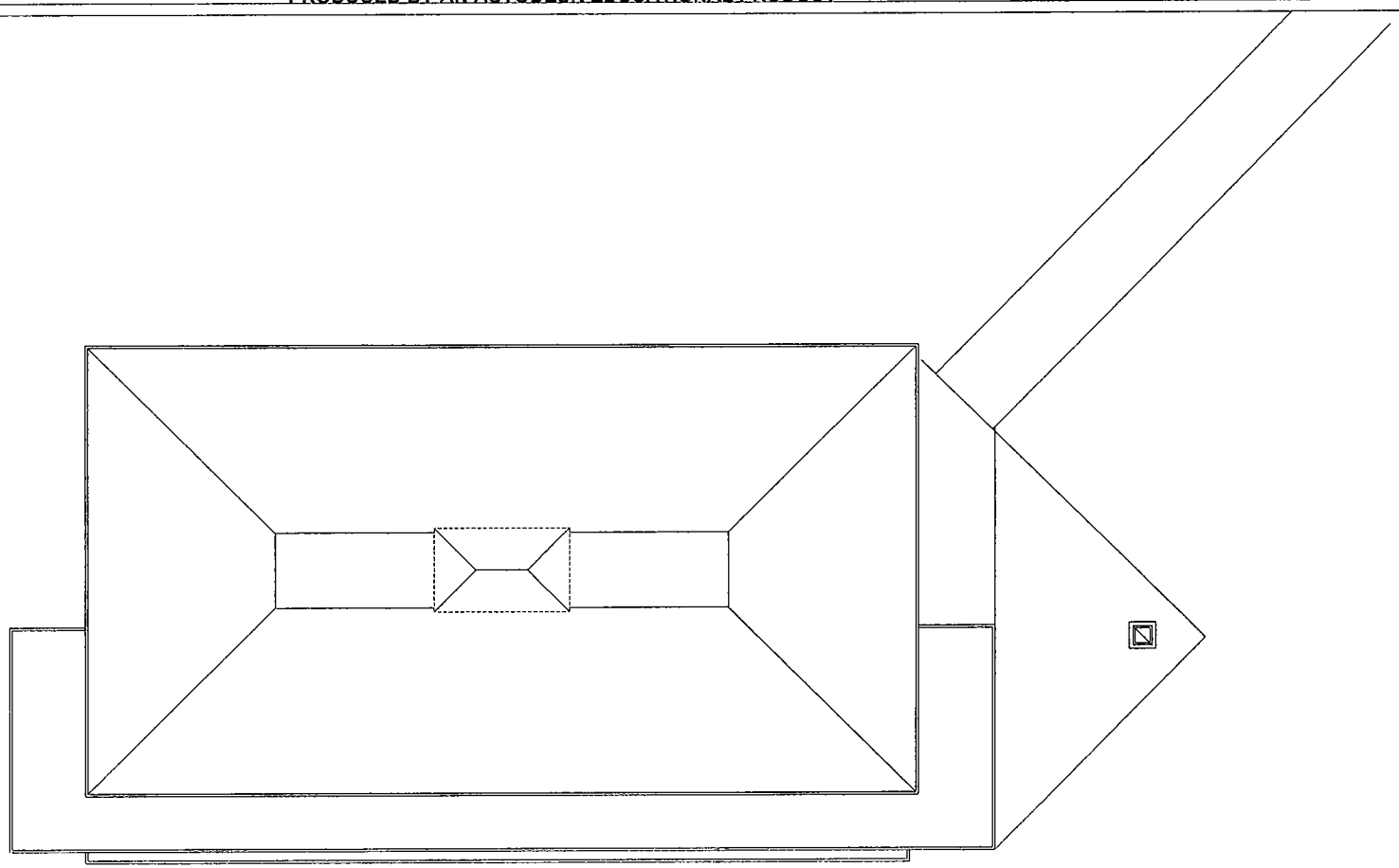
ROOF PLAN



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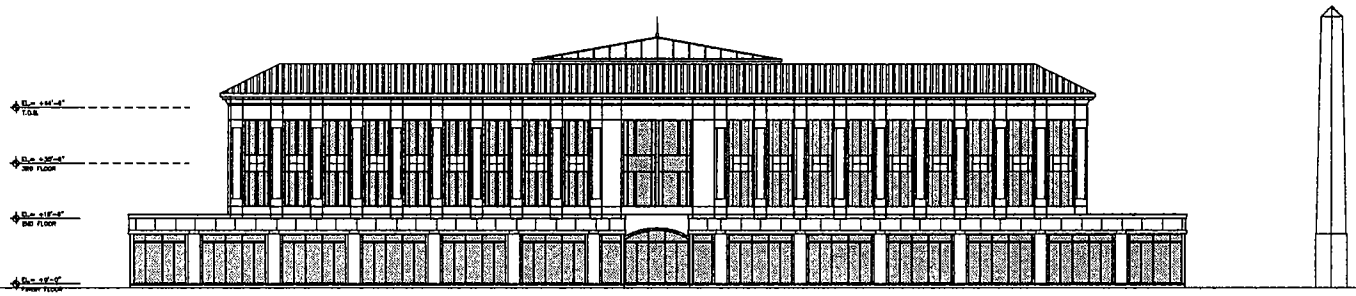

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ELEVATION

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TRI RAIL

07.06.07

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III c: KEY PERSONNEL

Names and Biographical Information

See Attachments

NED L. SIEGEL

Since 1977, Ned L. Siegel has built a very successful career in real estate and business while volunteering time to personally important civic, Jewish, educational and political causes.

Prior to beginning his career in real estate, Mr. Siegel first began practicing law. He served as a law clerk to Chief Justice Mitchell H. Cohen in the Federal District Court in Camden, New Jersey before moving on to join the New Jersey law firm of Kimmelman, Wolff & Samson.

In 1977, Mr. Siegel left Law behind to pursue his love of business by joining The Howard Siegel Companies. By 1980, Ned Siegel had expanded the company into one of the largest residential developers in the nation and was named President and Managing Partner of the Weingarten-Siegel Group, Inc., where he was primarily responsible for the operations, overall development and marketing of residential communities, office parks and retail centers throughout New Jersey.

In 1984, Mr. Siegel expanded The Weingarten-Siegel Group's real estate operations into Florida and California and moved his permanent base of operations to Boca Raton, Florida. By 1987, the firm ranked as the 42nd largest builder of "for-sale" homes and won numerous awards for its residential developments. In 1992, he co-founded SGS Communities and served as Vice Chairman before selling the firm in 1996 to D.R. Horton, Inc., a nationally recognized New York Stock Exchange company. Under Mr. Siegel's leadership, SGS Communities received numerous awards and recognition for its communities, including Community of the year awards in 1994, 1995, and 1996. Mr. Siegel is currently a principal partner in Paramount Residential, L.L.C, a leader in master plan residential communities, custom homes, and special needs communities for Florida's diverse Orthodox Jewish neighborhoods. He also serves as Chairman of The Siegel Group, a real estate development and investment firm active in all aspects of residential, commercial, realty management, and investment development. The Siegel Group's corporate headquarters is located in Boca Raton, Florida.

Ready to expand into other areas of business, Mr. Siegel, along with partners, purchased the Marietta Corporation, a leader in the design, manufacturing, packaging, marketing, and distribution of guest amenity programs for the travel and lodging industry. Mr. Siegel served on the Board of Directors of the Marietta Corporation before selling the company in 2004. He also served as a member of the Board of Managers of Cenetec Ventures, L.L.C. a Florida-based for-profit accelerator company designed to help pioneering entrepreneurs turn the most innovative Internet and high technology products and services into successful companies. Mr. Siegel most recently serves on the Board of Directors of Caswell-Massey Company, Ltd., a world-wide quality bath and body, home fragrance and gifts company.

Mr. Siegel has also played a major rôle in some of South Florida's biggest real estate ventures including Blue Lake office park in Boca Raton, Florida and Miami One Centre, Inc. in downtown Miami, Florida. His most recent venture is Boca Village, a strategic blend of national retailers, upscale restaurants, professional offices, banks, childcare, and mass transit facilities.

Active in many business and civic organizations, Mr. Siegel was appointed by Governor Jeb Bush and served as a member of Enterprise Florida's Board of Directors and to the Space Research and Commerce Park Planning & Development Committee at the John F. Kennedy Space Center. He is also a Trustee of the Governor's Mansion Foundation, The Greater Boca Raton Chamber of Commerce and the Boca Raton Senate, a select forum of business leaders focused on the economic growth and vitality of Boca Raton.

Mr. Siegel is a past member of The Chairman's Advisory Board for the Foundation for Florida's Future, the Economic Council of Palm Beach County, The Greater Miami Chamber of Commerce, The Beacon Council of Miami, and on the City of Boca Raton's Affordable Housing Commission in 1996. He also served as a member of the Board of Directors of the Palm Beach International Film Festival and also as a member of the Board of Directors of the Palm Beach County Film & Television Commission.

President George W. Bush honored Mr. Siegel in 2003 with a Presidential Appointment to the Board of Directors of the Overseas Private Investment Corporation (OPIC), which was established as a development agency of the U.S. government in 1971 to help U.S. businesses invest overseas. OPIC's mission is to foster economic development in new and emerging markets, complement the private sector in managing the risks associated with foreign direct investment and support U.S. foreign policy.

In September, 2006, President George W. Bush appointed Mr. Siegel to serve as a Representative of the United States to the United Nations, and Mr. Siegel served as a Senior Advisor to the 61st Session of the United Nations General Assembly.

In May, 2007, President George W. Bush nominated Mr. Siegel to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Commonwealth of The Bahamas.

Mr. Siegel has a close personal interest and is active in many Jewish causes where he serves as a member of the national Board of Directors of the Republican Jewish Coalition in Washington, D.C., as well as Chairman of the Republican Jewish Coalition of Florida. He also serves on the Board of Directors of The American Jewish Committee, South Central Florida Chapter and is active in the Israeli Bonds program, Bar-Ilan University in Israel and his Temple, B'nai Torah, in Boca Raton. Mr. Siegel most recently received the "2005 Man of the Year" award by the Chabad-Lubavitch of Greater Boynton Beach and was recognized in 2003 with the Tree of Life Award from the Jewish National Fund for his commitment to the Jewish community here at home and in Israel. He presently serves as Co-President of the board of the Jewish National Fund's South Palm Beach County region.

Education is also a key interest of Mr. Siegel's. He is currently a member of the University of Pennsylvania Parent Leadership Committee, and was recently appointed to the PennDesign Board of Overseers. He also serves on the NYU Parent Committee, as well as the NYU College of Arts and Science Dean's Advisory Council. He recently served as Chairman of the Board of Trustees of Saint Andrew's School in Boca Raton, where he chaired the school's Capital Campaign. He is a founding member of the Treva Brogan Educational Institute and served as past member of the Board of Advisors of the Pine Crest School.

Mr. Siegel is also very active in Republican politics on the national, state, and local levels. He served as a Super Ranger for the Bush-Cheney 2004 Campaign, Co-Chairman of the Victory '04 Florida Jewish Outreach effort and a Sponsor for the Bush-Cheney 2005 Inaugural Committee. Mr. Siegel was a Pioneer for the Bush-Cheney ticket during the 2000 election, and he served as the Statewide Chairman of the Florida Bush-Cheney Victory 2000 Jewish Coalition that made a considerable difference in the historically close race in Florida. Mr. Siegel is a member of the George W. Bush National Finance Committee, a member of the RNC Team 100, a RNC Regent, Finance Co-Chairman of Palm Beach County, and a Florida Committee of 100 member. Mr. Siegel also served as Finance Co-Chairman of Palm Beach County in the successful Jeb Bush for Governor campaigns as well as having served as the Palm Beach County Co-Chair of the 1996 Phil Gramm for President campaign.

Mr. Siegel graduated Phi Beta Kappa from the University of Connecticut in 1973 and received a Juris Doctorate from the Dickinson School of Law in 1976. A long-time resident of Boca Raton, Florida, Mr. Siegel is married to Stephanie Moak Siegel and is the father of Justin, Joshua and Jillian Siegel.

MALCOLM S. BUTTERS
BUTTERS CONSTRUCTION & DEVELOPMENT, INC.
6820 LYONS TECHNOLOGY CIRCLE
SUITE 100
COCONUT CREEK, FLORIDA 33073

QUALIFICATIONS:

Strong professional background in finance, leasing and property management, including marketing, administration, bidding, job cost analysis, negotiation and financial planning. Excellent ability to work with prospective clients on preliminary designs and budgets, as well as with investors and lenders

Recipient of 2001, 1999 & 1996 "Best Industrial" – Ernst & Young Real Estate Awards.

Recipient of 1999, 1996 & 1993 "Best Build to Suit – Industrial" as awarded by National Association of Industrial & Office Parks (NAIOP).

Recipient of "1999 & 2001 Developer of the Year" awarded by NAIOP, South Florida Chapter.

EMPLOYMENT:

1988 - Present	Butters Construction & Development, Inc., President
1985 - 1988	Diamond Realty Trust/Butters & Butters, Vice President
1984 - 1985	Travelers Insurance - Real estate Investment Department Responsibilities included mortgage lending and investment acquisition.

EDUCATION:

Masters Degree in Real Estate 1983
Florida International University
Honors included Magna Cum Laude, Top Graduate
Student - Real Estate and Miami Beach Board of Realtors
Award for Top Graduate Student
Bachelor Degree in Finance 1982
University of Miami
Honors included Cum Laude, President's Honor Roll and Dean's List.

MISCELLANEOUS:

Butters Construction & Development:

- 3rd largest commercial developer in South Florida
- Currently developing 1,500,000 square feet

O. Ford Gibson
Principal
Gibson Development Partners

O. Ford Gibson is the principal and founder of Gibson Development Partners, a full-service commercial real estate development firm.

A real estate veteran with nearly three decades experience in commercial development and management, Gibson has overseen the development of more than 13 million square feet of prime industrial, office, retail and multi-family property throughout his career, and is widely recognized as one of South Florida's most active and knowledgeable development professionals in the industry.

Since founding Gibson Development Partners in 2004, Gibson and the firm have successfully developed two award-winning commercial projects: the mixed-use Plaza San Remo, a 184,000 square-foot professional medical office condominium and retail development. Located in South Miami, the sold-out Plaza San Remo opens in mid-2007, featuring health foods grocer Whole Foods as anchor retail tenant. Gibson also developed the sold-out Flamingo Pavilion, a 34,000 square-foot medical office condominium in Miramar, Florida.

Prior to founding Gibson Development Partners, Gibson served as president and chief operating officer of Codina Group, where he directed the firm's five operating entities: Codina Development; Construction; Management; Realty Services and Consulting.

Prior to that, Gibson served as president of Codina Development Corporation, where he directed the growth of the company and its evolution into one of South Florida's strongest and most creative commercial developers. As president, Gibson was responsible for all aspects of the development process from acquisition and financing to construction and leasing, leading development teams on award-winning projects throughout South Florida, including the 205-acre Beacon Centre and ten-story Baptist Medical Center in Miami-Dade County; the 400,000 square-foot, master-planned Beacon Pointe at Weston in Broward; and the 300,000 square-foot, build-to-suit for NCCI and 150,000 square-foot build-to-suit for IBM in Boca Raton, among many others.

-more-

Ford Gibson holds an MBA from Tulane University and a B.S. in Building Construction from Clemson University. Twice honored as NAIOP's "Developer of the Year," Gibson is a trustee member of the Greater Miami Chamber of Commerce, a member of the Board of the Industrial Association of Dade County, as well as member of the Board of the National Association of Industrial and Office Properties. Additionally, Gibson served as Chairman of the Juvenile Diabetes Gala dinner from 1999 - 2000, past member of Clemson University Architectural Board, member of the Dade Partners for Education, member of the Orange Bowl Committee, and was appointed to Urban Land Institute Council.

A native of Tennessee, Gibson also serves as a Captain in the United States Naval Reserve. He is married with three children.

About Gibson Development Partners:

Gibson Development Partners is a full-service commercial real estate development firm. Led by O. Ford Gibson, a veteran developer who brings nearly three decades worth of expertise to the commercial real estate industry, Gibson Development Partners has established itself as one of Florida's foremost and progressive industrial builders, offering hands-on development expertise for industrial, medical, office and retail real estate. The firm's real estate capabilities include built-to-suit, speculative and joint-venture development; project management; and consulting services. Gibson Development Partners is headquartered in Coral Gables, Florida. For further information, call (786) 268-2225.

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HOWARD I. WEISS, ESQ.

Howard I. Weiss is the founding partner of Weiss, Handler, Angelos & Cornwell, P.A. One of South Florida's most prominent attorneys, Howard's practice is focused primarily in the areas of civil litigation, real estate, matrimonial and commercial transactions. In his practice, Howard has represented some of the area's largest condominium associations in construction defect litigation resulting in historic multi-million dollar awards. He was born and raised in New York City, New York, attending Cornell University where he received a Bachelor of Sciences degree in 1967 and the Fordham University School of Law, graduating in 1972. While at Fordham, Howard served as an editor on the Law Review.

Recognizing his contribution to the judiciary and legal system, Howard was appointed by Florida's Governor to serve as a member and later as Chairman of the Judicial Nominating Commission for the Fourth District Court of Appeals. He was also appointed by the President of the Florida Bar to the Family Law Rules Committee, which created the rules and procedures by which matrimonial cases are adjudicated by Florida courts. Howard was appointed by the President of the Florida Senate to the Florida Public Service Commission Nominating Council, by the Broward County Commission to its Zoning Board and by the Palm Beach County Commission to its Sports Commission. Howard has served as chairman of the Legislative Governmental Committee of the South Palm Beach County Bar Association and he is a member of the Bar Associations for Palm Beach and Broward Counties as well as the American Bar Association and the Association of Trial Lawyers of America. Howard is admitted to the Florida and New York State Bars, as well as the United States Supreme Court, the United States Eleventh Circuit Court of Appeals and the United States District Courts for the Southern Districts of Florida and New York. Prior to moving to South Florida, Howard was associated with the Wall Street firm of Seward & Kissel representing clients such as CBS, IBM, Greyhound, Xerox Corporation and the Rolling Stones.

Howard has lectured extensively in the areas of construction litigation and condominium litigation based primarily on his experience in representing some of South Florida's most significant condominium and homeowner communities for which he has obtained, along with his partner, Henry Handler, over $35 million in judgments and settlements for original design and construction deficiencies and accounting claims.

Howard has a long history of commitment to civic and community activities. He was active in the early stages of establishing the South County Jewish Federation and served as its first Chairman of the Community Relations Council. Howard also headed the Lawyers' Division of the Federation, chaired the Professional Division of the Federation—UJA Campaign and chaired the Young Leadership Gala. For his many contributions, he has received the Torch of Liberty Award from the American Jewish Congress and the Tree of Life Award from the Jewish National Fund. Howard is also recognized as a sponsor of Jewish Studies at Cornell University and an active contributor to medical research projects.

Howard and his wife Karen are the proud parents of Bara, a graduate of the University of Pennsylvania and New York University Law School, Sabrina, attending the New York University Law School and Adam, who is a student at the Pine Crest School in Fort Lauderdale.

IV. SUPPORTING INFORMATION

Development and Lease Agreement
(Financial Plan and Time Frame)

See Attachment

Development and Lease Agreement

Between

South Florida Regional Transportation Authority

And

Boca Tri-Rail, LLC

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A - Premises
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C - Nondisturbance Agreement
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DEVELOPMENT AND LEASE AGREEMENT

THIS DEVELOPMENT AND LEASE AGREEMENT ("Agreement or Lease") dated as of _____, 2007 is made by and between the SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY, a body politic and corporate, a public instrumentality and an agency of the State of Florida pursuant to Florida Statutes, Chapter 343, having an office at 800 NW 33rd Street, Pompano Beach, Florida, 33064 ("Landlord"), and Boca Tri-Rail, LLC, a Florida limited liability company having an office at 5000 T-Rex Avenue, Suite 150, Boca Raton, Florida 33431 ("Tenant").

RECITALS

1. The Landlord is working to develop alternative public and quasi-public transportation alternatives in South Florida.

2. The Landlord constructed a commuter rail station and intermodal transportation facility in the Boca Technology Center on Phase I of the Parcel (the "Intermodal Facility"), which Intermodal Facility is located south of Yamato Road on the west side of the railway right of way and is part of a multi station commuter rail system operated by Landlord in the tri county area ("System").

3. The Intermodal Facility is an integral part of the South Florida traffic management plan, and will alleviate vehicular traffic congestion on I-95 and on the roadways in and around the City of Boca Raton, Palm Beach County and South Florida.

4. The Intermodal Facility will also provide public transportation alternatives to the growing student, staff and faculty populations of Florida Atlantic University located nearby.

5. In furtherance of its mission, Landlord acquired certain real property in the Boca Technology Center, Boca Raton, Palm Beach County, Florida located just west of the railway right of way (the "Parcel"). The Parcel has been divided into the real estate upon which the Intermodal Facility has been constructed and the Premises which is the subject of this Lease and is described in Exhibit A hereto.

6. The City of Boca Raton has approved:

(a) the Intermodal Facility on Phase I, includes a commuter rail station, bus station, on-site vehicular parking, pedestrian access ways, and connection points for other forms of public and quasi-public transportation; and

(b) Zoning for a mixed use of office and of retail facility to be constructed and operated on the Premises, all pursuant to zoning approvals already obtained from the City of Boca Raton.

7. Landlord and Tenant have agreed, subject to the provisions of Section 2.7.4 that the Project shall consist only of the development, construction and operation of 50,000 square feet of office and 15,000 square feet of retail (if permitted and if conditions are satisfied), all as further described in Section 2.7.4 hereof.

8. Landlord recognizes the potential for public and private benefit through a joint use and development of the Premises in order to promote public transportation alternatives for South Florida and to generate revenue to support the Landlord's mission.

9. Landlord desires to lease to Tenant, and Tenant desires to lease from Landlord, the Premises for the purposes stated above, subject to the terms and conditions of this Lease.

10. The parties have agreed to enter into this Agreement, which provides for, among other things, certain development activities prior to Possession Date (as defined) and the commencement of the lease term.

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

SECTION 1. DEFINITIONS The following terms set forth below, when used in this Lease, shall be defined as follows:

"Additional Collateral" shall mean: (i) all licenses, permits, approvals, certificates and agreements with or from all boards, agencies, departments, governmental or otherwise, relating directly or indirectly to the development, use and operation of the Premises, whether heretofore or hereafter issued or executed (collectively, the "Licenses"), such boards, agencies, departments, governmental or otherwise being hereinafter collectively referred to as "Governmental Authorities", and (ii) all contracts (including, without limitation, all engineering, construction and architectural contracts), subcontracts, agreements, service agreements, plans, drawings, warranties and purchase orders which have been or will be executed by or on behalf of Tenant in connection with the development, use and operation of the Premises (collectively, the "Contracts"), and the parties with whom or to whom such Contracts have been or are given are hereinafter collectively referred to as the "Contractors".

"Additional Rent" shall mean all monetary obligations of Tenant to Landlord (other than Construction Period Rent, Base Rent, Participation Rent and Transaction Rent) payable pursuant to this Lease.

"Affiliate" shall mean a person who (i) is directly or indirectly controlled by, or under common control with, the specified person; or (ii) owns directly or indirectly thirty-five percent (35%) or more of equity securities of the specified person; or (iii) is a general partner, officer, director, non-financial institution trustee or fiduciary of the specified person or of any person described in (i) or (ii), preceding; or (iv) is a son, daughter, spouse, parent, sibling or in-law of the specified person.

"Applicable Approvals" shall mean all Governmental Approvals (with all appeal periods having expired) required by Tenant for the Improvements, including, but not limited to building permits for the Improvements.

"Base Rent" shall be as shown on **SCHEDULE I** attached hereto and made a part hereof.

"B.O.M.A." shall mean the standard method of floor measurement as published by the Builders, Owners and Managers Association International Reprint, May 1981, ANSIZ 65.1-1980, and approved July 31, 1980 by the American National Standards Institute, Inc.

"Certificate of Occupancy or CO" shall mean the later of: (1) with respect to buildings to be constructed on the Premises, the date(s) upon which a final certificate of occupancy (or similar permit) shall be issued by the appropriate governmental authority indicating that the applicable buildings are ready for occupancy in accordance with applicable laws and ordinances; or (2) with respect to other improvements to be constructed on the Premises, the date upon which the improvements may first be legally put into service for the intended use thereof (regardless of whether such is the actual first date of usage).

"City" shall mean the City of Boca Raton.

"Commencement of Construction" shall mean the earlier of the filing of a notice of commencement or the start of substantial work on the Premises. For purposes of this definition, "substantial work" means grading or other soil work or the preparation of the site for utilities performed by Tenant pursuant to a permit issued under a Governmental Approval.

"Construction Contract Documents" shall mean all contracts with contractor or subcontractors or materialmen and suppliers which are providing goods, services or materials for the design, development or construction of any or the Improvements and Tenant Improvements to this Project and shall only apply to the provisions of Section 6.1.

"Construction Period Rent" shall mean the payments described in Section 4.2.

"Construction Plans" shall mean the final plans and specifications for the construction of the Improvements to the Premises (as amended from time to time) that have received the prior written approval of the Landlord to the extent such approval is required pursuant to Section 6 hereof.

"County" shall mean Palm Beach County.

"CPA Firm" shall mean an independent firm of certified public accountants, licensed by the State of Florida selected by Tenant, subject to Landlord's approval, which approval shall not be unreasonably withheld or delayed.

"DRI Regulations" shall mean those certain regulations imposed by the State, County and/or City relating to the Intermodal Facility and Improvements as an element of the Boca Technology Center, as a development of regional impact.

"Effective Date" shall mean the date that the last party hereto executes this Lease.

"Event of Default" shall have the meaning set forth in Section 19.1.

"First Class" shall mean the quality of design, construction, materials, maintenance and operation required to be met by the Premises, Improvements and the Public Areas during the

Term and shall be measured by comparison to new construction of Class A office and retail facilities similar to the Premises in the Arvida Park of Commerce as of the Effective Date.

"Force Majeure" shall mean any event which results in the prevention or delay of performance by a party of its obligations under this Lease and which is beyond the reasonable control of such party including, but is not limited to fire, earthquakes, hurricanes, tornadoes, storms, lightning, epidemic, war, riot, civil disturbance, sabotage, and governmental actions.

"Governmental Approvals" shall mean all governmental and quasi-governmental approvals from applicable Federal, City, County and other agencies and authorities required to develop the Premises and construct and operate the Premises including, but not limited to, those required by the Federal Transportation Administration ("FTA") development of regional impact approvals, site plan approvals, comprehensive land use plan approval, plat approvals and recordation, public-dedications, environmental approvals, zoning approvals, building permits and all other governmental approvals required in connection with the development, construction and operation of the Improvements and all Public Areas (and the expiration of all appeal periods with respect thereto), modification and/or vacation of easements and other matters pertaining to the Premises.

"Gross Revenues" shall mean, in any single Lease–Year, all gross revenue generated by and from the use and operation of the Improvements and paid to or received by Tenant during the year in question including gross revenues from preceding years which were not collected until the year in question and therefore were not previously included in Gross Revenues and including, but not limited to: (i) income or revenue from the rental of space, parking spaces, vending machines, signage, antennas, storage, kiosks, retail space, restaurant/bar and from all licensees, Space Lessees, Sublessees and other lessees, and concessionaires of every kind; (ii) if Tenant or any affiliate or related party operates the retail, restaurant/bar facility, Gross Revenues shall include gross revenues from said facility to the extent that the Tenant or affiliate or related party is legally entitled to same under lease or other operating agreements; (iii) all Operating Contributions received from Space Lessees or Sublessees (iv) insurance proceeds, if any, from any business interruption or other loss of income; and (v) the fair rental value of space within the Improvements occupied by Tenant or any entity affiliated with or employed by Tenant to the extent the occupants of such space are paying less than the fair market value of such space (as determined by comparison with the rent from comparable space within the Improvements), less: to the extent that any of the following items have been actually included in Gross Revenues, (i) any proceeds from sale or refinancing of the Premises; (ii) any proceeds resulting from a syndication of the Improvements or the Tenant or its owners; (iii) any capital contribution or loans made by the Tenant or its owners contributed to the Improvements or the Tenant or its owners; (iv) any insurance proceeds resulting from damage to or destruction of the Improvements (other than from business interruption or loss of income); and (v) sales tax, passed through to retail or office tenants. All Subleases and Space Leases in the Improvements shall be signed between Tenant as landlord and the actual user of the space as tenant (i.e. no sandwich leases.).

"Improvements" shall mean 50,000 square feet of usable area of office space and 15,000 square feet of usable area of retail space (if permitted and if conditions are satisfied) or such other square footage of retail space has been permitted by the City and incorporated into the Construction Plan by Tenant and the other improvements to the Premises included in the

Construction Plans, all are to be constructed and paid for by Tenant unless otherwise agreed by Landlord and Tenant or provided in Section 2.7.4.

"Institution" shall mean an established bank, trust company, insurance company, college, real estate investment trust, pension, or retirement fund, or other such recognized financial institution of good repute and sound financial condition and having assets in excess of One Hundred Million Dollars ($100,000,000.00).

"Intermodal Facility" shall be defined as set forth in Recitals 2 and 6 herein.

"Lease" or "Agreement" shall mean this Development and Lease Agreement, including any supplements, modifications or amendments thereof.

"Lease Year" shall mean a calendar year. If the Effective Date does not begin on January 1, the first and last Lease Year shall be pro rated.

"Leasehold Mortgage" shall have the meaning defined in Section 18.4.

"Memorandum" shall mean a memorandum of this Lease in the form of EXHIBIT B to be recorded in the Public Records of Palm Beach County, Florida.

"Non-Disturbance Agreement" shall mean an agreement with respect to Space Leases or Subleases in excess of 5,000 square feet in the form of EXHIBIT C.

"Offsite Improvements" shall mean those improvements in, around and/or abutting the Premises which Tenant is required to cause to be constructed as a result of any Government Approvals or approvals related thereto.

"Offsite Improvement Costs" shall mean all of the costs, expenses, fees, permits and impositions incurred as a result of the Government Approvals and/or the construction of the Offsite Improvements.

"Operating Contributions" shall mean any and all amounts payable to Tenant by any Sublessee or Space Lessee or other party as a contribution toward the cost of cleaning (including, without limitation, trash removal), maintaining and repairing common areas in the Premises, or the cost of providing, maintaining, repairing and operating heating, ventilating, air conditioning or electrical equipment (including, without limitation, the cost of energy therefor), or as a contribution to any promotion fund, advertising fund administered by Tenant, or in consideration of the furnishing of utility services by Tenant, or in consideration of the furnishing of sprinkler or fire protection systems and devices, or as a reimbursement or contribution toward the payment of any Public Charges or any other payment in the nature of a reimbursement of, or contribution to, any cost incurred by Tenant in connection with the ownership or operation of the Premises or the Improvements.

"Parcel" shall be defined as set forth in the Recitals.

"Participation Rent" shall be as shown in Schedule I.

"Permitted Change" shall mean the following changes to the Plans which do not require Landlord's approval: (i) a change that is required to be made to comply with applicable governmental requirements; (ii) a change that involves only substituting materials of comparable or better quality; (iii) any change with respect to the interior portions of the Improvements other than the Public Areas; (iv) a change required by the failure of the Construction Plans to satisfy field conditions where the change will not have a material adverse effect on the quality, appearance or function of such Improvements other than the Public Areas; and (v) a change that is made to correct inconsistencies in various plans and specifications other than the Public Areas; it being understood and agreed, however, that any change that affects the exterior or square footage of any Improvements or the Public Areas shall require the Landlord's approval.

"Permitted Uses" shall mean the permitted uses that may be made of the Premises pursuant to Section 2.6 of this Lease.

"Person" shall mean any individual, firm, trust, estate, partnership, joint venture, company, corporation, association, or any other legal entity or business enterprise. The reference in this Lease to any one of the foregoing types of persons, shall be deemed a reference to all other types of persons.

"Phase I" shall mean the real property on which the Intermodal Facility is constructed.

"Plans" shall mean the Concept Plans, Preliminary Plans and Construction Plans described in Section 2.7.

"Possession Date" has the meaning ascribed to it in Section 2.8.

"Premises" shall mean that real property described in EXHIBIT A together with all buildings, structures, pavements, facilities and other Improvements now or hereafter constructed thereon, the equipment permanently affixed therein, such as electrical, plumbing, sprinkler, fire protection and fire alarm, heating, steam, sewage, drainage, refrigerating, communications, gas and other systems and their pipes, wires, mains, lines, tubes, conduits, equipment and fixtures together with all appurtenances, rights, privileges, permits and easements benefiting, belonging or pertaining thereto.

"Prime Rate" shall mean the "Prime Rate" of interest from time to time in the "Money Rates" section of the *Wall Street Journal* (Eastern Edition) or, if no longer published by the *Wall Street Journal*, a comparable index published for loans in the United States.

"Project Related Costs" shall mean all expenses, costs, fees incurred or owed to third parties by the Landlord which: (i) arise from or as a result of its preparation for and performance under this Agreement; (ii) are related to or required by its ownership of the Premises or the development, construction or operation of the Improvements; or (iii) attorney's fees and court costs where Landlord is a defendant or cross-defendant in any litigation pertaining to Premises filed by or against Tenant. Project Related Costs shall include, but are not limited to, the costs of third party consultants and professionals (attorneys, accountants, economic consultants, surveyors, environmental and other specialists), filing fees, studies, copying, long-distance telephone charges, and additional staffing hired especially to monitor or oversee the construction or Government Approvals of the Improvements. On or before the Effective Date, Landlord and

Tenant shall jointly prepare an estimated budget for Project Related Costs of the type described in clauses (i) and (ii).

"Public Areas" shall mean all areas on, the Premises, minus the enclosed tenant occupied interior portions of the Improvements available to the public, including, but not limited to, paths, walkways and other common areas which will be used and accessed by the users of the System. Public Areas shall not include any area located on Phase I or in the Intermodal Facility.

"Public Charges" shall be defined as set forth in Section 5.7(a).

"Rent" shall mean the Pre-Possession Rent, Construction Period Rent, Base Rent, Participation Rent, Transaction Rent and any Additional Rent.

"SFRTA" shall mean the South Florida Regional Transportation Authority or any successor or replacement thereof.

"Space Lease" shall mean a lease of not more than 5,000 usable square feet of office or retail space in the Improvements to a Space Lessee which is occupying and using said space.

"Space Lessee" shall mean a tenant under a Space Lease.

"State" shall mean the State of Florida.

"Sublease" shall mean a Sublease of more than 5,000 usable square feet of office or retail space constructed on the Premises.

"Sublessee" shall mean the Sublessee(s) under Sublease(s).

"Surviving Obligations" shall mean upon the termination of this Lease, the obligations of Tenant (i) as set forth in Section 8(1), (ii) the obligation to pay Rent which is due and unpaid to the extent due, (iii) with respect to any claim for any brokerage commission made by any broker or finder claiming by or through Tenant, (iv) the provisions of Section 16 for matters caused by Tenant, its Sublessees, Space Lessees, employees or agents, (v) Section 28 (Environmental Compliance), Section 23 (Removal of Property), and (vi) any other clauses herein which, by their terms, are specified to survive such termination.

"Tenant" shall mean Boca Tri Rail Center, LLC, its successors and assigns as permitted by this Lease.

"Term" or "Term of this Lease" or words of similar import shall mean the term set forth in Section 3 hereof, including the initial term and any renewal term(s), as applicable.

"Title Company" shall mean the title company selected by Tenant to issue any leasehold title insurance policy, which Tenant may elect to obtain insuring its rights under this Lease. In the event Tenant elects to obtain such leasehold title insurance policy, Tenant shall pay for all costs relating to same.

"Transaction Rent" shall be as shown on Schedule I.

SECTION 2. DEVELOPMENT PERIOD; POSSESSION DATE

2.1 General Provisions.

(a) Binding Effect. Subject to the provisions hereof and the termination rights of the Landlord and Tenant otherwise set forth herein, this Agreement constitutes a binding agreement of the parties hereto as of the Effective Date. In addition to the foregoing limitations, possession of the Premises shall be delivered to Tenant only as and to the extent provided herein and, unless otherwise specified, the rights of the Tenant therein shall not arise or be effective until the occurrence of the Possession Date.

IT EXPRESSLY IS UNDERSTOOD AND AGREED THAT UNTIL THE POSSESSION DATE HEREUNDER EXCEPT AS OTHERWISE EXPRESSLY PROVIDED HEREIN TENANT SHALL HAVE NO RIGHT TO USE OR OCCUPY ANY PORTION OF THE PREMISES AND TENANT SHALL HAVE NO RESPONSIBILITY THEREFOR, IT BEING THE INTENT OF THE PARTIES THAT THE LANDLORD SHALL CONTINUE TO CONTROL, USE, OCCUPY, MAINTAIN AND OTHERWISE BE RESPONSIBLE FOR THE PREMISES UNTIL THE POSSESSION DATE. NOTWITHSTANDING THE FOREGOING, TENANT AND/OR ITS DESIGNEES MAY HAVE SUCH ACCESS TO THE SITE AS IS HEREINAFTER PROVIDED FOR INSPECTION AND OTHER PURPOSES, SUBJECT TO SUCH TERMS AND CONDITIONS AS MAY APPLY THERETO HEREUNDER.

(b) Payment of Landlord Attorney's Fees. Upon the Effective Date, Tenant shall pay to Landlord Fifty Thousand Dollars ($50,000), which shall be in reimbursement of a portion of its attorneys fees incurred in connection with the Project.

2.2 Certain Representations of Landlord. Landlord represents and warrants that:

(a) Landlord owns the Premises in fee simple, subject to the exceptions contained in Exhibit D;

(b) Subject to the receipt of FTA approval, Landlord has the right, power and authority to lease and demise to Tenant the Premises;

(c) Landlord has the power and authority to enter into this Agreement, and the execution, delivery and consummation of this Agreement by Landlord have been duly authorized by all necessary action and Governmental Approvals; and

(d) To the Landlord's actual knowledge, **EXHIBIT D** attached hereto and made a part hereof, together with the specific references to laws, statutes and regulations herein, sets forth all grants, restrictions or other agreements with respect to the Premises, including but not limited to, agreements with the United States Government, relative to the operation and maintenance of the Intermodal Facility and/or the Premises (the "Permitted Exceptions"). Tenant acknowledges and agrees that this Lease is expressly subject and subordinate to such requirements and those documents set forth on **EXHIBIT D** and that Tenant's use of the Premises must comply with those requirements and the documents set forth on **EXHIBIT D** and any applicable amendments and supplements thereto. Landlord represents that there shall be no liens or encumbrances created by or through Landlord pertaining to the Premises as of the date of

recording of the Memorandum (except with respect to the lien of any taxes resulting from Tenant's interest in this Lease) and to the extent any lien or encumbrance is thereafter created by Landlord, Landlord shall obtain a non-disturbance agreement from the holder of such lien or encumbrance, whereby such lienholder agrees (i) provided that Tenant is current and in good standing of its obligations under this Lease, such lienholder will not disturb Tenant's possession under this Lease, and (ii) at such time as any Sublessee is entitled to a non-disturbance agreement as provided in Section 18, such lienholder will enter into a nondisturbance agreement with such Sublessee on the same terms and conditions as Landlord as set forth in Section 18.

2.3 Tenant Warranties and Representations. Tenant hereby warrants and represents that:

(a) It is a limited liability company duly organized and validly existing under the laws of the State of Florida.

(b) The execution, delivery and performance by Tenant of this Agreement has been duly authorized by all necessary company action and will not violate its operating agreement or any other agreement to which it is a party or is otherwise subject.

2.4 As Is. Tenant represents to Landlord that Tenant has conducted its own extensive due diligence investigation of the title to and zoning of the Premises and is satisfied with the title and zoning and the current condition of the Premises and, in conducting such inspection and investigation, has not relied on any materials or information provided or asserted by Landlord. The foregoing applies notwithstanding anything herein to the contrary. Further, Landlord and Tenant agree as follows:

(a) Landlord makes no representations or warranties whatsoever as to: (a) the condition of the Premises, or (b) whether the Premises, or any part thereof, is in compliance with applicable federal, state, and local laws, ordinances, rules, or regulations; or (c) the permitted or available uses of the Premises under any applicable federal, state, or local laws, ordinances, rules, or regulations;

(b) Landlord makes no representations or warranties whatsoever as to the legality, permissibility or availability of any use of the Premises that may be contemplated by Tenant;

(c) Landlord makes no representations or warranties concerning habitability or fitness for any particular purpose. Tenant specifically obligates itself to conduct its own due diligence investigation as to the Premises and the suitability thereof for Tenant's purposes; and

(d) The Premises and all components thereof, are hereby leased in "AS IS CONDITION" and "WITH ALL FAULTS." TENANT HEREBY ACKNOWLEDGES AND AGREES THAT, EXCEPT AS OTHERWISE EXPRESSLY PROVIDED HEREIN, LANDLORD MAKES NO REPRESENTATIONS OR WARRANTIES WHATSOEVER, EXPRESS OR IMPLIED, WITH RESPECT TO ANY MATTER RELATING TO THE PREMISES INCLUDING, WITHOUT LIMITATION, INCOME TO BE DERIVED OR EXPENSES TO BE INCURRED IN CONNECTION WITH THE PREMISES, THE PHYSICAL CONDITION OF THE PREMISES, THE ENVIRONMENTAL CONDITION OR

OTHER MATTER RELATING TO THE PHYSICAL CONDITION OF THE PREMISES, THE ZONING OF ANY OF THE PREMISES, THE VALUE OF THE PREMISES, THE TITLE TO THE PREMISES, THE MERCHANTABILITY OR FITNESS OF THE PREMISES FOR ANY PARTICULAR PURPOSE, OR ANY OTHER MATTER OR THING RELATING TO THE PREMISES OR ANY PORTION THEREOF. WITHOUT IN ANY WAY LIMITING THE FOREGOING, LANDLORD HEREBY DISCLAIMS ANY WARRANTY, EXPRESS OR IMPLIED, OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE AS TO ANY PORTION OF THE PREMISES. TENANT FURTHER ACKNOWLEDGES THAT TENANT HAS CONDUCTED AN INDEPENDENT INSPECTION AND INVESTIGATION OF THE PHYSICAL CONDITION OF THE PREMISES AND ALL SUCH OTHER MATTERS RELATING TO OR AFFECTING THE PREMISES AS TENANT DEEMED NECESSARY OR APPROPRIATE AND THAT, IN PROCEEDING WITH THE TRANSACTION, EXCEPT FOR ANY REPRESENTATIONS AND WARRANTIES EXPRESSLY SET FORTH HEREIN, TENANT IS DOING SO BASED SOLELY UPON SUCH INDEPENDENT INSPECTIONS AND INVESTIGATIONS. ACCORDINGLY, TENANT ACCEPTS THE PREMISES "AS IS," "WHERE IS," AND "WITH ALL FAULTS."

Following the Possession Date, Tenant shall ASSUME ALL RISK of non-compliance of the Premises, or any part thereof, with any federal, state, or local laws, ordinances, rules, or regulations, except as otherwise set forth in this Lease. From and after the Possession Date upon receipt of notice of any noncompliance with any such laws, ordinances, rules, or regulations, Tenant hereby agrees to make any and all repairs, alterations, and additions to the Premises and to take all corrective measures as may be necessary to bring the Premises into compliance with all laws, ordinances, rules and regulations at its sole cost and expense. Notwithstanding the foregoing, Tenant shall have the right to challenge any such laws, ordinances, rules and regulations and may defer compliance therewith provided that in doing so Tenant shall not subject the Landlord to any liability in connection therewith and the Premises shall not be subject to any liens in connection therewith. Tenant shall not be entitled to any adjustment of any Rent hereunder on account of the condition of the Premises or any failure of any of the component parts to be in working order or because of any necessity of Tenant to repair or take corrective actions with respect to any part thereof or because of the inability of obtaining or any delay in obtaining any required development approvals from any governmental body having jurisdiction, including but not limited to Landlord. Furthermore, Tenant hereby releases the Landlord of and from any and all claims and liabilities whatsoever on account of the condition of the Premises or any failure of any of the component parts to be in working order or because of any necessity of Tenant to repair or take corrective actions with respect to any part thereof, or the necessity for obtaining any development approvals from any governmental body, including, without limitation, Landlord agencies.

2.5 Limited Access Prior to Possession Date. Prior to the Possession Date, Tenant and its agents, employees, engineers, architects and consultants shall have limited access to the Premises in order to conduct the tests, surveys, and inspections which are generally necessary for Tenant to obtain the Government Approvals and financing for construction of the Improvements. Tenant shall restore any damage to the Premises and shall indemnify Landlord for any damages or liability arising from such access in accordance with Section 16 hereof. Tenant shall schedule such access and perform its tests, studies and inspections at such a time and manner so as to not

unreasonably disturb Landlord's use of the Intermodal Facility and shall provide Landlord advance notice of any such tests, surveys and inspections.

2.6 Use.

2.6.1 General Uses. Tenant agrees to use and operate the Premises only for the uses permitted pursuant to this Section 2.6 of this Lease provided; however, the parties recognize that Tenant and its tenants and invitees shall be permitted to utilize the Public Areas on a non-exclusive basis with other members of the public, including but not limited to riders of the System. An agreed upon portion of the Premises will be dedicated for parking exclusively for Tenant, Sublessees, Space Lessees and their employees, invitees and guests and will not be available to members of the general public.

2.6.2 Permitted Uses. Tenant shall use the Premises only for the construction and operation of the Improvements in accordance with the terms of this Lease and the Governmental Approvals.

2.6.3 Prohibited Uses. Tenant is expressly prohibited from utilizing the Premises for the following:

(a) Automobile sales (new and/or used) and rental car companies, unless all inventory is stored off-site.

(b) Adult book store, adult motion picture theater, adult mini motion picture theater, adult night club, massage establishment or encounter studio, as such terms are defined in Section 39-4 of the Code of Palm Beach County, Florida or any successor legislation thereto.

(c) The retail sale of alcoholic beverages; provided the foregoing shall not prohibit (i) the sale of alcoholic beverage for consumption within a portion of the Premises such as in a restaurant or lounge, (ii) special events conducted on the Premises, to the extent permitted under applicable law, or (iii) as may otherwise be approved in writing by Landlord.

(d) Any use outside the Improvements which unreasonably disturbs, endangers or interferes with the utilization of the Public Areas or Intermodal Facility for their intended purposes.

(e) Any use that requires the storing of hazardous substances and/or materials at the Premises in violation of applicable law.

(f) Any use which is not a Permitted Use as set forth in sub-paragraph (b) above.

(g) Any use prohibited by law, this Agreement, the DRI Regulations and the Permitted Exceptions.

2.6.4 Public Transportation. Public forms of transportation including, but not limited to buses, limousine and taxi services shall be allowed free ingress to and egress on the Public Areas to serve the public.

2.7 Plan Presentation and Approval.

2.7.1 Conformity of Plans. Concept Plans, Preliminary Plans and Construction Plans and all work by Tenant with respect to the Premises and to Tenant's construction of Improvements thereon shall be in conformity with this Lease, applicable building codes, Government Approvals and all other applicable federal, state, county and local laws and regulations.

2.7.2 Concept Plans; Preliminary Plans. Landlord acknowledges that prior to the execution of this Lease, Tenant has submitted to Landlord and Landlord has approved a set of concept plans (the "Concept Plans") for the construction of the Improvements which are attached hereto as composite Exhibit E. Concept Plans may be modified only upon mutual consent of Landlord and Tenant.

Thirty (30) days after the Effective Date, Tenant shall submit to Landlord for approval two copies of Preliminary Plans of the Improvements which shall be in conformity with the Concept Plans and this Lease, and which shall consist of site plans and structure elevations and sufficient detail to show site planning, architectural design and layout, building construction, landscape design, access, streets, and sidewalks. Tenant shall simultaneously make application for any permits or other formal Governmental Approvals for the Improvements. Upon receipt of Preliminary Plans, Landlord shall review same and shall, within twenty (20) days after receipt thereof, advise Tenant in writing of its approval or disapproval, setting forth in detail its reasons for any disapproval. Landlord's right to disapprove the Preliminary Plans submitted shall be limited to matters depicted in the Preliminary Plans which are not in substantial conformity to the Concept Plans, or to matters which are in violation of this Lease. If Landlord fails to deliver Tenant written notice of disapproval within said twenty (20) days, then such Preliminary Plans shall be deemed to be approved by Landlord. After approval (including deemed approval) by Landlord of the Preliminary Plans, Tenant shall have the right to make minor changes therein which do not substantially or materially alter the Preliminary Plans as approved.

In the event of disapproval, Tenant shall, within ten (10) days after the date Tenant receives such disapproval, make those changes to the Preliminary Plans necessary to meet Landlord's stated grounds for disapproval and shall resubmit such altered plans to Landlord. Any resubmission shall be subject to review and approval by Landlord, in accordance with the procedure hereinabove provided for an original submission, until the same shall receive final approval by Landlord. Landlord and Tenant shall in good faith attempt to resolve any disputes concerning the Preliminary Plans.

2.7.3 Construction Plans. Within thirty (30) days after all Governmental Approvals have been obtained of the Preliminary Plans, Tenant shall submit to the Landlord for review and approval, final Construction Plans with respect to all Improvements (other than interior improvements) for Landlord's approval, which shall not be unreasonably withheld if consistent with the Preliminary Plan. Landlord's right to disapprove the final Construction Plans

or the plans and specifications for Public Areas shall be limited to matters depicted in the Construction Plans which are not in substantial conformity to the Preliminary Plans, or to matters which are in violation of this Lease. Additionally, the plans and specifications with regard to the Public Areas which are to be constructed by Tenant shall also be subject to the Landlord's review and approval, which Landlord's approval shall not be unreasonably withheld if consistent with the Preliminary Plan. The Landlord shall provide its written approval or disapproval (specifying the basis for disapproval and/or comments to the Construction Plans within twenty (20) days of receipt of request for same. If Landlord fails to deliver Tenant written notice of disapproval within said twenty (20) days, then such Construction Plans shall be deemed approved by Landlord.

The Construction Plans for all Improvements shall be certified by an architect or engineer licensed to practice in the State of Florida and shall consist of (1) working drawings, (2) technical specifications, (3) schedule for accomplishing the Improvements, and (4) such other information as may be required by the Landlord. All construction, Improvements, signs, equipment and landscaping must be made in accordance with the requirements set forth in this Lease. No material changes or alterations (other than Permitted Changes) shall be made to any Construction Plans for all Improvements, without the prior written approval of the Landlord, which approval shall not be unreasonably withheld. Tenant shall be permitted to make Permitted Changes without Landlord's approval.

2.7.4 Inclusion of Retail In Plans; Exclusion of Retail.

(a) The Concept Plan and all subsequent Plans filed with the City and County will include and show 15,000 square feet of retail space and the parties hereto will request the City to amend its current limitation of 10,000 square feet of retail space for the Property. If the City fails to so amend such limitation and fails to approve the use of 15,000 square feet for retail usage, then Tenant shall incorporate fewer square feet of retail space in its Plans for the Improvements and proceed to obtain approval for the construction and operation thereof. The Base Rent shall be adjusted in the event Tenant is not permitted to use 15,000 square feet of retail as shown on Schedule I.

(b) Notwithstanding anything to the contrary contained in this Agreement, if Tenant has not secured executed written leases for the 15,000 square feet of retail (or less square feet of retail if the City does not amend its current limitation of 10,000 square feet for the Property) by the later of: (i) the Commencement of Construction or (ii) twelve (12) months after the Effective Date, then Tenant, at Tenant's sole discretion, may elect with written notice to Landord, to construct no retail and expand the size of square feet of the Improvements committed to office to exceed 50,000 and change the Plans accordingly. If such an election is made by Tenant, then: (iii) Tenant shall seek every Governmental Approval to implement the increase in office space and (iv) the Outside Possession Date shall be extended to the earlier of: (v) an additional eight (8) months; or (vi) the date when Tenant obtains every Governmental Approval to construct more than 50,000 square feet of office space pursuant to its Plans. Base Rent shall be adjusted in the event Tenant elects to construct no less than 50,000 square feet of commercial and no retail space as shown on Schedule I.

2.7.5 Resolution of Disputes. If there shall be a bona fide dispute between Tenant and Landlord, as to Landlord's disapproval of any Preliminary Plans or Construction Plans or any amendment or modification thereof (other than a disapproval by Landlord based upon the Tenant's proposal to build less than all or other than the Improvements required by the terms of this Agreement, which disapproval shall not be subject to arbitration or dispute), such dispute shall be submitted to an impartial member of the American Institute of Architects mutually satisfactory to the parties, or if the parties shall fail to agree on such person, then to some impartial local member of the American Institute of architects selected by the President of that organization, who is in good standing and is in private practice in the City of Boca Raton. The arbitrator shall be instructed to render a decision on an expedited basis and in any event within fifteen (15) days following presentation of the dispute to the arbitrator. The decision of the arbitrator in any such dispute shall be final and binding on the parties and shall be enforceable in a court of law.

Any document required to be submitted to Landlord for approval pursuant to this Agreement shall be accompanied by a letter from Tenant stating that such document is submitted for approval pursuant to this Agreement and the time within such approval is required to be given hereunder, and unless accompanied by such a letter, such document shall not be deemed to have been submitted for approval. Any such document shall be deemed to have been submitted on the date of receipt by the person designated by Landlord to received same. All such documents shall be sent to the designated representative of Landlord by separate letter or parcel at the address specified for same by Landlord herein.

Any notice of approval or disapproval required to be given by Landlord pursuant to this Section shall be accompanied by a letter from Landlord directed to Tenant at the address set forth below and stating that such notice is given, and unless accompanied by such a letter, such notice shall not be deemed to have been given. Any such notice of approval or disapproval shall be deemed to have been submitted on the date of its receipt by Tenant at the address specified herein.

2.7.6 Tenant Obligations. Landlord's approval of any Concept Plans, Preliminary Plans or Construction Plans shall not relieve Tenant of its obligations under law to file such plans with any Governmental Authority having jurisdiction over the issuance of building or other permits and to take such steps as are necessary to obtain issuance of such permits. Tenant acknowledges that any approval given by Landlord shall not constitute an opinion or agreement by Landlord that the plans are structurally sufficient or in compliance with any laws, ordinances, codes or other applicable regulations, and no such approval shall impose any liability upon Landlord.

2.8 Conditions Precedent For Landlord. Notwithstanding anything to the contrary in this Agreement, Landlord shall not be obligated to deliver possession of the Premises and Tenant's rights hereunder shall be subject to termination as herein provided unless the events described in Section 2.8 (the "Conditions")shall have occurred and/or, where approval is required, been approved or deemed approved by Landlord on or before _____, 2008 (the "Outside Possession Date"), time being of the essence but subject to Force Majeure but not to the cure provisions for default. Upon the timely occurrence of the Conditions, or waiver thereof by Landlord, on or before the Outside Possession Date, Landlord shall deliver possession of the

Premises to Tenant and Tenant shall take possession thereof (the "Possession Date"). If the Conditions have not occurred or been waived by Landlord on or prior to the Outside Possession Date, the Landlord may elect to extend the Outside Possession Date for up to six (6) months to allow such Conditions to occur or be waived by Landlord. If, Landlord either does not extend or, after such extensions all the conditions have not occurred or been waived by Landlord, either Landlord or Tenant may terminate this Agreement at its sole discretion and without liability or claim for such termination (other than specified herein) upon written notice delivered to the other party within sixty (60) days after the Outside Possession Date, as initially set or as extended by Landlord. The events are as follows:

(a) Landlord shall have approved (or be deemed to be approved), in its sole discretion (i) any change in the use of the Premises and Improvements from that described in Section 2.6; (ii) any material change in the nature and scope of the Improvements from the nature and scope contemplated in this Agreement, including material changes resulting from modifications or revisions required by appropriate governmental authorities (other than Landlord) during the process of obtaining Governmental Approvals, and (iii) Construction Plans for the Improvements to be constructed on the Premises as and to the extent provided in Section 2.7.

(b) Tenant shall have received a detailed written commitment or commitments for the construction financing of the Improvements, or shall have provided Landlord with, and Landlord shall have approved, such other evidence to the effect that such financing has been committed or is available, and Tenant shall have provided and Landlord shall have approved evidence to the effect that the Tenant has financial resources available to it sufficient to complete construction of the Improvements, which approval in all instances shall not be unreasonably withheld. Tenant shall provide Landlord with copies of all construction loan documents.

(c) Tenant shall have provided to Landlord, as beneficiary, with an unconditional letter of credit ("Letter of Credit") in the face amount of One Million Dollars ($1,000,000) or shall have a surety bond ("Bond") in a similar amount issued in favor of Landlord, both in form and content acceptable to Landlord, which shall provide that (i) upon an Event of Default by Tenant prior to the completion of construction of the Improvements and if Lender elects not to complete construction of the Improvements, the Letter of Credit or Bond shall be paid to Landlord for either the demolition of partially completed Improvements, to complete partially completed Improvements, to pay costs incurred by Landlord in dealing with the failure of the Tenant to complete construction of the Improvements and for such other uses as Landlord may deem appropriate in its sole discretion or (ii) upon completion of construction, as required herein, the Letter of Credit or Bond shall be returned to Tenant.

(d) Tenant shall obtain and deliver to Landlord at or prior to the Commencement of Construction a performance and payment or cash bond, in the amount of the cost of construction of the Improvements, with all premiums paid and with good and sufficient surety, in form and content reasonably acceptable to the insurance staff of Landlord. The bond required by this Section is not in lieu of any payment and performance Bond required by applicable law or municipal regulation.

(e) A building permit, based on the approved Construction Plans has been issued by the City.

(f) There must not exist an uncured Tenant Event of Default.

(g) There have been no material changes to the Conditions previously accepted and approved by Landlord, unless Landlord shall have approved such material changes in an agreement signed by Landlord and specifically designated for such purpose.

If the Possession Date occurs prior to the Outside Possession Date, then the date that Landlord delivers possession of the Premises to the Tenant in accordance with this Section, as confirmed by Landlord and Tenant in writing, will be deemed the final "Possession Date."

2.9 Status of Agreement During Conditions Precedent Period.

(a) Tenant and Landlord each shall use good faith efforts to promptly satisfy all of the Conditions in a timely manner. Notwithstanding the foregoing, Landlord's undertaking to use good faith efforts pursuant to the preceding sentence shall not be deemed to require Landlord to approve the Conditions which are in its discretion to approve or to impose affirmative duties or financial obligations on Landlord to satisfy such Conditions. Landlord shall work with Tenant to obtain Governmental Approvals and promptly and in good faith consider whether a particular Condition has been satisfied and shall respond to requests for such consideration and for approval of the satisfaction of Conditions, it being the desire of the parties in fact to satisfy the Conditions. If requested by the other party, each party promptly shall indicate whether it considers that a particular Condition has been satisfied and, unless the Condition is to be approved in the sole discretion of Landlord, it shall state with particularity the reasons why it deems that a Condition has not been satisfied. It is recognized by the parties hereto that either party shall have the right to terminate this Agreement if there has been either an uncured Event of Default by the other party or if any of the Conditions set forth in Section 2.8 have not been either satisfied or waived by Landlord on or before the Outside Possession Date, as same may be extended, time being of the essence but as the same may be extended.

(b) In addition to the foregoing, the parties agree that Landlord and Tenant will work together to obtain all necessary or appropriate Government Approvals, including, without limitation, environmental and site related permits and approvals necessary to construct and finance the Improvements, and further including, without limitation, approvals, permits and/or no action letters from appropriate governmental agencies. Promptly following execution of this Agreement, Tenant will commence preparation of plans, traffic studies, and other planning materials and applications in order to apply for and commence the process of obtaining the Government Approvals. Tenant has the responsibility to diligently pursue, at its cost, the obtaining of all required Government Approvals, and Landlord in its capacity as land owner agrees to sign such applications, requests, letters and documents as are necessary for obtaining Government Approvals and which Tenant may reasonably request in connection with its efforts to obtain Government Approvals. Such consent and execution by Landlord shall not create financial obligations on the part of Landlord unless Landlord consents to same or Tenant shall provide Landlord with assurances acceptable to Landlord that such obligations shall be timely met by Tenant or some other party other than Landlord.

(c) Other than the deemed approval provisions of Section 2.7, no waiver of any of the Conditions set forth in Section 2.8 shall be implied by any conduct of Landlord, it being agreed that any waiver by Landlord of any such Condition shall be affected only by Landlord's express written statement to that effect delivered to Tenant.

2.10 Termination of Agreement – Pre-Possession Date.

(a) If all of the Conditions have not been satisfied or waived by Landlord by the Outside Possession Date (as the same may be extended) or Tenant otherwise elects in writing, prior to the Outside Possession Date, not to proceed with the Project, Landlord or Tenant may terminate this Agreement upon thirty (30) days written notice to the other party. In the event of the termination of this Agreement prior to the Outside Possession Date by either party, neither party shall, thereafter, have any obligations to the other hereunder, except for Tenant's obligation to restore the Premises following testing and inspection as provided herein, and as provided below in this Section. In addition to the provisions of the foregoing sentence, the following provisions shall govern the parties' relationship and rights if this Agreement is terminated prior to the Outside Possession Date for reasons other than an Event of Default by either party hereto:

i. If Tenant terminates this Agreement because a Condition described in Section 2.8 does not timely occur (unless waived by Landlord) or for reasons related to Landlord's failure to approve a Condition which Landlord has the right to disapprove in its sole discretion or because Tenant does not reasonably accept a satisfied Condition Precedent then the Tenant shall, as a condition of terminating this Agreement, pay to Landlord the amount by which all Project Related Costs incurred by Landlord to the date it received from Tenant the written notification of termination exceeds the cumulative Pre-Possession Rent paid to the date of termination.

ii. If Tenant terminates this Agreement because the Tenant has otherwise elected not to proceed with the Project (other than for reasons described in (i) above), then Tenant shall pay the Project Related Costs to Landlord, without any offset for the amount of Pre-Possession Rent paid plus it shall, at Landlord's election (delivered to Tenant within 30 days after its receipt of Tenant's written notice of termination), convey, transfer and assign to Landlord (to the extent the Tenant is entitled to convey, transfer and assign the same for no consideration or payment, all of Tenant's right, title and interest in any plans, contracts, permits, Government Approvals and other rights and benefits it has created related to the Premises or Improvements.

(b) If the Agreement is terminated by either party prior to this outside Possession Date because of an uncured Event of Default by the other party, the non-defaulting party shall be entitled to sue the defaulting party for any and all damages incurred from such Event of Default and termination, including, but not limited to costs and expenses of litigation.

SECTION 3. LETTING; TERM.

3.1 Let. At Possession Date the Landlord shall let Tenant and Tenant shall hire and take from the Landlord the Premises, subject to the Permitted Exceptions and the terms of this Lease.

3.2 Term. The Term of this Lease shall commence on the Possession Date and shall terminate on the last day of the ninety-ninth (99th) Lease Year thereafter ("Termination Date"), unless sooner terminated as provided herein.

SECTION 4. RENT

4.1 Pre-Possession Rent. Tenant shall pay monthly Rental of Four Thousand dollars ($4,000) (the "Pre-Possession Rent"), prorated as to any partial month, commencing on the date that the City-approved plat of the Premises is recorded and on the first day of each month thereafter until the earlier of (i) the Possession Date or (ii) the date that Tenant notifies Landlord in writing that it has elected, pursuant to the terms and provisions of this Agreement to terminate the Agreement.

4.2 Construction Period Rent. Commencing on the Possession Date, Tenant shall pay to Landlord, a monthly construction period rent payment of Six Thousand Two Hundred Fifty Dollars ($6,250) (prorated as to any partial month) and on the first day of each month thereafter until the commencement of Base Rent as provided in paragraph 4.3 below.

4.3 Base Rent. Commencing on the earlier of twelve (12) months after Possession Date or the issuance of the Certificate of Occupancy and for each Lease Year thereafter, Tenant shall pay to Landlord the Base Rent provided in Schedule I, which Base Rent shall be paid in monthly installments commencing on the first day of the month following the date specified above and on the first day of each month thereafter, prorated for any partial months.

4.4 Participation Rent. Tenant covenants and agrees to pay to Landlord, as Participation Rent for each Lease Year of the Term hereof, the Participation Rent set forth in Schedule I. Participation Rent shall be paid, for each Lease Year, within forty-five (45) days after the end of the Lease Year in question. Participation Rent shall be pro-rated for partial Lease Year periods.

4.5 Transaction Rent. Tenant covenants and agrees to pay to Landlord at the closing of any and each Sale or Refinancing, as defined in Schedule I, occurring during the Term, the percentage of Net Proceeds, from each and every Sale or Refinancing, as defined in Schedule I.

4.6 Calculation of Additional Rent For Residential Development of Land. Tenant shall be absolutely prohibited from converting the use of any portion of the Improvements to condominiums, unless for such conversion Tenant shall pay Landlord, at the closing, an agreed upon Net Proceeds from the sale of each such condominiums.

4.7 Calculation of Additional Rent if Gaming Is Allowed on Premises. In the event that: (a) gaming shall be legalized in the State of Florida and, by virtue thereof, it is licensed to be conducted on the Premises and (b) Tenant or Sublessee receives any proceeds from the

gaming activities conducted on the Premises, whether by rent, share of gross income or otherwise, Landlord and Tenant (or Sublessee as the case may be) shall meet and negotiate, in good faith, the percentage of the amount Tenant (or Sublessee as the case may be) receives from the gaming activities that Tenant (or Sublessee as the case may be) shall pay Landlord as Additional Rent. The parties shall give due consideration to the rent charged by landlords to tenants in similar projects for gaming activities. If no agreement is reached within sixty (60) days from the date gaming activity is scheduled to begin on the Premises, Tenant shall pay Landlord, as interim rent, an amount per month equal to ten percent (10%) of the Gross Revenues (less payouts) from such gaming activity and the parties shall arbitrate what the actual rent shall be.

4.8 Exclusive Connection Rights. Landlord hereby retains the sole and exclusive connection rights to the Intermodal Facility. Such rights shall include the rights: (a) to connect buildings not located on the Parcel to the Intermodal Facility and (b) to connect to the Premises any other development(s) or properties adjacent to or within the general area of the Parcel, all at Landlord's sole cost and expense. These exclusive rights have been retained by Landlord in consideration for the obligations and undertakings pursuant to this Lease.

4.9 Expenses. It is understood and agreed by and between the parties hereto that from the Possession Date, all costs, expenses, taxes (except income and the like, if any, owed by Landlord), special assessment and impositions of each and every kind and nature whatsoever incurred or imposed hereunder or against the Premises including, without limitation, the Improvements to be constructed thereon as well as all of the specific obligations or expenses herein defined, shall be paid by Tenant in accordance with the terms and provisions hereof and, in no case later than when such payment is due and payable to the payee.

4.10 Licenses, Fees and Taxes. Tenant shall pay, on or before their respective due dates, to the appropriate collecting authority, all federal, state, county, and local taxes, assessments and fees, which are now or may hereafter be levied upon the Premises or the estate hereby granted, or upon Tenant, or upon the Improvements or any of Tenant's property used in connection therewith, or upon any rentals or other sums payable hereunder, including, but not limited to any applicable ad valorem, sales, use or excise taxes, and shall maintain in current status all federal, state, county and local licenses and permits, now or hereafter, required for the operation of the business conducted by Tenant on the Improvements or the Premises. To the extent permitted by law, Tenant shall be permitted to pay any assessments in annual installments and to the extent such assessments may be payable in installments then Tenant shall only be required to pay those installments which shall become due and payable during the Term.

4.11 Proration. Taxes, assessments and other expenses in connection with the Premises shall be prorated as of the Possession Date and the last day of the Term with Tenant being responsible for its obligations pursuant to this Lease for the period between the Possession Date and the last day of the Term.

4.12 Utilities. From and after the Possession Date, Tenant shall pay when due, all water, utility and other expenses which are now or hereafter charged or assessed with respect to operations at the Premises. All water, utility and other public fees or charges shall be paid by Tenant promptly prior to delinquency.

4.13 Additional Rent. If Landlord is required or elects to pay any sum or sums or incur any obligations or expense by reason of the failure, neglect or refusal of Tenant to perform or fulfill any one or more of the conditions, covenants or agreements contained in this Lease which breach is not cured by Tenant within the applicable cure period, Tenant agrees to pay the reasonable sums so paid or the reasonable expense so incurred, including all interest, costs, damages and penalties, and reasonable attorneys' fees and costs, and each and every part of the same shall be deemed Additional Rent due hereunder payable within thirty (30) calendar days after written demand therefor.

4.14 Late Payments - Interest. Landlord shall be entitled to collect interest at the lesser of eighteen percent (18%) per annum or the highest non-usurious rate permitted by law per annum from the date any sum is due to Landlord until the date paid on any amounts that are not paid within ten (10) days of their due date under this Lease. The right of Landlord to require payment of such interest and the obligation of Tenant to pay same shall be in addition to and not in lieu of the right of the Landlord to enforce other provisions herein and to pursue other remedies provided by law.

4.15 Place of Payments. All payments of Rent required to be made by Tenant to Landlord under this Lease shall be made payable to "South Florida Regional Transportation Authority," and shall be paid to the Landlord at its business address, or to such other office or address as may be substituted therefor. All Rent (together with all applicable sales tax thereon) shall be payable without demand, offset or deduction, other than as set forth in this Lease.

4.16 Form of Rent. All payments of Rent due hereunder shall be paid in lawful funds of the United States.

4.17 Tenant's Records and Audit. Tenant agrees, without notice or demand from Landlord, within forty-five (45) days after the end of each Lease-Year, to cause a statement of the Gross Revenues for such Lease-Year to be certified by an executive officer of Tenant and a copy of such certified statement shall be delivered by Tenant to Landlord within such forty-five (45) day period, accompanied by a check of Tenant for the Participation Rent, payable with respect to such prior Lease–Year.

4.18 All statements deliverable by Tenant to Landlord under this Lease shall be delivered to the place where Rent is then payable, or to such other place or places as Landlord may from time to time direct by written notice to Tenant.

Computation of the Participation Rent specified herein shall be made separately with regard to each Lease-Year of the Term; it being understood and agreed that the Gross Revenues of any lease-year and the Participation Rent due thereon shall have no bearing on, or connection with, the Gross Revenues of any other Lease-Year of the Term.

For the purpose of permitting verification by Landlord of any amounts due to it, including an account of the Percentage Rent, and Transaction Rent, Tenant will keep and preserve for at least three (3) years at Tenant's address specified herein auditable original or duplicate books and records for the Premises which shall disclose all information required or appropriate to determine Percentage Rent and Transaction Rent. All such records shall be

maintained in material respects in accordance with generally accepted accounting principles and will be made available to Landlord in Palm Beach County upon reasonable request allowing Tenant reasonable and sufficient time in the ordinary but prompt course of business to assemble, copy and deliver such records to a mutually agreeable Palm Beach County location. Landlord shall, after giving Tenant seventy-two (72) hours advance notice, have the right during business hours to inspect such books and records either in Palm Beach County if available or, if not so available, then at Tenant's address specified herein (in which event and unless Tenant shall make such books and records available in Palm Beach County, Florida, Tenant shall pay (not more than twice annually) all reasonable travel, food and lodging cost incurred by Landlord or its staff or auditor to conduct the examination at Tenant offices) and make any examination or audit or copy thereof which Landlord may desire. If such audit shall disclose a liability for Rent in excess of the Rent theretofore paid by Tenant for the period in question, Tenant shall pay such additional Rent within ten (10) days after receipt of written demand therefor. Landlord may examine, inspect and make copies of materials provided by Tenant.

Tenant shall provide Landlord with an annual Financial Statement, certified by an independent certified public accountant, of its choosing, within one hundred twenty (120) days after the close of each Lease Year and after the termination of the Lease showing in reasonable detail the computation of the Percentage Rent for the preceding Lease Year and Transaction Rent, if any, and summarizing in reasonable detail, the financial operations and financial conditions of the Premises for the year in question. If Tenant shall fail to deliver the foregoing statement to Landlord within said period, after reasonable notice Landlord shall have the right to employ an independent certified public accountant to examine such books and records as may be necessary to certify the amount of the Rent due with respect to such Lease Year and to obtain the information described above. Tenant shall pay to Landlord, within ten (10) days after receipt of written demand therefor, as additional Rent, the cost of any audit performed by or for Landlord in the event Landlord's audit was in lieu of an annual Audited Financial Statement required to be but not provided by Tenant. If Landlord disagrees with the annual certified Financial Statement provided by Tenant, it may conduct its own audit, which Tenant shall pay for if said audit demonstrates a discrepancy of more than three percent (3%) in the amount of Percentage Rent or Transaction Rent due to Landlord, provided, however, that if the audit relates to a discrepancy in Transaction Rent involving a sale, then it shall be paid for by the seller and not the purchaser; otherwise, the cost of the audit shall be paid for by Landlord. Any dispute between the two audits which cannot be resolved by the parties shall be resolved by arbitration. The cost of any audit by Landlord which Tenant is required to pay the cost of pursuant to this Section shall be the cost charged to Landlord by its independent auditors.

SECTION 5. RIGHTS AND USES OF TENANT

5.1 Public Nature of Public Areas. It is the intent of the parties to cooperate each with the other to the maximum extent possible so that the Public Areas maintain their character as public facilities and that the parties will cooperate to the extent legally permissible to maintain tax exempt status for such Public Areas and sovereign immunity with respect to such Public Areas. Without limiting the foregoing, if Tenant requests that the Public Areas be excluded from the term Premises, Tenant acknowledges and agrees that such exclusion shall be solely for the purposes set forth above (i.e., tax exempt status or sovereign immunity) and that all of Tenant's obligations under this Lease with respect to the Premises shall not be affected and shall continue

to include the Public Areas to the extent such obligations applied to the Public Areas prior to such request for exclusion by Tenant.

5.2 Name of Intermodal Facility. Landlord shall have the sole and exclusive right to create and use a name for the Intermodal Facility.

5.3 Non-Interference. Landlord and Tenant hereby mutually agree not to interfere with the free flow of pedestrian or vehicular traffic to and from the Intermodal Facility. They further agree that, except for those structures reasonably necessary for security and safety purposes, no fence, or any other structure of any kind (except as may be specifically permitted or maintained under the provisions of this Lease, indicated on approved Construction Plans or otherwise mutually agreed upon in writing) shall be placed, kept, permitted or maintained in such a fashion as to materially or adversely interfere with pedestrian or vehicular traffic to and from the Intermodal Facility. The foregoing shall not prohibit Tenant from closing the Premises and denying access to the public at such times and in such manner as deemed necessary by Tenant during the development or construction of any portion of the Improvements, the repair and maintenance of the Premises or in the operation of the Premises, provided such closing does not prevent Landlord from operating the Intermodal Facility.

5.4 Rights to Erect Signs; Revenue Therefrom.

(a) Landlord hereby agrees that Tenant, to the extent permitted by law and subject to Landlord's prior approval which shall not be unreasonably withheld or delayed, shall have the exclusive right at all times, during the term of the Lease, to place, erect, maintain and operate, or cause, allow and control the placement, erection, maintenance and operation of any signs or advertisements of any kind whatsoever at, in or on the Premises. Tenant shall be responsible for obtaining any and all required permits and licenses which may be required from time to time by any governmental authority for such signs and advertisements and Landlord agrees to execute any consents necessary or required by any governmental authority as part of Tenant's application for such permits or licenses.

(b) Tenant shall have the right to remove any signs which, from time to time, may have become obsolete, unfit for use or which are no longer useful, necessary or profitable in the conduct of Tenant's business, or in the occupancy and enjoyment of the Premises by Tenant, or any Sublessees or Space Lessees.

(c) As used in this Lease, "sign(s)" shall be deemed to include any display of characters, letters, illustrations, logos or any ornamentation designed or used as an advertisement or to indicate direction, irrespective of whether the same be temporary or permanent, electrical, illuminated, stationary or otherwise (excluding billboards).

(d) Tenant shall be entitled to rent or collect a fee for the display of signs, advertisement, and the use of space for display or erection of signs and shall be entitled to retain said rent or fee provided, however that such rent or fees shall be a part of Gross Revenue for purposes of this Lease and shall be deemed retail activities.

5.5 Equal Opportunity. Tenant agrees, in good faith, to provide that all qualified parties, regardless of race, religion, national origin or sex, shall have an equal opportunity to participate in the construction, development and rental of the Project.

5.6 Landlord's Signs Upon Premises. System-wide informational graphics shall be allowed to be placed upon the Premises in locations and in size mutually agreed to by Landlord and Tenant.

5.7 Covenants for Payment of Public Charges by Tenant.

(a) Payment of Public Charges. Tenant, in addition to the Rent and all other payments due to Landlord hereunder, covenants and agrees to pay and discharge or cause to be paid and discharged (including payment by installment, if allowed), before any fine, penalty, interest or cost may be added, all real and personal property taxes, all ad valorem real property taxes, all taxes on Rent payable hereunder and under Space Leases or Subleases, public assessments and other public charges (all such taxes, public assessments and other public charges being treated as Rent hereunder and hereinafter referred to as "Public Charges") levied, assessed or imposed by any public authority against the Premises, including all Improvements thereon in the same manner and to the same extent as if the same, together with all Improvements thereon, were owned in fee simple by Tenant; provided, that Tenant's obligation to pay and discharge Public Charges levied, assessed or imposed against or with respect to the Premises shall not commence until the Possession Date. All such charges shall be prorated if the Possession Date and/or date of termination of this Agreement are not at the beginning of the calendar year. Tenant shall furnish or cause to be furnished, to Landlord, official receipts of the appropriate taxing authority, or other proof satisfactory to Landlord evidencing the payment of any Public Charges.

(b) Covenant Against Tax Relief Petition; Payment in Lieu of Ad Valorem Taxation. Tenant covenants and agrees that it shall not seek (by petition to governmental authorities or legal action) to have Public Charges assessed against the Premises or Improvements reduced or abated by virtue of the fact that the Premises is a "municipal project" or by virtue of the fact that fee interest in the Premises is owned by Landlord (such action by Tenant herein referred to as a "Tax Relief Petition"). If despite the foregoing covenant and prohibition and Tenant's compliance with same, it is determined by competent authority that the Premises or Improvements are not subject to ad valorem taxes (or to a tax imposed on the Premises or Improvements in lieu of or replacing an ad valorem tax) because the Project is a "municipal project" or by virtue of the fact that the fee interest in the Premises is owned by Landlord then Tenant shall, each year during the term of this Lease, make payments to Landlord, in lieu of ad valorem taxes and as Rent, in an amount estimated to be, in the best judgment of the parties, the equivalent of what the ad valorem taxes would have been on the Premises or Improvements for such year if they had been imposed. Any dispute as to such payment in lieu of taxes shall be resolved by arbitration. Payment in lieu of ad valorem tax shall be made on the first day of April of each succeeding year. The provisions of this Section shall not apply to a reduction or elimination of the ad valorem taxes generally or uniformly applicable to all commercial property in Boca Raton, irrespective of whether such property is a "Municipal Project" or owned by Landlord.

5.8 Contesting Impositions. Tenant shall have the right to contest the amount or validity, in whole or in part, of any Public Charges, for which Tenant is or is claimed to be liable (but Tenant shall not have the right to initiate an action or petition of the nature described in (b) above and Tenant shall not have the right to contest the validity of the payments described in (b) above), by appropriate proceedings diligently conducted in good faith but only after payment of such Public Charges, provided, however, that Tenant may postpone or defer payment of such Public Charges if applicable law allows deferment and neither the Premises or Improvements would by reason of such postponement or deferment be in danger of being forfeited or lost.

Upon the termination of any such proceedings, Tenant shall pay the amount of such Public Charges or part thereof, if any, as finally determined in such proceedings, together with any costs, fees, including counsel fees, interest, penalties and any other liability in connection therewith. Landlord shall not be required to join in any proceedings referred to in this Section unless: (a) the provisions of any law, rule or regulation at the time in effect shall require that such proceedings be brought by or in the name of Landlord, or (b) the proceeding involves the assessment or attempted assessment of a real estate or ad valorem tax on the Premises, in which event Landlord shall join in such proceedings or permit the same to be brought in Landlord's name. Landlord shall not be subjected to any liability for the payment of any fees, including counsel fees, costs and expenses in connection with such proceedings and Tenant agrees to pay such fees, including reasonable counsel fees, costs and expenses incurred by Landlord or, on demand, to make reimbursement to Landlord for such payment.

5.9 Technological Advances. Landlord and Tenant acknowledge and agree that there may be technological advances and innovations during the Term of this Lease that may affect the Intermodal Facility and modes of transportation in general. In furtherance of the foregoing, Tenant agrees to cooperate with Landlord (at no additional cost to Tenant) in furthering its goal of promoting public transportation at the Public Areas with respect to future modes of public transportation, provided Tenant's use of the Premises is not materially adversely affected.

5.10 Interference. Tenant expressly agrees, for itself, its successors and assigns, to refrain from and/or prevent any use of the Premises which would materially and adversely affect the operation of the Public Areas and/or Intermodal Facility, subject to casualty, condemnation and during reasonable periods of construction.

5.11 Quiet Enjoyment. Tenant, upon paying the Rent herein reserved and performing and observing all of the other terms, covenants and conditions of this Lease on Tenant's part to be performed and observed, shall peacefully and quietly have, hold and enjoy the Premises during the Term.

SECTION 6. CONSTRUCTION BY TENANT. In connection with the contemplated construction and development of the Premises, the parties agree that:

6.1 Title of Premises; Disclaimer. Pursuant to Florida Statutes Section 713.10, any and all liens or lien rights shall extend to and only to the right, title and interest of the Tenant in the Improvements and the right, title and interest of Landlord in the Premises shall not be subject to liens or claims of liens for improvements made by the Tenant, Sublessees or Space Lessees. Nothing contained in this Agreement shall be deemed or construed to constitute the consent or

request of Landlord express or implied, by implication or otherwise, to any contractor, subcontractor, laborer or materialman for the performance of any labor or the furnishing of any materials for any specific improvement of, alteration to, or repair of, the Premises or Improvements or any part thereof, nor as giving Tenant, any lender, Lessee, or Sublessee under any Lease or Sublease any right, power or authority to contract for, or permit the rendering of, any services or the furnishing of materials that would give rise to the filing of any lien, mortgage or other encumbrance against Landlord's interest in the Premises or any part thereof or against assets of Landlord, or Landlord's interest in any Rent as defined in the Lease. Notice is hereby given, and Tenant shall cause all Subleases and Space Leases and the Construction Contract Documents to provide (and shall be given by recordation of a memorandum of this Lease) that Landlord shall not be liable for any work performed or to be performed at the Premises or Improvements or any part thereof for Tenant, any lender, Lessee, or Sublessee or for any materials furnished or to be furnished to the Premises or Improvements or any part thereof for any of the foregoing, and no mechanic's, laborer's, vendor's, materialman's or other similar statutory lien for such work or materials shall be attached to or affect Landlord's interest in the Premises or any part thereof or any assets of Landlord, or Landlord's interest in any Rent.

6.2 Standards of Construction. Any and all construction of the Improvements shall be performed in such a manner as to provide that the Improvements shall:

(a) Be structurally sound and safe for human occupancy, free from any unusual hazards and to be a viable candidate for certification under the LEED – EB Green Building Rating System;

(b) Be designed for use for only those purposes permitted under Section 2.6, hereof;

(c) Provide for the applicable portions of the Public Areas to be constructed as part of the Improvements;

(d) Be fire resistant to the extent required by the provisions of the local applicable building codes and shall not be used for the manufacture or storage of flammable, explosive or hazardous materials in violation of applicable law or for any occupation which is reasonably deemed by the Landlord to be a hazard to highway or non-highway users;

(e) Comply with the Construction Plans (to the extent applicable); and

(f) Comply with the terms and provisions of this Lease, the DRI Regulations and Permitted Exceptions.

The Landlord may refuse to grant approval if the proposed Improvements will fail to meet the criteria set forth above. All Improvements shall be constructed in a good and workmanlike manner and shall be made consistent with the Construction Plans and all other relevant laws, rules and regulations affecting the Premises including the Permitted Exceptions and DRI Regulations. Landlord's approval shall not be required for the initial interior buildout or subsequent interior alterations of the space demised to Sublessees or Space Lessees.

6.3 Water and Services Capacity

Landlord will assign to Tenant Landlord's rights to utilize water and sewer capacity to service all the Improvements which may be located on the Premises and to permit Tenant to connect the water and sewer infrastructure for the Premises to the existing or future water and sewer infrastructure pertaining to the Premises with all costs for said connections to be borne by Tenant;

6.4 Easements.

(a) The parties will enter into mutually acceptable cross non-exclusive easements for such matters as vehicular and pedestrian traffic across the access drives, sidewalks and walkways, exits and entrances, and other Public Areas, and installation and connection of utility lines in connection with the utilization of the Public Areas and the right of Tenant to develop the balance of the Parcel adjacent to, on top of and/or underneath the Public Areas, provided that the location and form of such easements shall be acceptable to Landlord. Additionally, the parties agree that the easements to be granted by Landlord may be either easements or other use rights acceptable to the grantee(s) thereof. Notwithstanding the foregoing, Landlord shall cause water and wastewater utilities to be brought to the perimeter of the Premises at Landlord's expense. Tenant shall have a perpetual non-exclusive easement to tie into these utilities and other available utilities, subject to any declaration of reciprocal easement affecting the Parcel. All connections to the utilities shall be at the sole cost and expense of Tenant; and

(b) Copies of Easements. Landlord and Tenant shall provide each other with copies of all easements executed by either party.

(c) Public Areas Easements. The Landlord grants to Tenant, a right of ingress and egress for the passage of vehicles and pedestrians in the Public Areas.

6.5 Cross Access Easements. Tenant acknowledges that Landlord is the holder of certain easements for access to Yamato Road and Spanish River Boulevard. Tenant shall have the right to use and enjoy these easements for the benefit of the Parcel during the term of the Lease.

6.6 Parking Easement. Tenant acknowledges and agrees that the total amount of parking spaces required, for zoning purposes, for the Premises is one hundred ninety-one (191). Tenant shall enjoy the exclusive use of designated parking spaces located on the Premises. In addition, Landlord shall grant to Tenant a nonexclusive easement across the parking area north of the bus bays located on Phase I for parking uses relative to the entire Parcel which shall be reduced to writing between the parties.

6.7 Maintenance Easement. Each party grants to the other easements across their respective portion of the Parcel for the purpose of maintenance of the other's particular portion of the Parcel so as to enable the proper maintenance of the entire Parcel which easement shall be reduced to writing between the parties.

6.8 FPL Easement. Tenant agrees to provide access to the Florida Power and Light ("FP&L") easement area through the Premises on such terms and conditions as is reasonably requested by FP&L. FP&L must have the ability to access its power lines located on the FP&L

easement area and such access must be available through the Premises. As a result, Tenant acknowledges and agrees that it must submit the Construction Plans to FP&L for approval prior to commencing any construction. Tenant shall be solely responsible for obtaining approval from FP&L for the location of the easement through the Premises. Tenant shall provide notice to Landlord of any proposed meetings or negotiations with FP&L regarding the location of the easement and a copy of such easement.

6.9 Collateral Assignment; Enforcement.

(a) Tenant shall assign, as collateral security for this Lease, all of its right, title and interest in and to the Construction Plans. Duplicate sealed originals of the Construction Plans shall be delivered to and remain with Landlord within five (5) business days of obtaining same. Tenant hereby further assigns, transfers and sets over unto Landlord all of its right, title and interest in and to the Additional Collateral and all the rights and benefits therefrom as additional security for the full, timely and faithful performance of the terms of this Lease by Tenant. At the time Tenant enters into a contract with a contractor for providing services or materials pursuant to the Construction Plans, Tenant shall cause the contractor to consent to the assignment contemplated hereunder. Tenant shall pay for all costs associated with obtaining the Construction Plans and all costs incurred in connection with the Additional Collateral. At Landlord's request, Tenant shall execute a collateral assignment containing the terms contemplated herein in a form reasonably acceptable to Landlord and confirming that each contractor unconditionally agrees to continue to perform under its respective contract after Landlord exercises its rights hereunder. Tenant shall cause all contractors under each Contract to consent to this assignment on or before the issuance of a building permit for the Improvements.

Upon the occurrence of an Event of Default by Tenant, Landlord may enforce the assignment contemplated hereunder. Tenant agrees faithfully to observe and perform all of the obligations and agreements imposed upon Tenant under the Licenses and Contracts. Landlord will not be deemed in any manner to have assumed any of the Additional Collateral, nor shall Landlord be liable to Governmental Authorities or contractors by reason of any default by any party under the Licenses or Contracts. Tenant agrees to indemnify and to hold Landlord harmless of and from any and all liability, loss or damage which it may or might incur by reason of any claims or demands against it based on its alleged assumption of Tenant's duty and obligation to perform and discharge the terms, covenants and agreements in the Licenses and Contracts. After the occurrence of Tenant's default under this Lease, Landlord may elect to exercise any and all of Landlord's rights and remedies under the Additional Collateral, without any interference or objection from Tenant, and Tenant shall cooperate in causing the contractors to comply with all the terms and conditions of the Contracts. Landlord may, at its option, take over and enjoy the benefits of the Additional Collateral, exercise Tenant's rights under the Additional Collateral, and perform all acts in the same manner and to the same extent as Tenant might do. In connection with any and all of the foregoing powers, and without limiting the same, Landlord may effect new Contracts and Licenses, cancel or surrender existing Contracts or Licenses, alter and amend the terms of and renew existing Contracts and Licenses, and make concessions to Governmental Authorities and contractors. Tenant hereby releases any and all claims which it has or might have against Landlord arising out of such performance by Landlord. All of the foregoing powers herein granted Landlord shall be liberally construed. Landlord need not expend its own funds in the exercise of such power, but if it does, such amounts shall be

deemed Additional Rent due hereunder for and on behalf of Tenant secured by this Lease. Tenant shall furnish to Landlord, within five (5) business days of the full execution of same, all Contracts and Licenses. Further, Tenant shall deliver to Landlord copies of all other written agreements, correspondence and memoranda between Tenant and contractors and Governmental Authorities, in Tenant's possession setting forth the contractual and other arrangements between them. Tenant's pledge of the Additional Collateral and Landlord's exercise of any of its rights hereunder shall be subject to and subordinate to any pledge of such Additional Collateral to the lender providing construction financing for the Improvements and to any limitations contained in the Licenses or Contracts concerning their use by third parties.

6.10 Costs. It is understood and agreed that in the course of any construction undertaken by Tenant during the term of this Lease, Tenant shall be responsible for all costs associated with any removal, replacement, relocation and protection of all utilities located at the Premises, including, but not limited to, water, sewer, storm water, cable, natural gas, telephone or electric.

6.11 Comply with Applicable Law. All Improvements constructed or installed by Tenant, its agents, or contractors, shall conform to all applicable state, federal, county, and local laws, resolutions, statutes, ordinances, building codes, fire codes, and rules and regulations, as may be in effect now or at any time during the Term, all as may be amended, which are applicable to Tenant and the use and occupancy of the Premises, and the construction and operation of the Improvements and the operations and business conducted at the Premises including, specifically, but not limited to, all federal rules, requirements and guidelines applicable to transportation joint development projects such as those contained in 49 CFR 23.7; 49 CFR 27.7 and 27.9(b); and FTA MA (12) Section 3, subparagraphs (a)(1), (a)(2) and (b). A violation of any such laws, ordinances, resolutions, rules, regulations or orders, as amended, not cured within the applicable cure period, if any, shall constitute a material breach of this Lease, and in such event Landlord shall be entitled to exercise any and all rights and remedies hereunder and at law and in equity.

Tenant acknowledges and understands that the federal rules, guidelines and requirements governing transportation joint development projects dictate that the transit authority retain continuing control of its transit station operations. Accordingly, Tenant agrees that it shall integrate into the development of the Improvements those operational requirements as Landlord shall reasonably identify and require in order to maintain such continuing control.

The obligation of Tenant to comply with governmental requirements is provided herein for the purpose of assuring proper safeguards for the protection of persons and property on the Premises. Such provision is not to be construed as a submission by the Landlord to the application to itself of such requirements or any of them.

6.12 Consultation. If requested by the Landlord, Tenant and its architect/engineer and contractor shall meet with the Landlord in periodically scheduled meetings to assess the current status of completion.

6.13 Tenant Property. Unless otherwise set forth herein, all Improvements and all fixtures, structures, facilities, pavements and other leasehold improvements and any additions

and alterations made to the Premises (including those that are nailed, bolted, stapled, or otherwise affixed to the Premises) by Tenant, or at Tenant's direction, shall be and remain Tenant's property until the expiration or termination of this Lease, at which time, all such leasehold improvements (other than trade fixtures) as are then located on the Premises shall become Landlord's property and shall be surrendered with and remain on the Premises. Any addition, fixture or other improvement that is nailed, bolted, stapled, or otherwise affixed to the Premises is a leasehold improvement.

6.14 Encumbrances. Tenant hereby represents, warrants and covenants to the Landlord that the fee simple title to the Premises shall be at all times free and clear of all liens, claims and encumbrances created by or through Tenant (other than those created or consented to by Landlord); provided, however, that Tenant shall be entitled to encumber the leasehold estate and/or Tenant's interest in the Improvements subject to the provisions of this Lease.

If any lien or notice of lien shall be filed against the fee simple title of the Premises created by or through Tenant (other than those created or consented to by Landlord), Tenant shall, within thirty (30) calendar days after notice of the filing thereof, cause the same to be discharged of record by payment, deposit, bond, or order of a court of competent jurisdiction. Neither Tenant, any Sublessee or any Space Lessee shall be deemed to be Landlord's agent so as to confer upon any contractor or subcontractor providing labor or services that are material to the Premises (whether in connection with Tenant's Improvements or otherwise) a construction and/or mechanic's lien against Landlord's estate under the provisions of Chapter 713 "Florida Statutes" as amended from time to time. The foregoing shall be contained in a notice or memorandum to be recorded in the Public Records of Palm Beach County in accordance with Florida Statute 713.

6.15 As Builts. Within one hundred twenty (120) days after the date a Certificate of Occupancy is issued for Improvements constructed by Tenant, Tenant shall at its expense, provide the Landlord with a complete set of "as built" plans and specifications, including mylar reproducible "record" drawings, and, if available, one set of machine readable disks containing electronic data in an AUTOCAD format that meets the Landlord's graphic standards of the "as-constructed" or "record" plans for such Improvements. The "as built" plans submitted by Tenant must show the square footage of each Improvement depicted in such plans. Tenant shall not be obligated to submit as-built plans and specifications for minor or non-structural alterations made subsequent to the issuance of the original Certificate of Occupancy, such as "tenant build-out" alterations and construction performed in connection with the occupancy of Space Lessees and Sublessees.

6.16 Required Governmental Approval. Tenant shall obtain any required approval from all other governmental agencies having jurisdiction over any Improvements constructed by Tenant, including but not limited to departments, divisions or, offices of the State of Florida, Palm Beach County, local governments, and the federal government.

6.17 ADA. All Improvements hereafter made to the Premises shall be in compliance with the Americans with Disability Act (42 U.S.C. Sections 1201 *et. seq.*), as same may be amended from time to time to the extent required by law.

6.18 Additional Improvements. After the Improvements are constructed, any further construction, demolition and/or reconstruction additional buildings or structures on any portion of the Premises and any material alterations, additions or changes, structural or otherwise, in and to the exterior of Improvements, must have the prior written consent of Landlord, which consent shall not be unreasonably withheld or delayed provided, however, if the size and use of the Improvements are proposed to be changed, Landlord's consent may be withheld in Landlord's sole and absolute discretion. Any part of the Improvements at any time standing upon the Premises which is demolished must be replaced with a structure equal to or greater than the value of the building which is razed and that in connection with the redevelopment of Improvements, the new Improvements shall satisfy the minimum square footage of Improvements required to be contained within the Premises as otherwise set forth in this Lease and may require a renegotiation of the Rent. The parties hereby acknowledge that in connection with the construction of the Improvements to the Premises, that there may be disruption to a portion of the Public Areas and prior to commencing such work which adversely impacts the utilization of the Public Areas, the parties agree that the Landlord shall have the right to approve such disruption, which approval shall not be unreasonably withheld or delayed, recognizing that some disruption may be necessary in connection with the circulation areas, the bus drive lanes and a portion of the Intermodal Facility.

6.19 Landlord's Approval. In connection with Landlord's review and approval of any material change in the Concept Plan, the Preliminary Plans, the Construction Plans and any changes to the exterior of the Improvements, the Public Areas or in the use of the Improvements or the amount of density provided herein, the parties recognize that the following elements are important to the Landlord's evaluation and that any proposal that will adversely affect any of the following may be rejected by Landlord in its sole discretion: (1) protecting the public purpose, function, flow and operation of the Parcel as an intermodal transportation facility for its users; (2) increasing transit and ridership opportunities by combining the Intermodal Facility with the development of the Premises; (3) providing that the Public Areas are important considerations in connection with any deviation or modification from the Conceptual Plan; (4) completing the Improvements on time in accordance with the approved schedule; (5) the aesthetic attributes of the Improvements; (6) avoiding additional costs for Landlord; and (7) resulting in a decrease in revenue to Landlord.

6.20 Rights of Access. For the purposes of assuring compliance with this Lease, representatives of Landlord shall have the right of access to the Premises without charges or fees, at normal construction hours, during the period of construction provided that such right shall be reasonably exercised so as to minimize disruption of construction. Nothing in this Lease, however, shall be interpreted to impose an obligation upon Landlord to conduct such inspections or any liability in connection therewith.

6.21 Reports. During the construction of the Improvements, Tenant shall furnish Landlord with monthly progress reports to Landlord demonstrating compliance with the construction requirements of this Lease for the prior month, which reports may be the same ones provided to Tenant's construction lender by Tenant or its general contractor.

6.22 Site Work. The required site work for the Premises shall be performed at the expense of Tenant. Landlord and Tenant shall cooperate in the elevation of the Parcel and shall

not remove any soil from the Parcel without first confirming with the other that the soil is not needed by the other party.

6.23 FAU Agreement. The parties acknowledge that Landlord is working on an agreement with Florida Atlantic University for a program to utilize the transportation facility within the Parcel. Tenant agrees to cooperate with Landlord with respect to consummating such agreement at no additional expense to Tenant.

6.24 Governmental Conditions. The parties understand and acknowledge that the Governmental Approval of the Construction Plan included numerous conditions for such approval. The responsibility for compliance for all such conditions shall rest with Tenant. Tenant shall take all necessary steps to complete or satisfy such conditions with reasonable diligence.

6.25 Construction of Public Areas. Tenant shall at its expense construct the Public Areas and City requirement improvements within the Premises, including, but not limited to the parking and pedestrian areas shown on the Construction Plans.

6.26 Offsite Improvement Costs. Except to the extent specifically provided to the contrary herein or in such other agreements as may be binding on Landlord, Tenant shall be obligated to and shall pay all cost of the permitting, approvals, construction and maintenance of the Offsite Improvements, as such Offsite Improvements are finally determined by Landlord and Tenant and/or as a result of the Governmental Approvals.

SECTION 7. MAINTENANCE OF PUBLIC AREAS. The maintenance, insurance, cleaning and security services for the Public Areas (including, without limitation, the parking areas, landscaping, irrigation systems, striping of the parking lots, lighting, pavers, kiosks, and signage) shall be the sole obligation and cost of Tenant and performed in a manner that will maintain the Pubic Areas in good condition and consistent with the First Class standard provided herein.

SECTION 8. INSPECTION, TITLE, JOINDERS AND GOVERNMENTAL APPROVALS.

8.1 Access for Inspection. Tenant, its agents, employees and representatives are granted access to the Premises at all times subsequent to the Effective Date with full right to: (a) inspect the Premises; (b) to conduct reasonable tests thereon including, but not limited to, soil borings and hazardous waste studies, and to make such other examinations with respect thereto as Tenant, its counsel, licensed engineers, surveyors or other representatives may deem reasonably necessary. Any test, examinations or inspections of the Premises by Tenant and all costs and expenses in connection with Tenant's inspection of the Premises shall be at the sole cost of Tenant. Tenant shall remove or bond any lien of any type, which attaches to the Premises by virtue of any of Tenant's inspections. Tenant hereby indemnifies and holds Landlord harmless from all loss, cost or expense, including, but not limited to, attorneys' fees and court costs resulting from Tenant's inspections in connection with the Premises. Notwithstanding anything contained herein to the contrary, Tenant shall not indemnify or hold the Landlord harmless with respect to and Tenant shall not be required to remove, remediate, dispose or

otherwise deal with any "hazardous substance" (as hereinafter defined), samplings derived from the Premises or property containing hazardous substances which it finds in connection with its investigation of the Premises which exists on the Premises as of the Effective Date; provided that Tenant promptly ceases its inspections upon discovery of the hazardous substances. If Tenant discovers hazardous substances as a result of its inspection and Tenant fails to cease its inspection and/or removal, remediation and/or disposal of such hazardous substances during its inspections which results in additional contamination of the Premises, then Tenant shall be responsible for the removal and/or remediation and/or disposal of the additional hazardous substances which Tenant releases or spills on the Premises after it discovers such hazardous substances located on the Premises and which causes additional damage to the Premises, but Tenant is not responsible for the clean up of the remaining hazardous substances which are located on or beneath the Premises.

8.2 Governmental Approval Joinder. Landlord acknowledges that Tenant intends to develop the Premises pursuant to a plan of development containing the Improvements and that in connection therewith, it will be necessary for Tenant to apply to governmental and quasi-governmental authorities in an effort to obtain all final Governmental Approvals in connection with the development and construction of the Improvements. Landlord agrees to cooperate with Tenant in seeking the Governmental Approvals for the Improvements including the execution of applications (to the extent required by such applicable governmental or quasi-governmental authorities) and other documentation in connection with the Governmental Approvals; provided, Landlord shall have no liability for performance or financial obligation under such Governmental Approvals, unless specifically agreed to, in a separate agreement prepared solely to evidence such agreement and shall not be required thereto to expend any sums in connection with such assistance (other than its internal review costs). Landlord's joinder in such applications and other documentation may be conditioned upon Tenant's agreement to perform any Landlord's obligations thereunder, which Landlord agrees, in writing, to include which agreement on the part of Tenant shall survive the expiration or earlier termination of this Lease until such time as the obligations required by such documents are satisfied or released. If any such documents in which Landlord's joinder is requested contain material financial obligations binding (or which may become binding) upon Landlord. Tenant shall provide further assurances in a form and substance reasonably acceptable to Landlord in order to secure such material financial obligations. The provisions of this sub-section shall be a Surviving Obligation which shall survive termination of this Lease.

SECTION 9. CONSTRUCTION CONTRACTS, BONDS, INDEMNIFICATION, AND INSURANCE REQUIREMENTS FOR CONTRACTORS

9.1 Payment and Performance Bond. Tenant agrees that before commencing any work or construction on the Premises, Tenant shall require the contractor performing such work to maintain, at all times, a valid payment and performance bond in form content and with a surety approved by Landlord, which shall be in an amount not less than the amount covering the full amount of the work then being performed with Landlord as named beneficiary thereof. Such bond shall be issued by a surety company of recognized standing authorized to do business in the State of Florida and having been in business with a record of successful continuous operation for at least five (5) years. Further, such surety company must have at least an "A" minimum rating in the latest revision of Best Insurance Reports (or similar financial standing to the extent Best no

longer publishes such rating system). Each bond shall be in form acceptable to Landlord assuring payment to Landlord if payment of any work on or cost of construction of the Improvements is not paid, and such bond shall be in compliance with any applicable laws, rules and regulations. The bond shall name the contractor as obligor and Landlord and Tenant collectively as beneficiary. Tenant shall assign to Landlord any performance bonds and such assignment shall be duly executed and acknowledged by Tenant and by its terms be effective upon any termination of this Lease or upon Landlord's reentry upon the Premises following Tenant's Event of Default prior to the completion of construction of the Improvements. Such assignment shall also include the benefit of all payments made on account of any construction contracts with any contractors or subcontractors, including payments made prior to the effective date of such assignment.

9.2 Contractor Indemnity. Any general contractor performing the work shall execute an indemnity agreement, which shall indemnify and hold Landlord harmless for any and all loss, damage, cost, or expense, including, but not limited to, attorneys' fees and court costs through all trial and appellate levels with respect to personal injury and/or property damage caused by the general contractor, its subcontractors, agents and employees in connection with performing such work and/or any other of its obligations under the applicable contract.

Prior to the general contractor constructing the Improvements upon the Premises or the Parcel, such contractor shall provide a certification to Landlord that such contractor shall not use asbestos containing building materials in the construction of the Improvements. Such contractor shall provide a certification to Landlord that the contractor will not use lead-containing products in pipes in the construction of the Improvements.

9.3 Comprehensive General Liability Insurance. The general contractor constructing any Improvements shall provide, pay for and maintain in force, during the time such work is being performed, comprehensive general liability insurance with limits of (i) $1,000,000 (with respect to work costing up to $2,000,000), (ii) $1,000,000 with a $2,000,000 umbrella with respect to work between $2,000,000 and $5,000,000, and (iii) $1,000,000 with a $5,000,000 umbrella with respect to work in excess of $5,000,000; all on a per occurrence combined single limit for bodily injury liability and property damage liability.

9.4 Insurance Requirements for Construction Contracts.

(a) Tenant agrees to include the following insurance language in any agreement it enters into with any contractor(s) performing work for Tenant and Tenant further agrees to provide to Landlord, prior to commencement of construction of the Improvements with respect to such contract, certificates of insurance evidencing the contractor's compliance with the requirements of this Section:

(i) Without limiting any of the other obligations or liabilities of contractor, contractor or Tenant shall provide, pay for, and maintain in force until all of its work to be performed has been completed, the insurance coverages set forth herein:

A. Workers' Compensation insurance to apply for all employees in compliance with the "Workers' Compensation Law" of the State of Florida and all applicable federal laws;

B. Comprehensive General Liability as provided in Section 9(c) above;

C. Business Automobile Liability with minimum limits of Five Hundred Thousand Dollars ($500,000.00) per occurrence, combined single limit for Bodily Injury Liability and Property Damage Liability;

(ii) Landlord is to be expressly included as an "Additional Insured" as its interest may appear;

(iii) The Lake Worth Drainage District as to the LWDD Parcel and Boca Village, LLC, as to the overflow parking parcel, and their successors and/or assigns shall be included as "Additional Insureds" under the referenced insurance policies as required.

(iv) With respect to construction contracts having a cost in excess of $500,000, Tenant agrees to provide Landlord prior to commencement of construction of the Improvements with respect to such construction contract, certificates of insurance evidencing that such contractor has obtained Builder's Risk Insurance for the construction of above ground buildings and/or structures. The coverage shall be "All Risk" form for one hundred percent (100%) percent of the completed value, including Landlord as a named insured, with a deductible of not more than One Hundred Thousand Dollars ($100,000) for each claim.

(v) If the initial insurance expires prior to the completion of the work, renewal certificates of insurance shall be furnished to the Landlord thirty (30) calendar days prior to the previous certification's expiration.

(vi) The policy(ies) must be endorsed to provide Landlord with thirty (30) calendar days prior written notice of modification, cancellation or restriction.

(b) With respect to the insurance to be obtained, Tenant shall provide to Landlord not less than ten (10) calendar days prior to commencement of construction of the Improvements at the Premises, certificates of such applicable insurance evidencing the insurance coverage as specified above. The required certificates of insurance shall not only name the types of coverage provided, but also shall refer specifically to this Lease with the type of insurance which is being furnished, and shall state that such insurance is as required by such sections of this Lease. If the initial insurance expires prior to the completion of the improvements, renewal certificates of insurance shall be furnished thirty (30) calendar days prior to the date of their expiration. Insurance shall not be canceled, modified, or restricted, without thirty (30) calendar days prior written notice to Landlord, and must be endorsed to provide the same.

9.5 Requirements of this Section. The foregoing requirements set forth in this Section shall survive the termination of this Lease and shall be obligations of Tenant to obtain and maintain (even though obtained from contractors) during the term of this Lease the construction of the Improvements.

SECTION 10. OBLIGATIONS OF THE TENANT

10.1 Rules and Regulations. Tenant covenants and agrees to observe and obey, and to require its Space Lessees and Sublessees to observe and obey such rules and regulations of the Landlord (including amendments and supplements thereto) as may from time to time be promulgated as to the Public Area portion of the Premises provided that such rules and regulations shall (i) be of general applicability to all members of the public utilizing such Public Areas; (ii) not be discriminatorily applied to Tenant, its Space Lessees and Sublessees; and (iii) not be inconsistent with the rights of Tenant (and its Space Lessees and Sublessees) to utilize the balance of the Premises in a manner which does not interfere with the reasonable operation of the Public Areas. The parties recognize that Tenant may establish reasonable rules and regulations for the portions of the Premises (including the Public Areas) and Landlord and any invitees of Landlord shall observe and obey such rules and regulations of Tenant (including amendments and supplements thereto) as may from time to time be promulgated with regard to the portions of the Premises (including the Public Areas); provided that such rules and regulations shall not be inconsistent with the rights of Landlord and members of the public to utilize the Public Areas and the rules and regulations applicable to the Public Areas shall be subject to Landlord's approval, which approval shall not be unreasonably withheld or delayed.

10.2 Operation. Tenant and all Space Lessees and Sublessees shall conduct their operations hereunder in a commercially reasonable manner.

10.3 Garbage. Tenant and all Sublessees and Space Lessees shall remove from the Premises or otherwise dispose of all garbage, debris and other waste materials (whether solid or liquid) arising out of the occupancy of the Premises or out of any operations conducted thereon in accordance with applicable law. Any of such as may be temporarily stored in the open, shall be kept in suitable garbage and waste receptacles. When removing such waste, Tenant shall comply with all laws, ordinances, rules, regulations and procedures of all applicable governmental authorities. Landlord recognizes that during construction reasonable deviations from this Paragraph will be required consistent with similar construction practices in Palm Beach County, Florida.

10.4 Waste. Tenant and all Sublessees and Space Lessees shall commit no legal nuisance, waste or injury on the Premises and shall not do or permit to be done anything which may result in the creation or commission or maintenance of such material nuisance, waste or legal injury on the Premises.

10.5 Noise and Odor. Tenant and all Sublessees and Space Lessees shall not create nor permit to be caused or created upon the Premises any obnoxious odors or smokes or noxious gases or vapors or noise which would constitute a legal nuisance; provided, however, that fumes or noise resulting from the normal operations of vehicles or normal business operation shall be excepted from this provision, unless same constitutes a legal nuisance or is otherwise prohibited by applicable law.

10.6 Interference with Public Areas. Tenant and all Sublessees and Space Lessees shall not do or permit to be done anything which may unreasonably interfere in any material

respect with the effectiveness or accessibility of the Public Areas and related utilities systems installed or located on or about the Premises which are required to serve the Public Areas.

10.7 Derelict Vehicles. Neither Tenant nor any Sublessee or Space Lessees shall cause or allow the temporary or permanent storage on the Premises of any derelict vehicle. A derelict vehicle is defined as a vehicle designed for use on the roadways that does not display a current state license tag or is not capable of operating on said roadways. Derelict vehicles shall be removed from the Premises to the extent permitted by applicable law within a reasonable period of time.

SECTION 11. COMPLIANCE WITH GOVERNMENTAL PROCEDURES

11.1 Comply with Governmental Requirements. Tenant shall timely comply with all applicable federal, state, county, and municipal laws, ordinances, resolutions and governmental rules, regulations and orders including South Florida Regional Transportation Authority rules and regulations (of general applicability) and the Americans with Disability Act and the DRI Regulations as may be in effect now or at any time during the Term of this Lease, all as may be amended, which are applicable to Tenant, the Premises or the operations conducted at the Premises. A violation of any of such laws, ordinances, resolutions, rules, regulations or orders, as amended, not cured within the applicable cure period shall constitute a material breach of this Lease, and in such event Landlord shall be entitled to exercise and all rights and remedies hereunder and at law and in equity.

The obligation of Tenant to comply with governmental requirements is provided herein for the purpose of assuring proper safeguards for the protection of persons and property on the Premises. Such provision is not to be construed as a submission by the Landlord to the application to itself of such requirements or any of them.

11.2 Entry. Tenant agrees (a) to the extent required by applicable law, to permit reasonable entry, inspection, and testing, upon reasonable advance notice during business hours (unless an emergency exists), by inspectors of any federal, state, county and/or municipal agency having jurisdiction under any law, rule, regulation, or order, applicable to the Premises or the operations at the Premises, and (b) to provide Landlord and its agents and employees reasonable entry, inspection and testing to the Premises, upon reasonable advance notice during business hours. This right of entry, inspection and testing shall impose no duty on the Landlord to take any such action and shall impart no liability on the Landlord should it not take any such action.

SECTION 12. MAINTENANCE AND REPAIR. Tenant shall throughout the Term pay for and assume the entire responsibility and shall relieve the Landlord from all responsibility and obligations to pay for all repair, maintenance, replacements and capital improvements whatsoever of the Improvements (which shall include, without limitation, all buildings and improvements thereon, whether such repair, maintenance, replacements or capital improvements be ordinary or extraordinary, structural or otherwise.

Tenant shall be required to keep all Improvements in good, tenantable, useable and First Class condition and quality and of the level to preserve the Premises in good order and First Class condition throughout the Term of this Lease (subject to casualty, condemnation and the

other provisions of this Lease with regard to development and the redevelopment of the Premises). Without limiting the generality thereof, Tenant shall:

(1) Keep the Premises at all times in a clean and orderly condition and appearance;

(2) Provide and maintain all lights and similar devices, fire protection and safety equipment and all other equipment of every kind and nature required by any law, rule, order, ordinance, resolution or regulation of any applicable governmental authority. In this regard, Tenant acknowledges that Tenant shall operate a First Class office and retail building. As such, Tenant expects Landlord to cause the parking areas and other portions of the Parcel, (other than the Premises) leading up to the Intermodal Facility to be maintained and repaired consistent with that of the First Class standard applicable to Tenant. Should Landlord fail to so maintain or repair, and such failure continues for a period of ten (10) days following written notice to Landlord, unless diligently pursuing a remedy to same, Tenant shall be entitled to perform the same and to charge Landlord the cost thereof. Such reimbursement by Landlord shall be due and payable within ten (10) days of receipt by Landlord of an invoice from Tenant;

(3) Take anti-erosion measures, including but not limited to, the planting and replanting of grasses with respect to all portions of the Premises not paved or built upon to the extent required to avoid material erosion of the Premises;

(4) Be responsible for the maintenance and repair of all utilities including but not limited to, service lines for the supply of water, gas service lines, electrical power and telephone conduits and lines, sanitary sewers and storm sewers which are now or which may be subsequently located upon the Premises; and

(5) Provide commercially reasonable security for the Premises and the Improvements located on the Premises and all portions thereof for the purposes of protecting persons all guests, invitees or other persons who cross, visit, are guests or invitees or employed by tenants therein in a manner and at the level necessary to protect such persons and property to the levels expected of First Class facilities and premises. Tenant is not a guarantor of security and there are no third party beneficiaries of the obligations of this paragraph. Tenant will seek to insure any risks and obligations provided by this paragraph to the extent normally required in commercial office and retail complexes.

SECTION 13. INSURANCE REQUIREMENTS - TENANT.

13.1 Casualty Insurance. Tenant shall, during the Term of this Lease, insure and keep insured to the extent of not less than 100% of the insurable replacement value thereof, all Improvements, including all buildings, structures, fixtures and attached equipment on the Premises against such hazards and risks as may now or in the future be included under the Standard Form of Fire and Extended Coverage insurance policy of the State of Florida with a deductible not to exceed One Hundred Thousand Dollars ($100,000).

Damage caused by such perils and hazards as may now or in the future be included under any Boiler and Machinery policy filed with and approved by the Insurance Commissioner of the State of Florida, or if there be no such policy so filed, then reasonable coverage against perils

and hazards occasioned by the existence and operation of such boilers, provided that Tenant shall be required to maintain such insurance only with respect to such buildings and structures in which boilers are installed.

13.2 Comprehensive General Liability Insurance to protect against bodily injury liability and property damage in an aggregate amount of not less than Two Million Dollars ($2,000,000) per occurrence, combined single limit. Coverage must be afforded on a form no more restrictive than the latest edition of the Comprehensive General Liability Policy, without restrictive endorsements, as filed by the Insurance Services Office and must include: Premises and/or Operations, Independent Contractors and Broad Form Contractual Coverage covering all liability arising out of the terms of this Lease.

13.3 Business Automobile Liability Insurance in an amount not less than Five Million Dollars ($5,000,000) per occurrence combined single limit, for bodily injury and property damage liability. Coverage must be afforded on a form no more restrictive than the latest edition of the Business Automobile Liability policy, without restrictive endorsements, as filed by the Insurance Services Office, and must include: Owned, Non-owned and Hired vehicles.

13.4 Environmental Liability Insurance in the amount of Two Million Dollars ($2,000,000) per claim, subject to a maximum deductible of Fifty Thousand Dollars ($50,000) per claim with respect to environmental contamination occurring from and after the Effective Date (i.e., excludes known and unknown pre-existing conditions as of the Effective Date). Such policy shall include a Two Million Dollar ($2,000,000) annual policy aggregate naming Landlord as an additional named insured as its interest may appear.

13.5 Workers' Compensation and Employer's Liability Insurance to apply for all employees in compliance with the "Workers' Compensation Law" of the State of Florida and all applicable federal laws. In addition, the policy(ies) must include: Employers' Liability with a limit of One Hundred Thousand Dollars ($100,000) each accident.

13.6 Rental Loss (Business Interruption) Insurance in an amount equal to twelve (12) months of not less than one hundred percent (100%) of the then applicable Base Rent, taxes, insurance and utility charges.

13.7 Certificates. Tenant shall furnish to the Landlord, certificates of insurance or endorsements evidencing the insurance coverages specified by this Article on or prior to the Effective Date of this Lease provided the coverage set forth in Section 13(a) and (f) shall not be required until obtaining the CO for the Improvements to be insured. The required certificates of insurance shall name the types of policies provided, refer specifically to this Lease, and state that such insurance is as required by this Lease. All policies of insurance and renewals thereof shall be written by companies which have at least an "A" minimum rating in the latest version of Best Insurance Reports insuring the Landlord and Tenant as their interest may appear, and shall provide that the loss, if any, shall be adjusted with and payable to Tenant, Sublessee, Leasehold Mortgagee(s), Subleasehold Mortgagees, and Landlord (as their interest may appear), except as otherwise provided in Section 14 hereof. Tenant is not permitted to self-insure but may maintain commercially reasonable deductibles.

13.8 Cancellation. Coverage is not to cease and is to remain in force (subject to cancellation notice) throughout the term of this Lease and until all performance required hereunder is completed. All policies must be endorsed to provide Landlord and Lender with at least thirty (30) calendar days' notice of cancellation, non-renewal and/or restriction. If any of the insurance coverages will expire prior to the termination of this Lease, copies of renewal policies shall be furnished at least sixty (60) calendar days' prior to the date of their expiration.

13.9 Deficiencies. When such policies or certificates have been delivered by Tenant or Landlord as aforesaid and at anytime thereafter, Landlord may notify Tenant in writing that, in the reasonable opinion of Landlord the insurance represented thereby does not conform with the requirements of this Section either because the amount is inadequate or because the insurance company or for any other reason does not comply, and Tenant shall have fifteen (15) calendar days to cure such defect to the extent required pursuant to this Lease. If Tenant fails to submit the required insurance certificate in the manner prescribed within such time period, Tenant shall be in default of this Lease. Under such circumstances, Tenant may be subject to debarment and suspension procedures, Section 30C-2.009 of the SERTA Procurement Code.

13.10 Review of Coverage. The aforesaid minimum limits of insurance shall be reviewed from time to time by Landlord (but no more frequently than every five (5) Lease Years) to determine whether the coverage provided is still sufficient to protect Landlord's interest, provided such coverages shall not exceed the amount of coverage required at the time of said review by First Class projects. If coverage is determined to be inadequate, under said standard, Tenant shall agree to adjust same.

13.11 Service of Process. The insurance shall be written by companies authorized to transact business in the State of Florida and having agents upon whom service of process may be made in the State of Florida or an eligible surplus lines insurer in good standing with the Florida Insurance Commissioner's Office.

13.12 Continued Obligations. Compliance with the foregoing requirements shall not relieve Tenant of its liability and obligations under any other provision of this Lease.

SECTION 14. DAMAGE TO OR DESTRUCTION OF PREMISES

14.1 Removal of Debris. If Improvements located on the Premises or any part thereof shall be damaged by fire, the elements, or other casualty, Tenant shall promptly remove, or cause a Sublessee or Space Lessee to promptly remove, all debris resulting from such damage from the Premises, and Tenant shall promptly take such actions and cause such repairs to be made to the Premises as will place the Premises in a neat and orderly condition and as are necessary for the safety of persons entering upon the Premises. To the extent, if any, that the removal of debris under such circumstances is covered by Tenant's insurance, the proceeds thereof shall be paid to Tenant for such purpose.

14.2 Minor Damage. If Improvements located on the Premises or any part thereof shall be damaged by fire, the elements, or other casualty but not rendered untenantable or unusable, then there shall be no abatement of Rent and the Premises shall be repaired and restored with due diligence to the condition they were in prior to such casualty generally in

accordance with the construction plans approved by Landlord, by and at the expense of Tenant and, if such damage is covered by Tenant's insurance, the proceeds thereof shall be made available to Tenant, or its mortgagee (as applicable) for that purpose.

14.3 Major Damage to or Destruction of the Premises. If Improvements located on the Premises or any part thereof shall be destroyed or so damaged by fire, the elements, or other casualty as to render the Premises untenantable or unusable, subject to the rights of any affected mortgagee, then, Tenant shall make the necessary repairs or replacements for the restoration thereof to provide for a comparable amount of square footage to that which was damaged generally in accordance with the Construction Plans approved by Landlord (to the extent required) and it shall do so as soon as possible but not less than six (6) months of the date of such damage and, if such destruction or damage was covered by insurance, the proceeds thereof shall be adjusted and paid to Tenant (or mortgagee as applicable). In the event that less than an entire building located upon the Premises becomes untenable or unusable, then Tenant shall, within a reasonable period of time after such damage or destruction, either (x) repair such damaged portion of the building or (y) the provisions of Section 14(1) shall be applicable, subject to Tenant's obligation to rebuild or repair a comparable amount of square footage to any damaged area as soon as possible but not less than six (6) months of the date of such damage. Rent shall equitably abate from the date of such casualty until the lesser of six (6) months or the date such portion of the Premises have been restored to a usable condition. Such abatement shall be made pursuant to the provisions of Section 27 hereof.

In the event that Tenant elects not to promptly make such repairs and replacements (subject to the obligation to repay or rebuild a comparable amount of square footage to any damage area within six (6) months of the date of such damage), the proceeds of insurance applicable to the damage or destruction (other than the proceeds applicable to debris removal) shall be paid to Landlord subject to Landlord's obligation to rebuild the damaged Improvements as aforesaid. The foregoing shall be subject to the rights of Tenant's Sublessees and its or their mortgagees.

To the extent Landlord is entitled to approve the Construction Plans with respect to the initial construction thereof, such restoration work shall be made pursuant to plans and specifications that have received the prior approval of Landlord and all such work shall comply with the terms and provisions of this Lease.

In the event during the last three (3) Lease Years of the Term of this Lease, any Improvements are damaged or destroyed by fire or casualty, then Tenant shall have the option to be exercised within ninety (90) days of such event to: (a) commence to repair or restore the Improvements as above provided, or (b) terminate this Lease by notice to Landlord, which termination shall be deemed to be effective as of the date of such notice. Such notice shall be accompanied by a notice to Landlord of the amount of the outstanding principal balance plus all accrued interest on the mortgages affecting such Premises (including the Improvements thereon). If Tenant terminates this Lease pursuant to this Section, Tenant shall surrender the Premises to Landlord, immediately pay for the demolition and debris removal of all Improvements (unless there are sufficient proceeds from the insurance to pay same and all payments to Mortgagee, in which case Tenant shall assign to Landlord (or if same has already been received by Tenant, pay

to Landlord) all of its right, title and interest in all of the proceeds of Tenant's insurance upon the Premises, subject to the prior rights of any Leasehold Mortgagee(s), as applicable.

SECTION 15. CONDEMNATION/TRANSFER OF PROPERTY FOR OTHER PUBLIC PURPOSES.

15.1 General. There may come a time when Landlord or another governmental or quasi-governmental authority desires to utilize or acquire all or part of the Premises for a public purpose, either permanently or temporarily. In that event, Landlord reserves the right to determine that such public purpose is appropriate, to determine the area of such Improvements to and the Leasehold estate in the Premises which is appropriate (including the leasehold estate in such Premises), and to transfer the use or title to such authority, subject to Tenant's right to contest any such taking and the appropriateness of any such taking. To that end, the following provisions are designed to give the Landlord (in its capacity as a governmental authority and as Landlord) this discretion, but at the same time reserve to Tenant the ability to obtain fair compensation for the impact of the transfer upon Tenant's interests, and reserve Tenant's right to contest any such taking and the appropriateness of any such taking.

15.2 Rights and Obligations Related to Transfer of Property for Other Public Purposes. Landlord shall not be obligated to raise any defense to any proposed acquisition or use of the Premises by any governmental or quasi-governmental authority. Landlord's only obligation with respect to such acquisition shall be to reserve Tenant's rights to obtain compensation. In the event that Tenant and the governmental or quasi-governmental authority cannot come to agreement as to compensation, an eminent domain suit shall be filed with respect to Tenant's interest by the governmental or quasi-governmental authority so as to provide a forum for the resolution of the compensation issues in accordance with the ensuing terms.

15.3 Total - Permanent. If at any time during the Term of this Lease, the entire Premises or, as determined among the parties, such a substantial portion thereof, as would render the balance of the Premises not suitable for the intended public and private uses enumerated in this Lease shall be taken by transfer or exercise of eminent domain power by any competent authority, this Lease shall terminate upon the date that possession is surrendered to the condemning authority, at which time Rent and other charges shall be apportioned, except that this provision shall not release the parties from any liability or claims arising prior to the date of such termination nor other obligation in this Lease that expressly survives termination of this Lease. Tenant shall first receive Tenant's interest in the value of its leasehold interest and the value of the Improvements, subject to the rights of any Sublessee and/or any Leasehold Mortgagee, or any other valid claims allowable by law, but in no event shall such amount exceed the compensation award from the condemning authority. Thereafter, Landlord shall be entitled to the balance of the condemnation award (i.e. the interest in the fee and the reversionary interest in the Improvements).

15.4 Partial - Permanent. In the event of a partial permanent taking by transfer or exercise of eminent domain power that does not result in a termination of this Lease, then Tenant shall receive an equitable reduction in Base Rent based upon the impact of such taking. Tenant and Landlord shall be entitled to such compensation from the condemning authority as may be allowed under applicable law, subject to the rights of any Sublessee and/or Leasehold

Mortgagee, or any other valid claims, provided that the first proceeds received by Tenant (after payment of its lenders) shall be applied to any Base Rent reduction by Landlord under this Subsection 15(d).

15.5 Total - Temporary. If the whole of the Premises, or such portion thereof as would render the balance of the Premises not suitable for the intended public and private uses enumerated in this Lease, shall be taken by transfer or exercise of eminent domain for a period of one (1) year or more, then, at the option of Tenant, upon written notice to Landlord, this Lease shall terminate upon the date possession is surrendered to the condemning authority. Landlord shall be entitled to such compensation from the condemning authority as may be allowable in accordance with applicable law. After first paying such amounts as may be due any Sublessee, and/or any Leasehold Mortgagee, or for any other valid claims, Tenant shall be entitled to such compensation from the condemning authority as may be allowable in accordance with applicable law. If Tenant does not elect to terminate this Lease, or if the whole or a substantial portion of the Premises is taken for less than one (1) year, the Rent shall be tolled (subject to any percentage sum or past due Rent which may be due at the time of such taking) during the period of such taking, providing Tenant is receiving no revenue from the Premises during this period. Landlord and Tenant shall be entitled to such compensation from the condemning authority as may be allowed under applicable law, subject to the rights of any Sublessee, and/or Leasehold Mortgagee, provided that the first proceeds received by Tenant (after payment of such lenders) shall be applied to any tolled Rent to the extent not paid.

15.6 Partial - Temporary. If a portion of the Premises that is less than such portion thereof as would render the balance of the Premises not suitable for the intended public and private uses enumerated in this Lease as aforesaid is taken by transfer or exercise of eminent domain for a period of one (1) year or more, then Tenant, at its election, shall be entitled to an equitable abatement of Base Rent based upon the impact of such taking, during said period. At such time as the right to possession is restored to Tenant, Tenant shall thereafter pay one hundred percent (100%) of the scheduled Rent. Landlord and Tenant shall be entitled to such compensation from the condemning authority as may be allowed under applicable law, subject to the rights of any Sublessee and any Leasehold Mortgagee.

15.7 Condemnation Dispute Resolution. Should Landlord and Tenant be unable to agree as to the division of any singular award or amount of any reduction of Rent or other charges, such dispute shall be submitted for resolution to the court exercising jurisdiction of the condemnation proceeds, each party bearing its respective attorneys' fees and costs for such determination. For purposes of this Section 15, property conveyed in lieu of any taking or condemnation shall be deemed taken by the governmental entity pursuant to a condemnation.

SECTION 16. INDEMNITY

Tenant, subject to the terms of this Lease, hereby indemnifies, holds harmless and defends Landlord and their respective administrators, officers, officials, directors and employees ("Landlord Releasees") against any and all claims, losses, liabilities, and expenditures of any kind, including reasonable attorneys' fees and costs at both the trial and appellate levels, court costs, and expenses, caused by negligent act or omission of Tenant, its employees, Sublessees, Space Lessees, guests, contractors, subcontractors, consultants, agents, servants, or officers, or

accruing, resulting from, or related to the development or construction of the Improvements and the use and/or occupancy of the Premises or breach of Tenant's obligations under this Lease including, without limitation, any and all claims, demands, or causes of action of any nature whatsoever resulting from injuries or damages sustained by any person or property.

Tenant further agrees to pay all fees, costs and expenses in defending against any claims made against Landlord and Landlord Releases with counsel reasonably acceptable to Landlord in connection with this Lease, recognizing that such counsel must be competent and not have a conflict of interest in connection with the matter as reasonably determined by Landlord. In connection with any defense by Tenant, Landlord shall have the right to consent to any settlement of same, provided that such consent shall not be unreasonably withheld. Tenant and Landlord shall give prompt and timely notice of any claim made or suit instituted which, in any way, directly or indirectly, contingently or otherwise, affects or might affect either party.

The provisions of this Section shall survive the expiration or earlier termination of this Lease until the expiration of any applicable statute of limitations for any such claim, demand, cause of action or proceeding of any kind.

SECTION 17. RIGHTS OF ENTRY RESERVED

17.1 Access. Landlord, by its officers, employees, agents, representatives and contractors shall have the right at all reasonable times and upon reasonable advance notice to enter upon the Premises for the purpose of inspecting the same, for observing the performance by Tenant of its obligations under this Lease and for the doing of any act or thing which Landlord may be obligated or have the right to do under this Lease or otherwise, subject to the provisions of this Lease, provided in connection with such access, such party shall use reasonable efforts to minimize disruption to the operations being conducted upon the Premises.

During the last Lease Year period preceding the termination of this Lease, Landlord may place and maintain on the Premises (in locations reasonably acceptable to Landlord and Tenant) signs advertising the lease, sale or other disposition of the Premises, which signs Tenant shall permit to remain without molestation.

17.2 Maintenance. Without limiting the generality of the foregoing, Landlord, by its officers, employees, agents, representatives, contractors and furnishers of utilities and other services, shall have the right upon reasonable advance notice (except in case of emergency, in which case no notice is necessary), at its own cost and expense, for its own benefit or for the benefit of others than Tenant, to maintain existing utility systems and to enter upon the Premises at all reasonable times to make such repairs, replacements or alterations thereto as may, in the reasonable opinion of Landlord, be deemed necessary or advisable and from time to time to maintain such systems or parts thereof and in connection with such maintenance.

17.3 Minimum Disruption. Landlord agrees and shall take such action as reasonably necessary to minimize any disruption caused in connection with Landlord activities upon the Premises and in the exercise of such rights of access, repair, alteration or construction, Landlord shall not unreasonably interfere with the actual use and occupancy of the Premises by Tenant or its Sublessees, space lessees or their respective invitees.

17.4 No Eviction. The exercise of any or all of the foregoing rights by Landlord or others to the extent permitted by this Lease shall not be or be construed to be an eviction of Tenant nor be made the grounds for any abatement of rental nor any claim or demand for damages, consequential or otherwise, unless Landlord breaches its covenants with respect to such access as provided in this Lease.

17.5 Police Powers. Nothing herein contained shall be deemed to in any way limit Landlord in the exercise of its police and regulatory powers or its powers of eminent domain.

SECTION 18. SALE; ASSIGNMENT; SUBLEASE AND MORTGAGING

18.1 Assignment. Provided Tenant is not otherwise in default under this Lease at the time of such Assignment (unless such default is cured simultaneously with such Assignment), Tenant may, but only after a Certificate of Occupancy has been issued for the Improvements, directly or indirectly sell, assign or transfer (all of the foregoing being deemed as an "Assignment") all of its interest in the Premises and the Improvements, with the prior written consent of Landlord (which shall be granted or withheld based on the factors listed below), provided that no such Assignment shall be deemed valid or binding upon Landlord, and the assigning Tenant shall not be released from its obligations hereunder, until there shall have been delivered to Landlord a true signed copy of the instrument in a form and substance reasonably acceptable to Landlord in all respects effecting such Assignment, together with the address of each assignee therein named, and an original signed counterpart of an agreement in which each such assignee assumes and agrees to perform all the terms, covenants and conditions of this Lease on Tenant's part to be performed. Any Assignment of the leasehold interest created hereby shall require the prior written consent of Landlord, which consent shall be granted if the factors to be evaluated by Landlord as set forth below are met. After the aforesaid instrument has been delivered to Landlord and Landlord has consented to such Assignment then upon such assignee assuming the obligations of this Lease for all obligations arising from and after the date of such assumption, the assigning party shall be released of all further obligations under this Lease for the period from and after the date of such assumption. For purposes of this Section, an "Assignment" will include: (i) any transfer of the Lease by merger, consolidation or liquidation, or by operation of law, or (ii) if Tenant is a corporation, any change (other than to Affiliates of existing shareholders or partners of Tenant) in ownership, or (iii) if Tenant is a limited or a general partnership or joint venture, or a limited liability company, any transfer of an interest in the partnership or joint venture (other than to an existing partner or any Affiliates of existing partners).

The factors upon which Landlord shall base its decision on whether to grant consent under this Section (to the extent such consent is required) are: (i) whether the proposed assignee meets standards of creditworthiness and financial resources, responsibility and reputation as originally expected of the prior Tenant, (ii) whether the proposed assignee has the ability to perform the obligations under the Lease, (iii) whether the proposed assignee has (or will hire persons with) prior related business experience for operating and/or owning property with uses similar to those contemplated for the Premises, (iv) whether the Premises will be used only for the purposes permitted by this Lease (if not, consent shall be denied), (v) whether the proposed assignee is a felon or has a reputation for violating the law, and (vi) whether the proposed tenant

has defaulted under any agreement with any public or quasi-public body within the United States. This Section shall apply to each subsequent Assignment of Tenant's interest.

The foregoing restrictions on Assignment shall not apply to any assignment as collateral of (i) Tenant's leasehold interest pursuant to the granting of a mortgage held by a Leasehold Mortgagee as permitted hereunder on any such interest or the foreclosure of a mortgage encumbering said interest or assignment in lieu thereof, which Assignments shall not require the, consent of Landlord, or (ii) the pledge of partnership or stock interest in Tenant or its partners.

No partial Assignments of this Lease are permitted by Tenant.

Any Assignment shall require a determination as to whether Transaction Rent is due to Landlord.

Landlord shall have the right to transfer, assign, mortgage, encumber, pledge and convey, in whole or in part, any or all of its right, title and interest to the Parcel, this Lease and/or the Premises, provided such transferee or assignee shall be bound by the terms, covenants and agreements herein contained, and such transferee shall expressly assume and agree to perform the covenants and agreements of Landlord herein contained.

18.2 Subletting. Provided Tenant is not otherwise in default under this Lease at the time of the Space Lease, Tenant may sublet portions of the Premises and the Improvements, or grant licenses or concessions there without the consent of Landlord to Space Lessees. Provided the terms and provisions of this Section 18.2 are met, Landlord shall not require Tenant to obtain Landlord's consent before execution of a Sublease, Tenant shall provide to Landlord, from time to time, the form of Sublease agreement that Tenant will require any Sublessees to execute. Each Sublease shall contain a self operative provision that: (i) the Sublease is subject and subordinate to this Lease and any amendments, modifications and extensions thereof, including, but not limited to, all use restrictions, subject to the terms of any non-disturbance agreement between Landlord and such Sublessee (as applicable), and (ii) that the Sublessee, as applicable, consents to the collateral assignment of the Subleases to Landlord, as more particularly described below. Each Sublease shall include the following provisions: (i) Tenant shall be required to collect a security deposit in an amount equal to a minimum of one (1) month's rent due under the Sublease, respectively, and (ii) a representation that Tenant will not collect any rent for more than thirty (30) days in advance. Within three (3) business days of full execution of any such Sublease, Tenant shall provide Landlord with a copy of the Sublease, together with a statement identifying which bank and the branch thereof and the account number the security deposit due thereunder is being held. Tenant shall promptly provide Landlord with written notice in any change in the security deposits or other security being held under each Sublease. In connection with any Sublease, Tenant shall notify Landlord if the party leasing a portion of the Premises is an Affiliate of Tenant.

No Sublease shall relieve Tenant from liability for any of its obligations hereunder, and in the event of any such Sublease or Space Lease, Tenant shall continue to remain primarily liable for and continue to make payments for the payments required to be made pursuant to this Lease and for the performance and observance of the other agreements on its part herein contained.

Provided the Sublessee is not otherwise in default under the applicable Sublease at such time and if Tenant (or sublessor) has so agreed under the terms of the Sublease, a Sublessee may sell, convey or assign its interest in the Sublease, provided that no such sale, transfer or assignment shall be deemed valid or binding upon Landlord until there shall have been delivered to Landlord a true copy of the instrument (in a form and substance reasonably acceptable to Landlord in all respects) effecting such sale, transfer or assignment, together with the address of each assignee therein named, and an original counterpart of an agreement in which each such assignee assumes and agrees to perform all the terms, covenants and conditions of the Sublease on the Sublessee's part to be performed. Provided there be no default under the Sublease at the time of such sale, conveyance or assignment (under the default is cured contemporaneously with such transfer), the assignor shall, upon compliance with the other requirements of this Section, be released and discharged from all obligations thereafter arising or accruing under the Sublease. This Section shall apply to each subsequent sale, transfer or assignment of the Sublessee's interest.

Tenant hereby collectively assigns unto Landlord, its successors and assigns, all the rights, interest and privileges, which Tenant, as sublessor, has and may have in the Subleases now existing or hereafter made and affecting the Premises or any part thereof, as such Subleases may have been, or may from time to time be hereafter, modified, extended and renewed, with all deposits, rents, income and profits due and becoming due therefrom, and (b) which Tenant has and may have by virtue of any guaranty or surety agreement with respect to the tenants' obligations under any of such Subleases, as such guaranties or surety agreements may have been, or may from time to time be hereafter, modified and extended. Tenant shall, upon the request of Landlord, execute more specific assignments (in a form reasonably acceptable to Landlord) of any future Subleases affecting any part of the Premises and assignments of any guaranties or surety agreements made in connection therewith. While Tenant is not in default of this Lease, Tenant shall be permitted to exercise all rights under and enjoy the benefits of the Subleases, provided, however, in an Event of Default by Tenant has occurred and is continuing, then at Landlord's election, this assignment to Landlord shall become effective and Tenant shall surrender all Subleases and Sub-subleases affecting the Premises together with all security deposits or other security being held thereunder.

18.3 Recognition of Sublease. At Tenant's or a qualifying Sublessee's written request, Landlord, from time to time, will execute and deliver, in the form attached hereto as **EXHIBIT C**, a separate Non-Disturbance Agreement with each Sublessee named in such request, provided such Sublease: (i) provides for an initial term of ten (10) years or more and an annual rental in excess of at least one hundred percent (100%) of the "Pro Rata Qualifying Rent" (as hereinafter defined) for that Sublease, (ii) contemplates improvements of no less than 5,000 square feet (as to a Sublease), (iii) is bona fide and is not an Affiliate of Tenant, (iv) meets the criteria of subparagraph 18.2 above, (v) is in the form consistent with **EXHIBIT C** attached hereto and made a part hereof or such other form as Tenant may prepare provided such modification shall be reasonably acceptable to Landlord, and (vi) has a term not in excess of the remainder of the Term of this Lease, which Non-Disturbance Agreement will provide that Landlord will not terminate such Sublease or the leasehold estate created thereunder nor disturb such Sublessee's possession and rights thereunder upon any termination of this Lease, and upon any such termination as to a Sublease with Tenant shall thereafter recognize the Sublease as a direct lease between Landlord and Sublessee as to the Sublease unless such Sublessee shall then be in default

under its Sublease and the time to cure such default available to said Sublessee or any mortgagees of said Sublessee shall have expired; provided that in such agreement the Sublessee shall agree to attorn to Landlord in case of any termination of this Lease, and, if applicable, the termination of the Sublease. The Sublessee under any Sublease which does not meet the foregoing criteria may also be entitled to a Non-Disturbance Agreement, provided that said Sublease receives the approval of Landlord, which approval may be withheld by Landlord in its sole discretion. In the event that a Sublease is submitted to Landlord for which Tenant and/or the Sublessee is requesting a Non-Disturbance Agreement, then prior to the Landlord being required to execute such Non-Disturbance Agreement, Tenant shall provide a certification to the Landlord certifying that the provisions of Sections 18.2 and 18.3 have been satisfied.

The Pro Rata Qualifying Rent for a Sublease shall be the aggregate of (i) the total annual gross Base Rent due under this Lease during the term of the Sublease multiplied by a fraction, the numerator of which is the amount of useable square footage (as defined by B.O.M.A.) (or equivalent) constituting the Subleased Premises demised under such Sublease and the denominator of which is the useable square footage (as defined by B.O.M.A.) in the Premises divided by the term of the Sublease.

18.4 Leasehold Mortgage. Provided there is no continuing Event of Default by Tenant under this Lease at such time (unless such Event of Default is cured contemporaneously with the execution of the Leasehold Mortgage), Tenant shall have the right to mortgage, assign, pledge or hypothecate its interest in this Lease as security for an obligation ("'Leasehold Mortgage") provided that any such assignment, pledge, mortgage or hypothecation shall be subject to the provisions of this Lease and under no circumstances shall the fee ownership of Landlord of the Parcel be subordinated to such Leasehold Mortgage. If Tenant shall have executed and delivered a Leasehold Mortgage and the Leasehold Mortgagee shall have notified Landlord to such effect giving its name and address:

(a) Landlord shall, in the manner provided for herein for the giving of notices, give notice to such Leasehold Mortgagee, at the same time, of each notice of default given to Tenant under this Lease, together with a copy thereof.

(b) Such Leasehold Mortgagee shall have the right, for a period of thirty (30) days more than is given to Tenant, to remedy or cause to be remedied any default which is the basis of a notice and Landlord shall accept performance by such Leasehold Mortgagee as performance by Tenant.

(c) In case of default by Tenant under this Lease, other than a default in the payment of money or a default susceptible of being cured by the payment of a sum of money, Landlord shall take no action to effect a termination of this Lease by service of a notice or otherwise, without first giving to such Leasehold Mortgagee prior written notice and a reasonable time, within which either:

(i) to obtain possession of the Premises and the Improvements (including possession by a receiver) and to cure such default in the case of a default which is within the power of such Leasehold Mortgagee to cure when such Leasehold Mortgagee has

either obtained possession of the Premises and the Improvements or has the right and ability to cure same (acting reasonably); or

(ii) to institute and complete foreclosure proceedings or otherwise acquire Tenant's leasehold estate under this Lease in the case of a default which is not within the power of such Leasehold Mortgagee to cure upon obtaining possession.

The provisions of this Section 18.4 are conditioned on the following:

If the Leasehold Mortgagee is an Institution and within the thirty (30) day period referred to in Section 18.4(b), it shall: (i) notify Landlord of its election to proceed with due diligence promptly to acquire possession of the Premises and the Improvements or to foreclose the Leasehold Mortgage or otherwise to extinguish Tenant's interest in this Lease; and (ii) deliver to Landlord an instrument in writing duly executed and acknowledged wherein the holder of the Leasehold Mortgage agrees that (x) during the period that such holder shall be in possession of the Premises and the Improvements and/or during the pendency of any such foreclosure or other proceedings (which shall be prosecuted diligently) and until the interest of Tenant in this Lease shall terminate, as the case may be, it will pay or cause to be paid to Landlord all sums then due (including past due) and from time to time becoming due under this Lease, including, but not limited to, Base Rent, Participation Rent or any item of Additional Rent; and (y) if delivery of possession of the Premises and the Improvements shall be made to such Institutional holder (or to its nominee), whether voluntarily or pursuant to any foreclosure or other proceedings or otherwise, such holder shall, promptly following such delivery of possession, perform or cause such nominee to perform, as the case may be, all the covenants and agreements herein contained on Tenant's part to be performed to the extent that Tenant shall have failed to perform the same to the date of delivery of possession, as aforesaid, except such covenants and agreements which are not within the power of such holder or such nominee to perform. If the Leasehold Mortgagee is not an Institution (or to its nominee) and it elects to exercise the rights granted under this Section 18.4, such Mortgagee shall deliver to Landlord within such thirty (30) day period referred to in Section 18.4(b), security sufficient, in Landlord's reasonable opinion, to assure curing of such defaults. Upon such extinguishment of Tenant's interest in this Lease and such performance by such holder or such nominee, or by any purchaser of this Lease pursuant to any foreclosure proceeding, Landlord's right to serve a notice of election to end the term of this Lease based upon any default which is not within the power of such holder or its nominee or such purchaser to perform (which defaults shall be agreed upon, in writing, by the Landlord and such holder, nominee or purchaser) shall be deemed to be and shall be waived as to such Leasehold Mortgagee (its successors or assigns), but Landlord reserves its rights against the original Tenant. If prior to any sale pursuant to any proceeding brought to foreclosure such Leasehold Mortgage, or if prior to the date on which Tenant's interest in this Lease shall otherwise be extinguished the default in respect of which, Landlord shall have given notice shall have been remedied and possession of the Premises and the Improvements restored to Tenant, the obligation of the holder of the Leasehold Mortgage pursuant to the instrument referred to in clauses (x) and (y) of this subdivision shall thereafter become null and void and of no further force or effect. Nothing herein contained shall affect the right of Landlord, upon the subsequent occurrence of any default by Tenant, to exercise any right or remedy herein reserved to Landlord, subject to the rights of the Leasehold Mortgagee under this Article with respect to such default.

(d) If for any reason this Lease shall be terminated by reason of the happening of any event of default of Tenant not cured within the applicable cure period, Landlord shall give notice thereof to the holder of any affected Leasehold Mortgage. Upon request of such holder made within forty-five (45) days after the giving of notice by Landlord to such holder, Landlord shall, (upon payment to Landlord of all Rent and all other monies due and payable by Tenant hereunder immediately prior to the termination of this Lease, as well as all sums which would have become payable hereunder by Tenant to Landlord to the date of execution and delivery of the New Lease hereinafter mentioned, had this Lease not been terminated, together with reasonable attorney's fees and expenses in connection therewith and in connection with the removal of Tenant from the Premises and the Improvements and the curing of all defaults hereunder which are within the power of such holder to cure (acting diligently), and the performance of all of the covenants and provisions hereunder which are within the power of said holder to perform up to the date of the execution and delivery of the New Lease hereinafter mentioned), enter into and deliver a new lease ("New Lease") of the Premises with such holder for the remainder of the term, at the same rental and on the same terms and conditions as contained in this Lease for the remainder of the Term of this Lease and dated as of the date of termination of this Lease and convey to such holder by quitclaim deed a term of years in and to the Improvements reserving to Landlord the reversion of title to the Improvements upon the termination of the New Lease. The provisions of Section 18.4(d) shall be self effectuating without the execution of any further documentation; provided, however, that upon the request of either Landlord or Leasehold Mortgagee, the parties shall execute a non-disturbance agreement or such documentation as may reasonably be requested effectuating the foregoing. If during such period of forty-five (45) days request for such New Lease shall be made by more than one (1) Leasehold Mortgagee, then Landlord shall be required to execute and deliver such New Lease to that mortgagee (or nominee thereof) having the lowest seniority of lien (as determined by the Leasehold Mortgagees, it being understood that Landlord shall have no obligation to make such determination as to seniority) who (i) cures all defaults under all prior Leasehold Mortgages (ii) delivers to Landlord certificates or letters from the holder of all prior Leasehold Mortgages which certify or state that no default then exists under such prior Leasehold Mortgages; and (iii) executes and delivers, at the time of the execution of such New Lease, new mortgages to the holder of all prior Leasehold Mortgages having the same priority, terms and conditions and secures the same amount as the prior Leasehold Mortgage. It is understood and agreed that nothing herein contained shall be construed as obligating such mortgagee to cure any default by Tenant which does not require a payment of money and which may not be cured by reasonable diligence by such mortgagee nor shall anything herein contained be construed as conditioning such mortgagee's entitlement to a New Lease upon the curing of any default which is not reasonably susceptible of being cured by such Leasehold Mortgagee. Upon the execution and delivery of such New Lease any Subleases which may have heretofore been assigned and transferred to Landlord shall therefore be assigned and transferred, without recourse by Landlord to the new Tenant. Such New Lease shall have the same rights and priorities as the existing Lease. The estate of the holder of such Leasehold Mortgage, as Tenant under the New Lease, shall have priority equal to the estate of Tenant hereunder (that is, there shall be no charge, lien or burden upon the Subleased Premises prior to or superior to the estate granted by such new Tenant which was not prior to or superior to the estate of Tenant under the Lease as of the date immediately preceding the date the Lease went into default, except, for any charge, lien or burden which should not have been permitted and/or should have been discharged by Tenant

under the terms of this Lease). The quitclaim deed to the Improvements shall recite that the grantee holds title to the Improvements only so long as the New Lease shall continue in full force and effect, that upon termination of the New Lease title to the Improvements shall revert to Landlord automatically without payment. Nothing herein contained shall be deemed to impose any obligation upon Landlord to deliver physical possession of the Premises and the Improvements to the holder of such Leasehold Mortgage or to disavow any recognition of the Lease or the rights of Tenant pursuant to the terms of this Lease. The said holder shall pay all Landlord expenses, including any applicable documentary stamps, intangible taxes, recording fees, reasonable attorneys' fees and costs, incident to the execution and delivery of such New Lease and quitclaim deed.

Upon the execution and delivery of a New Lease under this Section, all Subleases, license agreements and concession agreements which theretofore may have been assigned to Landlord, shall be assigned and transferred, without recourse, by Landlord to Tenant named in such New Lease. If any Lease be assigned to a Leasehold Mortgagee, such Leasehold Mortgagee shall not be required to execute or deliver to Landlord an assumption agreement referred to in this Section. However, if the Leasehold Mortgage is foreclosed, the purchaser who shall have acquired Tenant's leasehold estate at the foreclosure sale shall execute and deliver such instrument to Landlord. If the Leasehold Mortgagee is the purchaser, it may assign its interest to any person, corporation or entity designated by it and such assignee shall execute and deliver such instrument to Landlord and the Leasehold Mortgagee shall have no liability or obligation thereunder.

(e) Landlord, without prior written consent of the Leasehold Mortgagee, shall not (i) consent to or accept any voluntary cancellation, termination or surrender of this Lease, whereby Landlord shall have the right to accept any such cancellation, termination or surrender of this Lease, or (ii) materially amend or modify this Lease.

18.5 Non-subordination of Fee; Confirmation. Any mortgage on any leasehold, subleasehold or more remote interest shall be subject to the foregoing provisions and shall not encumber the fee simple title of Landlord. Although the foregoing provisions pertaining to mortgages on Leasehold, subleaseholds, or more remote interest shall be self-operative, at the request of any such mortgagee, Landlord shall execute and deliver separate documentation, including, but not limited to, estoppels and non-disturbance agreements, confirming the same, in form and substance reasonably satisfactory to Landlord and such mortgagee.

18.6 Amendment to Lease. Landlord shall, from time to time, upon reasonable written request, provide a Leasehold Mortgagee or Subleasehold Mortgagee with estoppel information as to the status of this Lease. Tenant and all Leasehold Mortgages, and Subleasehold Mortgagees hereby acknowledge and agree that neither this Lease or any assignment of its interest to Tenant, or Sublessee or to any Leasehold or Subleasehold Mortgagee gives Tenant or its assignee or Sublessee any lien or encumbrance upon the fee simple ownership and interest in the Premises which is vested in Landlord. Landlord will consent to such modifications to this Lease as the Leasehold Mortgagee may hereinafter find necessary to make in order for it to mortgage financing, provided that such modifications (i) do not change the Rent to be paid hereunder, the length of the Term demised or other material terms and obligations of Landlord or Tenant hereunder, (ii) do not impose obligations upon the Landlord which are substantially or practically more burdensome to it than the obligations contained herein, (iii) do not change the substance of

the condemnation or insurance articles set forth herein, and (iv) are reasonably acceptable to Landlord.

18.7 Extension by Mortgagee. In the event that Sublessee or more remote interest shall fail to timely exercise its option to extend the term of any applicable Sublease or more remote interest (if applicable), the holder of any Subleasehold or more remote Mortgage, whose name and address are on file with Landlord pursuant to the provisions of this Lease, shall have the right, for a period of sixty (60) days following the last day on which Sublessee or more remote interest could have exercised such option and for such period only, to exercise in the name of Sublessee or more remote interest such option to extend the term of any applicable Sublease or more remote interest.

SECTION 19. TENANT DEFAULT, TERMINATION

19.1 Default. If any one or more of the following events shall occur, same shall be an event of default ("Event of Default") by Tenant under this Lease:

(a) If Tenant fails to obtain Government Approvals for the Improvements to be constructed by the Outside Possession Date.

(b) In the event Tenant fails to commence construction within ninety (90) days of the Possession Date or complete construction (and obtain a final Certificate of Occupancy) within twelve (12) months after Possession Date.

(c) After the Improvements are constructed, Tenant voluntarily abandons the Premises or the operations of the Improvements on the Premises are discontinued for a period of thirty (30) consecutive calendar days, other than as a result of casualty, condemnation or acts of force majeure; or

(d) Any lien, claim or other encumbrance which is filed against Landlord's fee simple title to the Premises (other than that created by or through Landlord) is not removed, or, at Landlord's election, if Landlord is not adequately secured by bond or otherwise with respect to any lien against the fee simple title of the Premises (other than that created by or through Landlord), within thirty (30) calendar days after Tenant has received notice thereof; or

(e) Tenant shall fail to pay the Rent when due to Landlord and Tenant shall continue in its failure to make any such payments for a period of five (5) calendar days after written notice is given to make such payments; or

(f) Tenant shall fail to make any other payment required hereunder when due to Landlord and shall continue in its failure to make any such other payments required hereunder for a period of ten (10) calendar days after written notice is given to make such payments; or

(g) Tenant shall fail to keep, perform and observe each and every non-monetary promise, covenant and term set forth in this Lease on its part to be kept, performed or observed within thirty (30) calendar days after receipt of written notice of default thereunder specifying such default(s)(except where fulfillment of its obligation requires activity over a greater period of time and Tenant shall have commenced to perform whatever may be required

for fulfillment within thirty (30) calendar days after receipt of notice and continues such performance without material interruption); or

(h) To the extent permitted by law, if Tenant makes an assignment for the benefit of creditors; or

(i) To the extent permitted by law, if Tenant files a voluntary petition under Chapter 11 of the United States Code (the "Bankruptcy Code") or if such petition is filed against Tenant or if Tenant files any petition or answer seeking, consenting to or acquiescing in any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under the Bankruptcy Code or any other present or future applicable federal, state or other statute or law; or

(j) To the extent permitted by law, if any proceeding is filed against Tenant seeking to have an order for relief entered against it as debtor or to adjudicate it bankrupt or insolvent, or seeking any reorganization, arrangement, composition, readjustment or adjustment, winding-up, liquidation, dissolution or similar relief under the Bankruptcy Code or any other present or future applicable federal, state or other statute or law of any jurisdiction, domestic or foreign, or upon the appointment of any trustee, receiver, custodian, assignee, sequestrator or liquidator of Tenant, or of all of any of the Premises or any interest of Tenant therein and such proceeding is no stayed or dismissed within sixty (60) days.

19.2 Remedy. Upon the occurrence of an Event of Default or any time thereafter during the continuance thereof, Landlord may at its option immediately terminate the rights of Tenant hereunder by giving written notice thereof, which termination shall be effective upon the date specified in such notice and/or Landlord may exercise any and all other remedies available to Landlord hereunder or at law or in equity, subject to the rights of any leasehold mortgage described in Section 18.4 above, and the terms of any non-disturbance agreement(s) executed by Landlord, provided the exercise by Landlord of such remedies shall not affect any non-disturbance agreement of Landlord. In the event of any such termination, Tenant shall have no further rights under this Lease and shall cease forthwith all operations upon the Premises and shall surrender ownership and possession of the Premises to Landlord together with all keys and access cards for the Premises. Tenant shall also pay in full all Rent and other charges as set forth in this Lease through the date of termination. Upon the occurrence of Tenant's default of this Lease, Landlord may exercise all rights it has pursuant to the collateral assignments hereunder.

In the event Landlord terminates this Lease upon the event of Tenant's default hereunder, Tenant hereby waives any right it may have to participate in, or the ownership rights it may have to, the economic benefits of the development contemplated hereunder and also waives any rights of redemption it may have, if any, and waives any right it may have to recover from Landlord after the proper termination of this Lease by Landlord.

19.3 No Waiver. No acceptance by the Landlord of Rent, fees, charges or other payments in whole or in part for any period or periods after a default of any of the terms, covenants and conditions hereof to be performed, kept or observed by Tenant shall be deemed a waiver of any right on the part of Landlord to terminate this Lease, or to exercise any other available remedies.

Failure by either Landlord or Tenant to enforce any provision of this Lease shall not be deemed a waiver of such provision or modification of this Lease. A waiver of any breach of a provision of this Lease shall not be deemed a waiver of any subsequent breach and shall not be construed to be a modification of the terms of this Lease.

SECTION 20. REMEDIES TO BE NON-EXCLUSIVE.

20.1 Cumulative Remedies. All rights and remedies of Landlord hereunder or at law or in equity are cumulative, and the exercise of any right or remedy shall not be taken to exclude or waive the right to the exercise of any other, subject to the express limitations set forth in this Lease, if any. No waiver by Landlord of any failure to perform any of the terms, covenants, and conditions hereunder shall operate as a waiver of any other prior or subsequent failure to perform any of the terms, covenants, or conditions herein contained.

20.2 Survival. Upon termination or expiration of this Lease, Tenant shall remain liable for all obligations and liabilities that have accrued prior to the date of termination or expiration.

SECTION 21. SURRENDER. Tenant covenants and agrees to yield and deliver peaceably and promptly to the Landlord, possession of the Premises, on the termination date or earlier termination of this Lease. Tenant shall surrender the Premises in the condition required pursuant to this Lease, reasonable wear, tear, casualty and condemnation excepted. All maintenance and repairs shall be completed prior to surrender. Tenant shall deliver to the Landlord all keys and access cards to the Premises upon surrender. Tenant shall at its expense take all actions required by federal, state, and municipal laws, administrative code provisions, ordinances, rules, and regulations, as amended, to remove from the Premises any hazardous substances or other Materials (as hereinafter defined) in violation of applicable law and/or the terms and provisions of this Lease, whether stored in drums, or found in vats, containers, distribution pipe lines, or the like or discharged into the ground other than that created by or through Landlord. All such substances shall be removed by Tenant in a manner that complies with all applicable federal, state, county, municipal. laws, administrative code provisions, ordinances, rules and regulations, as amended.

SECTION 22. ACCEPTANCE OF SURRENDER OF LEASE. No agreement of surrender or to accept a surrender of this Lease shall be valid unless and until the same shall have been reduced to writing and signed by the duly authorized representatives of Landlord and of Tenant in a document of equal dignity and formality herewith. Except as expressly provided in this Lease, neither the doing of nor any omission to do any act or thing by any of the officers, agents or employees of Landlord shall be deemed an acceptance of a surrender of letting under this Lease.

SECTION 23. REMOVAL OF PROPERTY.

23.2 Removal. Tenant shall have the right at any time during the Term to remove its trade fixtures and other personal property from the Premises. Tenant shall immediately repair any damage to the structure or exterior of the Premises caused by its removal of any personal property or trade fixtures. If Tenant shall fail to remove its inventories, trade fixtures, and personal property by the termination or expiration of this Lease, then Tenant shall be considered

to be holding over and subject to charges under Section 29(l2), hereof, and after fourteen (14) calendar days following said termination or expiration, at Landlord's option: (i) title to same shall vest in Landlord, at no cost to Landlord; or (ii) Landlord may remove such property to a public warehouse for deposit; or (iii) Landlord may retain the same in its own possession and sell the same at public auction, the proceeds of which shall be applied first to the expenses of removal, storage and sale, second, to any sums owed by Tenant to Landlord, with any balance remaining to be paid to Tenant; or Landlord may dispose of such property in any manner permitted by law. If the expenses of such removal, storage and sale shall exceed the proceeds of sale, Tenant shall pay such excess to Landlord upon demand.

SECTION 2. Transfer of Interest. Upon the termination of this Lease the ownership of all Improvements shall vest in Landlord and Tenant agrees to execute such documentation required by Landlord to effectuate the foregoing.

SECTION 3. Survival. The provisions of this Section 23 shall survive the expiration or termination of this Lease.

SECTION 24. NOTICES. Whenever either party desires to give notice to the other, such notice must be in writing, sent by certified United States mail, postage prepaid, return receipt requested, or by hand delivery with a request for a written receipt of acknowledgment of delivery, addressed to the party for whom it is intended at the place last specified. The place for giving notice shall remain the same as set forth herein until changed in writing in the manner provided in this section. For the present, the parties designate the following:

FOR LANDLORD: South Florida Regional Transportation Authority
800 NW 33rd Street
Pompano Beach, FL 33064
Attn: Mr. Joseph Giulietti
Executive Director
Fax: 954 788-7961

With copies to: Greenberg Traurig
777 South Flagler Dr., Suite 300 East
West Palm Beach, FL 33401
Attn: Teresa J. Moore, Esq.
fax: 561 655-6222

Holland & Knight LLP
Suite 2000
1201 West Peachtree Street, N.E.
Atlanta, GA 30309
Attn: W. Reeder Glass, Esq.
Fax: 404-881-0470

FOR TENANT: Boca Tri-Rail, LLC
5000 T-Rex Avenue, Suite 150
Boca Raton, FL 33431

Attn: _____
Fax: (561) 998-7882_____

With copies to: Malcolm Butters
Butters Construction & Development
6820 Lyons Technology Circle
Suite 100
Coconut Creek, FL 33073
Fax: 954 570-8844

Weiss, Handler, Angelos & Cornwell, P.A.
2255 Glades Road, Suite 218-A
Boca Raton, Florida 33431
Attn: Henry B. Handler, Esq.
Fax: (561) 997-5280

All notices, approvals and consents required hereunder must be in writing to be effective.

SECTION 25. NON-LIABILITY OF INDIVIDUALS. No director, officer, administrator, official, agent or employee or member of the Landlord or Tenant shall be charged personally or held contractually liable under any term or provisions of this Lease or of any supplement, modification or amendment to this Lease or because of any breach thereof, or because of its or their execution or attempted execution.

SECTION 26. UTILITIES. From and after the Effective Date, Tenant shall pay for all electric, water, garbage and other utilities charges for the Premises. The metering devices and utility lines installed by Tenant for such utilities shall be installed at the cost of Tenant and shall (to the extent owned by Tenant) become the property of Landlord at end of Term. Extension of utility mains or services to meet the needs of Tenant on the Premises shall be at the expense of Tenant.

No failure, delay or interruption in supplying any services for any reason whatsoever (whether or not a separate charge is made therefor) shall be or be construed to be an eviction of Tenant or grounds for any diminution or abatement of rental or shall be grounds for any claim by Tenant under this Lease for damages, consequential or otherwise unless caused by Landlord's wrongful act or gross neglect.

SECTION 27. ABATEMENT. If, at any time, Tenant shall become entitled to an abatement of Rent by the provisions of this Lease, the abatement of Rent shall be made on an equitable basis taking into consideration the amount and character of the space, the use of which is denied Tenant as compared with the entire Premises, and the period of time for which such use is denied to Tenant.

SECTION 28. ENVIRONMENTAL COMPLIANCE; ENVIRONMENTAL CONTENT AND REMOVAL.

28.1 Compliance. From and after the Effective Date, Tenant agrees to comply with all existing and future federal, state, county, and municipal environmental laws, administrative code provisions, ordinances, rules and regulations, and the requirements of any development order covering the Premises issued pursuant to Chapter 380, Florida Statutes, all as may be amended, including, without limitation, those addressing the following:

(a) Proper use, storage, treatment and disposal of pollutants, hazardous materials or other contaminants or regulated materials (collectively, "Materials"), including contracting with a licensed hazardous waste transporter and/or treatment and disposal facility to assure proper transport and disposal of hazardous waste and other regulated Materials;

(b) Proper use, disposal and treatment of storm water runoff, including the construction and installation of adequate pre-treatment devices or mechanisms on the Premises, if applicable;

(c) Adequate inspection, licensing, insurance, and registration of existing and future storage tanks, storage systems, and ancillary facilities to meet all federal, state and municipal standards, as amended, including the installation and operation of adequate monitoring devices and leak detection systems;

(d) Adequate facilities on the Premises for management and, as necessary, pretreatment of industrial waste, industrial wastewater, and regulated Materials and the proper disposal thereof; and

(e) Compliance with reporting requirements of Title III of the Superfund Amendment, as applicable and as such laws may be amended from time to time.

28.2 Clean Up. The release of any Materials on the Premises or Parcel, or as a result of the operations at the Premises (other than any Materials created by or through Landlord), in an amount that is in violation of any federal, state, county, municipal law, administrative code provision, ordinance, rule or regulation, as amended, or in violation of an order or directive of any federal, state, or local court or governmental authority, by Tenant, or any of its Sublessees or Space Lessees or the officers, employees, contractors, subcontractors, invitees, or agents of Tenant or its Sublessees or Space Lessees, committed subsequent to the Effective Date of this Lease, shall be, at Tenant's expense, and upon demand of Landlord or any local, state, or federal regulatory agency, immediately contained or removed to meet the requirements of applicable environmental laws, rules and regulations. If Tenant does not take action promptly to have such Materials contained, removed and abated to the extent required by law, the Landlord may upon reasonable notice to Tenant (which notice shall be written unless an emergency condition exists) undertake the removal of the Materials; however, any such action by the Landlord or any of its agencies shall not relieve Tenant of its obligations under this or any other provision of this Lease or as imposed by law. No action taken by either Tenant or Landlord to contain or remove Materials, or to abate a release, whether such action is taken voluntarily or not, shall be construed as an admission of liability as to the source of or the person who caused the pollution or its release.

28.3 Notice of Release. Tenant shall provide Landlord with notice of releases of Materials occurring at the Premises or on the Parcel or on account of Tenant's operations at the Premises. Tenant shall maintain a log of all such notices to Landlord and shall also maintain all records required by federal, state and local laws, rules and regulations and also such records as are reasonably necessary to adequately assess environmental compliance in accordance with applicable laws, rules and regulations.

As required by law, Tenant shall provide the federal, state and local regulatory agencies with notice of spills, releases, leaks or discharges (collectively, "Release") of Materials on the Premises or on the Parcel which exceeds an amount required to be reported to any local, state or federal regulatory agency under applicable environmental laws, rules and regulations, which notice shall be in accordance with applicable environmental laws, rules and regulations. Tenant shall further provide the Landlord and the Palm Beach County Department of Natural Resource Protection (or successor agency) with written notice of not less than one (1) business day following commencement of same, of the curative measures, remediation efforts and/or monitoring activities to be effected on the Premises or on the Parcel. Tenant shall have an updated contingency plan in effect relating to such Releases which provide minimum standards and procedures for storage of regulated Materials and other Materials, prevention and containment of Releases, and transfer and disposal of regulated Materials and other Materials. The contingency plan shall describe design features, response actions, and procedures to be followed in case of releases or other accidents involving hazardous Materials, bio-hazardous Materials or petroleum products or other Materials.

28.4 Inspection. Landlord, upon reasonable written notice to Tenant, shall have the right to inspect all documents relating to the environmental condition of the Premises which are in Tenant's possession, including without limitation, the release of Materials at the Premises or on the Parcel, or any curative, remediation, or monitoring efforts, and any documents required to be maintained under applicable environmental laws, rules and regulations or any development order issued to the Landlord pertaining to the Premises or on the Parcel, pursuant to Chapter 380, Florida Statutes, including, but not limited to, manifests evidencing proper transportation and disposal of Materials, environmental site assessments, and sampling and test results. Tenant agrees to allow reasonable inspection of the Premises by appropriate federal, state, county and municipal agency personnel in accordance with applicable environmental laws, rules and regulations and as required by any development order pertaining to the Premises, pursuant to Chapter 380, Florida Statutes, subject to such party complying with the requirements for Landlord's access as set forth in Section 17(a).

28.5 Cure. If Tenant is in default of its obligation to remove the Materials in violation of applicable law and such breach is not cured within the applicable cure period, and the Landlord arranges for the removal of any Materials on the Premises or on the Parcel that were caused by Tenant, or any of its Sublessees or the, officers, employees, contractors, subcontractors, invitees, or agents of Tenant or its Sublessees, the costs of such removal incurred by Landlord shall be paid by Tenant to Landlord within ten (10) calendar days of Landlord's written demand, with interest at the highest non-usurious rate permitted by Florida law per annum thereafter accruing.

28.6 Liability. Tenant shall not be liable for the release of any Materials caused by anyone other than Tenant, or any of its Sublessees or Space Lessees or the officers, employees, contractors, subcontractors, or agents of Tenant or any of its Sublessees or Space Lessees. Nothing herein shall relieve Tenant of its general duty to cooperate with the Landlord in ascertaining the source and, containing, removing and abating any Materials at the Premises or on the Parcel. Landlord shall cooperate with Tenant with respect to Tenant's obligations pursuant to these provisions, including making public records available to Tenant in accordance with Florida law; provided, however, nothing herein shall be deemed to relieve Tenant of its obligations hereunder or to create any affirmative duty of Landlord to abrogate its sovereign right to exercise its police powers and governmental powers by approving or disapproving or taking any other action in accordance with Landlord codes, ordinances, rules and regulations, federal laws and regulations, state and local laws and regulations, development orders and grant agreements. Landlord and its employees, contractors, and agents, upon reasonable written notice to Tenant, and the federal, state, local and other agencies, and their employees, contractors, and agents, at times in accordance with applicable laws, rules and regulations, shall have the right to enter the Premises for the purposes of the foregoing activities and conducting such environmental assessments (testing or sampling), inspections and audits as it deems appropriate.

28.7 Landlord Clean Up. In the event Landlord shall arrange for the removal of Materials on the Premises or on the Parcel that are not the responsibility of Tenant to correct, and if any such clean-up activities by Landlord shall prevent Tenant from using the Premises for the purposes intended, the Rent shall be equitably abated, from the date that the use of the Premises for its intended purposes is precluded and until the Premises again become available for Tenant's use. Landlord shall use reasonable efforts to not disrupt Tenant's business; however, in no event shall Tenant be entitled to any amount on account of lost profits, lost rentals, or other damages as a result of Landlord's cleanup activities.

28.8 Survival. The provisions of this Section shall survive the expiration or other termination of this Lease for the applicable statute of limitations.

SECTION 29. GENERAL

29.1 Headings. The section and paragraph headings in this Lease are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope or intent of any provision hereof.

29.2 Jurisdiction. This Lease shall be interpreted and construed in accordance with and governed by the laws of the State of Florida. Venue for litigation concerning this Lease shall be in Palm Beach County, Florida.

29.3 Severance. In the event any provisions of this Lease is found by a court of competent jurisdiction to be invalid (a) such provisions shall be deemed revised to the extent necessary to be enforceable and (b) the remaining provisions shall continue to be effective to the fullest extent permitted by law.

29.4 Independent Contractor/Relationship of Parties. The relationship of Landlord and Tenant hereunder is the relationship of landlord and tenant. Services provided by Tenant shall be

subject to the supervision of Tenant and such services shall not be provided by Tenant, or its agents as officers, employees, or agents of the Landlord. The parties expressly acknowledge that it is not their intent to create any rights or obligations in any third person or entity under this Lease other than as specifically stated. Nothing contained herein shall be deemed or construed as creating the relationship of principal and agent, partners, joint venturers, or any other similar such relationship between the parties hereto except as expressly provided herein.

29.5 Third Party Beneficiaries. Neither Tenant nor Landlord intend to, directly or substantially benefit a third party by this Lease. Therefore, the parties agree that other than as specifically stated there are no third party beneficiaries to this Lease and that no third party shall be entitled to assert a claim against either of them based upon this Lease.

29.6 Force Majeure. Notwithstanding anything contained in this Lease to the contrary, neither Landlord nor Tenant shall be considered to be in default of this Lease if delays in or failure of performance shall be due to Force Majeure, the effect of which, by the exercise of reasonable diligence, the non-performing party could not avoid wherein the time for performance shall be extended by the period of such Force Majeure event(s).

29.7 Negotiated Lease. Both parties have substantially contributed to the drafting and negotiation of this Lease and this Lease shall not, solely as a matter of judicial construction, be construed more severely against one of the parties than any other. The parties hereto acknowledge that they have thoroughly read this Lease, including all exhibits and attachments hereto, and have sought and received whatever competent advice and counsel was necessary for them to form a full and complete understanding of all rights and obligations herein.

29.8 Incorporation by Reference. The truth and accuracy of each "Recitals" clause set forth above is acknowledged by the parties. The attached Exhibits to this Lease are incorporated into and made a part of this Lease and all exhibits subsequently attached to this Lease pursuant to the terms hereof shall be deemed incorporated into and made a part of this Lease. In the event of a conflict between the content of any Exhibit and the terms of this Lease, the terms of this Lease shall govern.

29.9 Amendments. No modification, amendment, or alteration in the terms or conditions contained herein shall be effective unless contained in a written document prepared with the same or similar formality as this Lease and executed by the Landlord and Tenant.

29.10 Prior Agreements. This document incorporates and includes all prior negotiations, correspondence, conversations, agreements, and understandings applicable to the matters contained herein (both oral and in writing) and the parties agree that there are no commitments, agreements or understandings concerning the subject matter of this Lease that are not contained in this document. Accordingly, the parties agree that no deviation from the terms hereof shall be predicated upon any prior representations or agreements, whether oral or written. It is further agreed that no modification, amendment or alteration in the terms or conditions contained herein shall be effective unless contained in a written document executed by both parties.

29.11 References. All personal pronouns used in this Lease shall include the other gender, and the singular shall include the plural, and vice versa, unless the context otherwise requires. Terms such as "herein," "hereof," "hereunder, " and "hereinafter" refer to this Lease as a whole and not to any particular sentence, paragraph, or section where they appear, unless the context otherwise requires. Whenever reference is made to a Section of this Lease, such reference is to the Section as a whole, including all of the subsections and subparagraphs of such Section, unless the reference is made to a particular subsection or subparagraph of such Section.

29.12 Holdover. It is agreed and understood that any holding over of Tenant after the termination of this Lease shall not renew and extend same, but shall operate and be construed as a license from month to month. At the option of Landlord, upon written notice to Tenant, Tenant shall be required to pay to the Landlord during any holdover period, monthly license fees which shall be equal to double the amount of the monthly installment of rental that was due and payable for the month immediately preceding the termination date of this Lease. In addition, Tenant shall be required to pay to Landlord any other charges required to be paid hereunder during any such holdover period. Tenant shall be liable to the Landlord for all loss or damage on account of any such holding over against the Landlord's will after the termination of this Lease, whether such loss or damage may be contemplated at the execution of this Lease or not. It is expressly agreed that acceptance of the foregoing payments by the Landlord in the event that Tenant fails or refuses to surrender possession shall not operate or give Tenant any right to remain in possession nor shall it constitute a waiver by the Landlord of its right to immediate possession of the premises.

29.13 Waiver of Claims. Landlord shall not be liable for and Tenant hereby releases Landlord Releasees for any loss, damage or injury of any kind or character to any person or property (i) arising from any use of the Premises or any part thereof; (ii) caused by any defect in any building, structure, or other Improvements thereon or in any equipment or other facility located therein; (iii) caused by or arising from any act or omission of Tenant, or of any of its agents, employees, commercial tenants, licensees or invitees; (iv) arising from any accident on the Premises or any fire or other casualty thereon; (v) occasioned by Tenant's failure to maintain the Premises in a safe condition; (vi) arising from the failure of Landlord or its successor to operate the System or Intermodal Facility, in whole or in part, or to maintain any minimum frequency of trains on the System or from any disruption of service, including but not limited to availability of funds to operate the System or (vii) arising from any other cause; unless, in any of such events, caused by the gross neglect or willful act or omission of Landlord. Tenant agrees that Landlord shall not be liable for injury to Tenant's business for any loss of income therefrom or from loss or damage for merchandise or property of Tenant or its employees, invitees, customers, commercial tenants or other persons in or about the Premises, nor shall Landlord be liable for injuries to any persons on or about the Premises whether such damage is caused by or as a result of theft, fire, electricity, water, rain or from breakage, leakage, obstruction or other defect of pipes, sprinklers, wires, appliances, plumbing, air conditioning or lighting fixtures or far any other condition arising upon the Premises, or from any new construction or repair, alteration or improvement on the part of Tenant's Improvements or the equipment, fixtures or appurtenance thereof, or for any other reasons listed in this subsection, other than as a result of Landlord's default of its obligations under this Lease. Landlord does not waive any rights of sovereign immunity that it has under applicable law. Notwithstanding the foregoing, it is the intent of the parties that the Public Areas, to the fullest extent permitted by law, will be treated as

public facilities and, subject to the limitations of sovereign immunity which Landlord is entitled to in accordance with applicable law. Although Tenant will construct and maintain such Public Areas, that to the fullest extent legally possible, and permitted by law the Landlord and Tenant would be protected by the doctrine of sovereign immunity with respect to the construction and/or operation of such Public Areas. All persons coming upon the Public Areas are hereby notified that they do so at their sole risk and members of the public utilizing the Public Areas are hereby notified that their use of the Public Areas are in a "AS IS" and "WHERE IS" condition and that all such parties assume all risk in connection with their use of the Public Areas. Tenant (and all Sublessees and Space Lessees) hereby disclaims (a) any and all representations or warranties, express or implied including, but not limited to, the warranty of merchantability with respect to the Public Areas, and (b) any obligation of Landlord to provide any security to such members of the public. The provisions of this paragraph shall not obviate Tenant's obligations to Landlord under this Lease with respect to the Public Areas, provided members of the public shall not be considered to be third party beneficiaries of such obligations.

Notwithstanding anything contained in this Lease to the contrary, in no event shall Landlord or Tenant be liable to any third parties for any consequential and/or punitive damages in connection with this Lease.

29.14 Successors and Assigns Bound. This Lease shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto where permitted by this Lease.

29.15 Time of Essence. Time is expressed to be of the essence of this Lease.

29.16 Written Approvals. All approvals and consents required to be obtained hereunder must be in writing to be effective. Unless otherwise specifically provided to the contrary, any consent or approval required by a party to this Agreement shall not be unreasonably withheld, conditioned or delayed. Unless specifically provided to the contrary herein, in the event that Tenant shall request Landlord, in writing, to consent in connection with a specific provision of this Lease which requires Landlord's consent, then Landlord shall either approve and/or disapprove and specify, with reasonable detail the basis for such disapproval within thirty (30) days of such request or it shall be deemed that Landlord has approved such request.

29.17 Authority of Individuals. The individuals executing this Lease on behalf of Tenant personally warrant that they have full authority to execute this Lease in a representative capacity on behalf of Tenant for whore they are acting herein.

29.18 Recordation of Memorandum of Lease. Landlord hereby consents to Tenant recording the Memorandum of this Lease in the Public Records of Palm Beach County, Florida, which Memorandum shall set forth and shall only set forth: (i) the names of the parties; (ii) the Effective Date and Term of the Lease; (iii) a notice of non-responsibility to advise all contractors and subcontractors that Tenant shall not have the right to create a lien against Landlord's interest in and to the Premises; and the matters set forth in Section 29(13). Tenant shall not record this Lease in the Public Records of Palm Beach County, Florida. Tenant agrees that upon any termination of the Lease that it will execute a document in form reasonably requested by Landlord terminating the Memorandum of record.

29.19 No Set Off. Tenant acknowledges that, as of the Effective Date hereof, it has no claims against Landlord with respect to any of the matters covered by this Lease and as of the Effective Date it has no claim of set off or counterclaims against any of the amounts payable by Tenant to Landlord under this Lease. Tenant is not entitled to setoff against the amounts payable by Tenant to Landlord payable pursuant to this Lease.

29.20 Police/Regulatory Powers. Landlord cannot, and hereby specifically does not, waive or relinquish any of its regulatory approval or enforcement rights and obligations as it may relate to regulations of general applicability which may govern the System, the Intermodal Facility, the Premises, any improvements thereon, or any operations at the Premises. Nothing in this Lease shall be deemed to create an affirmative duty of Landlord to abrogate its sovereign right to exercise its police powers and governmental powers by approving or disapproving or taking any other action in accordance with its zoning and land use codes, administrative codes, ordinances, rules and regulations, federal laws and regulations, state laws and regulations, and grant agreements. In addition, nothing herein shall be considered zoning by contract.

29.21 Radon Gas. 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 are 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 may be obtained from your local public health unit.

29.22 Counterparts. This Lease may be executed in counterparts, each of which shall be deemed to be an original.

29.23 Delegation. To the extent any approval of Landlord is required, which approval requires the approval of the Executive Director of Landlord or his designee, the parties agree that unless otherwise designated by the Landlord in writing to Tenant, that Executive Director may from time to time designate one or more persons as the authorized designee(s) of the Landlord.

29.24 Sovereign Immunity. Nothing in this Lease shall be construed or interpreted as consent by Landlord to be sued, nor as a waiver of sovereign immunity beyond the waiver provided in Section 768.28, Florida Statutes.

SECTION 30. ADDITIONAL COVENANTS.

30.1 Brokers. Each party represent to the other that no brokers or finders have been involved in this transaction. It is agreed that Tenant, whose actions or alleged actions or commitments form the basis of any other claim, agrees to indemnify and hold harmless Landlord from and against any and all such claims or demands with respect to any other brokerage fees or agents' commissions or other compensation asserted by any person, firm, or corporation in connection with this Lease or the transaction contemplated hereby, which indemnification shall include, but is not limited to, costs and attorneys' fees (including attorneys' fees incurred prior to trial, after trial, or on appeal and any attorneys' fees incurred in enforcing this indemnity and including fees for the services of paralegals and other legal personnel working under the supervision of an attorney) reasonably incurred in connection with the defense of any claim

against any party hereto, arising out of the above described matter. The indemnification set forth herein shall survive the expiration of earlier termination of this Lease.

30.2 Legal Expenses. Upon full execution hereof by the parties, Tenant shall pay to Landlord the sum of $50,000.00 to be utilized for legal fees Landlord has incurred in the negotiation and preparation of this Lease.

30.3 Attorneys Fees/Costs. In connection with any litigation arising out of this Lease, the prevailing party shall be entitled to recover all costs incurred, including reasonable attorney's fees at all trial, appellate and collection levels.

SECTION 31. ARBITRATION

31.1 Arbitration. For any matter or issue herein where arbitration is specifically mentioned as the way in which an issue or dispute shall be resolved, the following provisions of arbitration shall govern the resolution thereof and the rulings shall be binding and enforceable against the parties and the Leasehold Mortgagee if it is a party to the arbitration and the issue to be resolved involves the Leasehold Mortgage terms and provisions.

31.2 Panel. A panel of arbitrators ("Arbitration Panel") shall be established when specifically required by the terms of this Lease.

(a) The appointments to the panel shall be made in the following manner:

(i)The Landlord shall name one member;

(ii)Tenant shall name one member; and

(iii) The aforesaid members shall promptly name a third member.

(b) If either party shall fail to designate a member within fifteen (15) days after a written request so to do by the other party, then such other party may request the President of the Florida Chapter of the American Arbitration Association to designate a member, who when so designated shall act in the same manner as if he had been the member designated by the party so failing to designate an arbitrator. If the two members are unable to agree upon a third member within ten (10) days from the last date of designation, such third member shall be designated by the President of the Florida Chapter of the American Arbitration Association, upon the request of either of the two members.

31.3 Actions, Hearings and Decisions. All actions, hearings and decisions of the Arbitration Panel shall be conducted, based upon and in accordance with the Commercial Arbitration Rules of the American Arbitration Association. In determining any matter before them, the Arbitration Panel shall apply the terms of this Lease, and shall not have the power to vary, modify or reform any terms or provisions of the Lease in any respect. The Arbitration Panel shall afford a hearing to the parties and the right to submit evidence with the privilege of cross-examination on the question at issue. All arbitration hearings shall be held at a place designated by the Arbitration Panel in Palm Beach County, Florida.

A hearing shall be commenced within sixty (60) days following the selection of the last of the three arbitrators. A court reporter shall make a transcript of the hearing. The parties and the Arbitration Panel shall use their best efforts to conclude the hearing within ten (10) days. The parties shall be entitled to such pre-trial discovery as they may agree, or as determined by the Arbitration Panel. The Arbitration Panel shall have the right to question witnesses at the hearing, but not to call witnesses. The Arbitration Panel may grant continuances for good cause or with the agreement of both parties. The Arbitration Panel may render a decision at the close of the hearing, or may request briefs on any or all issues. Any and all such briefs, including reply briefs, shall be filed with the terms and on the schedule set by the Arbitration Panel, but in any event no later than forty-five (45) days following the commencement of the hearing. The Arbitration Panel shall render a determination within sixty (60) days from the conclusion of the hearing. If no determination is rendered within such time, unless the parties agree otherwise, a new Arbitration Panel shall be selected as described above, but the new Arbitration Panel shall render a determination solely upon review of the record of the hearing without a further hearing.

The Arbitration Panel selected hereunder shall agree to observe the Code of Ethics for Arbitrators in Commercial Disputes promulgated by the American Arbitration Association and the American Bar Association, or any successor code. The decision of a majority with respect to any matter referred to it under this Lease shall be final, binding and conclusive on the parties and enforceable in any court of competent jurisdiction. Together with the determination, the Arbitration Panel shall provide a written explanation of the basis for the determination. Each party shall pay the fees and expenses of the member of the Arbitration Panel designated by such party, such party's counsel and witness fees, and one-half (1/2) of all expenses of the third member of the Arbitration Panel.

31.4 Participation by Lender. If the issue which is the subject of an arbitration proceeding involves a provisions of the lease pertaining to the Leasehold Mortgagee or the terms of the Leasehold Mortgage, then in such an event the lender shall be allowed, at its option, to participate in the arbitration proceeding which participation shall include the right to present evidence and cross examine witnesses. In the event of any arbitration proceeding not involving the aforesaid issues, Lender shall be entitled to receive notice of the proceedings and to have an observer present.

31.5 Additional Provision Regarding Arbitration. The parties recognize that the foregoing arbitration provisions and procedures may not be the most appropriate in all instances where arbitration is provided for in this Agreement or where the parties otherwise may agree to arbitration. In order to provide for such instances where other arbitration provisions and procedures may be contemplated under this Agreement, the parties may, but shall not be obligated to, amend the foregoing provisions of this Section and/or modify the arbitration procedures set forth therein and/or agree to the application of different arbitration provisions and procedures in such instances.

[THIS SPACE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties have made and executed this Lease on the respective dates under each signature.

WITNESSES:

_____

_____

_____

_____

TENANT

Boca Tri-Rail, LLC, a Florida limited liability corporation

By: _____
Name:
As it's:

Date: _____

WITNESSES:

_____

_____

_____

_____

LANDLORD

SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY

BY: _____
_____, SFRTA Board of Directors, Chair

Date: _____

ATTEST:

By: _____
Joseph Giulietti, Executive Director

Approved as to form and legal sufficiency:

BY: _____
SFRTA General Counsel

2949909_v6

SCHEDULE I

Boca Site

1. Annual Base Rent shall be computed and paid by Tenant as follows:

(a) Base Rent for Improvements of 50,000 square feet of office and no less than 15,000 square feet of retail shall be:

(i) $200,000.00 for the first year, commencing as provided in Section 4.3;

(ii) $215,000.00 , beginning at the end of the first year;

(iii) $230,000.00, beginning at the end of the second year;

(iv) $245,000.00, beginning at the end of the third year;

(v) $260,000.00, beginning at the end of the fourth year.

(vi) $275,000.00, beginning at the end of the fifth year;

(vii) $290,000.00, beginning at the end of the sixth year;

(viii) $305,000.00, beginning at the end of the seventh year;

(ix) $320,000.00, beginning at the end of the eighth year; and

(x) $335,000.00, beginning at the end of the ninth year; or

(b) Base Rent for Improvements of no less than 50,000 square feet of office and (1) no retail or (2) less than 15,000 square feet of retail shall be:

(i) $200,000.00 for the first year, commencing as provided in Section 4.3;

(ii) $207,222.00, beginning at the end of the first year;

(iii) $214,444.00, beginning at the end of the second year;

(iv) $221,666.00, beginning at the end of the third year;

(v) $228,888.00, beginning at the end of the fourth year.

(vi) $236,110.00, beginning at the end of the fifth year;

(vii) $243,332.00, beginning at the end of the sixth year;

(viii) $250,554.00, beginning at the end of the seventh year;

(ix) $257,776.00, beginning at the end of the eighth year; and

(x) $264,998.00, beginning at the end of the ninth year; or

During the tenth year of the Term, and every tenth year thereafter, the Fair Market Value of the Premises shall be determined by agreement or by appraisal in accordance with subparagraph 4 of this Schedule I. The annual Base Rent for each the eleventh through twentieth years of the Term shall be an amount equal to 6.4% of the "Fair Market Value" of the Premises as determined in the agreement or appraisal prepared in the tenth year, but subject to the qualifications stated below. The annual Base Rent shall be calculated and adjusted to take effect on the first day of the eleventh year of the Term every ten years thereafter. The first day of the eleventh year of the Term, and every decennial anniversary of that day shall be an "Adjustment Date", and the Base Rent adjusted to 6.4% of the Fair Market Value as determined in the year prior to the Adjustment Date. Regardless of the Fair Market Value, the new Base Rent, as agreed or as derived from the appraisal prepared in anticipation of a particular "Adjustment Date", shall be subject to the following limits: Such new Base Rent shall never be less than the Base Rent applicable for the year immediately preceding the Adjustment Date and such new Base Rent shall never be more than 125% of the Base Rent applicable for the year immediately preceding the Adjustment Date.

2. Annual Participation Rent: One Percent (1%) of Gross Revenue.

3. Transaction Rent: 10% of Net Proceeds from each and every Sale or Refinancing of the Premises or Premises Ownership during the Term of the Lease.

As used herein, the following terms have the following meanings:

(a) Sale Proceeds. For the purposes of determining Transaction Rent based on a Sale, the terms,

"Sale" means a transfer with respect to (i) all or substantially all of the Premises or (ii) of an interest in Tenant (including syndication of tax benefits) which results in Net Proceeds being available to Tenant in the case of (i) above or to the seller or transferor in the case of (ii) above, and

"Net Proceeds" in the event of a Sale of the entire Premises or of the entire interest in Tenant means the net amount remaining from the gross proceeds of any such Sale (including all amounts existing in funded but unspent reserves not required by the purchaser and not reserved for ongoing prudent operations or otherwise required by the continuing Premises documents or under this Lease) after the following items to the extent relevant to the specific transfer, have been paid in full: (i) any outstanding mortgage balances and accrued interest required to repay the indebtedness, including mortgage and or chattel mortgage indebtedness, secured by the Premises (but if the purchaser repays the loan at a discount, then only to the extent of such discounted payoff plus additional interest payments, if any) or personal property or equipment therein or personal property and equipment leases which must be repaid and further including lender's or arm's length equity participant's share of residual values if required to be paid as a result of the transaction; (ii) all reasonable and actual costs of such transaction normally and customarily paid by the seller as a result of the transaction, including, but not limited to, points, syndication, fees, brokerage commissions, attorneys' fees, appraisals, transaction, recording fees

and intangible taxes and sales taxes or other proratable items, if any; (iii) any payments related to Premises financing, required to be made to Premises lenders over and above the mortgage balance except penalties for late payment; (iv) any repayment of equity invested in the form of cash or property and used in the Premises; and (to the extent not included in (iv) above, (v) repayment of all reasonably documented Tenant equity, together with an amount, which, when added to previous distributions to Tenant intended and/or characterized as a return on Tenant equity, will provide Tenant with the annual cumulative equity return for each of the years prior to and including the year of such Sale for the period of such investment of ten percent (10%), such return to be calculated based on the period of time such funds were invested in the Premises until the date of such Sale, and

"Net Proceeds" in the event of a Sale with respect to the Sale of a partial interest in the Premises or interest in Tenant constituting less than the entire Premises or interest in Tenant shall mean the gross proceeds of any such Sale after all of the following items, to the extent relevant to the specific transfer, shall have been paid in full: (1) a pro rata portion of the payments described in clauses (i), (iii) and (iv) above if and to the extent the same relate to mortgages, equity investments or other financings which are applicable to portions of the Premises in addition to the portion being sold, but the full amount of such payments to the extent the same relate only to the property being sold, (2) a pro rata portion of the payments described in clause (v) above and (3) the costs described in clause (ii) above. The parties will agree, on or before the transfer described above on examples of the application of the above formula and the "pro rata" concept.

(b) Refinancing Proceeds. For purposes of determining Transaction Rent based on a Refinancing the terms,

"Refinancing" means any refinancing, following the initial construction financing, by way of a Leasehold Mortgage or similar financing transaction which results in Net Proceeds being available to Tenant.

"Net Proceeds", in the event of a Refinancing of the entire Premises, shall be defined as the net amount remaining from the gross proceeds of any such Refinancing, (including all amounts existing in funded, but unspent reserves required by the prior lender but not required by the refinancing lender to be continued and not reserved for ongoing prudent operations or otherwise required by the continuing Premises documents or hereunder) after all of the following items have been paid in full: (i) any outstanding mortgage balances and accrued interest then required to repay the indebtedness being refinanced including mortgage or chattel mortgage indebtedness secured by the Premises (but if either the holder thereof agrees to a discounted payoff or the party purchasing the Tenant's interest acquires the loan for a discount, then only to the extent of either the discounted payoff or such discounted acquisition amount plus additional principal advances if any) or personal property or equipment therein or personal property and equipment leases which must be prepaid or which are otherwise accounted for in the transaction, the proceeds from which were invested and used in or for the Premises and further including lender's and arms-length equity participant's share of residual values if required to be paid as a result of the transaction; (ii) all reasonable and actual costs of such transaction normally and customarily paid by the Tenant as a result of the transaction, including, but not limited to, points, syndication fees, brokerage commissions, attorneys' fees, appraisals, environmental reports,

engineering studies required for the transaction, recording fees and intangible taxes and sales taxes and other proratable items, if any; (iii) any payments related to the Premises financing, required to be made to the Premises lenders over and above the mortgage balance except penalties for late payment; (iv) any re-payment of equity invested in the form of cash or property and used in the Premises, including the payment of any reasonable arms length rate of return contractually required to be paid thereon; and (to the extent not included in Sub-section (iv) above,) (v) repayment of all reasonably documented Tenant equity, together with an amount, which when added to previous distributions to Tenant intended and/or characterized as a return on Tenant equity, will provide Tenant with the annual cumulative equity return for each of the years prior to and including the year of such Refinancing for the period of such investment of ten percent (10%), such return to be calculated based on the period of time such funds were invested in the Premises until the date of such Refinancing.

Net Proceeds, in the event of each and every Refinancing of less than the entire Premises or of any part or any interest in the Premises which occur during the term of this Lease shall be defined as the net amount remaining from the gross proceeds of any such Refinancing after all the following items have been paid in full: (1) a pro rata portion of the payments described in subparagraph (i), (iii), (iv) and (v) above, and (2) the costs described in subparagraph (ii) above.

(c) The Landlord and Tenant shall promptly agree (and in any event prior to any transfer or Refinancing), by amendment to this Agreement or by separate agreement, upon a mutually acceptable method of proration with respect to the above, and as to such additional prorations and/or adjustments as may be appropriate with respect. to partial Sale or partial Refinancing and/or with respect to Sale or Refinancings subsequent thereto. In the event a new Tenant simultaneously buys the entire Premises and refinances it, the Transaction Rent shall be paid based on the Net Proceeds to be received by the selling Tenant provided the sale is at arms length.

(d) Premises, as used in this Schedule I shall include either the Premises, as defined in the Lease, and the Lease itself. Premises Ownership shall include the Tenant and ownership of the Tenant.

4. Fair Market Value: For purposes of adjusting the Base Rent under this Schedule I, the "Fair Market Value" of the Premises shall be reasonably determined by Owner and Manager, acting in good faith. If Owner and Manager do not agree on such Fair Market Value, then either party may notify the other that the Fair Market Value shall be determined by appraisal. In that case, each party shall appoint an appraiser, who in turn shall jointly appoint a third appraiser. The Fair Market Value of the Premises shall be deemed to be the average of the fair market values determined by the two of the three appraisers whose determinations of value are closest, and the third (i.e., most divergent) appraisal shall be disregarded for purposes of such average. To act as an appraiser under this Schedule I, the candidate must (i) have a current MAI certification (ii) have at least ten years experience appraising commercial office and retail real estate located in south Florida and (iii) not have been an officer, employee or principal of either Landlord or Tenant within the two years prior to such appraisal. Landlord and Tenant shall bear the fees and expenses of the respective appraisers which they each appointed, and shall share equally the fees and expenses of the jointly appointed third appraiser. In determining the Fair Market Value of the Premises, the appraisers shall take into consideration the uses and

limitations applicable to the Premises, including DRI Regulations, Governmental Approvals and the burdens and conditions imposed by this Lease.

S:\gen1\Hiw\Boca Tri Rail\Development and Lease Agreement gkovac june 19.REDLINE.DOC

EXHIBIT A
PREMISES

ALL THAT LOT, PIECE OR PARCEL OF LAND SITUATE, LYING AND BEING IN SECTION 7, TOWNSHIP 47 SOUTH, RANGE 43 EAST, CITY OF BOCA RATON, PALM BEACH COUNTY, FLORIDA, BEING A PORTION OF PARCEL 3, AS SHOWN ON THE PLAT OF "BOCA TECHNOLOGY CENTER PLAT 1", ACCORDING TO THE PLAT THEREOF, AS RECORDED IN PLAT BOOK 96 AT PAGES 178 THROUGH 181 OF THE PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA, MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS, VIZ.:

BEGIN AT THE NORTHEAST CORNER OF SAID PARCEL 3 AS SHOWN ON SAID PLAT OF "BOCA TECHNOLOGY CENTER PLAT 1"; THENCE SOUTHERLY ALONG THE EAST LINE OF SAID PARCEL 3 AND THE ARC OF A CIRCULAR CURVE CONCAVE TO THE EAST, HAVING A RADIUS OF 3156.90 FEET AND A CENTRAL ANGLE OF 03.26'13" FOR 189.36 FEET (THE PRECEDING COURS1. HAVING A RADIUS OF 3156.90 FEET, A CENTRAL ANGLE OF 03.26'39" AND AN ARC LENGTH OF 189.77 FEET BY PLAT) TO A POINT OF NON-TANGENT INTERSECTION WITH THE SOUTHEASTERLY LINE OF SAID PARCEL 3 AND THE SOUTHEASTERLY CORNER OF SAID PARCEL 3, WITH SAID POINT OF NON-TANGENT INTERSECTION BEARING S82.52'47"W FROM THE CENTER OF SAID CURVE; THENCE S44.16'47"W (S44.16'03"W BY PLAT) ALONG THE SOUTHEASTERLY LINE OF SAID PARCEL 3 FOR 400.79 FEET; THENCE DEPARTING SAID SOUTHEASTERLY LINE OF PARCEL 3, N45.43'47"W FOR 101.47 FEET; THENCE NOO.OO'30"W FOR 342.99 FEET TO A POINT OF INTERSECTION WITH THE NORTHERLY LINE OF SAID PARCEL 3; THENCE N79.33'22"E (N79.33'09"E BY PLAT) ALONG SAID NORTHERLY LINE OF PARCEL 3 FOR 310.38 FEET TO A POINT OF CURVATURE OF A CIRCULAR CURVE CONCAVE TO THE NORTHWEST; THENCE NORTHEASTERLY ALONG THE ARC OF SAID CURVE, HAVING A RADIUS OF 3723.60 FEET AND A CENTRAL ANGLE OF 00.27'39" FOR 29.95 FEET (THE PRECEDING COURSE HAVING A RADIUS OF 3723.60 FEET, A CENTRAL ANGLE OF 00.27'41" AND AN ARC LENGTH OF 29.98 FEET BY PLAT) TO THE POINT OF BEGINNING.

EXHIBIT B

MEMORANDUM OF LEASE

Return to: (enclosed self-addressed stamped envelope) Name: Michael J. Sabatello, IV, Esq. Address: 777 S. Flagler Drive, Suite 300 East West Palm Beach, FL 33401 This Instrument Prepared by: Michael J. Sabatello, IV, Esq. Greenberg Traurig, P.A. 777 S. Flagler Drive, Suite 300 East West Palm Beach, FL 33401	
SPACE ABOVE THIS LINE FOR PROCESSING DATA	SPACE ABOVE THIS LINE FOR PROCESSING DATA

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE ("Memorandum") is made and entered into this _____ day of, 2005 by and between SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY ("Landlord") and _____ ("Tenant").

WITNESSETH:

WHEREAS, Landlord is the owner in fee simple of the property located in Palm Beach County, Florida described on Exhibit A attached hereto and made a part hereof ("Premises"); and

WHEREAS, Landlord and Tenant have entered into an Agreement of Lease dated_____, 2005 ("Lease") with respect to the leasing of the Premises; and

WHEREAS, Landlord and Tenant desire to place all persons to whom these presents may come upon notice of the existence of the Lease.

NOW, THEREFORE, in consideration of Ten Dollars ($10.00) and other good and valuable consideration, the receipt, adequacy and sufficiency of which is hereby acknowledged, the parties intending to be legally bound, hereby agrees as follows:

1. The recitations heretofore set forth are true and correct and are incorporated herein by this reference.

2. All persons are hereby placed on notice of the execution and existence of the Lease by and between the Landlord and the Tenant.

3. The Lease provides for an initial term of ninety-nine (99) years commencing on _____ and terminating on _____.

4. The Tenant has no authority to create any mechanics' liens for labor or material against the Premises and all persons contracting with the Tenant are hereby charged with notice that they must look solely to the Tenant for payment.

Section 6(N) of the Lease specifically provides:

LIENS

Tenant hereby represents, and warrants to and covenants with Landlord that the fee simple title to the Premises shall be at all times free and clear of all liens, claims and encumbrances created by or through Tenant (other than those created or consented to by Landlord); provided, however, that Tenant shall be entitled to encumber the leasehold estate, subleasehold estates and/or Tenant's interest in the Improvements, subject to the provisions of this Lease.

If any lien or notice of lien shall be filed against the fee simple title of the Premises created by or through Tenant (other than those created or consented to by Landlord), Tenant shall, within thirty (30) calendar days after notice of the filing thereof, cause the same to be discharged of record by payment, deposit, bond, or order of a court of competent jurisdiction. Neither Tenant nor any Sub-Lessee shall be deemed to be Landlord's agent so as to confer upon any contractor or subcontractor providing labor or services that are material to the Premises (whether in connection with Tenant's Improvements or otherwise) a mechanic's lien against Landlord's estate under the provisions of Chapter 713 Florida Statutes as amended from time to time. The foregoing shall be contained in a notice or memorandum to be recorded in the Public Records of Palm Beach County in accordance with Florida Statute 713.

This provision is provided pursuant to Section 713.10, Florida Statutes.

5. The "Public Areas" (as defined in the Lease), to the fullest extent permitted by law, will be treated as public facilities, subject to the limitations of sovereign immunity which Landlord is entitled to in accordance with applicable law. Although the Tenant will construct and maintain the Public Areas, that to the fullest extent legally possible, the Public Areas shall be deemed operated on behalf of the Landlord and, to the extent permitted by law, the Landlord and the Tenant would be protected by the doctrine of sovereign immunity with respect to the construction and/or operation of the Public Areas. All persons coming upon the Public Areas are hereby notified that they do so at their sole risk and members of the public utilizing the Public Areas are hereby notified that their use of the Public Areas are in a "AS IS" and "WHERE IS" condition and that all such parties assume all risk in connection with their use of the Public Areas. The Tenant (and all Sublessees or others having a more remote interest hereby disclaims (a) any and all representations or warranties, express or implied, including, but not limited to, the warranty of merchantability with respect to the Public Areas, and (b) any obligation to provide any security to such members of the public. The provisions of this paragraph shall not obviate the Tenant's obligations to the Landlord under the Lease with respect to the Public Areas,

provided members of the public shall not be considered to be third party beneficiaries of such obligations.

6. The rights of the Tenant under the Lease in this Memorandum shall expire for all purposes and be of no further force and effect either upon the earlier to occur of (i) the expiration of the Term of the Lease, (ii) February 1, 21___, or (iii) the recording of a written instrument executed by the Landlord and the Tenant terminating or releasing this Memorandum. Upon any termination of this Memorandum, no person shall be charged with any notice of the provisions hereof.

7. The Tenant (its successors and assigns) agrees that upon any termination of the Lease, it shall, upon request of the Landlord, execute a termination of this Memorandum.

8. The terms of this Memorandum may only be modified or amended by an instrument in writing fully executed by the Landlord and the Tenant.

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

WITNESSES:

___

_____

____

_____

__

_____

_____

TENANT

_____

BY:_____

Date:_____

WITNESSES:

_____

_____

_____

_____

LANDLORD

SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY

BY: _____
Joseph Giulietti, Executive Director

Date: _____ ___

STATE OF)
) SS:
COUNTY OF)

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State aforesaid and in the County aforesaid to take acknowledgments, the foregoing instrument was acknowledged before me by_____ , the_____ of_____ _____ , as the _____ of _____ _____, freely and voluntarily under authority duly vested in him/her by said _____on behalf of _____ , and that the seal affixed thereto is the true corporate seal of said _____. He/She is personally known to me or who has produced _____as identification.

WITNESS my hand and official seal in the County and State last aforesaid this ____ day of_____, 2007.

_____
Notary Public

Typed, printed or stamped name of Notary Public

My Commission Expires:

STATE OF)
)SS:
COUNTY OF)

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State aforesaid and in the County aforesaid to take acknowledgments, the foregoing instrument was acknowledged before me by Joseph Giulietti, Executive Director of SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY, a Florida corporation, freely and voluntarily under authority duly vested in him/her by said corporation and that the seal affixed thereto is the true corporate seal of said corporation. He/she is personally known to me or who has produced _____ as identification.

WITNESS my hand and official seal in the County and State last aforesaid this ___ of_____, 2007.

_____
Notary Public

Typed, printed or stamped name of Notary Public

My Commission Expires:

EXHIBIT C
NON-DISTURBANCE AGREEMENT FOR SUBLEASE

Return to: (enclosed self-addressed stamped envelope)

Name:
Michael J. Sabatello, IV, Esq.

Address:
777 S. Flagler Drive, Suite 300 East
West Palm Beach, FL 33401

This Instrument Prepared by:
Michael J. Sabatello, IV, Esq.
Greenberg Traurig, P.A.
777 S. Flagler Drive, Suite 300 East
West Palm Beach, FL 33401

SPACE ABOVE THIS LINE FOR PROCESSING DATA

SPACE ABOVE THIS LINE FOR PROCESSING DATA

NON-DISTURBANCE & ATTORNMENT AGREEMENT

THIS AGREEMENT ("Agreement"), made and entered into as of this day of _____, _____ by and between ("Sublessee") and SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY ("Lessor").

A. Lessor has entered into a lease agreement dated _____, as same may be amended from time to time (the "Lease") with _____ ("Tenant") for all of the land described in Exhibit "A" attached hereto (the "Premises");

B. Sublessee has entered into a sublease agreement dated _____, with Tenant, demising a portion of the Premises (said sublease and all amendments, renewals, modifications, consolidations, and extensions thereof being referred to as the "Sublease");

C. The Lease terms require that Lessor enter into this Agreement with Sublessee; and

D. Lessor is agreeable to not disturbing Sublessee's possession of the portion of the Premises covered by the Sublease (the "Demised Premises"), provided that Sublessee is not in default under the Sublease and Sublessee complies with the provisions of this Agreement.

NOW, THEREFORE, the parties hereby agree as follows:

1. Sublessee Not To Be Disturbed. So long as Sublessee shall not be in default under the Sublease or this Agreement (beyond any period given to Sublessee by the terms of the Sublease to cure such default), Sublessee's possession of the Demised Premises, and its rights and privileges under the Sublease, including but not limited to any extension or renewal rights, shall not be diminished or interfered with by Lessor.

2. Sublessee to Attorn to Lessor. If the Lease shall be terminated and Lessor, or its successors and assigns, shall succeed to the interest of Tenant under the Sublease, the Sublease shall continue in full force and effect as a direct Sublease between Sublessee and Lessor, or its successors and assigns, who shall succeed to the rights and duties of Tenant under the Sublease, subject to the terms of this Agreement. Sublessee shall attorn to the then Lessor, said attornment to be effective and self-operative without the execution of any further instruments. Notwithstanding the foregoing, Sublessee shall promptly execute and deliver such instrument as the then Lessor may required to evidence such attornment.

3. Attornment/Remedies. If Lessor, or its successors and assigns, shall succeed to the interest of Tenant under the Sublease, Lessor, or its successors and assigns, shall be bound to Sublessee under all of the terms, covenants and conditions of the Sublease, and Sublessee shall, from and after such succession to the interest of Tenant under the Sublease, have the same remedies against Lessor, or its successors and assigns, for the breach of any agreement contained in the Sublease that Sublessee might have had under the Sublease against Tenant as if Lessor, its successors and assigns had not succeeded to the interest of Tenant, provided however, notwithstanding anything in the Sublease or in this Agreement to the contrary, Lessor, its successors and assigns, shall not be:

a. liable for any act or omission or breach of the Sublease of any prior sublessor (including Tenant); or

b. subject to any offsets or defenses which Sublessee might have against any prior sublessor (including Tenant); or

c. bound by any rent which Sublessee might have paid for more than the current month or any security deposit paid to any prior sublessor (including Tenant); or

d. bound by any obligation on the part of the Tenant to complete capital improvements; or

e. bound by any obligation to repair the Premises after casualty or condemnation, provided that all insurance proceeds and condemnation awards be applied in accordance with the terms of the Sublease and any mortgage encumbering the subleasehold;

f. bound by terms of the Sublease which have not previously been approved by Lessor, which approval shall not be unreasonably withheld or delayed; or

g. without limiting the foregoing paragraphs 3(a) through (f) above, be liable for any indemnity made by Tenant with respect to hazardous and toxic substances and materials as may be described in the Sublease.

Should Lessor, or its successor or assigns, succeed to the interest of Tenant under the Sublease, the Lessor, or its successors or assigns, agrees to use reasonable efforts to give Sublessee written notice that it has succeeded to the interest of Tenant under the Sublease; however, the failure of Lessor, or its successors or assigns, to give said notice shall not relieve Sublessee of its obligation to pay rent, additional rent or other sums under the Sublease, or relieve Sublessee of its obligation to comply with any of the terms, covenants or conditions of the Sublease.

4. Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their successors and assigns, and without limiting such, it is expressly understood that all references herein to Lessor shall be deemed to include also an subsequent Lessor.

5. Notices. All notices, and other communications pursuant to the provisions of this Agreement shall be given in writing and shall be sent by registered or certified mail by depositing the same in the United States Mail in the continental United States, postage prepaid, or by hand delivery or by overnight courier. Any such notice mailed as provided hereunder shall be deemed effective and served as of the date of the mailing any notice given by hand delivery or overnight courier shall be deemed to have been given upon receipt. Either party shall have the right, by giving written notice to the other, to change the address as which its notices are to be received. Until any such change is made, notices shall be delivered as follows:

as to Lessor:

South Florida Regional Transportation Authority
800 NW 33rd Street
Pompano Beach, FL 33064
Attn: Mr. Joseph Giulietti
Executive Director
Fax: 954 788-7961

With copies to:

Greenberg Traurig
777 South Flagler Dr., Suite 300 East
West Palm Beach, FL 33401
Attn: Teresa J. Moore, Esq.
fax: 561 655-6222

and as to Tenant:

_____
_____
_____
_____

with a copy to:

_____
_____
_____
_____

Until any such change is made, notices to Sublessee shall be delivered as follows:

_____
_____
_____
_____
Attn: _____
Fax: _____

IN WITNESS WHEREOF, this Agreement has been duly executed by the parties hereto as of the____ day of_____ , ___ .

WITNESSES:

_____

_____

_____

_____

TENANT

_____

BY:_____

Date:_____

WITNESSES:

_____

_____

_____

_____

LANDLORD

SOUTH FLORIDA REGIONAL
TRANSPORTATION AUTHORITY

BY: _____
Joseph Giulietti, Executive Director

Date: _____

STATE OF)
) SS:
COUNTY OF)

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State aforesaid and in the County aforesaid to take acknowledgments, the foregoing instrument was acknowledged before me by_____, the_____of_____ _____, as the _____ of _____ _____, freely and voluntarily under authority duly vested in him/her by said corporation on behalf of the limited partnership, and that the seal affixed thereto is the true corporate seal of said corporation. He/She is personally known to me or who has produced _____as identification.

WITNESS my hand and official seal in the County and State last aforesaid this_____day of_____, 2007.

_____
Notary Public

_____
Typed, printed or stamped name of Notary Public

My Commission Expires:

STATE OF)
)SS:
COUNTY OF)

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State aforesaid and in the County aforesaid to take acknowledgments, the foregoing instrument was acknowledged before me by Joseph Giulietti, Executive Director of SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY, a Florida corporation, freely and voluntarily under authority duly vested in him/her by said corporation and that the seal affixed thereto is the true corporate seal of said corporation. He/she is personally known to me or who has produced _____as identification.

WITNESS my hand and official seal in the County and State last aforesaid this____ day of _____, 2007.

_____
Notary Public

_____
Typed, printed or stamped name of Notary Public

My Commission Expires:

EXHIBIT D

PERMITTED EXCEPTIONS

1. Taxes and assessments for the current year.

2. Terms and conditions of that certain Adequate Public Facilities Agreement by and between Blue Lake, Ltd. and Palm Beach County dated March 23, 1999, filed August 19, 1999, recorded in Official Records Book 11302, Page 1807.

3. Resolution No. 37-99 recorded in Official Records Book 12048, Page 32, Resolution No. 167-2000 recorded in Official Records Book 12048, Page 80, Terms, conditions, and provisions of Development Order of the City of Boca Raton dated March 23, 1999, as amended by Resolution Number 113-2001 of the City of Boca Raton dated July 11, 2001, recorded in Official Records Book 13444, Page 1, together with that certain Memorandum of Understanding by and between the City of Boca Raton and Boca Technology Center, recorded in Official Records Book 14811, Page 670,

4. Terms, conditions, and provisions of that certain Declaration of Covenants and Restrictions for T-Rex Corporate Center, recorded in Official Records Book 14478, Page 499, as amended by First Amendment to Declaration of Covenants and Restrictions for T-Rex Corporate Center recorded in Official Records Book 14869, Page 1796.

5. Terms, conditions, and provisions of Declaration of Covenants, recorded in Official Records Book 14869, Page 1808.

6. Terms, conditions and provisions of that certain Buffer Easement Agreement by and between Lake worth Drainage District and Boca Technology Center recorded in Official Records Book 13805, Page 957.

7. Easement(s) in favor of Florida Power and Light Company set forth in instrument(s) recorded in Official Records Book 13680, Page 704.

8. Matters appearing on the Survey prepared by Michael G. Purmort & Associates, Inc., under Job No. "BLUELAKE" bearing date of October 1, 2002, including: a) 10 foot E3 1/2 Canal Buffer Easement along the Southeast property line; b) 47 foot FP&L Easement in Northeast comer of property; c) 10 foot Utility Easement along the North property line.

9. Dedications, reservations, easements and other matters appearing on the Plat of BOCA TECHNOLOGY CENTER PLAT 1, as recorded in Plat Book 96, Page 178 of the Public Records of Palm Beach County, Florida, including dedications as follow: a) Parcels A, B and C as shown are dedicated to the City of Boca Raton, Florida for the perpetual use of the public for street purposes; b) The areas constituting the Preservation Areas are dedicated as Conservation Easements A, B, C and D and shall be the perpetual maintenance obligation of T-Rex Corporate Center Association, Inc., their successors and assigns, and may in no way be altered from its natural state, except pursuant to a management plan approved by the City of Boca Raton. Activities prohibited in the conservation easement include, but are not limited to: construction; the depositing of

substances such as trash; removal or destruction of trees, shrubs, or other vegetation (with the exception of exotic/nuisance vegetation removal and related maintenance practices); excavation; dredging, removal of soil material; diking or fencing; placement of above and below ground utilities; and any other activity detrimental to drainage, flood control, water conservation, erosion control, or fish and wildlife habitat conservation or preservation; c) The Non-Access easements are dedicated to the City of Boca Raton, Florida for the purposes of control and jurisdiction over access rights; d) The Bicycle/Pedestrian easements are dedicated to the City of Boca Raton, Florida for the use of the public and are the perpetual maintenance obligation of the T-Rex Corporate Center Association, Inc.; e) The Gopher Tortoise easements^ are dedicated to the City of Boca Raton, for providing habitat for Gopher Tortoises and are the perpetual maintenance obligation of the T-Rex Corporate Center Association, Inc.; f) The Utility easements are dedicated in perpetuity to the City of Boca Raton for the installation, construction, reconstruction, operation, maintenance and repair of water, sewer and drainage, traffic control, and other facilities of the City, facilities of public utilities operating pursuant to a franchise or other grant of approval from the City, and any and all other uses authorized by the City together with appurtenances over, through and across said easements. All platted utility easements shall provide that such easements shall also be easements for the construction, installation, maintenance and operation of cable television services; provided however, no such construction, installation, maintenance and operation of cable television services shall interfere with the facilities and services of an electric, telephone, gas or other public utility. In the event a cable television company damages the facilities of a public utility, it shall be solely responsible for the damages. This section does not apply to those private easements granted to or obtained by a particular electric, telephone, gas or other public utility. Such installation, maintenance and operation shall comply with the National Electrical Safety Code as adopted by the Florida Public Service Commission.

10. Terms, conditions, and provisions of Declaration of Reciprocal Easements by and among Boca Village, LLC., Silver Finance Company, SOBC, LLC and South Florida Regional Transportation Authority, joined by mortgagee(s) of record, if any, dated the 15th day of August, 2003 and recorded in Official Records Book 15711, Page 1080, together with that certain First Amendment to Declaration of Reciprocal Easements recorded in Official Records Book 16641, Page 1933.

11. Terms, conditions, and provisions of Declaration of Easements by Boca Technology Center, LLC., joined by Mortgagee(s) of record, dated the 15th day of August, 2003 and recorded in Official Records Book 15711, Page 838.

12. Terms, conditions and provisions of that certain Easement Agreement by and between City of Boca Raton and Boca Technology Center recorded in Official Records Book 14869, Page 1781.

13. Access Easement recorded in Official Records Book 16536, Page 1563.

14. Temporary Access Easement recorded in Official Records Book 16536, Page 1567.

15. Memorandum of Right of Way Consent Agreement recorded in Official Records Book 16536, Page 1575.

16. Easement recorded in Official Records Book 16536, Page 1571.

17. Ordinance recorded in Official Records Book 16142, Page 1167.

18. All matters of record.

NOTE: All recording references in this commitment/policy shall refer to the Public Records of Palm Beach County, Florida, unless otherwise noted.

S:\gen1\Hiw\Boca Tri Rail\Development and Lease Agreement gkovac CLEAN 8207.DOC

Exhibit 3

SFRTA Policy for Unsolicited Proposals

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I. Definition 1
II. Policy 1
III. Content of Unsolicited Proposals 1
IV. Supporting Information 3
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I. Definition

An unsolicited proposal is a written proposal for a new or innovative idea that is submitted to SFRTA on the initiative of the offeror for the purpose of obtaining a contract or other agreement with SFRTA, and that is not in response to a request for proposal, invitation to bid or any other SFRTA-initiated solicitation or program. All unsolicited proposals are subject to approval by the SFRTA Board.

II. Policy

It is the policy of the SFRTA to accept the submission of new and innovative ideas.

Unsolicited proposals allow unique and innovative ideas or approaches that have been developed to be made available for use in accomplishment of the SFRTA mission. Unsolicited proposals are offered with the intent that SFRTA may enter into a contract with the offeror for research and development, new services, land development or other efforts supporting the SFRTA mission, and often represent a substantial investment of time and effort by the offeror.

References to the Property Committee in this Policy shall only apply if the SFRTA Board has made a specific delegation to the Property Committee to address the unsolicited proposal.

A valid unsolicited proposal must:

1. Be innovative and unique;

2. Be independently originated and developed by the offeror;

3. Be prepared without SFRTA supervision, endorsement, direction, or direct SFRTA involvement, except for preliminary meetings with SFRTA staff for informational purposes and/or requests for information; and

4. Include sufficient detail to permit a determination that SFRTA support could be worthwhile and the proposed work could benefit the agency's mission responsibilities.

All unsolicited proposals will be treated as public records, in accordance with Florida Statutes, and will be made available to the public upon request.

III. Content of Unsolicited Proposals

Unsolicited proposals should contain the following information to permit consideration in an objective and timely manner:

1. Basic information:

   (a) Offeror's name and address and type of organization; e.g., profit, non-profit, educational, small business;

   (b) Names and telephone numbers of technical and business personnel to be contacted for evaluation or negotiation purposes;

(c) Identification of proprietary data to be used only for evaluation purposes;

(d) Names of other Federal, State, or local agencies or parties receiving the proposal or funding the proposed effort;

(e) Date of submission; and

(f) Signature of a person authorized to represent and contractually obligate the offeror.

2. Information Required

(a) Concise title and abstract (approximately 200 words) of the proposed effort;

(b) A reasonably complete discussion stating the objectives of the effort or activity, the method of approach and extent of effort to be employed, the nature and extent of the anticipated results, and the manner in which the work will help to support accomplishment of SFRTA's mission;

(c) Names and biographical information on the offeror's key personnel who would be involved, including alternates; and

(d) Type of support needed, if any, from the SFRTA; *e.g.*, facilities, equipment, materials, financial or personnel resources.

3. Fee

(a) An initial fee of $25,000 payable to the South Florida Regional Transportation Authority must accompany an unsolicited proposal ("Initial Payment"). Proposals received without the Initial Payment shall not be accepted. The fee may be waived by the SFRTA Board or the SFRTA Property Committee. Unsolicited proposals submitted by governmental entities shall be exempt from the payment of any fees.

(b) Payment shall be made by cash, cashier's check, or any other non-cancelable instrument. Personal checks will not be accepted.

(c) If the Initial Payment is not sufficient to pay SFRTA's costs of evaluating the unsolicited proposal, SFRTA shall request in writing additional amounts required. The public-private partnership or private entity submitting the proposal shall pay the requested additional fee within 30 days. Failure to pay the additional fee shall result in the proposal being rejected.

(d) SFRTA shall refund any fees in excess of the costs of evaluating the proposal after the evaluation is complete.

(e) The fee requirement can be waived if conflicts with federal requirements or can be reduced by the SFRTA Board in the event the SFRTA Board determines that the estimated cost of evaluation will be less than the Initial Payment.

(f) Unsolicited proposals valued at $100,000 or less shall be exempt from the initial fee requirement in Section III.e(a). However, the SFRTA Executive Director or his/her delegate shall have the authority to require a fee to be paid by the Proposer in the event that staff time devoted to the unsolicited proposal is substantial, as determined solely by the SFRTA Executive Director or his/her delegate.

IV. Supporting Information

1. Financial plan that includes in sufficient detail for meaningful evaluation: (a) proposed price or total estimated cost for the effort; and (b) identifies all required funding sources and timing of funding ;

2. Period of time for which the proposal is valid (a 6-month minimum is suggested);

3. Type of contract preferred;

4. Proposed duration of effort;

5. Brief description of the organization, previous experience, relevant past performance, and facilities to be used;

6. Other statements, if applicable, about organizational conflicts of interest, security clearances, and environmental impacts; and

7. The names and telephone numbers of SFRTA technical or other SFRTA points of contact already contacted regarding the unsolicited proposal.

V. SFRTA Procedures

1. Acceptance and negotiation of an unsolicited proposal:

   (a) Within 60 days of receipt of an unsolicited proposal and before initiating a comprehensive evaluation, SFRTA staff and Property Committee (if involving property) shall determine if the proposal –

      (1) Is a valid unsolicited proposal, meeting the requirements of this Policy

      (2) Is related to SFRTA's mission;

      (3) Contains sufficient technical and cost information for evaluation; and

      (4) Has been approved by a responsible official or other representative authorized to obligate the offeror contractually;

   (b) If the proposal meets these requirements, SFRTA shall promptly acknowledge receipt and advertise for 30 days, in a newspaper of general circulation in one or more counties in SFRTA's service territory, its receipt of the proposal and solicitation for any additional proposals. Following

the end of the advertisement period, SFRTA shall begin to process any related unsolicited proposals.

(c) A favorable comprehensive evaluation of an unsolicited proposal does not, in itself, justify awarding a contract without providing for full and open competition.

2. Comprehensive Evaluation:

(a) When performing a comprehensive evaluation of an unsolicited proposal, evaluators (to be selected by SFRTA staff and the SFRTA Property Committee, if involving property) shall consider the following factors, in addition to any others appropriate for the particular proposal:

(1) Unique, innovative and meritorious methods, approaches, or concepts demonstrated by the proposal;

(2) Overall scientific, technical, or socioeconomic merits of the proposal;

(3) Potential contribution of the effort to SFRTA's specific mission;

(4) The offeror's capabilities, related experience, facilities, techniques, or unique combinations of these that are integral factors for achieving the proposal objectives;

(5) The qualifications, capabilities, and experience of the proposed principal investigator, team leader, or key personnel critical to achieving the proposal objectives; and

(6) The realism of the proposed cost.

(b) The evaluators shall notify the SFRTA Property Committee (if involving property) and the SFRTA Board of their recommendations when the evaluation is completed.

(c) A favorable comprehensive evaluation of an unsolicited proposal does not, in itself, justify awarding a contract without providing for full and open competition.

(d) SFRTA staff shall have at least 90 days from the close of the advertisement period to complete its comprehensive evaluation and provide its recommendation to the SFRTA Property Committee (if applicable) and the SFRTA Board. When deemed necessary due to the complexity of the issues or other special circumstances, this timeframe may be extended by the SFRTA Executive Director.

3. Contract negotiations:

(a) SFRTA may commence negotiations on a sole source basis when an unsolicited proposal has received a favorable comprehensive evaluation

by SFRTA Staff and has been endorsed and approved by the SFRTA Property Committee (if involving property) and Board, respectively, and the requirements for a sole-source procurement in accordance with SFRTA's Procurement Rule, policies and procedures have been met.

4. Contract award:

(a) The award and execution of any contract or agreement relating to an unsolicited proposal is subject to endorsement by the SFRTA Property Committee (if involving property) and approval by the SFRTA Board.

(b) If an unsolicited proposal involves the use of any federal funds or land procured using federal funds, in whole or in part, the award and execution of any contract or agreement relating to the unsolicited proposal is contingent upon the applicable federal agency's approval.

5. Rejection of Unsolicited Proposal

(a) SFRTA shall return an unsolicited proposal to the offeror, citing reasons, when its substance:

(1) Is available to SFRTA without restriction from another source;

(2) Closely resembles a proposed or pending competitive acquisition requirement;

(3) Does not relate to SFRTA's mission; or

(4) Does not demonstrate an innovative and unique method, approach, or concept, or is otherwise not deemed a meritorious proposal.

AGENDA ITEM NO. I1

SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY
PROPERTY TASK FORCE
MEETING: SEPTEMBER 28, 2007

AGENDA ITEM REPORT

☒ Information Item ☐ Presentation

APPRAISAL OF SFRTA CYPRESS CREEK PROPERTY

SUMMARY EXPLANATION AND BACKGROUND:

At the May 11, 2007, Property Task Force Meeting, the Task Force directed staff to proceed with an appraisal of the South Florida Regional Transportation Authority (SFRTA) owned Cypress Creek Parcel (the Parcel) located west of the Cypress Creek Tri-Rail Station in the City of Fort Lauderdale.

The attached Appraisal Report (Exhibit 1) reflects changes made by Ames Appraisal Services based on questions, comments, and/or additional information provided to the appraiser since the August 24, 2007, Property Task Force Meeting.

Ames Appraisal Services was selected to perform the appraisal based on their in-depth knowledge and familiarity with the Parcel and the need to maintain continuity in the performance of the work being requested (Ames performed the initial appraisal of the site prior to the SFRTA purchase in 1995 and was again utilized for appraisal services in 2001 when SFRTA sold a portion of the site to Florida Power & Light.)

EXHIBITS ATTACHED: Exhibit 1: Appraisal Report – September 20, 2007

Exhibit 1

SELF-CONTAINED APPRAISAL

5.81 Acre Vacant Parcel,
(A Portion of a Prior 10.452 Acre Parcel)
Tri-Rail Cypress Creek Site @ Powerline Rd
Fort Lauderdale, FL 33309

PREPARED FOR:

Loraine Cargill, Transportation Planning Manager
South Florida Regional Transportation Authority
800 NW 33 Street
Pompano Beach, FL 33064

PREPARED BY:

Edward Ames, MAI
AMES APPRAISAL SERVICES
5700 Lake Worth Road, Suite 305
Lake Worth, Florida 33463

DATE OF REPORT - September 20, 2007
DATE OF VALUE - July 2, 2007

FILE # C37-07

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Letter of Transmittal

September 20, 2007

Loraine Cargill, Transportation Planning Manager
South Florida Regional Transportation Authority
800 NW 33 Street
Pompano Beach, FL 33064

RE: 5.81 Acre Vacant Parcel, (A Portion of a Prior 10.452 Acre Parcel)
Tri-Rail Cypress Creek Site @ Powerline Rd
Fort Lauderdale, FL 33309

Dear Ms. Cargill:

As you had requested, we have made an inspection, investigation and analysis of the referenced property, which is more specifically described elsewhere in this report, for the purpose of arriving at an estimate of Market Value of the fee simple estate. Market Value means the most probable price in terms of money that a property should bring in a competitive and open market under all conditions requisite to a fair sale; the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. The intended use of this appraisal is to serve as a basis of value for possible sale or lease. The intended user is South Florida Regional Transportation Authority.

As a result of my investigation and analysis, my estimate of the Market Value of the subject property, was rounded to:

Reconciled Values	Date	Value
As Is Value	7/2/2007	$10,900,000
Prospective Value	7/2/2008	$12,300,000

Prospective value is a forecast of value expected at a specified future date, in this case upon a use change to office development (per Kimley-Horn), 12 months into the future (although it can be as short as 8 months). The prospective value in this report presumes the subject property has obtained the necessary approvals to develop with office despite its current Industrial Zoning by Fort Lauderdale and

Industrial designation by the Broward County Land Use Plan. Please refer to the letter by Kimley-Horne in the Addendum of this report for the professional opinion they rendered on this issue.

A **hypothetical condition** is that which is contrary to what exists but is supposed for the purpose of analysis. Hypothetical conditions assume conditions contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis. A hypothetical condition may be used in an assignment only if:

1. Use of the hypothetical condition is clearly required for legal purposes, for purposes of reasonable analysis, or for purposes of comparison;
2. Use of the hypothetical condition results in a credible analysis; and
3. The appraiser complies with the disclosure requirements set forth in USPAP for hypothetical conditions.

(USPAP, 2002 ed.)

The use of a hypothetical condition is required in this analysis since the prospective value presumes a change in the legal use of the property (zoning) from industrial to office. The use of this analysis does result in a credible analysis. By way of this notice I have complied with the disclosure requirements.

Your attention is invited to the following pages of data and discussion that form the basis for this conclusion. Information and statements furnished to the appraiser and contained in this report were obtained from sources considered reliable and believed to be true and correct. However, the appraiser can assume no responsibility for accuracy of such items furnished the appraiser.

Disclosure of the contents of this report is governed by the By-Laws and Regulations of the professional appraisal organization with which the appraiser is affiliated. Neither all nor any part of the content of this report or copies thereof shall be used for any purpose by anyone but the client specified in this report. The appraiser is not required to give testimony or appear in court because of having made this report unless arrangements have been previously made in writing to do so.

I have complied with the USPAP competency provision and I am an MAI and State-Certified General Real Estate Appraiser in the state of Florida.

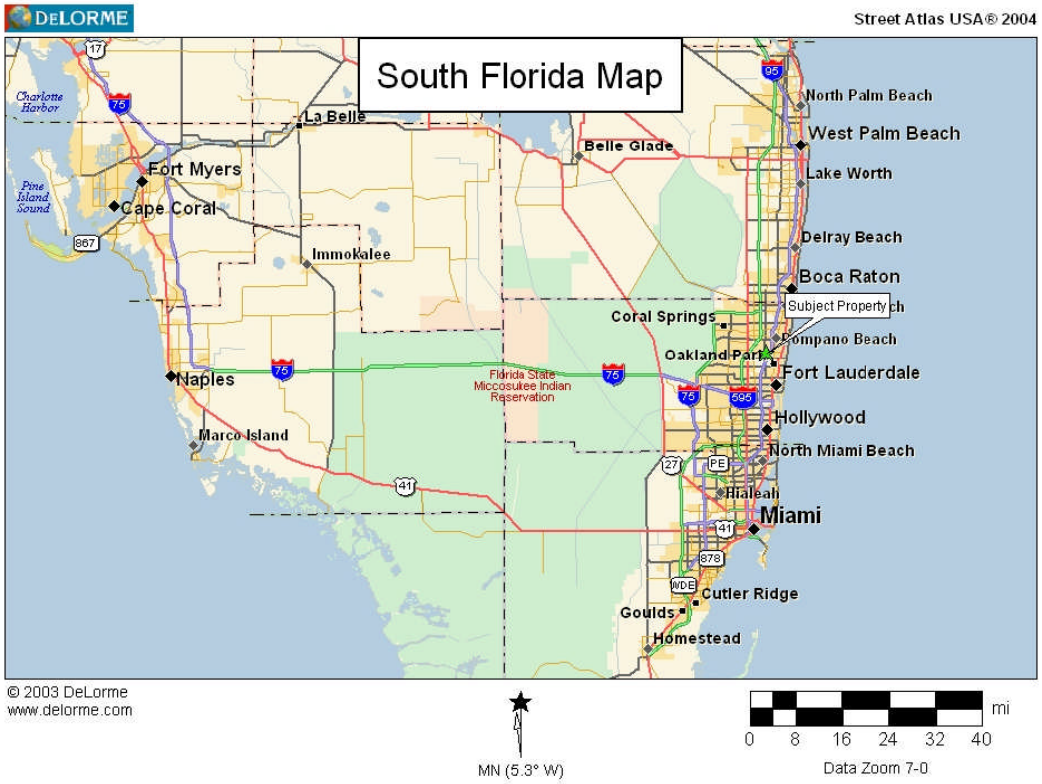
This self-contained appraisal report is comprised of 80 pages. No part of this report is valid or to be relied upon unless it is a part of and joined together with the balance of the report.

Letter of Transmittal
Page Three

Please be sure and read and understand the Extraordinary Assumptions that are included within this report, as they are a material part of the report.

Respectfully submitted,

Edward Ames, MAI
State-Certified General RE Appraiser
Number RZ 0002263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Street Atlas USA® 2004
South Florida Map
Charlotte Harbor
Pine Island Sound
La Belle
Belle Glade
Fort Myers
Cape Coral
Immokalee
Naples
Marco Island
Florida State Miccosukee Indian Reservation
North Palm Beach
West Palm Beach
Lake Worth
Delray Beach
Boca Raton
Subject Property
Coral Springs
Pompano Beach
Oakland Park
Fort Lauderdale
Hollywood
North Miami Beach
Hialeah
Miami
Cutler Ridge
Goulds
Homestead
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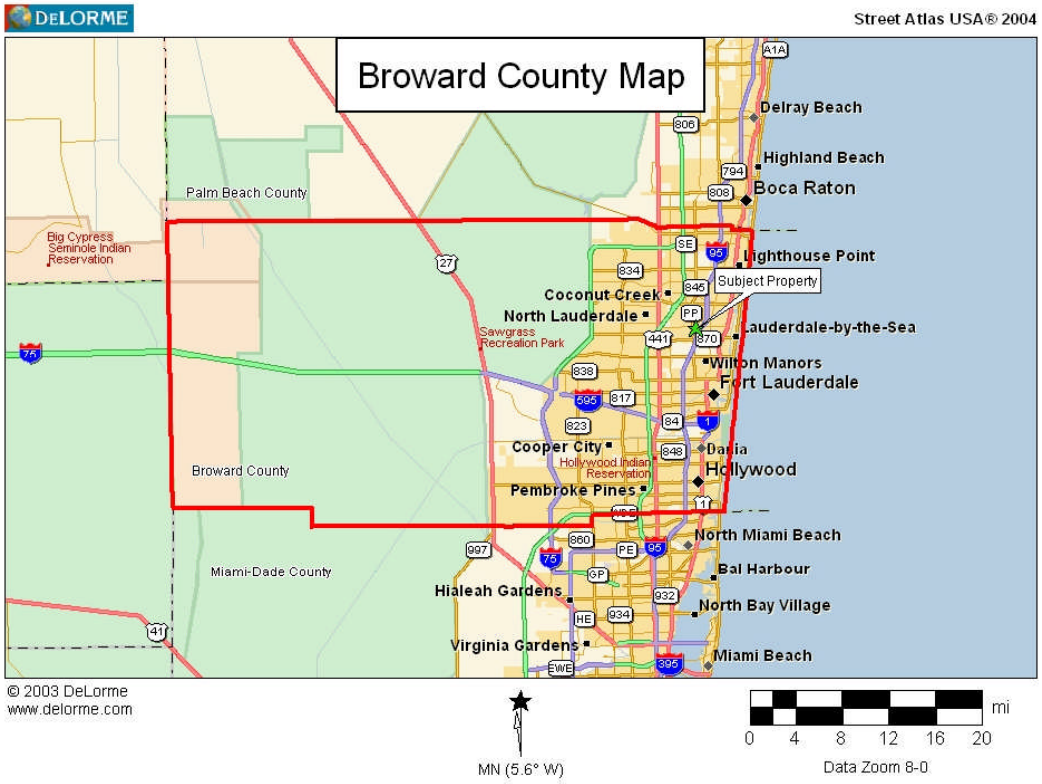
DELORME
Street Atlas USA® 2004
Broward County Map
Palm Beach County
Big Cypress Seminole Indian Reservation
Broward County
Miami-Dade County
Delray Beach
Highland Beach
Boca Raton
Lighthouse Point
Subject Property
Coconut Creek
North Lauderdale
Sawgrass Recreation Park
Lauderdale-by-the-Sea
Wilton Manors
Fort Lauderdale
Cooper City
Hollywood Indian Reservation
Dania
Hollywood
Pembroke Pines
North Miami Beach
Bal Harbour
Hialeah Gardens
North Bay Village
Virginia Gardens
Miami Beach
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Street Atlas USA® 2004
Neighborhood Map
Garden Isles
Cypress Isles Estates
Cypress Harbor
High Ridge Estates
McNab Road
McNab Rd
Palm Aire
Powerline Rd
SR 811
US Hwy 1
Cypress Creek Rd
Subject Property
NW 40TH ST
Lyons Rd
NW 31 Ave
Dixie Hwy
Imperial Point
Powerline Rd
North Andrews Gardens
Coral Ridge Isles
Brentwood Estates
Commercial Blvd
Coral Hills
Twin Lakes
Coral Heights
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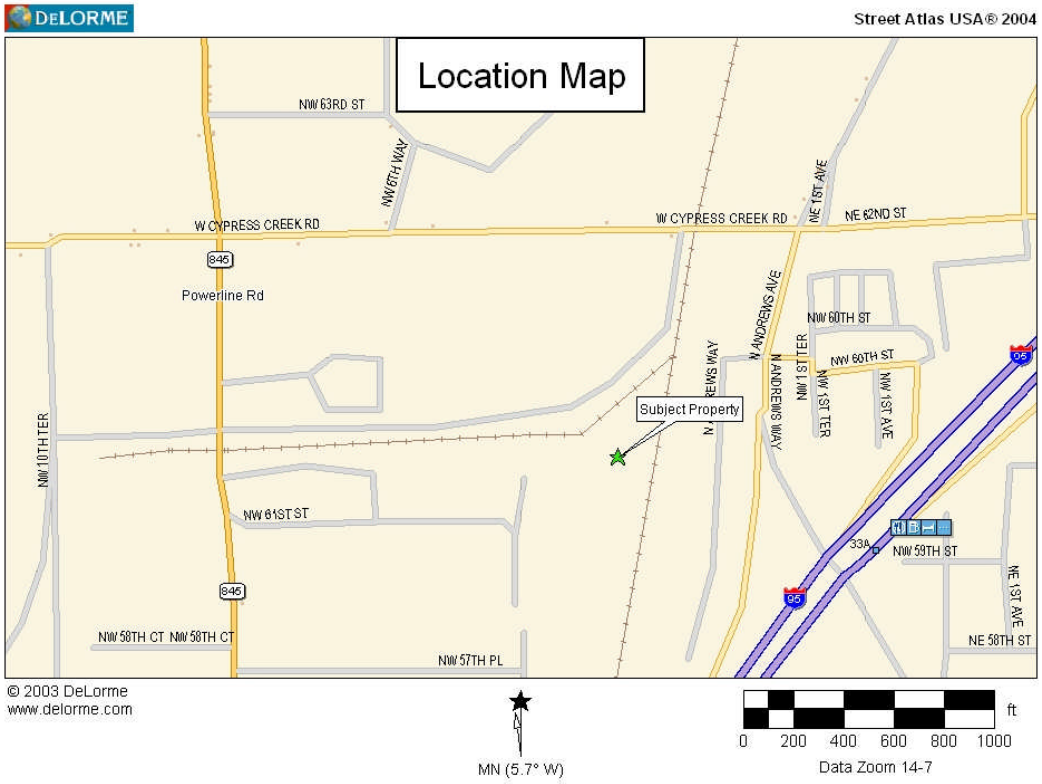
DELORME
Street Atlas USA® 2004
Location Map
NW 63RD ST
NW 6TH WAY
W CYPRESS CREEK RD
NE 1ST AVE
NE 62ND ST
Powerline Rd
N ANDREWS AVE
NW 60TH ST
NW 1ST TER
NW 1ST AVE
Subject Property
NW 10TH TER
NW 61ST ST
NW 59TH ST
NE 1ST AVE
NW 58TH CT NW 58TH CT
NW 57TH PL
NE 58TH ST
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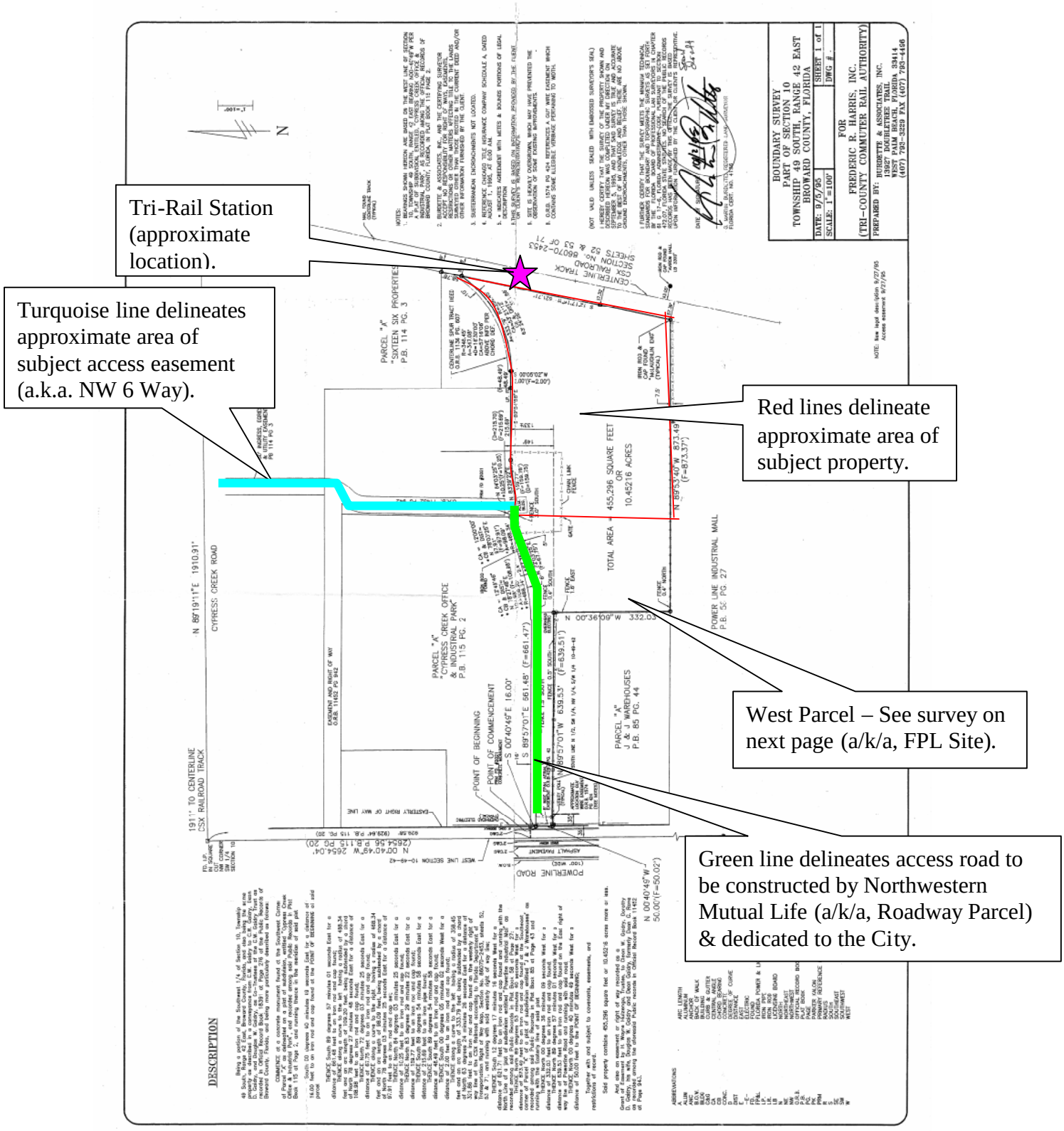
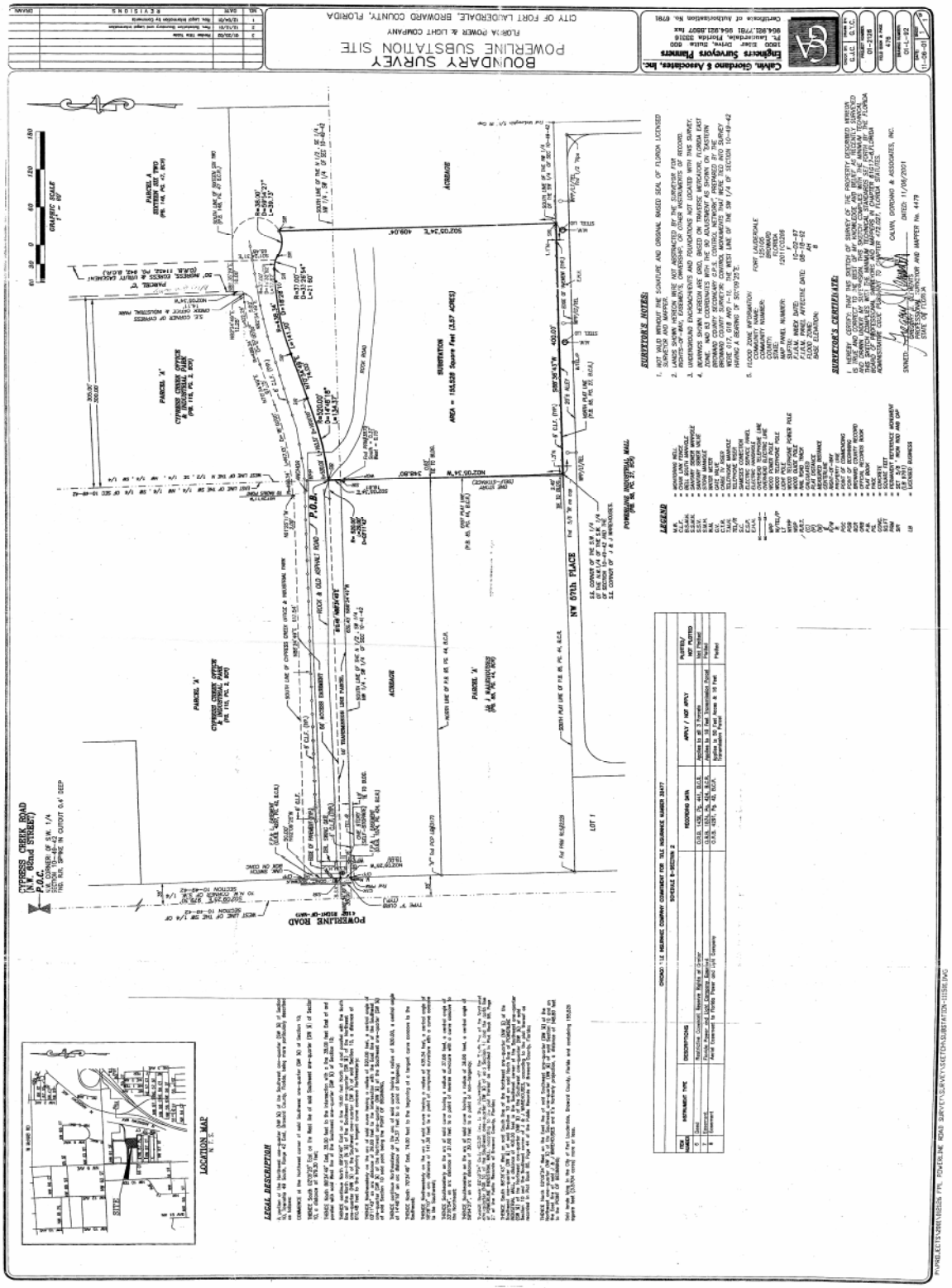
Larger Parcel



West Parcel (a/k/a. FPL Site)



Subject View East

Subject View South

View of Tri-Rail Station along eastern border of Subject Property

Office Bldg & College N of Subject (a hotel can be seen at the left edge of the picture)

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EXECUTIVE SUMMARY

PROPERTY TYPE: 5.81 Acre Vacant Parcel, (A Portion of a Prior 10.452 Acre Parcel)

LOCATION: The subject property is located at Tri-Rail Cypress Creek Site @ Powerline Rd, Fort Lauderdale, FL 33309. Take I-95 to Cypress Creek Road, go west to Powerline Rd, go south 900' +/- to the access easement, go east to the property.

SITE SIZE & SHAPE: The subject is irregular shaped and lies at or near road grade. The subject is part of a larger parcel totaling 10.452 acres. This larger parcel is comprised of three smaller parcels: an east parcel (5.81 acres), a west parcel (3.57 acres) and a roadway parcel (to be constructed by Northwestern Mutual Life) that is approximately 1.07 acres. The subject of this appraisal is the 5.81 acre east parcel. Unfortunately I was not provided with a survey of the subject parcel. Instead I was provided with surveys of the larger parcel and the west parcel, which I've included in this report. The survey of the larger parcel was prepared by G. Martin Burdette of Burdette & Associates, Inc. It was dated 9/5/95 and signed by G. Martin Burdette. The boundary survey of the west parcel was prepared by Calvin, Giordano & Associates, Inc., dated 11/6/01 (most recent revision 1/25/02), signed by Gregory Clements, drawn by G.Y.C., drawing # 01-L-92. The approximate boundaries of the subject property are: north - 621.70', south - 473.49', east - 621.71', west - 409.04'. Refer to extra ordinary assumptions and limiting conditions section of this report regarding the survey, property size, encroachments and easements.

ZONING: The subject is currently zoned I-General Industrial by the City of Fort Lauderdale. Under the Broward County Land Use Plan it is designated I-Industrial.

IMPROVEMENTS: The subject property is vacant land.

HIGHEST & BEST USE: Commercial use.

EXECUTIVE SUMMARY

VALUE ESTIMATE:

Approach to Value	Date	Value
Sales Approach		
As Is Value	7/2/2007	$10,900,000
Prospective Value	7/2/2008	$12,300,000
Income Approach	N/A	N/A
Cost Approach	N/A	N/A

Reconciled Values	**Date**	**Value**
As Is Value	**7/2/2007**	**$10,900,000**
Prospective Value	**7/2/2008**	**$12,300,000**

GENERAL ASSUMPTIONS AND LIMITING CONDITIONS

LEGAL RESPONSIBILITY: The appraiser assumes no responsibility for matters of a legal nature affecting the property appraised or the title thereto, nor does the appraiser render any opinion as to the title, which is assumed to be good and marketable. The property is appraised as though under responsible ownership.

EXHIBITS IN REPORT: Any sketch in the report may show approximate dimensions and is included to assist the reader in visualizing the property. The appraiser has made no survey of the property and is not qualified to provide such professional services; therefore, it is assumed that all improvements and uses of the property are within its legal boundaries and that there are neither encroachments or trespasses unless otherwise noted within this report.

EXPERT WITNESS TESTIMONY: The appraiser is not required to give testimony or appear in court or provide any post-appraisal consultation because of having made the appraisal with reference to the property in question, unless arrangements have been previously made therefore and additional professional fees have been agreed to.

LAND AND IMPROVEMENT VALUE DISTRIBUTION: If there are improvements on the property, any distribution of the valuation in the report between land and improvements applies only under the existing program of utilization. The separate valuation for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used.

SOIL AND SUBSOIL CONDITION: The appraiser assumes that there are no hidden or in apparent conditions of the property, subsoil, or structures, which would render it more or less valuable. The appraiser assumes no responsibility for such conditions, or for engineering which might be required to discover such factors.

STRUCTURAL, MECHANICAL, OR OPERATIONAL CONDITIONS: If there are improvements on the property, the physical condition of the improvements described herein was based on visual inspection. A brief walk-through inspection of this property was completed by the appraiser(s) who is not a qualified inspector for component operation, structural integrity, or potential environmental hazards. No liability is assumed for the soundness of structural members, since no engineering tests were made of same. No liability is assumed for the condition of mechanical equipment, plumbing, electrical components, or structural members, as complete tests were not made of same. The appraiser(s) assumes that there are no hidden or in apparent conditions of the equipment, buildings, or structures which would render it either more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them. Any determination as to building component operation, structural integrity, or potential environmental hazards should be determined by a qualified licensed inspector.

All mechanical components were assumed to be in an operable condition and their status was assumed to be standard for properties of the subject's type. Conditions of heating, cooling, ventilating, electrical, and plumbing equipment were assumed to be similar to the apparent condition of the balance of the improvements, unless otherwise stated. No judgment was made as to the appropriateness of type, the accuracy of installation, or the relative energy efficiency of any insulations in place.

INFORMATION RELIED UPON: Information, estimates and opinions furnished to the appraiser contained in the report were obtained from sources considered reliable and believed to be true and correct. However, no responsibility for accuracy of such items furnished the appraiser can be assumed by the appraiser.

CONFIDENTIALITY OF WORK PRODUCT: Disclosure of the contents of the appraisal report is governed by the By-Laws and Regulations of the Professional Appraisal Organizations with which the appraiser is affiliated. The appraiser(s) may not divulge the material (evaluation) contents of this report, any analytical findings or conclusions, nor may he give a copy of the report to anyone other than the client or his designee as specified in writing, except that which might be required in confidence by the Appraisal Institute for ethics enforcement, or by a court of law or body by the power of subpoena.

USE OF REPORT: Neither all, nor any part of the content of the report or copy thereof (including conclusions as to the property value, the identity of the appraiser, professional designations, reference to any professional organizations, or the firm with which the appraiser is connected), shall be used for any purposes by anyone but the client specified in the report, the mortgagee or its successors and assigns, mortgage insurers, consultants, professional appraisal organizations, any state or federally approved financial institution, any department, agency or instrumentality of the United States or any state or the District of Columbia, without the previous written consent of the appraiser; nor shall it be conveyed by anyone to the public through advertising, public relations, news, sales, or other media, without written consent and approval of the appraiser.

GENERAL ASSUMPTIONS AND LIMITING CONDITIONS (Cont)

AD VALOREM TAXES, LIENS, ENCUMBRANCES: Any liens of ad valorem taxes which may exist or other liens or encumbrances have been disregarded and the property has been appraised as though no delinquency in the payment of ad valorem taxes or special assessments exist and as though free and clear of indebtedness, except where specified.

HAZARDOUS WASTES: Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the property, was not observed by the appraiser. The appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, ureaformaldehyde foam insulation or other potentially hazardous materials may affect the value of the property. The value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.

Hazardous waste materials and structural soundness problems may or may not exist on the property. Any problems disclosed concerning hazardous waste or structural soundness could have a negative impact on value. Therefore I recommend appropriate professionals be hired both to ascertain whether such problems exist, and to estimate the cost to remedy same. Such studies should be certified to Ames Appraisal Services, so the results can be incorporated in our appraisal analysis.

RADON: 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 are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. The appraiser(s) is not an expert in testing to determine whether there is a health risk at the subject location. Unless otherwise specifically stated in this report, no testing has been done. Additional information regarding radon and radon testing may be obtained from our county public health unit.

GROWTH MANAGEMENT - CONCURRENCY - PLATTING: I acknowledge that the state mandated Growth Management Act ("Act"), as implemented by local government, may have an effect upon the development of this property. This Act applies primarily to vacant property which must be platted or replatted prior to development. According to the criteria of the Act, support services required by the proposed development must be available at or above the minimum Level of Services (LOS) as of the date of the need. The extent and cost of these services, if they must be provided totally or in part by the property owner, may have an adverse effect on the development and/or value of the property.

ENDANGERED SPECIES: The appraiser has not been provided a Habitat Survey, Endangered Species Survey, or analysis by a qualified environmental specialist indicating the presence of or proximity to environmentally sensitive and/or protected land or species which could affect the use and, possibly, value of the appraised property. The appraiser is not qualified to identify these factors. I recommend that an expert be hired where there may be reasonable cause to expect the presence of any of the cited items.

FLOOD ZONE INFORMATION: I are not experts at ascertaining Flood Zone information. I rely primarily upon information taken off of flood zone maps. I can not therefore certify as to the accuracy of this information. If absolute accuracy must be certified I recommend that you check with companies who normally issue such certifications.

PERSONAL PROPERTY AND BUSINESS INCLUSION: This real estate appraisal does not include any existing movable personal property, specialized trade fixtures, equipment, or business going concern value, unless those items are specifically stated to be included and are described in the Property Description section of this appraisal report.

THE AMERICANS WITH DISABILITIES ACT (ADA): This act became effective January 26, 1992. I (We) have not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property together with a detailed analysis of the requirements of the ADA could reveal that the property is not in compliance with one or more of the requirements of the act. If so, this fact could have a negative effect upon the value of the property. Since I (we) have no direct evidence relating to this issue, I (we) did not consider possible non-compliance with the requirements of ADA in estimating the value of the property unless specifically mentioned in this report.

LIMIT OF LIABILITY: Liability for this appraisal assignment is limited to only the fee collected.

REPORT ACCEPTANCE: Acceptance and/or use of this appraisal report C37-07 constitutes acceptance of the previous assumptions and limiting conditions.

UNITY OF TITLE: If this appraisal involves the valuation of part of a whole property, the appraiser did not locate any indication of a Unity of Title which would preclude the sale of part of the property separate from the whole. It is strongly recommended that the client verify whether this assumption is correct since the appraiser is not qualified to state this with absolute certainty.

GENERAL ASSUMPTIONS AND LIMITING CONDITIONS (Cont)

CRIME AUDIT: This appraisal does not consider the potential effect of crime, if any, on the valuation of the property. I were not provided with, nor did I search for, a crime audit of the neighborhood. Such a report may or may not reveal information about crime in the area which could have an impact on value. I are not qualified to comment in the absence of such a report.

EXTRAORDINARY ASSUMPTIONS AND LIMITING CONDITIONS

An extraordinary assumption is an assumption that is directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinions or conclusions. Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property such as market conditions or trends; or about the integrity of data used in an analysis. An extraordinary assumption may be used in an assignment only if:

1. It is required to properly develop credible opinions and conclusions;
2. The appraiser has a reasonable basis for the extraordinary assumption;
3. Use of the extraordinary assumption results in a credible analysis; and
4. The appraiser complies with the disclosure requirements set forth in USPAP for extraordinary assumptions.
(USPAP, 2002 ed.)

ENVIRONMENTAL CONDITIONS/CONTAMINATION: I was provided with a Phase II environmental site assessment of the larger parcel of which the subject is a part. This was prepared by Professional Service Industries, Inc., project No. 784-9E009, signed by John Tierney, Environmental Specialist, dated 3/18/99. According to this report there are several potential issues as follows:

1. There is a ditch at the south end of the property which has a potential to catch runoff from the surrounding industrial properties.
2. There was discharge of contaminates from the property to the south of the subject onto the subject property on or around 1980. There was remediation preformed on the subject property from the early 1980s through the mid 1990s. According to this report the EPA had scheduled additional groundwater testing due to subsequent sampling of monitoring wells indicating increased levels of contaminants.

I was also provided with a Phase II environmental assessment review dated December 19, 2001. This was prepared by Parsons Transportation Group, job No. 643597. There was no signature page included in the report. According to the report the results of the field investigation indicated that groundwater contamination identified near the southern property boundary in earlier studies was not detected in the samples collected 100 feet north into the interior of the property. The EPA indicated that groundwater flow is to the south-southeast, and therefore it is unlikely that any additional remaining contamination at the Hollingsworth Superfund site would now migrate further into the property in the future.

The presence of groundwater contamination at the southern property boundary reported in the 1999 study is likely due to the discharges from the pipeline that was directed from the Hollingsworth facility to the property, and not necessarily a migration of a contaminant plume from the facility.

I'm presuming all contaminants have been cleaned from the subject site. I recommend you consult with an environmental expert to review this material and determine that the property is clean. If the property is not clear of contamination the value will be impacted by the cost of this clean up.

SURVEY & PROPERTY SIZE: Unfortunately I was not provided with a survey of the subject parcel. Instead I was provided with surveys of the larger parcel and the west parcel, which I've included in this report. I recommend you obtain a survey of the subject property and consult with your surveyor to determine the correct size of the property.

EASEMENTS/ENCROACHMENTS: As previously mentioned I was not provided with a survey of the subject property. I recommend that you obtain a survey and consult with a surveyor regarding any easements/encroachments. The subject is accessible via an easement to the north of the subject property, and an access road (to be constructed & dedicated to the City) to the west of the subject property. These access points are considered comparable to other properties that do not require easement access. If this presumption is incorrect value will be negatively impacted.

5.81 Acre Vacant Parcel, (A Portion of a Prior 10.452 Acre Parcel)
Tri-Rail Cypress Creek Site @ Powerline Rd
Fort Lauderdale, FL 33309

CERTIFICATION

I certify that, to the best of my knowledge and belief:

-- The statements of fact contained in this report are true and correct.

-- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limited conditions, and are my personal, unbiased professional analyses, opinions, and conclusions.

-- I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved. The "Estimate of Market Value" in this appraisal report is not based in whole or in part upon the race, color, or national origin of the present owners or occupants of the properties in the vicinity of the properties appraised.

-- My compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, a requested minimum valuation, a specific valuation, an approval of a loan, or the occurrence of a subsequent event; nor is it contingent on an action or event resulting from the analyses, opinions, or conclusions that were developed.

-- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Practice and with the requirements of the State of Florida for state certified appraisers. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives and is subject to the requirements of the State of Florida relating to review by the Real Estate Appraisal Subcommittee of the Florida Real Estate Commission.

-- **I have made a personal inspection of the property that is the subject of this report, of the comparable sales and/or rentals; I have reviewed photos, maps and other documentation and have been involved in every aspect of the Appraisal Process.**

-- To the best of my knowledge and belief, all statements and information in this report are true and correct, and I have not knowingly withheld any significant information. **All contingent and limiting conditions are contained herein.**

-- No one provided significant professional assistance to the person signing this report. All conclusions and opinions concerning the real estate that are set forth in the appraisal report were prepared by me and my signatures appears on the appraisal report, unless indicated as "Review Appraiser."

-- The appraiser has performed within the context of the competency provision of the Uniform Standards of Professional Appraisal Practice.

-- The appraiser currently holds the appropriate state certification allowing the performance of real estate appraisals in connection with federally related transactions in the state in which the property is located.

-- The appraisal recognizes the definition of value as defined in the Market Value section of this report.

-- **No change of any item in this appraisal report shall be made by anyone other than me, and I shall have no responsibility for any such unauthorized change.**

-- As of the date of this report, I, Edward Ames, MAI, have completed the requirements under the continuing education program of the Appraisal Institute and/or the State of Florida.

July 20, 2007
_____
DATE

_____
Edward Ames, MAI
State-Certified General Real Estate Appraiser
#RZ 2263

IDENTIFICATION OF SUBJECT PROPERTY

PROPERTY TYPE: 5.81 Acre Vacant Parcel, (A Portion of a Prior 10.452 Acre Parcel

LOCATION: The subject property is located at Tri-Rail Cypress Creek Site @ Powerline Rd, Fort Lauderdale, FL 33309. Take I-95 to Cypress Creek Road, go west to Powerline Rd, go south 900' +/- to the access easement, go east to the property.

SITE SIZE & SHAPE: The subject is irregular shaped and lies at or near road grade. The subject is part of a larger parcel totaling 10.452 acres. This larger parcel is comprised of three smaller parcels: an east parcel (5.81 acres), a west parcel (3.57 acres) and a roadway parcel (to be constructed by Northwestern Mutual Life) that is approximately 1.07 acres. The subject of this appraisal is the 5.81 acre east parcel. Unfortunately I was not provided with a survey of the subject parcel. Instead I was provided with surveys of the larger parcel and the west parcel, which I've included in this report. The survey of the larger parcel was prepared by G. Martin Burdette of Burdette & Associates, Inc. It was dated 9/5/95 and signed by G. Martin Burdette. The boundary survey of the west parcel was prepared by Calvin, Giordano & Associates, Inc., dated 11/6/01 (most recent revision 1/25/02), signed by Gregory Clements, drawn by G.Y.C., drawing # 01-L-92. The approximate boundaries of the subject property are: north - 621.70', south - 473.49', east - 621.71', west - 409.04'. Refer to extra ordinary assumptions and limiting conditions section of this report regarding the survey, property size, encroachments and easements.

ZONING: The subject is currently zoned I-General Industrial by the City of Fort Lauderdale. Under the Broward County Land Use Plan it is designated I-Industrial.

UTILITIES: Electric, telephone, water and sewer are to the subject site.

FLOOD HAZARD ZONE: According to the Flood Insurance Rate Map #12011C0206 F dated August 18, 1992, the property falls within Zone AH which is special flood hazard areas inundated by the 100-year flood. Flood depths of 1 to 3 feet (usually areas of ponding) base flood elevations determined.

IDENTIFICATION OF SUBJECT PROPERTY

ACCESS: Access is via Powerline Rd & Cypress Creek Road. I spoke with Rick Mitinger (954-777-4355) who handles traffic signals at the Florida Department of Transportation (FDOT) to see if it is possible to install a curb cut and traffic signal for the access road from the subject to Powerline Road. He said the distance from the Cypress Creek Rd/Powerline Rd intersection was a little on the short side at 900' +/-, but that it was not impossible. In fact FDOT tries to help properties that are for Public Transportation, and that the signals probably could be coordinated on Cypress Creek to the north so that this would work.

Rick Mitinger recommended that I speak with Beth Coe who is in charge of access management at FDOT. According to Beth Coe, the access road from Powerline Rd to the subject is known as NW 59th Ct. She said Keith & Associates (who is working on the plan for the access road) recently came in and requested a right-in-right-out for this access road. The first step would be to come back and request a curb cut with a left-in-left-out. Marble of the World on the west side of Powerline Rd (6001 Powerline Rd) has a north bound left in about 300' north of the subject access road. In addition to this there is a curb cut to the south of the subject access road. In order to get a curb cut and light at the subject access road the subject access road would have to come before the FDOT Variance Committee. They would also require the closure of the curb cuts at Marble of the World and the curb cut to the south of the subject access road. This would depend upon need. The fact that the subject property is limited to buses of 30' in length (according to the Easement, Dedication and Construction Agreement) on NW 6th Way (the north/south access easement from the subject to Cypress Creek Road) could make it more likely the subject would get the curb cut. It would depend upon the traffic studies that show how many large vehicles will be coming out of the subject as compared to the Marble of the World property and the property to the south. One other factor that could be in favor of the subject property is that if Marble of the World lost its curb cut on Powerline Rd it would still have NW 10 Terrace to the west (as do the properties to the south) for north/south access and egress.

LEGAL DESCRIPTION: Refer to legal description on the survey at the front of beginning of this appraisal.

CENSUS TRACT #: 501, 502.02

IMPROVEMENTS: The subject property is vacant land.

IDENTIFICATION OF SUBJECT PROPERTY

HISTORY & OWNER OF RECORD

According to the Broward County Tax Rolls, Tri-County Commuter Rail Authority purchased the Parent Tract from C.W. Gaidry on January 12, 1996, at a price of $1,570,771.20, via a Warranty Deed, O.R. Book 24394, Page 432. Ronald Ames verified this with Beth Beltram of Tri-Rail (June 2001).

An offer was made by Cypress Creek Partners, LLC (CCP) on November 20, 2006 to lease the subject property for $300,000, payable in arrears in October of each year. This offer was withdrawn shortly after it was offered. This offer involved the site known as the Cypress Creek Park & Ride site located at the southwest corner of Interstate 95 and Cypress Creek Rd. As part of the offer CCP wanted SFRTA to move the 268 parking spaces (they have at Cypress Creek Park & Ride) for Tri-Rail, to the current subject property. CCP wanted to create a transit assessment district (TAD) to oversee both the subject property and the Cypress Creek Park & Ride. The TAD would be able to assess future private users on the subject property. The TAD would construct the 268 parking spaces on the subject property. The $300,000 annual "license fee" as it is termed would be offset by the cost to construct the 268 parking spaces plus interest and other costs plus 6% interest. This offer is considered substantially below market value as estimated in this report. Furthermore, this offer presumes the existing 268 parking spaces the Tri-Rail uses on the Cypress Creek Park & Ride site have no market value.

A second Offer and Proposed Agreement dated February 13, 2007 was made by CCP. This offer was to relocate the 268 parking spaces from the Cypress Creek Park & Ride site to the subject site. CCP would pay to construct this parking lot on the subject site. CCP's estimate to construct the parking lot is $1,466,000. This offer also includes a $25,000 expense allowance to cover any legal expenses and other SFRTA overhead relating to the design and construction of the improvements on the SFRTA property. Again this offer does not consider any value to the 268 parking spaces currently on the Cypress Creek Site. The cost estimate included by CCP at $1,466,000 includes $406,000 for roadway and $50,000 for connector; however it also acknowledges that Northwestern Mutual has the financial obligation to construct the road pursuant to the Northwestern Agreement. Deducting at a minimum the $406,000 from CCP's estimates (assuming they are right), they are offering $1,060,000 to move 268 parking spaces onto the subject site. Assuming parking spaces averaging 310 sf (including maneuvering areas) the parking lot would be 83,080 sf; this translates to $12.76/sf they are offering to occupy the subject site with 268 parking spaces. This is substantially less than the market value estimated in this analysis.

The owner and/or lessee of the property east of the subject property and Andrews Avenue is reportedly negotiating to purchase and/or lease the subject property. I have not been provided with any details of this negotiation. My understanding is that this appraisal will serve as a basis for the price/rent that the South Florida Regional Transportation Authority will seek for the use of the property for parking.

I am not aware of any other offers, contracts, options or listings on the subject property.

TAX ANALYSIS OF SUBJECT PROPERTY

The following was the 2006 tax information on the subject property according to the Broward County Property Appraiser's Office.

Parcel #	Tax Folio Number	Property Location	2006 Assessed Value	2005 Assessed Value	2004 Assessed Value
1	49-42-10-00-0471	5900 Powerline Rd	$1,436,530	$1,434,990	N/A

Parcel #	Tax Folio Number	Property Location	2006 Assessed Value	2006 Ad Val. Taxes	Tax Rate
1	49-42-10-00-0471	5900 Powerline Rd	$1,436,530	$0	0.00%

The property is not taxed because it is owned by the Tri-County Commuter Rail Authority, which is a quasi-government entity.

SUBJECT RENTS:

The subject property is vacant land and is not currently leased.

PURPOSE OF APPRAISAL

The purpose of this appraisal is to estimate the Market Value of the fee simple estate of the described subject property as of July 2, 2007.

INTENDED USE OF APPRAISAL

The intended use of this appraisal is to serve as a basis of value for possible sale or lease. The intended user is South Florida Regional Transportation Authority.

EXPOSURE TIME AND MARKETING TIME

EXPOSURE TIME is always presumed to precede the effective date of the appraisal. It is the estimated time that the property would have been offered on the market prior to the hypothetical consummation of a sale on the effective appraisal date at market value. Based on the sales and market, the estimated exposure time assumed in my valuation is 12 months

MARKETING TIME is that period immediately following the effective date of appraisal during which the subject property could sell at my appraised value.

Based upon a review of the marketing times for the comparable sales, it is apparent that based upon current market conditions, the subject can be marketed and sold within a 1 year period, assuming it were continually marketed at a price reflecting market value, regardless of what that might change to during the marketing period. No significant market changes are expected and the marketing time is estimated at 12 months or less.

PROPERTY RIGHTS APPRAISED

The subject property is appraised on the basis of a Fee Simple Estate, the fullest type of private ownership possible, subject to all public limitations (police power, taxation, escheat and eminent domain.)

DEFINITION OF MARKET VALUE

Market Value is defined as:

> The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:
>
> 1. buyer and seller are typically motivated;
> 2. both parties are well informed or well advised, and acting in what they consider their best interests;
> 3. a reasonable time is allowed for exposure in the open market;
> 4. payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto; and
> 5. the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

Source: *USPAP definition of market value as printed in the Uniform Standards of Professional Appraisal Practice, 2002 Edition, Page 219, by The Appraisal Foundation.*

DEFINITION OF PROSPECTIVE VALUE

Prospective Value:

A forecast of the value expected at a specified future date. A prospective value opinion is most frequently sought in connection with real estate projects that are proposed, under construction, or under conversion to a new use, or those that have not achieved sellout or stabilized level of long term occupancy at the time the appraisal report is written.

APPRAISAL DEVELOPMENT AND REPORTING PROCEDURES (SCOPE)

ASSIGNMENT & BACKGROUND:

The scope of this appraisal is to estimate the value of a 5.81 Acre Vacant Parcel, (A Portion of a Prior 10.452 Acre Parcel located at Tri-Rail Cypress Creek Site @ Powerline Rd, Fort Lauderdale, FL 33309.

APPRAISAL DEVELOPMENT AND REPORTING PROCEDURES (Cont)

NEIGHBORHOOD:

The information relied upon in the Neighborhood Discussion was obtained from some or all of the following sources: Web site Broward County, Web site Fort Lauderdale International Airport, U.S. Census Bureau, various reports from CB Richard Ellis, Korpacz Report, Reinhold P. Wolff Economic Report, Quarterly Housing Report.

SITE DISCUSSION:

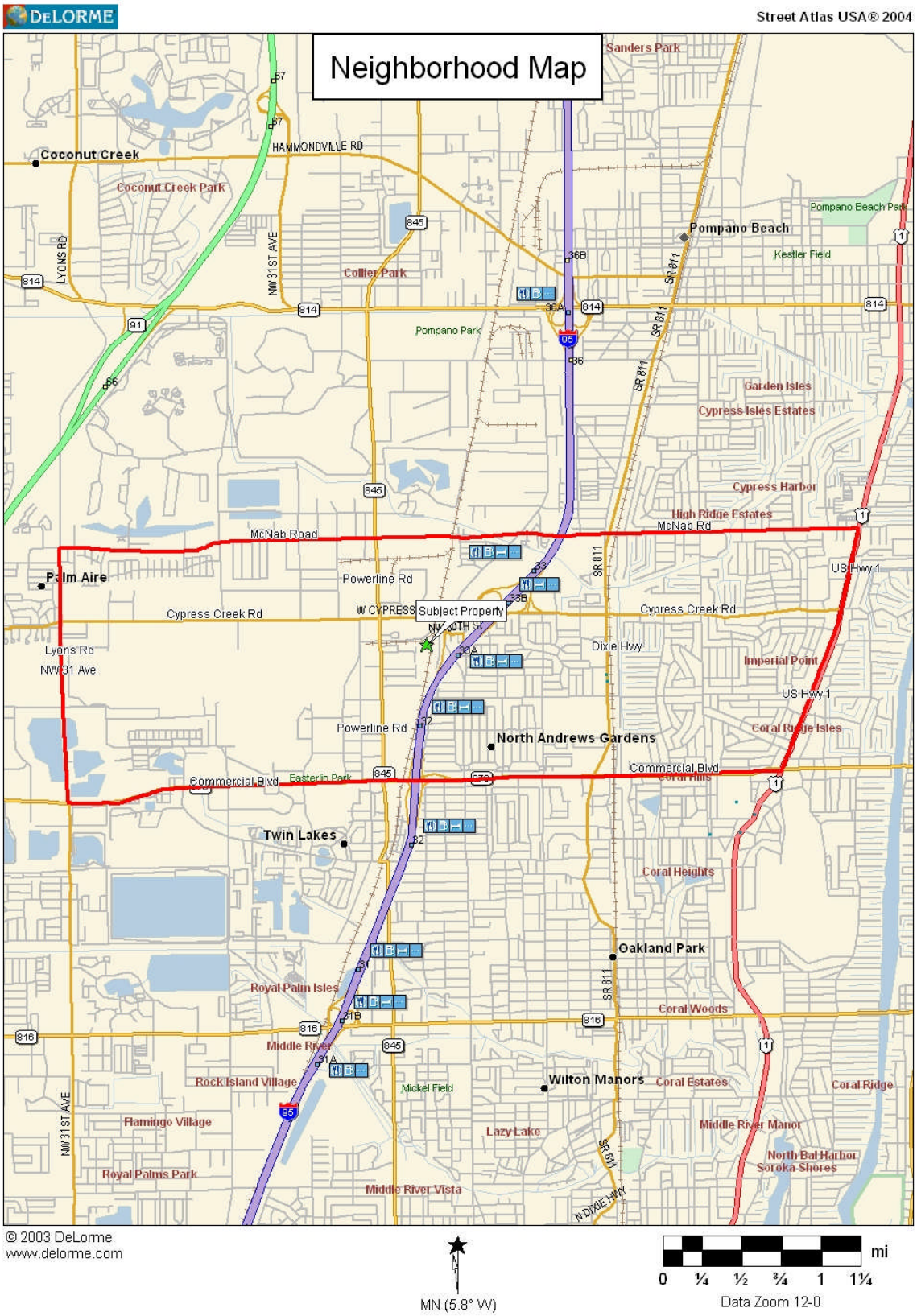
The information for the site discussion was based upon a review of the plats, survey, physical inspection and information provided by Broward County.

HIGHEST AND BEST USE/SALES APPROACH:

Although the property is currently zoned Industrial I considered input from Chris Barton of Kimley-Horn and Associates, Inc. regarding the process, costs and likelihood of obtaining approvals to develop the site with office. Based upon this input I searched for sales of commercial land that were purchased for office development and/or similar commercial uses.

APPRAISERS' COMPETENCY RULE COMPLIANCE

The Scope of the Assignment as outlined in the Appraisal Development and Reporting Procedures section is well within the range of experience and knowledge of the responsible appraiser(s). The appraiser(s) responsible for this appraisal report are (is) sufficiently experienced and knowledgeable to accept and complete this appraisal assignment. We (I) have previously prepared and delivered appraisal reports and have provided consultation for similar properties. For additional information about my (our) experience please refer to my (our) Appraisal Qualifications toward the rear of this report.


DeLORME
Street Atlas USA® 2004
Neighborhood Map
Sanders Park
Coconut Creek
HAMMONDVILLE RD
Coconut Creek Park
Pompano Beach Park
Pompano Beach
Kestler Field
LYONS RD
NW 31ST AVE
Collier Park
SR 811
Pompano Park
Garden Isles
Cypress Isles Estates
Cypress Harbor
High Ridge Estates
McNab Rd
McNab Road
US Hwy 1
Palm Aire
Powerline Rd
Cypress Creek Rd
W CYPRESS
Subject Property
NW 30TH ST
Dixie Hwy
Lyons Rd
NW 31 Ave
Imperial Point
Coral Ridge Isles
North Andrews Gardens
Commercial Blvd
Easterlin Park
Twin Lakes
Coral Heights
Oakland Park
Royal Palm Isles
Coral Woods
Middle River
Rock Island Village
Mickel Field
Wilton Manors
Coral Estates
Coral Ridge
Flamingo Village
Lazy Lake
Middle River Manor
North Bal Harbor
Soroka Shores
Royal Palms Park
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NEIGHBORHOOD DISCUSSION

BOUNDARIES OF MACRO NEIGHBORHOOD:

The subject property is located at Tri-Rail Cypress Creek Site @ Powerline Rd, Fort Lauderdale, FL 33309. Take I-95 to Cypress Creek Road, go west to Powerline Rd, go south 900' +/- to the access easement, go east to the property. The geographic boundaries of the neighborhood encompass a portion of the City of Fort Lauderdale specifically in the northwestern most part of the city. The boundaries are as follows:

North	McNab Road
South	Commercial Blvd
East	US Highway 1 (Federal Highway)
West	NW 31 Avenue (Lyons Rd)

Roads and Access

Commercial Boulevard is a heavily traveled east-west thoroughfare which extends from North Ocean Boulevard in east Fort Lauderdale approximately 13 miles to Sunrise. This thoroughfare has an entrance/exit to the Sawgrass Expressway in far west Broward County. This neighborhood has excellent access to the interstate.

U.S. Highway 1, also known as North Federal Highway in this neighborhood, is the principal north/south roadway to eastern Broward County. This busy, six-lane roadway connects to the subject neighborhood to Palm Beach County to the north and Miami-Dade County to the south.

Type & Character for Surrounding Development

The neighborhood features diverse land uses including residential, retail, commercial, and light industrial uses. The dominant land uses within the neighborhood is the Fort Lauderdale Executive Airport, Cypress Creek Office submarket, and Holy Cross Hospital.

The Fort Lauderdale Executive Airport is a general aviation airport, which handles corporate, charter and air taxi traffic. It can, accommodate a 737 jet, but no scheduled flights of that type land at the airport. The airport and industrial airpark total 1,300 acres and was a gift to the County from the federal government in 1947. Eight hundred acres were designated as non-aviation land and approximately 400 acres are left to be developed. In the past five years, the-number of aircraft based at Executive Airport has doubled to nearly 700. It is one of South Florida's busiest executive airports and home to the most corporate jet aircrafts in the Southeastern United States, according to the Federal Aviation Administration. The airport also ranks third in terms of corporate owned helicopters.

NEIGHBORHOOD DISCUSSION (Cont)

The areas along Commercial Boulevard and Cypress Creek Road are primarily developed with office and office/service uses and to a lesser extent, supporting retail, restaurant, gas station, and retail uses. Numerous Class "A" and "B" office buildings are located along Cypress Creek Road. This area is known as the Cypress Creek Office submarket. This submarket has experienced improved conditions as have most office submarkets in Southeast Florida over the past few years. Class "A-" and Class "B" office product is also located along West Commercial Boulevard, however, the dominant office submarket in the area is the Cypress Creek submarket along Cypress Creek Road.

There are two hospitals in or immediately around the subject neighborhood: North Ridge Hospital and Holy Cross Hospital. North Ridge Hospital is located in the eastern part of the neighborhood at NE 56 St and Dixie Hwy. It was constructed in 1975. The 332-bed hospital offers a wide range of services, including the NeuroScience Center, orthopedics, interventional radiology and interventional neuro radiology, general medical/surgical care, intensive care, outpatient surgery services, rehabilitation, pain management, breast center, diabetes and metabolism clinic, wound care, 24-hour emergency services and a variety of wellness/educational opportunities. Holy Cross Hospital is located in the southeastern part of the neighborhood, more specifically at the southwest quadrant of Commercial Boulevard and Federal Highway, and is a dominant factor influencing the subject neighborhood, creating demand for medical offices and related service businesses. Holy Cross Hospital is a private, non-profit Catholic hospital, which offers medical surgery, critical care, intermediate care, obstetrics, pediatrics, newborn, neonatal, and rehabilitative care. The facility contains 590 beds and treats approximately 18,000 patients annually. The hospital was originally founded in 1955 and is supported by the Sister's of Mercy, an organization affiliated with the Catholic Church.

The residential neighborhoods surrounding the North Federal Highway commercial corridor were developed in the 1960's and feature single family homes from 1,200 to over 3,500 square feet and with sales prices between $350,000 and $500,000. Condominiums and apartment complexes were also built in the mid 1960's to mid 1970's and range in size between 4 and 60 units. Sales of older, existing un-renovated condominiums within this neighborhood range between $130,000 and $250,000 per unit.

The surrounding area, west and east of North Federal Highway, is residential in character. The various sections of the Coral Heights and Mary Knoll subdivisions to the west contain single family residences. To the north of the subject, and east of North Federal Highway, are the residential subdivisions of The Landings and Coral Ridge Country Club. These areas contain luxury residences, many of which are situated on deep-water canals that provide access to the Intracoastal Waterway. House prices in this area generally range between $500,000 and $800,000, with some residences valued in excess of $1,000,000 surrounding the Coral Ridge Country Club Golf Course or with deep water access.

Due to the traffic pattern to and from the Fort Lauderdale area beaches, and large seasonal tourist population, the subject neighborhood contains many nightclub/lounge and restaurant properties. The Coral Ridge/Commercial Boulevard/North Federal Highway area has proven to be a viable residential submarket with support from commercial uses.

NEIGHBORHOOD DISCUSSION (Cont)

PRICE TRENDS – OFFICE PROPERTIES:

In order to determine a market conditions trend (time adjustment) in this appraisal analysis I reviewed a variety of data, which included data from CB Richard Ellis (CBRE), data from the Korpacz Real Estate Investor Survey 4th Quarter 2006 as well as paired sales of office building sales.

CBRE:

I reviewed data from the November 2006 Global Market Rents report by CBRE. According to this report the national average office vacancy now stands at 13.2%, down 1.2% from one year ago and 50 bps from one quarter prior. Furthermore there has been a 10.9% increase in office rents in the Fort Lauderdale market over the past 12 months.

Korpacz:

According to Korpacz 2nd Quarter 2007, leasing activity in 2006 totaled about 9.0 million square feet in this market, with the majority of activity (81.0%) occurring in the suburbs – 2.6 million square feet in suburban Miami, 2.5 million square feet in suburban Palm Beach, and 2.2 million square feet in the suburbs of Fort Lauderdale. By comparison, leasing activity totaled only 1.7 million square feet in the CBD submarkets of these three areas – 871,000 square feet in Miami's CBD, 517,000 square feet in Fort Lauderdale's CBD, and 269,000 square feet in the CBD of Palm Beach. These trends have carried over into 2007 with the majority of leasing activity occurring in the suburbs.

Although additions to supply and space reductions by various tenants resulted in minor negative net absorption levels in both Miami and Palm Beach during the first quarter of 2007, Fort Lauderdale posted positive absorption during that time period. As a result, its overall vacancy rate dipped to 12.9% in the CBD and 9.2% in the suburbs. Fort Lauderdale's performance has sparked new construction and investor interest. In one of the most notable investment deals there recently, West City Partners acquired the 276,000-square-foot, 28-story One Financial Plaza located in Fort Lauderdale's CBD for approximately $235.00 per square foot.[1] The seller, Mainstreet Capital Partners, acquired this asset in November 1999 for $132.00 per square foot.

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1 One Financial is more than double the size of Radice Corp Ctr II. The sale price was $64,860,000 versus Radice sale price at $27,271,575. This is the main reason the sale price at $225/sf seems low for a CBD sale. Furthermore I believe the buyer had additional expenditures after sale due to deferred maintenance as well as vacancies.

NEIGHBORHOOD DISCUSSION (Cont)

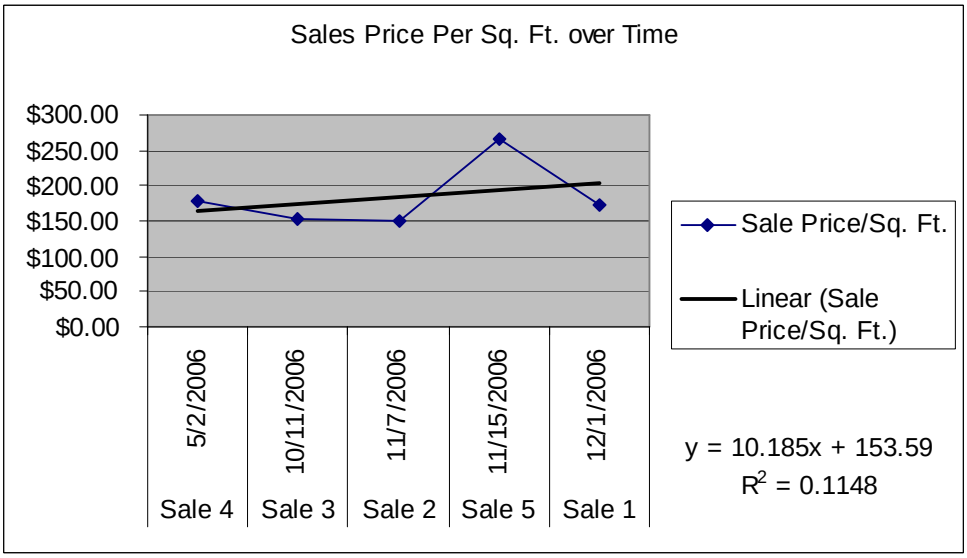
In the suburbs of Fort Lauderdale, investors have also been actively acquiring assets. The Archon Group, for example, purchased the 121,207-square-foot Radice Corporate Center II for about $225.00 per square foot, while Atrium West Sunrise acquired the 93,000-square-foot Atrium West for $129.00 per square foot. Sale transactions are occurring elsewhere in this market as well. In Palm Beach, DTZ Rockwood sold the Bankers Trust Building located along Royal Palm Way for an astounding $605.00 per square foot. This 43,382-square-foot, five-story building was built in 1969, renovated in 1995, and 100.0% leased at the time of sale. It was acquired by Somera Capital Management. In nearby Boca Raton, the 201,000-square-foot Tyco Tower sold to MetLife for $296.00 per square foot. And in Miami, Tishman Speyer purchased Courvoisier Centre, a Class-A, two-building, 335,000-squarefoot mixed-use complex located on Brickell Key. The sale price for this asset, which represents the only office building on Brickell Key, was not disclosed. However, local newspapers estimate a price of $458.00 per square foot.

Paired Office Building Sales:

Although the subject property is vacant land I reviewed a group of paired office building sales that were analyzed as follows:

Sale #	Sale Date	Sale Price/Sq. Ft.
Sale 4	5/2/2006	$177.43
Sale 3	10/11/2006	$154.11
Sale 2	11/7/2006	$150.47
Sale 5	11/15/2006	$266.65
Sale 1	12/1/2006	$172.09

I graphed these sales and included a trend line (black linear line on the chart below) to determine the general rate of increase in price per square foot of the sales over time.



NEIGHBORHOOD DISCUSSION (Cont)

This trend line suggests a rate of appreciation close to 10% for 2006; however this is considered less reliable since the trend line does not fit the sale data exactly. Furthermore if sale 5 were excluded the trend would be a 1.97% rate of depreciation. Nevertheless I've included it as one additional piece of data in determining the market conditions adjustment; and while this rate appears overly optimistic there have been several positive things that have been occurring in this market:

1. Investors who were driving rates of appreciation in residential have migrated to other product types such as office.
2. The national office market has seen a decline in vacancy rates and an increase in rents over the past year.
3. In 2006 there were 2.2 million square feet that were leased in the Fort Lauderdale Suburbs.
4. Submarkets such as Miami, Boca Raton and West Palm Beach have seen declining vacancy rates, increasing rental rates and price appreciation.
5. Fort Lauderdale saw positive absorption during the first quarter of 2007 resulting in overall vacancy rates dipping to 12.9% in the CBD and 9.2% in the suburbs.
6. The Archon Group purchased the 121,207 sf Radice Corporate Center II for about $225/sf within the subject neighborhood. This is an older building (20-25 years) that probably had deferred maintenance issues and wasn't fully occupied. In nearby Boca Raton the 201,000-square-foot Tyco Tower sold to MetLife for $296.00 per square foot. This also was a 21 year old building. And in Miami, Tishman Speyer purchased Courvoisier Centre, a Class-A, two-building, 335,000-squarefoot mixed-use complex located on Brickell Key for an estimated $458.00 per square foot.

Based upon the foregoing analysis I've estimated a market conditions adjustment (time adjustment) for the comparables at 5%. This reflects that average rents have increased in Dade, Broward and Palm Beach Counties; in Palm Beach County rents have increased over 10% as vacancy rates have declined.

CONCLUSION:

According to Korpacz 2nd Quarter 2007, the Southeast Florida office market continues to thrive due to limited additions to supply, a lack of vacant land, and steady job growth. Some of the best job growth recently has been in the Miami-Miami Beach-Kendall metropolitan division, where 22,700 new jobs were added between 2003 and 2006, according to the Bureau of Labor Statistics. Although less robust, this area's financial-activities sector also experienced job growth during that time, expanding by 7,300 new jobs. When combined with the job growth in Palm Beach County and Broward County, demand for office space has been very robust.

The Fort Lauderdale office market and more specifically the Cypress Creek Office Market (the subject neighborhood) competes well with the Boca Raton office market to the north as well as being a good alternative to the Fort Lauderdale CBD to the south.

The neighborhood's good access to I-95 and Florida's Turnpike as well as Tri-Rail make it a desirable location for office space.

SITE DISCUSSION

LOCATION: The subject property is located at Tri-Rail Cypress Creek Site @ Powerline Rd, Fort Lauderdale, FL 33309. Take I-95 to Cypress Creek Road, go west to Powerline Rd, go south 900' +/- to the access easement, go east to the property.

SITE SIZE & SHAPE: The subject is irregular shaped and lies at or near road grade. The subject is part of a larger parcel totaling 10.452 acres. This larger parcel is comprised of three smaller parcels: an east parcel (5.81 acres), a west parcel (3.57 acres) and a roadway parcel (to be constructed by Northwestern Mutual Life) that is approximately 1.07 acres. The subject of this appraisal is the 5.81 acre east parcel. Unfortunately I was not provided with a survey of the subject parcel. Instead I was provided with surveys of the larger parcel and the west parcel, which I've included in this report. The survey of the larger parcel was prepared by G. Martin Burdette of Burdette & Associates, Inc. It was dated 9/5/95 and signed by G. Martin Burdette. The boundary survey of the west parcel was prepared by Calvin, Giordano & Associates, Inc., dated 11/6/01 (most recent revision 1/25/02), signed by Gregory Clements, drawn by G.Y.C., drawing # 01-L-92. The approximate boundaries of the subject property are: north - 621.70', south - 473.49', east - 621.71', west - 409.04'. Refer to extra ordinary assumptions and limiting conditions section of this report regarding the survey, property size, encroachments and easements.

ACCESS:

Access is via Powerline Rd & Cypress Creek Road. I spoke with Rick Mitinger (954-777-4355) who handles traffic signals at the Florida Department of Transportation (FDOT) to see if it is possible to install a curb cut and traffic signal for the access road from the subject to Powerline Road. He said the distance from the Cypress Creek Rd/Powerline Rd intersection was a little on the short side at 900' +/-, but that it was not impossible. In fact FDOT tries to help properties that are for Public Transportation, and that the signals probably could be coordinated on Cypress Creek to the north so that this would work.

SITE DISCUSSION (Cont)

Rick Mitinger recommended that I speak with Beth Coe who is in charge of access management at FDOT. According to Beth Coe, the access road from Powerline Rd to the subject is known as NW 59th Ct. She said Keith & Associates (who is working on the plan for the access road) recently came in and requested a right-in-right-out for this access road. The first step would be to come back and request a curb cut with a left-in-left-out. Marble of the World on the west side of Powerline Rd (6001 Powerline Rd) has a north bound left in about 300' north of the subject access road. In addition to this there is a curb cut to the south of the subject access road. In order to get a curb cut and light at the subject access road the subject access road would have to come before the FDOT Variance Committee. They would also require the closure of the curb cuts at Marble of the World and the curb cut to the south of the subject access road. This would depend upon need. The fact that the subject property is limited to buses of 30' in length (according to the Easement, Dedication and Construction Agreement) on NW 6th Way (the north/south access easement from the subject to Cypress Creek Road) could make it more likely the subject would get the curb cut. It would depend upon the traffic studies that show how many large vehicles will be coming out of the subject as compared to the Marble of the World property and the property to the south. One other factor that could be in favor of the subject property is that if Marble of the World lost its curb cut on Powerline Rd it would still have NW 10 Terrace to the west (as do the properties to the south) for north/south access and egress.

UTILITIES:

Electric, telephone, water and sewer are to the subject site.

EASEMENTS:

As previously mentioned I was not provided with a survey of the subject property. I recommend that you obtain a survey and consult with a surveyor regarding any easements/encroachments. The subject is accessible via access easements to the west and north of the subject property. These access points are considered comparable to other properties that do not require easement access. Refer to the extraordinary assumptions and limiting conditions section of this appraisal.

I was provided with an Easement, Dedication and Construction Agreement between Tri-Rail & FPL (collectively referred to as Grantor) and The Northwestern Mutual Life Insurance Company (Grantee). This agreement in summary provides that the Grantor will grant the Grantee a perpetual easement on the Roadway Parcel for the benefit of the Grantee and Grantee's successors and assigns and its tenants, servants, invitees and licensees. The Roadway Parcel connects the FPL site, the subject site and Northwestern Mutual Life to Powerline Rd. Grantor, after grant, will dedicate the Roadway Parcel to the City. Grantee will grant the Grantor, its successors and assigns, a perpetual, non-exclusive easement on, over and across the road known as NW 6 Way (north/south road from subject to Cypress Creek Rd). Grantee will be responsible for all costs relating to obtaining approvals and constructing a roadway on the Roadway Parcel. Grantee will (or has already) pay/paid Tri-Rail $7,500.

SITE DISCUSSION (Cont)

FLOOD HAZARD ZONE:

According to the Flood Insurance Rate Map #12011C0206 F dated August 18, 1992, the property falls within Zone AH which is special flood hazard areas inundated by the 100-year flood. Flood depths of 1 to 3 feet (usually areas of ponding) base flood elevations determined.

CONCURRENCY UNDER THE GROWTH MANAGEMENT ACT:

The concurrency provisions of the Growth Management Act mandate that development can proceed only when the necessary infrastructure is already in place or will be in place concurrent with the impact of development. This concurrency rate means that developers must satisfy seven areas of level of service (LOS) including: roads, drainage, sanitary sewer, potable water, solid waste, recreation and mass transit.

Roads/Mass Transit:

I spoke with Marty Berger, Broward County Development Review Services, regarding traffic concurrency. According to Mr. Berger a traffic concurrency fee will have to be paid to develop the subject property. This fee covers roads and mass transit. He estimates the worst case scenario is that this fee will be $284,000 to develop the site with 160,000 square feet of office space. According to Mr. Berger this fee will be dropping to $246,000 as of October 1, 2007.

I discussed with Mr. Berger that the subject property is abutting the Cypress Creek Tri-Rail Station and that any office development on this site would take advantage of the proximity to Tri-Rail. Consequently trips would be reduced since a percentage of office workers in this development would utilize Tri-Rail. Mr. Berger said that the property would most likely get a 10% credit off of the above quoted fees because of its location next to Tri-Rail. Furthermore this credit could be more depending upon how the office development is designed to take advantage of the Tri-Rail Station. Based upon this I have conservatively estimated a fee of $220,000 (rounded).

Drainage:

The subject site is large enough, as compared to the proposed development, to provide for onsite drainage. The site plan included with the Parsons study shows several green space areas as well as possible added wetlands areas in addition to existing wetlands areas.

Water & Sewer:

I spoke with Bill Hull with the City of Fort Lauderdale public works department and reviewed the maps of the existing water and sewer lines around the subject property. It appears that there is capacity in the immediate area around the subject property and that this is not an issue.

SITE DISCUSSION (Cont)

Solid Waste:

According to Marty Berger this is determined prior to permit issuance. A determination is made at the time that there is enough landfill capacity for the development. This should be no issue for the subject property.

Recreation:

According to Marty Berger recreation is not an issue for the subject property. A determination will be made at the time of platting, but this also should not be an issue for the subject property. Nevertheless I'm estimating an additional $50,000 for incidental items and costs related to the approval process of the aforementioned 5 subheading items.

Therefore the total costs for concurrency are estimated at $270,000, which are deducted from the value arrived at via the Sales Comparison Approach.

NUISANCES AND HAZARDS:

No nuisances and/or hazards were noted; however this is not my area of expertise. For a more reliable determination I recommend you consult with the appropriate experts, since the presence of such problems could adversely impact value.

SOIL AND SUBSOIL / SITE CONDITIONS:

No study of the condition of the soil or subsoil was provided to the appraisers. If there are soil problems this could impact value. If you require greater accuracy consult an appropriate expert.

The site plan included with the Parsons study shows several green space areas as well as possible added wetlands areas in addition to existing wetlands areas. The existing wetland area is located at the southeast corner of the property. There is also an owl colony located toward the northern border of the property. As was shown on this site plan the improvements can be developed without impeding the wetland areas or the owl colony. If there are any costs associated with this they will be merged into the overall costs for the property and too negligible to measure.

ZONING:

The subject is currently zoned I-General Industrial by the City of Fort Lauderdale. Under the Broward County Land Use Plan it is designated I-Industrial.

SITE DISCUSSION (Cont)

I reviewed a report prepared by Parsons Transportation Planning Consultant Services on the subject property dated June 2003. According to this report the subject property would likely be rezoned to a B-1 zoning. This district would allow office development. I was also provided with a letter from Kimley-Horn, dated 8/8/07, that confirmed the analysis from the Parsons report. According to the Kimley-Horn report it is reasonable to expect that 160,000 sf of office space could legally be developed on the subject site as well as parking garage to satisfy a parking requirement of 640 spaces. I relied on the Kimley-Horn report, which can be found in the addendum of this report.

SITE DEVELOPMENT PLAN:

Subject Size:

Throughout this report I have referred to the roadway parcel (to be constructed by Northwestern Mutual Life) as being approximately 1.07 acres. Apparently the actual size is yet to be determined and will vary ever so slightly. According to the legal description found within the Easement Dedication and Construction Agreement the size of the roadway parcel is 1.2604 acres; a difference of .1904 acres or 8,294 sf. This is also different from the initial numbers from a survey just being completed by Keith & Associates, which have the roadway parcel at 1.16 acres. My understanding is that Keith & Associates is now going back and reviewing the discrepancy. An explanation for the differences is that there have been modifications to the plans for the roadway parcel. The final plan could impact the sizes of either the FPL parcel or the subject parcel or both parcels. The greatest impact to the size of the subject parcel would be as follows:

Calculation of Subject Parcel Size assuming roadway parcel at 1.2604 acres	
Larger Parcel	10.452
FPL Parcel	3.57
Roadway Parcel	1.2604
Subject Parcel	5.6216
Subject Parcel (Rounded)	5.62

I verified with Chris Barton of Kimley-Horn that even if the subject property were to be only 5.62 acres (instead of 5.81 acres) it would have no impact on the development plan.

Additional 268 Parking Spaces:

According to Gregory S. Kyle, AICP, also with Kimley-Horn, the subject site could accommodate 268 additional spaces (in addition to the 640 spaces for the 160,000 sf of office space) for a total of 908 spaces. This could be accomplished by adding additional parking decks to the parking garage. I'm including this paragraph as additional information for the client; however I have not included an additional 268 spaces in this analysis since it is not needed for the 160,000 sf office building and therefore is not part of the highest and best use of the site.

SITE DISCUSSION (Cont)

Subject Parking Spaces:

According to Chris Barton of Kimley-Horn the usable area of the subject site at 4.1 acres is large enough to accommodate both surface parking and a parking garage in addition to the office buildings. There is room to optimize the number of spaces in the parking garage versus surface parking. Based on his numbers 234 surface parking spaces and 406 parking garage spaces is reasonable and estimated for this analysis. Note however that these numbers could be further adjusted to improve the feasibility of the project.

SUMMARY:

The site is functionally adequate for development with an office building. It should and does compete well with the other sites. The fact that this site abuts a Tri-Rail Station is a benefit for an office building property. There are not many office buildings that abut train stations in South Florida; this is especially true in Broward County. This site is therefore equal or superior to other available sites in the general vicinity.

HIGHEST AND BEST USE

Highest and Best Use is defined as the reasonably probable and legal use of vacant land or an improved property which is legally permissible, physically possible, financially feasible and maximally productive.

In analyzing the highest and best use of the appraised property as improved and as if vacant, consideration has been given to:

(a) the **LEGALLY PERMISSIBLE USE,** or that use or uses which are legally permissible under the existing zoning regulations, deed restrictions, building codes, land use plan designations, concurrency requirements, and environmental controls.

(b) the **PHYSICALLY POSSIBLE USE,** or that use or uses which are physically possible under the size and shape limitations and such other physical constraints as topography, soil quality, grade, legal access and availability of utilities.

(c) the **MARKETABLE AND FEASIBLE USE,** or that use or those alternative uses which are physically possible and legally permissible and which are marketable or salable at a price which yields a sufficient net return to the owner during the existing and projected future market conditions as to justify its existence i.e. value equals or exceeds cost plus entrepreneur's profit.

(d) the **MOST PROBABLE AND MAXIMALLY PRODUCTIVE USE,** or that use or uses which is most likely for the property, given the alternate possible uses as well as the variation in investor types and which will result in a level of income, which when capitalized into value, will result in the highest net present value from among the assortment of alternate uses.

LEGALLY PERMISSIBLE USE:

The subject is currently zoned I-General Industrial by the City of Fort Lauderdale. Under the Broward County Land Use Plan it is designated I-Industrial.

I reviewed a report prepared by Parsons Transportation Planning Consultant Services on the subject property dated June 2003. According to this report the subject property would likely be rezoned to a B-1 zoning. This district would allow office development. Parsons prepared a Master Site Development Plan. The plan includes three office buildings of five stories one of them with 100,000 sf and two with 50,000 sf each. A parking garage of 4 floors with 800 parking spaces was included. The parking garage is a separate structure with direct access to it from the linked west and north access streets.

HIGHEST AND BEST USE (Cont)

I was also provided with a letter from Kimley-Horn, dated 8/8/07, that confirmed the analysis from the Parsons report; however according to the Kimley-Horn report it is more reasonable to expect that 160,000 sf of office space could legally be developed on the subject site as well as parking garage to satisfy a parking requirement of 640 spaces. I relied on the Kimley-Horn report, which can be found in the addendum of this report.

PHYSICALLY POSSIBLE USE:

The fact that office buildings have been developed on surrounding sites is evidence that the use is possible. The size, shape and topography are supportive of development.

MARKETABLE AND FEASIBLE USE:

I arrived at a prospective value of $12,300,000. This can be found in the sales comparison approach section of this report. The following section is merely a test of reasonableness of this value. In order to test the reasonableness of the land value (found later in this report) I estimated the completed office complex value less the cost of constructing the complex. This is merely a test of the conclusions arrived at of the estimated land value in the sales comparison approach, and not a direct valuation technique.

I made the following six points in the neighborhood discussion that directly relate to the feasibility of developing the subject property:

1. Investors that were driving rates of appreciation in residential have migrated to other product types such as office.
2. The national office market has seen a decline in vacancy rates and an increase in rents over the past year.
3. In 2006 there were 2.2 million square feet that were leased in the Fort Lauderdale Suburbs.
4. Submarkets such as Miami, Boca Raton and West Palm Beach have seen declining vacancy rates, increasing rental rates and price appreciation.
5. Fort Lauderdale saw positive absorption during the first quarter of 2007 resulting in overall vacancy rates dipping to 12.9% in the CBD and 9.2% in the suburbs.
6. The Archon Group purchased the 121,207 sf Radice Corporate Center II for about $225/sf within the subject neighborhood. This is an older building (20-25 years) that probably had deferred maintenance issues and wasn't fully occupied. In nearby Boca Raton the 201,000-square-foot Tyco Tower sold to MetLife for $296.00 per square foot. This also was a 21 year old building. And in Miami, Tishman Speyer purchased Courvoisier Centre, a Class-A, two-building, 335,000-squarefoot mixed-use complex located on Brickell Key for an estimated $458.00 per square foot.

In addition to this there is at least one building in Boca Raton (which is considered a competitive office market to the subject neighborhood) that is currently being developed and is 100% pre-leased.

HIGHEST AND BEST USE (Cont)

In order to test the feasibility of developing the subject property with an office building I conducted a residual analysis to determine the residual land value based upon constructing an office development and considering a reasonable entrepreneurial profit of 12.5%. Considering the Boca Raton office market is considered comparable to the subject neighborhood and that Brickell Key is superior to the subject location it is reasonable to presume that a new building constructed in the subject neighborhood would have a market value of $350/sf. I've estimated direct costs at $175.47/sf and indirect costs at $36.80/sf for a total of $212.27/sf. In addition to this I've estimated the cost of a 406 space parking garage at $3,654,000 and 234 surface parking spaces at $936,000. Costs were estimated based upon a review of Marshall & Swift Cost Manuals. In addition to this I consulted with John Yanoviak, a Civil Engineer and Cost Estimator with Coral Tech Associates, Inc. According to Mr. Yanoviak the cost per space for a parking garage similar to other parking garages found (with similar finishes) within the subject neighborhood would be about $9,000 per parking space. I also added $270,000 to the preliminary development costs to account for concurrency costs and be consistent with the deduction of $270,000 made in the Sales Comparison Approach.

Entrepreneurial profit was estimated at 12.5%, which is considered a reasonable and adequate entrepreneurial profit for this type of project. Based upon this analysis the Land value was calculated at $11,284,000 (rounded) is within about 8.25% of the prospective value estimated within the Sales Comparison Approach at $12,300,000. This is in line with and supportive of the value calculated in the Sales Comparison Approach as will be shown in the balance of this report. See chart on next page.

I calculated a rent loss at $1,040,000. This was deducted from the prospective market value to account for the period required to lease up the buildings. The rent loss was calculated as follows:

Discounted Cash Flow Analysis - Rent Loss Calculation

	1	2	3	4	5	6	7	8	9	10	11	12
Total Stabilized Square Feet	144,000	144,000	144,000	144,000	144,000	144,000	144,000	144,000	144,000	144,000	144,000	144,000
Square Feet Absorbed	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000
Total Sq. Ft. Absorbed	12,000	24,000	36,000	48,000	60,000	72,000	84,000	96,000	108,000	120,000	132,000	144,000
Square Feet Vacant	132,000	120,000	108,000	96,000	84,000	72,000	60,000	48,000	36,000	24,000	12,000	0
Market Rent	$1.36	$1.36	$1.36	$1.36	$1.36	$1.36	$1.36	$1.36	$1.36	$1.36	$1.36	$1.36
Rent Loss	$179,300	$163,000	$146,700	$130,400	$114,100	$97,800	$81,500	$65,200	$48,900	$32,600	$16,300	$0

Total Office Space	160,000
Stabilized at 90% Occupancy	144,000
Annual Market Rent/Sq. Ft.	$16.30
Monthly Market Rent/Sq. Ft.	$1.36
Net Present Value	$1,041,734
Net Present Value (Rounded)	$1,040,000
Interest Rate (Annual)	9.00%
Interest Rate (Monthly)	0.75%

HIGHEST AND BEST USE (Cont)

Preliminary Development Feasibility

Residual Analysis - Subject (12.5% Entrepreneurial Profit)

No. of Units:	1	Parking Garage	
Saleable SF:	160,000	Number of Spaces	406
Average SF/Unit:	160,000	Cost Per Space	$9,000
		Total Cost of Garage	$3,654,000
		Surface Parking	234
		Cost Per Space	$4,000
		Total Cost of Surface Parking	$936,000
		Total Parking Cost	$4,590,000

	Office Bldg Scenario
I. Prospective Market Value Upon Completion	
Average Price/SF	$350
Average Price/Unit	$56,000,000
Gross Sellout (Sum of the Individual Retail Sales prior to Deduction for Sales Expenses/ Holding Costs and Discount to Present Value)	$56,000,000
Less: Sales Expenses/Holding Costs (N/A)	0
Net Sellout	$56,000,000
Less: Discount-Absorption/Closing (N/A)	1,040,000
Discounted Value to a Single Purchaser (Office Bldg)	$54,960,000
Plus: Market Value - Commercial Retail Component	0
Prospective Market Value Upon Completion	$54,960,000
II. Preliminary Development Cost	
Direct Costs*	$28,075,200
Indirect Costs**	$5,888,000
Total Direct/Indirect Costs***	$33,963,200
Plus Concurrency Fees	$270,000
Plus Parking Garage Costs	$4,590,000
Total Direct/Indirect Costs & Garage	$38,823,200
Plus Entrepreneurial Profit at 12.5%	$4,852,900
Total Development Cost	$43,676,100
III. Summary	
Prospective Market Value Upon Completion	$54,960,000
Less: Development Cost	-$43,676,100
Residual Land Value	$11,283,900
Residual Land Value Per Sq. Ft.	$44.59

* Office is at	$175.47
**Office is at	$36.80
*** Totals are	$212.27

HIGHEST AND BEST USE (Cont)

Based upon this analysis there does appear to be sufficient demand as it compares to supply for construction of an office development on the subject property. Although additions to supply and space reductions by various tenants resulted in minor negative net absorption levels in both Miami and Palm Beach during the first quarter of 2007, Fort Lauderdale posted positive absorption during that time period. As a result, its overall vacancy rate dipped to 12.9% in the CBD and 9.2% in the suburbs. Fort Lauderdale's performance has sparked new construction and investor interest. Furthermore the subject location benefits from its location adjacent to a Tri-Rail station. Very few office building locations have the unique benefit of being right at a Tri-Rail stop.

MOST PROBABLE AND HIGHEST AND BEST USE AS VACANT:

I can find no other use that would support a greater residual to the land than office development. Therefore the most probable and highest and best use of the subject property as if vacant is as office.

VALUATION PROCESS

The valuation process begins with identification of the appraisal problem and ends with reporting a conclusion to the client. Each appraisal is unique and the process involves various specific steps, the number of which depends on the nature of the assignment and the availability of data.

The ultimate goal is a well-supported value conclusion that reflects all the factors influencing the market value of the property being appraised. Traditional appraisals involve three approaches that are applied to derive value indications.

- The cost approach is based on the principle of opportunity cost, or substitution. The premise of the cost approach is that the value of a property is highly affected by the cost to develop a property of equal utility. It is effective in valuing new improvements and properties not frequently exchanged in the market. In this approach a separate land value is added to the current cost to construct the improvements. Entrepreneurial profit is added. From this estimated depreciation and obsolescence from all causes is deducted. *The subject property is vacant land. The cost approach is therefore not applicable.*

- The sales comparison approach is also based on the principle of substitution. The premise of the sales comparison approach is that the value of a property is directly related to the prices of substitute comparable properties. This approach is useful when data concerning recently sold or currently offered properties similar to the subject property are available. Data are adjusted to reflect the difference between the comparable sales and the subject property. *This is the appropriate approach to valuing vacant land such as the subject, and will therefore be the approach relied upon in this appraisal report.*

- The income capitalization approach is based on the principle of anticipation. The premise of the income approach is that value is created by the expectation of future benefits (income) produced by a property. This approach is effective for income-producing properties and when market data are available. A property's income streams and its resale value upon reversion may be capitalized into a present, lump-sum value. *The subject property is vacant land. The income approach is therefore not applicable.*

The three approaches are interrelated with each requiring collection and analysis of income, sales, and cost data relevant to the assignment. Each approach provides an indication of value, however one or more may not be reliable or may be less reliable based on the assignment, availability of data, or needs of the client.

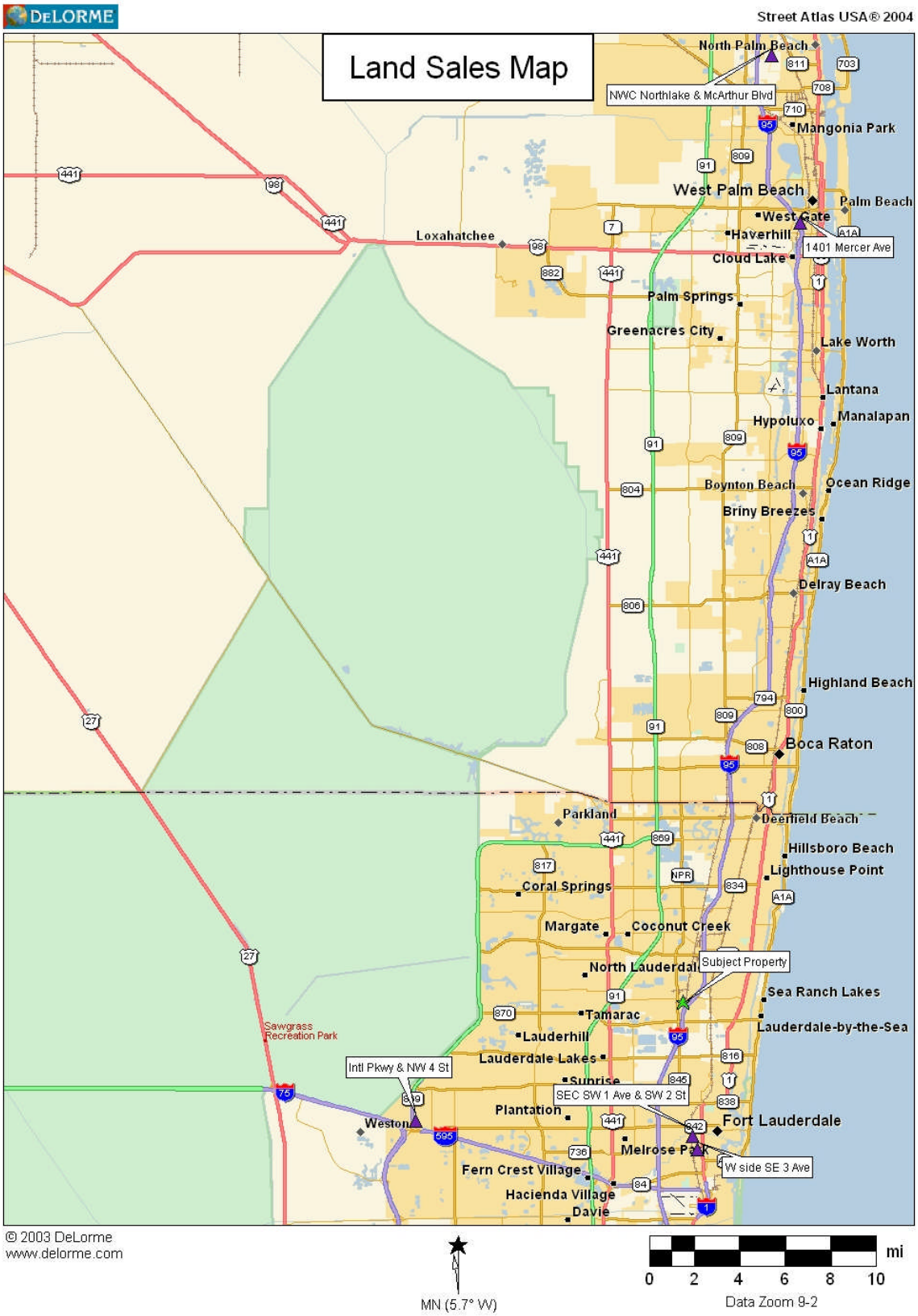
The valuation process is complete when the appraiser reconciles the value indications into a single dollar figure or value range. In this process the reliability of the approaches and applicability to the property being appraised is discussed, if more than one approach is relied upon.

SALES COMPARISON APPROACH

INTRODUCTION:

The Sales Comparison Approach relies on the analysis and comparison of the characteristics of sales of properties most comparable to the subject. The objective of this approach is to recognize the similarities and the differences between the characteristics of the sale and those of the subject. In this way, I can estimate the price for which the comparable property would have sold had it possessed characteristics identical to those of the subject at the time of sale.

The sales of properties most comparable to the subject are the ones most desirable to analyze since they will present the strongest evidence of value for the subject.


DeLORME
Street Atlas USA® 2004
Land Sales Map
North Palm Beach
NWC Northlake & McArthur Blvd
Mangonia Park
West Palm Beach
Palm Beach
West Gate
Haverhill
1401 Mercer Ave
Cloud Lake
Loxahatchee
Palm Springs
Greenacres City
Lake Worth
Lantana
Hypoluxo
Manalapan
Boynton Beach
Ocean Ridge
Briny Breezes
Delray Beach
Highland Beach
Boca Raton
Parkland
Deerfield Beach
Hillsboro Beach
Lighthouse Point
Coral Springs
Margate
Coconut Creek
North Lauderdale
Subject Property
Sea Ranch Lakes
Tamarac
Lauderdale-by-the-Sea
Lauderhill
Sawgrass Recreation Park
Lauderdale Lakes
Intl Pkwy & NW 4 St
Sunrise
SEC SW 1 Ave & SW 2 St
Plantation
Weston
Fort Lauderdale
Melrose Park
W side SE 3 Ave
Fern Crest Village
Hacienda Village
Davie
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Data Zoom 9-2

Land Sale No. 1

Property Identification

Record ID	1349
Property Type	Industrial, Office
Property Name	Vacant Commercial
Address	SEQ International Pkwy & NW 4 St, Sunrise, Broward County, Florida 33325
Location	SEQ International Pkwy & NW 4 St
Tax ID	49-40-34-03-0029
Legal Description	Sawgrass International Corporate Park; See tax Card

Land Sale No. 1 (Cont.)

Sale Data	
Grantor	Sawgrass PDC, LLC
Grantee	The Noran Company
Sale Date	February 21, 2007
Deed Book/Page	43657/2000
Recorded Plat	137-28
Property Rights	Fee Simple
Conditions of Sale	Arm's Length
Financing	Cash to Seller
Verification	David Duckworth/Broker; 954-938-1806, June 29, 2007; Confirmed by Ken Cavaliere
Sale Price	$3,700,000
Cash Equivalent	$3,700,000
Land Data	
Zoning	I-1, Industrial
Topography	Level and at road grade
Utilities	All to the site
Land Size Information	
Gross Land Size	3.959 Acres or 172,454 SF
Indicators	
Sale Price/Gross Acre	$934,580
Sale Price/Gross SF	$21.45

Remarks

This property is located at the SEQ International Pkwy & NW 4 St in the Sawgrass International Corporate Park in Sunrise. The buyer is an Owner/User who plans to build a 50,000 sf office/warehouse building on the property which is in compliance with the current zoning. There were no plans or approvals sold with the property. Utility hook-ups are nearby. The land price per square foot of building (to be built) is $74/sf.

Land Sale No. 2

Property Identification

Record ID	1348
Property Type	Commercial, Office
Property Name	Sea Gate Plaza
Address	229 SE 9 St, Fort Lauderdale, Broward County, Florida 33316
Location	W side SE 3 Ave, between SE 9 St & SE 8 St.
Tax ID	Multiple/See Remarks

Land Sale No. 2 (Cont.)

Sale Data	
Grantor	Multiple Sellers
Grantee	Sea Gate Land Ventures I, LLC
Sale Date	September 25, 2006 Also 11/16/2006
Property Rights	Fee Simple
Conditions of Sale	Arm's Length
Financing	Cash to Seller's
Verification	Brian Merritt/Buyer; 941-955-2424, July 05, 2007; Irv Gitlin/Buyer/Finance Dir. , 941-955-2424, July 05, 2007; Confirmed by Ken Cavaliere. Also Irv Gitlin by Edward Ames on 9/12/07
Sale Price	$4,836,800 Total Assemblage
Cash Equivalent	$4,836,800
Land Data	
Zoning	City Center District, RAC CC
Topography	Level and at road grade
Utilities	All to the site
Land Size Information	
Gross Land Size	1.427 Acres or 62,158 SF
Indicators	
Sale Price/Gross Acre	$3,389,604
Sale Price/Gross SF	$77.81

Remarks

This property is located on the W side SE 3 Ave, between SE 9 St & SE 8 Street in Fort Lauderdale. This sale was an assemblage of multiple lots that occurred in September & November, 2006. The first sale is listed on Bk/Pg 42851/749, which included property folio numbers 50-42-10-28-0880/0910/0940. The second sale is listed on Bk/Pg 42851/741, which included the same property folio numbers of the first sale because each deed was a 50% interest. The third sale is listed on Bk/Pg 42851/738, which is property folio number 50-42-10-28-0870. The fourth sale is listed on Bk/Pg 42851/746, which is property folio number 50-42-10-28-0900. The fifth sale is listed on Bk/Pg 42851/743, and is property folio numbers 50-42-10-28-0901/0960. The sixth sale is listed on Bk/Pg 43174/266, and was property folio number 50-42-10-1G-0020. The assemblage totals $4,836,800, or $77.81 per/sf for a combined 1.43 acres. As of the date of verification the owners were in the approval process for a 200,000 sf office building that would have 152,000 sf of leasable office space and a 460 space parking garage. The total area of the parking garage is estimated at 142,600 sf (including turnaround area the average per space is estimated at 310 sf). The total gross building area including parking is therefore 342,600 sf. The land price per square foot of building (to be built) is $14.12/sf of gross building area or $31.82/sf of net building area.

Land Sale No. 3

Property Identification

Record ID	1256
Property Type	Commercial, Office
Property Name	Medical Professional Office Land
Address	NWC Northlake Blvd & Mc Arthur Blvd, Palm Beach Gardens, Palm Beach County, Florida 33403
Location	I-95 to Northlake Blvd, E about 3/4 of a mile to Mc Arthur Blvd
Tax ID	52-43-42-18-19-002-0020
Legal Description	South Florida Blood Bank, Lot 2

Land Sale No. 3 (Cont.)

Sale Data	
Grantor	AFO Holdings, LLC
Grantee	Normac Development, LLC
Sale Date	February 21, 2006
Deed Book/Page	19972-0565
Recorded Plat	106-197
Property Rights	Fee Simple
Conditions of Sale	Arm's length
Financing	Cash to Seller
Verification	Gary Gottlieb, Grantee; 561-655-4100, July 07, 2006; Confirmed by Edward Ames
Sale Price	$3,700,000
Cash Equivalent	$3,700,000
Land Data	
Zoning	PCD, Planned Commercial District
Topography	Level and at or above road grade.
Utilities	All utilities at or near the site.
Land Size Information	
Gross Land Size	3.932 Acres or 171,278 SF
Planned Units	50,000
Actual/Planned Building SF	50000
Indicators	
Sale Price/Gross Acre	$940,997
Sale Price/Gross SF	$21.60
Sale Price/Planned Units	$74
Sale Price/Planned Bldg. SF	$74.00

Remarks

This property is located at the NWC Northlake Blvd & Mc Arthur Blvd. The buyers intend to develop the site with 50,000 sf of medical office space. The site was the last remaining piece of a planned commercial development (PCD). Since it was part of a PCD it had a rough site plan and it had concurrency (trips, etc.); however it did not sell with a set of plans. At 50,000 sf the buyers are planning about 12,716 sf per acre or a land to building ratio of 3.43:1. The land price per square foot of building (to be built) is $74/sf.

The buyers are expecting to be out of the City with approvals by the end of August 2006. They are currently about 50% done with their construction documents. They expect to have permits by the end of 2006. They expect to have the buildings completed and CO'd by the end of 2007.

Land Sale No. 4

Property Identification

Record ID	1352
Property Type	Commercial, Office
Property Name	200 Brickell
Address	200 SW 1 Ave, Fort Lauderdale, Broward County, Florida 33301
Location	SEC SE 2 St & SE 1 Ave
Tax ID	50-42-10-01-2740
Legal Description	Ft.Lauderdale B-40; See tax card

Land Sale No. 4 (Cont.)

Sale Data

Grantor	Arline Sterling Norman
Grantee	200 Brickell, LTD
Sale Date	May 05, 2005
Deed Book/Page	39588/714
Recorded Plat	B-40
Property Rights	Fee Simple
Conditions of Sale	Arm's Length
Financing	Cash to Seller
Verification	David Shannon/Finance/Buyer; 954-627-9300, July 06, 2007; Confirmed by Ken Cavaliere
Sale Price	$6,400,000
Cash Equivalent	$6,400,000
Upward Adjustment	$350,000 Demolition
Adjusted Price	$6,750,000

Land Data

Zoning	RAC CC, City Center District
Topography	Level and at road grade
Utilities	All to the site

Land Size Information

Gross Land Size	0.974 Acres or 42,441 SF
Actual/Planned Building SF	204037

Indicators

Sale Price/Gross Acre	$6,568,742 Actual or $6,927,971 Adjusted
Sale Price/Gross SF	$150.80 Actual or $159.04 Adjusted
Sale Price/Planned Bldg. SF	$31.37 Actual or $33.08 Adjusted

Remarks

This property is located on the SEC SE 2 St & SE 1 Ave or 200 Las Olas Circle (the building is named 200 Brickell) in Fort Lauderdale. A state of the art class "A" 17-story office building with parking garage under construction and nearing completion on this site. The land price per square foot of building (to be built) is $32.94/sf of gross building area.

Land Sale No. 5

Property Identification

Record ID	1350
Property Type	Commercial, Office
Property Name	Clear Lake View Office
Address	1401 Mercer Avenue, West Palm Beach, Palm Beach County, Florida 33409
Location	W side Mercer Ave, 630' N Old Okeechobee Rd
Tax ID	74-43-43-28-14-000-0111
Legal Description	Lengthy; See tax card

Land Sale No. 5 (Cont.)

Sale Data	
Grantor	DJDW, LLC
Grantee	Clear Lake View, LLC
Sale Date	April 27, 2005
Deed Book/Page	18507/1133
Property Rights	Fee Simple
Conditions of Sale	Arm's Length
Financing	Cash to Seller
Verification	Jonathan Gladstone/Owner; 561-835-4800, July 02, 2007; Confirmed by Ken Cavaliere
Sale Price	$2,750,000
Cash Equivalent	$2,750,000
Land Data	
Zoning	CPDD, Commercial Planned Development
Topography	Level and at road grade
Utilities	All to the site
Land Size Information	
Gross Land Size	1.700 Acres or 74,053 SF
Actual/Planned Building SF	77670
Indicators	
Sale Price/Gross Acre	$1,617,625
Sale Price/Gross SF	$37.14
Sale Price/Planned Bldg. SF	$35.41

Remarks

This property is located on the W side Mercer Ave 630' N Old Okeechobee Rd in West Palm Beach. The site was not sold with plans, but did have a concurrency approval in place. The current owner has it approved with plans for a 77,670 sf office or hotel building and plans to put the property up for sale soon once an asking price is determined. The land price per square foot of building (to be built) is $35.41/sf of gross building area.

COMPARABLE LAND SALES SUMMARY TABLE

No.	Location	Sale Date	Price	Size in SF	Price/ SF
1.	SEQ International Pkwy & NW 4 St	February 21,2007	$3,700,000	172,454	$21.45
2.	229 SE 9 St	September 25,2006	$4,836,800	62,158	$77.81
3.	NWC Northlake Blvd & Mc Arthur Blvd	February 21,2006	$3,700,000	171,278	$21.60
4.	200 SW 1 Ave	May 05,2005	$6,750,000	42,441	$159.04
5.	1401 Mercer Avenue	April 27,2005	$2,750,000	74,053	$37.14

Land Sale No 1 is located at the SEQ International Pkwy & NW 4 St in the Sawgrass International Corporate Park in Sunrise. The buyer is an Owner/User and plans to build a 50,000 sf office/warehouse building on the property which is in compliance with the current zoning. There were no plans or approvals sold with the property. Utility hook-ups are nearby.

Land Sale No 2 is located on the W side SE 3 Ave, between SE 9 St & SE 8 Street in Fort Lauderdale. This sale was an assemblage of multiple lots that occurred in September & November, 2006. The first sale is listed on Bk/Pg 42851/749, which included property folio numbers 50-42-10-28-0880/0910/0940. The second sale is listed on Bk/Pg 42851/741, which included the same property folio numbers of the first sale because each deed was a 50% interest. The third sale is listed on Bk/Pg 42851/738, which is property folio number 50-42-10-28-0870. The fourth sale is listed on Bk/Pg 42851/746, which is property folio number 50-42-10-28-0900. The fifth sale is listed on Bk/Pg 42851/743, and is property folio numbers 50-42-10-28-0901/0960. The sixth sale is listed on Bk/Pg 43174/266, and was property folio number 50-42-10-1G-0020. The assemblage totals $4,836,800, or $77.81 per/sf for a combined 1.43 acres. As of the date of verification the owners were in the approval process for a 200,000 sf office building that would have 152,000 sf of leasable office space and a 460 space parking garage. The total area of the parking garage is estimated at 142,600 sf (including turnaround area the average per space is estimated at 310 sf). The total gross building area including parking is therefore 342,600 sf. The land price per square foot of building (to be built) is $14.12/sf of gross building area or $31.82/sf of net building area.

Land Sale No 3 is located at the NWC Northlake Blvd & Mc Arthur Blvd. The buyers intend to develop the site with 50,000 sf of medical office space. The site was the last remaining piece of a planned commercial development (PCD). Since it was part of a PCD it had a rough site plan and it had concurrency (trips, etc.); however it did not sell with a set of plans. At 50,000 sf the buyers are planning about 12,716 sf per acre or a land to building ratio of 3.43:1.

Land Sale No 4 is located on the SEC SE 2 St & SE 1 Ave or 200 Las Olas Circle (the building is named 200 Brickell) in Fort Lauderdale. A state of the art class "A" 17-story office building with parking garage is under construction and nearing completion on this site.

SALES COMPARISON APPROACH (Cont)

Land Sale No 5 is located on the W side Mercer Ave 630' N Old Okeechobee Rd in West Palm Beach. The site was not sold with plans, but did have a concurrency approval in place. The current owner has it approved with plans for a 77,670 sf office or hotel building and plans to put the property up for sale soon once an asking price is determined.

SALES COMPARISON APPROACH (Cont)

Discussion of Adjustment Considerations

In this analysis, I considered differences between the sales and the subject in terms of property rights sold, financing, conditions of sale, market conditions (trend or time adjustment), location, size, shape and condition. Because the properties vary in size, I used a standardized unit of measure, the price per unit, as a basis for comparison. The sales chart shows only those categories where there were differences between the sales and the subject.

Land Sales Adjustment Chart

Sale Number	Subject	Sale 1	Sale 2	Sale 3	Sale 4	Sale 5
Record ID		1349	1348	1256	1352	1350
Name	Cypress	Office Land	Office Land	Medical Office Land	Office Land	Office Land
Location	Powerline Rd	SEQ Intnl Pkwy	229 SE 9 St	NWC Northlake Blvd	SEC SE 2 St	1401 Mercer Ave
A.k.a.	& Cypress	& NW 4 St		& Mc Arthur Blvd	& SE 1 Ave	
City, County	Ft. Laud., Brwd.	Sunrise, Broward	Ft. Laud., Brwd.	PBG, PBC	Ft. Laud., Brwd.	WPB, Palm Bch
Date of Sale		21-Feb-07	25-Sep-06	21-Feb-06	5-May-05	27-Apr-05
Conditions of Sale		Arm's length	Arm's length	Arm's length	Arm's length	Arm's length
Sale Price		$3,700,000	$4,836,800	$3,700,000	$6,400,000	$2,750,000
Adj on Profile Sheet		$0	$0	$0	$350,000	$0
Sale Price		$3,700,000	$4,836,800	$3,700,000	$6,750,000	$2,750,000
Planned Gross Building Size (Sq. Ft.)	358,400	50,000	342,600	50,000	204,913	77,670
Planned Net Building Size (Sq. Ft.)	160,000	50,000	152,000	50,000	204,913	77,670
Land Size (Sq. Ft.)	253,084	172,454	62,158	171,278	42,441	74,053
Land Size (Acres)	5.81	3.96	1.43	3.93	0.97	1.70
Price per Sq. Ft. Bldg (Gross Bldg)		$74.00	$14.12	$74.00	$32.94	$35.41
Price per Sq. Ft. Bldg (Net Bldg)		$74.00	$31.82	$74.00	$32.94	$35.41
Price per Sq. Ft. Land-just sale price		$21.45	$77.81	$21.60	$150.80	$37.14
Price per Sq. Ft. with expend aft sale		$21.45	$77.81	$21.60	$159.04	$37.14
Land to Building Ratio	0.71	3.45	0.18	3.43	0.21	0.95
Density (Gross Bldg Sq. Ft./Acre)	61,687	12,629	240,092	12,716	210,316	45,688
Density (Net Bldg Sq. Ft./Acre)	27,539	12,629	106,521	12,716	210,316	45,688
Market Conditions		$67,319	$186,082	$252,319	$728,438	$299,826
Adjusted Price		$3,767,319	$5,022,882	$3,952,319	$7,478,438	$3,049,826
Adjusted Price per Acre		$951,584	$3,520,010	$1,005,167	$7,675,614	$1,793,991
Adjusted Price per Sq. Ft.		$21.85	$80.81	$23.08	$176.21	$41.18
Property Rights Conveyed		0.00%	0.00%	0.00%	0.00%	0.00%
Property Rights Adjustment		$0	$0	$0	$0	$0
Adjusted Price		$3,767,319	$5,022,882	$3,952,319	$7,478,438	$3,049,826
Adjusted Price per Acre		$951,584	$3,520,010	$1,005,167	$7,675,614	$1,793,991
Adjusted Price per Sq. Ft.		$21.85	$80.81	$23.08	$176.21	$41.18
Location Adjustment (Percent Adj)		0.00%	0.00%	0.00%	-20.00%	0.00%
Location Adjustment (Dollar Adj)		$0	$0	$0	-$1,495,688	$0
Adjusted Price		$3,767,319	$5,022,882	$3,952,319	$5,982,750	$3,049,826
Adjusted Price per Acre		$951,584	$3,520,010	$1,005,167	$6,140,491	$1,793,991
Adjusted Price per Sq. Ft.		$21.85	$80.81	$23.08	$140.97	$41.18
Size Adjustment (Percent Adj)		0.00%	0.00%	0.00%	0.00%	0.00%
Size Adjustment (Dollar Adj)		$0	$0	$0	$0	$0
Adjusted Price		$3,767,319	$5,022,882	$3,952,319	$5,982,750	$3,049,826
Adjusted Price per Acre		$951,584	$3,520,010	$1,005,167	$6,140,491	$1,793,991
Adjusted Price per Sq. Ft.		$21.85	$80.81	$23.08	$140.97	$41.18
Shape Adjustment (Percent Adj)		0.00%	0.00%	0.00%	0.00%	0.00%
Shape Adjustment (Dollar Adj)		$0	$0	$0	$0	$0
Adjusted Price		$3,767,319	$5,022,882	$3,952,319	$5,982,750	$3,049,826
Adjusted Price per Acre		$951,584	$3,520,010	$1,005,167	$6,140,491	$1,793,991
Adjusted Price per Sq. Ft.		$21.85	$80.81	$23.08	$140.97	$41.18
Condition Adjustment (% Adj)		0.00%	0.00%	0.00%	0.00%	0.00%
Condition Adjustment (Dollar Adj)		$0	$0	$0	$0	$0
Adjusted Price		$3,767,319	$5,022,882	$3,952,319	$5,982,750	$3,049,826
Adjusted Price per Acre		$951,584	$3,520,010	$1,005,167	$6,140,491	$1,793,991
Adjusted Price/Sq. Ft. Land		$21.85	$80.81	$23.08	$140.97	$41.18
Adjusted Price/Sq. Ft. Gross Bldg		$75.35	$14.66	$79.05	$29.20	$39.27
Adjusted Price/Sq. Ft. Net Bldg		$75.35	$33.05	$79.05	$29.20	$39.27

SALES COMPARISON APPROACH (Cont)

Property Rights Conveyed:

The sales were conveyed in fee simple title. Therefore, no adjustment for this line item is made.

Financing:

Financing had no effect on price in any of the sales and therefore, no adjustments were made. All sales were cash to the seller.

Conditions of sale

All sales were arm's length transactions and therefore didn't require any adjustment for conditions of sale.

Market Conditions:

I estimated the market conditions adjustment (time adjustment) in this appraisal analysis at 5%/year as discussed in the price trends section of the Neighborhood Discussion of this report.

Location:

The comparables are divided into two groups: sales in the central business district (CBD) such as downtown Fort Lauderdale, and sales in the suburbs. The subject is located within a suburban office district as are sales 1-3 and sale 5. While these comparables are not all located within the same suburban office district as the subject they are in similar areas and command similar rents. Furthermore the purchaser of this product would likely consider any of these locations or at least not distinguish between them.

Sale 4 is located within the downtown Fort Lauderdale CBD. This location is considered superior to the subject and is expected to command higher rents than the subject location. According to the First Quarter 2007 Office Market Trends Broward County report by Grubb & Ellis Research the difference between CBD and Suburban class A Office Rents is about 20% (rounded).

Broward County Asking Rents		
Full Service Class A	CBD	$33.78
Full Service Class A	Suburbs	$27.42
Percent Difference		18.83%

Source: Office Market Trends Broward County
Grubb & Ellis Research, First Quarter 2007

I have therefore adjusted sale 4 downward 20% for location. Another factor affecting the locations of the sales verses the subject is the amount of density that can be developed on each site. I have considered density of each of the sales at the end of this analysis.

SALES COMPARISON APPROACH (Cont)

Size:

The sales range from about 1 acre to 4 acres. The subject at 5.81 acres is above the range of the sales. I found no evidence for a difference due to size. Therefore no adjustment is made for size.

Shape:

There was no apparent difference found for shape. More importantly all of the sales appear that they could be developed with functional office buildings. Therefore no adjustment is made for shape.

Final Adjusted Sales Price:

The sales range from $951,584 per acre to $6,140,491 per acre or from $21.85/sf to $140.97/sf or from $29.20/sf of gross building area to $79.05/sf of gross building area. The subject with a density of 61,687 buildable square feet per acre is closest to sale 5 with density of 45,688 buildable square feet per acre.

Sale Number	Size (Acres)	Density	Adj Price per Acre	Adj Price/Sf Land	Adj $/sf Gross Bldg	Adj $/sf Net Bldg
Sale 1	3.96	12,629	$951,584	$21.85	$75.35	$75.35
Sale 3	3.93	12,716	$1,005,167	$23.08	$79.05	$79.05
Sale 5	1.70	45,688	$1,793,991	$41.18	$39.27	$39.27
Subject	**5.81**	**61,687**	**N/A**	**N/A**	**N/A**	**N/A**
Sale 2	1.43	240,092	$3,520,010	$80.81	$14.66	$33.05
Sale 4	0.97	210,316	$6,140,491	$140.97	$29.20	$29.20

All of the sales fall within a range based upon density and support and estimate between sales 5 and 2. Considering that the subject is closest to sale 5, I've estimated the subject as follows:

Subject Value (Sq. Ft. of Land)	253,084 Sq. Ft.	X	$50.00	=	$12,654,200
				Rounded	**$12,650,000**
Subject Value (Unit)	5.81 Acres	X	$2,100,000	=	$12,201,019
				Rounded	**$12,200,000**
Subject Value (Sq. Ft. of Gross Bldg)	358,400 Sq. Ft.	X	$35.00	=	$12,544,000
				Rounded	**$12,540,000**
Final Subject Value					**$12,463,333**
				Rounded	**$12,500,000**

Deduct for Concurrency:

As previously mentioned I spoke with Marty Berger, Broward County Development Review Services, regarding traffic concurrency. According to Mr. Berger a traffic concurrency fee will have to be paid to develop the subject property. He estimates the worst case scenario is that this fee will be $284,000 to develop the site with 160,000 square feet of office space. According to Mr. Berger this fee will be dropping to $246,000 as of October 1, 2007.

I discussed with Mr. Berger that the subject property is located abutting the Cypress Creek Tri-Rail Station and that any office development on this site would take advantage of the proximity to Tri-Rail. Consequently trips would be reduced since a percentage of office workers in this development would utilize Tri-Rail. Mr. Berger said that the property would most likely get a 10% credit off of the above

quoted fees because of its location next to Tri-Rail. Furthermore this credit could be more depending upon how the office development is designed to take advantage of the Tri-Rail Station. Based upon this I have conservatively estimated a fee of $220,000 (rounded). In addition to this I estimated an additional $50,000 for incidental items and costs related to the process for the approval process of all 5 subheading concurrency items. Therefore I have deducted a total of $270,000 for concurrency as follows:

Prospective Value	$12,500,000
Traffic Concurrency Fees	$220,000
Adjusted Prospective Value	$12,280,000
Adjusted Prospective Value (Rounded)	$12,300,000

Discounted Cash Flow Analysis:

The value calculated above presumes the subject property has approvals to develop with office. As previously discussed in this report the subject property is currently zoned Industrial. According to the report by Kimley-Horn found in the addendum of this report the time frame for the review process with the city of Fort Lauderdale is typically a minimum of eight months. We have estimated 12 months to account for any delays.

I have estimated real estate taxes at 2.5% of market value or $307,500. Taxes in Broward County typically range from 2% to 2.5%. Professional fees are estimated at $5,000 per month or $60,000 for the year, which is in addition to the $50,000 I've already deducted above for incidental items relating to concurrency and the $220,000 for traffic impact fees. The discount rate is estimated at 9% per year.

Discounted Cash Flow Analysis

	1	2	3	4	5	6	7	8	9	10	11	12
Market Value (Sales Price)												$12,300,000
Taxes												$307,500
Professional Fees	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000
Total Expenses	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$312,500
Cash Flow	-$5,000	-$5,000	-$5,000	-$5,000	-$5,000	-$5,000	-$5,000	-$5,000	-$5,000	-$5,000	-$5,000	$11,987,500

Net Present Value	$10,906,827
Net Present Value (Rounded)	$10,900,000
Interest Rate (Annual)	9.00%
Interest Rate (Monthly)	0.75%

RECONCILIATION AND FINAL VALUE ESTIMATE

Reconciliation is the application of the process of evaluating alternative conclusions and selecting from the indicators of value derived from each of the approaches utilized in the appraisal problem to arrive at a final estimate of value. The relative significance, applicability and defensibility of the indication of value derived from each approach is weighed, and most weight and reliance is placed upon the approach which, in this appraiser's professional judgment best approximates the value being sought in the appraisal.

SALES COMPARISON APPROACH VALUE ESTIMATE:

Approach to Value	Date	Value
Sales Approach		
As Is Value	7/2/2007	$10,900,000
Prospective Value	7/2/2008	$12,300,000

This is the appropriate approach to valuing vacant land such as the subject, and will therefore be the approach relied upon in this appraisal report.

COST APPROACH TO VALUE:

Cost Approach	N/A	N/A

The subject property is vacant land. The cost approach is therefore not applicable.

INCOME APPROACH TO VALUE:

Income Approach	N/A	N/A

The Income Approach to Value is a reliable indication of value for income producing properties. *The subject property is vacant land. The income approach is therefore not applicable.*

FINAL VALUE ESTIMATES:

Greatest reliance is placed upon the sales comparison approach with additional support from the income approach. Therefore, my opinion of the market value of the subject was rounded to:

Reconciled Values	**Date**	**Value**
As Is Value	**7/2/2007**	**$10,900,000**
Prospective Value	**7/2/2008**	**$12,300,000**

ADDENDUM

BROWARD COUNTY AREA DISCUSSION

DEVELOPMENT ENVIRONMENT

Location: Broward County was incorporated in 1915 and was formed from the two adjacent counties, Dade County to the south and Palm Beach County to the north. The original dividing line between the two counties was located between Commercial Boulevard and Oakland Park Boulevard (Floranada Road in Fort Lauderdale). The county is situated on the southeast coast of Florida between Miami-Dade County to the south, and Palm Beach County to the north. Its eastern border is the Atlantic Ocean, and to the west is Hendry and Collier Counties. It has a total land area of 1,197 square miles; the western 787 square miles encompass the conservation area of the county and is protected from development. The eastern portion of the county consists of some 410 square miles containing 30 municipalities and 23 miles of beachfront, as well as 300 miles of navigable waterways. Fort Lauderdale is the County Seat. The average annual temperature in the county is 74.4 F with a mean winter temperature of 84.2 F. The County averages 62 inches of rainfall each year.

Population: Broward County is the second most populous county in Florida, behind Miami-Dade County. It had an estimated population of 1,777,638 in 2005. Since 1990 Broward County has grown by an average of 2.54% yearly. While the area is a popular settling place for retirees, only one in six residents are aged 65 and older. The largest five-year age group is 35-39 year olds. One in four residents is under 18 years, including nearly 410,000 school-aged children. The County has a racially and ethnically diverse population. In 1990, minorities constituted only 25% of the population. In 2000, that number almost doubled to 42%. The Hispanic and Black population groups have seen the largest growth increasing 163,000 and 139,000 respectively. The Asian population doubled from 1990 to 2000 to 36,000.

BROWARD COUNTY POPULATION							
Year	1999	2000	2001	2002	2003	2004	2005
Population	1,594,130	1,623,018	1,670,494	1,703,998	1,728,336	1,734,734	1,777,638

Income:

BROWARD COUNTY INCOME			
Income	**1990**	**2000**	**Increase**
Per Capita	$17,005	$23,170	36.3%
Median Household	$30,571	$41,691	36.4%
Median Family	$36,801	$50,531	37.3%

Labor Market: Aside from the existing industry base, Broward County is seeking to attract new types of businesses, such as the filmmaking and health care industries. Broward is also taking advantage of its prime location to Central and South American markets, and is focusing on international trade. The Downtown Fort Lauderdale area is equipped with fiber-optic cables and state-of-the-art switching equipment, facilitating instantaneous global communication.

The Broward County economy is moderately diverse; however, it is over-represented in retail, wholesale trade, services and construction but under-represented in manufacturing. Despite efforts to diversify the service-oriented economic base, Broward County continues to rely on its successful tourism industry to generate revenue and employment. Fluctuations in the Tourism Industry make the economy vulnerable during times of recession.

The private sector provides 87% of the jobs in Broward County. The economy is dominated by service industries and retail trade, which account for 54% of jobs and 60% of business units. This percentage has remained constant as the economy has expanded. The public sector provides 13% of the employment in Broward County. These jobs are primarily in the local government sector, with the Broward County School Board and Broward County Government being the two largest employers in the county.

BROWARD COUNTY LABOR MARKET						
Sector	1999	2000	2001	2002	2003	2004
Labor Force	799,069	815,361	852,300	860,005	860,603	899,880
Employment	766,632	784,966	810,667	808,706	811,730	857,899
Unemployment	32,437	30,395	41,633	51,299	55,683	58,233
Unemployment Rate	4.10%	3.70%	4.90%	6.00%	5.70%	4.7%

TRANSPORTATION AND INFRASTRUCTURE

Air: The Fort Lauderdale/Hollywood International Airport was expanded in 1988 and continues to update and modernize its facilities. A $695 –million expansion program is underway at FLL. Highlights include a newly constructed Concourse B in Terminal 1, and a new roadway system. In January 2005, the first phase of a new Rental Car Center opened and now houses most of the rental car companies in one centrally located, convenient location. In mid-2005, the second phase of the Rental Car Center should open and add more than 5,000 new parking spaces. To keep pace with the growing numbers of International travel, FLL's Customs and Immigrations facilities are being expanded to handle twice the existing number of passengers. At year end 2003, international traffic accounted for 7.4% of FLL's total passenger traffic for the year. To round out 2004, in December, international traffic accounted for 10% of total airport passenger traffic. FLL is one of the fastest growing airports in the country, the U.S. Dept. of Transportation reports that FLL's seat capacity is the fastest growing in the U.S. in 2004. FLL handles an average of 585 daily arrivals and departures. In 2004 the airport had 20,819,292 travelers

pass through the facility, up 16.1% over 2003. Located halfway between Miami and Palm Beach County, FLL plays a major role in the economic welfare of the region, contributing more than $2.3 billion into the local economy and employing nearly 31,500 people either directly or indirectly. FLL is a financially self-supporting enterprise of Broward County Government that does not expend tax dollars. Thirty-five scheduled airlines, six air cargo lines, and two charter operators provide service to FLL. Broward County is also home to three smaller airports, including Fort Lauderdale Executive, Pompano Air Park, and North Perry Airport.

Sea: Port Everglades is Florida's deepest harbor and the deepest seaport south of Norfolk, VA. Petroleum and containerized cargo are the principal types of cargo passing through the port. Port Everglades is the second largest non-refinery petroleum storage and distribution port in the southeastern United States. The 2,190-acre port has thirty-four births for ocean-going ships and twelve passenger cruise terminals. The Port is recognized as a hub for north-south trade with growing Latin American and Caribbean markets, linking them with east-west shipping lanes. Port Everglades handled over 25.5 million tons of cargo in 2004. Approximately 4.1 million cruise passengers traveled through the Port in 2004. One of Broward County's goals is to build upon the synergy created by the airport and seaport activities. These two economic engines are being used to attract business enterprises to Broward County. Port Everglades has a significant impact on Broward County's economy infusing nearly $2.4 billion annually into the local economy and providing some 19,000 jobs from its cruise travel and international trade activity.

Rail: Freight services are provided by the Seaboard Coast Line and the Florida East Coast railway lines. Amtrak Passenger Rail offers interstate and intrastate transportation.

Mass Transit: Tri-Rail commuter train service offers passengers an inexpensive alternative to automobile travel on crowded I-95, offering service north to Palm Beach County and south to Dade County. Broward County Transit operates the bus service throughout the county.

Roads: With a population of over 1.7 million, the area has an extensive roadway system in place. Numerous east-west thoroughfares service the increasing needs of a growing population. Interstate 95, The Florida Turnpike, The Sawgrass Expressway is the major north-south links. Interstate 595/75 is east-west connections across the state.

REAL ESTATE MARKETS

Residential Market:

The housing boom of the last five years in Broward County has slowed with the median price of a single family home dropping from $387,000 to $362,800 or 6% from August 2005 to August 2006 and the number of transaction for the month of August fell from 966 to 702 from 2005 to 2006.

Single Family/Multiple Family

New housing construction increased notably in the third quarter of 2004. The 2,994 units authorized by building permits in the third quarter of 2004 was 71.3% greater than the 1,748 permitted in the second quarter of 2004 and 37.2% more than the 2,182 authorized in the third quarter of 2003. The 6,706 housing units permitted through September, 2004 is 0.1% less than the 6,713 permitted during the same period of 2003.

NEW HOUSING UNITS AUTHORIZED BY BUILDING PERMITS							
Unit	**1998**	**1999**	**2000**	**2001**	**2002**	**2003**	**2004 (thru Sept.)**
Single Family Units	8,904	8,470	8,310	8,153	5,798	4,292	3,778
Multiple Family Units	3,678	3,692	2,168	2,463	5,952	3,986	2,928
Total Units	**12,582**	**12,162**	**10,478**	**10,616**	**11,780**	**8,278**	**6,706**

The median selling price of a new single family home, including all housing sold in fee simple, was $370,698 during the third quarter of 2004. This median price is 1.0% greater than the $367,020 median of the second quarter of 2004 and 2.9% higher than the $360,141 median of the third quarter of 2003. The highest median price, over $500,000, was found in the Plantation, Davie/Weston, and the Coral Springs/Coconut Creek areas. The lowest median price was found in the Fort Lauderdale/Sunrise area at $181,887.

Single Family Home Re-sales

During the third quarter of 2004 there were a total of 10,428 single family homes re-sold in Broward County representing a 6.8% decline from the 11,189 sold in the second quarter of 2004. Used home sales in the third quarter of 2004 were 15.8% less than the 12,380 sold in the third quarter of 2003. There were 31,794 used homes sold through September, 2004 which represents an 8.1% decline from the 34,613 sold during the same period of 2003.

The highest level of re-sales was found in the Davie/Weston area with 2,126 sold, followed by the Coral Springs/Coconut Creek area with 1,610 homes sold.

BROWARD COUNTY AREA DISCUSSION (Cont)

The medium price for a used single family home sold during the third quarter of 2004 was $254,260 in Broward County, up 28.1% from the $198,543 medium of the second quarter of 2004 and 44.0% higher than the $176,626 median of the third quarter of 2003. The highest median price, over $500,000, was found in the Fort Lauderdale Beach area, the Lauderdale-By-The Sea/Pompano area and the Pompano/Hillsboro Beach area. The lowest median price, $162,500, was found in the Hollywood/Hallandale Beach area.

RECENT PRICE TREND OF USED SINGLE FAMILY HOMES		
Period	**Median Price**	**% Change From Preceding Quarter**
1st Quarter 2002	$141,888	-0.8%
2nd Quarter 2002	$142,087	0.1%
3rd Quarter 2002	$153,040	7.7%
4th Quarter 2002	$146,892	-4.0%
2002 Average	**$146,690**	
1st Quarter 2003	$147,535	0.4%
2nd Quarter 2003	$159,842	8.3%
3rd Quarter 2003	$176,626	10.5%
4th Quarter 2003	$184,053	4.2%
2003 Average	**$167,801**	
1st Quarter 2004	$176,801	-3.9%
2nd Quarter 2004	$198,543	12.3%
3rd Quarter 2004	$254,260	28.1%

Condominiums

New condominium developments in Broward County experienced an average monthly sales rate of 6.9 units per project during the third quarter of 2004, up from the 5.9 rate of sales in the second quarter of 2004. The strongest pace of sales, 81.2 units per month per project was experienced in the Hollywood/Hallandale Beach area, followed by 10.5 in the Fort Lauderdale/Pompano Beach area.

The strongest rate of sales per project per month among the various price classes was in the under $100,000 range at 40.3 units. The second highest sales rate was in the $250,000 - $349,999 price group at 18.6 units per month.

A total of 1,034 new condominium units were reported as sold (deeded) in Broward County during the third quarter of 2004. The third quarter sales were 22.1% more than the 847 sold in the second quarter of 2004 and 3.5 times more than the 295 sold in the third quarter of 2003. The 2,365 new units sold through September, 2004 were 2.1 times greater than the 1,127 sold through September of 2003. As noted previously, the sales presented are based on deed recordings. Sales based on contracts are exceeding deed recordings by a wide margin.

NEW CONDOMINIUM UNITS SOLD					
Year	**2000**	**2001**	**2002**	**2003**	**2004**
1st Quarter	140	162	269	497	484
2nd Quarter	437	195	341	335	847
3rd Quarter	285	215	621	295	1,034
4th Quarter	339	267	601	492	**N/A**
Total Units	**1,201**	**839**	**1,832**	**1,619**	**2,365**

Condominium Re-sales

A total of 7,050 condominium units were resold during the third quarter of 2004, down 11.6% from the 7,976 sold in the second quarter of 2004 and 3.1% less than the 7,277 units resold in the third quarter of 2003. The 21,782 used units resold through September, 2004 was 0.5% less than the 21,899 sold during the same period of 2003. The highest level of re-sales, 914 was in the Coral Springs/Coconut Creek area followed by the Hollywood/Hallandale Beach/Dania area with 902 re-sales. The median price of a condominium unit re-sold during the third quarter of 2004 was $135,724, up 22.4% over the $110,923 median of the second quarter of 2004 and 37.8% more than the $98,521 median of the third quarter of 2003.

BROWARD COUNTY AREA DISCUSSION (Cont)

Rental Apartments

The Vacancy rate in apartment developments which have been initially absorbed in Broward County stood at 3.6% in November, 2004, unchanged from the level of August, 2004 but considerably lower than the 5.6% rate of November, 2003.

The vacancy rate was found to be the highest in the Pompano Beach area at 4.9%. The lowest vacancy rate of 1.9% was found in the Hollywood/Hallandale area and the North Pompano/Deerfield Beach area at 2.8%.

At the end of September, 2004 there were 1,332 new, never before occupied rental apartments available in inventory in Broward County. This level is 165 units greater than the 1,167 units found at the end of June, 2003. This inventory level represents a 6.2 months supply at the rate at which new units have been absorbed over the past six months. Up to 6.0 months of supply is considered as an acceptable inventory level to have available without indicating an oversupply condition.

The overall average monthly rent for apartments in initially absorbed rental developments in Broward County increased by $5.00 from August to November, 2004, an annualized rate of 2.0%. As of November, 2004 the overall average rent stood at $1,020. The November, 2004 overall average rent is 2.7% higher than the $993 average found one year earlier. Lower-income affordable tax credit developments are surveyed separately from market rate developments.

APARTMENT RENT TREND						
AVERAGE MONTHLY RENT					PERCENT CHANGE	
Month/Year	**Nov-04**	**Aug-04**	**Nov-03**		**8/04 - 11/04**	**11/03 - 11/04**
All Apartments	$1,020	$1,015	$993		0.5%	2.7%
Efficiency	$691	$684	$680		1.0%	1.6%
One-Bedroom	$867	$863	$838		0.5%	3.5%
Two-Bedroom	$1,047	$1,042	$1,022		0.5%	2.4%
Three-Bedroom	$1,353	$1,343	$1,326		0.7%	2.0%

Retail Market: Broward County's retail industry continued to show signs of stability and solid growth at the end of the 3rd quarter 2004. CB Richard Ellis reports strong leasing levels and investor interest are creating excellent market fundamentals. The overall vacancy rate continued to decline to 5.6% in the Broward County Retail Market over June 2003's rate of 7.4%. The retail sector as a whole experienced positive absorption and this trend should continue. Virtually all submarkets could experience positive absorption numbers in the next quarter as demand increases for retail space and the economy continues to improve at a moderate pace according to CB Richard Ellis. A decrease in vacancy coupled with small increases in the average asking lease rates and healthy leasing activity of speculative inventory under construction aided the retail industry during what is being perceived as a moderate economic recovery period.

Land has become increasingly hard to find and developers are creating new opportunities by using a variety of formats. Multi-level retail and buildings with large amounts of ground floor retail are appearing more often. Department stores are moving into open air shopping centers in order to increase their exposure to consumers. Redevelopment is on the rise, some traditional shopping centers are being redeveloped with big box retailers alongside other major tenants. Several communities offering the convenience of "work, live, and play" concepts are in the planning stages.

The Southwest Broward submarket experienced the lowest vacancy rate in the county reported at 2.8 percent for the 3rd quarter 2004. Northwest Broward reported the highest at 7.1 percent.

BROWARD COUNTY RETAIL MARKET				
Sub-Market/ 2004-3Q	**Gross**	**Vacancy**	**Under**	**Average Asking**
	Leasable Area	**Rate %**	**Construction S/F**	**Lease Rate S/F**
Central/East Broward	3,500,263	6.9%	200,000	$16.26
Central/West Broward	7,460,451	7.0%	64,000	$16.63
Northeast Broward	4,271,860	6.6%	0	$17.44
Northwest Broward	6,048,474	7.1%	394,147	$14.41
Southeast Broward	3,725,067	4.6%	0	$16.53
Southwest Broward	8,357,364	2.8%	516,000	$19.94
Market Total	**33,413,479**	**5.6%**	**1,174,147**	**$16.53**

Construction Activity

As of the 3rd quarter 2004, there are 12 shopping centers under construction totaling 1,174,417 sf, 96% percent of this space is already leased out.

Significant Sales

Some significant sales transactions took place in Broward County in 2004.

SIGNIFICANT SHOPPING CENTER SALES		
2004		
Property	**Size S/F**	**Sale Price**
Fountain Shoppes	410,000	$72,546,600
Deerfield Mall	377,000	$51,272,000
Pines City Center	221,000	$31,060,000
Boulevard Square	221,000	$44,300,000
Stirling Square	90,000	$15,300,000
Shops of Wilton Manors	73,349	$10,400,000

Office Market: The Broward County office market is comprised of over 380 buildings, totaling approximately 24.2 million square feet of office space. The office market closed the 4th quarter of 2004 with an optimistic outlook for 2005, according to the CB Richard Ellis Market View Report for Broward County. Vacancy rates decreased 1.6% from the 15.4% rate reported during the 4th quarter 2003, to 13.8%.

With vacancy rates and availability slightly decreasing throughout 2004, the office sector continued to experience positive absorption. Overall Year-to-Date absorption came in at 555,000sf for 2004 which is a decrease of 121,990sf from 2003's YTD absorption of 676,991sf. Although absorption has decreased from 2003, the office market is showing signs of revitalization; as more than 310,000sf of space was absorbed during the 4th quarter 2004. According to CB Richard Ellis, look for absorption to increase and vacancy rates will continue to fall in 2005.

Overall average asking NNN rental rates decreased during 2004 from $15.38/sf at year end 2003 to a rate of $15.12/sf for the 4th quarter of 2004. This decrease can be attributed to the 330,286sf of sublease space still on the market as landlords try to compete with sublease rates. The $0.26 decrease is a 1.7% change from 2003. Although lease rates have declined for 2004, signs of rental increases for 2005 are predicted as the average asking NNN rate increased 2% from the third quarter rate of $14.82/sf. The highest overall average asking rates were recorded in the Downtown CBD submarket at $17.46/sf, while the lowest rates were found in the Pompano Beach market at $11.89/sf. Class B rental rates were the highest in North West Broward at $18.53/sf , while the lowest rates were found in Pompano Beach at $12.00/sf..

BROWARD COUNTY OFFICE MARKET					
Sub-Market 2004-4th Q	**Rentable**	**Vacancy**	**Net**	**Under**	**Average Asking Lease**
	Area SF	**Rate**	**Absorption (SF)**	**Construction (SF)**	**Rate NNN/SF/YR**
Commercial Blvd	2,045,974	16.2%	(23,469)	0	$13.15
Cypress Creek	3,694,414	14.0%	216,842	0	$14.31
Deerfield Beach	949,351	9.5%	26,289	0	$12.22
CBD Fort Lauderdale	4,849,711	18.8%	83,052	0	$17.46
Non CBD Fort Lauderdale	1,959,000	12.2%	56,586	0	$13.12
Hollywood	2,143,447	9.6%	30,196	0	$14.35
NW Broward	1,170,974	7.6%	1,902	0	$17.30
Plantation	2,952,570	17.3%	(2,573)	112,500	$14.33
Pompano Beach	840,257	14.2%	(46,837)	0	$11.89
Sawgrass	1,566,558	11.9%	217,808	0	$15.30
SW Broward	2,009,418	6.5%	(4,795)	0	$16.71
Total	**24,235,674**	**13.8%**	**555,001**	**112,500**	**$15.12**

Industrial Market: Broward County is an attraction to national and inter-national businesses due to its prime location to the Caribbean and Latin America. Florida has become a hub for international commerce. With a multi-cultural population, and vast transportation and communications infrastructure, Broward County is poised for business.

South Florida is solidifying its reputation as a major technology hub. With the development of the Internet coast, a tri-county initiative to foster Internet and technology growth, Broward County is fast becoming an Internet gateway to the world. The region hosts two network access points, major intersections linking telecommunications companies, Internet service providers and fiber optic systems from Latin America, Europe and Africa with systems in the United States: the NAP of the Americas and the Bellsouth Florida MIX.

Broward County's industrial market consists of approximately 97 million square feet, 67% of which is bulk warehouse space, 18% manufacturing space, 5% office/service center space, and 10% designed for specific industrial tenant uses.

BROWARD COUNTY AREA DISCUSSION (Cont)

The County's industrial market continues to perform well with the vacancy rate at 6.8%. Strong leasing activity contributed to the market witnessing year-to-date, 2,513,688 sf of net positive absorption. Bullish leasing activity in 2004 suggests that the national economic recovery is beginning to translate into increased demand for industrial space within Broward County. Presently there are 671,000 sf of industrial space under construction within the county of which 38% has been pre-leased.

Service driven small business owners are thriving in the Broward County market as the population continues to grow through in-migration. Demand for small bay industrial space continues to grow as small business owners look to take more permanent space or expand their businesses.

Smaller tenants continued to take advantage of lower interest rates by purchasing smaller bays of warehouse space. The increased demand for space requirements below 5,000-sf have aided the development of warehouse-condominium facilities.

Broward County's industrial market decreased by .1 percentage points from 4th quarter 2003 to a 4th quarter 2004 rate of 6.8%. The primary leasing activity remains within the 2,000-sf to 10,000-sf range. Broward County recorded approximately 1.1 million sq/ft of positive absorbed space during the 4th quarter 2004. Year-to-date recorded 2.5 million sf.

Construction activity remained disciplined with 45 buildings totaling over 2.1 million sf completed during 2004, of which 66% has been leased. Due to vacancy rates remaining below the national average, coupled with disciplined delivery of speculative space along with positive absorption, the average asking lease rate for bulk warehouse/distribution has increased from $6.09/sf reported 4th quarter 2003 to a rate of $6.12/sf 4th quarter 2004. Landlords are offering incentives along with higher improvement costs, shorter lease terms for tenant flexibility and rent concessions in order to keep from having lower rental rates.

BROWARD COUNTY INDUSTRIAL MARKET 2004 1st Q					
Sub-Market 2004-4th Q	**Rentable Building Area**	**Vacancy Rate**	**YTD Net Absorption (sf)**	**Under Construction (sf)**	**Average Asking Lease Rate NNN/SF/YR**
Central Broward	15,986,824	6.2%	564,040	54,741	$5.22
Coral Springs	4,220,748	4.6%	430,109	111,915	$8.00
Northeast Broward	8,865,933	6.3%	297,320	190,000	$6.62
Pompano Beach	22,702,620	4.3%	709,726	68,500	$5.92
Southeast Broward	22,325,677	4.1%	111,060	27,000	$5.62
Southwest Broward	12,987,506	10.9%	307,365	172,335	$5.72
West Sunrise	8,351,258	11.3%	93,468	47,000	$5.74
Total	**95,412,566**	**6.8%**	**2,513,088**	**671,491**	**$6.12**

Sources:
Web site Broward County, Web site Fort Lauderdale International Airport, U.S. Census Bureau, CB Richard Ellis Market Index Brief 4th Quarter 2004/ 4st Quarter 2004 Report, Reinhold P. Wolff Economic Report, Quarterly Housing Report 4th Quarter 2004, The Broward Alliance, Fort Lauderdale Downtown Development Authority, Web site Port Everglades.

GLOSSARY AND ABBREVIATIONS

Absorption Period - The actual or expected period required from the time a property is initially offered for purchase or use by its eventual users until all portions have been sold or stabilized occupancy has been achieved. Although marketing may begin before the completion of construction, most forecasters consider the absorption period to begin after the completion of construction.

Acre (Ac) - A land measurement equal to 43,560 square feet.

Actual Age - The number of years that have elapsed since construction of an improvement was completed; also called historical or chronological age.

Ad Valorem tax - 1. A tax levied in proportion to the value of the property being taxed. (USPAP, 2002 ed.). 2. A tax levied in proportion to the value of the thing(s) being taxed; generally refers only to property taxes, although technically the term is applicable to income taxes, ad valorem tariffs, special property taxes, etc. Exclusive of exemptions, use value assessment provisions, and the like, the property tax is an ad valorem tax. (IAAO)

Air Rights - The right to undisturbed use and control of designated air space above a specific land area within stated elevations. Such rights may be acquired to construct a building above the land or building of another or to protect the light and air of an existing or proposed structure on an adjoining lot. See also transferable development right (TDR).

Area - The surface extent of a building, a site, a neighborhood, a section of a city, a tract, or a region, measured in square units.

Assessed Value - 1. A value set on real estate and personal property by a government as a basis for levying taxes. (IAAO). 2. The monetary amount for a property as officially entered on the assessment roll for purposes of computing the tax levy. Assessed values differ from the assessor's estimate of actual (market) value for three major reasons: fractional assessment ratios, partial exemptions, and decisions by assessing officials to override market value. The process of gathering and interpreting economic data to provide information that can be used by policymakers to formulate tax policy. (IAAO)

Base Rent - The minimum rent stipulated in a lease. See also rent.

Capitalization Rate or Cap Rate (R) - Any rate used to convert income into value.

Cash Equivalence - A price expressed in terms of cash, as distinguished from a price expressed totally or partly in terms of the face amounts of notes or other securities that cannot be sold at their face amounts. Calculating the cash-equivalent price requires an appraiser to compare transactions involving atypical financing to transactions involving comparable properties financed at typical market terms.

Current Yield - In finance, the current dividend on an investment; current yield is the percentage of annual cash income to the investment cost; similar to a capitalization rate. See also yield to maturity.

Common Area - The total area within a property that is not designed for sale or rental but is available for common use by all owners, tenants, or their invitees, e.g., parking and its appurtenances, malls, sidewalks, landscaped areas, recreation areas, public toilets, truck and service facilities.

Common Area Maintenance (CAM) - The expense of operating and maintaining common areas; may or may not include management charges and usually does not include capital expenditures on tenant improvements or other improvements to the property. See also common area.

CBS Construction - Concrete Block and Stucco construction.

Discount Rate - An interest rate used to convert future payments or receipts into present value. The discount rate may or may not be the same as the internal rate of return (IRR) or yield rate depending on how it is extracted from the market and/or used in the analysis. See also risk rate; safe rate; yield rate (Y).

DCF - Discounted cash flow analysis.

Discounted Cash Flow (DCF) Analysis - The procedure in which a discount rate is applied to a set of projected income streams and a reversion. The analyst specifies the quantity, variability, timing, and duration of the income streams as well as the quantity and timing of the reversion and discounts each to its present value at a specified yield rate. DCF analysis can be applied with any yield capitalization technique and may be performed on either a lease-by-lease or aggregate basis.

Economic Life - The period over which improvements to real property contribute to property value.

Effective Age - The age of property that is based on the amount of observed deterioration and obsolescence it has sustained, which may be different from its chronological age. (USPAP, 2002 ed.)

Effective Gross Income (EGI) - The anticipated income from all operations of the real property after an allowance is made for vacancy and collection losses. Effective gross income includes items constituting other income, i.e., income generated from the operation of the real property that is not derived from space rental (e.g., parking rental or income from vending machines).

GLOSSARY AND ABBREVIATIONS (Cont)

Effective Gross Income Multiplier (EGIM) - The ratio between the sale price (or value) of a property and its effective gross income; a single year's EGI expectancy or an annual average of several years' EGI expectancies (EGIM = V/EGI).

Equity Yield Rate: A rate of return on equity capital as distinguished from the rate of return on debt capital; the equity investor's internal rate of return. The equity yield rate considers the effect of debt financing on the cash flow to the equity investor.

Expense Ratio: This is the ratio of total expenses, excluding debt service, to either potential or effective gross income. See also operating expense ratio.

Exposure Time: 1. The time a property remains on the market. 2. The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective estimate based on an analysis of past events assuming a competitive and open market. Exposure time is always presumed to occur prior to the effective date of the appraisal. The overall concept of reasonable exposure encompasses not only adequate, sufficient and reasonable time but also adequate, sufficient and reasonable effort. Exposure time is different for various types of real estate and value ranges and under various market conditions. (Appraisal Standards Board of The Appraisal Foundation, Statement on Appraisal Standards No. 6, "Reasonable Exposure Time in Real Property and Personal Property Market Value Opinions")

Market value estimates imply that an adequate marketing effort and reasonable time for exposure occurred prior to the effective date of the appraisal. In the case of disposition value, the time frame allowed for marketing the property rights is somewhat limited, but the marketing effort is orderly and adequate. With liquidation value, the time frame for marketing the property rights is so severely limited that an adequate marketing program cannot be implemented. (The Report of the Appraisal Institute Special Task Force on Value Definitions qualifies exposure time in terms of the three above-mentioned values.) See also marketing time.

FF&E - Furniture, fixtures, and equipment. The movable property of a business enterprise not classified as stock or inventory or leasehold improvements; frequently found in the ownership of hotels or motels, restaurants, assisted-living facilities, service stations, car washes, greenhouses and nurseries, and other service-intensive properties. Furniture, fixtures, and equipment frequently wears out much more rapidly than other components of those properties.

Financial Management Rate Of Return (FMRR) - A measure of investment performance; a specialized after-tax version of the modified internal rate of return that takes into account the prevailing rate of return on representative real estate projects of a particular risk class. See also internal rate of return (IRR); modified internal rate of return (MIRR).

(GLA) - Gross Leasable Area. Also gross living area. The total floor area designed for the occupancy and exclusive use of tenants, including basements and mezzanines, and measured from the center of interior partitioning to outside wall surfaces; the standard measure for determining the size of shopping centers where rent is calculated based on the GLA occupied. The area for which tenants pay rent. See also area.

Gross Lease - A lease in which the landlord receives stipulated rent and is obligated to pay all or most of the property's operating expenses and real estate taxes. See also lease.

Gross Leasable Area (GLA) - The total floor area designed for the occupancy and exclusive use of tenants, including basements and mezzanines, and measured from the center of interior partitioning to outside wall surfaces; the standard measure for determining the size of shopping centers where rent is calculated based on the GLA occupied. The area for which tenants pay rent. See also area.

Highest And Best Use - The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.

Holding Period - The term of ownership of an investment. See also projection period.

Internal Rate Of Return: (IRR) - The annualized yield rate or rate of return on capital that is generated or capable of being generated within an investment or portfolio over a period of ownership. The IRR is the rate of discount that makes the net present value of the investment equal to zero. The IRR discounts all returns from the investment, including returns from its reversion, to equal the original capital outlay. This rate is similar to the equity yield rate. As a measure of investment performance, the IRR is the rate of discount that produces a profitability index of one and a net present value of zero. It may be used to measure profitability after income taxes, i.e., the after-tax equity yield rate. See also equity yield rate; financial management rate of return (FMRR); modified internal rate of return (MIRR); yield rate (Y).

Lease - A written contract in which the rights to use and occupy land or structures are transferred by the owner to another for a specified period of time in return for a specified rent.

Leased Fee Interest - An ownership interest held by a landlord with the rights of use and occupancy conveyed by lease to others. The rights of the lessor (the leased fee owner) and the lessee are specified by contract terms contained within the lease.

Leasehold Interest - The interest held by the lessee (the tenant or renter) through a lease transferring the rights of use and occupancy for a stated term under certain conditions. See also negative leasehold; positive leasehold.

GLOSSARY AND ABBREVIATIONS (Cont)

Loan-To-Value Ratio (M) - The ratio between a mortgage loan and the value of the property pledged as security, usually expressed as a percentage. This is also called loan ratio.

Marketing Time: 1.This is the time it takes an interest in real property to sell on the market sub-sequent to the date of an appraisal. 2. Reasonable marketing time is an estimate of the amount of time it might take to sell an interest in real property at its estimated market value during the period immediately after the effective date of the appraisal; the anticipated time required to expose the property to a pool of prospective purchasers and to allow appropriate time for negotiation, the exercise of due diligence, and the consummation of a sale at a price supportable by concurrent market conditions. Marketing time differs from exposure time, which is always presumed to precede the effective date of the appraisal. (Advisory Opinion 7 of the Appraisal Standards Board of The Appraisal Foundation and Statement on Appraisal Standards No. 6, "Reasonable Exposure Time in Real Property and Personal Property Market Value Opinions" address the determination of reasonable exposure and marketing time.) See also exposure time.

Modified Internal Rate Of Return (MIRR) - A measure of investment performance; similar to the internal rate of return except that negative cash flows, if any, are discounted to present value at a specified safe rate and positive cash flows are presumed to be reinvested to grow with compound interest at either the same specified safe rate or at a specified market rate until the termination of the investment; also called adjusted internal rate of return. See also financial management rate of return (FMRR); internal rate of return (IRR).

Negative Leasehold - A lease situation in which the market rent is less than the contract rent.

Net Floor Area – This is the occupied area of a building not including hallways, elevator shafts, stairways, toilets, and wall thicknesses. The net floor area is used for determining rental space and fire-code requirements. (R.S. Means)

Net Lease - Generally a lease in which the tenant pays for utilities, janitorial services, and either property taxes or insurance, and the landlord pays for maintenance, repairs, and the property taxes or insurance not paid by the tenant. Sometimes used synonymously with single net lease but better stated as a partial net lease to eliminate confusion. Also called single net lease; modified gross lease, See also lease.

Net Operating Income (NOI) – This is the actual or anticipated net income that remains after all operating expenses are deducted from effective gross income, but before mortgage debt service and book depreciation are deducted; may be calculated before or after deducting replacement reserves.

Net Present Value (NPV) – This is the difference between the present value of all expected investment benefits, or positive cash flows, and the present value of capital outlays, or negative cash flows. For purposes of real property valuation, negative cash flows include the initial cash outlay required to purchase the property. Generally, when NPV is positive, the investment is acceptable; if NPV is zero, the investment is neutral; and when NPV is negative, the investment is unacceptable. It is also called dollar reward.

Net Reversionary Interest – This is the lump-sum benefit that an investor receives at the termination of an investment after the deduction of sales commissions and outstanding mortgage debt. See also reversion.

Overall capitalization rate (OAR) - An income rate for a total real property interest that reflects the relationship between a single year's net operating income expectancy and the total property price or value; used to convert net operating income into an indication of overall property value.

Positive Leasehold - A lease situation in which the market rent is greater than the contract rent.

Potential Gross Income (PGI) - The total income attributable to real property at full occupancy before vacancy and operating expenses are deducted.

Potential Gross Income Multiplier (PGIM) - The ratio between the sale price of a property and its potential gross income (PGIM = V/PGI).

Projection Period - A presumed period of ownership; a period of time over which expected net operating income is projected for purposes of analysis and valuation.

Remaining Economic Life - The estimated period during which improvements will continue to contribute to property value; an estimate of the number of years remaining in the economic life of the structure or structural components as of the date of the appraisal; used in the age-life method of estimating depreciation.

Rent – An amount paid for the use of land, improvements, or a capital good.

Replacement Cost – This is the estimated cost to construct, at current prices as of the effective appraisal date, a building with utility equivalent to the building being appraised, using modern materials and current standards, design, and layout.

Reproduction Cost - The estimated cost to construct, at current prices as of the effective date of the appraisal, an exact duplicate or replica of the building being appraised, using the same materials, construction standards, design, layout, and quality of workmanship and embodying all the deficiencies, superadequacies, and obsolescence of the subject building.

GLOSSARY AND ABBREVIATIONS (Cont)

Reversion - A lump-sum benefit that an investor receives or expects to receive at the termination of an investment; also called reversionary benefit. See also net reversionary interest.

Risk Rate - The annual rate of return on capital that is commensurate with the risk assumed by the investor; the rate of interest or yield necessary to attract capital. See also safe rate.

Safe Rate - The minimum rate of return on invested capital. Theoretically, the difference between the total rate of return and the safe rate is considered a premium to compensate the investor for risk, the burden of management, and the illiquidity of the capital invested; also called riskless rate or relatively riskless rate.

Speculative Building - A structure that is built with the expectation that it will be sold or rented when completed.

Square Foot Cost - The cost of one square foot of an improvement; obtained by dividing the actual, or estimated, cost of a building by its gross floor area or by dividing the actual, or estimated, cost of a land improvement by its square foot area; can be multiplied by the number of square feet in a building or land improvement to produce the actual or estimated cost.

Stabilized Occupancy - Occupancy at that point in time when abnormalities in supply and demand or any additional transitory conditions cease to exist and the existing conditions are those expected to continue over the economic life of the property; the optimum range of long-term occupancy that an income-producing real estate project is expected to achieve under competent management after exposure for leasing in the open market for a reasonable period of time at terms and conditions comparable to competitive offerings. See also stabilized income.

Stabilized Income - Income at that point in time when abnormalities in supply and demand or any additional transitory conditions cease to exist and the existing conditions are those expected to continue over the economic life of the property; projected income that is subject to change, but has been adjusted to reflect an equivalent, stable annual income. See also stabilized occupancy.

Transferable development right (TDR) - A development right that cannot be used by the landowner, or that the owner chooses not to use, but can be sold to landowners in another location; generally used to preserve agricultural land; may also be used to preserve historic sites or buildings and open space or to protect scenic features. TDRs are said to be transferred from a landowner in a sending district to the use of a landowner in a receiving district.

Undivided Fee Rule - In condemnation appraisal, a rule that states that property is to be valued as if the title were held by a single entity, even if the real estate is divided into more than one estate owned by more than one individual or entity. See also unit rule.

Unit Rule - In condemnation appraisal, it is a valuation rule with two aspects, the first dealing with ownership interests and the second dealing with physical components. The first aspect of the rule, also referred to as the undivided fee rule, requires that property be valued as a whole rather than by the sum of the values of the various interests into which it may have been carved (such as lessor and lessee, life tenant and remainderman, and mortgagor and mortgagee, etc.). This is an application of the principle that it is the property, not the interests, that is being acquired. The second aspect of the rule is that different physical elements or components of a tract of land (such as the value of timber and the value of minerals on the same land, irrigated cropland and dry cropland on the same parcel, etc.) are not to be separately valued and added together.

Unity Of Title - The rule that states that, to be considered part of the remainder property, a parcel must be held by the condemnee under the same quality of ownership as the parcel from which the taking occurs; applied in both federal and state courts. See also undivided fee rule.

Yield To Maturity - In finance, the total rate of return that would be realized on an investment such as a bond if purchased at the current market price, held as an investment, and redeemed for the principal amount at maturity.

Yield Rate (Y) - A rate of return on capital, usually expressed as a compound annual percentage rate. A yield rate considers all expected property benefits, including the proceeds from sale at the termination of the investment. See also current yield; yield to maturity. See also current yield; yield to maturity.

QUALIFICATIONS OF EDWARD N. AMES, MAI

Vice-President, Ames Appraisal Services
A division of The Ames Organization, Inc
Federal Tax I.D. # 59-1432314
www.amesappraisal.com

Lake Worth Office	5700 Lake Worth Rd, Suite 305, Lake Worth, Florida 33463, 561-296-5152
Boca Raton Office	595 S Federal Highway, Suite 600, Boca Raton, Florida 33432, 561-394-3772
Fort Lauderdale Office	401 E. Las Olas Blvd., Suite 1400, Fort Lauderdale, Florida 33394, 954-772-8200
Miami Office	1221 Brickell Ave., 9th Floor, Miami, Florida 33131, 800-226-6700

EDUCATION:

B.S.M. Tulane University, New Orleans, LA - 1990
Finance
Master of Arts - University of Florida, Gainesville, FL - 1994
Major: Real Estate and Urban Analysis

Recent Courses and Seminars Taken			
Program Title	**End Date**	**Type**	**Hours**
AI Reports ™ AI-100 Summary Appraisal Report Residential	4/13/2007	Program	3
Business Practices and Ethics	12/1/2006	SPP	8
Online Appraising Manufactured Housing	11/14/2006	Online	7
The Canary in the Coal Mine:Energy Star & the Appraisal Proc	10/20/2006	Program	3
Online Cost Approach to Commercial Appraising	7/15/2006	Online	7
Online Scope of Work: Expanding Your Range of Services	7/1/2006	Online	7
What Commercial Clients Would Like Appraisers to Know:	7/1/2006	Online	7
Online Analyzing Distressed Real Estate	4/14/2006	Online	4
Business Practice and Ethics	12/9/2005	SPP	8
National USPAP Update	12/8/2005	SPP	7
Florida State Law for Real Estate Appraisers	11/18/2005	Program	3
Online Small Hotel/Motel Valuation	10/1/2005	Online	7
Market Analysis and the Site to Do Business (7 Hour)	7/29/2005	Program	7
Online Residential Property Construction and Inspection	5/31/2005	Online	7
7-Hour National USPAP Update Course	6/10/2004	SPP	7
Mathematically Modeling Real Estate Data	5/7/2004	Program	7
Florida State Law for Real Estate Appraisers	8/1/2003	Program	3
Uniform Appraisal Standards for Federal Land Acquisitions	3/29/2003	Program	16
Market Trends for 2003	2/1/2003	Program	3
How To Recognize and Evaluate the Ugly House	11/23/2002	Program	4
Intro to Appraising and Analysis of Proposed Subd. & Condo's	8/25/2002	Program	10
USPAP Florida Law for Appraisers	11/30/2001	Program	7

QUALIFICATIONS OF EDWARD N. AMES, MAI (Cont)

Other Courses and Seminars Taken			
Real Estate Fraud: The Appraiser's Responsibilities & Liabilities	10/5/2001	Program	7
Real Estate Disclosure	6/14/2001	Program	7
The Comprehensive Appraiser Workshop	August-00	Program	3
SFWMD Appraisal Seminar: Valuation of Various Types of Vacant Land	May-00	Program	15
7-Hour USPAP Florida Law for Appraisers	4/7/2000	Program	7
710 Condemnation Appraising	August-99	Program	14
Standards of Professional Practice, Part C	June-98	Program	7
New Industrial Valuation	November-97	Program	7
USPAP Core Law for Appraisers	November-97	Program	7
USPAP Core Law for Appraisers	May, 1996	Program	7
Non-Residential Demonstration Appraisal Report Writing	1994	Program	7
The Effects of Hurricane Andrew on the Real Estate Market	1993	Program	3
Standards of Professional Practice Part B	1992	Program	8
Standards of Professional Practice Part A	1992	Program	7

EXPERIENCE	
Ames Appraisal Services	May 1992 to the Present
The Ames Organization, Inc	May 1992 to the Present

Licences and Professional Affiliations	
State-Certified General Real Estate Appraiser, Licensed in the State of Florida	License Number: RZ2263
Registered Real Estate Broker, Licensed in the State of Florida	License Number: BK 0522071
MAI Member of the Appraisal Institute	Designation #11837

TYPES OF PROPERTIES APPRAISED AND/OR FEASIBILITY STUDIES PREPARED	
Agricultural Lands	Leasehold and Leased Fee Interests
Bowling Centers	Mobile Home Parks
Churches	Office Buildings (Single User, Rental & Condominium)
Condemnation	Rental Apartments
Condominium	Residential Subdivision
Environmentally Sensitive Lands	Shopping Centers & Store Buildings
Feasibility Analysis of Bowling Facilities	Single Family Residential Developments/ Houses
Flex Buildings	Special Use Properties
Free Standing Office	Time Share Facilities
Ground Leases	Townhouses (Condominium & Rental)
Hotels, Motels & Restaurants	Truck Terminals
Industrial & Manufacturing Buildings	Vacant & Developed Land - all uses
Island (entire island as well as portions of an island)	Warehouses (Condominium & Rental)

QUALIFICATIONS OF EDWARD N. AMES, MAI (Cont)

APPLICATION OF APPRAISALS	
Arbitration	Gift and Estate Tax Matters
Bankruptcy	Litigation
Condemnation	Mortgage Loan Underwriting
Feasibility Analysis	Purchase or Sale
Foreclosure Proceedings	Real Estate Tax Appeals

Client List	
Allied Mortgage	Heller Financial, Inc.
Antique Trade Center, Inc.	Home Mortgage Specialist
Arvida/JMB Partners	InterBay Funding
BAC Bank	John Hancock Real Estate Finance, Inc.
BankAtlantic	Katz, Barron, Squitero & Faust, Attys.
BankUnited	Kaufman, Miller, Dickstein, Grunspan, Attys.
Biscayne Bank	Lowe's Home Center, Inc.
Broward County	Mercury Real Estate Services
Broward County School Board	Ocean Bank
Business Capital Group (Div. of Bank of Alabama)	Office Depot
Children's Home Society of Florida	Optimum Bank
City of Fort Lauderdale	Palm Beach County PREM
City of Hollywood	Palm Beach County Right of Way
City of Lauderdale Lakes	Palm Beach County School Board
City of North Miami	Peninsula Bank
City of Oakland Park	PointeBank
City of Pembroke Pines	Regions Bank
City of Pompano Beach	Rudin, McCloskey, Attys.
CommerceBank	Sawgrass Property Investments
Commerce Bank	Shell Oil Co.
Community Bank of Broward	Shook, Hardy & Bacon
Crown Bank	South Florida Water Management District
Don Carter's All Star Lanes	Spectrum Mortgage Group, Inc.
First National Bank of South Miami	Summit Realty and Development Corp.
Florida Dept. of Environmental Prot	Sun American Bank
Florida Dept. of Transportation	The Nature Conservancy
Floridian Community Bank	Tri-Rail Authority
General Services Administration	VEP Housing Developers, LLC
Gutter, Josepher, Ruffin & Sheehy, P.A., Attys.	White & Case LLP

KIMLEY-HORN REPORT

Kimley-Horn
and Associates, Inc.

August 8, 2007

Suite 109
5200 N.W. 33rd Avenue
Ft. Lauderdale, Florida
33309

Ms. Loraine Cargill
South Florida Regional Transportation Authority
Transportation Planning Manager / EEO Officer
800 NW 33rd Street, Suite 100
Pompano Beach, FL 33064

Re: Cypress Creek Operations Center, September 2004 Site Analysis Report

Dear Loraine:

In the review of the September 2004, Cypress Creek Operations Center report by Parsons and Architects International, we have made the following observations and assumptions.

The report looks at three scenarios for the development of a 5.81 acre site located west of the existing Cypress Creek Station, within the City of Fort Lauderdale. The first scenario is for a single 50,000 square feet (s.f.) operations building with surface parking only and meeting the City's full parking requirements. The second scenario is for a similar building but asking for a parking reduction from the City. The third scenario is for the full buildout of the site for the development of three separate buildings and structured parking to meet the City's full requirements, which is the scenario that we evaluated per your instructions.

For the purpose of this review, we assumed that three buildings will each be five levels in height with approximately 50,000 to 55,000 s.f. of office space in each. We also assumed that there will be a single parking garage up to five levels in height to serve all three buildings.

All three buildings are to be general office buildings but that some small retail operations may be included on the ground floor of one or each of the buildings. The total amount of office and/or retail space within the complex is proposed to be approximately 160,000 s.f. among the three buildings. The general parking requirement of the City of Fort Lauderdale calls for one parking space for each 250 s.f. of office or retail use. The total parking requirement for the proposed building program would be 640 spaces.

The program also calls for a station bus drop-off and turn around area and the site is subject to some environmental constraints including wetlands and a burrowing owl colony that limits the usable land area to approximately 4.1 acres. However, the burrowing owl colony may no longer exist on the site which, if verified, would make more of the site's acreage potentially usable.

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The site currently has a City and a County land use designation of I-Industrial and a City zoning designation of I-Industrial. The City of Fort Lauderdale Comprehensive Plan of 1999 states that the land use designation of Industrial allows:

> Industrial and manufacturing uses, including but not limited to wholesaling uses, research laboratories, office uses, and
>
> Heavy commercial uses, and
>
> Community facilities that do not preclude or restrain industrial use of the surrounding area.

The intent is clearly to provide for industrial and manufacturing uses and any associated wholesaling, research or office spaces needed for those operations, but general office space is not specifically permitted as a use by the City's Comprehensive Plan.

To introduce office space as a use, the site zoning would have to be changed to a zoning district that allows such use. Typically, a rezoning to a commercial district (most probably B-3 in this case) would also require a land use plan amendment to change the land use designation of the site to C-Commercial to complement the new zoning. That process of rezoning and amending the land use designation typically takes more than a year to achieve and can be quite costly. There is, however, an alternative method for the rezoning allowed under the City's land development provisions. The permitted use section of the City's Comprehensive Plan for the Industrial land use section goes on to provide that:

> The following uses may also be permitted as long as the total area of these uses does not consume more than 20 percent of the industrial land designated on the City Land Use Plan Map (Series) within a flexibility zone and as long as the location of these uses does not preclude or adversely affect the future uses of surrounding areas for industrial uses:
>
> a. Commercial and retail business uses.
> b. Hotel, motel and similar lodging.

This provision refers to the application of the flexibility and reserve system that is described in the City's Unified Land Development Regulations (ULDR) Section 47-28 Flexibility Rules. This system used throughout Broward County allows under Section 47-28.1.J that the City may permit a development to be used for commercial business uses within lands designated as Industrial on the City's Land Use Plan, by rezoning the parcel to a business zoning district subject to certain restrictions.

The site now lies within Flexibility Zone 42, which under the City's Land Use Plan has 221 acres designated for Industrial use. Up to 20 percent or 44.24 acres of that area may be used for commercial uses, applied through site plan approval and a rezoning, without the need for a land use plan amendment. Currently the City has assigned 10.30 acres which leaves 33.94 acres available for assignment.

The site immediately adjacent to the north has a zoning designation of B-3, Heavy Commercial/Light Industrial, which allows numerous retail, food service and office uses including Professional Office. That site is now occupied by two general office buildings and surface parking. The City would most probably require any rezoning of the subject site to be to this same B-3 zoning.

Under the provisions of the City's ULDR, the desired 160,000 s.f. of general office/retail space can be built upon the site. The required 640 space parking garage could also be developed on site. Additional parking capacity would be required if the building program is to include any restaurant or food service facilities in lieu of the retail space within any of the three proposed buildings. As an example, a 4,000 s.f. retail space requires 16 parking spaces, but if that same space is to be used as a restaurant 40 spaces would be required. Additional parking capacity of 4 to 8 percent is recommended for the general building program.

The B-3 zoning district allows heights of up to 150 feet but as the site lies near the end of the main runway of the Fort Lauderdale Executive Airport, the FAA height restrictions on this site would limit structures to heights of approximately 100 feet.

The approval process for the allocation of the desired 5.1 acres of commercial flexibility capacity in Flexibility Zone 42 would involve the submittal of an application for site plan approval and a rezoning to the City Planning Department. Reviews would be required by the City's Development Review Committee (DRC), followed by a submittal for review by the Planning and Zoning Board and subsequent approval by the City Commission on two readings as an ordinance for the rezoning of the site. Once approved, the allocation of the 5.1 acres of commercial flexibility units would have to be certified by the Broward County Planning Council.

It is difficult to project how long this process would require as the amount of documentation required by City staff and by the Planning and Zoning Board for site plan review has increased in recent years. Currently, the minimum time needed for such a review process is approximately eight months from the time of the initial submittal to the DRC to certification by the Broward County Planning Council.

Kimley-Horn
and Associates, Inc.

Please call should you have any questions regarding this matter

Very truly yours,

KIMLEY-HORN AND ASSOCIATES, INC.

Chris Barton
RLA, AICP

CC: Edward Ames, Ames Appraisal Services
Greg Kyle, Kimley-Horn and Associates

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