

IN THE CIRCUIT COURT, FOURTH  
JUDICIAL CIRCUIT, IN AND FOR  
DUVAL COUNTY, FLORIDA

CASE NO. 17-2017-CA-007080  
DIVISION CV-D

JACKSONVILLE LANDING  
INVESTMENTS, LLC, a Florida limited  
liability company,

Plaintiff,

v.

CITY OF JACKSONVILLE, a Florida  
municipal corporation,

Defendant.

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### **COUNTERCLAIM**

Defendant/Counterclaim Plaintiff, CITY OF JACKSONVILLE (the “City”), sues  
Plaintiff/Counterclaim Defendant, JACKSONVILLE LANDING INVESTMENTS, LLC (“JLI”)  
and alleges:

### **Jurisdiction and Venue**

1. This is an action for eviction and declaratory judgment involving amounts in excess of \$15,000.00, exclusive of costs, interest and attorneys’ fees.
2. The City is a body politic and corporate and a political subdivision in the nature of a consolidated city and county of the State of Florida located in Jacksonville, Duval County, Florida.
3. JLI is a Florida limited liability company with its principal place of business in Duval County, Florida.
4. Venue is proper in Duval County, Florida, because the property at issue in this litigation is located in Duval County and the cause of action accrued in Duval County.

## **Factual Allegations**

5. Rouse-Jacksonville, Inc. (“Rouse”) and the City entered into that certain Disposition, Development and Lease Agreement dated October 3, 1985 (together with its amendments, the “Lease Agreement”), regarding certain real property owned by the City located at 2 West Independent Drive (the “Property”). True and correct copies of the Lease Agreement and the First, Second, Third, Fourth, Fifth, and Sixth Amendments thereto are attached hereto as **EXHIBITS 1, 2, 3, 4, 5, 6, & 7**, respectively.

6. As required by the Lease Agreement, Rouse constructed on the Property the buildings (the “Improvements”) that comprise the market-themed retail shopping center known as the “The Jacksonville Landing,” which opened for business on or about June 25, 1987.

7. In August 2003, Rouse sold its interest in The Jacksonville Landing and assigned the Lease Agreement to JLI. A true and correct copy of the assignment is attached hereto as **EXHIBIT 8**.

8. The Lease Agreement requires, among other things, that JLI maintain and operate The Jacksonville Landing as a “first-class retail facility.”

9. At all relevant times, JLI has not maintained and operated The Jacksonville Landing as a first-class retail facility.

10. JLI breached the Lease Agreement by failing to:

- a. Prudently and continuously manage and operate The Jacksonville Landing as a “first-class retail facility having a broad range of merchandise and services consistent with the size and location” of its improvements, as required by Section 7.2 of the Lease Agreement;

- b. Operate The Jacksonville Landing “at or above the prevailing level of quality of the urban retail centers known as The Gallery at Market Street East in Philadelphia, Pennsylvania; Harborplace, in Baltimore, Maryland; Faneuil Hall Marketplace, in Boston, Massachusetts; Santa Monica Place, in Santa Monica, California; The Grand Avenue, Milwaukee, Wisconsin; and South Street Seaport in New York City, New York,” as required by Section 7.2, clause (ii) of the Lease Agreement;
- c. Use “all reasonable efforts” to lease space at The Jacksonville Landing to subtenants “who will provide a balanced mix of goods and services consistent with the standards” set forth in the Lease Agreement, as required by Section 7.2, clause (a) of the Lease Agreement;
- d. Properly maintain The Jacksonville Landing’s improvements and keep them in good repair, as required by Section 7.2, clause (c) of the Lease Agreement; and
- e. Operate The Jacksonville Landing “in a high-quality, first-class manner which [is] attractive in both its physical characteristics and in its appeal to customers and trade,” as required by Section 7.4, clause (a) of the Lease Agreement.

11. By letter dated October 17, 2017, the City gave JLI notice of JLI’s breaches of the Lease Agreement (the “Notice Letter”). A true and correct copy of the Notice Letter is attached hereto as **EXHIBIT 9**.

12. JLI failed or refused to take any action to cure its breaches within the cure period provided in the Lease Agreement.

13. By letter dated May 25, 2018, the City terminated the Lease Agreement by formal written notice to JLI and demanded JLI turn over immediate possession and control of the Property, the Improvements, and other fixtures thereon (the "Termination Letter"). A true and correct copy of the Termination Letter is attached hereto as **EXHIBIT 10**.

14. Upon termination of the Lease Agreement, the Improvements became the property of the City pursuant to the terms of the Lease Agreement.

15. JLI has failed and refused to provide the City with possession of the Property, Improvements, and other fixtures thereon.

16. All conditions precedent to this action have been satisfied.

#### **COUNT I: EVICTION**

17. The City realleges the allegations of paragraphs 1 through 16 and incorporates them herein by this reference.

18. This is an action for eviction from non-residential property pursuant to Chapter 83, Florida Statutes.

19. The City is entitled to immediate possession and control of the Property, the Improvements, and other fixtures thereon as a result of the termination of the Lease Agreement.

20. JLI wrongfully remains in possession of the Property, the Improvements, and other fixtures thereon without the consent of the City following termination of the Lease Agreement.

WHEREFORE, the City demands judgment against JLI for eviction of JLI from the Property and the Improvements, and for such other and further relief as the Court deems just, together with the costs of this action.

## **COUNT II: DECLARATORY JUDGMENT**

21. The City realleges the allegations of paragraphs 1 through 16 and incorporates them herein by this reference.

22. This is an action for declaratory judgment pursuant to section 86.011, Florida Statutes.

23. In response to the Notice Letter, JLI filed the Complaint this case on November 16, 2017, blaming the City for JLI's failure to operate The Jacksonville Landing as a first-class retail facility.

24. Based on the issues raised in the Complaint, and JLI's refusal to provide to the City possession of the Property, the Improvements, and other fixtures thereon, there is a controversy between the City and JLI regarding the rights of the parties under the Lease Agreement and a bona fide, actual, present, practical need for the declaration requested herein.

25. The issues that are currently in controversy between the parties under the Lease Agreement, include without limitation:

- a. JLI's breach of the Lease Agreement;
- b. The City's right to terminate the Lease Agreement;
- c. The City's right to immediate possession and control of the Property, the Improvements, and other fixtures thereon; and
- d. The City's right to ownership of the Improvements.

WHEREFORE, the City requests that the Court enter a judgment declaring that: (a) JLI is in material breach of the Lease Agreement, (b) the Lease Agreement was properly terminated by the City, (c) the City is entitled to immediate possession of the Property, the Improvements, and other fixtures thereon; and (d) the City is the owner of the Improvements. The City further

requests the entry of an order compelling JLI to deliver possession of the Property, the Improvements, and other fixtures thereon to the City, along with such other alternative, coercive, subsequent, or supplemental relief as the Court deems appropriate.

**DEMAND FOR JURY TRIAL**

The City of Jacksonville demands a trial by jury for all issues so triable.

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**Certificate of Service**

I HEREBY CERTIFY that on this 31<sup>st</sup> day of May, 2018, a true and correct copy of the foregoing was filed with the Clerk of Court via the Florida Courts e-Filing Portal, which will send notice of electronic filing to:

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*/s/ Christopher M. Garrett* \_\_\_\_\_

Attorney

# **Exhibit 1**



DISPOSITION, DEVELOPMENT AND LEASE AGREEMENT

by and among

THE CITY OF JACKSONVILLE

and

THE JACKSONVILLE DOWNTOWN DEVELOPMENT AUTHORITY

and

ROUSE-JACKSONVILLE, INC.

Dated October 3, 1985

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DISPOSITION, DEVELOPMENT AND LEASE AGREEMENT

THIS DISPOSITION, DEVELOPMENT AND LEASE AGREEMENT is made this 3<sup>rd</sup> day of October, 1985, by and between ROUSE-JACKSONVILLE, INC., a Maryland corporation ("Rouse"); the CITY OF JACKSONVILLE, a municipal corporation of the State of Florida (the "City"), acting by and through its Mayor, and with prior approval of the Jacksonville City Council; and the JACKSONVILLE DOWNTOWN DEVELOPMENT AUTHORITY, a body politic and corporate under the laws of the State of Florida (the "Authority").

STATEMENT OF BACKGROUND AND PURPOSE

The City is the owner (subject to the title exceptions set forth in Exhibit D attached hereto) in fee simple of two contiguous parcels of land on the North Bank of the St. Johns River in the City of Jacksonville, State of Florida, herein referred to as the "East Parcel" and the "West Parcel". The East Parcel is approximately two acres in size and is bounded generally by the St. Johns River, the Daniels State Office Building, Independent Drive and the Main Street Bridge, and the East Parcel includes portions of Coast Line Drive. The East Parcel is more particularly described on Exhibit A attached hereto and is shown on the Survey attached hereto as Exhibit B. The West Parcel is approximately six acres in size and is bounded generally by the St. Johns River, Hogan Street, Independent Drive and the Main Street Bridge, and the West Parcel includes portions of Coast Line Drive and land beneath the Main Street Bridge. Those portions of the West Parcel beneath the Main Street Bridge may be subject to restrictions and encumbrances for the benefit

of the State of Florida. The West Parcel is more particularly described on Exhibit A-1 and is shown on Exhibit B.

In or about June of 1983, the City, acting through the Authority, the Authority in turn acting as the Jacksonville Community Redevelopment Agency and as designated by City ordinance under the Community Redevelopment Act of 1969, solicited proposals for the development of the West Parcel, together with the possible development of the East Parcel. In or about August of 1983, the Authority selected The Rouse Company as developer for the West Parcel, with further development rights respecting the East Parcel, as set forth in bid number F-0761-83. The Rouse Company caused Rouse to be incorporated for, among other things, such development. Rouse is a wholly owned subsidiary of The Rouse Company of Florida, Inc., itself a wholly owned subsidiary of The Rouse Company. On December 4, 1984 the City and Rouse entered into a letter of intent respecting development of the West Parcel as a retail marketplace with attendant facilities (collectively the "Project") and development of a parking garage as a separate, independent but related facility, respecting potential subsequent development of the East Parcel, and respecting potential development of additional related but independent facilities, systems, plans and objectives.

The various components of the Project are:

- (a) The retail marketplace (the "Building Improvements") located on a portion of the West Parcel and to be constructed, maintained and

operated by Rouse and consisting of three buildings presently contemplated to contain approximately 125,000 square feet of leasable area; and

- (b) Paved and landscaped exterior common areas, with amenities (the "Exterior Common Areas"), located on those portions of the West Parcel not leased to Rouse and on portions of the East Parcel, and a paved roadway across portions of the East Parcel and West Parcel for vehicular access to the Building Improvements, all to be constructed by the City (through Rouse, as independent contractor) and to be owned and maintained by the City.

The additional related but independent developments

are:

- (c) A parking structure (the "Parking Garage") containing at least 800 short-term public parking spaces to be constructed, maintained and operated by the City or its designee on a site selected from one of two parcels (the Preferred Parking Parcel, as hereinafter defined, or the East Parcel) or on such other site as may be mutually agreeable to the City and Rouse;
- (d) Those portions of the East Parcel which are not part of the Exterior Common Areas or used for vehicular access to the Building Improvements, but which shall be used as a construction staging area and thereafter for auxiliary parking and potential



-- further development (as may be agreed upon by Rouse and the City), unless the East Parcel is the Parking Site;

- (e) A public transit system (the "Transit System") providing frequent and direct public transportation between the Project, the Jacksonville convention center and other areas located on the North Bank and South Bank of the St. Johns River; and
- (f) Various waterfront amenities (the "Waterfront Amenities") intended to be located on the North Bank of the St. Johns River in the vicinity of the Project, and in the river itself, and designed to be of interest to the public.

The general location of the Building Improvements and Exterior Common Areas are shown on the Site Plan attached hereto as Exhibit C.

In connection with the development of the Project the parties intend that Rouse shall lease from the City a portion of the West Parcel (such portion being generally the land beneath the Building Improvements as generally shown on Exhibit C-1 attached hereto and to be more particularly described by amendment to this Lease as hereinafter provided) and, upon the satisfaction of certain conditions more particularly set forth herein, construct thereon the Building Improvements. Also in connection with the development of the Project, the City, through Rouse as its independent contractor, will perform certain site work respecting the East Parcel, the West Parcel and respecting

Hogan Street to the west of the West Parcel, and the City and Rouse will undertake additional obligations and responsibilities, some of which are conditions to the development of the Project and to the performance of other of the obligations of the City and Rouse under this Lease.

It is for the purpose of leasing such property to Rouse and setting forth other rights and obligations of the parties respecting development of the Project and to express their other agreements in respect of the foregoing matters that the parties have entered into this Lease.

This Statement of Background and Purpose is a description of the current intentions of the parties with regard to the development of the Project, but, except to the extent that certain defined terms are contained herein, it is not intended to enlarge, limit or restrict the respective rights and obligations of the parties as set forth in this Lease. Certain terms defined in this Statement of Background and Purpose are more particularly defined in Section 1.2 of this Lease, to which reference is hereby made.

NOW THEREFORE, in consideration of the foregoing and of the rents, covenants and agreements hereinafter set forth and of the payment of One Dollar (\$1.00) by each of the parties to the other, and other good and valuable consideration, the adequacy and receipt of which are hereby acknowledged, the City, the Authority and Rouse, for themselves, and their respective successors and assigns, do hereby covenant and agree as follows:

ARTICLE I

EXHIBITS AND DEFINITIONS

Section 1.1. Exhibits. Attached to and forming a part of this Lease are the following Exhibits, which, for the purpose of identification, have been initialled by the parties to this Lease or their attorneys:

- Exhibit A - Legal Description of East Parcel
- Exhibit A-1 - Legal Description of West Parcel
- Exhibit B - Survey
- Exhibit C - Project Site Plan (Conceptual)
- Exhibit C-1 - General Description of the Leased Property
- Exhibit D - List of Title Exceptions
- Exhibit E - Schedule of Performance
- Exhibit F - Parking Garage Design Standards
- Exhibit G - Site Improvements Budget
- Exhibit H - Building Improvements Budget

Section 1.2. Defined Terms. As used in this Lease the following terms have the following meanings:

"Affiliate(d)" means, with respect to the City or Rouse, any individual, partnership, corporation, trust, unincorporated organization, association or other entity which, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, such party (the City or Rouse, as the case may be).

"Annual Basic Rental" has the meaning ascribed to it in Section 2.5.

"Annual Percentage Rental" has the meaning ascribed to it in Section 2.5.

"Appraisal" has the meaning ascribed to it in Section 15.2.

"Auditor" means Peat, Marwick, Mitchell & Co., or such other nationally recognized firm of certified public accountants as may be selected by Rouse and approved by the Authority.

"Authority" means the Jacksonville Downtown Development Authority.

"Automated Skyway Express" has the meaning ascribed to it in Section 3.8.

"Building Improvements" has the meaning ascribed to it in the Statement of Background and Purpose.

"Building Improvements Site" has the meaning ascribed to it in Section 2.1.

"City" means the City of Jacksonville, Florida and its successors and assigns.

"City Construction Loan" has the meaning ascribed to it in Section 9.1.

"City Construction Loan Documents" means, collectively, that certain promissory note to be executed by Rouse and payable to the City in the amount of \$10,000,000 and evidencing the City Construction Loan, together with that certain mortgage to be executed by Rouse to secure the same and that certain loan agreement to be executed by the City and Rouse respecting the same, the forms of which shall be mutually agreeable to Rouse and the Authority.

"City Permanent Loan" has the meaning ascribed to it in Section 9.1.

"City Permanent Loan Documents" means, collectively, that certain promissory note to be executed by Rouse and payable

to the City in the amount of \$10,000,000 and evidencing the City Permanent Loan, together with that certain mortgage to be executed by Rouse to secure the same and that certain loan agreement to be executed by the City and Rouse respecting the same, the forms of which shall be mutually agreeable to Rouse and the Authority.

"City's Construction Obligations" has the meaning ascribed to it in Section 3.7.

"City Sewer Easement" has the meaning ascribed to it in Section 2.4.

"City's Support Obligations" has the meaning ascribed to it in Section 3.3.

"Common Areas" means the Retail Common Area and Exterior Common Areas.

"Cumulative Operating Losses" has the meaning ascribed to it in Section 10.1.

"Debt Service Payments" means all principal and interest, rental pursuant to a sale-leaseback or lease-subleaseback transaction, and other sums and amounts (including, without limitation, participations in cash flow) paid or payable for or during the applicable or pertinent period in connection with any Mortgage of Rouse's estate in the Leased Property and Building Improvements; provided, however, that in the event of a foreclosure of any such Mortgage or the conveyance of Rouse's estate in the Leased Property and Building Improvements to the holder of any such Mortgage (or the nominee of any such holder) by deed or assignment in lieu of foreclosure, or in the event of

the termination of any lease or sublease arising out of a sale-leaseback or lease-subleaseback of such estate, the term "Debt Service Payments" shall thereafter include all principal and interest, rental and other sums and amounts which would have become payable pursuant to or in connection with such Mortgage, sale-leaseback or lease-subleaseback but for such foreclosure, deed or assignment in lieu of foreclosure or lease or sublease termination.

"Default Rate" has the meaning ascribed to it in Section 11.6.

"Deferred Rental" has the meaning ascribed to it in Section 2.5.

"Depository" has the meaning ascribed to it in Section 15.6.

"Designated Representative" has the meaning ascribed to it in Section 3.2.

"Development Cost" means an amount, determined in accordance with generally accepted accounting principles and certified in reasonable detail to the Authority by an officer of Rouse, equal to the aggregate of all costs and expenses actually incurred by Rouse (prior to or following the Opening Date) for the purpose of and properly allocated to the initial development and construction of the Building Improvements and/or Project, excluding Direct Site Improvements Costs and Indirect Site Improvements Costs to the extent paid for or reimbursed by the City, but otherwise including, but not limited to, the following:

- (1) Design, planning, architectural and engineering fees, costs and expenses; and presentation costs and expenses;
- (2) The cost of labor, equipment, materials and supplies;
- (3) Fees and expenses paid to contractors and subcontractors;
- (4) Legal and accounting costs, fees and expenses;
- (5) Interest, commitment fees, points and other financing costs; and interest on money borrowed by Rouse from its parent corporation or from an Affiliate of Rouse at a cost not greater than the borrowing cost incurred by such parent or Affiliate at the time of such borrowing;
- (6) The cost of property, liability, workmen's compensation, title and other insurance;
- (7) The cost of permits and licenses, and all Public Charges;
- (8) Utility relocation costs and expenses and tap-in fees or other fees for connection to utility systems and/or utility facilities;
- (9) All costs and expenses incurred in connection with the negotiation and execution of this Lease and any other documents executed by Rouse with respect to or in connection with the development of the Project;

- (10) -- The cost of initially furnishing and equipping leasing, management and promotion offices and maintenance and storage areas in or in the vicinity of the Building Improvements;
- (11) The cost of providing, furnishing, equipping and operating a field office at or near the Building Improvements prior to or during construction, including, but not limited to, the costs of construction trailers or other temporary office structures, automobiles, office furniture, equipment, supplies, telephone, stationery, postage and duplication;
- (12) The salaries, fringe benefits, payroll taxes, travel and moving expenses, and other costs of employment at such field office of (i) managers, (ii) promotion directors (but only to the extent incurred prior to the Opening Date), and (iii) tenant coordinators, project coordinators, project accountants, secretaries, clerks and similar personnel;
- (13) The cost of subleasing the Building Improvements for their initial occupancy, including, but not limited to, advertising costs and the fees, commissions and expenses paid to leasing agents or brokers;
- (14) The cost of pre-opening management, advertising and publicity and the cost of any opening event or



celebration including advertising and publicity of same;

- (15) The cost of all home office services, supervision and overhead properly allocated to the construction and/or development of the Building Improvements;
- (16) The cost of tenant allowances, tenant improvements and tenant finish work;
- (17) The cost of all finish work, including but not limited to decorative and interior lighting, signs and graphics;
- (18) Any other cost or expense incurred by Rouse in connection with the development of the Building Improvements or Project which may be capitalized in accordance with generally accepted accounting principles and, at Rouse's option, any of the same which may be expensed in accordance with generally accepted accounting principles.

"Direct Site Improvements Costs" has the meaning ascribed to it in Section 3.7.

"East Parcel Parking Facilities" has the meaning ascribed to it in Section 3.7.

"Event of Rouse's Default" has the meaning ascribed to it in Section 11.1.

"Event of the City's Default" has the meaning ascribed to it in Section 11.3.

"Extension Term" has the meaning ascribed to it in Section 2.1.

"Exterior Common Areas" has the meaning ascribed to it in the Statement of Background and Purpose and includes those areas which are furnished by the City on or within the East Parcel and/or West Parcel for the non-exclusive general common use of Subtenants and other occupants of the Building Improvements, their officers, agents, employees and customers (that is, all portions of the West Parcel other than the Leased Property and those portions of the East Parcel designated as Exterior Common Areas on Exhibit C), including, but not limited to, all courts, ramps, landscaped and planted areas, eating or picnic areas, retaining walls, bulkheads, stairways, fire corridors, first-aid stations, comfort stations or rest rooms, civic facilities, pools, fountains, loading docks and areas, delivery passages, package pick-up stations, sidewalks, walkways, roadways, parking and loading areas, public docks or docking facilities located in the St. Johns River adjacent to the West Parcel, and other similar areas, facilities and improvements located on the West Parcel and/or such portions of the East Parcel.

"Fair Market Value" has the meaning ascribed to it in Section 15.2.

"Fair Rental Value" has the meaning ascribed to it in Section 2.2.

"Final Parking Garage Plans" has the meaning ascribed to it in Section 3.6.

"Final Plans" means the Final Parking Garage Plans, Final Site Improvements Plans and/or Final Building Improvements Plans, as the context requires.

"Final Building Improvements Plans" has the meaning ascribed to it in Section 3.4.

"Final Site Improvements Plans" has the meaning ascribed to it in Section 3.7.

"First Appraiser" has the meaning ascribed to it in Section 15.2.

"Gross Leasable Area" means the aggregate of the actual number of square feet of enclosed leasable area in the Building Improvements designed for the exclusive use and occupancy of rent paying Subtenants, excluding Retail Common Area, storage areas, areas used for management and promotion offices, mechanical equipment penthouses, truck docks and truck loading areas (including covered receiving areas adjacent thereto).

"Gross Rental Income" means the aggregate of all amounts actually received by Rouse from Subtenants as minimum rental and rental dependent on volumes of sales or business transacted, but not including the amount of any Operating Contributions, whether characterized as rental or not.

"Indirect Site Improvements Costs" has the meaning ascribed to it in Section 3.7.

"Initial Term" has the meaning ascribed to it in Section 2.1.

"Institutional Lender" means a bank, trust company, mutual savings bank, savings and loan association, insurance company, pension trust fund, college or university endowment fund, mortgage or real estate investment trust or other financial institution or other entity commonly known as an "institutional lender."

"Insurance Trustee" has the meaning ascribed to it in Section 14.9.

"Land Records" means the official public records of Duval County, Florida, wherein mortgages and deeds are recorded.

"Laws" means all applicable present and future federal, state, municipal, governmental agency or quasi-governmental agency statutes, charters, laws, codes, rules, rulings, ordinances, orders, programs, guidelines and/or regulations.

"Lease" means this Disposition, Development and Lease Agreement, as the same may be modified or amended from time to time, and shall include any new Lease delivered to a Rouse Mortgagee as provided in Section 9.5.

"Leased Property" has the meaning ascribed to it in Section 2.1 and is the property leased to Rouse pursuant to this Lease.

"Mortgage" means any one or more mortgages, deeds of trust, deeds to secure debt, loan deeds, trust indentures, owner's interest in a sale-leaseback, lessor's interest in a lease-subleaseback, security agreements, or any similar security or title retention device, including without limitation any leasehold mortgage, which shall, from time to time, create a lien or encumbrance upon the property, interest or rights of any party in its respective property and which shall be security for one or more notes, bonds or other evidences of indebtedness issued by a party to any Institutional Lender or held by an Institutional Lender; provided that the term "Mortgage" shall not include any of the foregoing with respect to the City Construction Loan

and/or City Permanent Loan (but the same is in no way intended to impair, and shall not impair, the City's rights as a secured party under the City Construction Loan Documents, the City Permanent Loan Documents and/or under Florida law, with respect to third parties or otherwise).

"Mortgagee" means holder of a Mortgage or the lender in whose favor a Mortgage shall have been created (or if such Mortgage is a deed of trust or trust indenture, the holder of any note, bond or other evidence of indebtedness secured thereby), together with any successor, assignee or designee selected by the Mortgagee to take title to the property encumbered by the Mortgage upon foreclosure or deed or assignment in lieu thereof; provided that the term "Mortgagee" shall not include the City or any such successor, assignee or designee of the City (but the same is in no way intended to impair, and shall not impair, the City's rights as a secured party under the City Construction Loan Documents, the City Permanent Loan Documents and/or under Florida law, with respect to third parties or otherwise).

"Net Cash Flow" means the Operating Income for the applicable or pertinent period, minus the sum of (1) Operating Expenses for the same period, (2) Debt Service Payments and distributions to equity participants (pursuant to arm's length equity transactions) for the same period, (3) Annual Basic Rental for the same period, (4) an amount equal to ten percent (10%) of Gross Rental Income for the same period, and (5) an amount equal to twelve percent (12%) of Rouse's Equity Investment.

"Open for business", "is open for business" or "shall open for business" and like references has the meaning ascribed to it in Section 5.2.

"Opening Date" has the meaning ascribed to it in Section 5.1.

"Operating Contributions" means any and all payments made to Rouse by any Subtenant or other party as a contribution toward the cost of cleaning (including, without limitation, trash removal), maintaining and repairing Common Areas, 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 or merchants association administered by Rouse, or in consideration of the furnishing of utility services by Rouse, 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 Rouse in connection with the ownership or operation of the Leased Property or the Building Improvements.

"Operating Expenses" means (1) all expenditures made by Rouse or which Rouse is obligated to make (determined in accordance with generally accepted accounting principles) in the operation, ownership or management of the Leased Property and the Building Improvements or any part of either, including (without limitation) payroll and payroll expenses, business taxes and

Public Charges, supplies, license and permit fees, repair and maintenance expenses, costs and expenses of cleaning, maintaining and repairing the Common Areas, the cost of refurbishing the Building Improvements or of capital improvements (but only to the extent such cost exceeds reserves established therefor and the proceeds of any financing thereof), utility charges, insurance premiums, auditing and professional fees and expenses, publicity costs and expenses (including, without limitation, contributions to any promotion fund, advertising fund or merchants association administered by Rouse), costs and expenses incurred in connection with equipment leases, other leasing costs to the extent not included in Development Costs, and all management fees and expenses (provided, that, to the extent any such management fees and expenses shall be paid to Rouse or any Affiliate of Rouse, the same shall be included in the Operating Expenses only to the extent that the same fairly represents recovery of cost and does not represent profit to Rouse or such Affiliate), (2) such reasonable reserves as Rouse may, at its option in accordance with generally accepted accounting principles, maintain for replacement of heating, ventilating and air-conditioning equipment and common area equipment, fixtures and furnishings, and (3) the cost of all home office services, supervision and overhead properly allocated to the operation and management of the Building Improvements in accordance with generally accepted accounting principles and a formula approved by the Auditor; provided, however, that Operating Expenses shall not include any depreciation expense or any part of Development Cost.

"Operating Income" means the gross cash operating revenues and funds actually received by Rouse arising out of or resulting from the rental and/or ownership and operation of the Leased Property and the Building Improvements (other than funds received as capital contributions, insurance or condemnation proceeds, or the proceeds of loans, financings or sales of property), including (without limitation) (1) all Gross Rental Income, Operating Contributions and other payments received from Subtenants, (2) the greater of the actual rental paid or the market rental value (determined by arbitration in the event of a dispute) for the period in question and respecting any space within the Building Improvements occupied by Rouse or an Affiliate of Rouse and used for retail sales and (3) all income from vending machines, telephones, and other sources located in the Leased Property or the Building Improvements. Prepaid rents, prepaid payments and security deposits shall not be included in Operating Income until earned, applied or forfeited.

"Parking Garage" has the meaning ascribed to it in the Statement of Background and Purpose.

"Parking Garage Design Standards" has the meaning ascribed to it in Section 3.6 and are set forth in Exhibit F.

"Parking Site" has the meaning ascribed to it in Section 3.6 and means the site on which the Parking Garage is located.

"Permitted Exceptions" has the meaning ascribed to it in Section 2.1.



"Possession Date" has the meaning ascribed to it in Section 2.1.

"Preferred Parking Parcel" means that block located between Bay, Forsyth, Laura and Hogan Streets.

"Preparing Party" has the meaning ascribed to it in Section 3.2.

"Project" has the meaning ascribed to it in the Statement of Background and Purpose.

"Public Charges" has the meaning ascribed to it in Section 2.6.

"Qualified Parking Operator" has the meaning ascribed to it in Section 8.1.

"Qualified Retail Operator" has the meaning ascribed to it in Section 8.1.

"Reconstruction Work" has the meaning ascribed to it in Section 14.9.

"Refinancing" has the meaning ascribed to it in Section 10.1.

"Refinancing Proceeds" has the meaning ascribed to it in Section 10.1.

"Rental" means the Annual Basic Rental and Annual Percentage Rental.

"Rental Commencement Date" has the meaning ascribed to it in Section 2.5.

"Rental Year" means the period beginning January 1 and ending December 31 of each year of the Term hereof following the Rental Commencement Date, provided that should the Rental

~~Commencement Date~~ occur on a day other than January 1, and/or should the Term end on a day other than December 31, the period between the Rental Commencement Date and the next succeeding December 31 and/or the period between the expiration of the last preceding Rental Year and the last day of the Term shall each be a "Rental Year". Notwithstanding the foregoing, in any event the term "full Rental Year" means the period from January 1 to December 31.

"Retail Common Area" means those areas and facilities which may be furnished by Rouse within the Leased Property or Building Improvements for the non-exclusive general common use of Subtenants and other occupants of the Building Improvements, their officers, agents, employees and customers, including (without limitation) all malls, courts, ramps, landscaped and planted areas, eating or picnic areas, retaining walls, stairways, escalators, elevators, fire corridors, first-aid stations, comfort stations or rest rooms, civic facilities, meeting rooms, loading docks and areas, delivery passages, package pick-up stations, sidewalks, walkways, roadways, parking and loading areas, and other similar areas, facilities and improvements.

"Reviewing Party" has the meaning ascribed to it in Section 3.2.

"Rouse" means Rouse-Jacksonville, Inc. and its permitted successors and assigns (but shall include any Mortgagee of Rouse only for so long as such Mortgagee holds or owns the interest of Rouse under this Lease).

"Rouse Preferred Return" has the meaning ascribed to it in Section 2.5.

"Rouse's Construction Obligations" has the meaning ascribed to it in Section 3.4.

"Rouse's Equity Investment" means the sum of (i) Development Cost and (ii) an amount equal from time to time to any unrecouped cost of capital improvements made and paid for by Rouse after initial construction of the Building Improvements, less (iii) the net proceeds actually received by Rouse pursuant to the City Construction Loan (while such loan is outstanding) and City Permanent Loan or from any and all Mortgages of Rouse's estate in the Leased Property and Building Improvements, it being understood and agreed that proceeds from any Mortgage, the City Construction Loan and/or City Permanent Loan which are used to repay or reduce existing financing shall not be deemed to be received by Rouse.

"Rouse's First Mortgagee" has the meaning ascribed to it in 15.6.

"Rouse Service Roadway" has the meaning ascribed to it in Section 2.4.

"Rouse Utility Easement" has the meaning ascribed to it in Section 2.4.

"Rouse Vehicular Access Easement" has the meaning ascribed to it in Section 2.4.

"Schedule of Performance" has the meaning ascribed to it in Section 3.1 and is the schedule attached hereto as Exhibit E, as the same may be amended from time to time upon the mutual

agreement of ~~the~~ City's Designated Representative and Rouse's Designated Representative.

"Second Appraiser" has the meaning ascribed to it in Section 15.2.

"Section," "subsection," "paragraph," "subparagraph," "clause," or "subclause" followed by a number or letter means the section, subsection, paragraph, subparagraph, clause or subclause of this Lease so designated.

"Site Improvements" has the meaning ascribed to it in Section 3.7.

"Sublease" means any lease, sublease, license or other agreement by which Rouse or any person or other entity claiming under Rouse (including, without limitation, a subtenant or sublicensee) demises, leases, subleases, licenses or sublicenses to or permits the use or occupancy by another person or entity of any part of the Leased Property or the Building Improvements.

"Subtenant" means any person, firm, corporation or other legal entity using or occupying or entitled to use or occupy any part of the Leased Property or Building Improvements under a Sublease.

"Subtenant Space" means any portion of the Building Improvements which is designed and intended for occupancy by a Subtenant.

"Surcharging Work" has the meaning ascribed to it in Section 3.7(b).

"Taking" has the meaning ascribed to it in Section 15.1.

"Term" has the meaning ascribed to it in Section 2.1.

"Third Appraiser" has the meaning ascribed to it in Section 15.2.

"Total Taking" has the meaning ascribed to it in Section 15.1.

"Transfer" has the meaning ascribed to it in Section 8.1.

"Transferee" has the meaning ascribed to it in Section 8.1.

"Transfer Proceeds" has the meaning ascribed to it in Section 10.1.

"Transfer Terms" has the meaning ascribed to it in Section 8.5.

"Transit System" has the meaning ascribed to it in the Statement of Background and Purpose.

"Unavoidable Delay" has the meaning ascribed to it in Section 19.18.

"Waterfront Amenities" has the meaning ascribed to it in the Statement of Background and Purpose.

## ARTICLE II

### GENERAL TERMS OF LEASE OF PROPERTY

Section 2.1. Lease of Property to Rouse. Subject to the conditions set forth in this Lease, to the payment of rental provided herein, and to the performance by the parties hereto of the duties and obligations on the part of each to be performed hereunder:

(a) - Premises. Effective on and as of the Possession Date, the City demises and leases to Rouse, and Rouse takes and hires from the City, that certain parcel of ground situate within the West Parcel in the City of Jacksonville, State of Florida, and described in Exhibit C-1 attached hereto as "Building Improvements Site", together with and subject to the restrictions, conditions, covenants and easements hereinafter mentioned, reserved or granted (the "Leased Property"). Following completion of such design of the Building Improvements as may be necessary specifically to locate the same upon the West Parcel, and in any event prior to the Possession Date, the parties shall prepare a legal description of those portions of the West Parcel leased hereunder to Rouse as the site of the Building Improvements, and the parties shall, by amendment to this Lease, include such legal description (as approved by the attorneys for the City and Rouse) as a more specific description of such portions of the West Parcel leased to Rouse. In addition, the parties recognize that the City's title to the East Parcel and West Parcel presently is subject to certain encumbrances, liens, charges and other matters as shown on Exhibit D attached hereto and that, prior to the Possession Date, the City shall take such action as is set forth in this Lease and Exhibit D in order to release, remove, restrict or modify certain of such encumbrances, liens, charges and/or other matters, and prior to the Possession Date the parties shall execute an amendment to this Lease modifying this Lease and Exhibit D to provide that title to the East Parcel and West Parcel shall be subject only to the Permitted Exceptions, as hereinafter defined.

(b) Term. Rouse shall have and hold the above-described Leased Property for an initial term of forty-five (45) years (the "Initial Term"), commencing on the Possession Date. Rouse shall have the option to extend the term of this Lease for an extension period of twenty-five (25) years (such extension period if exercised being herein referred to as the "Extension Term") upon the same agreements, terms, covenants and conditions as are contained herein, provided that the same may be amended in the manner provided in Section 19.16 upon the mutual consent of the City and Rouse. Rouse's option to extend the Initial Term shall be exercised by written notice to that effect given to the City at least eighteen (18) months prior to the time at which the Initial Term would otherwise expire. The Initial Term and Extension Term are hereinafter collectively referred to as the "Term". Following the Possession Date, the City and Rouse, upon the request of either party, shall execute one or more written memoranda, in such form as will enable them to be recorded among the Land Records, setting forth the beginning and termination date of the Initial Term and Extension Term (if exercised), determined in accordance with this Lease.

(c) Improvements. The Building Improvements, including retail facilities (which may include, without limitation, recreational and office facilities necessary or appropriate to support, augment and/or manage the Building Improvements) shall be constructed by Rouse on the Leased Property in accordance with and as provided by the terms of this Lease, and the same shall be owned by Rouse during the Term.

(d) The City's Representations as to Title; Rouse's Representations.

(i) The City represents and warrants that:

- (1) The City owns the East Parcel and West Parcel (including, without limitation, those vacated portions of Coast Line Drive) in fee simple, free and clear of all claims, liens, encumbrances, covenants, restrictions, defects or clouds on title other than the matters shown in Exhibit D (which matters as shown in Exhibit D are to be released, removed, restricted or modified, prior to the Possession Date, as hereinafter provided); and
- (2) The City alone has the right, power and authority hereby to lease and demise to Rouse the Leased Property and to grant and convey to Rouse the easements and create the restrictions upon the property of the City provided herein.

(ii) Rouse represents and warrants that:

- (1) Rouse is a corporation duly organized, validly existing, registered and qualified to do business in Florida, and in good standing under the laws of the State of Florida. Rouse has full



corporate power and authority to enter into this Lease, including all supporting documentation, and the execution, delivery, and consummation of this Lease by Rouse have been duly authorized by all necessary corporate action. This Lease constitutes a valid and binding obligation of Rouse in accordance with its terms.

- (2) The execution, delivery and consummation of this Lease by Rouse is not prohibited by and does not conflict with any other agreements or instruments to which Rouse is a party or is otherwise subject.
- (3) Rouse has received no notice as of the date of this Lease asserting any non-compliance in any material respect by Rouse with applicable statutes, rules and regulations of the United States of America, the State of Florida, the City of Jacksonville, or of any other state or municipality or agency having jurisdiction over and with respect to the transactions contemplated in and by this Lease, and Rouse is not in default with respect to any judgment, order, injunction, or decree of any court,

administrative agency, or other governmental authority in any respect material to the transactions contemplated in and by this Lease.

(e) Possession of the Leased Property. The City shall deliver possession of the Leased Property to Rouse and Rouse shall take possession thereof and the Term shall begin, within thirty (30) days after each and every of the following shall have occurred (or been waived as herein provided) and upon the vacation and abandonment of those portions of Coast Line Drive to be vacated and abandoned pursuant to Sections 3.3(e) and 3.7(e) hereof, it being understood and agreed that the City shall not be required to vacate and abandon such portions of Coast Line Drive until that date on which the City delivers possession of the Leased Property to Rouse:

- (i) The City shall have completed or fulfilled any and all of the obligations and undertakings of the City to be performed prior to the Possession Date as set forth in Sections 3.3 and 3.7 hereof;
- (ii) The Authority shall have approved Final Site Improvements Plans respecting that portion of the Site Improvements on the East Parcel and West Parcel which are to be completed prior to commencement of construction of the Building Improvements, all as more particularly provided in Section 3.7 hereof;

(iii) The City, at its sole cost, shall have caused the sanitary sewer line extending across the West Parcel (which sanitary sewer line shall also extend across the Leased Property pursuant to the City Sewer Easement) to have been inspected by a duly qualified engineer, and such engineer shall have certified to Rouse that no repair or remedial work is necessary respecting such sanitary sewer line, and such engineer shall have further stated in writing to Rouse that, based on normal usage information supplied by and certified as correct by the City, such sanitary sewer line may reasonably be expected to function adequately, without need of repair (except for preventive maintenance and normal rehabilitation, without excavation, as hereinafter required) for the full Term of this Lease.

(iv) Rouse shall have received evidence satisfactory to Rouse that the City shall fulfill the City's Construction Obligations in accordance with Section 3.7 on or before the Opening Date, such evidence to include, without limitation, (1) evidence that the City has reserved or set aside funds adequate to pay for or reimburse Rouse for the Site Improvements in accordance with the Site

Improvements Budget and (2) construction and permanent financing commitments and/or other evidence satisfactory to Rouse to the effect that adequate funds are available for the performance of the remainder of the City Construction Obligations;

- (v) Rouse shall have (1) notified the City, in writing, that Rouse's most recent estimate of the total projected Development Cost of the Building Improvements does not exceed \$31,500,000 and (2) received a guaranteed maximum price contract or, at Rouse's option, other evidence satisfactory to Rouse, to the effect that Rouse's Development Cost for the completion of Rouse's Construction Obligations shall not exceed such Development Cost estimate;
- (vi) Rouse shall have received a commitment or commitments satisfactory to Rouse for the construction and permanent financing of the Building Improvements (and shall have delivered to the City satisfactory evidence of such commitment or commitments) or, at Rouse's option, otherwise provided the City with evidence satisfactory to the City to the effect that Rouse has available to it sufficient funds to complete construction of

the Building Improvements pursuant to this Lease;

- (vii) The City shall have taken such action as may be necessary, in accordance with Exhibit D hereto and otherwise, to release, remove, restrict or modify, in a manner satisfactory to Rouse, the presently existing title exceptions respecting the East Parcel and West Parcel, and the parties shall have executed an amendment to this Lease, satisfactory to Rouse, to the effect that title to the East Parcel and West Parcel is subject only to those matters (the "Permitted Exceptions") as shall be acceptable to Rouse; and, in addition to and notwithstanding the foregoing, Rouse shall have received a title insurance commitment or policy satisfactory to Rouse and insuring Rouse's interest in this Lease and the rights herein granted to Rouse, such commitment or policy to insure Rouse at customary rates that title to the Leased Property, West Parcel and those portions of the East Parcel and any other property in, over and through which easements or other rights of use are granted to Rouse by this Lease shall be good and marketable and free and clear of all liens, covenants, restric-

tions, encumbrances, leases (other than this Lease), tenancies or clouds on title whatsoever (other than the Permitted Exceptions) not approved in writing by Rouse and without exception for mechanic's liens or rights of parties in possession, and such commitment or policy further to provide such affirmative coverage (without additional premium) as Rouse may require with respect to the Permitted Exceptions and/or any claims or matters (including, but not limited to, rights of governmental authorities pursuant to the navigational servitude or otherwise) resulting from the fact that such property encompasses riparian land or former submerged land or respecting environmental matters, toxic waste disposal requirements and the like;

- (viii) Rouse shall have received all necessary governmental permits and approvals, including, without limitation, environmental permits and approvals and approvals respecting compliance with Chapter 380, Florida Statutes (other than building and occupancy permits which, by their nature, cannot be obtained prior to the commencement of construction of the Building Improvements) for the construction and operation of the Building Improvements in

accordance with this Lease, and the City (or Rouse in the City's name) shall have received all such necessary permits and approvals for the completion of the City Construction Obligations, including, without limitation the Site Improvements (other than building and occupancy permits which, by their nature, cannot be obtained prior to the commencement of construction) and operation of the improvements constructed pursuant thereto in accordance with this Lease;

- (ix) The City shall have obtained or acquired control of the Parking Site as provided in Section 3.6;
- (x) Rouse shall have received evidence satisfactory to Rouse that the Transit System acceptable to Rouse shall be in operation on or prior to the Opening Date, such evidence to include, at Rouse's option, execution of the Transit Agreement by the City, Rouse and the Jacksonville Transportation Authority;
- (xi) Rouse shall have received an opinion of the City's General Counsel, satisfactory to Rouse (together with such other evidence as Rouse shall reasonably require including, without limitation and at Rouse's option, an opinion of Rouse's counsel), to the effect that this

Lease, the Transit Agreement, the City Construction Loan Documents and the City Permanent Loan Documents all have been validly executed by the City and Authority with all requisite approvals and constitute valid and binding obligations of the City and Authority, and that there are no lawsuits, appeals, proceedings or other actions pending or threatened against the Project, Rouse, the City, the Authority or any other entity which would, if successful, prevent, delay or adversely affect the development, construction, use and operation of the Building Improvements and Project in accordance with this Lease (unless the City shall have indemnified Rouse, in a manner satisfactory to Rouse in its sole discretion, against the same) and that the same are permitted and not prohibited by all applicable zoning, subdivision and environmental laws, rules, regulations or orders, and that all necessary permits, consents or approvals have been obtained from all governmental bodies having regulatory jurisdiction in environmental matters. Without limiting the generality of the foregoing, such opinion shall further state that the activities to be



performed by Rouse for or on behalf of the City under this Lease and the approval rights granted to Rouse hereunder, the City's acquisition of property to be included in the Project, the City's participation in the Project, and the use of Community Development Block Grant funds in connection with the City Construction Loan and/or City Permanent Loan (as hereinafter set forth) do not violate any provision of the Florida State Constitution or other federal, state or local Law and that no public referendum or approval is necessary in order to provide such funds or for the City to acquire such property and participate in the Project;

- (xii) The parties shall have executed such amendments to this Lease as are necessary to more specifically describe those portions of the West Parcel leased to Rouse as provided in Section 2.1(a) and such amendments as are required by any Rouse Mortgagee pursuant to Section 9.5 (but the same shall not relieve the City and Authority from the obligation to execute such further amendments as may be required by a Mortgagee pursuant to Section 9.5 or modify Rouse's rights upon the City's or Authority's failure to execute the same);

~~(xiii)~~ The City and Rouse shall have executed the City Construction Loan Documents and the City Permanent Loan Documents.

The parties shall endeavor in good faith to cause the events set forth in clauses (i) through (xiii) to occur on or prior to the applicable time frames set forth in the Schedule of Performance and the parties shall report to each other on a monthly basis respecting the status of the same. In order to facilitate an accelerated schedule for the construction and development of the Project (in accordance with the Schedule of Performance), Rouse may waive any or all of the requirements set forth in clauses (i) through (xiii) above, or any portion thereof for the purpose, and only for the purpose, of causing the occurrence of the Possession Date and delivery of possession of the Leased Property pursuant to this subsection (e), provided that waiver of the requirements set forth in clauses (ii) and (vi) above shall be subject to the City's approval, and further provided that no such waiver shall be deemed to constitute fulfillment of such requirements to the extent required of the City or Rouse (as the case may be), and the City and Rouse (as the case may be) shall proceed diligently and in good faith to fulfill the same as promptly as practicable, and, in any event, prior to Rouse's commencement of construction of the Building Improvements. The date that the City delivers possession of the Leased Property to Rouse in accordance with this subsection (e) and acceptance of the same by Rouse by notice in writing (which date shall be not later than thirty (30) days following the

occurrence or waiver, as herein provided, of the events set forth in clauses (i) through (xiii) above and provided that as of such date the City shall have vacated and abandoned Coast Line Drive as set forth in Sections 3.3(e) and 3.7(e)), is herein called the "Possession Date." In the event the Possession Date shall not have occurred on or prior to December 31, 1986, as such date may be extended by the mutual agreement of the City and Rouse, Rouse and the City shall each be entitled to terminate this Lease pursuant to Article XII. Rouse shall have, at all times following execution of this Lease, such access to the East Parcel and West Parcel as may be necessary for Rouse to inspect and/or perform tests respecting the same and/or to discharge any undertakings of Rouse herein which are to be commenced prior to the Possession Date, including, without limitation the Surcharging Work as provided in Section 3.7(b), and no such activity of Rouse shall be deemed to constitute acceptance of possession of the Leased Property or cause the occurrence of the Possession Date for the purposes of this Section 2.1.

Notwithstanding anything herein to the contrary, until possession of the Leased Property shall have been delivered to Rouse pursuant to the provisions of subsection (e) of this Section 2.1, Rouse shall not be required to perform any of its obligations hereunder with respect to any portion of the Leased Property or Project to the extent that such possession shall be reasonably required for the performance of such obligations; provided that Rouse shall use its reasonable efforts to commence the Surcharging Work prior to the Possession Date pursuant to

Section 3.7(b). If Rouse shall enter upon the East Parcel and/or West Parcel prior to the Possession Date pursuant to this Lease (for the performance of the Surcharging Work or otherwise), the City shall, to the extent permitted by law, indemnify, hold harmless and defend Rouse from and against any and all claims, actions, suits or demands of any nature whatsoever with respect to any portion of the Leased Property arising out of any act or omission of the City, its agents, servants, employees or contractors occurring prior to delivery of possession thereof to Rouse; provided, however, such indemnification shall not apply to those claims, actions, suits or demands which are attributable to the acts or omissions of Rouse, its agents, employees or contractors. Similarly, if Rouse shall so enter upon the East Parcel and/or West Parcel prior to the Possession Date, Rouse shall indemnify, hold harmless and defend the City from and against any and all claims, actions, suits or demands of any nature whatsoever with respect to any portion of the East or West Parcels (including the Leased Property) arising out of any act or omission of Rouse, its agents, servants, employees or contractors occurring prior to delivery of possession thereof to Rouse as herein set forth; provided, however, such indemnification shall not apply to those claims, actions, suits or demands attributable to the acts or omissions of the City, its agents, employees or contractors. Following execution of this Lease, Rouse shall commence, as independent contractor and development manager for the City, that portion of the Site Improvements which constitutes the Surcharging Work as provided in Section 3.7(b). Promptly

following the Possession Date, Rouse shall commence, as independent contractor and development manager for the City, construction of the remainder of the Site Improvements as provided in Section 3.7(b); provided, that if Rouse shall have waived (with the consent of the City as to clauses (ii) and (vi)) any of the requirements set forth in clauses (i) through (xiii) above for the purpose of delivery of possession of the Leased Property and occurrence of the Possession Date pursuant to this subsection (e), Rouse shall not, without the written consent of the Authority, commence construction of the Site Improvements (other than the Surcharging Work) until such time as such requirements shall have been fulfilled.

(f) No Merger. The parties recognize and agree that there shall be no merger of the leasehold estate created by this Lease with the fee interest in the Leased Property or West Parcel by reason of the fact that one person or party may at the same time hold such leasehold estate created by this Lease and such fee interest. No such merger shall occur unless and until Rouse, the City and all Mortgagees having any interest in such leasehold estate and/or fee interest shall join in a written instrument effecting such merger and cause the same to be recorded among the Land Records.

Section 2.2. East Parcel Development Rights.

(a) Unless the East Parcel shall also be the Parking Site, Rouse shall have development rights (to the extent hereinafter provided) as to all or such portion of the East Parcel as Rouse may designate (other than those portions of the

East Parcel which are included within the Exterior Common Areas), such development rights to include the right to purchase or lease for the remainder of the Term all or such portions of the East Parcel upon such terms and conditions as may be agreeable to Rouse and the City, except that:

- (i) The annual rent payable with respect to the East Parcel or such portions thereof (if Rouse leases the same from the City) shall be the Fair Rental Value thereof or such other rental as may be mutually agreeable to the City and Rouse; and
- (ii) Rouse shall have the right to construct improvements upon such portions of the East Parcel as may be leased or purchased by Rouse (including without limitation parking facilities, retail facilities, entertainment or recreation facilities, office and/or hotel facilities), to landscape the same and/or otherwise to devote the same to any use or uses which are compatible with the Project and approved by the City, subject to agreement upon and execution of necessary lease or purchase documents as hereafter provided.

(b) In the event Rouse desires to pursue discussions with the City for the purpose of determining whether to exercise its development rights as to the East Parcel or portions thereof pursuant to this Section 2.2, it shall give the City written

notice to such effect prior to June 1, 1989, which notice shall state whether Rouse wishes to lease or purchase such property from the City and Rouse's proposed use or uses respecting the same. In the event Rouse fails to give such notice to the City on or prior to June 1, 1989, Rouse's development rights pursuant to this Section 2.2 shall terminate. Upon the delivery of such notice the City and Rouse shall negotiate in good faith for a period of not more than one hundred eighty (180) days (as such period may be extended by mutual agreement of the City and Rouse) and attempt to agree upon (i) whether Rouse shall lease or purchase such property from the City, (ii) Rouse's proposed use respecting such portions of the East Parcel as are designated in Rouse's notice to the City, and (iii) the appropriate rental value (the "Fair Rental Value") of such portions of the East Parcel as are designated in Rouse's notice to the City (if Rouse and the City agree that Rouse shall lease the property) or the Fair Market Value thereof (if the City and Rouse agree that Rouse shall purchase the same). If, following such one hundred eighty (180) day period, the City and Rouse are unable to agree upon such Fair Rental Value or Fair Market Value, as the case may be, the same shall be determined by Appraisal (the method for selecting appraisers and determining Fair Rental Value or Fair Market Value to be in the manner set forth in Section 15.2). Fair Rental Value or Fair Market Value, as the case may be, whether determined by agreement of the parties or by Appraisal, shall be based on such use as Rouse may propose in its notice as set forth above. In determining Fair Rental Value or Fair Market

Value, no value shall be ascribed to those portions of the East Parcel which are included in Exterior Common Areas or burdened by the Rouse Vehicular Access Easement. Within thirty (30) days following a determination of Fair Rental Value or Fair Market Value, Rouse shall notify the City, in writing, whether it desires to continue negotiations respecting the East Parcel. If Rouse fails to give such written notice during such thirty (30) day period, Rouse's development rights pursuant to this Section 2.2 shall terminate. If Rouse notifies the City that Rouse desires to continue negotiations, the City and Rouse shall endeavor in good faith for an additional period of one hundred fifty (150) days to negotiate and agree upon the terms and conditions of Rouse's lease or purchase of the East Parcel or portions thereof designated by Rouse, and during such one hundred fifty (150) day period the City shall endeavor in good faith to cause the removal of any claims, liens, encumbrances, covenants, restrictions, defects or clouds on the City's title to the East Parcel (including, without limitation, the removal of any of the Permitted Exceptions affecting the East Parcel) and to obtain full right and title to all air rights above the East Parcel. If, despite their good faith efforts following such one hundred fifty (150) day period, the City and Rouse are unable to agree upon such terms and conditions and enter into a binding agreement for the lease or purchase of the East Parcel or portions designated by Rouse, Rouse's development rights respecting the East Parcel under this Section 2.2 shall terminate.



(c) Upon written request from Rouse to the City, the City shall execute such documents as Rouse may reasonably request granting and/or confirming to Rouse the rights granted to Rouse pursuant to this Section 2.2.

Section 2.3. Restrictive Covenants. The restrictive covenants contained in paragraphs (a) through (e) of this Section 2.3 are intended and designed to operate as covenants binding upon Rouse and the City and their respective successors and assigns, and binding on and running with the Leased Property, West Parcel, East Parcel and/or Parking Site (as the case may be) throughout the entire Term of this Lease, including any new lease executed pursuant to the provisions of Section 9.5. The parties recognize, however, that the development and operation of the Leased Property, the Building Improvements, Parking Garage and/or the Project in a manner which is in the best interest of the parties may from time to time require the confirmation, clarification, amplification or elaboration of said restrictive covenants in order to deal adequately with circumstances which may not now be foreseen or anticipated by the parties. The parties reserve unto themselves the right to enter into such interpretive, implementing or confirmatory agreements from time to time as they may deem necessary or desirable for any such purpose, and the Authority and the City shall each execute such agreements for and on behalf of the City, subject in any event to the consent of each Rouse Mortgagee but without obtaining the consent or approval of any other person or entity except as may be expressly otherwise provided in this Lease.

(a) No Discrimination. No covenant, agreement, lease, conveyance or other instrument shall be effected or executed by Rouse, or any of its successors or assigns, whereby the Leased Property or Building Improvements or any portion thereof is restricted by Rouse, or any successor in interest of Rouse, upon the basis of race, color, religion, sex or national origin in the sale, lease, use or occupancy thereof. Rouse will comply with all applicable federal, state and local laws, in effect from time to time, prohibiting discrimination or segregation by reason of race, color, religion, sex, or national origin in the sale, lease or occupancy of the Leased Property.

(b) Permitted Uses for Parking Site. During the Term of this Lease the Parking Site shall be used for the construction, maintenance, operation, reconstruction and repair of a parking garage containing not less than 800 short-term parking spaces serving the general public and not reserved for specific users, and for such additional purposes (including, without limitation, the construction, use and operation of additional improvements upon or above the parking garage) as are permitted by law, provided that such additional improvements and the construction thereof shall not reduce, interfere with or diminish the nature and number of the 800 short-term parking spaces or the use of such parking spaces by the general public, including customers of Subtenants. At such time as the City shall acquire the Parking Site by purchase or lease (and, in any event, prior to the commencement of construction of the Building Improvements) the City shall execute and record among the Land

Records such documents as may be necessary to create the restrictive covenants contemplated by this Section 2.3(b).

(c) Permitted Uses for East Parcel. Unless the East Parcel shall be the Parking Site, in which event the provisions of paragraph (b) above shall apply, and subject to Rouse's rights pursuant to Sections 2.2 and 8.5, the East Parcel shall be subject to the following restrictions:

- (i) Commencing on that date which is three (3) full calendar years following the Opening Date, and continuing for the remainder of the Term, the East Parcel shall only be used for such purposes as are consistent with the use and operation of the Building Improvements, provided that the foregoing restriction shall not be construed to prohibit any office, hotel residential, public educational or public recreational use of the East Parcel. Without limiting the generality of the foregoing, the East Parcel shall not, without the prior written consent of Rouse, be used for any retail (except as necessary as to hotel or office facilities), wholesale, commercial recreational or commercial entertainment purposes, or for any other commercial purposes other than as offices or hotel facilities.
- (ii) At no time during the Term shall the East Parcel be used, occupied or developed in any

manner which would interfere with or impede Rouse's use and enjoyment of the Exterior Common Areas, the Rouse Vehicular Access Easement or any other easements herein granted to Rouse over and upon the East Parcel.

(d) Restrictive Covenants with Respect to West Parcel. The parties acknowledge and agree that the Leased Property is surrounded by the remaining portions of the West Parcel and that, consequently, the manner in which said remaining portions of the West Parcel are or may be used from time to time will have a direct and material effect on the use and value of the Leased Property and the Building Improvements. In consideration of the foregoing and of the rentals reserved by it under this Lease, the City, as the fee owner of the West Parcel, for itself, its successors and assigns, covenants and agrees with Rouse, its successors and assigns that:

- (i) During the Term of this Lease (including any new lease executed pursuant to the provisions of Section 9.5) unless otherwise agreed to by Rouse, those portions of the West Parcel outside the Leased Property shall be open to the general public as part of the Exterior Common Areas and shall be devoted only to those uses set forth in Section 2.4(b) and/or Section 7.3, and subject to the restrictions set forth therein;

(ii) After completion of the Site Improvements respecting Exterior Common Areas, the City will not make or permit any substantial alteration thereof or erect or construct any additional improvements during the Term on those portions of the West Parcel outside the Leased Property without first obtaining the written consent of Rouse, which consent shall not be unreasonably withheld so long as such alteration or construction does not adversely affect the Building Improvements from the standpoint of aesthetics, visibility or accessibility or change the use of the Exterior Common Areas.

(e) Right to Amend Restrictive Covenants. The parties reserve the right at any time or from time to time to annul, waive, change or modify, with the consent of each of the other parties and each Rouse Mortgagee in writing, (but without the necessity of obtaining the consent of any other party) any of the above-mentioned restrictive covenants in this Section 2.3.

Section 2.4. Easements. The following easements are hereby reserved to or granted by the parties:

(a) Easements Reserved by the City. The City reserves unto itself, its successors and assigns, the non-exclusive right and easement (the "City Sewer Easement") to replace, maintain and repair the existing underground sanitary sewer line within a portion of the Leased Property approximately thirty (30) feet in

width at grade and approximately twenty (20) feet in width (but not less than ~~twenty~~ (20) feet in width) below grade, as more particularly shown and designated "City Sewer Easement" on Exhibit C, said right and easement to be for the benefit of the City.

(b) Easements Granted to Rouse. The City grants to Rouse and its successors and assigns, during the Term and as part of the Leased Property, the following:

- (i) the non-exclusive right and easement (the "Rouse Utility Easement") to install, maintain, repair and replace utility facilities such as water, gas, electric, and telephone lines and storm and sanitary sewers, underground within portions of the West Parcel in the locations shown therefor on the Final Plans, or such other locations as may be the actual location of such facilities, or such other locations as may be approved by the City from time to time, but Rouse's right and easement pursuant to this clause (i) shall not relieve the City of its obligations to maintain utility facilities as provided in this Lease;
- (ii) the non-exclusive right and easement (the "Rouse Vehicular Access Easement") for the unobstructed access to and from the Leased Property by service and emergency vehicles

over and across the East Parcel, the West Parcel and any City property located between the West Parcel and the westernmost access ramp to the Main Street Bridge generally in the location shown for such service roadway on the Site Plan attached hereto as Exhibit C (as the location may be more particularly shown on the Final Site Improvements Plans), or on the actual location of such service roadway (the "Rouse Service Roadway"), or such other locations as may be approved by the City from time to time;

- (iii) the non-exclusive right and easement to use all portions of the Exterior Common Areas for the purposes and activities for which the same are designed (subject to all applicable health, vendors' and other license and permit laws, rules and regulations of the City which apply to such purposes and activities generally in the City of Jacksonville), and to use all portions of the West Parcel outside the Leased Property (other than the areas of the Rouse Vehicular Access Easement) in common with the public for the unobstructed pedestrian access to and from the Leased Property by Rouse and the Subtenants and their respective concessionaires, licensees,

officers, employees, agents, customers and invitees;

- (iv) the right and easement to place and keep on the Exterior Common Areas push carts, booths, kiosks and benches for use by Rouse and the Subtenants and their respective concessionaires, licensees, officers, employees, agents, customers and invitees, subject to all applicable health, vendors' and other license and permit laws, rules and regulations of the City which apply to such activities in the City of Jacksonville generally;
- (v) the non-exclusive right, (but subject, nevertheless to Rouse's first having obtained any permits or licenses required by applicable laws, rules or regulations) to use portions of the Exterior Common Areas for the staging of promotional events designed to attract patrons or customers to the Building Improvements or Project; and
- (vi) the right and easement to enter upon such portions of the East Parcel and/or West Parcel as may be necessary or appropriate for and during the construction, maintenance, repair, restoration and or rebuilding of the Building Improvements, including without limitation, the right and easement to install and maintain



such footings and underground supports along the boundaries of the Leased Property and into the West Parcel as shall be necessary in connection with the construction of the Building Improvements, provided that Rouse shall obtain all applicable building permits, licenses and approvals (other than those which the City is obligated to obtain pursuant to this Lease).

It is agreed by the parties hereto that it is the intent of this Lease that the Building Improvements be confined to the limits of the Leased Property. However, the parties recognize that it may be necessary or desirable, in order to achieve high quality design of the Building Improvements, to construct projections or encroachments into or upon the adjoining property. Therefore, to the extent that there are encroachments into or onto those portions of the West Parcel outside the Leased Property by signs, canopies, roofs, building overhangs or other like projections attached to the Building Improvements, Rouse is hereby granted a non-exclusive right and easement to install, maintain, repair and replace the same (subject to applicable building code restrictions and sign laws), and the Authority is hereby authorized and empowered on behalf of the City to execute and deliver, from time to time, such instruments or documents as may be necessary or desirable for the confirmation of such rights and easements.

(c) Limitations on Easement Rights. The rights and easements granted or reserved in paragraphs (a) and (b) of this Section 2.4 shall be limited as follows:

(i) With respect to the City Sewer Easement and Rouse Utility Easement:

(1) except to the extent shown in the Final Plans, no building or other structure shall be erected on the surface of the easement area nor within the airspace above the same without the prior written consent of the party having the benefit of the easement affected thereby, provided that:

(x) Rouse may erect or place buildings or other structures or improvements on or above the surface of the easement area to the extent shown on the Final Building Improvements Plans or as otherwise permitted by this Lease, it being

agreed, however, that any such building or structure located on the surface of or above the City Sewer Easement (A) shall include openings, access doors or removable panels in the exterior walls thereof which openings, doors or panels shall have an aggregate height of at least thirteen (13) feet above grade to permit access to the easement area by equipment reasonably required for the repair and maintenance of the sewer lines in the City Sewer Easement area, (B) shall be free of columns, mezzanines, floor slabs and other structural members (other than a concrete floor slab at or below grade) within the first thirteen (13) feet of airspace above the surface of the easement area and (C) any bridges, overhangs or other improvements located between thirteen (13) and thirty (30) feet above the surface of the easement area shall be designed and constructed so as to be removable by lifting hooks and cranes (any such

removal to be at the City's cost and expense) so as to permit access to the easement area by equipment reasonably required for the repair and maintenance of the sewer lines in the City Sewer Easement Area; and

(xx) Upon the request of Rouse, the City shall review such portions of the Final Building Improvements Plans as relate to any portions of buildings or structures upon or above the City Sewer Easement and shall advise Rouse in writing whether the improvements to be constructed pursuant to such plans are consistent with the provisions of subclause (1)(x) above (any good faith dispute respecting the same to be resolved by arbitration pursuant to Section 3.2); and should the City advise Rouse that such plans are consistent with such subclause (1)(x), construction pursuant to the same shall be deemed conclusively to be in accordance with such subclause (1)(x); and

(xxx) Rouse may place or construct street furniture, kiosks or other removable structures in any such area, provided Rouse shall promptly remove the same, at its expense, upon the City's request in order to permit the City to make repairs to or perform maintenance services upon the existing sewer lines in the City Sewer Easement area; and further provided that in the design and construction of the Building Improvements, Rouse will use its reasonable efforts to cluster underground utility lines and to minimize other construction below the surface of the easement area;

(2) the party having the benefit of any such easement (x) shall carry on any construction, maintenance and repair activity in accordance with the provisions of this Lease with diligence and dispatch and shall use its reasonable efforts to complete the same in the shortest time possible under the circumstances, and (xx) shall not carry on any construction, maintenance or repair activity in the easement area in such a manner as to

unreasonably interfere with the use and enjoyment of the servient tenement, and, in the case of the City Sewer Easement, the City, in carrying on such activities, will do so in such a manner as not to unreasonably interfere with the business or businesses then being conducted in the Building Improvements or on the Leased Property by Rouse or its Subtenants, and otherwise in accordance with the applicable provisions of this Lease respecting any such construction, maintenance or repair activity;

(3) except in the event of emergency, the party having the benefit of any such easement shall not carry on any construction, replacement, maintenance or repair activity at any time in the easement area unless such party shall have given at least sixty (60) days' advance written notice to the other party of its intention to do so, which notice shall include a schedule of the performance and completion of the activity to be undertaken;

(4) promptly upon the completion of any such construction, repair or maintenance activity, the party having the benefit of such easement, at its sole expense, shall restore

the surface of the easement area as nearly as possible to its former condition and appearance and repair and/or replace any and all damage to the property of the other party occasioned by such construction, repair or maintenance activity;

(5) the City, in making any repairs or performing any maintenance services pursuant to the City Sewer Easement, will use its reasonable efforts to avoid the necessity of entering the Building Improvements in order to do so, and shall, in any event, (x) at its sole cost and expense remove any bridges, overhangs or other improvements above the area of the City Sewer Easement to the extent such removal is necessary for such activities, and, following completion of such activities, at its sole cost and expense, replace the same, (xx) use all reasonably available technology necessary to avoid any excavation respecting the same and (xxx) use its best efforts to complete the same as promptly as possible while minimizing any interference with the activities of Rouse and its Subtenants (and, at Rouse's request and except in the case of emergency, the City shall undertake all such activities after the operating hours then in

effect respecting the Building Improvements); and the City represents, warrants and covenants that on the Possession Date the existing sewer lines located in the areas covered by the City Sewer Easement will be in good condition and repair and free of obstruction, and that following the Possession Date the City shall annually inspect the sewer line within the area of the City Sewer Easement and make such repairs and undertake such maintenance as are necessary to correct any defects in such sewer line and to maintain the same in good operating condition, such repairs and maintenance to be undertaken at the times and in the manner provided in this subclause (5); and the City further agrees to and hereby does indemnify, defend and save Rouse and its Subtenants harmless from and against any loss, expense, claim, action or damage resulting from any construction, replacement, maintenance, repair or other work undertaken by the City, its agents, contractors or employees respecting such sewer line; and

(6) upon the giving of notice by the City to Rouse as provided by subclause (3) above, or upon the occurrence of any emergency



which does not require such notice to be given, Rouse shall have the right, at its sole option, (which shall be exercisable promptly in the case of an emergency or within thirty (30) days after such notice is given), of requiring the City, in lieu of making such replacements, repairs or maintenance, to reroute such sewer line around the Building Improvements and seal off the portion thereof beneath the Building Improvements and restore the Building Improvements and Exterior Common Areas to their former condition, in which event (x) such rerouting and sealing shall be undertaken upon a schedule agreed upon between the parties, and the City shall carry on such activities in such a manner so as not to unreasonably interfere with the business or businesses then being conducted in the Building Improvements or on the Leased Property by Rouse or its Subtenants and (xx) the City and Rouse shall execute such instruments or documents as may be necessary or desirable in order for the City to surrender that portion of the City Sewer Easement covering the sealed off line. Promptly after completion of such sealing and rerouting and restoration Rouse will pay to

the City a sum equal to the amount (if any) by which the cost of such rerouting, sealing and restoration (as certified to Rouse by the Director of the Department of Public Works of the City and supported by vouchers and paid invoices) exceeds the cost of such replacement, repair or maintenance and restoration had such sewer line not been rerouted, such latter cost being as established by Rouse and the City on the basis of estimates by two independent engineers selected by Rouse and the City, respectively.

- (ii) With respect to the Rouse Vehicular Access Easement, the City may, from time to time, erect signs, temporary barriers or other reasonable traffic controls designed to limit the use of the easement areas to service and emergency vehicles, but the City shall not otherwise impair access pursuant to the Rouse Vehicular Access Easement, except to the extent necessary in case of emergency.

(d) Duration of Easements. Unless a shorter term is provided, each of the rights and easements granted or reserved in paragraphs (a) and (b) of this Section 2.4 shall be for the Term of this Lease and the term of any new lease made pursuant to the provisions of Section 9.5.

(e) Confirmatory Instruments; Right to Amend

Easements. Each party covenants and agrees that from time to time at the request of any other party, it shall execute and deliver such additional documents or instruments confirming the rights and easements granted and reserved in this Section 2.4. or more precisely fixing their location as such requesting party shall deem to be necessary or desirable. The Authority is hereby authorized and empowered on behalf of the City to execute and deliver, from time to time, any of such confirmatory documents or instruments. The parties expressly reserve the right at any time and from time to time to annul, waive, change or modify, with the consent of the other parties and each Rouse Mortgagee in writing (but without the necessity of obtaining the consent of any other party) any of the easements granted or reserved in this Section 2.4.

Section 2.5. Rental.

(a) Rentals Payable. Commencing on the Opening Date and continuing throughout the Term (i) the annual basic rental (the "Annual Basic Rental") for the Leased Property shall be One Hundred Thousand Dollars (\$100,000.00), provided that payment of Annual Basic Rental shall be deferred pursuant to paragraph (b) below, and (ii) the annual percentage rental (the "Annual Percentage Rental") for the Leased Property shall be a sum equal to twenty-five percent (25%) of the Net Cash Flow for each Rental Year following the Rental Year in which Rouse shall have fully recovered the Rouse Preferred Return. In addition, following repayment of the principal amount of the City Permanent Loan, any

Transfer Proceeds or Refinancing Proceeds allocated to the City pursuant to Section 10.2 shall constitute additional rental under this Lease. Any rental not paid by Rouse within ten (10) days following the date on which such rental shall be payable shall bear interest at the Default Rate until paid. Rouse shall pay any applicable sales tax assessed or levied with respect to Annual Basic Rental. All other payments of rental (including, but not limited to, Annual Percentage Rental and any Transfer Proceeds or Refinancing Proceeds which constitute additional rental) shall be net of any sales tax, and such other rental payments by Rouse to the City in the amounts set forth herein shall be deemed to include all sales taxes applicable to rentals. Upon the request of Rouse, the rental amounts set forth herein (other than Annual Basic Rental) shall be adjusted so that the total of such rental payments, plus any applicable sales taxes, shall equal the amounts set forth herein respecting such rental payments, and this Lease shall be amended accordingly.

(b) Deferral of Annual Basic Rental. Although Annual Basic Rental shall accrue as of the Opening Date, no Annual Basic Rental shall be paid by Rouse, but the same shall be deferred, until the earlier to occur of (i) the date on which Rouse shall have recovered from Operating Income (after deduction therefrom of all sums to be deducted in order to determine Net Cash Flow, it being understood and agreed, however, that in making such determination, deferred Annual Basic Rental shall not be deducted from Operating Income) the Rouse Preferred Return, or (ii) January 1 of the sixth full calendar year following the Opening

Date. That date, determined as provided in the foregoing sentence, as of which Rouse shall be obligated for the payment of Annual Basic Rental is hereinafter referred to as the "Rental Commencement Date". The City shall be entitled to recover the amount of Annual Basic Rental deferred as provided above (the "Deferred Rental") from sale or refinancing proceeds as provided in Section 10.2. As used in this Lease the term "Rouse Preferred Return" shall mean an amount equal to (x) \$300,000 plus (y) 12% of Rouse's Equity Investment. It is understood that the amount of Rouse Equity Investment will fluctuate from time to time by virtue of variations in the amount of financing for Development Cost, and in calculating the Rouse Preferred Return the foregoing 12% factor shall be applied to differing amounts of Rouse Equity Investment at different times. In the event Rouse recovers the Rouse Preferred Return as herein provided prior to January 1 of the sixth full calendar year following the Opening Date, it shall so certify to the City within one hundred twenty (120) days following the Rental Year in which it shall have so recovered the full amount of the Rouse Preferred Return.

(c) Payment of Rental. Annual Basic Rental shall be payable annually commencing on the first day of the Rental Year next succeeding the Rental Commencement Date and on the first day of each Rental Year thereafter during the Term of this Lease. The first such payment shall also include any prorated Annual Basic Rental for the period from the Rental Commencement Date to the first day of the first Rental Year thereafter, and the last such payment shall be prorated for the period from January 1 of

the last Rental Year of the Term to the end of the Term. Annual Percentage Rental shall be determined annually at the end of each Rental Year following the Rental Year in which Rouse shall have fully recovered from Operating Income the Rouse Preferred Return and shall be payable within one hundred twenty (120) days after the end of each such Rental Year. All Rentals shall be payable without notice or demand therefor and shall be paid to the City's Director of Finance at 1100 City Hall, Jacksonville, Florida 32202 or at such other place as the City shall designate from time to time in a notice given pursuant to the provisions of Article XVII.

(d) Set-off. Rouse shall have the right to set off against Annual Basic Rental, Annual Percentage Rental and any other sums payable to the City hereunder, any and all sums from time to time payable by the City to Rouse pursuant to this Lease, including, without limitation, any reasonable and substantiated costs and expenses incurred by Rouse (with interest thereon at the Default Rate) in performing the obligations of the City in accordance with the provisions of Section 11.6 hereof.

(e) Rouse's Records. For the purpose of permitting verification by the City of (i) the date on which Rouse shall have recovered the Rouse Preferred Return and (ii) any amounts due on account of Annual Percentage Rental, Rouse will keep and preserve for at least three (3) years original or duplicate books and records which shall disclose all information required to determine the Rouse Preferred Return and Annual Percentage Rental. After advance notice to Rouse, either the City or the

Authority, through their employees and/or independent accountants, shall have the right during business hours to inspect such books and records and to make any examination or audit thereof which the City or the Authority may desire; provided that neither the City nor the Authority shall be entitled to audit such books and records more than once during any Rental Year. If such audit shall disclose a liability for Annual Percentage Rental in excess of the Annual Percentage Rental theretofore paid by Rouse for the period in question, Rouse shall promptly pay such additional Annual Percentage Rental. Should such additional Annual Percentage Rental equal or exceed three percent (3%) of the Annual Percentage Rental previously paid, Rouse also shall promptly pay the cost of audit and interest on the additional Annual Percentage Rental at the Default Rate commencing as of the date on which such additional Annual Percentage Rental would have been due and payable under this Section 2.5.

Rouse further covenants and agrees to deliver to the Authority within one hundred twenty (120) days after the close of each Rental Year and after the termination of the Lease, a statement prepared and certified by an officer of Rouse showing, in reasonable detail, the computation of Net Cash Flow and the Annual Percentage Rental, if any, for the preceding Rental Year. Such statement shall certify that such officer's examination included such tests of Rouse's books and records as such officer considered necessary under the circumstances, and that such report presents fairly the Annual Percentage Rental due

with respect to the preceding Rental Year. If requested in writing by the Authority (prior to the end of any Rental Year and not more than once per year) such statement shall be prepared and certified by the Auditor within said one hundred twenty (120) day period. If Rouse shall fail to deliver such statement to the Authority, the Authority, pursuant to Section 11.6 hereof, may itself or through an independent Certified Public Accountant, conduct an audit of Rouse's books and records to determine the amount of Annual Percentage Rental due with respect to the Rental Year in question, and Rouse shall promptly pay to the Authority, as additional rental, the cost of such audit.

Section 2.6. Covenants for Payment of Public Charges by Rouse. Rouse shall pay and discharge, before any fine, penalty, interest or cost may be added, all real and personal property taxes, public assessments and other public charges (all such taxes, public assessments and other public charges being hereinafter referred to as "Public Charges") levied, assessed or imposed by any public authority against the Leased Property, including all improvements constructed thereon by Rouse pursuant to this Lease, in the same manner and to the same extent as if the same, together with all improvements thereon, were owned in fee simple by Rouse; provided, that the City represents and warrants that, under applicable law, no real property taxes shall be payable by Rouse with respect to the Building Improvements until the Building Improvements are substantially completed. The City shall pay or cause to be paid, before any fine, penalty, interest or cost may be added, all Public Charges levied,



assessed or imposed against any other portion of the Project, including, without limitation, the Exterior Common Areas, East Parcel Parking Site and Parking Garage. Notwithstanding the foregoing, Rouse shall have the right to contest the amount or validity, in whole or in part, of any Public Charges against the Leased Property and/or Building Improvements by appropriate proceedings, and the City agrees to consent to and/or formally join in any such proceedings, if such consent and/or joinder be required by law for the prosecution thereof. The City shall similarly have the right to contest the amount or validity, in whole or in part, of any Public Charges against the remainder of the Project, and Rouse agrees to consent to and/or formally join in any such proceedings, if such consent and/or joinder be required by law for the prosecution thereof. Rouse shall pay all charges for metered water, sewer service charges and other fees or charges lawfully imposed by any public authority upon or in connection with the Leased Property and/or Building Improvements, and the City shall pay all such charges with respect to the remainder of the Project.

Section 2.7. Title Charge. Rouse shall pay the premium for any title insurance acquired by it.

Section 2.8. Evidence of Payment of Public Charges. The City and Rouse, upon written request, shall each furnish or cause to be furnished to the other party, official receipts of the appropriate taxing authority, or other proof satisfactory to such other party evidencing the payment of any Public Charges, which were due and payable by the party hereunder responsible

therefor thirty (30) days or more prior to the date of such request.

Section 2.9. Public Area Security and Police Protection. It is understood that the Leased Property is surrounded by the West Parcel and Exterior Common Areas which are to remain as open space and, as such, the City will provide the normal security and police protection afforded all other City public open spaces with appropriate augmentation during periods of high pedestrian activity, including (without limitation) on the Opening Date and through the following weekend and during special public events in or near the Leased Property. Rouse shall have the responsibility of security and protection of the Leased Property and Building Improvements, but shall have no responsibility for security or protection outside the Leased Property.

Section 2.10. Parking Availability. The parties recognize that the availability during the Term of this Lease of a sufficient number of public, short term parking spaces in the vicinity of the Building Improvements is in the best interests of the parties to this Lease.

(a) In order to assure Rouse of such availability, the City covenants and agrees that the City will construct or cause to be constructed, as hereinafter provided, the Parking Garage on the Parking Site, which Parking Garage shall be operated and maintained throughout the Term of this Lease. Such Parking Garage shall be constructed in accordance with the provisions of Sections 3.6 and 3.7 and contain not less than eight hundred

(800) short-term parking spaces available for use by the public generally, including the owners, tenants and occupants of the Building Improvements and their customers, patrons and invitees. The City will use its reasonable efforts to cause the Parking Garage to be constructed on an accelerated schedule, as hereinafter provided, if necessary in order to cause the same to be opened for business with the general public prior to the Opening Date. The Parking Garage shall be operated and maintained in accordance with the provisions of Section 7.3.

(b) During the Term of this Lease (unless the East Parcel is also the Parking Site and unless and until the East Parcel is leased or otherwise acquired by Rouse pursuant to Section 2.2 or Section 8.5 or otherwise conveyed or developed by the City as permitted in this Lease), the City shall provide (through Rouse as independent contractor) and maintain on the East Parcel permanent surface parking facilities as provided in Sections 3.7 and 7.3.

Section 2.11. Approvals and Consents. The issuance of any written approvals or consents by the Authority, the City or its agencies pursuant to this Lease shall be, to the extent permissible by law, irrevocable, except by agreement between the parties hereto.

### ARTICLE III

#### CONSTRUCTION OF IMPROVEMENTS

Section 3.1. General Plan of Development; Schedule of Performance: The parties intend to develop the Project in accordance with the development schedule (the "Schedule of

Performance") attached hereto as Exhibit E. The parties shall use their reasonable efforts to adhere to the dates set forth in the Schedule of Performance. In the event either the City or Rouse experiences any material delay which would result in an inability to adhere to the dates in the Schedule of Performance it shall so promptly notify the other party (stating the reasons therefor and the action which it shall take in order to minimize such delay) and shall thereafter take such action as is appropriate and practicable under the circumstances so as to minimize such delay. The Designated Representatives shall, from time to time, by mutual agreement amend in writing the Schedule of Performance in order to reflect delays and/or changed circumstances. Notwithstanding anything contained in the Schedule of Performance, neither the City, the Authority nor Rouse shall be obligated to proceed with or fulfill its undertakings hereunder or under the Schedule of Performance unless and until all applicable requirements, as set forth in this Lease, shall have been fulfilled or waived as herein provided.

Section 3.2. Approval of Plans:

(a) All construction respecting the Project and/or any of its components and/or the Parking Garage shall be in conformity with the applicable design development and/or construction plans approved or to be approved to the extent required pursuant to this Lease and with all applicable Laws. Where plans and/or specifications are required under this Lease to be approved by either the City or Rouse, the submission and

approval of the same shall be accomplished in accordance with the following procedure:

- (i) The party preparing such plans and specifications (the "Preparing Party") shall use its reasonable efforts to cause the same to be prepared and submitted to the party reviewing the same (the "Reviewing Party") not later than the dates, if any, provided in the Schedule of Performance for such submittal.
- (ii) Within twenty (20) days after the Reviewing Party shall have received such plans and specifications, it shall give the Preparing Party its notice of approval or disapproval thereof, specifying in the case of the latter its reasons therefor. Approval of such plans and specifications shall not be unreasonably withheld and may be withheld only for the reasons set forth in this Lease.
- (iii) The Preparing Party shall, upon receipt of a notice of disapproval, promptly undertake to amend and modify the plans and specifications so as to address, to the extent required under this Lease, the reasons for disapproval as set forth in the notice of disapproval, and, upon completion thereof the same shall be approved by the Reviewing Party within ten (10) days after receipt of the same. If there shall be

a bona fide dispute between the parties as to whether the plans or specifications or any amendment or modification are permitted hereunder or respecting disapproval of the same, such dispute shall be submitted to some impartial member of the American Institute of Architects mutually satisfactory to the parties, or if the parties fail to agree on such person within fourteen (14) days, then to some impartial member of the American Institute of Architects (who is not a resident of Jacksonville and does not devote a significant portion of his or her professional activity to projects within or in the vicinity of Jacksonville) selected by the president of that organization, and the parties will cooperate and use their reasonable efforts to cause the president of such organization to select such arbitrator within fourteen (14) days of the request that he make such selection. The parties will further cooperate and use their reasonable efforts to cause such arbitrator to decide the disputed issue within fourteen (14) days after the arbitrator's selection, and the decision of the arbitrator in any such dispute shall be final and binding upon the parties and enforceable in a court of law.

(iv) If the Reviewing Party shall fail to give notice of its approval or disapproval within twenty (20) days after receipt of any plans and specifications submitted to it for its approval, or of any required modification or amendment thereof, the same shall be deemed to have been approved.

(v) Upon approval of plans and specifications as provided herein, the same shall not be modified or amended thereafter in any material respect without the approval of the Reviewing Party:

(b) Any document required to be submitted for approval in accordance with the foregoing shall be accompanied by a letter from the Preparing Party's "Designated Representative", as hereinafter defined, stating that such document is submitted for approval pursuant to this Lease and setting forth the time within which 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 personal delivery or on the third day following mailing if sent by certified or registered mail. All such documents shall be sent to the Reviewing Party's "Designated Representative" at the address set forth below.

(c) Rouse's "Designated Representative" shall be John H. Noggle whose address is Rouse-Jacksonville, Inc., c/o The

Rouse Company, 10275 Little Patuxent Parkway, Columbia, Maryland 21044 unless or until another person shall be specified by Rouse in a notice given pursuant to Article XVII. The City's "Designated Representative" shall be James H. Gilmore, Jr. whose address is 128 E. Forsyth Street, Suite 720, Jacksonville, Florida 32202 unless or until another person shall be specified by the City in a notice given pursuant to Article XVII.

(d) Any notice of approval or disapproval required to be given under this Section 3.2 shall be accompanied by a letter from the Reviewing Party's Designated Representative to the Preparing Party's Designated Representative at the address specified above stating that such notice is given pursuant to this Lease and unless accompanied by such a letter, such notice shall not be deemed to have been given.

Section 3.3. The City's Support Obligations. Promptly following execution of this Lease, the City shall undertake and diligently pursue to completion each of the following and shall use its reasonable efforts to accomplish the same in accordance with the Schedule of Performance and the applicable time frames set forth hereinafter:

(a) Prior to the Possession Date, the City shall acquire or otherwise obtain legal control of a suitable Parking Site sufficient to enable the City to commence and complete construction of the Parking Garage, and thereafter the City shall cause the construction, operation and maintenance of the Parking Garage, all in accordance with the provisions of Sections 3.7 and 7.3 hereof. The City shall advise Rouse in writing, prior to the



Possession Date, of the manner by which it acquires or obtains control of the Parking Site and shall provide Rouse with copies of all agreements or contracts with respect thereto. If the East Parcel is to be the Parking Site, the City shall provide Rouse with a construction staging and storage area as provided in Section 3.7.

(b) The City shall endeavor in good faith to cause a traffic plan mutually agreeable to Rouse and the City (the "Traffic Plan") to be implemented on or prior to the Opening Date.

(c) Prior to the Possession Date, the City shall provide Rouse with such evidence as Rouse may reasonably request to the effect that the Transit System, satisfactory to Rouse, shall be in operation on or prior to the Opening Date and that such Transit System shall remain so in operation during the Term of the Lease (unless the City and Rouse shall otherwise mutually agree in writing), such evidence to include, at Rouse's option, execution of the Transit Agreement by the City, Rouse and The Jacksonville Transportation Authority. The City shall endeavor in good faith to cause the Jacksonville Transportation Authority to execute the Transit Agreement.

(d) The City shall provide police protection respecting the Project as set forth in Section 2.9 hereof.

(e) On or prior to the Possession Date, the City shall cause the vacation and abandonment of those portions of the Coast Line Drive right of way located on the West Parcel and East Parcel and shall obtain the relinquishment of any easements

necessary in order that the East Parcel and West Parcel may extend unencumbered (except for the Permitted Exceptions) to the edge of the St. Johns River and include the vacated street right of way as provided herein.

(f) Prior to the Possession Date, the City shall grant to Rouse or otherwise provide all temporary and permanent easements as Rouse reasonably deems necessary for the development and operation of the Project in accordance with this Lease.

(g) Prior to the Possession Date, the City shall cause the East Parcel and the West Parcel to be zoned so as to allow construction and commencement of operation of the Project pursuant to this Lease, shall obtain or cause to be obtained all approvals, permits, subdivisions, variances or waivers necessary under applicable laws (other than building permits) for such construction and commencement of operation and in order that the Project as contemplated in this Lease shall comply with all applicable zoning, land use and/or environmental laws; provided that the foregoing shall not be deemed to relieve Rouse of the obligation to pay water charges, pollution control charges and electrical service charges respecting the Building Improvements.

(h) Prior to the Possession Date, the City shall take such action as may be necessary in order for Rouse to obtain from a title insurance company selected by and satisfactory to Rouse a title insurance policy or, at Rouse's option, commitment issued at customary rates and insuring for the benefit of Rouse and any Mortgagee designated by Rouse (i) Rouse's leasehold interest in the Leased Property pursuant to the Lease (including, without

limitation, subsurface rights) and (ii) Rouse's easement rights pursuant to this Lease, including without limitation, easement rights over the remainder of the West Parcel and over portions of the East Parcel, all free and clear of any liens, covenants, restrictions, encumbrances, claims, title exceptions, or adverse matters (including without limitation any of the same as may arise by virtue of the fact that portions of the East Parcel and West Parcel are located on riparian land adjacent to the St. Johns River) other than the Permitted Exceptions, and without any exception for mechanic's liens or rights of parties in possession, and providing such affirmative coverage as Rouse may require with respect to the Permitted Exceptions and/or any claims or matters affecting title (including, but not limited to, the rights of governmental authorities pursuant to the navigational servitude or otherwise) resulting from the fact that such property encompasses riparian land or former submerged land or respecting environmental matters, toxic waste disposal requirements and the like.

(i) Prior to the Possession Date, the City shall acquire or otherwise obtain legal control of the Parking Site as provided in Section 3.6.

(j) The City shall, at its sole cost, cause all bulkheads and tie-backs on or adjacent to the West Parcel to be inspected by a duly qualified engineer, and, prior to the commencement of Rouse's Construction Obligations, the City shall undertake and complete, at its sole cost, such remedial and repair work with respect to such bulkheads and tie-backs as shall

be necessary to enable such engineer to certify that no further repair or remedial work is necessary respecting the same and to state that, based on design and use information supplied by Rouse with respect to the Building Improvements, the same may reasonably be expected to function adequately, without need for repair, for the full Term of the Lease. The parties contemplate that such inspection, remedial and repair work will take place during construction of the Site Improvements, as hereafter provided, and the City will undertake the same in such a manner as to minimize any interference with construction of the Site Improvements.

The foregoing obligations and undertakings of the City are herein collectively referred to as the "City's Support Obligations".

Section 3.4. Construction of Building Improvements.

Rouse shall use its reasonable efforts to prepare final construction plans for the Building Improvements in accordance with the applicable dates, if any, set forth in the Schedule of Performance. Such final construction plans, as the same may be modified from time to time by Rouse, are herein referred to as the "Final Building Improvements Plans". Subject to the terms and conditions of this Lease, Rouse agrees to construct the Building Improvements, which shall not exceed seventy-five (75) feet in height, in accordance with the Final Building Improvements Plans, and Rouse shall use its reasonable efforts to complete construction of the Building Improvements in accordance with the applicable dates set forth in the Schedule of Performance. The

parties recognize that two storm drains (one approximately fifty-four inches in diameter and the other approximately thirty-six inches in diameter) are presently located on the easternmost portion of the West Parcel (as shown on Exhibit C-1) and that such storm drains will remain in place following the construction of the Building Improvements. The City is and shall be responsible for the maintenance, repair and replacement of such storm drains, and in order to facilitate such activities by the City, Rouse agrees that, except for overhangs, banners, flagpoles and other decorative or removable building features and unless the City shall otherwise agree in writing, the Building Improvements will be designed and constructed so that the easternmost exterior of the Building Improvements will be at least fifteen feet to the west of the center line of the westernmost (fifty-four inch) storm drain. The parties further recognize that telephone lines and conduits may extend beneath the Building Improvements pursuant to an easement in favor of Southern Bell Telephone and Telegraph Company and that such easement, upon the execution of such documents and completion of such undertakings as may be required by Rouse as set forth in Exhibit D, may constitute a Permitted Exception. To the extent that such telephone lines and/or conduits are located beneath the Building Improvements, the City agrees to and hereby does indemnify, defend and save Rouse and any of its Subtenants harmless from and against any loss, expense, claim, action or damage resulting from any construction, replacement, maintenance,

repair or other work undertaken by Southern Bell Telephone and Telegraph Company or any party (other than Rouse, its agents or contractors) respecting such telephone lines and/or conduits. In the event Rouse, at its option, shall obtain a performance bond from its general contractor or construction manager respecting construction of the Building Improvements, Rouse shall cause the City to be named as an additional obligee on such bond and shall provide the City with a copy of the same. Rouse's construction obligations pursuant to this Section 3.4 are herein referred to as "Rouse's Construction Obligations". Following the Possession Date, Rouse shall report to the Authority monthly with respect to the status of commencement of Rouse's Construction Obligations and, following commencement, as to the progress respecting completion of Rouse's Construction Obligations. After substantial completion of the Building Improvements in accordance with the provisions of this Lease, Rouse shall furnish the Authority with a certificate of Rouse's architect certifying such substantial completion of the Building Improvements. Within thirty (30) days thereafter, the Authority will furnish Rouse with the Authority's certificate of substantial completion, which certificate shall be a conclusive determination of satisfaction of Rouse's obligations hereunder respecting construction of the Building Improvements.

Section 3.5. Commencement of Rouse's Construction Obligations. Rouse shall commence Rouse's Construction Obligations promptly following the completion or fulfillment of the following:

- (a) Satisfaction of all conditions precedent to the Possession Date, as set forth in Section 2.1, which for the purpose of delivery of possession of the Leased Property may have been waived by Rouse (with the consent of the City to the extent required in Section 2.1(e));
- (b) Delivery to Rouse of evidence satisfactory to Rouse that there are no lawsuits, appeals, proceedings or other actions threatened or pending against the Project, Rouse, the City, the Authority or any other entity which, in Rouse's reasonable determination, would, if successful, prevent, adversely affect, or delay the completion and operation of the Project, provided that the foregoing condition shall be satisfied upon the delivery to Rouse of indemnification satisfactory to Rouse against any such threatened or pending lawsuit, appeal, proceeding or other action;
- (c) Completion by the City of inspection and remedial work respecting all bulkheads and tie-backs on or adjacent to the West Parcel as provided in Section 3.3(j), delivery to Rouse of the engineer's certificate referenced in Section 3.3(j) and completion of the first phase of the Site Improvements as provided in Section 3.7;

(d) Delivery to Rouse of evidence satisfactory to Rouse to the effect that the City shall fulfill its commitments respecting the Project, as set forth in this Lease, on or prior to the Opening Date (including, without limitation, evidence satisfactory to Rouse to the effect that the City will fund the City Construction Loan and City Permanent Loan as herein provided).

Notwithstanding the foregoing, Rouse, at its option, may elect to proceed with Rouse's Construction Obligations despite the failure to complete or fulfill any of the foregoing requirements, in which event the City shall remain obligated to satisfy and shall satisfy, as promptly as possible, any of such unfulfilled requirements which are obligations or undertakings of the City.

Section 3.6. Acquisition of Parking Site; Design of Parking Garage.

(a) The parties agree that the Preferred Parking Parcel is the most desirable of the potential sites for the Parking Garage, and the City shall endeavor in good faith to acquire or otherwise obtain control over the Preferred Parking Parcel sufficient to enable the City or its designee to construct and operate the Parking Garage thereon for a period of time not less than the Term of the Lease. If, despite its good faith efforts, the City is unable to acquire the Preferred Parking Parcel, the City shall endeavor in good faith and with diligence to acquire



another site for the Parking Garage mutually agreeable to the City and Rouse, and if despite such further good faith efforts the City is unable to acquire such a location then and in such event the East Parcel shall be the site of the Parking Garage. Nothing contained herein shall be deemed to prevent the City from negotiating simultaneously with respect to the Preferred Parking Parcel and other potential sites for the Parking Garage so long as the same does not detract from the City's good faith efforts to obtain the Preferred Parking Parcel. The City shall keep Rouse well informed of its negotiations respecting the acquisition of a site for the Parking Garage and shall promptly advise Rouse in the event it determines that it cannot obtain the Preferred Parking Parcel and shall inform Rouse of the reasons for such determination. The site ultimately acquired for the Parking Garage is herein referred to as the "Parking Site". The City shall use its reasonable efforts to obtain, on or prior to applicable date set forth in the Schedule of Performance, legal control over the Parking Site for the full Term of this Lease (by virtue of a binding purchase contract, lease, option or otherwise) and to close on its acquisition of the Parking Site in accordance with the Schedule of Performance. In the event the City fails to obtain control of and close on the acquisition of the Parking Site in accordance with the Schedule of Performance, the City shall, upon the written request of Rouse, designate the East Parcel as the Parking Site and proceed with construction of the Parking Garage thereon in accordance with this Lease.

(b) The Authority has commissioned Morales and Shumer, Engineers to prepare a feasibility and use study to examine possible rates, number of spaces, massing and other potential needs for the Parking Garage and taking into account the type of consumer which is expected to use such a garage. It is expressly understood and agreed that such study shall be of an advisory nature and shall be used to assist the Authority and the City with respect to the design and operation of the Parking Garage (including, but not limited to, the desirability of including more than 800 parking spaces within the Parking Garage) in accordance with the standards set forth in the Parking Garage Design Standards and in this Lease. The results of such study shall in no manner diminish or alter Rouse's rights under the Lease with respect to the Parking Garage, including, without limitation, (i) Rouse's right to approve the design of the Parking Garage to the extent herein provided, (ii) the obligation of the City to construct the Parking Garage with not less than 800 short-term unreserved parking spaces available for general public parking in accordance with this Lease, and (iii) the City's obligation to utilize a rate schedule designed to discourage long-term parking in such short-term parking spaces. Each of the short-term parking spaces made available for general public parking shall be of adequate size for the parking of a standard size automobile and, in any event, a space no smaller than the minimum size prescribed by law for the parking of a standard size (not compact) automobile.

(c) Prior to commencement of construction of the Parking Garage, Rouse and the City shall mutually agree upon the design of the Parking Garage, including but not limited to architectural design, signage, lighting, sidewalk treatment, landscaping, means of access and egress and the manner by which pedestrian access is provided from the Parking Garage to the Building Improvements. Attached hereto as Exhibit F are design standards (the "Parking Garage Design Standards") which shall form the basis for the design of the Parking Garage. The City shall use its reasonable efforts to submit to Rouse, in accordance with the Schedule of Performance, plans for the construction of the Parking Garage, which plans shall be subject to Rouse's approval in accordance with the procedure set forth in Section 3.2. Rouse shall not unreasonably withhold its approval of such plans and shall approve the same provided the same are developed in a manner consistent with the Parking Garage Design Standards. Construction of the Parking Garage shall be in accordance with final plans and specifications (the "Final Parking Garage Plans") approved by Rouse to the extent provided in this Lease, unless the same shall be modified, or other plans approved, as provided in this Lease. Notwithstanding anything contained in this Lease to the contrary, Rouse shall have no liability or obligation whatsoever by virtue of its approval, as herein provided, of such plans and specifications.

(d) The City shall use its reasonable efforts to execute a general contract for the Parking Garage in accordance

with the Schedule of Performance and shall provide Rouse with a copy of such general contract for Rouse's information. The City shall regularly advise Rouse respecting the City's financing and/or other arrangements necessary or appropriate for the acquisition of the Parking Site (if necessary) and construction of the Parking Garage. Such financing or other arrangements shall be in all respects subordinate to the restrictive covenants set forth herein respecting the Parking Site and/or Parking Garage, and, except upon the prior written consent of Rouse, no lien or encumbrance respecting such financing or other arrangements shall encumber the West Parcel, or any part thereof, or any portions of the East Parcel which are encumbered by easements or restrictive covenants set forth in this Lease. It is understood and agreed that the City may enter into contracts with third parties (including, but not limited to any present owner of the Parking Site) respecting the acquisition of the Parking Site and development of the Parking Garage; provided that, in any event, the Parking Garage shall be constructed and operated in accordance with the provisions of this Lease, each of which shall be binding upon any owner or operator of the Parking Garage, and Rouse shall be entitled to assurances that any operator of the Parking Garage is qualified to do so in accordance with the provisions of this Lease. The City shall promptly give Rouse notice in writing if it decides to involve (whether through the City's solicitation or receipt of an offer) any third party in the acquisition of the Parking Site and/or

development or operation of the Parking Garage (whether through request for proposal or otherwise), such notice to contain the proposed terms of such participation, and the City shall allow Rouse a reasonable prior opportunity to itself participate in such transaction in lieu of such other party. In such event the City shall waive any bidding requirements or requirements respecting requests for proposals which might otherwise apply to Rouse's participation. Notwithstanding the foregoing, Rouse's rights pursuant to this Section 3.6(d) shall not apply to, and shall not restrict or impede the City with respect to, the City's contracts with architects, engineers or consultants respecting development of the Parking Garage.

Section 3.7. City's Construction Obligations. The City, without cost or expense to Rouse or public assessment against the Leased Property or the Building Improvements, shall construct or cause to be constructed the following:

(a) Parking Garage. Subject to the terms and conditions of this Lease, the City agrees to use its reasonable efforts to construct the Parking Garage in accordance with the Schedule of Performance. Such construction shall be in accordance with the Final Parking Garage Plans.

(b) Site Improvements and Exterior Common Areas. It is the responsibility of the City to deliver to Rouse a site suitable for the construction of the Building Improvements and to provide a site suitable for the construction of the Exterior Common Areas and all other portions of the Project to be located

on the East Parcel and West Parcel. It is the further responsibility of the City to cause certain improvements to be made to Hogan Street to the west of the West Parcel and to cause the construction of the Rouse Service Roadway and the construction and installation of the facilities, amenities, improvements, landscaping and the like which will comprise the Exterior Common Areas. Such work and improvements for which the City is responsible are herein collectively referred to as the "Site Improvements".

The Site Improvements shall be completed in two phases in accordance with plans and specifications approved by the Authority as herein provided. The first phase shall include, without limitation, the following:

- (i) The demolition and removal of all existing improvements on the West Parcel, including but not limited to all structures, buildings, light standards, sidewalks and paving; the demolition and removal of such existing improvements on the East Parcel as may be necessary or appropriate for the development of the Project and East Parcel Parking Facilities, and the demolition of those portions of Coast Line Drive located on the East Parcel and West Parcel (including but not limited to the removal of all light standards, paving, sidewalks and curbs);

- (ii) Removal and relocation of all utilities on the West Parcel (other than the sanitary sewer line located within the City Sewer Easement and the storm drains and telephone lines and conduits referenced in Section 3.4) and on the East Parcel to the extent that such utilities may interfere with the construction and development of the Building Improvements or Project; provided that, within the area designated on Exhibit B as encumbered by State Department of Transportation bridge easements or bridge rights of way, such removal and relocation shall be subject to obtaining necessary approvals of the State Department of Transportation (which the City shall endeavor in good faith to obtain);
- (iii) Removal of all above-grade utility services and relocation as necessary of utility services below-grade;
- (iv) All work necessary to prepare the site for construction and to insure that soil bearing capabilities throughout the entire West Parcel and those portions of the East Parcel on which portions of the Rouse Service Roadway will be located are satisfactory to Rouse and the City, including, without limitation

surcharging or compacting the soil within all or portions of the West Parcel (the "Surcharging Work"), and, if necessary, removal and replacement of contaminated or otherwise unsuitable soils (any good faith dispute respecting the adequacy of soil bearing capabilities to be resolved by arbitration as provided in Article XVI); and the installation of such pilings as may be necessary to support the Building Improvements because of soil bearing characteristics resulting from the Surcharging Work (provided that, except for such pilings, unless the City shall agree otherwise, the City shall not be responsible for concrete installation or pouring as may be necessary for the support of the Building Improvements);

- (v) Rough-grade work respecting the site, and finish-grade work respecting the property to be beneath the Building Improvements;
- (vi) Provision and installation of all required off-site utilities and all on-site utilities to the perimeter of the Leased Property; and
- (vii) Repair, replacement and/or restoration of existing bulkheads and tie-backs to the extent required by the engineer inspecting the same



pursuant to Section 2.1(e) or otherwise  
necessary for the development of the Project.

The first phase of the Site Improvements (including, without limitation, the Surcharging Work) shall be completed prior to the commencement of Rouse's Construction Obligations. The remaining Site Improvements for which the City is responsible shall be completed following the commencement of Rouse's Construction Obligations and shall include, without limitation, the following:

- (viii) Construction of certain improvements to Hogan, Independent and Water Streets (which work may include, without limitation, paving, traffic signals and curb cuts) in the vicinity of the West Parcel and which are necessary to conform to the design and anticipated use of the Building Improvements, provided that construction and/or relocation of traffic signals shall be subject to a determination by the City's Traffic Engineer that the same does not adversely affect traffic flow or endanger public safety;
- (ix) Construction of the Exterior Common Areas located on the East Parcel, the West Parcel and in the St. Johns River adjacent to the West Parcel including, without limitation, necessary finish-grade work, amenities such as

paving, lighting, seating, landscaping and the like , as well as docking or similar facilities (at Rouse's option) in the St. Johns River adjacent to the West Parcel, such facilities in the St. Johns River to be subject to all applicable State and Federal approvals, permits and consents (which the City and Authority shall endeavor in good faith to obtain);

(x) Construction of the Rouse Service Roadway on the East Parcel, West Parcel and, if necessary or appropriate, land between the West Parcel and the westernmost Main Street Bridge access ramp; and

(xi) Construction of surface parking facilities (the "East Parcel Parking Facilities") on those portions of the East Parcel not included in the Exterior Common Areas or subject to the Rouse Vehicular Access Easement (unless the East Parcel shall be the Parking Site).

(c) Rouse to be Site Improvements Development

Manager.

(i) The City hereby appoints Rouse as the exclusive development manager, as independent contractor for the City, respecting design and completion of the Site Improvements for the

City. Rouse agrees to perform its obligations as development manager, hereinafter set forth, in an efficient and proper manner.

Specifically, as such development manager and independent contractor, Rouse has or shall perform the following work:

- (1) Rouse shall manage and monitor the preparation of all plans and specifications for the Site Improvements. Rouse shall submit to the Authority, for its approval pursuant to Section 3.2, plans and specifications respecting the first phase of the Site Improvements (to be completed prior to the commencement of Rouse's Construction Obligations), and Rouse shall use its reasonable efforts to submit the same to the Authority in accordance with the dates set forth in the Schedule of Performance. Following the Possession Date, Rouse shall also submit to the Authority, for its approval pursuant to Section 3.2, plans and specifications respecting the remainder of the Site Improvements, and Rouse shall use its reasonable efforts so to submit such plans and specifications in

accordance with the dates set forth in the Schedule of Performance. The Authority shall not unreasonably withhold its approval of such plans and specifications and, with respect to plans and specifications for the second phase of the Site Improvements (submitted following the Possession Date as provided in the preceding sentence), the Authority shall approve the same to the extent they are compatible with the Site Plan attached hereto as Exhibit C and the work shown thereon is similar in quality to the exterior site improvements at any other currently owned projects operated by Affiliates of Rouse. The Authority shall not disapprove any such plans and specifications on the basis of cost of construction pursuant to the same so long as the total cost of the Site Improvements does not exceed the Site Improvements Budget attached hereto as Exhibit G or if Rouse agrees to itself bear any cost in excess of the Site Improvements Budget; and the Authority shall not disapprove modifications to

such plans and specifications to the extent permitted in the following sentence. Rouse shall have the right, following consultation with the Authority to modify any such plans and specifications to provide for removal of contaminated soils or to reflect unforeseen circumstances, conditions or necessary field changes, and the City shall bear any increase in cost associated therewith as provided in clause (5) below, provided that Rouse shall consult with and cooperate with the Authority to minimize any such cost increase and shall promptly inform the Authority of any such changes. Any dispute respecting such plans and specifications shall be resolved by arbitration pursuant to Section 3.2, provided that Rouse may, at its option, proceed with construction pursuant to any such disputed plans and specifications pending the resolution of such dispute, in which event Rouse, if such dispute is resolved in the favor of the Authority, shall bear any cost in excess of the Site

Improvements Budget resulting from construction pursuant to such disputed plans. In addition, the parties recognize that to the extent the Site Improvements include docking facilities or similar facilities in the St. Johns River, the plans and specifications respecting the same and construction and maintenance of the same may require approvals, permits or consents of the State of Florida, the United States or its or their agencies. At Rouse's request, the City and the Authority shall endeavor in good faith to obtain any such approvals, permits or consents.

- (2) Provided the City and Authority are in compliance with their obligations under this Lease (except to the extent and for such purposes as any of such obligations may have been waived as herein provided), Rouse, as independent contractor for the City, shall cause the completion of the Site Improvements in accordance with the applicable final plans and specifications (the "Final Site Improvements Plans"). Rouse shall use its reasonable efforts to

commence the Surcharging Work promptly following execution of this Lease (and Rouse shall have access to the West Parcel, pursuant to subsection (e) of Section 2.1, for such purpose), and Rouse shall use its reasonable efforts to cause the completion of the Site Improvements in accordance with the dates set forth in the Schedule of Performance.

- (3) Rouse shall negotiate and enter into contracts with architects, engineers and other consultants (duly licensed by, or otherwise authorized to conduct business in, the State of Florida) in connection with the design and construction of the different elements of the Site Improvements, which contracts may also apply to other aspects of design and/or construction respecting the Project or portions thereof. In this connection, Rouse has retained the architectural firm of Benjamin Thompson and Associates, Inc. as principal architects respecting the Site Improvements. Rouse shall provide the Authority with a copy of its contract with Benjamin Thompson and Associates,

Inc. and with copies of any other architectural contracts respecting the Site Improvements.

- (4) Rouse shall enter into an agreement for construction with a general contractor or construction manager, duly licensed by, or otherwise authorized to conduct business in, the State of Florida (the "General Contractor") which shall provide that the General Contractor shall arrange for and cause to have furnished all the labor and materials and to do all the things necessary, including coordination of the work of the subcontractors, for the proper completion of the Site Improvements, which agreement may also provide for the construction of other aspects of the Project. Rouse shall provide the Authority with a copy of its agreement with the General Contractor and with copies of subcontracts or consultant services contracts in excess of \$25,000. To the extent required by law (including, without limitation, Section 255.05 Florida Statutes, to the extent applicable) Rouse shall obtain payment



and performance bonds (or other lawful security mutually agreeable to Rouse and the City) from the General Contractor respecting construction of the Site Improvements, and Rouse shall cause the City to be named as an additional obligee on such bonds and shall provide the City with copies of the same. The City shall pay the entire premium for and all other costs associated with obtaining such bonds or other security.

- (5) Rouse agrees that with respect to the Site Improvements it will use reasonable efforts to cause the cost of the work to adhere to (and remain within) the aggregate limits set forth in the Site Improvements Budget attached hereto as Exhibit G. The City shall be responsible for any and all budget increases caused by costs associated with payment and performance bonds or other security as provided in clause (4), plan changes requested by the City or the Authority, restoration, repair or replacement of bulkheads and/or tie-backs, removal of contaminated soils, other unforeseen

conditions or circumstances or Unavoidable Delay, and Rouse shall be responsible for and shall pay or cause to be paid all other cost increases in excess of the Site Improvements Budget.

- (6) Rouse, itself or through the General Contractor, shall procure bids for, negotiate and enter into all contracts or purchase orders with suppliers, materialmen, contractors and others for the construction of the Site Improvements, provided that the aggregate contract or purchase order price shall not, without the prior written consent of the Authority, exceed the total Site Improvements Budget, except that such consent shall not be required if such total budget increase results from cost increases to be borne by the City pursuant to clause (5) above or if Rouse shall agree to bear the cost of such increase.
- (ii) The City shall reimburse Rouse for the entire amount of Rouse's cost and expense (including, without limitation, overhead and home office costs) in connection with the design,

construction and management of the Site Improvements, to the extent such total cost and expense is within the Site Improvements Budget or otherwise the responsibility of the City pursuant to clause (i)(5) above. The portion of such cost incurred by Rouse by virtue of home office expense of Rouse and Rouse's parent and Affiliates, overhead, salaries and benefits of all home office personnel related to management and supervision of design and construction of the Site Improvements is herein referred to as "Indirect Site Improvements Costs". The City shall also bear all other cost and expense incurred in connection with the Site Improvements, and shall pay to Rouse in the manner provided in clause (iii) below the amount of any invoices submitted by any architect or the General Contractor on account of the Site Improvements. Such costs (the "Direct Site Improvements Costs") include, without limitation, the following:

- (1) Design, planning, architectural and engineering fees, costs and expenses, and presentation costs and expenses incurred by Rouse, including, but not limited to,

all costs incurred in preparing the plans and specifications respecting the Site Improvements and/or Exterior Common Areas;

- (2) The cost of labor, equipment, materials and supplies;
- (3) Fees and expenses paid to construction managers, contractors and subcontractors;
- (4) The cost of permits and licenses;
- (5) Utility relocation costs and expenses and tap-in fees or other fees for connection to utility systems;
- (6) Insurance and accounting and legal costs and fees incurred in connection with the Site Improvements.

(iii) The City shall pay the Direct Site Improvements Costs and Indirect Site Improvements Costs as follows:

- (1) Rouse shall submit to the City, on a monthly basis, an application for payment for sums owing to Rouse for all Direct Site Improvements Costs and Indirect Site Improvements Costs incurred by Rouse to such date respecting the Site Improvements (less previous reimbursements by the City), and for sums

owed by Rouse to third parties as of such date on account of Direct Site Improvements Costs. Such application for payment shall include all invoices and statements submitted to Rouse on account of Direct Site Improvements Costs and respecting amounts payable to third parties.

- (2) Within fifteen (15) days after submission of each application for payment by Rouse to the City, the City shall pay or cause to be paid to Rouse the amounts stated in each of the applications for payment, provided that the City shall be entitled to withhold payment to the extent of defective work or disputes as to a party's entitlement to payment. Such disputes shall be resolved in accordance with the provisions of the applicable construction contract documents. In the event the City fails to make any payment to Rouse within ten (10) days following the later to occur of (x) the date on which payment is due or (y) the date on which Rouse disburses to any third party amounts to be reimbursed or paid by the

City pursuant to the application for payment, or if it is determined that Rouse was entitled to payment of any disputed amount, interest shall be added to the amount so paid by Rouse to any third party at the Default Rate calculated from the date on which Rouse shall have made such third party payment.

- (3) Rouse shall maintain adequate records and books of account, in accordance with generally accepted accounting principles and accurately reflecting all Direct Site Improvements Costs and Indirect Site Improvements Costs required to be reimbursed by the City, for a period of not less than three (3) years following the Opening Date. Upon reasonable advance notice, Rouse shall permit the City to inspect and audit such books and records in Rouse's offices at Columbia, Maryland or at such other place as Rouse may designate during normal business hours at reasonable intervals. The City shall have the right to inspect all work in progress respecting the Site Improvements at reasonable times and upon reasonable notice to Rouse.

(iv) The City represents and warrants that all zoning and other state, federal and local Laws (including environmental laws) applicable to the construction of the Site Improvements shall permit the commencement and completion of such construction as contemplated by this Lease. Rouse shall obtain, on behalf of the City and at the City's expense, all required governmental consents, permits and approvals, including, without limitation, construction and/or building permits, provided that the City shall be responsible for any cost, expense or delay incurred in connection therewith or experienced as a result of delay or inability to obtain the same (provided such cost or expense is not due to the negligence or other fault of Rouse, its employees, agents or contractors, but otherwise regardless of whether such cost or expense exceeds the amount budgeted therefor).

(d) Construction Staging Areas. Prior to the date of the commencement of work respecting the Site Improvements (other than the Surcharging Work) and continuing until that date which is six (6) months following the Opening Date, the City shall provide Rouse with a paved and unobstructed construction staging and storage area to be occupied exclusively by Rouse and those

acting under Rouse during such period, all at no cost to Rouse. The parties agree that the East Parcel shall serve as such staging and storage area during performance of the first phase of the Site Improvements and, unless the East Parcel is the Parking Site, thereafter. In the event the East Parcel shall be the Parking Site, the City shall provide Rouse with an alternative staging area reasonably satisfactory to Rouse and adjacent to or within one block of the West Parcel for Rouse's exclusive use as provided above until that date which is six (6) months following the Opening Date. However, if the East Parcel is such staging area Rouse agrees to manage and utilize the staging area in an efficient manner so as to allow parking to take place on the staging area during construction and during the six (6) month period following the Opening Date, provided that such parking shall be available only on those portions of the staging area not reasonably necessary for staging and storage and subject to Rouse's reasonable requirements for public safety and efficient management of the storage area.

(e) Vacation of Coast Line Drive. On the Possession Date (following Rouse's commencement of the Surcharging Work), the City shall cause the vacation and abandonment, in accordance with applicable legal and/or governmental procedures, of those portions of Coast Line Drive located on the East Parcel and/or West Parcel and the relinquishment and extinguishment of any easements over and/or upon the same so that such vacated portions of Coast Line Drive shall be owned by the City as part of the



East Parcel and the West Parcel, free and clear of any claims or rights of any other parties or public right of way or right of use (other than the Permitted Exceptions) and so that the City and Rouse may use and enjoy the same as part of the Project for the Term of this Lease and as contemplated in this Lease.

The City's obligations pursuant to this Section 3.7 (including, without limitation, those to be performed by Rouse as independent contractor for the City) are herein referred to as the "City's Construction Obligations". No mortgage, lien or other encumbrance arising as a result of the financing of the City's Construction Obligations shall attach to or encumber any portion of the West Parcel or those portions of the East Parcel which are subject to easements or restrictive covenants set forth in this Lease, without the prior written consent of Rouse.

Section 3.8. Additional City Obligations. In addition to the City's Construction Obligations, the City shall endeavor in good faith to perform the following additional undertakings respecting the Project:

(a) Waterfront Amenities. The City shall use its reasonable efforts to provide, prior to the Opening Date, the Waterfront Amenities on the North Bank of the St. Johns River and in the river adjacent thereto designed to be of public interest and/or to provide public recreation. The Waterfront Amenities may include such features as permanently moored historic vessels, marina and dockage facilities for pleasure craft, a water-taxi system between the North Bank and South Bank areas of the

downtown Jacksonville area, development of a North Bank River Walk similar to that which is presently under development on the South Bank of the St. Johns River, provided that any docks or similar facilities immediately adjacent to the West Parcel shall be part of the Exterior Common Areas (and not part of the Waterfront Amenities) and shall be owned, operated and maintained by the City as part of the Exterior Common Areas. The parties desire that the Waterfront Amenities be located near the West Parcel in order that the Waterfront Amenities and Building Improvements may be mutually beneficial, and the nature of the Waterfront Amenities immediately adjacent to the West Parcel shall be subject to the mutual approval of the Authority and Rouse (but the same shall remain subject to any applicable State or federal laws, rules and regulations). No portion of any Waterfront Amenities shall be located on any portion of the West Parcel without the prior written consent of Rouse. The City's downtown Jacksonville redevelopment plan includes a redevelopment plan for the North Bank of the St. Johns River, and the City and the Authority will endeavor in good faith to include the Waterfront Amenities in the implementation of such North Bank redevelopment plan. The City and the Authority will keep Rouse regularly advised as to the status of proposals and other actions respecting implementation of such redevelopment plan and Waterfront Amenities and, from time to time, at Rouse's request, representatives of the City and the Authority will meet with Rouse to review and discuss the same. Any Waterfront Amenities

located in the St. Johns River adjacent to the West Parcel shall be selected, designed, constructed and operated in a manner designed to complement the Building Improvements and benefit their use as a high quality, first class retail facility; accordingly, the nature, design, location and manner of operation of such Waterfront Amenities shall be subject to the mutual approval of the Authority and Rouse (but the same shall remain subject to any applicable State or federal laws, rules and regulations).

(b) Convention Center. The City is presently constructing a new convention center on a site bounded generally by Park-Lee, Bay and Myrtle Streets, and the City's development schedule for the convention center presently provides for the completion of construction and opening of the facility for convention activities on or prior to August, 1986. The City shall endeavor in good faith to cause the completion of construction of the convention center in accordance with such schedule and, in any event, prior to June 1, 1987.

(c) Automated Skyway Express. The Jacksonville Transportation Authority intends to construct an elevated public transportation system (the "Automated Skyway Express") extending from the Jacksonville Convention Center to the Enterprise Center. Preliminary approvals and the present construction schedule and funding authorization for the Automated Skyway Express provide for completion of construction of the first phase of the Automated Skyway Express on or prior to June 1, 1987, and

for such first phase to be open for ridership by the public on or prior to November 1, 1987. The City shall endeavor in good faith to assist the Jacksonville Transportation Authority in completing construction of the first phase of the Automated Skyway Express in accordance with such schedule and, in any event so that the same may be open for public ridership by November 1, 1987. The City shall endeavor in good faith to cause the terminus of the first phase of the Automated Skyway Express to be located within one block (measured along any street or diagonally) of the Building Improvements. The City shall keep Rouse regularly advised of the status of funding and construction schedule respecting the first phase of the Automated Skyway Express.

(d) Area Development Objectives. In addition to development of the Waterfront Amenities, the Convention Center and the Automated Skyway Express, the City has adopted the following objectives (the "Area Development Objectives") respecting development in the vicinity of the Project and which are intended to enhance and promote the Project:

- (i) Establishment of a long-range program to significantly increase the number of off-street parking spaces in the downtown Jacksonville area;
- (ii) Promotion of the development of the sites adjacent to or near the East Parcel and West Parcel for office, hotel, entertainment and cultural uses compatible with the Project;

- (iii) Promotion of the development of Laura and Hogan Streets as retail corridors (that is, the first floor businesses therein being substantially retail) between Hemming Plaza and the West Parcel and with streetscaping, lighting, landscaping and public improvements designed to enhance and encourage pedestrian activity;
- (iv) Promotion of the development of additional first-class hotel facilities in the downtown Jacksonville Area; and
- (v) Provision of direct interchange access to the downtown Jacksonville area from Interstate Highway 95 at the Bay and Forsyth Street exits.

The City shall endeavor in good faith to cause the fulfillment of the Area Development Objectives on or prior to June 1, 1987. The Authority shall be responsible for the development of specific procedures and recommendations designed to facilitate the fulfillment of the Area Development Objectives, and, at Rouse's request, representatives of Rouse and the Authority shall meet on a regular basis to review the status of the Authority's efforts to fulfill the Area Development Objectives.

Section 3.9. Reports. Following execution of this Lease, and until the City's Construction Obligations have been

completed, Rouse and the City each shall make, in such detail as may reasonably be required by the other, a report in writing to the other every month as to the actual progress of the reporting party with respect to construction of the Parking Garage (in the case of the City) and the Site Improvements (in the case of Rouse). Following execution of the Lease and continuing during the Term, the City shall similarly report to Rouse quarterly with respect to the actual progress regarding development of the Waterfront Amenities, the Jacksonville Convention Center, the Automated Skyway Express and regarding the progress toward fulfillment of the Area Development Objectives. During construction the work of each party shall be available for inspection by representatives of other at reasonable times.

Section 3.10. Connection of Building Improvements to Utilities. Rouse, at its sole cost and expense, will install or cause to be installed all necessary connections between the Building Improvements constructed or erected by it on the Leased Property and the water, sanitary and storm drain mains and mechanical and electrical conduits and cable extended to the Leased Property pursuant to this Lease. Rouse shall pay or cause to be paid all utility charges attributable to utility use within the Building Improvements, and the City shall pay or cause to be paid all utility charges attributable to the remainder of the Project.

Section 3.11. Zoning; Permits; Compliance with Laws. The City represents and warrants that the development,

construction, use and operation of the Building Improvements and Project in accordance with this Lease are permitted and not prohibited by all applicable Laws, including, without limitation, all applicable zoning, subdivision and environmental laws, rules and regulations. Without limiting the generality of the foregoing, if, at any time during the Term of this Lease, it is determined that the West Parcel (or any portion thereof), or any portion of the East Parcel on which is located any portion of the Exterior Common Area or Rouse Service Roadway, is or has been the site of any toxic waste or chemical disposal or deposit, and if any action is required by any of the applicable Laws in order to remove such toxic waste or chemicals or soils contaminated thereby, the City shall and hereby does indemnify and save Rouse and its Subtenants harmless from any claim, action, loss or damage resulting, directly or indirectly from the same, and the City, at no cost to Rouse, shall promptly take such action as may be required to remove such toxic waste, chemicals and/or contaminated soils and otherwise to comply with such applicable Laws and to fully restore the Building Improvements, Exterior Common Areas, West Parcel and such portions of the East Parcel following the same; provided, however, that the foregoing indemnification and undertaking of the City shall not apply to any action necessary by virtue of toxic waste or chemicals placed upon or beneath such property by Rouse, its contractors, agents or Subtenants. Rouse shall obtain or require its Subtenants to obtain all governmental approvals, consents, authorizations,

permits, licenses and certificates which may be necessary to permit the performance of Rouse's Construction Obligations, and the City shall obtain any of the same which may be necessary to permit the performance of the City's Construction Obligations. The City and Rouse shall each furnish the other, upon written request, with one complete reproducible set of the working drawings and specifications for improvements to be constructed by such party hereunder and with one reproducible copy of each amendment or modification thereof. The City and Rouse each agrees that its construction hereunder will comply with all Laws applicable to such construction then in effect including, without limitation, those set forth in Section 19.21.

Section 3.12. Alterations and Renovations.

(a) After completion of construction of the Building Improvements, Rouse from time to time may make such alterations or renovations thereof as it shall deem desirable, subject to Rouse's obtaining applicable building and similar permits and provided, however, that no renovation or alteration which materially affects the exterior appearance of the Building Improvements or substantially affects the overall character and appearance of any interior mall, court or public circulation area shall be made until such time as the Authority shall have approved plans and specifications therefor, which approval shall not be unreasonably withheld or delayed.

(b) After completion of construction of the Site Improvements and Parking Garage, the City may make such



alterations or renovations thereof as it shall deem desirable, subject to the City's obtaining applicable building and similar permits and provided, however, that no renovations or alterations by the City respecting the Exterior Common Areas, or which materially affects the appearance or availability of the East Parcel Parking Facilities, or which materially affects access to or circulation within the Parking Garage or alters the configurations of and method of access to and from parking spaces therein in a manner which is inconsistent with the Parking Garage Design, shall be made until such time as Rouse shall have approved definitive construction plans and specifications therefor. Rouse shall not unreasonably withhold such approval with respect to the East Parcel Parking Facilities or the Parking Garage, and Rouse shall approve such plans and specifications respecting alterations and renovations of the Parking Garage to the extent the same are consistent developments of the Parking Garage Design Standards.

Section 3.13. Signage

(a) As part of the construction of the Building Improvements and Site Improvements, Rouse shall erect and/or install (or cause such erection or installation of) such informational, directional or other signs and graphics as may be shown in the plans for the Building Improvements and/or Site Improvements. Without limiting the foregoing, Rouse may, at no expense to the City, install and/or erect (or cause to be installed and/or erected), in accordance with applicable Laws

governing the same, such additional reasonable signs and/or graphics within or upon the Building Improvements or Exterior Common Areas as Rouse deems appropriate. The City shall cooperate in good faith with Rouse in obtaining any governmental approvals, permits, variances, waivers or the like which may be necessary in order to erect and/or install any such reasonable signs and/or graphics.

(b) As part of the construction of the Parking Garage, the City shall erect and/or install at no cost to Rouse such signs and graphics (for identification or directional purposes) as Rouse may reasonably require, the design and location of such signs and/or graphics to be subject to the approval of Rouse. Rouse may itself install, at Rouse's expense and subject to the Authority's reasonable approval, additional signs and graphics upon or within the Parking Garage, Parking Site and/or East Parcel Parking Facilities.

(c) The City shall, after consultation with Rouse and at no cost or expense to Rouse, develop and implement a street signage program for the downtown Jacksonville area, which program shall include, without limitation, street signage directing vehicular traffic to the area of the Building Improvements and Parking Garage and street signage directing pedestrian traffic from the Parking Garage and East Parcel Parking Facilities to the Building Improvements. The City shall use its reasonable efforts to develop and implement such street signage program in accordance with the Schedule of Performance and, in any event, prior to the Opening Date.

## ARTICLE IV

### SUBLEASING

Section 4.1. Rouse's Subleasing. The subleasing and operation of the Building Improvements will be the exclusive privilege and responsibility of Rouse. In this regard, Rouse shall have the right and responsibility to do all things which it deems necessary or advisable for the planning, development, merchandising, subleasing and operation of the Building Improvements, provided that no Sublease shall have a term extending beyond the Term of this Lease. Rouse will establish and implement a minority leasing program designed to achieve the minority leasing goals set forth in Section 20.2. Rouse will regularly advise the City as to the status of implementation of such minority leasing program and shall provide the City with such information respecting the same as is required by law.

## ARTICLE V

### COMPLETION AND OPENING

Section 5.1. Opening Date. Rouse, the City and the Authority shall each make reasonable efforts, subject to Unavoidable Delay, to perform its obligations under this Lease in accordance with the Schedule of Performance so as to allow the Project (including, without limitation, the Building Improvements, Exterior Common Areas and Site Improvements) and Parking Garage to be "open for business" with the public on June 1, 1987; provided that Rouse shall not be required to open the Building Improvements for business with the public between

November 1 and that date which is two weeks prior to Easter of any year; and further provided that with respect to the East Parcel Parking Facilities, Rouse and the City shall use their reasonable efforts to cause as much of the same as is available as a result of Rouse's storage and staging needs to be open for business on June 1, 1987. In the event Rouse notifies the City in writing, on or prior to December 1, 1986, that Rouse intends to cause the Building Improvements and Exterior Common Areas to be open for business on a date set forth in such notice which is prior to June 1, 1987 (but in no event shall such earlier date be more than two weeks before Easter of 1987), and if such notice is accompanied by evidence reasonably satisfactory to the City to the effect that Rouse shall be able, in the regular course of business, to cause the Building Improvements and Exterior Common Areas to be open for business by such earlier date, then and in such event the City shall use its reasonable efforts to cause the Parking Garage to be open for business by such earlier date, subject to Unavoidable Delay. Under no circumstances shall Rouse be required to cause the Building Improvements to be open for business unless the entire Project (which term does not include the East Parcel Parking Facilities) and the Parking Garage shall be open for business. The date on which the Building Improvements are first open for business as herein provided is herein referred to as the "Opening Date".

Section 5.2. Meaning of "Open for Business". The term "open for business" or "is open for business" or "shall open for business" and like references means:

- (a) with respect to the Building Improvements, the time when Subtenants occupying at least 80% of Gross Leasable Area within the Building Improvements have opened their respective Subtenant Spaces for business with the public;
- (b) with respect to the Parking Garage, the time when construction of the same shall have been completed (including without limitation of all entrances, exits and parking areas) and is free from obstruction, all elevators and lighting shall be operational, all directional signs and graphics within or upon the Parking Garage and Parking Site installed, all street signage as provided in Section 3.13 installed, and the Parking Garage shall be open for business and all of the 800 short-term parking spaces shall be available for use on a short-term basis by the general public, including customers of Subtenants of the Building Improvements; and
- (c) with respect to the Exterior Common Areas and East Parcel Parking Facilities, the time when construction of the same shall be completed, free of obstruction with all signage and graphics installed, and available for use by the general public, including customers of Subtenants of the Building Improvements;

provided that Rouse may, at its option, cause the Building Improvements to be open for business prior to the time on which the requirements set forth in clause (a), (b) and (c) above shall have been satisfied.

Section 5.3. Budget Savings and Increases.

(a) The City shall be responsible for the cost of any construction or development activity to be undertaken or paid for by the City pursuant to this Lease, including, but not limited to, related design fees and costs; provided, however, that with respect to the costs of completion of the Site Improvements, the City's obligation shall be subject to the provisions of Section 3.7. Following commencement of construction of the Building Improvements, Rouse shall be responsible for any Development Cost respecting the Building Improvements even though such Development Cost may be in excess of \$31,500,000.

(b) If the actual Development Cost of the Building Improvements, as certified by Rouse within eighteen (18) months following the Opening Date, is less than \$31,500,000, any unused and available Project contingency funds as shown on the Building Improvements Budget attached hereto as Exhibit H shall be applied first to repay Rouse for any Rouse Equity Investment in excess of \$1,000,000, and any remaining available contingency funds shall be distributed 25% to Rouse and 75% to the City and to be applied by the City for reduction of the principal amount of the City Permanent Loan as more particularly set forth in the City Permanent Loan Documents.

## ARTICLE VI

### TRANSIT SYSTEM

Section 6.1. Transit System Operating Agreement. The City shall use its reasonable efforts to cause, through an operating agreement approved by Rouse (which approval shall not be unreasonably withheld) with the Jacksonville Transportation Authority or by such other means as shall be acceptable to Rouse, the creation of the Transit System so as to provide frequent and convenient transit bus service between the Building Improvements and designated areas in the North Bank and South Bank of the St. Johns River throughout the Term. The operating agreement respecting the Transit System shall include provisions satisfactory to Rouse for the operation of a first-class, safe and clean public transportation facility, including, without limitation, provisions respecting number and location of routes, number, maintenance and appearance of buses, head times, rate structure, validation and promotional programs and the manner by which the Transit System may be discontinued because of insufficient public utilization. The City shall endeavor in good faith to enter into such operating agreement with the Jacksonville Transportation Authority prior to the Possession Date or make such other satisfactory arrangements prior to the Possession Date for the development and operation of the Transit System on or prior to the Opening Date. Rouse shall be a party to such operating agreement. The City shall take such measures as may be necessary to inform the public of the Transit System

and to identify the Transit System with the Building Improvements and other Transit System destinations. During the month prior to the Opening Date the City shall actively and regularly advertise and promote the Transit System, at no cost to Rouse and in coordination with Rouse's advertisement and promotion of the Building Improvements.

## ARTICLE VII

### LAND USE AND OPERATING COVENANTS

Section 7.1. Land Uses by Rouse and the City. Rouse and the City agree, for themselves and their successors and assigns to or of the Leased Property and/or Project, to devote the Leased Property and other components of the Project (including, but not limited to, the Exterior Common Areas) the East Parcel and Parking Garage to the uses and only to the uses specified for the Leased Property and other Project components and related facilities in this Lease and to be bound by and comply with all of the provisions and conditions of this Lease respecting use and operation of the Building Improvements and other components of the Project and related facilities.

Section 7.2. Rouse's Management and Operating Covenant. Following the date on which the Building Improvements are open for business, and during so much of the Term as the City shall be complying with its obligations under Section 7.3 and subject to the provisions of Article XIV respecting damage or destruction and Article XV hereof, Rouse shall prudently and continuously manage and operate (or cause the management and



operation of) the Building Improvements as a first-class retail facility having a broad range of merchandise and services consistent with the size and location of the Building Improvements. Rouse will be responsible for all operating losses resulting from its operation of the Building Improvements, provided that Rouse shall be entitled to recover cumulative operating losses as a first preference from Transfer Proceeds or Refinancing Proceeds as hereinafter provided. Subject to applicable zoning and other Laws, Rouse agrees (i) that the Building Improvements will be maintained and used primarily for retail business (including, but not limited to, the sale of food, merchandise, goods and/or services, including, without limitation, travel agent services, stock or other brokerage, physician, dental, and other professional or similar services) and Retail Common Area, but may also include from time to time such non-retail business and uses as are customarily found in urban retail shopping centers similar to the Building Improvements or in the retail portions of urban mixed-use projects; (ii) that the Building Improvements will be operated at or above the prevailing level of quality of operations observed by Affiliates of Rouse on the date of this Lease in the operation of their respective urban retail centers known as The Gallery at Market Street East in Philadelphia, Pennsylvania; Harborplace, in Baltimore, Maryland; Faneuil Hall Marketplace, in Boston, Massachusetts; Santa Monica Place, in Santa Monica, California; The Grand Avenue, Milwaukee, Wisconsin; and South Street Seaport

in New York City, New York; and (iii) that, during the Term of this Lease, reasonable means will be taken to prevent any manner of operation or use not in accordance with such standards. In particular, and without limiting the generality of the foregoing, Rouse agrees that:

(a) it will use all reasonable efforts to lease Gross Leasable Area within the Building Improvements to Subtenants who will provide a balanced mix of goods and services consistent with the standards set forth in the preceding paragraph and to keep such Gross Leasable Area leased to the maximum extent feasible under existing conditions;

(b) in connection with the use and operation of the Building Improvements, it will further abide by the applicable provisions of Section 7.4;

(c) it will properly maintain the Building Improvements and keep the same in good repair, reasonable wear and tear excepted; and

(d) from time to time it will establish such reasonable rules and regulations governing the use and operation by Subtenants of their premises as Rouse shall deem necessary or desirable in order to assure the level of quality and character of operation of the Building Improvements required herein, and it will use its reasonable efforts to enforce such rules and regulations.

Section 7.3. The City's Management and Operating Covenant. Commencing on the Opening Date and continuing

throughout the Term (and including the term of any lease executed pursuant to Section 9.5), and subject to the provisions of Article XIV respecting damage or destruction and Article XV hereof, the City will do the following with respect to the operation of the Parking Garage, Exterior Common Areas and East Parcel:

- (a) The City shall continuously operate and manage, or cause the operation and management of, the Parking Garage as a first-class parking garage serving the general public (with at least 800 parking spaces specifically reserved for short-term parking by the general public), and, except as may be otherwise provided in this Lease, the City will use the Parking Garage for no other purpose. The City will use its reasonable efforts to cause the Parking Garage to be operated at all times at or above the prevailing level of quality or operations observed by first-class parking garage operators in downtown Jacksonville, and the City shall not cause or permit the Parking Garage to be operated in any manner which would discourage the use thereof by customers, patrons or invitees of Rouse and/or its Subtenants. In addition, the City will utilize a rate structure designed to encourage short-term parking and discourage long-term parking (that is, occupancy of a parking space by the same vehicle

for a continuous period in excess of three hours) in the 800 parking spaces reserved for short-term parking by the general public. If the Parking Garage shall contain more than 800 short-term parking spaces, the City shall not, nor shall the City permit any operator or other person to, operate or participate in the operation of any plan with respect to any of such additional parking spaces whereby free parking or parking at reduced rates is provided to owners, tenants or occupants of any building, provided that the same shall not be construed to prohibit Rouse and/or the City from adopting a validation program designed to provide customers of Subtenants with free or reduced rate parking within the Parking Garage. The City agrees to keep the Parking Garage open for general public parking, including parking by customers of Subtenants, during all hours in which any Subtenants of the Building Improvements are open for business, and for a period of one hour prior to the opening and following closing of the Building Improvements, to keep the Parking Garage clean and well lighted and staffed during all hours of operation and to provide adequate security, mutually acceptable to the City and Rouse, respecting the Parking Garage during all hours of

operation. The City shall not take or permit any action which would deny or unreasonably restrict convenient pedestrian access between the Parking Garage and Building Improvements by way of public sidewalks and crosswalks across streets at locations mutually agreeable to the City and Rouse. Each of the 800 parking spaces reserved for general public parking shall be a space of adequate size for the parking of a standard size automobile and in any event a space no smaller than the minimum size prescribed by law for the parking of a standard size (not compact) automobile.

- (b) The City shall continually operate and manage the Exterior Common Areas in good order, repair and appearance, including, without limitation, the furnishing of all labor, material and equipment necessary to comply with the applicable provisions of Section 7.4, provided that, with respect to docking facilities or similar facilities constituting part of the Exterior Common Areas and situated within the St. Johns River, the City's operation and management of the same shall be subject to applicable state and federal laws.
- (c) Following completion of the East Parcel Parking Facilities and subject to the provisions of Sections 8.4 and 8.5, the City shall continually

operate and manage, or cause the operation and management of, the East Parcel Parking Facilities as first-class surface parking facilities, and the City will utilize a rate structure designed to encourage short-term parking and discourage long-term parking (that is, occupancy of a parking space by the same vehicle for a continuous period in excess of three hours) in the parking spaces located thereon. The City agrees to keep the East Parcel Parking Facilities open for parking by the general public, including customers of Subtenants, during all hours in which any Subtenants of the Building Improvements are open for business, and for a period of one hour prior to and following closing of the Building Improvements, to provide adequate security, mutually acceptable to Rouse and the City, respecting the East Parcel Parking Facilities during all hours of operation and to maintain the East Parcel Parking Facilities (or cause the same to be maintained) in accordance with the applicable standards set forth in Section 7.4. Subject to the City's reasonable approval, Rouse may install on the East Parcel signs and graphics identifying the Building Improvements and directing person thereto. The City shall not take or permit any action which would deny or

unreasonably impair pedestrian access between the East Parcel Parking Facilities and the Building Improvements along sidewalks or other accessways maintained by the City and approved by Rouse.

- (d) The City shall at all times, at its sole cost and expense and without assessment against the Building Improvements, maintain in good condition and repair all City curbs, gutters and sidewalks adjacent to the West Parcel and/or Exterior Common Areas. In addition the City shall at all times, at its sole cost and expense and without assessment against the Building Improvements, maintain in good condition and repair, the Rouse Service Roadway located within or upon the Rouse Vehicular Access Easement in accordance with standards approved by Rouse.

Section 7.4. Operations.

(a) The parties acknowledge that it is their mutual intent that the Project be operated in a high-quality, first-class manner which shall be attractive both in its physical characteristics and in its appeal to customers and trade. In furtherance of this interest, each party covenants with the other that, in connection with its operation of those portions of the Project for which it is responsible, it will not:

- (i) place or maintain any merchandise, trash, refuse or other articles in any lobby, vestibule or entrance of or to any part of the

- Project, or any pedestrian crosswalks or footwalks adjacent to any portion of the Project so as to obstruct access thereto;
- (ii) permit undue accumulations of garbage, trash, rubbish or any other refuse upon or within any portion of the Project, but will remove the same at regular intervals and keep the same in proper containers at places designated therefor until removal;
  - (iii) cause or permit objectionable odor or noise to emanate or be dispelled from its portion of the Project;
  - (iv) receive or ship articles of any kind outside designated service areas or designated freight elevators; or
  - (v) use or permit the use of any portion of the Project for any unlawful, immoral or disreputable purpose, any purpose which would create a hazard, permit or endanger the use, operation and safety of the Project or any portion thereof, or create a nuisance, or for any activity of a type which is not generally considered appropriate for a first-class downtown retail shopping center conducted in accordance with good and generally accepted standards of operation. The parties shall



from time to time agree upon reasonable regulations respecting the use by any person or organization of the Exterior Common Areas for purposes of expression, and the City shall use its reasonable efforts to enforce such regulations to the extent permitted by law.

Rouse shall cause all Subleases to contain covenants binding on the Subtenants substantially as set forth in clauses (i) through (v) above.

(b) Unless otherwise specifically provided herein or required by law, no person shall be permitted to do any of the following in, about or upon the Exterior Common Areas, East Parcel, or the Retail Common Area without the consent of Rouse and the City:

- (i) parade, rally, patrol, demonstrate or engage in any conduct that might tend to interfere with or impede the use of the Retail Common Area, Exterior Common Areas or East Parcel by persons entitled to use the same, create a disturbance, harass, annoy, disparage or be detrimental to the interests of any of the retail establishments within the Building Improvements;
- (ii) throw, discard or deposit any paper, glass or extraneous matter of any kind, except in designated receptacles, or create litter or hazards of any kind;

- (iii) use any sound making device of any kind or create or produce in any manner noise or sound that is annoying or unpleasant or constitutes a nuisance;
- (iv) deface, damage or demolish any sign, light standard or fixture, landscaping material or other improvements or property within the Project;

provided, that neither the City nor Rouse shall be deemed to be in default hereunder so long as such party uses reasonable efforts to halt or prevent such act or acts from taking place on those portions of the Project under its control. To the extent permitted by law, the City and Rouse each shall have the right to deny access to or to exclude from its portion of the Project any person engaged in the commission of any such act or acts or to restrain any such person from coming upon such portion of the Project. In so acting, such party (the City or Rouse, as the case may be) shall not be deemed to be the agent of the other party, unless expressly authorized or directed to do so by such other party.

(c) In addition to the foregoing, with respect to the management and operation of the East Parcel Parking Facilities and Exterior Common Areas, the City shall do or cause the following:

- (i) sweep and clean all paved or hard surfaces at least once per day (except with respect to

- those portions of the Exterior Common Areas designated by Rouse for restaurant seating pursuant to Section 7.4(e) below);
- (ii) except with respect to those portions of the Exterior Common Areas designated by Rouse for restaurant seating pursuant to Section 7.4(e) below, empty all trash receptacles at least two (2) times per day and otherwise as necessary to avoid unsightly appearance or odor, replace trash receptacles, and provide trash receptacles (as necessary) sufficient in size, number and location to keep such areas free of trash and debris;
  - (iii) provide lighting to the original design standards;
  - (iv) repair and replace all improvements, storm drains, utilities, fountains, amenities and facilities as initially constructed or installed in or on the Exterior Common Areas and/or East Parcel Parking Facilities as nearly as practicable to the original design standards, any such repair and/or replacement to be undertaken in a manner designed to minimize interference with the Building Improvements and Exterior Common Areas and persons using the same;

- (v) except with respect to those portions of the Exterior Common Areas designated by Rouse for restaurant seating pursuant to Section 7.4(e) below, promptly remove snow, water, ice and debris prior to daily opening of the Building Improvements if possible, and, in any event, as necessary for pedestrian comfort and safety;
- (vi) maintain landscaped areas by cleaning all debris and other foreign substances;
- (vii) maintain grass and other planted areas through proper mowing, watering, seeding and fertilizing;
- (viii) replace trees, plants, grass and other landscaping as nearly as practicable to original design standards;
- (ix) replace light bulbs and other equipment necessary to provide lighting in accordance with the original design standard of illumination;
- (x) except with respect to those portions of the Exterior Common Areas designated by Rouse for restaurant seating pursuant to Section 7.4(e) below, promptly remove all trash and debris and undertake other cleanup as necessary during and after any fair, festival, special

- event or other public gathering upon the Exterior Common Areas or any part thereof;
- (xi) maintain, repair and replace all City-owned exterior furniture (including, without limitation, tables, umbrellas and seating facilities) located on or in the Exterior Common Areas;
- (xii) maintain, repair and replace as necessary in order to protect the Leased Property, Exterior Common Areas and East Parcel against subsidence, landshifting or the effects of the current and/or flow of the St. Johns River all bulkheads and bulkhead tie-backs within or adjacent to the East Parcel and/or West Parcel, any such maintenance, repair and/or replacement to be undertaken at times mutually agreeable to Rouse and the City (so long as the City maintains, repairs and/or replaces the same promptly and, in any event, within such time as may be necessary to protect public safety and any property located on the East and/or West Parcel), and in a manner designed to minimize interference with the Building Improvements, Exterior Common Areas, East Parcel and persons using any of the same;

(xiii) promptly pay (and in any event prior to any discontinuance of service resulting from non-payment) all utility charges relating to the Exterior Common Areas and East Parcel Parking Facilities, whether determined pursuant to separate meters or (if any utility service utilizes a metering system in common with the metering respecting the Building Improvements) in a method mutually acceptable to the parties, and if the parties cannot agree upon such method the same shall be determined by arbitration pursuant to Article XVI.

(d) The parties recognize and agree that, in order to facilitate the development and operation by Rouse of the Building Improvements as a first-class retail facility pursuant to Section 7.2, it is desirable that Subtenants be permitted to sell alcoholic beverages and that Subtenants' customers be permitted to consume alcoholic beverages within the Building Improvements and upon the Exterior Common Areas. In order to enable such sale and consumption of alcoholic beverages, the City, by its execution of this Lease waives the provisions of Chapter 154, Ordinance Code respecting the prohibition or restriction of the sale and consumption of alcoholic beverages upon or about public or City-owned property, and Chapter 656, Part 8, Ordinance Code, respecting limitations as to the number and location of liquor licenses available in the City of Jacksonville and/or Duval

County, and any other City Ordinances which would otherwise operate to restrict or prohibit such sale and consumption within the Building Improvements and/or upon the Exterior Common Areas. It is the intention of the City, by such waiver, to allow such sale and consumption of alcoholic beverages, and the City covenants and agrees that all necessary City governmental action (including, without limitation, approval by the City Council) has been completed in order to effect such waiver. Such waiver does not extend to State laws, rules and regulations, but the City agrees to assist Rouse and otherwise endeavor in good faith to obtain any State waivers, consents and permits required under State laws, rules and regulations in order to permit such sale and consumption of alcoholic beverages. Rouse agrees to include in its Subleases provisions requiring any Subtenant which sells alcoholic beverages for consumption within or about the Building Improvements to maintain liquor liability insurance with coverage limits of at least \$1,000,000.

(e) Rouse may, from time to time, designate by written notice to the City portions of the Exterior Common Areas adjacent to the Building Improvements for use as restaurant seating, and, for so long as the same is so designated, Rouse shall be entitled to limit such portions of the Exterior Common Area to activities associated with customary restaurant uses. In such event, and for so long as such portions may be so designated, Rouse shall require the Subtenants utilizing such areas for restaurant seating to maintain any property placed on such area by such

Subtenants and to police and maintain such areas in accordance with the provisions of Section 7.4(c)(i), (ii), (v) and (x) above. In all other respects the City shall maintain and operate such portions of the Exterior Common Areas in accordance with the provisions of this Lease. In addition, during all times when such portions of the Exterior Common Areas are not so designated by Rouse, the City shall comply with the provisions of Section 7.4(c)(i), (ii), (v) and (x) with respect thereto. Subject to applicable laws, the City and Authority shall execute such license, lease or other agreements as Rouse may reasonably require in order to effectuate the purposes of this Section 7.4(e).

#### ARTICLE VIII

##### ASSIGNMENT AND TRANSFER

Section 8.1. Certain Defined Terms. As used herein, the term:

(a) "Transfer" means:

(i) With respect to Rouse:

(x) any sale, assignment, transfer or conveyance (other than by a Mortgage, by the exercise of a Mortgagee's rights thereunder or by Sublease) of all or substantially all of Rouse's interest in this Lease, the leasehold estate created hereby, or the Building Improvements, other than to an Affiliate of Rouse or



The Rouse Company (including, without limitation, a partnership in which Rouse or such Affiliate is a general partner), whether by operation of law, attachment or assignment for the benefit of creditors or otherwise;

(xx) any transfer of the majority of any class of voting stock of Rouse, other than to The Rouse Company or an Affiliate of The Rouse Company (including, without limitation, a partnership in which Rouse or such Affiliate is a general partner); or

(xxx) any merger, consolidation, sale or lease of all or substantially all of the assets of Rouse (except pursuant to a Mortgage or Sublease), other than to or with The Rouse Company or an Affiliate of The Rouse Company (including, without limitation, a partnership in which Rouse or such Affiliate is a general partner); and

(ii) With respect to the City:

(x) any sale, lease, assignment, transfer or conveyance of all or any substantial part of the City's interest in this Lease, the

Project, the West Parcel, East Parcel, Parking Garage or Parking Site, whether by operation of law, attachment or assignment for the benefit of creditors or otherwise.

(b) "Transferee" means the person or other entity in whose favor or for whose benefit a Transfer is made.

(c) "Qualified Retail Operator" means a Transferee or proposed Transferee possessing the experience in the operation and management of high quality retail complexes, qualifications, good reputation, financial resources and adequate personnel necessary for the proper performance of all of Rouse's obligations under this Lease (including, but not limited to, the obligation to operate the Building Improvements in accordance with the standards set forth in Section 7.2.) in a manner consistent with the quality, character, reputation and economic viability of the Building Improvements.

(d) "Qualified Parking Operator" means a Transferee or proposed Transferee possessing the experience, qualifications, good reputation, financial resources and adequate personnel necessary for the proper operation of the Parking Garage (including, but not limited to, the obligation to operate the Parking Garage in accordance with the applicable provisions of Section 7.3.) in a manner consistent with the quality, character, reputation and economic viability of the Project.

Section 8.2. Prohibited Transfers. Except as permitted in this Lease, neither Rouse nor the City shall make any Transfer, and any attempted Transfer not permitted herein shall be void and shall confer no rights upon any third person. Nothing herein shall prohibit Rouse from entering into the City Construction Loan Documents or City Permanent Loan Documents or from making any Mortgage or transfer or assignment in favor of an Institutional Lender for the purpose of financing the construction and development of the Building Improvements, or from making or suffering any transfer, assignment or conveyance pursuant thereto.

Section 8.3. Permitted Transfers by Rouse. Rouse shall notify the City in writing of any proposed or contemplated Transfer by Rouse. At any time following the Opening Date, Rouse may make a Transfer to a Transferee approved by the City; provided, that unless such Transferee shall expressly assume Rouse's obligations hereunder in writing (in which case Rouse shall be released from any liability arising hereunder from and after the date of such assumption and Transfer), Rouse shall remain primarily liable under this Lease notwithstanding any such Transfer. The City agrees that it will not withhold its approval of any proposed Transferee who (i) is a Qualified Retail Operator or (ii) has covenanted with the City to retain, during the entire Term of the Lease, a Qualified Retail Operator to have full control over the management, maintenance, operation, merchandising and subletting of the Building Improvements, so

that at all times following such Transfer the Building Improvements shall be under the control of a Qualified Retail Operator, and breach of such covenant by a Transferee so obligated to retain a Qualified Retail Operator shall constitute a breach of such Transferee's obligations under this Lease. If Rouse shall dispute any withholding of the City's approval pursuant to the preceding sentence, Rouse may submit such dispute to arbitration pursuant to Article XVI, and in such event, the issue for determination by arbitration shall be whether the proposed Transferee (itself, or together with the person or entity retained by it) shall be a Qualified Retail Operator.

Section 8.4. Permitted Transfers by the City. The City shall notify Rouse in writing of any proposed or contemplated Transfer by the City. In addition, subject to the provisions of Section 2.2 and Section 8.5:

(a) The City may make a Transfer of the Parking Site and Parking Garage to a Transferee approved by Rouse; provided that, unless such Transferee shall expressly assume the City's obligations hereunder in writing (in which case the City shall be released from any liability arising hereunder respecting the Parking Site and Parking Garage from and after the date of such assumption and Transfer), the City shall remain primarily liable hereunder with respect to the Parking Garage notwithstanding any such Transfer, and Rouse agrees that it will not withhold its approval of any proposed Transferee who (i) is a Qualified Parking Operator or (ii) has covenanted with Rouse to retain,

during the entire Term of this Lease, a Qualified Parking Operator to have full control over the management, maintenance, operation, merchandising and subletting of the Parking Garage, so that at all times following such Transfer the Parking Garage shall be under the control of a Qualified Parking Operator. If the City shall dispute any withholding of Rouse's approval pursuant to the preceding sentence, the City may submit such dispute to arbitration pursuant to Article XVI, and in such event, the issue for determination by arbitration shall be whether the proposed Transferee (itself, or together with the person or entity retained by it) shall be a Qualified Parking Operator.

(b) At any time following the expiration of Rouse's development rights as set forth in Section 2.2 and subject to the provisions of Section 8.5, the City may make a Transfer of those portions of the East Parcel other than (i) those portions included in the Exterior Common Areas or (ii) those portions burdened by the Rouse Vehicular Access Easement, provided that such Transfer shall be subject to any and all restrictive covenants set forth in this Lease respecting the East Parcel.

Section 8.5. Rouse's Right of Prior Opportunity.

(a) Subject to the provisions of Section 2.2, if at any time during the Term the City receives an unsolicited offer respecting the Transfer of the Parking Garage and/or Parking Site (including, without limitation any portion of the East Parcel which is the Parking Site), the City shall give Rouse written

notice of the terms and conditions of any such offer and by such notice shall provide Rouse with a true copy of any proposed contract or agreement respecting such Transfer and/or any other material setting forth the terms and conditions of such proposed Transfer (collectively the "Transfer Terms"). Such notice shall state that the City intends to make such Transfer in accordance with the Transfer Terms.

(b) Upon receipt of the Transfer Terms, Rouse shall have the right within sixty (60) days thereafter to notify the City in writing whether Rouse desires to analyze the Transfer and proposed Transfer Terms to determine whether Rouse itself or through any Affiliate of Rouse wishes to pursue further discussions respecting such Transfer. In the event Rouse so notifies the City, Rouse shall have a further period of one hundred twenty (120) days in which to complete such analysis. If prior to the expiration of such one hundred twenty (120) day period Rouse desires to accept the Transfer Terms, in its own name or in the name of an Affiliate of Rouse, it shall so notify the City in writing, in which event Rouse and the City shall endeavor in good faith, within a further period of one hundred twenty (120) days to close on the Transfer in accordance with the Transfer Terms and/or such other terms and conditions as may be mutually agreeable to Rouse and the City. If Rouse shall not, within the time periods set forth above, advise the City of its desire to analyze the proposed Transfer or, following such periods, to accept the Transfer Terms as above provided, the City

may make such Transfer to the third party offering the same, provided such Transfer is in accordance with the Transfer Terms. During the periods set forth above, however, in which Rouse shall have the right to analyze the Transfer Terms and/or accept the same and/or endeavor to close on the Transfer pursuant thereto, the City shall expressly recognize Rouse's rights pursuant to this Section 8.5 in any agreement (including, without limitation, any letter of intent) with any third party respecting the Transfer of the Parking Garage and/or Parking Site.

(c) In addition, if the City contemplates or desires that any proposed Transfer of the Parking Garage and/or Parking Site be made as a result of or pursuant to any offer by the City, solicitation of offers from others, request for proposals or similar method prior to the execution of a contract or agreement, the particulars of such proposed Transfer shall be deemed to be the Transfer Terms which the City shall deliver to Rouse in writing. Rouse shall have the exclusive right, for a period of sixty (60) days following receipt of the Transfer Terms within which to notify the City of its desire to analyze the Transfer Terms in the manner provided in Section 8.5(b) above, and if Rouse so notifies the City, it shall have the exclusive right, for a further period of one hundred twenty (120) days, in which to undertake such analysis in the manner provided in Section 8.5(b). If in the following such one hundred twenty (120) day period Rouse desires to accept the Transfer Terms, in its own name or in the name of an Affiliate of Rouse, it shall so notify

the City in writing, in which event the City and Rouse shall endeavor in good faith to enter into a binding agreement whereby Rouse shall acquire the property (in its own name or in the name of any Affiliate of Rouse) in accordance with the Transfer Terms and/or such other terms and conditions as may be mutually acceptable to the City and Rouse. During such period the City shall expressly recognize Rouse's rights pursuant to this Section 8.5 in any request for proposals or solicitation of offers with respect to the Parking Site and/or the Parking Garage. If Rouse does not notify the City of its acceptance of the Transfer Terms as provided above, or if, despite their good faith efforts, the City and Rouse are unable to enter into a binding agreement respecting the Transfer as provided above, the City shall be entitled to present the Transfer Terms to other parties and solicit offers or proposals from such parties in accordance therewith, and Rouse shall be entitled to submit further proposals to the City in response to the Transfer Terms.

(d) In connection with any Transfer to Rouse or any Affiliate of Rouse pursuant to paragraphs (a), (b) or (c) of this Section 8.5, the City hereby waives any City ordinances or laws respecting public bidding requirements, solicitations of offers or proposals which would otherwise restrict or prohibit the Transfer to Rouse or its Affiliate pursuant to the provisions of this Section 8.5. Further, in no event shall the provisions of this Section 8.5 modify or limit the rights granted to Rouse pursuant to Section 2.2.



## ARTICLE IX

### MORTGAGE FINANCING; RIGHTS OF MORTGAGEE

#### Section 9.1. Rouse Financing.

(a) Rouse has estimated that the total Development Cost for the Building Improvements will be at least \$31,500,000, which total cost estimate does not include interest on construction and permanent financing provided by the City or any cost which is to be borne by the City pursuant to this Lease (including, without limitation, costs to be borne by the City in connection with the City Construction Obligations). In order to facilitate Rouse's attempts to achieve the \$31,500,000 Building Improvements cost estimate, the City has agreed to provide Rouse with a \$10,000,000 construction loan (the "City Construction Loan") pursuant to the City Construction Loan Documents. It is intended that this loan will be drawn upon during construction of the Building Improvements, but after the funds provided pursuant to the City Permanent Loan have been drawn by Rouse. The City intends to provide the City Construction Loan by virtue of the City's Short Term Construction Loan Financing Program as authorized Chapter 542, Ordinance Code. However, since the availability of such loan funds depends upon future appropriation by Congress for the benefit of the City's Community Development Block Grant Program, the City cannot guarantee that such loan funds will be available in the amounts and at the times desired. Accordingly, the amount of any City Construction Loan extended to Rouse shall be conditioned upon the availability of such funds. In determining

the availability of such Community Development Block Grant Funds, the City shall be required to call upon any and all existing short-term construction loans which may have been extended to other parties. In any event, the City shall advise Rouse, in writing, on or prior to June 1, 1986, as to the availability of such Community Development Block Grant Funds, and if, as of June 1, 1986 such available funds shall be insufficient to fund fully the City Construction Loan the City shall notify Rouse of the amount of available funds and shall be obligated to extend to Rouse the City Construction Loan in such amount, subject to the terms and conditions of the City Construction Loan Documents. In the event the City is unable to extend the full \$10,000,000 City Construction Loan in the amount and over the periods desired, Rouse will be obligated to draw upon such other sources of funds available to Rouse (including, but not limited to, funds available pursuant to standby loan commitments or any increased privately placed construction loans) in order to provide funds to cover the insufficiency in the City Construction Loan. The City shall pay to Rouse, at such time as Rouse shall close on its privately placed permanent financing, all reasonable and documented costs and expenses incurred by Rouse in borrowing such additional funds, (including, without limitation, external interest costs, interest costs on funds supplied by Affiliates of Rouse calculated at the borrowing cost of such Affiliates, costs of arranging such additional financing (including Rouse internal costs), commitment fees and all other fees associated with such

additional financing); provided, however, that such additional funds borrowed by Rouse shall be added to the amount of the City Construction Loan for the purpose, and only for the purpose, of calculating and determining the City's accrued interest on the City Construction Loan as hereafter set forth, and in no event shall the principal amount on which such accrued interest is payable exceed \$10,000,000. Among other things, the City Construction Loan Documents shall provide that the principal amount of the City Construction Loan will be repaid to the City no later than six months following the Opening Date and, to the extent available, the same shall be repaid out of Rouse's privately placed permanent loan proceeds. Interest on the outstanding principal amount of the City Construction Loan will accrue at the rate of 5% per annum and be payable solely from the proceeds of sale of the Building Improvements or refinancing of Rouse's permanent financing, to the extent such proceeds are available for such purpose as set forth in the City Construction Loan Documents and this Lease. The actual amount of such accrued interest shall be determined on or prior to the date which is eighteen (18) months following the Opening Date, and there shall be no interest on interest under the City Construction Loan. The City Construction Loan Documents shall also provide that, subject to the rights and remedies of Rouse's Mortgagees under Mortgages securing Rouse's privately placed financing, an Event of Rouse's Default under this Lease and/or a default under Rouse's Mortgages, shall also constitute a default under the City Construction Loan Documents.

(b) The City will provide Rouse with further financing (the "City Permanent Loan") also in the amount of \$10,000,000 pursuant to the City Permanent Loan Documents. Funds under this loan will be first disbursed to Rouse on the Possession Date (to the extent of Rouse's Development Cost to the Possession Date) and thereafter during construction of the Building Improvements, and the City Permanent Loan will remain in place following completion of construction. Among other things, the City Permanent Loan Documents shall provide that the City Permanent Loan shall be repayable from and to the extent of available proceeds from the sale or subsequent refinancing of the Building Improvements (as set forth in the City Permanent Loan Documents and this Lease) and shall be non-recourse and interest free (except to the extent that sale or refinancing proceeds distributed to the City on account of the City Permanent Loan shall be deemed interest). The City Permanent Loan Documents shall also provide that, subject to the rights and remedies of Rouse's Mortgagees under Mortgages securing Rouse's privately placed financing, an Event of Rouse's Default under this Lease and/or a default under Rouse's Mortgages shall also constitute a default under the City Permanent Loan Documents. It is understood and agreed that funds under the City Permanent Loan shall be fully disbursed to Rouse prior to funding of the City Construction Loan and that funds under the City Construction Loan shall also be fully disbursed to Rouse prior to funding under any privately placed Rouse financing. Both the City Construction

Loan and the City Permanent Loan will be subordinated to Rouse's privately placed permanent financing, and both loans are to be secured by mortgages which expressly provide for such subordination so that the same will be junior to the Mortgages securing Rouse's privately placed construction and permanent financing. In the event of any conflict between the provisions of Sections 9.1(a) and/or 9.1(b) above and the provisions of the City Construction Loan Documents and/or City Permanent Loan Documents, the provision of the City Construction Loan Documents or City Permanent Loan Documents, as the case may be, shall prevail and be fully binding upon the City and Rouse notwithstanding any such conflict.

(c) Rouse shall seek to obtain additional first mortgage construction financing, on terms and conditions satisfactory to Rouse, in an amount (not less than \$9,000,000) necessary to complete construction and development of the Building Improvements in accordance with the \$31,500,000 Building Improvements Development Cost estimate (as the same may be revised from time to time) and Rouse's obligations under this Lease. In addition, Rouse will seek to obtain at least \$19,000,000 in privately placed permanent financing, on terms and conditions satisfactory to Rouse, for the Building Improvements pursuant to a first Mortgage or other financing device and Rouse will endeavor to close this permanent financing within six months after the Opening Date, it being understood that, in any event, the City Construction Loan shall be due and payable within six

months following the Opening Date. Rouse will keep the City advised of the terms of permanent financing and refinancing, and Rouse will provide the City with copies of relevant financing documents for the City's information only. In addition, Rouse will itself bear (as an equity investment in the Building Improvements) at least \$1,000,000 of the Development Cost respecting the Building Improvements. If Rouse's \$1,000,000 equity investment plus the total proceeds from the City Construction Loan, City Permanent Loan and privately placed financing are less than the total Development Cost incurred to develop the Building Improvements and cause the same to be "open for business" as provided in this Lease Rouse will provide up to an additional \$1,000,000 in equity on account of such Development Cost; provided however that Rouse shall be entitled to increase the privately placed permanent financing by any means which Rouse deems appropriate (including but not limited to equity syndication) in order that Rouse may recover any equity of Rouse in excess of \$1,000,000. No portion of Rouse's equity investment shall be used to reduce the City's investment in the Project or related facilities.

Section 9.2. Rouse Mortgages. Except as provided in Section 9.3, Rouse shall have the right at any time during the Term of this Lease to encumber its leasehold estate and/or the Building Improvements by way of Mortgage without the necessity of obtaining the consent of the City, provided that no such Mortgage

shall encumber the City's fee interest in the East Parcel or West Parcel but the foregoing shall not prevent Rouse's Mortgagee from encumbering the Building Improvements and Rouse's entire interest in this Lease and the easements and rights conveyed to Rouse hereunder.

Section 9.3. Restrictions on Mortgage Financing Prior to Completion of Improvements. Prior to the completion of the Building Improvements neither Rouse nor any successor in interest of Rouse shall engage in any financing or any other transaction creating any Mortgage upon Rouse's leasehold interest under this Lease or Building Improvements whether by express agreement or operation of law, or suffer any encumbrance or lien to be made on or attach to such interest or Building Improvements, except for the purpose of obtaining funds for leasing from the City and developing the Leased Property, including construction of the Building Improvements thereon and developing and subleasing the same as provided herein. It is further agreed that Rouse (or its successor in interest) shall notify the City in advance of any Mortgage financing it proposes to enter into with respect to Rouse's interest under this Lease and/or Building Improvements, and in any event that it shall promptly notify the City of any encumbrance or lien that has been created on or attached to such leasehold interest and/or Building Improvements, whether by voluntary act of Rouse or otherwise. Rouse will provide the City with copies of all Mortgages executed by Rouse respecting the Building Improvements and/or Project and other relevant financing

documents, for the City's information only, promptly following Rouse's execution of the same.

Section 9.4. Rouse Mortgagee Not Obligated to Construct Improvements.

(a) Notwithstanding any of the provisions of this Lease, including but not limited to any restrictive covenants running with the land, no Mortgagee of Rouse under any Mortgage permitted by this Lease, including any such Mortgagee who obtains title to the Building Improvements and/or Rouse's interest under this Lease as a result of foreclosure proceedings or action in lieu thereof, shall in any wise be obligated by the provisions of this Lease to construct or complete the Building Improvements or to guarantee such construction or completion, but such Mortgagee shall have the right to construct or complete said Building Improvements in accordance with this Lease; nor shall any covenant or any other provision of this Lease or any document delivered in connection herewith be construed to so obligate such Mortgagee; provided, however, that, (1) any other party who thereafter obtains title to the Building Improvements and/or Rouse's leasehold estate hereunder from or through such Mortgagee or (2) any other purchaser at a foreclosure sale other than the Mortgagee itself, shall be obligated to so construct or complete such construction in accordance with this Lease and shall expressly assume such obligation in writing, and provided further, that nothing in this Section or any other Section or provision of this Lease shall be deemed or construed to permit or



authorize any such Mortgagee to devote the Building Improvements to any uses, or to construct any improvements on the Leased Property, other than those uses or improvements provided or authorized in this Lease.

(b) Whenever the City shall deliver or make any notice or demand to Rouse with respect to any breach or default by Rouse in its obligations or covenants under this Lease, the City shall at the same time deliver to each Mortgagee of Rouse under a Mortgage not prohibited by this Lease a copy of such notice or demand, and each such Mortgagee shall have the right, at its option, to cure or remedy such breach or default and to add the cost thereof to the Mortgage debt and the lien of its Mortgage; provided, that if the breach or default is with respect to construction of the Building Improvements, nothing contained in this Lease shall be deemed to permit or authorize such Mortgagee, either before or after foreclosure or action in lieu thereof, to undertake or continue the construction or completion of such Building Improvements without first having expressly assumed the obligation to the City, by written agreement reasonably satisfactory to the City, to complete the Building Improvements.

(c) In any case where, subsequent to default or breach by Rouse (or its successor in interest) under this Lease, a Mortgagee of Rouse:

- (i) has, but does not exercise, the option to construct or complete the Building

Improvements within a period of one hundred eighty (180) days following foreclosure or transfer in lieu thereof; or

- (ii) undertakes construction or completion of such Building Improvements but does not complete such construction within such period as agreed upon by the City and such Mortgagee (which period shall in any event be at least as long as any period prescribed in this Lease for such construction or completion plus a reasonable time period attributable to delay caused by such Mortgagee's exercise of its rights under the Mortgage and this Lease and a reasonable mobilization period), and such default shall not have been cured within thirty (30) days after written demand by the City so to do;

the City shall have the option of paying to the Mortgagee the amount of the Mortgage debt and the interest and other charges accrued under such Mortgage at the time of such payment, and upon payment of such amounts this Lease shall terminate; or, in the event ownership of the leasehold interest created by this Lease has already vested in the Mortgagee by way of foreclosure or action in lieu thereof, the City shall be entitled, at its option, to a conveyance to it of such interest and the Building Improvements upon payment to such Mortgagee of an amount equal to the sum of:

(A) the Mortgage debt at the time of foreclosure or action in lieu thereof (less all appropriate credits, including those resulting from collection and application of rentals received during foreclosure proceedings);

(B) all expenses with respect to the foreclosure;

(C) the net expenses, if any, incurred by such Mortgagee in and as a direct result of the subsequent management of the Leased Property and/or Building Improvements;

(D) the costs of any improvements made by such Mortgagee; and

(E) an amount equivalent to the interest that would have accrued to the date of such payment to the Mortgagee on the aggregate of such amounts had all such amounts become part of the Mortgage debt and such debt had continued in existence.

Section 9.5. Rights of Mortgagees.

(a) The City and Authority agree to accept performance and compliance by any Rouse Mortgagee of and with any term, covenant, agreement, provision or limitation on Rouse's part to be kept, observed or performed by Rouse.

(b) The City agrees that following an Event of Rouse's Default and the expiration of any period within which Rouse may cure such default, it will take no action to terminate the Term of this Lease nor to reenter and take possession of the Leased Property or the Building Improvements unless it shall first give each Rouse Mortgagee notice after the expiration of any such cure period specifying such event of default and stating the City's

intention either to terminate the Term of this Lease or to reenter and take possession of the Leased Property and the Building Improvements on a date specified in such notice. Notwithstanding such notice the Term of this Lease shall not be terminated nor shall the City reenter and take possession of the Leased Property or the Building Improvements if (i) such Event of Default can be cured by the payment of a fixed monetary amount and within thirty (30) days after the date such notice is given any Rouse Mortgagee shall make such payment, or (ii) such Event of Default can be cured with the exercise of reasonable diligence by a Rouse Mortgagee after obtaining possession of the Leased Property and the Building Improvements and a Rouse Mortgagee, within thirty (30) days after the date such notice is given, commences such proceedings (including, without limitation, the filing of a petition for the appointment of a receiver) as it may deem necessary to obtain such possession and thereafter diligently prosecutes such action and promptly upon obtaining such possession commences (and thereafter diligently pursues) the curing of such default, or (iii) such Event of Default is not capable of being cured by a Rouse Mortgagee, even if possession of the Leased Property and the Building Improvements were obtained, and a Rouse Mortgagee, within sixty (60) days after the date such notice is given, institutes foreclosure proceedings and thereafter prosecutes the same with diligence or acquires Rouse's interest in this Lease, (except that if such Rouse Mortgagee is precluded from instituting or prosecuting such foreclosure

proceedings by reason of a bankruptcy or insolvency proceeding filed by or against Rouse said sixty (60) day period shall be extended by a period of time equal to the period during which said Rouse Mortgagee is so precluded from instituting or prosecuting such foreclosure proceedings), and such event of default shall thereupon be deemed to have been waived.

(c) In the event of the termination of this Lease prior to its stated expiration date (other than by reason of voluntary termination by Rouse), the City shall give all Rouse Mortgagees notice of such termination and the City and Authority shall enter into a new lease of the Leased Property with a Rouse Mortgagee or, at the request of such Rouse Mortgagee, with an assignee, designee or nominee of such Mortgagee for the remainder of the Term of this Lease effective as of the date of such termination, at the rent and upon the same covenants, agreements, terms, provisions and limitations as are herein contained (except that such party shall have no obligation for any payments of Rental or otherwise which would not have been due had the Mortgagee obtained Rouse's interest in the Leased Property and Leasehold Improvements pursuant to foreclosure or action in lieu thereof), provided (i) such Mortgagee makes written request upon the City for such new lease within sixty (60) days after the giving of such notice of termination and such written request is accompanied by payment to the City of all amounts then due to the City of which the City shall have given the Mortgagee notice (other than any payments which would not be due had the Mortgagee

obtained Rouse's interest in the Leased Property and Building Improvements pursuant to foreclosure or action in lieu thereof), (ii) such Mortgagee pays or causes to be paid to the City at the time of the execution and delivery of such new lease any and all additional sums which would at the time of the execution and delivery thereof be due under this Lease but for such termination (other than payments which would not be due had the Mortgagee obtained Rouse's interest in the Leased Property and Building Improvements pursuant to foreclosure or action in lieu thereof) and pays or causes to be paid any and all expenses including reasonable counsel fees, court costs and costs and disbursements incurred by the City in connection with any such termination or in connection with the execution and delivery of such new lease and any conveyance of title to the Building Improvements, less the net income from the Leased Property or the Building Improvements collected by the City subsequent to the date of the termination of this Lease and prior to the execution and delivery of such new lease, and (iii) such Mortgagee agrees to cure, within sixty (60) days after the execution and delivery of such new lease, all uncured Events of Rouse's Default of which the City shall have given the Mortgagee notice (except any Event of Rouse's Default which is not capable of being cured by a Mortgagee, even if possession of the Leased Property or the Building Improvements were obtained, which Event of Rouse's Default, if any, shall be deemed to have been waived), or if any such Event of Rouse's Default cannot be cured within such period,

such Mortgagee agrees to commence, within such period, to cure such Event of Rouse's Default and thereafter pursues the same with due diligence. If the City receives written requests in accordance with the provisions of this Section 9.5 from more than one Mortgagee, the City shall only be required to deliver the new lease to the Mortgagee who is, among those Mortgagees requesting a new lease, the holder of the most senior Mortgage. Any new lease made pursuant to this Section 9.5 shall be prior to any mortgage securing the City Construction Loan and/or City Permanent Loan and any other mortgage or other lien, charge or encumbrance on Rouse's interest in the Leased Property or the Building Improvements (other than those created pursuant to this Lease) and shall have the same relative priority in time and in right as this Lease and shall have the benefit of all of the right, title, powers and privileges of Rouse hereunder in and to the Leased Property and the Building Improvements. At Rouse's request, the City and Authority will enter into an agreement with any Rouse Mortgagee granting to the Mortgagee the rights set forth in this Article.

(d) This Lease shall not be modified, amended, surrendered, cancelled or wholly or partially terminated by Rouse, nor shall any interpretive, implementing or confirmatory agreements between the City and Rouse become effective, nor shall any waiver of Rouse's rights hereunder or any approval, consent or agreement of Rouse required hereunder (including, without limitation, any agreement relating to the allocation of

condemnation proceeds or Rouse's selection of an Appraiser pursuant to Article XV) be effective without the written consent of each Rouse Mortgagee whose name and address shall have been furnished to the City.

(e) If Rouse or any Rouse Mortgagee shall furnish the City with a written notice setting forth the name and address of such Mortgagee, the City shall thereafter send to said Mortgagee a copy of any notice given to Rouse under this Lease and no such notice shall be deemed to have been properly given unless and until a copy thereof shall have been sent to such Mortgagee at the address specified in such notice.

(f) No Rouse Mortgagee shall have any liability for the performance of any of the covenants, conditions or obligations of Rouse under this Lease unless and until such time as such Mortgagee either acquires title to the leasehold estate created by this Lease by deed or assignment in lieu of foreclosure or purchases the same at a sale in foreclosure of its Mortgage.

(g) The City and Authority shall consent to any modification or amendment to this Lease requested by any Rouse Mortgagee, provided the same does not alter the economic terms of this Lease or adversely affect the City's property. In any event, if for any reason the City or Authority refuses to consent to any modification or amendment requested by any Rouse Mortgagee, Rouse may terminate this Lease in accordance with the provisions of Section 12.1.



(h) It is intended that the provisions of this Section 9.5 shall be binding on the City in its capacity as lessor under this Lease, and notwithstanding anything contained herein to the contrary, the provisions of this Section 9.5., and the rights and benefits of Rouse Mortgagees hereunder, shall not limit the rights and remedies of the City, in its capacity as lender on the City Construction Loan and/or City Permanent Loan, except (i) to the extent provided in the City Construction Loan Documents and/or City Permanent Loan Documents, as the case may be or (ii) to the extent necessary to allow Rouse's Mortgagees under Mortgages which are senior to the mortgage(s) securing the City Construction Loan and/or City Permanent Loan to exercise their rights and remedies under such Mortgages.

#### ARTICLE X

##### DISPOSITION OF SALE AND REFINANCING PROCEEDS

Section 10.1. Certain Defined Terms. As used herein the following terms have the following meanings:

"Refinancing" means any financing by way of a Mortgage, equity syndication or similar financing transaction which is (i) either in an amount in excess of Rouse's Development Cost (after deducting therefrom (1) the principal amount of the City Construction Loan, if outstanding, and the principal amount of the City Permanent Loan and (2) \$1,000,000) or which is consummated after the fifth full Rental Year and (ii) which results in Refinancing Proceeds being available to Rouse.

"Refinancing Proceeds" means the net proceeds available to Rouse out of any Refinancing after deduction of (1) all amounts required to repay the then existing debt secured by all Mortgages being refinanced and any private arm's length equity financing or to repurchase Rouse's estate in the Leased Property and Building Improvements if previously conveyed in a sale-leaseback or lease-subleaseback transaction (including, without limitation, any Mortgagees' or arm's length equity participants' share in residual values), and (2) all reasonable external (out of pocket) costs and expenses associated with the negotiation and closing or consummation of such Refinancing.

"Cumulative Operating Losses" means the sum of (1) cumulative Operating Expenses to the date in question, (2) cumulative Debt Service Payments to such date, (3) all Annual Basic Rental and Annual Percentage Rental paid to the City pursuant to this Lease (to the extent not included in cumulative Operating Expenses) to such date, (4) ten percent (10%) of cumulative Gross Rental Income (to the extent not previously recovered by Rouse) and (5) the Rouse Preferred Return (to the extent not previously recovered by Rouse), minus Operating Income to the date in question.

"Transfer Proceeds" means the net proceeds available to Rouse as a result of any Transfer after deduction of (1) all amounts required to repay the then existing debt secured by all Rouse Mortgages existing as of the date of the Transfer and any private equity financing or to repurchase Rouse's estate in the

Leased Property and Building Improvements if previously conveyed in a sale leaseback or lease subleaseback transaction (including, without limitation, any Mortgagees' or arm's length equity participants' share of such proceeds), and (2) all reasonable external (out of pocket) cost and expenses associated with the negotiation and closing or consummation of such Transfer.

Section 10.2. Disposition of Proceeds. Any Refinancing Proceeds or Transfer Proceeds shall be allocated between the City and Rouse as follows:

FIRST, to Rouse to reimburse it for the entire amount of Rouse's Cumulative Operating Losses, and from the remainder, if any;

SECOND, to the City in payment of any Deferred Rental and deferred interest on the City Construction Loan, and from the remainder, if any;

THIRD, to Rouse until Rouse shall have recovered the entire amount of the Rouse Equity Investment, and from the remainder, if any;

FOURTH, to the City as repayment on the outstanding principal amount of the City Permanent Loan, and,

FIFTH, the remainder, if any, shall be allocated seventy-five percent (75%) to Rouse and twenty-five percent (25%) to the City (which 25% shall be deemed the City's return or interest on the City Permanent Loan).

ARTICLE XI

DEFAULTS AND REMEDIES

Section 11.1. Events of Rouse's Default. Each of the following events is hereby defined as an "Event of Rouse's Default":

(a) Failure of Rouse to pay any Rental or any other payments of money as herein provided or required, within fifteen (15) days after the same shall become due and payable and the continuance of such failure for a period of ten (10) days after notice thereof in writing from the City to Rouse; or

(b) Failure of Rouse to perform any of the other covenants, conditions and agreements of this Lease which are to be performed by Rouse, and the continuance of such failure for a period of thirty (30) days after notice thereof in writing from the City to Rouse (which notice shall specify the respects in which the City contends that Rouse has failed to perform any such covenants, conditions and agreements), unless such default be one which cannot be cured within thirty (30) days, and Rouse within said thirty (30) day period shall have commenced and thereafter shall have continued diligently to prosecute all actions necessary to cure such default; or

(c) The dissolution and liquidation of Rouse (except in connection with or following a Transfer permitted under this Lease), except that the same shall not constitute an Event of Rouse's Default hereunder so long as the covenants and obligations on the part of Rouse to be performed hereunder are being performed by someone claiming under Rouse; or

(d) The filing of a petition in bankruptcy by Rouse or against Rouse, or the commencement by Rouse of a case for relief from creditors under state or federal bankruptcy law or the entry of an order for relief with respect to Rouse under federal or state bankruptcy law, or the making by Rouse of a general assignment for the benefit of creditors, or the appointment of a receiver of substantially all of the property of Rouse including, in any event, this Lease, in a proceeding based upon Rouse's insolvency which shall not be discharged within ninety (90) days after such appointment; but neither bankruptcy nor the filing of a petition in bankruptcy, nor the commencement of a case for relief from creditors, nor entry of an order for relief, nor insolvency, nor an assignment for the benefit of creditors nor the appointment of a receiver shall affect this Lease or constitute an Event of Rouse's Default hereunder so long as the covenants and obligations on the part of Rouse to be performed hereunder are being performed by Rouse or someone claiming under Rouse.

In the event that any installment of Rental is not paid to the City within ten (10) days following the date the same becomes due and payable, Rouse covenants and agrees to pay to the City interest on the amount thereof at the Default Rate from the date such installment became due and payable to the date of payment thereof. All other payments of money required to be paid to the City by Rouse under this Lease, including interest as aforesaid, shall be treated as additional rent.

Section 11.2. The City's Remedies.

(a) Upon the occurrence of any Event of Rouse's Default, subject to the provisions of Section 9.5, the City lawfully may immediately, or at any time thereafter, without any further notice or demand, and without waiving its rights to rents accrued and owing, enter into and upon the Leased Property and Building Improvements and hold the same as if this Lease had not been made, and remove Rouse's property (taking reasonable care to protect the same from damage or injury) without being taken or deemed to be guilty in any manner of trespass, and upon such entry, the Term and this Lease shall terminate.

(b) Without limiting its rights pursuant to subsection (a) of this Section 11.2, upon the occurrence of any Event of Rouse's Default, subject to the provisions of Section 9.5, the City may immediately and without further notice or demand send written notice to Rouse of the termination of the Term and of this Lease, whereupon the Term and this Lease shall terminate. If the City shall terminate this Lease as provided in this Section 11.2., Rouse, whether or not the Leased Property, Building Improvements or any part thereof be relet and regardless of the terms of any such reletting, shall pay to the City the Rental (including, without limitation, any accrued but unpaid Deferred Rental) and all other amounts due the City hereunder up to the time of the City's termination of this Lease, and, thereafter, if required by the City, Rouse shall pay to the City as liquidated damages, at the City's option, either (i)

throughout the balance of the Term (as if the Term had not been ended by the City's termination) Annual Basic Rental and Annual Percentage Rental, computed at an annual rate equal to the average annual Annual Basic Rental and Annual Percentage Rental paid or accrued and deferred by Rouse over the three most recent full Rental Years of the Term (or, if such termination shall occur prior to the expiration of three full Rental Years, over all of the preceding Rental Years) less the net avails of reletting and operation of the Building Improvements (the City agreeing to use its reasonable efforts to maximize such avails of reletting and operation), or (ii) the then present net worth, determined by Appraisal or other mutually accepted method of valuation and discounted at the rate of 10% per annum, at the time of the City's termination of this Lease, of the excess, if any, of the amount of Annual Basic Rental and Annual Percentage Rental, computed at an annual rate equal to the average Annual Basic Rental and Annual Percentage Rental paid or accrued and deferred by Rouse over the three most recent full Rental Years of the Term (or, if such termination shall occur prior to the expiration of three full Rental Years, over all preceding Rental Years), throughout the balance of the Term (as if the Term had not been ended by City's termination) over the then reasonable rental value of the Leased Property and Building Improvements for the same period; provided that no Mortgagee of Rouse (nor such Mortgagee's designee or nominee) shall have any obligation whatsoever for the payment of the above-described liquidated

damages under any new lease between such Mortgagee and City pursuant to Section 9.5 of this Lease or otherwise.

(c) The City's rights and remedies pursuant to this Section 11.2 shall be in addition to any other remedies it may have at law or in equity (including, but not limited to, specific performance), or elsewhere in this Lease; provided, however, that, upon termination of this Lease pursuant to this Section 11.2, the City's rights and remedies with respect to Rental or other charges payable by Rouse under this Lease shall be limited to those expressly set forth in this Section 11.2. Notwithstanding the foregoing, if it is necessary for the City to engage the services of legal counsel to enforce by litigation the rights of the City against Rouse upon the occurrence of an Event of Rouse's Default, and if the City prevails in such litigation, Rouse shall be obligated to pay to the City the amount of all reasonable out of pocket costs and expenses incurred by the City (including travel expenses, court costs and reasonable outside attorney fees at or prior to trial or appeal) resulting therefrom.

Section 11.3. Events of the City's Default.

The failure of the City to perform any of the covenants, conditions and agreements of this Lease which are to be performed by the City and the continuance of such failure for a period of thirty (30) days after notice thereof in writing from Rouse to the City (which notice shall specify the respects in which Rouse contends that the City has failed to perform any of such



covenants, conditions and agreements), unless such default be one which cannot be cured within thirty (30) days and the City within such thirty (30) day period shall have commenced and thereafter shall continue diligently to prosecute all actions necessary to cure such default, shall constitute an "Event of the City's Default."

Section 11.4. Rouse's Remedies.

(a) If an Event of the City's Default shall occur, Rouse, to the fullest extent permitted by law, shall have, in addition to any other remedies it may have in law or in equity (including, but not limited to, specific performance) or elsewhere in this Lease, the right to pursue any or all of the following remedies:

- (i) the right and option, upon the consent of each Rouse Mortgagee, to terminate this Lease and all of its obligations hereunder by giving notice of such election to the City, whereupon this Lease shall terminate as of the date of such notice; or
- (ii) the right to a writ of mandamus, injunction or other similar relief, available to it under Florida law, against the City (including any or all of the members of its governing body, and its officers, agents or representatives, but in their official capacities only).

If it is necessary for Rouse to engage the services of legal counsel to enforce by litigation the rights of Rouse against the City upon the occurrence of an Event of the City's Default, and if Rouse prevails in such litigation, the City shall be obligated to pay to Rouse the amount of all reasonable out of pocket costs and expenses incurred by Rouse (including travel expenses, court costs and reasonable outside attorney fees at or prior to trial and on appeal) resulting therefrom.

(b) Notwithstanding the foregoing, it is understood and agreed, that the City is a municipal corporation and can exercise only those powers granted it by law, and in the event the City is prevented, restricted or delayed in any of the duties and obligations imposed upon it or assumed by it under the terms and provisions of this Lease as a result of any legal proceedings instituted by a third party, the City shall not be liable for any costs, damages, injuries or liabilities caused to or suffered by Rouse, its successors or assigns, in connection with, or as a result of any such prevention, restriction or delay, provided, the foregoing shall not impair Rouse's right to terminate this Lease pursuant to paragraph (a) above, and the City will use its best efforts to bring such proceedings to a conclusion as rapidly as possible and to perform any such duty or obligation to the fullest extent permitted by law.

Section 11.5. Obligations, Rights and Remedies Cumulative. The rights and remedies of the City and Rouse, whether provided by law or by this Lease, shall be cumulative,

and the exercise by either the City or Rouse of any one or more of such remedies shall not preclude the exercise by it, at the same or different times, of any other such remedies for the same default or breach, or of any of its remedies for any other default or breach by any party to this Lease. No waiver made by either the City or Rouse with respect to the performance, or manner or time thereof, of any obligation of any other party or any condition to its own obligation under this Lease shall be considered a waiver of any rights of the party making the waiver with respect to the particular obligation of any other party or condition to its own obligation beyond those expressly waived and to the extent thereof, or a waiver in any respect in regard to any other rights of the party making the waiver or in regard to any obligation of any other party.

Section 11.6. Self-Help. If an Event of Rouse's Default or an Event of the City's Default shall occur and be continuing then, in addition to any other remedies at law or in equity or as otherwise provided in this Lease, the non-defaulting party may cure or prosecute the curing of such default and all reasonable expense incurred in connection therewith shall promptly be paid by the defaulting party to the party effecting such cure, and the party effecting such cure may recoup such expenses together with interest thereon at the Default Rate by deducting and permanently withholding the amount thereof from ensuing payments, if any, due to such defaulting party by the party effecting such cure. The City and Rouse hereby each grant

to the other such easement, as may be necessary to effect such cure. The term "Default Rate" means an annual rate of interest equal to the lesser of (a) two (2) percentage points higher than the rate of interest charged from time to time by The Chase Manhattan Bank (National Association) (or some other bank agreed upon by the parties) on short term loans to large businesses having the highest credit standing or (b) the highest rate of interest allowed by Law.

## ARTICLE XII

### EARLIER TERMINATION OF LEASE

Section 12.1. Termination by Rouse. The parties intend that the Leased Property and Building Improvements shall constitute an integral portion of the entire Project which shall function as an integrated entity. In the event (a) the Possession Date shall not have occurred on or prior to December 31, 1986 (as such date may be extended by mutual agreement of the City and Rouse), or (b) during the Term, because of zoning ordinances or any other governmental restriction or for any reason other than the default of Rouse under this Lease or under any notes, Mortgages or other documents relating to Rouse's financing, Rouse shall not have the right to occupy the Leased Property and Building Improvements and to use the Exterior Common Areas, Parking Garage and East Parcel in accordance with the provisions of this Lease, or (c) all or a substantial portion of the Building Improvements, Exterior Common Areas, Parking Garage or East Parcel Parking Facilities shall be damaged or destroyed

and not repaired or restored as contemplated herein (due to lack of adequate insurance proceeds or otherwise) so as to frustrate the purposes of this Lease, or if a substantial portion of the Building Improvement shall otherwise be rendered untenable for a period in excess of one (1) year, or (d) Rouse fails to obtain commitments for the construction and/or permanent financing as set forth in Section 9.1 on or prior to June 1, 1987 in the case of construction financing and December 1, 1987 in the case of permanent financing, or (e) the City fails to consent to a modification or amendment of this Lease as requested by a Rouse Mortgagee or (f) upon the occurrence of any other event or failure of the City to perform its undertakings under this Lease which, by the express provisions of this Lease, gives rise to Rouse's right to terminate this Lease (other than an Event of the City's Default as to which event Rouse shall have the rights set forth in Article XI); then, and in any of such events, Rouse may, with the consent of each Rouse Mortgagee and upon sixty (60) days written notice to the City, terminate this Lease in its entirety. Upon such termination the Term of this Lease and all rights of the parties hereunder shall automatically cease, terminate and expire as of the date specified by Rouse in said written notice, with the same force and effect as if such date were the date herein definitely fixed for the expiration of the Term, and Rouse shall quit and surrender the Leased Property and Building Improvements to the City. All Rental and other amounts payable hereunder, if any, shall be prorated as of such

termination date, and, except as hereafter provided in Section 12.3, no party shall have any further rights or obligations against any other party with respect to this Lease, other than any rights or obligations that shall have accrued prior to such termination.

Section 12.2. Termination by the City. In the event (a) the Possession Date shall not have occurred on or prior to December 31, 1986 (as such date may be extended by mutual agreement of the City and Rouse); or (b) upon the occurrence of any event or failure of Rouse to perform its undertakings under this Lease which, by the express provisions of this Lease, gives rise to the City's right to terminate this Lease (other than an Event of Rouse's Default in which event the City shall have the rights set forth in Article XI and subject to the provisions of Section 9.5); then, and in any of such events, the City may, upon sixty (60) days written notice to Rouse, terminate this Lease in its entirety. Upon such termination the Term of this Lease and all rights of the parties hereunder shall automatically cease, terminate and expire as of the date specified by the City in said written notice, with the same force and effect as if such date were the date herein definitely fixed for the expiration of the Term, and Rouse shall quit and surrender the Leased Property and Building Improvements to the City. All Rental and other amounts payable hereunder, if any, shall be prorated as of such termination date, and, except as hereafter provided in Section 12.3, neither party shall have any further rights or obligations

against the other with respect to this Lease, other than any rights or obligations that shall have accrued prior to such termination.

Section 12.3. Payments and Obligations Upon Termination. In the event that either Rouse or the City shall terminate this Lease by virtue of the failure of the Possession Date to occur on or prior to December 31, 1986 (as such date may be extended by mutual agreement of the City and Rouse), pursuant to Section 12.1 or 12.2 above, then and in such event and notwithstanding anything contained in this Lease to the contrary, the City shall pay to Rouse, on the date of Lease termination, an amount (not to exceed \$500,000) on account of Rouse's substantiated Development Cost to the date of termination, and upon such payment to Rouse, Rouse's right to the use of the plans and specifications (as described in that certain Agreement Regarding Design Drawings between the City and Rouse dated August 6, 1984, as amended) prepared by or for Rouse pursuant to this Lease, together with the right and title in common with Rouse and others as to any copyrights or other proprietary rights, if any, as to the designs shown on such plans and specifications, shall pass to the City, and subject to the rights of others, Rouse and the City each may thereafter use such plans and specifications and the designs shown on the same in any manner or for any purpose either of them shall choose in their discretion without being liable for compensation to the other. Further, in the event Rouse shall terminate this Lease as

provided in Section 12.1 (and as more particularly provided in clause (d) of Section 12.1) because of Rouse's failure to obtain commitments for construction and/or permanent financing, Rouse shall pay to the City on the date of termination, the full amount of the costs and expenses incurred by the City pursuant to this Lease to the date of termination (including, without limitation, the amount of all sums advanced by the City to Rouse on account of construction of Site Improvements and/or under the City Construction Loan and/or City Permanent Loan) plus the amount of any lost parking revenue which the City would have received by virtue of parking on the West Parcel and/or East Parcel had the same not been devoted to the Project site, less the Fair Market Value (determined by Appraisal in the manner provided in Article XV if the parties cannot agree to the same) of any improvements reverting to the City upon such termination. In addition, if Rouse terminates this Lease as provided in Section 12.1 (and as more particularly provided in clause (c) of Section 12.1) because of unrepaired damage to or destruction of the Building Improvements, Rouse shall, at the City's option, promptly remove any remaining portions of the Building Improvements from the Leased Property, repave the West Parcel and restore the same to a slightly condition, free of debris. Further, if for any reason Rouse terminates this Lease pursuant to Section 12.1, and if such termination occurs prior to the completion of the Surcharging Work, Rouse shall, at the City's option and at the City's sole cost and expense, promptly restore the West Parcel as a paved



parking lot in such condition as existed prior to execution of this Lease. The provisions of this Section 12.3 shall survive termination of this Lease.

#### ARTICLE XIII

#### PROTECTION AGAINST MECHANICS' LIENS AND OTHER CLAIMS

##### Section 13.1. Discharge of Lien.

(a) If, in connection with any work done or claimed to have been done by or on behalf of either the City or Rouse or any tenant or subtenant thereof, or in connection with any materials supplied to such party or any tenant or subtenant thereof, any mechanic's, laborer's or materialman's lien shall be filed against the Leased Property, Building Improvements, Parking Site, Parking Garage, East Parcel, West Parcel or any part thereof, such party (Rouse or the City as the case may be), within thirty (30) days after notice by the other party to such party, (or, in the event the discharge of such lien is necessary in order to obtain financing or close a financing transaction, within five (5) days after such notice) demanding that such lien be discharged, shall cause the same to be discharged of record, by payment, deposit, bond, order of a court of competent jurisdiction or otherwise, or insured over to the satisfaction of the party demanding such discharge. If such party shall fail to cause such lien to be discharged within such period, then, in addition to any other right or remedy, the other party may, but shall not be obligated to, discharge the same either by paying the amount claimed to be due or by procuring the discharge of

such lien by deposit or bonding. Any amount so paid by such other party, with all costs and expenses (including but not limited to attorney's fees) incurred by such other party in connection therewith, together with interest thereon at the Default Rate from the respective dates of such other party's making of the payment or incurring of such costs and expenses, shall be paid by such party to such other party on demand.

(b) No party hereto shall be liable for any work performed respecting the Project, Parking Garage, related facilities or any portion thereof by or for any other party hereto or any tenant or subtenant of such other party or for any materials furnished at the Project, Parking Garage, related facilities or any portion thereof to or for such other party or any tenant or subtenant thereof.

(c) Each party shall make, or cause to be made, prompt payment of all money due and legally owing to all persons doing any work or subcontractors in connection with the development, construction, equipment, repair or reconstruction of any of the improvements required by this Lease to be constructed by such party. Nothing in this subparagraph (c) shall limit the right of either party to contest, in good faith, by legal proceedings or otherwise, whether any amount claimed or alleged to be due and owing to any such person is legally due and owing and to withhold payment of such amounts pending resolution of such dispute.

## ARTICLE XIV

### INSURANCE

Section 14.1. Rouse's Casualty Insurance. During the Term of this Lease, Rouse at its sole cost and expense shall maintain or cause to be maintained insurance on the Building Improvements against loss or damage by fire and lightning and all of the hazards included in the all risk coverage endorsement, in an amount not less than the then full replacement value of the Building Improvements (including excavation, foundations and footings below the lowest basement floor to the extent reasonably available). During the Term, Rouse shall also maintain insurance coverage against flood in such amounts as are required by law (but in any event in an amount not less than \$10,000,000 with respect to the Building Improvements). During the construction period, the Builder's Risk form of fire and all risk coverage insurance may be used. The property to be insured pursuant to this Section shall be deemed to include all personal property furnished or installed in the premises and owned by Rouse and the insurance herein provided for shall cover the same, except that the amount of insurance for the personal property shall be not less than eighty percent (80%) of the replacement cost less depreciation.

Section 14.2. The City's Casualty Insurance. During the Term of this Lease the City shall maintain or cause to be maintained insurance on the Parking Garage against loss or damage by fire and lightning and all of the hazards included in the all

risk coverage endorsement, in an amount not less than the full replacement value of the Parking Garage (including excavations, foundations and footings below the lowest basement floor to the extent reasonably available). If the East Parcel is the Parking Site, during the Term, the City shall also maintain insurance coverage respecting the Parking Garage against flood in such amounts as are required by law. During the construction period, the Builder's Risk form for fire and extended coverage insurance may be used.

Section 14.3. Rental Value Insurance. Commencing on the Opening Date and continuing throughout the Term of the Lease, Rouse shall maintain or cause to be maintain rental value insurance, so that Rouse will be insured against loss of rental income from the Building Improvements occasioned by damage by fire and lightning and all or any of the hazards included in the all risk endorsement to a fire insurance policy during the period required to rebuild, repair or replace the property damaged, which policy or policies of insurance shall expressly provide by endorsement thereon that the interest of the City as lessor under this Lease shall be covered, to the extent earned, in an amount equal to the total of Annual Basic Rental payable during said period of business interruption.

Section 14.4. Liability Insurance. At all times during the Term, each of the City and Rouse shall, at its own cost and expense maintain and keep in force comprehensive general liability and property damage insurance (including contractual

liability coverage) against claims for personal injury or death, or property damage suffered by others occurring on or about such party's property within the Project or, in the case of the City, the Parking Garage and East Parcel Parking Facilities, such public liability insurance to afford protection to the limit of not less than \$5,000,000 in respect to bodily injury or death by any one person, or not less than \$5,000,000 in respect of bodily injury or death to any number of persons in any one accident or occurrence, and such property damage insurance to afford protection to the limit of not less than \$5,000,000 in respect of any one accident or occurrence. Such policies of insurance may include a deductible of not more than \$100,000 per individual claim. The amounts of \$5,000,000 and \$100,000 set forth above shall be subject to review and adjustment on the fifth anniversary of the date of this Lease and on each subsequent fifth anniversary during the Term in order to determine the adequacy of such amounts in light of the existing circumstances, provided that no such adjustments shall reduce the coverage amounts. If the parties are unable to agree as to the adequacy of such amounts, the dispute shall be resolved by arbitration in accordance with the provisions of Article XVI.

Section 14.5. Worker's Compensation Insurance. At all times during the Term, each party shall, at its own cost and expense, take out and keep in force (or shall cause to be taken out and kept in force) such Worker's Compensation, Longshoremen and Harbor Worker's Compensation, Jones Act (Federal Maritime) or

similar insurance (with borrowed employees coverage) in form and amounts required by law. To the extent permitted by law, the City may self-insure against the risks covered by insurance to be maintained pursuant to the foregoing sentence.

Section 14.6. Waiver of Subrogation. Neither of the City nor Rouse (or its general contractors or construction managers) shall be liable to the other or to any insurance company (by way of subrogation or otherwise) insuring the other party for any loss or damage to any building, structure, fixture, furnishings or other tangible property, or any resulting loss of income, or any injury to any agent or employee of the other party covered by any of the insurance required to be maintained by the party suffering such loss or damage pursuant to Section 14.1 and 14.2 (and to the extent of recovery by the person suffering such loss or damage) and even though such loss or damage might have been occasioned by the negligence of the party causing such loss or damage, its agents, employees or contractors, and the party suffering such loss or damage agrees that it shall look to the insurance required as the sole means of recovery for such loss or damage; provided, however, that no such waiver shall be deemed to have been made to the extent such waiver would result in either a voidance of coverage or a limitation in the amount of coverage proceeds otherwise available, and further provided, that if, by reason of the foregoing waiver, either party shall be unable to obtain the insurance required by this Article, such waiver will not be deemed to have been made by such party, and provided,

further, that if by reason of the foregoing waiver, either party shall be unable to obtain the insurance required by this Article without the payment of an additional premium therefor, then, unless the other party shall agree to pay such party for the cost of such additional premium within thirty (30) days after notice of the statement setting forth such requirement and the amount of the additional premium, such waiver shall be of no further force and effect.

Section 14.7. Indemnity. Except as set forth in Section 14.6. and to the extent permitted by law, each of the City and Rouse agrees to and does hereby indemnify, defend and save the other party harmless from and against any and all claims, actions, damages, liability and expense occasioned wholly or in part, directly or indirectly, by any act or omission of the indemnifying party, its tenants (other than Rouse as tenant of the City), subtenants, agents, contractors (other than Rouse as independent contractor for the City pursuant to Section 3.7), employees or invitees, except to the extent attributable to the acts or omissions of the other party or of its tenants, subtenants, agents, contractors, employees or invitees in which event such indemnity shall extend to the comparative level of fault of the City and Rouse. The provisions of this Section 14.7 shall survive any termination of this Lease with respect to acts or omissions occurring prior to termination or in the event of improper termination.

Section 14.8. Policy Requirements. All insurance provided for in this Article shall be effected under valid and enforceable policies issued by financially responsible insurers which meet the requirements for insurers which are subject to the service of legal process in the State of Florida and have a general financial condition classified as "XII" or better and a general policyholders rating of "A" or better, as classified and rated in the edition of "Best's Key Rating Guide of Property and Liability Insurers" most recently published by A. M. Best Company as of the date of issue of such policies or with equivalent financial classification and policyholders rating if the present rating and classification system utilized by the said A. M. Best Company shall be changed or if such Guide shall no longer be published, as such standards and classifications may be changed by the mutual agreement of the City and Rouse. All insurance obtained pursuant to this Article shall be primary, non-contributory not contingent upon and not in excess of any other insurance, and shall be carried in favor of and name as additional insureds both the City and Rouse and, upon the request of either of Rouse or any Rouse Mortgagee, any such Rouse Mortgagee (such Mortgagee recognizing that with respect to property damage or destruction the proceeds of such insurance shall be distributed pursuant to Section 14.9); provided that the City shall not be so obligated to name Rouse or its Mortgagees as additional insureds until such time as there shall be a reasonable demonstration that the same is permitted by law and



Rouse shall have given the City reasonable notice of the same. Originals, certified copies or other reasonably satisfactory evidence of existence and effectiveness the initial policies or renewal policies, if any, as the case may be, required to be carried by either the City or Rouse shall be delivered to the other party within fifteen (15) days following the effective date thereof and thereafter not less than fifteen (15) days prior to the expiration dates of the expiring policies. Rouse may carry any insurance required to be maintained under this Article under a "blanket-policy" covering other properties of Rouse and/or its Affiliates. Rouse may also carry any part of the insurance required to be maintained by Rouse under Sections 14.4 or 14.5 under an umbrella excess liability policy meeting the requirements of this Section. All insurance policies required to be maintained by either the City or Rouse shall provide that they cannot be cancelled, non-renewed, terminated, or materially reduced in coverage until at least thirty (30) days prior notice has been given to the other party (the City or Rouse) and any Rouse Mortgagee to the effect that such insurance policy is to be terminated, not renewed, cancelled or materially reduced in coverage at a particular time. In addition to the notice requirements of Article XVII, a copy of any notice delivered to Rouse pursuant to this Article XIV shall be delivered to The Rouse Company, 10275 Little Patuxent Parkway, Columbia, Maryland 21044, Attention: Risk Manager, and a copy of any notice delivered to the City pursuant to this Article XIV shall be

delivered to the City at the address set forth in Article XVII and to the attention of the City's Director of Risk Management.

Section 14.9. Disposition of Insurance Proceeds.

(a) Any loss or damage covered by insurance provided for in Section 14.1 or 14.2 shall be adjusted with the insured. Insurance proceeds with respect to loss of or damage to trade fixtures, equipment, furnishings or other personal property shall be paid to the insured and first applied by it to the repair or restoration of any damage or otherwise as required or permitted by the terms of this Lease.

(b) Except as otherwise provided in paragraphs (a) or (d) of this Section 14.9, all sums payable for loss and damage arising out of the casualties covered by the fire and extended coverage policies maintained by either party shall be payable:

- (i) Directly to such party if the total recovery is \$500,000 or less; and
- (ii) To the Insurance Trustee, if the total recovery is in excess of \$500,000, to be held by such Insurance Trustee pending establishment of reconstruction, repair or replacement costs and to be disbursed to such party pursuant to the provisions of subparagraph (c) of this Section 14.9.

If, at the time such proceeds become payable, there is a Mortgage on the Building Improvements, Rouse's First Mortgagee shall serve as the Insurance Trustee, but if there is no Rouse Mortgage at

that time, the Insurance Trustee shall be such commercial bank or trust company as shall be designated by Rouse and approved by the City, which approval shall not be unreasonably withheld or delayed. The amount of \$500,000 set forth above shall be subject to review and adjustment (subject to the approval of any Rouse Mortgagee) on the fifth anniversary of the date of this Lease and on each subsequent fifth anniversary during the Term in order to determine the appropriateness of such amount in light of the existing circumstances.

(c) All amounts received upon such policies shall be used, to the extent required, for the reconstruction, repair or replacement of the damaged or destroyed property so that the damaged or destroyed property shall be restored to a condition comparable to the condition prior to the loss or damage (hereinafter referred to as "Reconstruction Work"). From the insurance proceeds received by the Insurance Trustee, there shall be disbursed to the insured such amounts as are required for the Reconstruction Work as established by an estimate made by a competent appraiser or architect designated by the insured and approved by the other party (the City or Rouse as the case may be), which approval shall not be unreasonably withheld or delayed. The said appraiser or architect must certify that the amount so certified represents his best estimate of the cost of the Reconstruction Work, and the insured shall agree that such amount will be applied to the payment of the cost of such Reconstruction Work to the extent required.

Any insurance proceeds attributable to either party's insurance and remaining in the hands of the Insurance Trustee after the completion of the Reconstruction Work shall be paid to such party.

(d) In case Rouse in any Mortgage not prohibited by this Lease shall at any time authorize the Mortgagee on his behalf or in his stead to enter upon the Leased Property and undertake or prosecute the reconstruction or repair of the Building Improvements and to have and receive for Rouse or the Mortgagee's use for such purpose such insurance proceeds, then in that case said insurance proceeds shall be equally available to such Mortgagee as to Rouse as provided in subsection (c) of this Section 14.9, and it shall in like manner and to like extent at the request of any such Mortgagee, be applied to the reconstruction or repair of the property so damaged or destroyed.

Section 14.10. Covenant for Commencement and Completion of Reconstruction. Each of the City and Rouse covenants and agrees to commence any Reconstruction Work required of its under this Lease as soon as practicable but in any event within twelve (12) months after the insurance proceeds in respect of the destroyed or damaged property have been received, and to fully complete such Reconstruction Work as expeditiously as possible consistent with the nature of the damage, but in any event within twenty-four (24) months from the start thereof; provided, that if it is not practicable to commence such Reconstruction Work within such twelve (12) month period, or to complete such Reconstruction

Work within such twenty-four (24) month period, then such Reconstruction Work may be commenced and completed within a longer period mutually acceptable to the City and Rouse. Notwithstanding any other provisions of this Article XIV, neither the City nor Rouse shall be required to expend, in respect of any Reconstruction Work respecting the Building Improvements or Parking Garage, a sum which exceeds the available net insurance proceeds received by it, provided that the foregoing limitation shall not apply to repair and/or reconstruction respecting any portion of the Project other than Building Improvements. The City and Rouse shall remain fully obligated to repair and reconstruct those portions of the Project other than the Building Improvements in accordance with the provisions of this Lease. As used in the preceding sentence, the term "available net insurance proceeds" means the sum actually paid by the insurer or insurers in respect of the claim in question (or the amount of proceeds as would have been available had policies been maintained by the party so obligated pursuant to Section 14.1 or 14.2) plus the amount of any deductible, but less all costs and expenses incurred by insured party or the Insurance Trustee in the collection, holding and disbursement of same, including (without limitation) reasonable attorneys' fees.

#### ARTICLE XV

##### CONDEMNATION

Section 15.1. Total Taking. In the event that the whole of the Leased Property (including the City's interest

therein, but not including a taking for temporary use or of only the leasehold estate hereunder) shall be taken for any public use or purpose by the exercise of the power of eminent domain, or shall be conveyed by the City and Rouse acting jointly to avoid proceedings of such taking ("Taking"), the Rental and any money to be treated as additional rental pursuant to this Lease and the Public Charges shall be prorated and paid by Rouse to the date of such Taking or conveyance, and this Lease shall terminate and become null and void as of the date of such Taking or conveyance, provided that such termination shall in no manner limit Rouse's right to an award or to recover from the condemning authority on account of such Taking, and if termination of this Lease would limit or impair Rouse's right to such recovery or award, this Lease shall not be terminated until immediately following such recovery or award. In case of a Taking (other than for temporary use or of only the leasehold estate hereunder) of such substantial part of the Project, Parking Garage or Building Improvements as shall result, in the good faith judgment of Rouse, in the Building Improvements remaining after such Taking (even if restoration were made and regardless of whether all or any part of the Building Improvements is the subject of such Taking) being unsuitable for the use being made of the Building Improvements at the time of such Taking, Rouse, at its option, may terminate this Lease by written notice given to the City within sixty (60) days after such Taking. Any Taking of the character referred to in this Section 15.1 which results in the

termination of this Lease is referred to as a "Total Taking." The City and Rouse shall be paid those portions of the award or awards of damages on account of a Total Taking which are allocable to and represented by the value of their respective interests in the property which is the subject of the Taking as determined by the court or jury in its condemnation award, or if no such separate awards are obtained, such award or awards shall be paid as follows:

First: There shall be paid all expenses, if any, including reasonable attorneys' fees, incurred by the City and Rouse in connection with such Taking (except that nothing contained in this Article shall require payment to the City of costs and expenses it may incur as the condemning authority);

Second: The balance of said award or awards shall be divided between the City and Rouse in the same proportion as the then Fair Market Value of each party's respective interest or estate in the property which is the subject of the Taking bears to the total Fair Market Value of the interests and estates of both parties in such property. In the event that the parties cannot agree upon the Fair Market Value of their respective interests and estates in the property subject to the Taking, the same shall be determined by Appraisal as hereinafter provided, except that each party shall be entitled to the entire portion of any award made to it with respect to severance or similar compensable damages.

Section 15.2. Partial Taking.

(a) In the event of a Taking of a portion of the Leased Property, Building Improvements, Parking Garage or Project which does not result in a Total Taking, then this Lease and all the covenants, conditions and provisions hereunder shall be and remain in full force and effect as to all of the Leased Property, Building Improvements, Parking Garage, and Project not so taken or conveyed and without reduction or abatement of Rental or any other sum payable hereunder (except as provided in Section 15.3), and the City and Rouse shall remodel, repair and restore the remaining portions of the Project and/or Parking Garage as nearly as possible to their condition and character immediately prior to the Taking, except for any reduction in area caused thereby; provided, however, that in so doing, neither party shall be required to expend more than the amount of any such award actually received by such party, less all costs and expenses (including reasonable attorneys' fees) incurred in the collection of same, and in the case of a Taking for temporary use, neither party shall be required to effect such restoration until such Taking is terminated.

(b) The City and Rouse shall be paid those portions of the award or awards of damages on account of a partial taking pursuant to this Section as are awarded to them by the court or jury in the condemnation proceeding, or if no separate awards are obtained then the same shall be paid as follows:



First: There shall be paid all expenses, if any, including reasonable attorneys' fees, incurred by City and Rouse in connection with such Taking (other than any costs or expenses incurred by the City as the condemning authority).

Second: The remainder shall be paid to the Depository to be held and applied to pay the cost of restoration of the property within the Project and/or Parking Garage not subject to the Taking.

Third: The balance, if any, shall be divided between the City and Rouse in the manner set forth in clause "Second" of Section 15.1.

The term "Fair Market Value" means the value, as of the date in question, of the property interest in question, based upon generally accepted appraisal practices. Fair Market Value shall be determined by the City and Rouse or, if they are unable to agree thereon, by Appraisal. The Fair Market Value of the Leased Property, Building Improvements or any other property interest, whether determined by agreement of the City and Rouse or Appraisal, shall be calculated as if the Project in its entirety is being sold, so that the Fair Market Value of the Leased Property, Building Improvements or any other property interest shall equal a proportionate share of the value of the Project as a complete and integrated development.

The term "Appraisal" refers to the determination of the Fair Market Value of a property interest, as of the date in question, by the following procedure: Whenever the City and

Rouse are unable to agree, within one hundred twenty (120) days of the date in question, as to the Fair Market Value of the property interest in question, either party may give written notice of such disagreement to the other party and in such notice shall designate the first appraiser (the "First Appraiser"). Within fifteen (15) days after the service of such notice, the party to whom such notice is given shall give written notice to the party giving the first notice, which notice shall designate the second appraiser (the "Second Appraiser"). If the Second Appraiser is not so designated, then the party designating the First Appraiser may request the appointment of the Second Appraiser either by the Chief Judge of the United States District Court for the district in which the Leased Property is located or any successor federal court of original jurisdiction, or by the president or chief administrative officer of the American Institute of Real Estate Appraisers or any successor association or body of comparable standing if such institute is not then in existence. The First and Second Appraisers so designated or appointed shall meet within ten (10) days after the Second Appraiser is appointed and, within thirty (30) days after the Second Appraiser is appointed, they shall appoint a third appraiser (the "Third Appraiser") who shall be a competent and impartial person; and if they shall be unable to agree upon such appointment within ten (10) days after the time aforesaid, the Third Appraiser shall be selected by the City and Rouse themselves, if they can agree thereon within a further period of

fifteen (15) days. If the parties do not so agree, then either party, on behalf of both, may request that such appointment be made either by the Chief Judge of the United States District Court for the district in which the Leased Property is located or any successor federal court of original jurisdiction, or by the president or chief administrative officer of the American Institute of Real Estate Appraisers or any successor association or body of comparable standing if such institute is not then in existence. In the event of the failure, refusal or inability of any appraiser to act, a new appraiser shall be appointed in his stead, which appointment shall be made in the same manner as hereinbefore provided for the appointment of such appraiser so failing, refusing or being unable to act. Each of the City and Rouse shall pay the fees and expenses of the appraiser appointed by such party, or in whose stead, as above provided, such appraiser was appointed, and the fees and expenses of the Third Appraiser, and all other expenses, if any, shall be borne equally by both parties. Any appraiser designated to serve as above provided, shall be disinterested, shall be a member of the American Institute of Real Estate Appraisers, or any successor association or body of comparable standing if such institute is not then in existence, and shall be familiar with the property values in Jacksonville, Florida.

The appraisers shall determine the Fair Market Value of the property interest in question as of the date in question but without consideration of any termination of this Lease. A

decision joined in by two of the three appraisers shall be the decision of all the appraisers. If two appraisers shall fail to concur in a decision within ninety (90) days after the appointment of the Third Appraiser, then the Third Appraiser shall determine the Fair Market Value of the property interest in question as of the date in question. After reaching a decision, the appraisers shall give written notice thereof to the City and Rouse, which notice shall state the Fair Market Value of the property interest in question and the Fair Market Value so stated shall be considered Fair Market Value for the purposes of such Taking. If no decision shall be reached within one hundred eighty (180) days after the appointment of the Third Appraiser, either party may make application to any court of competent jurisdiction for a determination by such court of the Fair Market Value of the property interest in question as of the date in question.

Section 15.3. Adjustment of Rental Upon Partial Taking. In the event of a Taking which reduces the Gross Leasable Area contained within the Building Improvements, each installment of Base Rental reserved herein shall be reduced, commencing with the first installment payable following the date of such Taking, by an amount determined by multiplying the annual rate of Base Rental then in effect by a fraction, the numerator of which is the Gross Leasable Area contained in that portion of the Building Improvements which is the subject of such Taking and the denominator of which is Gross Leasable Area contained in the Building Improvements immediately prior to such Taking.

Section 15.4. Taking for Temporary Use or of Leasehold Estate. If, by the exercise of the power of eminent domain, or under threat thereof, the whole or any part of the Leased Property or the Building Improvements shall be taken for temporary use or the whole or any part of the leasehold estate created by this Lease shall be taken, all awards or other payments shall be paid to Rouse alone, except that,

- (a) if such Taking for temporary use shall occur prior to the Possession Date, such awards or other payments shall be paid first to Rouse to the extent of Rouse's documented Development Cost to the date of such Taking and the remainder of such awards or payments shall be paid to the City, and
- (b) if, following the Possession Date, any portion of any such award or payment on account of a Taking for temporary use is made by reason of any damage to or destruction of any portion of the Building Improvements, such portion shall be applied to pay the cost of restoration, and
- (c) if, following the Possession Date, any portion of an award or payment on account of a Taking for temporary use relates to a period beyond the date of expiration of the Term of this Lease, such portion shall be paid to the City.

Section 15.5. Notices; Prosecution of Claims. In case of a Taking of all or any part of the Project in which either the City or Rouse has an interest, or the commencement of any proceedings or negotiations which might result in such Taking, the party having notice of such Taking or of the commencement of any such proceedings or negotiations shall promptly give written notice thereof to the other party. The City and Rouse may jointly prosecute their claims for an award in a single proceeding or they may prosecute separate claims for awards, including, but not limited to claims for awards for severance or other compensable damages on account of damage to its property within the Project which remains after the Taking.

Section 15.6. Depository. All awards or other payments received on account of a Partial Taking and to be applied to restoration of the remaining property pursuant to Section 15.2 shall be paid, in trust, to Rouse's First Mortgagee, if any, and if there shall be none, then to a bank or trust company selected by the City and approved by Rouse (which approval shall not be unreasonably withheld). Such Rouse's First Mortgagee, bank or trust company is referred to herein as the "Depository". All such awards or other payments made by reason of any Taking shall be held in trust by the Depository, as a fiduciary for the purposes herein expressed, until payable pursuant to the provisions hereof. Any such awards or other payments which may be held in trust for restoration of the property not subject to the Taking shall be disbursed by the Depository as such work

progresses, for work in place, free of liens and with adequate retainage. "Rouse's First Mortgagee" means any Institutional Lender which is unrelated to Rouse and which holds a senior security interest in Rouse's interest in the Leased Property.

## ARTICLE XVI

### ARBITRATION

Section 16.1. Arbitration Procedure. If any dispute shall arise between the parties which pursuant to any express provision of this Lease is to be resolved by arbitration, then any party may serve upon the other party a written notice demanding that such dispute be resolved by arbitration pursuant to this Article. The Authority shall act for and on behalf of the City in instituting and proceeding with any such arbitration pursuant to this Article, except that if the Authority shall no longer exist the City shall act in place of the Authority with respect to any such arbitration. Within ten (10) days after the giving of such notice, each of the Authority and Rouse shall nominate and appoint an arbitrator and shall notify the other party in writing of the name and address of the arbitrator, and such two arbitrators shall forthwith, and within fifteen (15) days after the appointment of the second arbitrator, and before exchanging views as to the question at issue, appoint a third arbitrator and give written notice of such appointment to each of the parties hereto. In the event that the two arbitrators shall fail to appoint or agree upon such third arbitrator within said fifteen (15) day period, a third arbitrator shall be selected by

the Authority and Rouse if they so agree upon such third arbitrator within a further period of ten (10) days. If any arbitrator shall not be appointed or agreed upon within the time herein provided, then either the Authority or Rouse on behalf of both may request that such arbitrator be appointed by the president or chief administrative officer of the American Arbitration Association or any successor association or body of comparable standing if the American Arbitration Association is not then in existence.

The arbitrators shall be sworn faithfully and fairly to determine the question at issue. The three arbitrators shall afford to the Authority and Rouse a hearing and the right to submit evidence, with the privilege of cross-examination on the question at issue, and shall, with all possible speed, make their determination in writing and shall give notice to the parties hereto of such determination. Prior to the commencement of the arbitration hearing the Authority and Rouse shall each provide to the other a statement of its position respecting the dispute in question and a list of any witnesses which such party expects to testify at such hearing on its behalf. Any Mortgagee of Rouse shall be entitled to participate fully in any such hearing or arbitration procedure. The concurring determination of any two of said three arbitrators shall be binding upon the parties hereto, or, in case no two of the arbitrators shall render a concurring determination, the determination of the third arbitrator appointed shall be binding upon the parties hereto.



Except as otherwise provided herein, any such arbitration shall be conducted under the commercial arbitration rules of the American Arbitration Association. The Authority and Rouse shall each pay the fees of the arbitrator appointed by it, and the fees of the third arbitrator shall be divided equally between the Authority and Rouse. All other fees and costs of any such arbitration proceeding will be paid as determined by the arbitrators.

Any arbitration proceeding conducted pursuant to this Article shall take place in Jacksonville, Florida.

Section 16.2. Qualification of Arbitrators. Any arbitrator selected pursuant to Section 16.1. shall be independent of any affiliation or interest with any of the parties and shall be experienced in the development and operation of high quality, urban retail projects. If, despite reasonable efforts, the parties are unable to engage persons possessing the experience qualifications described in the preceding sentence who are willing and able to serve as arbitrators, the appointment of some other qualified person or persons to serve in lieu thereof shall be made by the president or chief administrative officer of the American Arbitration Association or any successor association or body of comparable standing if the American Arbitration Association is not then in existence.

In the event that any arbitrator appointed pursuant to this Article shall thereafter die or become unable or unwilling to act, his successor shall be appointed in the manner provided

in this Article for the appointment of the arbitrator so dying or becoming unable or unwilling to act.

Section 16.3. Arbitration Award to be Binding. In any proceeding conducted pursuant to this Article, the award of the arbitrators shall be final and binding and enforceable in any court of competent jurisdiction.

## ARTICLE XVII

### NOTICES

Section 17.1. Notice Addresses. Except as otherwise specifically provided herein, every notice, demand, consent, approval or other communication which any party is required or desires to give or make or communicate upon or to any other party shall be in writing and shall be sent by mailing the same by registered mail or certified mail, postage prepaid, return receipt requested, as follows:

IF TO THE CITY:           The City of Jacksonville  
Office of the General Counsel  
13th Floor, City Hall  
220 E. Bay Street  
Jacksonville, Florida 32216  
Attention: General Counsel

With a copy to:           The City's Designated Representative  
or to such other address or addresses as the City shall from time to time and at any time designate by notice to Rouse and the Authority.

IF TO ROUSE:             Rouse-Jacksonville, Inc.  
c/o The Rouse Company  
10275 Little Patuxent Parkway  
Columbia, Maryland 21044  
Attention: General Counsel

With a copy to: Rouse's Designated Representative  
and any Rouse Mortgagee whose  
address has been provided to the  
City in writing

or to such other address or addresses as Rouse shall from time to  
time and at any time designate by notice to the City and the  
Authority.

IF TO THE  
AUTHORITY: The Jacksonville Downtown  
Development Authority  
128 E. Forsyth Street, Suite 720  
Jacksonville, Florida 32202  
Attention: Executive Director

With a copy to: The City's Designated Representative

or to such other address or addresses as the Authority shall from  
time and at any time designate by notice to the City and Rouse.

Section 17.2. Mailing. Every notice, demand, request,  
or other communication sent in the manner aforesaid shall be  
deemed to have been given, made or communicated, as the case may  
be, on the third business day after the same has been deposited,  
registered or certified, properly addressed as aforesaid, postage  
prepaid, in the United States mail, except that any notice,  
demand, request, or other communication to the City, the  
Authority and/or Rouse (but not to any Mortgagee) may be  
personally delivered, and in such event shall be deemed to have  
been given on the date the same shall have been personally  
delivered to the party to whom such notice, demand, request or  
other communication is addressed, or to an officer of such party,  
if such party is a corporation, and with a copy to the City's  
Designated Representative or the City's Office of the General

Counsel (in the case of any notice, demand, request or other communication to the City), and with a copy to Rouse's Designated Representative or the Office of Rouse's General Counsel (in the case of any notice, demand, request or other communication to Rouse).

Section 17.3. Copies. Any party may require, at any time, that up to three (3) additional copies of any notice, be sent to such person(s) as shall be designated from time to time in any notice from such party.

#### ARTICLE XVIII

#### RIGHTS OF OCCUPANCY AND ACCESS; OWNERSHIP OF IMPROVEMENTS; MAINTENANCE

Section 18.1. Quiet Enjoyment. The City covenants, represents and warrants that Rouse, upon paying the Rental pursuant to this Lease and observing and keeping the covenants and agreements of this Lease on its part to be kept and performed, shall lawfully and quietly hold, occupy and enjoy the Leased Property without hindrance or molestation by the City during the term of this Lease or by any person or persons claiming under the City. Entry by the City upon the Leased Property for emergencies or to protect the public health, safety or welfare (upon reasonable notice to Rouse under the circumstances), or pursuant to this Lease, shall not be deemed a breach of the foregoing covenant.

Section 18.2. Waste. Rouse shall not permit, commit or suffer waste or impairment of the Leased Property, or the Building Improvements thereon, or any part thereof.

Section 18.3. Maintenance and Operation of Improvements. Rouse shall at all times keep the Building Improvements constructed on the Leased Property and all furnishings located therein in good and safe condition and repair (reasonable wear and tear excepted), and in the occupancy, maintenance and operation of such Building Improvements, and of the Leased Property, shall comply with all laws, ordinances, codes and regulations applicable thereto.

Section 18.4. Ownership of Building Improvements During Lease. Prior to the expiration or termination of this Lease, title to the Building Improvements shall not vest in the City by reason of its ownership of fee simple title to the Leased Property, but title to such Building Improvements shall remain in Rouse. If this Lease shall terminate prior to the expiration of the Term hereof and if, at that time, any Rouse Mortgagee shall exercise its option to obtain a new lease for the remainder of the Term of this Lease pursuant to Section 9.5. or otherwise succeed to the interest of Rouse under this Lease during the Term, then title to the Building Improvements shall automatically pass to, vest in and belong to such Mortgagee or any designee or nominee of such Mortgagee permitted hereunder, until the expiration or sooner termination of this Lease or the term of such new lease, as the case may be. The City and Rouse covenant that to confirm the automatic vesting of title as provided in this paragraph each will execute and deliver such further assurances and instruments of assignment and conveyance as may be

required by the other for that purpose. During the Term of this Lease, Rouse shall be entitled to claim depreciation on the Building Improvements and all equipment, fixtures and machinery therein contained, for all taxation purposes.

Section 18.5. Surrender of Leased Property. Subject to the provisions of Section 18.4 and to the rights of Rouse's Mortgagees pursuant to Section 9.5., upon the expiration of the Term of this Lease, or upon the earlier termination of this Lease, title to the Building Improvements shall vest in the City free and clear of any Mortgages and it shall be lawful for the City to reenter and repossess the Leased Property and the Building Improvements thereon without process of law, and Rouse in such event, does hereby waive any demand for possession thereof and agrees to surrender and deliver the Leased Property and the Building Improvements thereon peaceably to the City immediately upon such expiration or termination.

Section 18.6. City and Rouse to Join in Certain Actions. Within ten (10) days after receipt of written request from Rouse, the City shall,

(a) join Rouse when required by law in any and all applications for permits, licenses or other authorizations required by any governmental or public authority which has jurisdiction in connection with any work as may be reasonably necessary or appropriate for the construction of the Building Improvements; and

(b) join Rouse in any grants of, or grant such, easements or rights with respect to electric, telephone, gas, water, sewer, steam and such other public utilities and facilities as may be reasonably necessary or appropriate for the construction, operation or use of the Leased Property or any Building Improvements.

## ARTICLE XIX

### MISCELLANEOUS PROVISIONS

Section 19.1. No Partnership or Joint Venture. It is mutually understood and agreed that nothing contained in this Lease is intended or shall be construed in any manner or under any circumstances whatsoever as creating or establishing the relationship of co-partners or creating or establishing the relationship of a joint venture or of a joint ownership between the City and Rouse, or as a lending of the City's taxing power or credit to Rouse, or as constituting Rouse as the agent or representative of the City for any purpose or in any manner whatsoever.

Section 19.2. Recording, Documentary Stamps. Following the Possession Date and commencement of the Lease Term, this Lease or a memorandum hereof in form mutually satisfactory to the parties, shall be recorded among the Land Records of the City of Jacksonville, State of Florida, and either party may cause any modification or addition to this Lease or any ancillary document relevant to this transaction to be so recorded, and the cost of any such recordation, the cost of any State of Florida documentary stamps which legally must be attached to any or all of said papers shall be paid in full by Rouse.

Section 19.3. Executed in Florida. This Lease shall be taken and deemed to have been fully made and executed by the parties hereto in the State of Florida for all purposes and intents and shall be governed by the laws of Florida.

Section 19.4. Conflicts of Interest; City and Authority Representatives Not Individually Liable. Each member, official, representative, or employee of the City and the Authority shall at all times be bound by all applicable Laws respecting conflicts of interest, and, to the extent prohibited by such applicable Laws, none of the same shall have any personal interest, direct or indirect, in this Lease, nor, to the extent prohibited by such applicable Laws, shall any such member, official, representative or employee participate in any decision relating to this Lease which affects his personal interests or the interests of any corporation, partnership or association in which he is, directly or indirectly, interested. No member, official, representative or employee of the City or Authority shall be personally liable to Rouse or any successor in interest in the event of any default or breach by the City for any amount which may become due to Rouse or its successor, or on any obligations under the terms of this Lease.

Section 19.5. Estoppel Certificates. The City and Rouse shall at any time and from time to time, within thirty (30) days after written request by the other, execute, acknowledge and deliver to the party which has requested the same or to any Rouse Mortgagee or prospective Rouse Mortgagee, assignee or Subtenant



designated by Rouse a certificate stating: (i) that this Lease is in full force and effect and has not been modified, supplemented or amended in any way, or, if there have been modifications, this Lease is in full force and effect as modified, identifying such modification agreement, and if this Lease is not in force and effect, the certificate shall so state; (ii) that this Lease as modified represents the entire agreement between the parties as to this leasing, or, if it does not, the certificate shall so state; (iii) the dates on which the term of this Lease commenced and will terminate; (iv) that all conditions under this Lease to be performed by the City or Rouse, as the case may be, have been satisfied and, as of the date of such certificate, there are no existing defenses or offsets which the City or Rouse, as the case may be, has against the enforcement of this Lease by the other party, or, if such conditions have not been satisfied or if there are any defenses or offsets, the certificate shall so state; and (v) that the rental due and payable for the year in which such certificate is delivered has been paid in full, or, if it has not been paid, the certificate shall so state. The party to whom any such certificate shall be issued may rely on the matters therein set forth and thereafter the party issuing the same shall be estopped from denying the veracity or accuracy of the same. No such certificate shall be binding upon any Rouse Mortgagee unless such Mortgagee shall, in its absolute discretion, execute such certificate.

Section 19.6. No Public Dedication. Unless expressly stated otherwise herein, all references herein to any street, alley, lane, park, plaza, square, promenade, landscaped pedestrian boulevard, shoreline, walkway, dock, wharf, or other landscaped open space are for purposes of description only and are not intended to dedicate same to public use, and any implied intent of dedication or dedication thereof by any such reference is hereby denied and revoked.

Section 19.7. Titles of Articles and Sections. Any titles of the several parts, Articles and Sections of this Lease are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.

Section 19.8. Nondisturbance and Attornment. The City covenants and agrees with Rouse for the benefit of any and all Subtenants occupying any part of the Leased Property or the Building Improvements from time to time, that in the event of a termination of this Lease, the possession of each such Subtenant shall not be disturbed so long as such Subtenant shall not be in default under its Sublease; provided such Subtenant shall attorn to the City. This nondisturbance agreement shall be self-operative and no further agreement between the City and any such Subtenant shall be necessary to effect the same, however, the City agrees that from time to time, promptly upon request of Rouse or any Subtenant, it will enter into agreements with Rouse and any such Subtenant confirming such nondisturbance agreement, provided such Subtenant agrees to attorn to the City as herein provided.

Section 19.9. Transfers. The City represents and agrees for itself, its successors and assigns, that it has not made or created and that it will not make or create or suffer to be made or created any total or partial sale, assignment, conveyance, trust or power, or other transfer in any mode or form of or with respect to the City's reversionary interest or fee simple estate in the Leased Property or of the City's interest in this Lease except as specifically provided herein.

Section 19.10. Real Estate Commissions. Each of the parties represents and warrants unto the other that there are no commissions, charges or other compensation due any broker, agent or finder with respect to this Lease or the negotiations thereof and each of the parties covenants and agrees with the other that if any party hereto utilizes an agent, broker, or finder, the party so using an agent, broker or finder or incurring such commissions, charges, fees or similar expenses will pay, hold harmless and indemnify the other from and against all claims, costs, expenses or liability (including, without limitation, the cost of counsel fees in connection therewith) for any such compensation, commissions, charges or other compensation claimed by any such broker, agent or finder.

Section 19.11. No Waiver. No failure of any party hereto to exercise any power given it hereunder or to insist upon strict compliance by any other party with its obligations hereunder, and no custom or practice of the parties at variance with the terms hereof, shall constitute a waiver of any party's right to demand exact compliance with the terms hereof.

Section 19.12. Partial Invalidity. If any term, covenant, or condition of this Lease or the application thereof to any person or circumstances shall, to any extent, be illegal, invalid, or unenforceable because of present or future laws or any rule or regulation of any governmental body or entity or becomes unenforceable because of judicial construction, the remaining terms, covenants and conditions of this Lease, or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each term, covenant, or condition of this Lease shall be valid and be enforced to the fullest extent permitted by law.

Section 19.13. Rights Cumulative. All rights, powers and privileges conferred herein upon the parties shall be cumulative but not restrictive of those given by law.

Section 19.14. Waivers and Consents. One or more waivers of any covenant, term or condition of this Lease by any party shall not be construed as a waiver of any subsequent breach of the same covenant, term or condition. The consent or approval by any party to or of any act by any other party requiring such consent or approval shall not be deemed to waive or render unnecessary consent to or approval of any subsequent similar act.

Section 19.15. Approvals. Unless this Lease specifically provides a different mechanism regarding approvals or consent, if a party's consent or approval is required under

this Lease with respect to any act or matter, and if the party seeking such consent or approval shall request such consent or approval in writing (which request is accompanied by all relevant information and materials), such consent or approval shall be deemed to have been given unless, within twenty (20) days after the request for same shall have been sent to the party whose approval is required, such party shall notify the other party in writing of its refusal to give such consent or approval, which notice shall state in detail the reasons for withholding such consent or approval. Each party, in exercising its rights of consent or approval under this Lease, shall act so as to reasonably assure that the Project as a whole is constructed, maintained and operated in a first class manner consistent with the standards set forth in Section 7.2 hereof. Notwithstanding any of the foregoing however, no such consent or approval of Rouse shall be effective unless each Rouse Mortgagee shall itself consent in writing to the same.

Section 19.16. Entire Agreement. This Lease, and all the Exhibits attached hereto, and together with such other agreements and instruments pertaining to the Project as are referenced herein contains the entire agreement of the parties with respect to the matters addressed herein, and no representations or agreements, oral or otherwise, between the parties not embodied herein, attached hereto or hereinabove referenced shall be of any force and effect. Any additions or amendments to this Lease subsequent hereto shall be of no force

and effect unless in writing and signed by the parties hereto, and the Authority and the Mayor of Jacksonville (on behalf of the City), with Rouse's consent and the consent of Rouse's Mortgagees, may execute amendments to this Lease without the necessity of obtaining the approval of the Jacksonville City Council; provided that approval of the Jacksonville City Council is required with respect to amendments which alter the economic terms of this Lease in a manner which is adverse to the City.

Section 19.17. Expense of Obligations. Where this Lease imposes obligations or responsibilities upon any party hereto, such obligations and responsibilities shall be performed at the expense of such party responsible therefor and without cost to or assessment against the property of any other party, except where otherwise specifically provided.

Section 19.18. Unavoidable Delay. Each party hereto shall be excused from performing any of its obligations or undertakings provided in this Lease (except any of its obligations to pay any sums of money under the applicable provisions hereof) for so long as the performance of such obligation is prevented or delayed by any cause which is beyond the control of such party, including but not limited to such of the following as may be beyond the control of such party: Act of God; fire; earthquake; flood; explosion; action of the elements; war; invasion; insurrection; riot; mob violence; sabotage; malicious mischief; inability to procure because of general shortage or rationing or regulation of labor, equipment,

facilities, sources of energy (including, without limitation, electricity, gas, gasoline or steam), materials or supplies in the open market; failure of transportation; strikes; lockouts; action of labor unions; condemnation; requisition; order of government or civil or military or naval authorities; bankruptcy proceedings; litigation involving a party or others relating to zoning, subdivision, or other governmental action or inaction pertaining to the Project, Building Improvements, Leased Property or any portion thereof; inability to obtain government permits or approvals; or any other cause, whether similar or dissimilar to the foregoing, not within the control of such party; provided, however, that no party shall be entitled to relief under this Section by reason of any event unless such party shall have given the other parties notice of such event and the nature of such event within a reasonable time and in any event no later than thirty (30) days following such party's knowledge of the occurrence of such event. Any delay or cause excusing performance pursuant to the terms of this Section 19.18 is referred to herein as an "Unavoidable Delay." Notwithstanding any of the foregoing, if pursuant to Unavoidable Delay the Building Improvements are not open for business on or prior to June 1, 1987, Rouse shall not be obligated to pay Rental until such time as the Building Improvements are open for business, provided that Rouse proceeds diligently to cause the Building Improvements to be so open for business.

Section 19.19. Number and Gender. Whenever the singular number is used in this Lease and when required by the context, the same shall include the plural, and vice versa, and the masculine gender shall include the feminine and neuter genders, and the word "person" shall include corporation, firm or association.

Section 19.20. No Third Party Rights; Designation of Authority and Designated Representatives. Nothing in this Lease shall be construed to permit anyone other than the City, Rouse, Rouse's Mortgagees and their respective successors and assigns to rely upon the covenants and agreements herein contained nor to give any such third party a cause of action (as a third-party beneficiary or otherwise) on account of any non-performance hereunder. Notwithstanding the foregoing or anything contained in this Lease to the contrary, the City hereby authorizes and empowers the Authority and, to the extent herein expressly provided, the City's Designated Representative, to act for and on behalf of the City (upon the consent of Rouse and any Rouse Mortgagee) with respect to consents or approvals to be given by the City hereunder. The Authority and the City's Designated Representative, in so acting on behalf of the City, at all times shall act so as to assure that the Project as a whole is constructed, maintained and operated in a first class manner consistent with standards set forth in Section 7.2 of this Lease, but, in any event, any consent or approval so given by the Authority or the City's Designated Representative shall be fully



binding upon the City in all respects. Upon request of Rouse or any Rouse Mortgagee the City shall join in any such consent or approval given by the Authority or the City's Designated Representative.

Section 19.21. Compliance with Applicable Federal Regulations. Rouse shall comply with all applicable federal regulations with respect to all phases of the development of the Project including without limitation the Davis-Bacon Act, U. S. Fair Labor Standards Act, the Equal Employment Opportunity Act and all other applicable federal regulations. Accordingly, Rouse agrees to so comply with all applicable federal regulations and to insert in all of its contracts with all of its agents and contractors a similar compliance requirement. Further, if at any time in the future an act or omission is deemed to be in violation or in possible violation of any federal regulation by any appropriate agency, then, in such event, Rouse agrees to provide such information as requested by City or any applicable agency as may be required to determine whether a violation exists; and, in the event a violation is found, Rouse agrees to comply with all curative actions required or penalties imposed as a result of such violations, specifically including the payments of any fines, charges, penalties, interest and the like.

#### ARTICLE XX

##### MINORITY BUSINESS ENTERPRISE PARTICIPATION

Section 20.1. Participation in Construction and Design. Rouse acknowledges the desirability of involving

members of minority groups in the construction and design of the Building Improvements and Site Improvements (for which Rouse shall serve as independent contractor and development manager for the City). Rouse agrees to endeavor, as a goal, to extend to minority business enterprises (as defined in Section 126.603, Ordinance Code), as contracts, subcontracts or otherwise, ten percent (10%) of the total value of architectural and general construction contracts awarded or entered into by Rouse respecting the Building Improvements and respecting the Site Improvements. Rouse shall from time to time (and, in any event, promptly upon the request of the City) advise the City of those portions of the work (and the value thereof) set aside for minority business enterprises.

Section 20.2. Participation in Leasing and Employment Opportunities. With respect to leasing opportunities, Rouse agrees to endeavor, as a goal during the initial leasing of the Building Improvements, to cause fifteen percent (15%) of the Subleases to be with Subtenants who are minority business enterprises (as defined in the aforesaid Section 126.603, Ordinance Code), and Rouse will encourage and promote the hiring of women and minority group members (as defined in such Section) by its Subtenants in accordance with federal regulations governing the use of Community Development Block Grant Funds in economic development projects.

IN WITNESS WHEREOF, ROUSE-JACKSONVILLE, INC. has caused this Disposition, Development and Lease Agreement to be signed in

its name by John H. Noggle, its Vice-President,  
and its corporate seal to be hereunto affixed, duly attested by  
its Assistant Secretary, and the CITY OF JACKSONVILLE has caused  
this Disposition, Development and Lease Agreement to be signed in  
its name by Jake M. Gelsold, its Mayor  
and its corporate seal to be hereunto affixed, duly attested by  
its Corporation Secretary and the JACKSONVILLE DOWNTOWN DEVELOPMENT  
AUTHORITY has caused this Disposition, Development and Lease  
Agreement to be signed in its name by Roland S. Kennedy,  
its Chairman, and its seal to be hereunto affixed, duly  
attested by its Vice-Chairman, all as of the day and year first  
hereinabove written.

ATTEST:

Gordon H. Gless

ROUSE-JACKSONVILLE, INC.

By: [Signature]

ATTEST:

Donnie J. Williams

CITY OF JACKSONVILLE

By: John H. Gelsold

ATTEST:

[Signature]

THE JACKSONVILLE DOWNTOWN  
DEVELOPMENT AUTHORITY

Roland Kennedy

STATE OF Maryland COUNTY OF Howard, to wit:

I HEREBY CERTIFY that on the 3<sup>rd</sup> day of October, 1985, before me, the subscriber, a Notary Public of the State of Maryland, in and for the County of Howard aforesaid, personally appeared John W. Rogale, Vice President of ROUSE JACKSONVILLE, INC. and he acknowledged the foregoing Disposition, Development and Lease Agreement to be the act and deed of said corporation.

AS WITNESS my hand and Notarial Seal.

Nade M. Lise  
Notary Public

My Commission Expires:

7-1-86

STATE OF Florida, County of Duval, to wit:

I HEREBY CERTIFY that on this 15<sup>th</sup> day of October, 1985, before, the subscriber, a Notary Public of the State of Florida, in and for the County of Duval aforesaid, personally appeared Jake M. Godbold, Mayor, and Linnie C. Williams, Corporation Secretary, and acknowledged the foregoing Disposition, Development and Lease Agreement to be the corporate act and deed of the CITY OF JACKSONVILLE.

AS WITNESS my hand and Notarial Seal.

Carrie B. Coker  
Notary Public

My Commission Expires:

October 12, 1987

STATE OF Florida, County of Duval, to wit:

I HEREBY CERTIFY that on this 11<sup>th</sup> day of October, 1985, before, the subscriber, a Notary Public of the State of Florida, in and for the County of Duval aforesaid, personally appeared Roland S. Kennedy, Chairman and K. W. Estermann Vice Chairman, and acknowledged the foregoing Disposition, Development and Lease Agreement to be the corporate act and deed of THE JACKSONVILLE DOWNTOWN DEVELOPMENT AUTHORITY.

AS WITNESS my hand and Notarial Seal.

Joseph E. Whiteber  
Notary Public

My Commission Expires:  
NOTARY PUBLIC, STATE OF FLORIDA  
My Commission Expires Oct. 31, 1988  
Bonded by Transamerica Insurance Co.

This is to certify that the foregoing Disposition, Development and Lease Agreement between ROUSE-JACKSONVILLE, INC., the CITY OF JACKSONVILLE and the JACKSONVILLE DOWNTOWN DEVELOPMENT AUTHORITY has been approved by me as to form.

Robert B. Baker  
Assistant General Counsel  
City of Jacksonville

I certify there is an unencumbered, unexpended balance in the appropriation sufficient to cover the City's obligations under the foregoing Disposition, Development and Lease Agreement, subject to the terms and conditions of the Agreement.

Ray M. Clark  
Director of Finance

## EXHIBIT A

**NFS****NORTHEAST FLORIDA SURVEYORS, INC.**

2000 CORPORATE SQUARE BLVD. SUITE 101 JACKSONVILLE, FLORIDA 32216

(904) 721-3076

August 7, 1985

A part of the Z. Hogan's Grant, Section 39, Township 2 South, Range 26 East, Duval County, Florida, being more particularly described as follows: COMMENCE at Independent Drive (as relocated by the Florida Department of Transportation, as shown on Department of Transportation Plan 72070, Section 2703, Sheet 1) centerline station 24 + 29.29 as shown on City of Jacksonville Department of Public Works Map of the Proposed Convention Center (Project No. 30/3742/80, File No. 6199, dated September 19, 1980); thence South  $14^{\circ}32'05''$  West, 32.00 feet to the Southerly right of way line of said Independent Drive; thence South  $75^{\circ}27'55''$  East along said Southerly right of way line of Independent Drive, 55.64 feet; thence Southeasterly along the Southwesterly right of way line of Ramp "C" of the Main Street Bridge, as shown on State of Florida Department of Transportation Right of Way Map of State Road No. 5, dated March 25, 1974, the following three courses: Course No. 1: South  $58^{\circ}44'51''$  East, 102.69 feet; Course No. 2: South  $66^{\circ}25'56''$  East, 114.65 feet to the point of curvature of a curve leading Southeasterly; Course No. 3: thence along and around the arc of said curve, being concave Southwesterly and having a radius of 406.00 feet, an arc distance of 258.52 feet, said arc being subtended by a chord bearing and distance of South  $48^{\circ}11'27''$  East, 254.17 feet; thence South  $77^{\circ}17'24''$  East, 206.55 feet to an intersection with the Southeasterly right of way line of Ramp "B" as shown on State of Florida Department of Transportation Right of Way Map of State Road No. 5, said point also being the POINT OF BEGINNING; thence Northeasterly along and around the arc of a curve and said Southeasterly right of way line, being concave Southeasterly and having a radius of 156.00 feet, an arc distance of 59.83 feet, said arc being subtended by a chord bearing and distance of North  $67^{\circ}22'51''$  East, 59.46 feet to the point of tangency of said curve; thence North  $78^{\circ}22'03''$  East, along said Southeasterly right of way line of Ramp "B", 236.76 feet; thence South  $14^{\circ}33'09''$  West, 269.79 feet; thence North  $78^{\circ}44'37''$  West, 5.69 feet; thence South  $13^{\circ}22'36''$  West, along the Easterly line of an easement to the City of Jacksonville, as recorded in Official Records Volume 5899, Page 471 of the Current Public Records of said county, 67.57 feet, to the Southerly face of an existing concrete bulkhead of the St. Johns River along Coastline Drive; thence North  $77^{\circ}15'59''$  West, along a line that approximates the location of an existing concrete bulkhead of the St. Johns River along Coastline Drive, 280.08 feet; thence North  $04^{\circ}42'06''$  East along the Easterly right of way line of said Main Street Bridge, 76.72 feet to the point of curvature of a curve leading Northeasterly; thence along and around the arc of said curve and said Easterly right of way line of Ramp "B", being concave Southeasterly and having a radius of 156.00 feet, an arc distance of 140.56 feet, said arc being subtended by a chord bearing and distance of North  $30^{\circ}34'52''$  East, 135.86 feet, to the POINT OF BEGINNING.

Containing 1.79 acres, more or less.



The above described lands are subject to easements, restrictions, and reservations as recorded in the Current and Former Public Records of Duval County, Florida.

FMP-1E

**NFS****NORTHEAST FLORIDA SURVEYORS, INC.**200 CORPORATE SQUARE DRIVE SUITE 201 JACKSONVILLE, FLORIDA 32209  
904/721-0066

August 7, 1985

A part of the Z. Hogan's Grant, Section 39, Township 2 South, Range 26 East, Duval County, Florida, being more particularly described as follows: COMMENCE at Independent Drive (as relocated by the Florida Department of Transportation, as shown on Florida Department of Transportation Plan 72070, Section 2703, Sheet 1) centerline station 24 + 29.29 as shown on City of Jacksonville Department of Public Works Map of the Proposed Convention Center (Project No. 30/3742/80, File No. 6199, dated September 19, 1980); thence South 14°32'05" West, 32.00 feet to the Southerly right of way line of said Independent Drive, said point also being the POINT OF BEGINNING; thence South 75°27'55" East along said Southerly right of way line of Independent Drive, 55.64 feet; thence Southeasterly along the Southwesterly right of way line of Ramp "C" of the Main Street Bridge, as shown on State of Florida Department of Transportation Right of Way Map of State Road No. 5, dated March 25, 1974, the following 3 courses: Course No. 1: South 58°44'51" East, 102.69 feet; Course No. 2: South 66°25'56" East, 114.65 feet to the point of curvature of a curve leading Southeasterly; Course No. 3: thence along and around the arc of said curve, being concave Southwesterly and having a radius of 406.00 feet, an arc distance of 258.52 feet, said arc being subtended by a chord bearing and distance of South 48°11'27" East, 254.17 feet; thence South 77°17'24" East, 206.55 feet to an intersection with the Southeasterly right of way line of Ramp "B" as shown on said State of Florida Department of Transportation Right of Way Map of State Road No. 5; thence Southwesterly along and around the arc of a curve and said Southeasterly right of way line, being concave Southeasterly and having a radius of 156.00 feet, an arc distance of 140.56 feet, said arc being subtended by a chord bearing and distance of South 30°34'52" West, 135.86 feet to the point of tangency of said curve; thence South 04°42'06" West along the Easterly right of way line of said Ramp "B" and it's Southerly projection, 76.72 feet to the Southerly face of an existing concrete bulkhead of the St. Johns River along Coastline Drive; thence Westerly along a line that approximates the location of said existing concrete bulkhead, run the following 3 courses: Course No. 1: North 77°15'59" West, 561.36 feet to the point of curvature of a curve leading Westerly; Course No. 2: thence along and around the arc of said curve, being concave Southerly and having a radius of 952.96 feet, an arc distance of 327.09 feet, said arc being subtended by a chord bearing and distance of North 87°05'58" West, 325.49 feet to the point of tangency of said curve; Course No. 3: South 83°04'03" West, 47.30 feet to a point; thence North 14°22'10" East along the Easterly right of way line of Hogan Street and its Southerly projection, 303.54 feet; thence Northeasterly along the Southerly right of way line of said Independent Drive, run the following 3 courses: Course No. 1: North 46°13'56" East, 17.41 feet to a point on a curve; Course No. 2: thence along and around the arc of said curve, being concave Northwesterly and having a radius of 262.00 feet, an arc distance of 111.13 feet, said arc being subtended by a chord bearing and distance of North 64°54'46" East, 110.30 feet to the point of reverse curvature of a curve leading North-easterly; Course No. 3: thence along and around the arc of said curve,

FMP-1W

MEMBER AMERICAN CONGRESS ON SURVEYING AND MAPPING  
MEMBER FLORIDA SOCIETY OF PROFESSIONAL LAND SURVEYORS

**NFS**

**NORTHEAST FLORIDA SURVEYORS, INC.**

2000 CORPORATE SQUARE BLVD. SUITE 201 JACKSONVILLE, FLORIDA 32218  
904 721-8066

being concave Southeasterly and having a radius of 198.00 feet, an arc distance of 178.92 feet, said arc being subtended by a chord bearing and distance of North 78°38'52" East, 172.89 feet, to the POINT OF BEGINNING.

Containing 6.58 acres, more or less.

The above described lands are subject to easements, restrictions, and reservations as recorded in the Current and Former Public Records of Duval County, Florida.

FMP-1W

MEMBER AMERICAN CONGRESS ON SURVEYING AND MAPPING  
MEMBER FLORIDA SOCIETY OF PROFESSIONAL LAND SURVEYORS

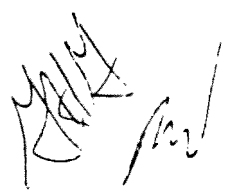




EXHIBIT D

LIST OF PERMITTED TITLE EXCEPTIONS

This Exhibit is divided into two parts. Part I reflects those items which the City and Rouse acknowledge constitute liens, charges or other outstanding interests affecting title to the East Parcel and the West Parcel. However, some of those existing items must be eliminated or amended on or prior to certain dates or the occurrence of one or more events. Part I sets forth those items which are to be eliminated or amended; Part II sets forth those items which are permitted title exceptions in their present form for the term of the Lease. Rouse and the City contemplate executing one or more Lease Supplements from time to time which will reflect the status of those matters done or not done as required in Part I.

PART I

1. The interests of the State of Florida (including any interest held under the public trust doctrine) in and to any portion of the East or West Parcels which constitute artificially filled lands or formerly submerged lands which lie below the former high water line of the St. John's River.

Comment: The City, at its sole cost, expense and liability, shall obtain from the Trustees of the Internal Improvement Fund, or other appropriate governmental body of the State of Florida, quit-claim deeds, disclaimers or other proper instruments whereby the State of Florida relinquishes and conveys to the City all its right, title and interest in and to any portion of the East Parcel or the West Parcel it may have by virtue of its former ownership of submerged lands. This must be accomplished before the Possession Date unless otherwise extended by Rouse.

2. Easement in favor of the State of Florida dated April 27, 1938, recorded in Deed Book 786, page 88, public records of Duval County, Florida; Perpetual Easement from IIF to Florida DOT dated August 15, 1939, recorded in Deed Book 836, page 27, public records of Duval County, Florida, and Perpetual Right-of-Way Easement dated May 3, 1974, from the City of Jacksonville to the State of Florida, DOT, recorded in Official Records Volume 3722, page 216, public records of Duval County, Florida.

Comment: Rights existing in the State of Florida (including the DOT) with respect to the Main Street Bridge and its connecting roads shall be modified in a manner satisfactory to Rouse so that (i) the rights and easements of the State shall not interfere unreasonably with the construction and operation of the Project, including the Rouse Vehicular Access Easement and

the Rouse Service Roadway, and (ii) the State of Florida (including the DOT) or its successors or assigns shall not have the right by any means whatsoever to prohibit surface movement across the present ground area at or about the same elevation above sea level to a point not less than six inches below the current elevation of the existing superstructure of the Main Street Bridge. Such rights shall be extinguished or modified in a manner satisfactory to Rouse so as not to interfere or alter the proposed pedestrian or vehicular traffic flow under the bridge and as is now contemplated and shown on the final Project Site Plan. The foregoing changes are necessary to make it clear that uses contemplated under the Lease for the East and West Parcels are not prohibited by any of the foregoing documents. This must be accomplished before the Possession Date unless otherwise extended by Rouse.

3. Reservation of Easements contained in Special Warranty Deed dated December 14, 1978 from the City of Jacksonville to Jacksonville Transportation Authority, recorded in Official Records Volume 4780, page 98, public records, Duval County, Florida.

Comment: Any impact of this Reservation of Easements in favor of the City must be either discharged or arrangements satisfactory to Rouse must be made to prove that the City has surrendered its rights under the Easements and has not conveyed any interest to a third party (except those in favor of Southern Bell mentioned in paragraph 9 below and those in favor of JEA mentioned in paragraph 10 below) unless approved by Rouse. This must be accomplished before the Possession Date unless otherwise extended by Rouse.

4. Agreement between the City of Jacksonville and the State of Florida Department of General Services dated December 12, 1975 (unrecorded).

Comment: Proof satisfactory to Rouse must be furnished prior to the Possession Date that no rights exist under this agreement adversely affecting the use of the West Parcel or the East Parcel as contemplated under the Lease, or that if any such rights exist, that they will not be exercised adversely to the uses of the East and West Parcel as contemplated under the Lease. The parties recognize that this is one of the matters to be modified, discharged or terminated satisfactorily to Rouse in full in accordance with this Lease if Rouse elects to develop the East Parcel or if the East Parcel is the site of the Parking Garage.

5. Right-of-Way Easement from the City of Jacksonville to State of Florida as set forth in City of Jacksonville Resolution 74-81-24 dated May 3, 1974.

Comment: Proof must be furnished to Rouse showing that the West Parcel (except to the extent the same lies within the area approved by Rouse under paragraph 2 above) is not affected by this resolution, any agreements executed pursuant thereto, or the rights arising thereunder. This must be furnished prior to the Possession Date unless extended by Rouse.

6. Reverter existing in favor of Jacksonville Transportation Authority arising under Special Warranty Deed dated November 21, 1984, by Jacksonville Transportation Authority to City of Jacksonville, recorded in Official Records Volume 5894, page 971 public records of Duval County, Florida.

Comment: Proof satisfactory to Rouse must be furnished showing that this Reverter has been eliminated or modified so that arrangements satisfactory to Rouse have been made giving assurances to it that the exercise of it is not automatic, and may be extended in a manner satisfactory to Rouse. This must be done prior to the Possession Date unless extended by Rouse.

7. Terms, Conditions, and Limitations set forth in Special Warranty Deed dated January 30, 1976, between the City of Jacksonville and the State of Florida Board of Trustees of the Internal Improvement Fund, recorded in Official Records Volume 4891, page 356, public records Duval County, Florida (affects portion of East Parcel).

Comment: This exception is permitted only so long as Rouse has not exercised its rights to develop the East Parcel or it is not the site of the Parking Garage. After Rouse gives notice of its intent to develop or the site is selected for the Parking Garage, the City shall at its sole cost and expense take those actions required in the Lease. Proof satisfactory to Rouse shall be furnished at the required time showing compliance with this requirement.

8. Easement arising under Ordinance No. 83-1259-732 as adopted by the City of Jacksonville, recorded in Official Records Volume 5899, page 471 public records of Duval County, Florida.

Comment: Proof satisfactory to Rouse must be furnished showing that the closing of Coast Line Drive has been accomplished in conformity with applicable law and that the easement rights reserved by the City thereunder may not be exercised by the City or any other person or party claiming by through or under the City in a manner inconsistent with the rights of Rouse under the Lease. This must be furnished prior to the Possession Date unless otherwise extended by Rouse.

9. Agreement between the City of Jacksonville and Southern Bell Telephone & Telegraph Company ("SB") with respect to existing lines in or near Coast Line Drive.

Comment: Rouse understands that SB has lines in place under portions of the West Parcel. Prior to the Possession Date (unless extended by Rouse), City will negotiate and enter into an agreement with Southern Bell satisfactory to Rouse as to the precise location of the easement for the lines, the protective encasement of the conduit, and all other terms and conditions.

10. Existing possessory rights of Jacksonville Electric Authority ("JEA") in portions of the East and West Parcels.

Comment: Rouse understands that JEA has lines in place in portions of the East and West Parcels. Prior to the Possession Date (unless extended by Rouse), City will negotiate and enter into an agreement with JEA satisfactory to Rouse establishing the final location of the easement for the lines and all other terms and conditions.

## PART II

1. Easement for Drainage and Sewerage Purposes as set forth and shown on the Site Plan attached as Exhibit C to this Lease.

2. Easements granted and reserved under this Lease.

3. Navigated servitudes in favor of the United States of America arising under the United States Constitution. [Rouse's approval of this exception in the Lease does not diminish its rights in the Lease to obtain affirmative title insurance with respect to it.]

EXHIBIT E

Schedule of Performance

I. Performance to be Accomplished by Authority/City

- |    |                          |   |
|----|--------------------------|---|
| 1. | Prior to Possession Date | Authority completes parking garage feasibility study.   |
| 2. | Prior to Possession Date | Ordinance approving Lease becomes law.  |
| 3. | Prior to Possession Date | Authority and City execute Lease, including all Exhibits.   |
| 4. | Prior to Possession Date | City inspects sanitary sewer line and provides report to Rouse on necessary repairs and City's schedule for completing such repairs.  |
| 5. | Prior to Possession Date | Authority/City approves surcharge plan.   |
| 6. | Prior to Possession Date | Authority advises Rouse that City has acquired the Preferred Parking Parcel as the site for the parking garage or Authority advises Rouse that City has been unsuccessful in acquiring the Preferred Parking Parcel and has determined that an alternate site, the East Parcel shall be the site of the parking garage. |
| 7. | Prior to Possession Date | If the East Parcel is to be the site of the parking garage, Authority submits to Rouse (for Rouse's approval) a site plan identifying a project staging area.   |
| 8. | Prior to Possession Date | City provides to Rouse evidence of funds available to complete site improvements and other City construction obligations.   |
| 9. | Prior to Possession Date | City executes City loan documents.  |

*[Handwritten signature]*

10. Prior to Possession Date Authority and City provide Rouse with all applicable permits, including environmental permits.
11. Prior to Possession Date City provides City's General Counsel's opinion to Rouse regarding validity of documents, pending actions, and other matters.
12. Prior to Possession Date Authority and City execute Lease Amendments, if necessary, related to Rouse financing documents.
13. Prior to Possession Date Authority and City provide required easements, zoning, and similar documentation to Rouse.
14. Prior to Possession Date Authority and City complete any action required to enable Rouse to receive an acceptable title insurance policy.
15. Prior to Possession Date Authority/City submit Transit Agreement to Rouse for approval.
16. Prior to Possession Date Authority/City execute Transit Agreement.
17. Prior to Possession Date Authority and City approve first phase Site Improvements plans and specifications.
18. Prior to Possession Date Authority and City provide evidence to Rouse that all Authority/City conditions precedent to start of construction of Site Improvements have been fulfilled, or waived.
19. October 1, 1985 City vacates East and West Parcels and transfers possession of site to Rouse for the purpose of commencing Surcharging Work

20. October 1, 1985 City Engineer certifies commencement of construction; City vacates Coast Line Drive; City commences inspection of bulkheads and reports to Rouse.
21. December 1, 1985 Authority submits preliminary parking garage design plans to Rouse for approval.
22. January 15, 1986 City delivers possession of project site to Rouse for purpose of commencement of Site Improvements and establish the Possession Date
23. April 1, 1986 Authority submits final parking garage design plans to Rouse for approval.
24. May 1, 1986 Authority provides Rouse with a copy of the general contract for construction of the parking garage.
25. May 1, 1986 City begins construction of parking garage.
26. June 1, 1986 Authority and City advise Rouse of availability of City construction loan funds.
27. June 1, 1986 Authority and City provide Rouse with permit(s) for construction of dock.
28. September 1, 1986 Authority and City submit street and garage signage program to Rouse for review.
29. May 15, 1987 City substantially completes construction of parking garage.
30. May 15, 1987 City completes implementation of street and garage signage program.
31. June 1, 1987 Parking garage opens.
32. June 1, 1987 Transit System begins operation.

II. Performance to be Accomplished by Rouse

1. Prior to Possession Date Rouse executes Lease including all Exhibits.
2. Prior to Possession Date TRC submits surcharge plan for site work to Authority/City for approval.
3. October 1, 1985 Rouse submits Building Improvements concept plan to City for review.
4. November 30, 1985 Rouse submits first phase Site Improvements construction plans and specifications to Authority for approval.
5. Prior to Possession Date Rouse commences surcharge work on site.
6. Prior to Possession Date Rouse substantially completes Building Improvements construction plans and specifications.
7. Prior to Possession Date Rouse advises Authority that it has received an acceptable Guaranteed Maximum Price from a general contractor for construction of the Building Improvements.
8. Prior to Possession Date Rouse advises Authority of latest estimated project development costs.
9. Prior to Possession Date Rouse advises Authority that it has obtained satisfactory financing commitments or that Rouse has sufficient funds available to complete construction of the Building Improvements, subject to Authority approval.
10. Prior to Possession Date Rouse executes City loan documents.
11. Prior to Possession Date Rouse executes Lease Amendments, if necessary, related to Rouse financing documents.



12. Prior to Possession Date Rouse executes Transit Agreement.
13. Prior to Possession Date Rouse provides evidence to Authority that all Rouse conditions precedent to start of construction of Site Improvements have been fulfilled, or waived.
14. October 1, 1985 Rouse takes possession of project site for purpose of Surcharging Work.
15. December 15, 1985 Rouse takes possession of staging area.
16. January 15, 1986 Rouse takes possession of Site, lease commences and Rouse commences construction of Site Improvements (other than Surcharging Work).
17. December 20, 1985 Rouse approves preliminary garage design plans.
18. April 30, 1986 Rouse completes first phase of construction of Site Improvements.
19. February 15, 1986 Rouse commences construction of Building Improvements.
20. February 28, 1986 Rouse submits remaining Site Improvements construction plans and specifications to Authority for approval.
21. April 1, 1986 Rouse commences construction of remaining Site Improvements.
22. April 20, 1986 Rouse approves final garage design plans.
23. June 1, 1986 Rouse receives notification from Authority of the availability of City Construction Loan Funds.
24. May 31, 1987 Rouse substantially completes construction of Site Improvements.

25. May 31, 1987

Rouse substantially completes construction of Building Improvements.

26. June 1, 1987

Project Grand Opening



EXHIBIT F  
PARKING GARAGE  
DESIGN STANDARDS

1. Parking dimensions

- a) Minimum car stall width 9'-0", length 20'-0" b) Minimum driving aisle width 20'-0"
- c) Stalls are to be delineated by striping.

2. Parking garage configuration

- a) Rectangular garage with parking stalls at 90° to the aisles.
- b) Ramps to be 5% maximum slope running straight between floor levels and with parking stalls on ramps similar to parking stalls on standard aisles. No circular or helix ramps.
- c) Minimum floor to ceiling height 7'-0" clear.
- d) The garage should be open on all sides and any supporting interior walls should be "truss-walls" to admit as much light and air as possible. This assumes the garage will be "freestanding" and not part of a larger project.
- e) If the garage is located at Independent Drive and Hogan Street, a pedestrian bridge should connect the garage to the marketplace project at the second level.

3. Vertical transportation

- a) Minimum of two full-size high-quality passenger elevators located on the side closest to the marketplace project.
- b) Stairs are to be as required by codes. These should be located on the perimeter of the deck and at the corners. The sides of any stair facing the exterior should be protected from the weather with butt-jointed 3/8" tempered and tinted glass between floor spandrel beams.



#### 4. Finishes

- a) Exposed aggregate concrete is the preferred exterior finish.
- b) The whole interior (whether concrete or steel) should be painted light pastel colors to give a quality environment commensurate with the quality of the marketplace project.
- c) The floor in the immediate vicinity of the elevator on each level (200 s.f.+) should be raised 6" and tiled with the same paver as is to be used in the marketplace project.
- d) The pedestrian bridge, if any, should be tiled with the same paver as is to be used in the marketplace project.
- e) Where visible to the public, the elevator shaft exterior faces should be finished in ceramic glazed wall tile.
- f) Balustrades should match the design for the marketplace project, incorporating a 3" diameter clear anodized aluminum handrail.
- g) Elevator cab interiors should have stainless steel wall panels and ceiling cove lighting for durability. Floor tile to be the same paver as is to be used in the marketplace project.

#### 5. Lighting

- a) Fluorescent fixtures with shields to prevent glare are to be used throughout. Mercury or sodium vapor are not to be used.
- b) The fixtures should be located over the driving aisles to reinforce the traffic circulation pattern.
- c) At the entrances from the street, incandescent lighting is to be used to brightly illuminate the transition from exterior to interior.
- d) Fluorescent "wall washers" should be provided to highlight the elevator core walls.

#### 6. Signs and Graphics

- a) Provide a comprehensive sign system to direct the flow of traffic within the parking deck. This signage system need not be internally illuminated but may utilize standardized hung sign panels with "Scotchlite" letters or graphics screened directly on the structure (if appropriate).

- b) Signs within the garage will also be required to direct customers to and from the marketplace project.
- c) Graphics should indentify each parking level by color and number.
- d) An illuminated exterior name sign(s) is (are) to be included.
- e) Provide appropriate informational signage throughout the downtown area and major vehicular approaches to downtown to direct automobile traffic to the garage and pedestrian traffic to and from the garage and to and from the marketplace project.

EXHIBIT G

Site Improvements Budget

Design	\$ 586,000
Construction Cost	4,238,000
Management Cost Reimbursement	500,000
Contingency	<u>362,000</u>
TOTAL	\$5,686,000



EXHIBIT H

Building Improvements Budget

Field Expenses*	\$ 1,254,000
Land Development and Site Work	0
Building	14,037,000
Tenant Reimbursables	(200,000)
Architectural, Engineering and Other Design Fees	1,123,000
Tenant Construction Allowance	5,388,000
Development Management*	4,122,000
Pre-Opening and Opening Promotions and Project Marketing; Legal, Accounting and Other External Fees; Insurance; Capitalized Operating Expenses; Pre-Opening Management Costs; Other Miscellaneous Costs, Fees and Expenses	1,680,000
Interest and Financing	2,080,000
Land and Leasehold	0
Contingencies	3,038,000
Total	<u>\$32,522,000</u>
Less Reduction in Construction Interest and Related Costs Estimates Resulting From City Construction Loan	<u>(1,022,000)</u>
Total Building Improvements Budget	<u>\$31,500,000</u>

\*Net of City Reimbursement for Site Work Development and  
Construction Management Costs



# **Exhibit 2**



FIRST AMENDMENT TO DISPOSITION  
DEVELOPMENT AND LEASE AGREEMENT

THIS AMENDMENT is made this 13<sup>th</sup> day of March, 1986, by and among ROUSE-JACKSONVILLE, INC., a Maryland corporation ("Rouse"); the CITY OF JACKSONVILLE, a municipal corporation of the State of Florida (the "City"); and the JACKSONVILLE DOWNTOWN DEVELOPMENT AUTHORITY, a body politic and corporate under the laws of the State of Florida (the "Authority").

RECITALS

A. The parties entered into a Disposition, Development and Lease Agreement (the "Agreement") dated October 3, 1985, and under various sections of the Agreement, it is contemplated that one or more amendments to the Agreement will be made from time to time upon the occurrence of certain conditions or events. The parties now mutually desire to amend the Agreement as contemplated thereunder.

B. Unless otherwise defined herein, the capitalized terms used herein have the meanings assigned to them in the Agreement.

NOW THEREFORE, in consideration of the recitals set forth above, and other good and valuable considerations, the receipt and legal sufficiency of which are hereby acknowledged, the parties do hereby amend the Agreement as follows:

1. Pursuant to Section 2.1(a) of the Agreement, the parties have caused to be prepared a legal description more precisely defining those portions of the West Parcel to be leased to Rouse as the site of the Building Improvements. The parties do hereby confirm that the legal description attached hereto and made a part hereof as Exhibit C-1-A is the legal description for the "Building Improvements Site." Accordingly, it is agreed that the land shown on Exhibit C-1 to the Agreement as the "Building Improvements Site" is hereby deemed to be of no further force and effect, and the real property described on Exhibit C-1-A attached hereto is from and after this date the "Building Improvements Site." Exhibit C-1 shall remain a part of the Agreement for its other intended purposes. The parties recognize and agree that, upon completion of construction of the Building Improvements, either the City or Rouse may cause a redetermination, by survey and legal description, of the Building Improvements Site, it being the intention of the parties that the Building Improvements Site shall be that portion of the West Parcel actually occupied by the Building Improvements. In the event of such redetermination of the Building Improvements Site and upon agreement by the attorneys for the City and Rouse as to a new legal description of the Building Improvements Site, the parties shall, by further amendment to the Lease, include such legal description as a more specific description of the Building Improvements Site. The description may also be modified to reflect that support columns and exterior stairways

are part of the Building Improvements, and their points of contact on the ground constitute at that time a portion of the Building Improvements Site.

2. Exhibit D to the Agreement is hereby deleted, and there is substituted in its place and stead "Revised Exhibit D" attached hereto and made a part hereof. It is acknowledged that Revised Exhibit D confirms that the City has continuing obligations with respect to modifying or altering some of the documents and agreements mentioned in Revised Exhibit D in the manner set forth therein. Within the time periods specified in Revised Exhibit D, the parties shall execute another amendment to the Agreement whereby Revised Exhibit D is further modified so that title to the East Parcel and the West Parcel shall be subject only to Permitted Exceptions.

3. The following sentence which appears in Section 9.1(a), on page 150 of the Agreement, is hereby deleted in its entirety:

"Among other things the City Construction Loan Documents shall provide that the principal amount of the City Construction Loan will be repaid to the City no later than six months following the Opening Date and, to the extent available, the same shall be repaid out of Rouse's privately placed permanent loan proceeds."

In its stead, there is substituted the following:

"Among other things, the City Construction Loan Documents shall provide that the principal amount of the City Construction Loan shall be due and payable in full on the earlier to occur of (i) the date which is 180 days following the Opening Date, or (ii) the date of closing on Rouse's private loan for permanent financing of the Project; provided that, notwithstanding anything herein to the contrary, if, as of that date which is 180 days following the Opening Date, Rouse is unable to close on its

permanent financing of the Project because the Parking Garage is not at such time completed and open for business as provided in this Lease, then, in such event, Rouse shall have no obligation for the payment of the City Construction Loan until such time as the Parking Garage shall be open for business and Rouse shall have had a reasonable period thereafter to close on its permanent financing of the Project, and further provided that if Rouse's commitment for permanent financing shall have been cancelled or terminated because of the failure of the Parking Garage so to be completed and open for business as provided in this Lease, or if during such period in which Rouse is so unable to close on its permanent financing Rouse's commitment for permanent financing expires, then, in either of such events, Rouse shall not be obligated to repay the principal amount of the City Construction Loan until Rouse shall have had a reasonable period of time to obtain a new commitment for, and close on, its permanent financing. The City Construction Loan Documents shall further provide that, to the extent available, the loan shall be repaid out of Rouse's privately placed permanent loan proceeds."

4. Except as herein specifically modified and amended, the Agreement shall remain in full force and effect, and enforceable in accordance with its terms.

5. This Amendment shall be binding upon and inure to the benefit of the parties and their successors and assigns, and the term "Lease," as used in the Agreement shall include this Amendment from and after this date.

IN WITNESS WHEREOF, the parties have caused this agreement to be executed as of the day and year first above written by its duly authorized officers.

(SEAL)

ROUSE-JACKSONVILLE, INC.

By   
its Vice President

FORM APPROVED

*[Signature]*  
Assistant Counsel

(SEAL)

CITY OF JACKSONVILLE

By *[Signature]*  
Jake M. Godbold, Mayor

Attest: *[Signature]*  
Corporation Secretary

JACKSONVILLE DOWNTOWN  
DEVELOPMENT AUTHORITY

By *[Signature]*  
Roland S. Kennedy,  
Its Chairman

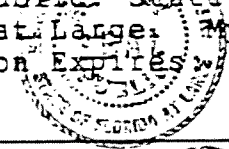
Attest: *[Signature]*  
Mary Alice Phelan  
Secretary

(SEAL)

STATE OF FLORIDA  
COUNTY OF DUVAL

The foregoing instrument was acknowledged before me this 13 day of March, 1986, by John H. Noggle, the Vice President of Rouse-Jacksonville, Inc., a Maryland corporation, on behalf of the corporation.

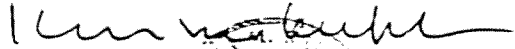
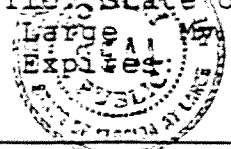
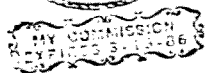
*[Signature]*  
Notary Public, State of  
Florida at Large. My  
Commission Expires



MY COMMISSION  
EXPIRES 3-19-88

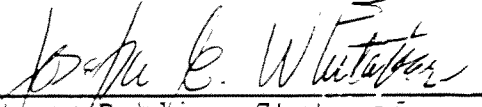
STATE OF FLORIDA  
COUNTY OF DUVAL

The foregoing instrument was acknowledged before me this 13<sup>th</sup> day of March, 1986, by Jake M. Godbold and Linnie C. Williams, the Mayor and Corporation Secretary respectively of the City of Jacksonville, a Municipal corporation of the State of Florida, on behalf of the City.

  
\_\_\_\_\_  
Notary Public, State of  
Florida at Large. My  
Commission Expires:  
  
\_\_\_\_\_  


STATE OF FLORIDA  
COUNTY OF DUVAL

The foregoing instrument was acknowledged before me this 13<sup>th</sup> day of March, 1986, by Roland S. Kennedy and Mary Alice Phelan, Chairman and Secretary, respectively of Jacksonville Downtown Development Authority, a body politic and corporate under the laws of the State of Florida, on behalf of the Authority.

  
\_\_\_\_\_  
Notary Public, State of  
Florida at Large. My  
Commission Expires:  
NOTARY PUBLIC, STATE OF FLORIDA  
My Commission Expires Oct. 31, 1988  
\_\_\_\_\_  
Bonded by Transamerica Insurance Co.

2288K

EXHIBIT C-1-A

PARCEL I

A part of Z. Hogan's Grant, Section 39, Township 2 South, Range 26 East, Duval County, Florida, being more particularly described as follows:

Commence at Independent Drive (as relocated by the Florida Department of Transportation, as shown on Florida Department of Transportation Plan 72070, Section 2703, Sheet 1) centerline station 24+29.29 as shown on City of Jacksonville Department of Public Works Map of the Proposed Convention Center (Project No. 30/3742/80, File No. 6199, dated September 19, 1980); thence South  $14^{\circ}32'05''$  West, 32.00 feet to the Southerly right of way line of said Independent Drive and to the point of curvature of a reverse curve leading Southwesterly, as on State of Florida Department of Transportation Right of Way Maps of State Road No. 5, dated March 25, 1974, the following five courses: Course No. 1: along and around the arc of said curve, being concave Southeasterly and having a radius of 198.00 feet, an arc distance of 178.92 feet, said arc being subtended by a chord bearing and distance of South  $78^{\circ}38'52''$  West, 172.89 feet, to a point of reverse curvature; Course No. 2: along and around the arc of said curve being concave Northwesterly and having a radius of 262.00 feet, an arc distance of 111.13 feet, said arc being subtended by a chord bearing and distance of South  $64^{\circ}54'46''$  West, 110.30 feet; Course No. 3: South  $46^{\circ}13'56''$  West, 17.41 feet; Course No. 4: South  $14^{\circ}22'10''$  West, along the Easterly right of way line of Hogan Street, 117.29 feet; Course No. 5: South  $77^{\circ}10'00''$  East, 106.85 feet to the Southwesterly corner point of curvature, curve leading Northeasterly, said point also being the POINT OF BEGINNING; run the following eighty courses and distances: Course No. 1: along and around the arc of a curve, being concave Southeasterly and having a radius of 269.50 feet, an arc distance of 153.21 feet, said arc being subtended by a chord bearing and

EXHIBIT C-1-A  
(continued)

distance of North  $32^{\circ}02'13''$  East, 149.53 feet; Course No. 2: thence South  $41^{\circ}49'20''$  East, 20.00 feet to the point of curvature, curve leading Northeasterly; Course No. 3: thence along and around the arc of said curve being concave Southeasterly and having a radius of 249.50 feet, an arc distance of 44.54 feet, said arc being subtended by a chord bearing and distance of North  $53^{\circ}17'54''$  East, 44.48 feet to a point on a said curve; Course No. 4: thence North  $31^{\circ}35'33''$  West, 7.50 feet to the point on a curve leading Northeasterly; Course No. 5: thence along and around the arc of said curve being concave Southeasterly and having a radius of 257.00 feet, an arc distance of 182.50 feet, said arc being subtended by a chord bearing and distance of North  $78^{\circ}45'07''$  East, 178.69 feet to a point on a said curve; Course No. 6: thence South  $09^{\circ}05'47''$  West, 7.50 feet to the point of curvature, curve leading Southeasterly; Course No. 7: thence along and around the arc of a curve, being concave Southwesterly and having a radius of 249.50 feet, an arc distance of 156.72 feet, said arc being subtended by a chord bearing and distance of South  $62^{\circ}35'18''$  East, 156.80 feet to a point on a said curve; Course No. 8: thence South  $77^{\circ}10'00''$  East, 70.00 feet; Course No. 9: thence South  $12^{\circ}50'00''$  West, 32.00 feet; Course No. 10: thence South  $77^{\circ}10'00''$  East, 64.00 feet; Course No. 11: thence South  $12^{\circ}50'00''$  West, 14.00 feet; Course No. 12: thence South  $77^{\circ}10'00''$  East, 9.50 feet; Course No. 13: thence South  $12^{\circ}50'00''$  West, 18.00 feet; Course No. 14: thence South  $77^{\circ}10'00''$  East, 22.50 feet; Course No. 15: thence South  $12^{\circ}50'00''$  West, 131.00 feet; Course No. 16: thence North  $77^{\circ}10'00''$  West, 16.00 feet; Course No. 17: thence South  $12^{\circ}50'00''$  West, 16.00 feet; Course No. 18: thence North  $77^{\circ}10'00''$  West, 96.50 feet; Course No. 19: thence South  $12^{\circ}50'00''$  West, 18.50 feet; Course No. 20: thence South  $77^{\circ}10'00''$  East, 28.00 feet; Course No. 21: thence South  $12^{\circ}50'00''$  West, 12.50 feet; Course No. 22: thence South  $77^{\circ}10'00''$  East, 84.50 feet; Course No. 23: thence South  $12^{\circ}50'00''$  West, 22.00 feet; Course No. 24: thence South  $77^{\circ}10'00''$  East, 9.00 feet; Course No. 25: thence South  $12^{\circ}50'00''$  West, 37.00 feet; Course No. 26: thence North  $77^{\circ}10'00''$  West, 9.00 feet; Course



EXHIBIT C-1-A  
(continued)

No. 27: thence South 12°50'00" West, 2.00 feet; Course No. 28: thence North 77°10'00" West, 51.00 feet; Course No. 29: thence North 12°50'00" East, 8.50 feet; Course No. 30: thence North 77°10'00" West, 79.00 feet; Course No. 31: thence South 12°50'00" West, 8.50 feet; Course No. 32: thence North 77°10'00" West, 87.50 feet; Course No. 33: thence North 12°50'00" East, 8.50 feet; Course No. 34: thence North 77°10'00" West, 20.00 feet; Course No. 35: thence North 12°50'00" East, 33.00 feet; Course No. 36: thence North 77°10'00" West, 25.00 feet; Course No. 37: thence North 12°50'00" East, 15.50 feet; Course No. 38: thence South 77°10'00" East, 25.00 feet; Course No. 39: thence North 12°50'00" East, 2.50 feet; Course No. 40: thence South 77°10'00" East, 103.00 feet; Course No. 41: thence North 12°50'00" East, 31.00 feet; Course No. 42: thence North 77°10'00" West, 103.00 feet; Course No. 43: thence North 12°50'00" East, 1.50 feet to the point of curvature of a curve leading Northwesterly; Course No. 44: thence along and around the arc of said curve, being concave Southwesterly and having a radius of 66.00 feet, an arc distance of 1.50 feet, said arc being subtended by a chord bearing and distance of North 12°10'56" East, 1.50 feet, to a point on said curve; Course No. 45: thence North 77°10'00" West, 25.00 feet; Course No. 46: thence North 12°50'00" East, 15.50 feet; Course No. 47: South 77°10'00" East, 22.79 feet to a point on a curve; Course No. 48: thence along and around the arc of said curve, being concave Southerly and having a radius of 66.00 feet, an arc distance of 172.95 feet, said arc being subtended by a chord bearing and distance of North 77°10'00" West, 127.54 feet to a point on said curve; Course No. 49: thence South 77°10'00" East, 22.79 feet; Course No. 50: thence South 12°50'00" West, 15.50 feet; Course No. 51: thence North 77°10'00" West, 25.00 feet, to a point on a curve; Course No. 52: thence along and around the arc of said curve, being concave Southeasterly and having a radius of 66.00 feet, an arc distance of 1.50 feet, said arc being subtended by a chord bearing and distance of South 13°42'36" West, 1.50 feet to a point of tangency of said curve; Course No. 53: thence South 12°50'00" West, 1.50 feet; Course

EXHIBIT C-1-A  
(continued)

No. 54: thence North 77°10'00" West, 103.00 feet; Course No. 55: thence South 12°50'00" West, 31.00 feet; Course No. 56: thence South 77°10'00" East, 103.00 feet; Course No. 57: thence South 12°50'00" West, 2.50 feet; Course No. 58: thence South 77°10'00" East, 25.00 feet; Course No. 59: thence South 12°50'00" West, 15.50 feet; Course No. 60: thence North 77°10'00" West, 25.00 feet; Course No. 61: thence South 12°50'00" West, 33.00 feet; Course No. 62: thence North 77°10'00" West, 20.00 feet; Course No. 63: thence South 12°50'00" West, 8.5 feet; Course No. 64: thence North 77°10'00" West, 88.00 feet; Course No. 65: thence North 12°50'00" East, 8.50 feet; Course No. 66: thence North 77°10'00" West, 94.50 feet; Course No. 67: thence South 12°50'00" West, 16.00 feet; Course No. 68: thence North 77°10'00" West, 67.00 feet; Course No. 69: thence North 12°50'00" East, 10.00 feet; Course No. 70: thence North 77°10'00" West, 9.00 feet; Course No. 71: thence North 12°50'00" East, 37.00 feet; Course No. 72: thence South 77°10'00" East, 9.00 feet; Course No. 73: thence North 12°50'00" East, 22.00 feet; Course No. 74: thence South 77°10'00" East, 119.00 feet; Course No. 75: thence North 12°50'00" East, 12.50 feet; Course No. 76: thence South 77°10'00" East, 22.50 feet; Course No. 77: thence North 12°50'00" East, 18.50 feet; Course No. 78: thence North 77°10'00" West, 64.00 feet; Course No. 79: thence North 12°50'00" East, 16.00 feet; Course No. 80: thence North 77°10'00" West, 16.00 feet to the POINT OF BEGINNING.

PARCEL II

A part of Z. Hogan's Grant, Section 39, Township 2 South, Range 26 East, Duval County, Florida, being more particularly described as follows:

Commence at Independent Drive (as relocated by the Florida Department of Transportation, as shown on Florida Department of Transportation Plan 72070, Section 2703, Sheet 1) centerline station 24+29.29 as shown on City of Jacksonville Department of Public Works Map of the Proposed Convention Center (Project No. 30/3742/80, File No. 6199, dated September 19, 1980); thence South 14°32'05" West, 32.00 feet to the Southerly right of way line of said Independent Drive and to the point of curvature of a reverse curve leading Southwesterly, as on State of Florida Department of Transportation Right of Way Maps of State Road No. 5, dated March 25, 1974, the following four courses: Course No. 1: along and around the arc of said curve, being concave Southeasterly and having a radius of 198.00 feet, an arc distance of 178.92 feet, said arc being subtended by a chord bearing and distance of South 78°38'52" West, 172.39 feet, to the point of reverse curvature; Course No. 2: along and around the arc of said curve being concave Northwesterly and having a radius of 262.00 feet, an arc distance of 111.13 feet, said arc being subtended by a chord bearing and distance of South 64°54'46" West, 110.30 feet; Course No. 3: South 46°13'56" West, 17.41 feet; Course No. 4: South 14°22'10" West, along the Easterly right of way line of Hogan Street, 179.81 feet, said point being the POINT OF BEGINNING; run the following four courses: Course No. 1: South 77°10'00" East, 32.00 feet; Course No. 2: thence South 12°50'00" West, 18.00 feet; Course No. 3: thence North 77°10'00" West, 32.00 feet; Course No. 4: thence North 12°50'00" East, 18.00 to the POINT OF BEGINNING.

REVISED EXHIBIT D

LIST OF PERMITTED TITLE EXCEPTIONS

This Exhibit is divided into two parts. Part I reflects those items which the City and Rouse acknowledge constitute liens, charges or other outstanding interests affecting title to the East Parcel and the West Parcel. However, some of those existing items must be eliminated or amended on or prior to certain dates or the occurrence of one or more events. Part I sets forth those items which are to be eliminated or amended; Part II sets forth those items which are permitted title exceptions in their present form for the term of the Lease. Rouse and the City contemplate executing one or more Lease Amendments from time to time which will reflect the status of those matters done or not done as required in Part I.

PART I

1. Easement in favor of the State of Florida dated April 27, 1938, recorded in Deed Book 786, page 88, public records of Duval County, Florida; Perpetual Easement from IIF to Florida DOT dated August 15, 1939, recorded in Deed Book 836, page 27, public records of Duval County, Florida, and Perpetual Right-of-Way Easement dated May 3, 1974, from the City of Jacksonville to the State of Florida, DOT, recorded in Official Records Volume 3722, page 216, public records of Duval County, Florida.

Comment: Those exceptions will be Part II exceptions upon satisfaction by the City of certain undertakings set forth in an Agreement Respecting Possession Date dated March 13, 1986, among Rouse, the City and the Authority concerning possible further amendments.

2. Agreement between the City of Jacksonville and the State of Florida Department of General Services dated December 12, 1975 (unrecorded).

Comment: Proof satisfactory to Rouse must be furnished prior to April 1, 1986, that no rights exist under this agreement adversely affecting the use of the West Parcel or the East Parcel as contemplated under the Lease, or that if any such rights exist, that they will not be exercised adversely to the uses of the East and West Parcel as contemplated under the Lease. The parties recognize that this is one of the matters

to be modified, discharged or terminated satisfactorily to Rouse in full in accordance with this Lease if Rouse elects to develop the East Parcel or if the East Parcel is the site of the Parking Garage.

3. Right-of-Way Easement from the City of Jacksonville to State of Florida as set forth in City of Jacksonville Resolution 74-81-24 dated May 3, 1974.

Comment: Proof must be furnished to Rouse showing that the West Parcel is not affected by this resolution, any agreements executed pursuant thereto, or the rights arising thereunder. This must be furnished prior to June 30, 1986, unless extended by Rouse.

4. Reverter existing in favor of Jacksonville Transportation Authority arising under Special Warranty Deed dated November 21, 1984, by Jacksonville Transportation Authority to City of Jacksonville, recorded in Official Records Volume 5894, page 971 public records of Duval County, Florida.

Comment: This Reverter must be eliminated prior to June 30, 1986, unless such date is extended by Rouse. If JTA will not sign a recordable documents confirming the termination, the City shall execute reasonable certificates necessary to remove this exception.

5. Terms, Conditions, and Limitations set forth in Special Warranty Deed dated January 30, 1976, between the City of Jacksonville and the State of Florida Board of Trustees of the Internal Improvement Fund, recorded in Official Records Volume 4891, page 356, public records Duval County, Florida (affects portion of East Parcel).

Comment: This exception is permitted only so long as Rouse has not exercised its rights to develop the East Parcel or it is not the site of the Parking Garage. After Rouse gives notice of its intent to develop or the site is selected for the Parking Garage, the City shall at its sole cost and expense take those actions required in the Lease. Proof satisfactory to Rouse shall be furnished at the required time showing compliance with this requirement.

6. Existing possessory rights of Jacksonville Electric Authority ("JEA") in portions of the East and West Parcels.

Comment: Rouse understands that JEA has lines in place in portions of the East and West Parcels. Prior to December 31, 1986, (unless extended by Rouse), City will negotiate and enter

into an agreement with JEA satisfactory to Rouse establishing the final location of the easement for the lines and all other terms and conditions.

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PART II

1. Easement for Drainage and Sewerage Purposes as set forth and shown on the survey attached as Exhibit B to this Lease.

2. Easements granted and reserved under this Lease.

3. Navigational servitudes in favor of the United States of America arising under the United States Constitution. [Rouse's approval of this exception in the Lease does not diminish its rights in the Lease to obtain affirmative title insurance with respect to it.]

4. Agreement dated September 19, 1985, among the City of Jacksonville, Rouse-Jacksonville, Inc. and Southern Bell Telephone & Telegraph Company with respect to existing lines in or near the former Coast Line Drive right-of-way. [Document to be recorded prior to March 30, 1986.].

5. Permit and Easement Agreement dated ~~Feb~~ Feb 13, 1986, between State of Florida, Department of Transportation, and the City of Jacksonville (to be recorded in the public records of Duval County).

1122K

# **Exhibit 3**

SECOND AMENDMENT TO DISPOSITION  
DEVELOPMENT AND LEASE AGREEMENT

OFFICIAL RECORDS

THIS AMENDMENT is made this 26<sup>th</sup> day of October, 1987, by and among ROUSE-JACKSONVILLE, INC., a Maryland corporation ("Rouse"); the CITY OF JACKSONVILLE, a municipal corporation of the State of Florida (the "City"); and the JACKSONVILLE DOWNTOWN DEVELOPMENT AUTHORITY, a body politic and corporate under the laws of the State of Florida (the "Authority").

RECITALS

A. The parties entered into a Disposition, Development and Lease Agreement dated October 3, 1985 and amended by First Amendment thereto dated March 13, 1986 (collectively the "Agreement"). Under various sections of the Agreement, it is contemplated that amendments to the Agreement will be made from time to time upon the occurrence of certain conditions or events. The parties now mutually desire to amend the Agreement as contemplated thereunder.

B. Unless otherwise defined herein, the capitalized terms used herein have the meanings assigned to them in the Agreement.

NOW THEREFORE, in consideration of the recitals set forth above, and other good and valuable considerations, the receipt and legal sufficiency of which are hereby acknowledged, the parties do hereby amend the Agreement as follows:

1. The definition of "Debt Service Payments" in Section 1.2, on page 8 is hereby amended to add the language "contingent interest," after the word "interest", on the second line thereof; and to add the words "contingent interest", after the word "interest," in the fourth line on page 9.

2. The definition of "Rouse" in Section 1.2, on page 21 is hereby amended to read in its entirety as follows:

"'Rouse' means Rouse-Jacksonville, Inc. and its permitted successors and assigns (but shall include any Mortgagee of Rouse and any successor or assign thereof only for so long as such Mortgagee, or such successor or assign holds or owns the interest of Rouse as tenant under this Lease)."

8900  
102  
100.50

RETURN TO: KENNETH M. KEEFE, JR.  
MAIHOHEY ADAMS MILAM  
SURFACE & GRIMSLEY  
POST OFFICE BOX 4099  
JACKSONVILLE, FLORIDA 32201

Prepared by  
Gordon H. Glenn  
10275 Little Foxe Parkway  
Columbia MD 21044-3456



3. Pursuant to Section 2.1 (a) of the Agreement and pursuant to the First Amendment dated March 13, 1986, the parties have caused to be prepared a legal description more precisely defining those portions of the West Parcel to be leased to Rouse as the site of the Building Improvements. The parties do hereby confirm that the legal description attached hereto and made a part hereof as Exhibit C-1-B is the legal description for the "Building Improvements Site". Accordingly, it is agreed that the land shown on Exhibit C-1 to the Agreement as the "Building Improvements Site" and the real property described on Exhibit C-1-A to the Agreement are hereby deemed to be of no further force and effect, and the real property described on Exhibit C-1-B attached hereto is from and after this date the "Building Improvements Site." Exhibit C-1 shall remain a part of the Agreement for its other intended purposes. Notwithstanding the foregoing and regardless of whether the same are shown as part of the Building Improvements Site on Exhibit C-1-B, the Building Improvements Site shall also include the land area occupied by any support columns, exterior stairways or other appurtenances which support or are appurtenant to and part of the Building Improvements. Pursuant to paragraph 2 of the aforesaid First Amendment dated March 13, 1986, the parties have caused to be prepared a Second Revised Exhibit D setting forth the Permitted Exceptions as now agreed upon by the parties. Accordingly, it is agreed that Revised Exhibit D attached to the aforesaid First Amendment is of no further force and effect and that Second Revised Exhibit D attached hereto is substituted in its place and shall constitute Exhibit D of the Agreement.

4. Section 2.2 is hereby amended as follows:

i) In Section 2.2 (b), in the first and fifth lines on page 42 delete "June 1, 1989" and substitute in its stead in both instances "that date which is twenty-three (23) months following the City's acquisition of the Parking Site as provided in this Lease".

ii) Section 2.2 is hereby amended by adding the following paragraph at the end thereof:

"(d) The parties recognize that the easements granted to Rouse over and upon the East Parcel (including, without limitation, those portions of the Exterior Common Area located on the East Parcel) constitute portions of the Leased Property and are, or shall, even after the exercise of any of the rights of Rouse hereunder, including its development and purchase rights, continue to be encumbered by and subject to the lien of Rouse's Mortgages. To the extent any lease or purchase by Rouse of the East Parcel or

portions thereof designated by Rouse pursuant to this Section 2.2 would operate to limit the use and enjoyment of any of the easements granted to Rouse hereunder (including, without limitation any easements for access to the Building Improvements) or cause any reduction in the number of parking spaces provided in the Parking Garage or on the Parking Site, the same shall be subject to the consent of Rouse's First Mortgagee. In any case, any purchase, lease or exercise of any rights granted to Rouse pursuant to this Section 2.2 are subject and subordinate in all respects to the easements and restrictions granted in this Lease over the East Parcel, and no such purchase, lease or exercise of any such rights shall effect a merger of the dominant and servient estates so as to extinguish such easements or restrictions without the consent of Rouse's First Mortgagee."

5. Section 2.4 (d) on page 61 is hereby amended by deleting the words "Unless a shorter term is provided."

6. Pursuant to Section 2.4 (e) the parties hereby confirm that the location of the City Sewer Easement is as shown on the legal description attached hereto and made a part hereof as Exhibit C-1-C and that the location of the Rouse Vehicular Access Easement is as shown in the legal description attached hereto and made a part hereof as Exhibit C-1-D.

7. Section 2.5 (b) is hereby amended by inserting the word "solely" immediately after the close of the parenthetical and immediately before the word "from" on line 6 on page 64.

8. Section 2.6 is hereby amended by inserting the following sentence immediately after the period at the end of the first sentence thereof:

"It is the intent hereof that the definition of "Public Charges" includes only such taxes, governmental impositions and assessments as are customarily known as real estate taxes or real estate assessments and are assessed against the real estate (inclusive of the buildings and improvements thereof) as such."

9. Section 7.4 (d) is hereby amended by deleting the number \$1,000,000 in the last line thereof and substituting in lieu thereof the number \$500,000.

10. Section 8.1 (a)(i)(x) is hereby amended by inserting the following language after the word "thereunder" in the parenthetical in the fourth line thereof:

", including, without limitation, by assignment in lieu of foreclosure or assignment by a foreclosing Mortgagee following foreclosure,".

11. Section 8.2 is hereby amended by inserting the following language after the last word of the section before the period:

", or in lieu of foreclosure thereunder or by a foreclosing Mortgagee following foreclosure."

12. Section 8.5 is hereby amended by adding the following paragraph at the end thereof:

"(e) Any Transfer of the Parking Garage and/or Parking Site (whether to Rouse pursuant to this Section 8.5 or otherwise, or to any other party) shall be subject in all respects to the easements and restrictive covenants granted in this Lease and applicable to the Parking Garage and/or Parking Site, including (without limitation) those set forth in Section 2.3(b) requiring, among other things, the use and operation therein or thereon of at least 800 short term parking spaces. No such Transfer shall affect a merger of the dominant and servient estates so as to extinguish such easements or restrictions without the consent of Rouse's First Mortgagee. The City and Rouse shall execute, and the City shall require any other Transferee to execute, such documents or instruments as Rouse's First Mortgagee may reasonably require in order to confirm, and impose upon any Transferee, such restrictive covenants.

13. Section 9.5 is hereby amended by inserting at the end of such Section the following new paragraph (g):

"(g) To the extent payment of Annual Basic Rent is deferred pursuant to Section 2.5(b) of this Lease, the obligation to pay any Deferred Rental from sale or refinancing proceeds as provided in Section 2.5(b) or

Section 10.2. shall be personal to Rouse-Jacksonville, Inc., and failure to pay such Deferred Rental is hereby deemed and defined to be an Event of Rouse's Default not capable of being cured by a Rouse Mortgagee. Provided a Rouse Mortgagee, within 60 days after the date such notice of such nonpayment is given, institutes foreclosure proceedings and thereafter prosecutes the same with diligence or otherwise acquires Rouse's interest in this Lease (except that if such Rouse Mortgagee is precluded from instituting or prosecuting such foreclosure proceedings by reason of a bankruptcy or insolvency proceeding filed by or against Rouse said sixty (60) day period, such period shall be extended by a period of time equal to the period during which said Rouse Mortgagee is so precluded from instituting or prosecuting such foreclosure proceedings), such Event of Rouse's Default shall thereupon be deemed to have been waived. Furthermore, such obligation to pay accrued Deferred Rental shall be deemed extinguished as of the date such Rouse Mortgagee or its designee or the purchaser at foreclosure sale takes title to the Leased Property, and such entity and all successors thereto shall have no liability therefor.

14. Article X is hereby amended by adding a new Section 10.3 to the end thereof as follows:

"10.3 Effect of Foreclosure. Notwithstanding anything in this Lease to the contrary, in the event of a foreclosure by any Rouse Mortgagee, or in the event any Rouse Mortgagee executes a new lease pursuant to Section 9.5, the provisions of this Lease with respect to Refinancing Proceeds and Transfer Proceeds shall no longer be effective as of such foreclosure or execution of such new lease, there shall be no allocation of such proceeds then or thereafter, and such proceeds shall no longer be considered rent or additional rent."

15. Section 11.2 is hereby amended by inserting in the penultimate line on page 170 immediately after the word "nominee" and immediately before the close of the parenthetical the following words:

"or successor in title".

16. Section 14.8 is hereby amended by deleting the language in the second sentence thereof beginning with "All insurance obtained" and continuing up to but not including the first parenthetical and inserting in its stead the following:

"All insurance obtained pursuant to this Article shall be primary, non-contributing not contingent upon and not in excess of any other insurance, and shall be carried in favor of and name as additional insureds both the city and Rouse and, shall contain for the benefit of any Rouse Mortgagee standard mortgagee loss payable endorsements".

17. Section 14.8 is hereby further amended by inserting immediately after the reference to "Section 14.9" and immediately before the close of the parenthetical four lines from the bottom of page 187 the phrase "and 14.11".

18. Section 14.8 is hereby further amended by adding at the end thereof the following sentence:

"Duplicate originals of the policies of such insurance (or, with the consent of the Rouse First Mortgagee, certified copies or other evidence of the existence and effectiveness of such policies) shall be held by the Rouse First Mortgagee."

19. Section 14.9 (a) is hereby amended as follows:

i) By inserting immediately after the word "insured" and before the period at the end of the second line thereof the words: "and the Rouse First Mortgagee where it is named in the mortgagee endorsement.";

ii) By inserting immediately after the word "insured" in the fifth line thereof the words "and, in the case of Rouse, the Rouse First Mortgagee".

20. Section 14.9 (b)(i) is hereby amended by inserting immediately after the word "party" and before the word "if" the words "and, in the case of Rouse, the Rouse First Mortgagee."

21. Article XIV is hereby amended by inserting at the end thereof the following new Section:

"Section 14.11. Disbursement of Insurance or Condemnation Proceeds by the Insurance Trustee or Depository. All insurance proceeds or condemnation proceeds or other amounts for repair or restoration or alteration work on the Improvements

paid to or deposited with the Insurance Trustee pursuant to this Article XIV or the Depository pursuant to Article XV shall be disbursed in the manner hereinafter provided.

(a) From time to time as the Reconstruction Work proceeds where the Improvements are damaged or destroyed by fire or any other cause, or are partially taken in a condemnation proceeding, disbursement or any moneys shall be made by the Insurance Trustee or Depository in staged payments as the work is prosecuted by Rouse, less a "retention fund" of ten percent (10%) of each payment, upon certificates of the architect or engineer in charge of the work certifying to the cost of the work performed to the date of the certificate and the amount thereof unpaid and justly due and upon satisfactory proof that there are no unpaid claims and no liens filed and undischarged pertaining to the Reconstruction Work. The retention fund shall be paid over by the Insurance Trustee or Depository to Rouse within thirty (30) days after the completion of the work upon satisfactory proof that all costs have been paid or provided for. The Insurance Trustee or Depository may require the submission to it of any additional data reasonably required by it to assure that the payment is in all respects proper. All payments to Rouse shall be received by Rouse in trust to pay the cost of the work and shall not be commingled with Rouse's other funds. City and the Insurance Trustee or Depository shall have the right to examine Rouse's contracts, books and records pertaining to the work. Nothing herein prevents the Insurance Trustee or Depository from imposing such reasonable additional conditions to the disbursement of funds as it may, under the circumstances, deem prudent and necessary to achieve the prosecution and completion of the Reconstruction Work and the full and due payment thereof.

(b) After paying or providing for the cost of the work, the reasonable expenses and fees of the Insurance Trustee or Depository may be charged against the funds in its hands, but if the deposited funds are insufficient to achieve this, Rouse shall pay any deficiency."

22. Section 15.6 is hereby amended by deleting the words "in trust" from lines 4 and 10; and by adding the following after the period of the last sentence thereof:

"The depository shall not be responsible to the City or to Rouse for any payment made by it in good faith, not negligently and in accordance with the provisions hereof."

23. Article XV is hereby amended to add a new section 15.7 as follows:

"15.7 Rights of First Mortgagee. Any award or portion thereof payable to Rouse pursuant to this Article XV shall be payable to any Rouse First Mortgagee to the extent provided in its Mortgage subject to the provisions of this Article XV regarding restoration as supplemented by Section 14.11 of this Lease."

24. Section 17.1 is hereby amended by inserting the following parenthetical in the seventh line thereof immediately following the word "requested" and immediately before the comma: "(with a duplicate sent by overnight air courier)".

25. Section 19.15 is hereby amended by deleting in its entirety the last sentence thereof and substituting in its stead the following:

"Anything to the contrary in this Lease notwithstanding, no consent, approval or right to terminate or disaffirm this Lease, whether hereunder or under any statute or law, including the Federal Bankruptcy Code, on the part of Rouse to be given or exercised, shall be effective unless the Rouse First Mortgagee itself consents in writing to the same. In addition, anything in this Lease to the contrary notwithstanding, whenever in this Lease the consent of each Mortgagee or all or any Mortgagees is called for, the reference shall be deemed to require the consent of the Rouse First Mortgagee only. Finally, and anything to the contrary in the Lease notwithstanding, no notice of any default or breach by Rouse shall be deemed to have been duly given unless and until a copy thereof has been provided to each Rouse Mortgagee."

26. Section 19.16 is hereby amended by adding the following language at the end thereof:

"No cancellation, surrender, amendment, or modification of this Lease shall be effective as to, or binding upon, any Rouse Mortgagee unless consented to in writing by such Mortgagee and, in any case, no cancellation, surrender, amendment, or modification shall be effected without the express written consent of the holder of the Rouse First Mortgagee."

27. The following additional Section 19.22 is added to the Lease:

"19.22 Rights of Rouse First Mortgagee. Anything to the contrary herein notwithstanding, the rights and privileges of the holder of any subordinate or inferior Mortgage shall be subject and subordinate in all respects to the rights and privileges of the Rouse First Mortgagee."

28. The following additional Section 19.23 is added to the Lease:

"19.23 Duration of Rights and Obligations. Anything in this Lease to the contrary notwithstanding, wherever in this lease reference is made to the Term of the Lease, the Lease Term, or the Term, it is the intent of the parties that those references are meant to include the term of any new lease under Section 9.5 whether or not the term of such new lease under Section 9.5 is specifically included in such reference."

29. The following additional Section 19.24 is added to the Lease:

"19.24 Duration of Liability. Anything in this Lease to the contrary notwithstanding, no Mortgagee, or any successor in title thereto, shall be personally liable under this Lease unless and until such Mortgagee shall become the owner of the leasehold estate, and then only for as long as it remains such owner subject to the provisions of this Lease; such liability being limited in any case to such owner's interest in the Leased Premises. On any assignment of this Lease by any owner of the leasehold estate whose interest shall have been acquired by, through, or under any Mortgagee, its nominee or designee, or shall have been derived immediately from any holder thereof, the assignor shall be relieved of any further liability which may accrue hereunder from and after the date of such assignment, it being the intention of the parties that once the Mortgagee shall succeed to Rouse's interest hereunder, any and all subsequent assignments, whether by such holder, any purchaser at foreclosure sale or other



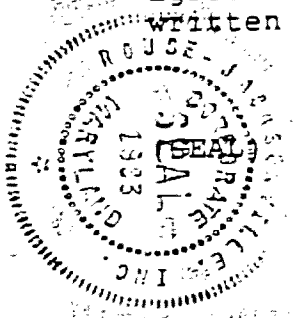
transferee, or any assignee of either, shall effect a release of the assignor's liability."

30. Whenever in this Second Amendment a reference is made to a page or line number it refers to the page or line number of the original Disposition, Development and Lease Agreement dated October 3, 1985.

31. Except as herein specifically modified and amended, the Agreement shall remain in full force and effect, and enforceable in accordance with its terms.

32. This Second Amendment shall be binding upon and inure to the benefit of the parties and their successors and assigns. The Lease as heretofore amended by instrument dated March 13, 1986 and as further amended hereby, embodies the entire agreement of the parties, and the parties hereby ratify and confirm the Lease as so amended. The term "Lease," as used in the Agreement shall include this Amendment from and after this date.

IN WITNESS WHEREOF, the parties have caused this agreement to be executed as of the day and year first above written by its duly authorized officers.



ROUSE-JACKSONVILLE, INC.

By [Signature]  
Its Vice President

Attest: [Signature]  
Assistant Secretary

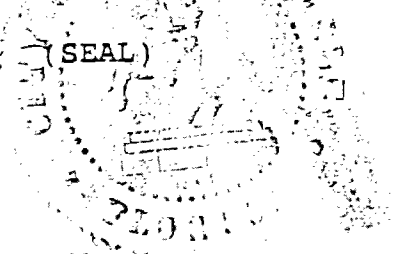
FORM APPROVED

CITY OF JACKSONVILLE

[Signature]  
Assistant Counsel

By [Signature]  
Mayor

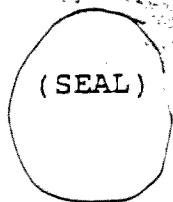
Attest: [Signature]  
Corporation Secretary



JACKSONVILLE DOWNTOWN DEVELOPMENT AUTHORITY

By [Signature]  
Its Chairman

Attest: [Signature]  
Secretary

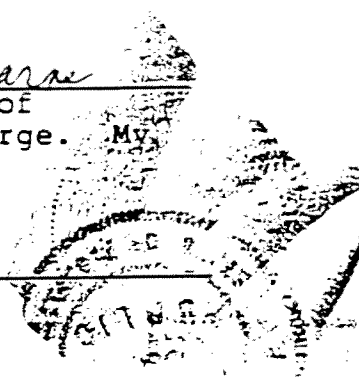


STATE OF Maryland  
COUNTY OF Carroll

The foregoing instrument was acknowledged before me this 20th day of October, 1987, by John Ed Nagle, the Vice President of Rouse-Jacksonville, Inc., a Maryland corporation, on behalf of the corporation.

Elizabeth A. Harne  
Notary Public State of  
Maryland at Large. My  
Commission Expires:

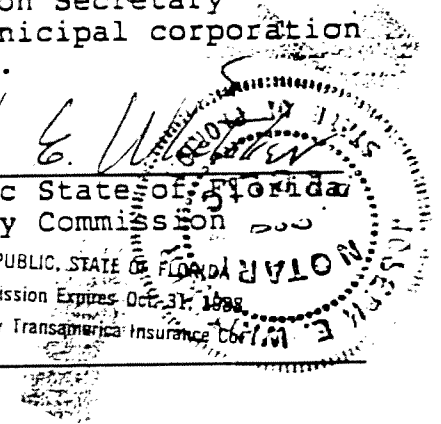
July 1, 1990



STATE OF FLORIDA  
COUNTY OF DUVAL

The foregoing instrument was acknowledged before me this 29th day of October, 1987, by Thomas L. Hazare and Linniec Williams, the Mayor and Corporation Secretary respectively of the City of Jacksonville, a Municipal corporation of the State of Florida, on behalf of the City.

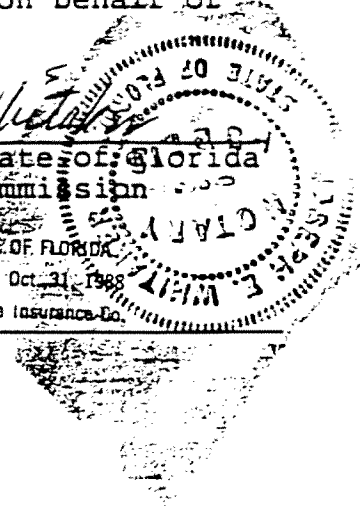
Joseph E. Webster  
Notary Public State of Florida  
at Large. My Commission  
Expires NOTARY PUBLIC, STATE OF FLORIDA  
My Commission Expires Oct. 31, 1988  
Bonded by Transamerica Insurance Co.



STATE OF FLORIDA  
COUNTY OF DUVAL

The foregoing instrument was acknowledged before me this 29<sup>TH</sup> day of October, 1987, by C. Ronald Belton and J.F. Bryan IV, Chairman and Secretary, respectively of Jacksonville Downtown Development Authority, a body politic and corporate under the laws of the State of Florida, on behalf of the Authority.

Joseph E. Whistler  
Notary Public State of Florida  
at Large. My Commission  
Expires:  
NOTARY PUBLIC, STATE OF FLORIDA  
My Commission Expires Oct. 31, 1988  
Bonded by Transamerica Insurance Co.



1. Easement in favor of the State of Florida dated April 27, 1938, recorded in Deed Book 786, page 88, public records of 1 County, Florida; Perpetual Easement from IIIF to Florida DOT dated August 15, 1939, recorded in Deed Book 836, page 27, public records of Duval County, Florida, and Perpetual Right-of-Way Easement dated May 3, 1974, from the City of Jacksonville to the State of Florida, DOT, recorded in Official Records Volume 3722, page 216, public records of Duval County, Florida.

2. Agreement between City of Jacksonville and the State of Florida Department of General Services dated December 12, 1975 (unrecorded).

Comment: This exception is permitted only so long as Rouse has not exercised its rights to develop the East Parcel or it is not the site of the Parking Garage. After Rouse gives notice of its intent to develop or the site is selected for the Parking Garage, the City shall at its sole cost and expense take those actions required in the Lease. Proof satisfactory to Rouse shall be furnished at the required time showing compliance with this requirement.

3. Terms, Conditions, and Limitations set forth in Special Warranty Deed dated January 30, 1976, between the City of Jacksonville and the State of Florida Board of Trustees of the Internal Improvement Fund, recorded in Official Records Volume 4091, page 356, public records, Duval County, Florida (affects portion of East Parcel).

Comment: This exception is permitted only so long as Rouse has not exercised its rights to develop the East Parcel or it is not the site of the Parking Garage. After Rouse gives notice of its intent to develop or the site is selected for the Parking Garage, the City shall at its sole cost and expense take those actions required in the Lease. Proof satisfactory to Rouse shall be furnished at the required time showing compliance with this requirement.

4. Easement for Drainage and Sewerage purposes as set forth on Exhibit C-1-C to this Lease.

5. Easements granted and reserved under this Lease

6. Navigational servitudes in favor of the United States of America arising under the United States Constitution. [Rouse's approval of this exception in the Lease does not diminish its rights in the Lease to obtain affirmative title insurance with respect to it.]

7. Agreement dated September 19, 1985, among the City of Jacksonville, Rouse-Jacksonville, Inc. and Southern Bell Telephone & Telegraph Company recorded in Official Records Volume 6138, page 2101, public records, Duval County, Florida.

8. Permit and Easement Agreement dated February 13, 1986, between State of Florida, Department of Transportation, and the City of Jacksonville, recorded in Official Records Volume 6138, page 2093, public records, Duval County, Florida.

4572K  
10/22/87

EXHIBIT C-1-B  
(Consisting of 5 pages)North Building Improvement Site

A part of the Z. Hogan's Grant, Section 39, Township 2 South, Range 26 East, Duval County, Florida, more particularly described as follows: For a point of reference, commence at Independent Drive (as relocated by the Florida Department of Transportation, as shown on Florida Department of Transportation Plan 72070, Section 2703, Sheet 1) centerline station 24 + 29.29 as shown on City of Jacksonville Department of Public Works Map of the Proposed Convention Center (Project No. 30/3742/80, File No. 6199, dated September 19, 1980); thence South 14°32'05" West, a distance of 32.00 feet to a point on the Southerly right-of-way line of said Independent Drive, said point being the beginning of a curve of said Southerly right-of-way line, said curve being concave Southeasterly having a radius of 198.00 feet; thence Southwesterly along the arc of said curve and along said Southerly right-of-way line, an arc distance of 178.92 feet, said arc being subtended by a chord bearing of South 78°38'52" West and a chord distance of 172.89 feet to a point of reverse curve; thence Southwesterly along the arc of said curve and along said Southerly right-of-way line of Independent Drive, said curve being concave Northwesterly having a radius of 262.00 feet an arc distance of 111.13 feet, said arc being subtended by a chord bearing of South 64°54'46" West and a chord distance of 110.30 feet to a point on said Southerly right-of-way line; thence South 46°13'56" West along said Southerly right-of-way line to its intersection with the Easterly right-of-way line of Hogan Street a distance of 17.41 feet; thence South 14°22'10" West along said Easterly right-of-way line of Hogan Street a distance of 119.80 feet to a point on said right-of-way line; thence South 77°10'00" East a distance of 106.80 feet to the point of beginning; thence North 16°08'18" East a distance of 9.28 feet; thence North 19°58'08" East a distance of 23.51 feet; thence North 24°57'46" East a distance of 23.45 feet; thence North 30°12'35" East a distance of 23.50 feet; thence North 35°05'13" East a distance of 23.42 feet; thence North 40°44'15" East a distance of 23.66 feet; thence North 44°57'51" East a distance of 24.94 feet; thence South 43°09'57" East a distance of 19.91 feet; thence North 50°27'17" East a distance of 20.07 feet; thence North 54°51'15" East a distance of 19.82 feet; thence South 34°44'39" East a distance of 12.95 feet; thence North 59°33'19" East a distance of 22.24 feet; thence North 64°53'00" East a distance of 20.42 feet; thence North 70°38'12" East a distance of 20.68 feet; thence North 74°31'36" East a distance of 9.98 feet; thence North 77°33'05" East a distance of 21.05 feet; thence North 82°04'44" East a distance of 10.46 feet; thence North 84°48'18" East a distance of 20.58 feet; thence South 89°46'20" East a distance of 20.74 feet; thence South 83°33'01" East a distance of 21.90 feet; thence North 07°46'16" East a distance of 13.18 feet; thence South 79°27'38" East, a distance of 20.36 feet; thence South

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OFFICIAL RECORDS

75°21'40" East a distance of 22.47 feet; thence South 69°02'10" East a distance of 21.18 feet; thence South 64°48'55" East a distance of 21.79 feet; thence South 60°08'57" East a distance of 21.85 feet; thence South 54°37'43" East, a distance of 21.70 feet; thence South 49°57'51" East a distance of 21.72 feet; thence South 44°38'08" East a distance of 12.25 feet; thence South 77°15'39" East a distance of 70.32 feet; thence South 12°33'02" West a distance of 31.97 feet; thence South 77°18'39" East a distance of 63.80 feet; thence South 12°16'20" West a distance of 32.15 feet; thence South 77°25'36" East a distance of 31.94 feet; thence South 12°41'48" West a distance of 131.26 feet; thence North 77°18'30" West a distance of 16.03 feet; thence South 12°41'48" West a distance of 15.98 feet; thence North 77°18'30" West a distance of 98.72 feet; thence South 12°41'30" West a distance of 4.63 feet; thence North 77°18'30" West a distance of 15.81 feet; thence North 12°41'30" East a distance of 4.63 feet; thence North 77°18'30" West a distance of 101.07 feet; thence North 02°35'18" East a distance of 25.68 feet; thence North 17°05'06" West a distance of 24.56 feet; thence North 37°07'42" West a distance of 24.60 feet; thence North 58°24'32" West a distance of 23.93 feet; thence North 77°23'00" West a distance of 17.87 feet; thence North 02°27'35" East a distance of 16.03 feet; thence North 85°28'58" West a distance of 5.69 feet; thence South 02°34'06" West a distance of 2.80 feet; thence South 86°30'16" West a distance of 14.75 feet; thence North 07°54'40" West a distance of 3.50 feet; thence South 77°14'43" West a distance of 14.21 feet; thence South 17°35'53" East a distance of 3.38 feet; thence South 68°00'33" West a distance of 14.89 feet; thence North 29°06'45" West a distance of 3.01 feet; thence South 59°13'14" West a distance of 5.60 feet; thence South 26°07'44" East a distance of 15.76 feet; thence South 65°16'38" West a distance of 5.93 feet; thence South 41°40'36" West a distance of 24.38 feet; thence South 22°41'38" West a distance of 25.66 feet; thence North 77°18'30" West a distance of 100.83 feet; thence South 12°41'30" West a distance of 3.16 feet; thence North 77°18'30" West a distance of 15.96 feet; thence North 12°41'30" East a distance of 3.16 feet; thence North 77°18'30" West a distance of 66.72 feet; thence North 12°37'32" East a distance of 16.00 feet; thence North 77°22'28" West a distance of 15.40 feet to the point of beginning.

4571K(6)

## EXHIBIT C-1-B (consisting of 5 pages)

West Building Improvement Site

A part of the Z. Hogan's Grant, Section 39, Township 2 South, Range 26 East, Duval County, Florida, more particularly described as follows: For a point of reference, commence at Independent Drive (as relocated by the Florida Department of Transportation, as shown on Florida Department of Transportation Plan 72070, Section 2703, Sheet 1) centerline station 24 + 29.29 as shown on City of Jacksonville Department of Public Works Map of the Proposed Convention Center (Project No. 30/3742/80, File No. 6199, dated September 19, 1980); thence South  $14^{\circ}32'05''$  West, a distance of 32.00 feet to a point on the Southerly right-of-way line of said Independent Drive, said point being the beginning of a curve of said Southerly right-of-way line, said curve being concave Southeasterly having a radius of 198.00 feet; thence Southwesterly along the arc of said curve and along said Southerly right-of-way line, an arc distance of 178.92 feet, said arc being subtended by a chord bearing of South  $78^{\circ}38'52''$  West and a chord distance of 172.89 feet to a point of reverse curve; thence Southwesterly along the arc of said curve and along said Southerly right-of-way line of Independent Drive, said curve being concave Northwesterly having a radius of 262.00 feet an arc distance of 111.13 feet, said arc being subtended by a chord bearing of South  $64^{\circ}54'46''$  West and a chord distance of 110.30 feet to a point on said Southerly right-of-way line; thence South  $46^{\circ}13'56''$  West along said Southerly right-of-way line to its intersection with the Easterly right-of-way line of Hogan Street a distance of 17.41 feet; thence South  $14^{\circ}22'10''$  West along said Easterly right-of-way line of Hogan Street a distance of 166.93 feet; thence South  $77^{\circ}18'02''$  East a distance of 43.48 feet to the point of beginning; thence continue South  $77^{\circ}18'02''$  East a distance of 249.22 feet; thence South  $12^{\circ}43'01''$  West a distance of 50.93 feet; thence North  $77^{\circ}18'50''$  West a distance of 183.73 feet; thence South  $13^{\circ}11'38''$  West a distance of 12.88 feet; thence North  $77^{\circ}23'02''$  West a distance of 63.70 feet; thence North  $12^{\circ}39'15''$  East a distance of 12.96 feet; thence North  $77^{\circ}18'50''$  West a distance of 1.66 feet; thence North  $12^{\circ}43'01''$  East a distance of 50.99 feet to the point of beginning.

4571K(1)



EXHIBIT C-1-B (consisting of 5 pages)East Building Improvement Site

A part of the Z. Hogan's Grant, Section 39, Township 2 South, Range 26 East, Duval County, Florida, more particularly described as follows: For a point of reference, commence at Independent Drive (as relocated by the Florida Department of Transportation, as shown on Florida Department of Transportation Plan 72070, Section 2703, Sheet 1) centerline station 24 + 29.29 as shown on City of Jacksonville Department of Public Works Map of the Proposed Convention Center (Project No. 30/3742/80, File No. 6199, dated September 19, 1980); thence South 14°32'05" West, a distance of 32.00 feet to a point on the Southerly right-of-way line of said Independent Drive, said point being the beginning of a curve of said Southerly right-of-way line, said curve being concave Southeasterly having a radius of 198.00 feet; thence Southwesterly along the arc of said curve and along said Southerly right-of-way line, an arc distance of 178.92 feet, said arc being subtended by a chord bearing of South 78°38'52" West and a chord distance of 172.89 feet to a point of reverse curve; thence Southwesterly along the arc of said curve and along said Southerly right-of-way line of Independent Drive, said curve being concave Northwesterly having a radius of 262.00 feet an arc distance of 111.13 feet, said arc being subtended by a chord bearing of South 64°54'46" West and a chord distance of 110.30 feet to a point on said Southerly right-of-way line; thence South 46°13'56" West along said Southerly right-of-way line to its intersection with the Easterly right-of-way line of Hogan Street a distance of 17.41 feet; thence South 14°22'10" West along said Easterly right-of-way line of Hogan Street a distance of 166.93 feet; thence South 77°18'02" East a distance of 461.39 feet to the point of beginning; thence continue South 77°18'02" East a distance of 217.25 feet; thence South 12°40'46" West a distance of 50.98 feet; thence North 77°17'47" West a distance of 217.25 feet; thence North 12°40'46" East a distance of 50.96 feet to the point of beginning.

4571K(2)

## EXHIBIT C-1-B (consisting of 5 pages)

Dumpster Building Improvement Site

A part of the Z. Hogan's Grant, Section 39, Township 2 South, Range 26 East, Duval County, Florida, more particularly described as follows: For a point of reference, commence at Independent Drive (as relocated by the Florida Department of Transportation, as shown on Florida Department of Transportation Plan 72070, Section 2703, Sheet 1) centerline station 24 + 29.29 as shown on City of Jacksonville Department of Public Works Map of the Proposed Convention Center (Project No. 30/3742/80, File No. 6199, dated September 19, 1980); thence South 14°32'05" West, a distance of 32.00 feet to a point on the Southerly right-of-way line of said Independent Drive, said point being the beginning of a curve of said Southerly right-of-way line, said curve being concave Southeasterly having a radius of 198.00 feet; thence Southwesterly along the arc of said curve and along said Southerly right-of-way line, an arc distance of 178.92 feet, said arc being subtended by a chord bearing of South 78°38'52" West and a chord distance of 172.89 feet to a point of reverse curve; thence Southwesterly along the arc of said curve and along said Southerly right-of-way line of Independent Drive, said curve being concave Northwesterly having a radius of 262.00 feet an arc distance of 111.13 feet, said arc being subtended by a chord bearing of South 64°54'46" West and a chord distance of 110.30 feet to a point on said Southerly right-of-way line; thence South 46°13'56" West along said Southerly right-of-way line to its intersection with the Easterly right-of-way line of Hogan Street a distance of 17.41 feet; thence South 14°22'10" West along said Easterly right-of-way line of Hogan Street a distance of 182.42 feet; thence South 77°16'59" East a distance of 0.87 feet to the point of beginning; thence continue South 77°16'59" East a distance of 32.10 feet; thence South 12°43'01" West a distance of 18.10 feet; thence North 77°16'59" West a distance of 9.08 feet; thence South 11°32'18" West a distance of 3.19 feet; thence North 77°36'47" West a distance of 3.29 feet; thence North 11°49'16" East a distance of 3.21 feet; thence North 77°16'59" West a distance of 19.75 feet; thence North 12°43'01" East a distance of 18.10 feet to the point of beginning.

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EXHIBIT C-1-C  
(Consisting of 1 page)30 foot sewer Easement

A part of the Z. Hogan's Grant, Section 39, Township 2 South, Range 26 East, Duval County, Florida, more particularly described as follows: For a point of reference, commence at Independent Drive (as relocated by the Florida Department of Transportation, as shown on Florida Department of Transportation Plan 72070, Section 2703, Sheet 1) centerline station 24 + 29.29 as shown on City of Jacksonville Department of Public Works Map of the Proposed Convention Center (Project No. 30/3742/80, File No. 6199, dated September 19, 1980); thence South 14°32'05" West, a distance of 32.00 feet to a point on the Southerly right-of-way line of said Independent Drive, said point being the beginning of a curve of said Southerly right-of-way line, said curve being concave Southeasterly having a radius of 198.00 feet; thence Southwesterly along the arc of said curve and along said Southerly right-of-way line, an arc distance of 178.92 feet, said arc being subtended by a chord bearing of South 78°38'52" West and a chord distance of 172.89 feet to a point of reverse curve; thence Southwesterly along the arc of said curve and along said Southerly right-of-way line, said curve being concave Northwesterly and having a radius of 262.00 feet, an arc distance of 111.13 feet, said arc being subtended by a chord bearing of South 64°54'46" West and a chord distance of 110.30 feet to a point on said Southerly right-of-way line; thence South 46°13'56" West along said Southerly right-of-way line to its intersection with the Easterly right-of-way line of Hogan Street a distance of 17.41 feet; thence South 14°22'10" West along said Easterly right-of-way line of Hogan Street a distance of 136.48 feet to the point of beginning; thence South 77°18'15" East a distance of 189.63 feet; thence South 12°41'45" West a distance of 3.00 feet; thence South 77°18'15" East a distance of 16.00 feet; thence North 12°41'45" East a distance of 3.00 feet; thence South 77°18'15" East a distance of 341.80 feet; thence South 12°41'45" West a distance of 4.50 feet; thence South 77°18'15" East a distance of 16.00 feet; thence North 12°41'45" East a distance of 4.50 feet; thence South 77°18'15" East a distance of 208.40 feet; thence South 82°54'45" East along a line to its intersection with the Easterly line of those lands described in Official Records Volume 3722, page 216, of the current public records of said county, a distance of 138.93 feet, said intersection lying on a curve, said curve being concave Easterly and having a radius of 156.00 feet; thence Southwesterly along the arc of said curve and along said Easterly line of those lands described in Official Records Volume 3722, page 216, an arc distance of 30.14 feet, said arc being subtended by a chord bearing of South 11°38'28" West and a chord distance of 30.10 feet to a point on said curve; thence North 82°54'45" West a distance of 138.01 feet; thence North 77°18'15" West along a line to its intersection with aforementioned Easterly right-of-way line of Hogan Street a distance of 774.17 feet; thence North 14°22'10" East along said Easterly right-of-way line of Hogan Street a distance of 30.01 feet to the point of beginning.

EXHIBIT C-1-D  
(consisting of 2 pages)Rouse Vehicular Easement

A part of the Z. Hogan's Grant, Section 39, Township 2 South, Range 26 East, Duval County, Florida, together with a part of Ramp "C" as described in Official Records Volume 3722, page 216, of the current public records of said county, as shown on the Florida Department of Transportation Right-of-Way Map Plan 72070, Section 2703, Sheet 2 more particularly described as follows: For a point of reference, commence at Independent Drive (as relocated by the Florida Department of Transportation as shown on said Florida Department of Transportation Plan 72070, Section 2703, Sheet 1) centerline station 24 + 29.29 as shown on City of Jacksonville Department of Public Works Map of the Proposed Convention Center (Project No. 30/3742/80, File No. 6199, dated September 19, 1980); thence South 14°32'05" West, a distance of 32.00 feet to a point on the Southerly right-of-way line of said Independent Drive, thence South 75°27'55" East along said Southerly right-of-way line of Independent Drive a distance of 55.64 feet; thence South 58°44'51" East along said Southerly right-of-way line of Independent Drive a distance of 102.69 feet; thence South 66°25'56" East along said Southerly right-of-way line of Ramp "C" a distance of 74.62 feet to the point of beginning; thence North 43°00'00" East a distance of 19.00 feet to a point, said point lying on a curve, said curve being concave Northeasterly having a radius of 55.50 feet; thence Southeasterly along the arc of said curve an arc distance of 20.60 feet, said arc being subtended by a chord bearing of South 57°37'58" East and a chord distance of 20.48 feet to a point of reverse curvature of a curve concave Southwesterly having a radius of 421.00 feet; thence Southeasterly along the arc of said curve an arc distance of 344.66 feet, said arc being subtended by a chord bearing of South 44°48'43" East and a chord distance of 335.12 feet to a point of compound curvature of a curve being concave Southwesterly having a radius of 70.00 feet; thence Southerly along the arc of said curve an arc distance of 41.46 feet, said arc being subtended by a chord bearing of South 04°23'24" East and a chord distance of 40.86 feet to the point of tangency of said curve; thence South 12°34'44" West a distance of 44.31 feet to the point of curve of a curve concave Northeasterly having a radius of 45.00 feet; thence Southeasterly along the arc of said curve an arc distance of 70.69 feet, said arc being subtended by a chord bearing of South 32°25'16" East and a chord distance of 63.64 feet to the point of tangency of said curve; thence South 77°25'16" East a distance of 318.15 feet to the point of curve of a curve concave Northwesterly having a radius of 40.00 feet; thence Northeasterly along the arc of said curve an arc distance of 35.06 feet, said arc being subtended by a chord bearing of North 77°28'08" East and a chord distance of 33.95 feet to a point on said curve; thence South 13°22'36" West a distance of 41.42 feet; thence North 77°23'53" West a distance of 418.24 feet:

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OFFICIAL RECORDS

thence North 12°41'48" East a distance of 73.42 feet to the point of curve of a curve concave Southwesterly having a radius of 46.00 feet; thence Northwesterly along the arc of said curve an arc distance of 72.37 feet, said arc being subtended by a chord bearing of North 32°22'18" West and a chord distance of 65.13 feet to the point of tangency of said curve; thence North 77°26'24" West a distance of 59.89 feet; thence North 12°41'48" East a distance of 113.45 feet; thence South 77°26'24" East a distance of 8.73 feet to the point of curve of a curve concave Northwesterly having a radius of 4.50 feet; thence Northeasterly and Northwesterly along the arc of said curve an arc distance of 11.23 feet, said arc being subtended by a chord bearing of North 31°05'39" East and a chord distance of 8.53 feet to a point of compound curvature of a curve being concave Southwesterly having a radius of 402.00 feet; thence Northwesterly along the arc of said curve an arc distance of 195.71 feet, said arc being subtended by a chord bearing of North 54°19'06" West and a chord distance of 193.78 feet to a point of reverse curvature of a curve being concave Northeasterly having a radius of 74.50 feet; thence Northwesterly along the arc of said curve an arc distance of 27.65 feet, said arc being subtended by a chord bearing of North 57°37'58" West and a chord distance of 27.49 feet to the point of beginning.

Page 2 of 2  
 (Rouse Vehicular Easement)

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RECORDED

CLERK OF CIRCUIT COURT

# **Exhibit 4**

## THIRD AMENDMENT TO DISPOSITION, DEVELOPMENT AND LEASE AGREEMENT

THIS THIRD AMENDMENT TO DISPOSITION, DEVELOPMENT AND LEASE AGREEMENT (this "Third Amendment") is made this 12th day of January, 1996, by and between ROUSE-JACKSONVILLE, INC. ("Rouse"), the CITY OF JACKSONVILLE, a municipal corporation of the State of Florida (the "City"), acting by and through its Mayor, with the prior approval of the Jacksonville City Council, and the JACKSONVILLE DOWNTOWN AUTHORITY, a body politic and corporate under the laws of the State of Florida (the "Authority").

### BACKGROUND

1. Rouse, the City and the Authority entered into that certain Disposition, Development and Lease Agreement dated October 3, 1985, which Agreement was amended by that certain First Amendment to Disposition, Development and Lease Agreement dated as of March 13, 1986 and by that certain Second Amendment to Disposition, Development and Lease Agreement dated October 26, 1987 (collectively the "Lease Agreement"). All capitalized terms used in this Third Amendment are defined in the Lease Agreement, if not defined in this Third Amendment.

2. Prior to the execution of the Lease, the area in which the Project is located was declared by the City to be blighted, and the purpose of the Project was to redevelop a blighted area of the City.

3. Pursuant to the Statement of Background and Purposes, Section 3.6, Section 3.7 and Section 7.3(a) of the Lease Agreement, the City is obligated to acquire as a parking garage site either the Preferred Parking Parcel, the East Parcel or another site mutually agreeable to the City and Rouse, the City is obligated to construct on such site a Parking Garage containing at least 800 short-term public parking spaces to serve the Project, and the City is obligated to manage and operate the Parking Garage.

4. Pursuant to that certain Agreement Respecting Possession Date dated March 13, 1986, and that certain Interim Parking Agreement dated March 13, 1986, as amended by Amendment to Interim Parking Agreement dated October 26, 1987 and Second Amendment to Interim Parking Agreement dated November 2, 1989 (collectively, the "Interim Parking Agreement"), Rouse, the City and the Authority acknowledged that a Parking Site had not been designated, and extended the time period for the City complying with the parking obligations, while specifically providing that the City remained obligated to promptly build the Parking Garage.

5. By letter dated October 5, 1993, and pursuant to the Lease Agreement and the Interim Parking Agreements, Rouse designated the East Parcel as the agreed upon Parking Site, obligating the City to expeditiously construct the Parking Garage on the East Parcel.

6. The City has not begun construction of the Parking Garage, and the cost of fulfilling the City's obligations under the Lease Agreement to construct the Parking Garage on the East Parcel is estimated to be between \$9,500,000 and \$10,500,000, with it being further estimated to cost millions of dollars to operate, maintain and manage the parking garage for the duration of the Agreement.

7. Rouse, the City and the Authority have agreed to compromise the City's unfulfilled obligations to construct, operate and manage the Parking Garage through the amendments to the Lease described in this Third Amendment, which compromise will result in immediate savings to the City of between 5.3 and 6.3 Million Dollars (\$5,300,000 to \$6,300,000) in construction costs, plus future maintenance and operational costs.

### **Terms of Agreement**

NOW, THEREFORE, in consideration of the foregoing recitals, and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties do hereby amend the Lease Agreement as follows:

A. **Termination of Parking Garage Obligation.** In consideration of the amendments to the Lease and the obligations of the City described in this Third Amendment, the City's obligations to construct, operate and manage the Parking Garage set forth in the Lease and any liabilities for failure to promptly build said Parking Garage are hereby terminated. Furthermore, the Interim Parking Agreement is hereby terminated, and no party thereto shall have any further obligation or liability to any other party thereto on account of the Interim Parking Agreement.

B. **HUD Section 108 Loan.** Subject to the requirements of City Ordinance 94-1336 and in accordance with the cash flow analysis attached hereto as Exhibit D and further subject to the requirement that draws of HUD Section 108 funds to Rouse will strive to make the City's cumulative release of HUD Section 108 funds equal 68% of the total funds expended to date in the \$5 million dollar Jacksonville Landing Remerchandising Program (deviations from said 68% may temporarily occur, with the parties agreeing to reconcile ASAP, and in no event later than December 31, 1997), the City shall extend a grant to Rouse from funds made available through a HUD Section 108 loan in the not to exceed amount of Three Million Four Hundred Thousand (\$3,400,000), which Rouse agrees shall be reinvested into the Project's "remerchandising program" (the "Remerchandising Program"). Such payment may be made in installments, concurrent with the cash requirements of the Remerchandising Program. Rouse agrees that all funding provided through the HUD Section 108 loan will be in accordance with all applicable Federal regulations and requirements governing the use of CDBG funds.

C. **Rouse Investment in Remerchandising Program.** Rouse agrees that it shall invest at least the sum of One Million Six Hundred Thousand Dollars (\$1,600,000) into the Remerchandising Program, on or before December 31, 1997. Said investment by Rouse shall be documented to the reasonable satisfaction of the City. A description of the Remerchandising



Program is attached hereto as Exhibit A.

**D. Rental Provisions.**

1. **Section 1.2. Defined Terms.** The definition of "Net Cash Flow" contained in Section 1.2 of the Lease Agreement, page 16, is hereby deleted in its entirety and the following is inserted in lieu thereof:

"Net Cash Flow" means the Operating Income for the applicable or pertinent period commencing January 1, 1995, minus the sum of (i) Operating Expenses for the same period; (ii) Debt Service Payments and distributions to equity participants (pursuant to arm's length equity transactions) for the same period; (iii) Annual Basic Rental for the same period; and (iv) an amount per annum equal to nine percent (9%) of Rouse's Remerchandising Equity Investment (the "Nine Percent Annual Return").

2. **Section 1.2. Defined Terms.** The definition of "Operational Expenses" contained in Section 1.2 of the Lease Agreement is hereby amended by the deletion of the following words in lines 17 through 22 on page 18:

such reasonable reserves as Rouse may, at its option in accordance with generally accepted accounting principles, maintain for replacement of heating, ventilating and air-conditioning equipment and common area equipment, fixtures and furnishings, and (3)

3. **Section 1.2. Defined Terms.** The definition of "Rouse's Equity Investment" contained in Section 1.2 of the Lease Agreement is hereby amended by the addition of the following sentence at the end of the definition on page 22:

The parties acknowledge and agree that Rouse's Equity Investment equaled the sum of Three Million Two Hundred Thousand Dollars (\$3,200,000.00) as of December 31, 1993, but that Rouse's Equity Investment shall be deemed to equal Zero (0) for purposes of the further provisions hereof.

4. **Section 1.2. Defined Terms.** The following new definition is inserted in Section 1.2 of the Lease Agreement following the definition of "Rouse's First Mortgagee" on page 22:

"Rouse's Remerchandising Equity Investment" means the sum of (i) Six Million Dollars (\$6,000,000.00) (constituting the sum recently paid by Rouse to reduce its indebtedness to Rouse's First Mortgagee); (ii) One Million Six Hundred Thousand Dollars

(\$1,600,000.00), or so much thereof as shall have been invested by Rouse into the Project pursuant to the provisions of Paragraph C of this Third Amendment; and (iii) an amount equal from time to time to any unrecovered cost of capital improvements made and paid for by Rouse on and after January 1, 1995 (in excess of the \$1,600,000.00 investment referred to above).

5. **Section 2.5(a) Rentals Payable.** The first sentence of Section 2.5(a) of the Lease Agreement on page 62 is deleted and the following sentences are substituted in its place:

Commencing on the Opening Date and continuing throughout the Term, the annual basic rental (the "Annual Basic Rental") for the Leased Property shall be One Hundred Thousand Dollars (\$100,000.00), provided that payment of Annual Basic Rental shall be deferred pursuant to paragraph (b) below. Commencing on January 1, 1995 and continuing throughout the Term, the annual percentage rental (the "Annual Percentage Rental") for the Leased Property shall be a sum equal to fifty percent (50%) of the Net Cash Flow for each Rental Year.

6. **Section 2.5(c) Payment of Rental.** The following sentence is added at the end of Section 2.5(c) of the Lease Agreement on page 65:

The City agrees that an amount equal to all payments of Annual Basic Rental shall be used to fund programs that support the Project, such as City-wide events that are held at the Project and/or other promotional events held in or around the Project as are shown for informational and illustrative purposes only, on Exhibit B, attached hereto.

7. **Section 10.1. Certain Defined Terms.** The definition of "**Cumulative Operating Losses**" in Section 10.1. of the Lease Agreement on page 165 is hereby deleted in its entirety and the following is inserted in lieu thereof:

The parties acknowledge and agree that Cumulative Operating Losses were Eight Million Three Hundred Thousand Dollars (\$8,300,000.00) as of December 31, 1994, but that Cumulative Operating Losses shall be deemed to equal the sum of Five Million Dollars (\$5,000,000.00) as of December 31, 1994. Thereafter, "Cumulative Operating Losses" shall be deemed to mean the sum of Five Million Dollars (\$5,000,000.00) plus (i) cumulative Operating Expenses incurred on and after January 1, 1995; (ii) cumulative Debt Service Payments for such period; (iii) all Annual Basic Rental and Annual Percentage Rental paid to the City (to the

extent not included in cumulative Operating Expenses) for such period, and (iv) the cumulative Nine Percent Annual Return, minus Operating Income for the same period.

8. **Section 10.2 Disposition of Proceeds.** Section 10.2 of the Lease Agreement on page 166 is hereby deleted in its entirety, and the following is substituted in lieu thereof:

**Section 10.2 Disposition of Proceeds.** Any Refinancing Proceeds or Transfer Proceeds shall be allocated between the City and Rouse as follows:

FIRST, to Rouse until Rouse shall have recovered the entire amount of Rouse's Remerchandising Equity Investment, and from the remainder, if any;

SECOND, to the City in payment of any Deferred Rental and deferred interest on the City Construction Loan, and from the remainder, if any;

THIRD, to Rouse to reimburse it for Rouse's Cumulative Operating Losses; and

FOURTH, the remainder, if any, shall be allocated fifty percent (50%) to Rouse and fifty percent (50%) to the City (which payment to the City shall constitute repayment on the outstanding principal amount of, and the City's return or interest on, the City Permanent Loan).

E. **Parking.** The City hereby agrees at a cost not to exceed \$800,000, to do the following:

1. **Alternative Public Parking.** The City shall make available, on a permanent basis throughout the term of the Lease Agreement, the public parking facilities described hereinbelow.

(a) **East-Side Surface Lot.** The City shall improve the existing surface parking lot east of the Project (the "East-Side Surface Lot") containing approximately two hundred seventy five (275) short term public parking spaces, such improvements to include resurfacing, restriping, lighting, landscaping, signage and the creation of a prominent and well-identified entrance off Independent Drive.

(b) **Daniels Building Garage.**

(i) The City shall continue to dedicate one hundred (100) short term public parking spaces in the Daniels Building Garage.

(ii) In addition, the City shall immediately make available at least two hundred seventy-five (275) additional short term public parking spaces during evening hours, weekends and during special events.

(iii) The City shall make improvements to the Daniels Building Garage, to include enhanced lighting, signage and graphics, painting and circulation modifications.

(iv) At such time as the City substantially re-releases the office space in the Daniels Building, any remaining parking spaces not committed to office tenants, so long as the Lease Agreement is in effect, may be added to the one hundred (100) spaces noted above by mutual agreement between the City and Rouse, and any improvements necessary to integrate these additional spaces into the East-Side Surface Lot parking facilities (eg., enhanced lighting, signage and graphics, painting and circulation modifications) shall be made by the City. Such space allocations, in excess of 100 spaces, shall be accompanied by an equivalent reduction in designated spaces provided by other facilities discussed in this Section E.1.(c).

**(c) Water Street Garage.**

(i) The City shall immediately make available in the Water Street Garage (located at the northwest corner of Water and Clay Streets), that number of short term public parking spaces determined by subtracting from the sum of six hundred (600) both the number of short term public parking spaces dedicated by the City in the Daniels Building Garage (which shall initially be 100) and the number of short term public parking spaces provided by the City in the improved East-Side Surface Lot (which is currently approximately 275 and will become approximately 230 subsequent to improvements).

(ii) The City shall improve the Water Street Garage, such improvements to include enhanced lighting, signage and graphics and circulation modifications for that portion of the garage dedicated to short term public parking.

(iii) The City shall also make improvements to that portion of Independent Drive located between the Water Street Garage and the Project, such improvements to include enhanced lighting, landscaping and increased security.

(iv) The City shall provide directional signs to the Water Street Garage (and within the garage) satisfactory to Rouse generally as provided in the Lease Agreement with respect to the Parking Garage.

(v) In the event the City sells the Water Street Garage to an outside third party during the Term of the Lease Agreement, the City shall have the right to either

place restrictions sufficient to continue access for short term public parking or to sell the building free and clear of its obligations hereunder, provided that if sold free and clear of the City's obligations hereunder, the City shall dedicate additional short term public parking spaces in the Daniels Building Garage equal to the number of lost short term public parking spaces in the Water Street Garage. In such event, the City shall make those improvements necessary to integrate the additional short term public parking spaces with the short term public parking spaces already dedicated to short term public parking in the Daniels Building Garage.

(d) Other Facilities. The parties acknowledge that future construction may allow for the inclusion of short term public parking spaces adjacent to the Landing. In the event that such incremental parking facilities are subsequently constructed, the parties agree to consider appropriate inclusions of such facilities within the City's 600 spaces short term parking availability discussed herein.

2. **Standards of Improvements and Operations.** All of the parking facilities referred to in Paragraph E.1(a) - (c) of this Third Amendment shall be subject to the following standards:

(a) All improvements to be made by the City shall be commenced promptly and completed by the City on or before June 30, 1996. All such improvements shall be made in the manner and subject to the standards as set forth in the Lease Agreement with respect to the Parking Garage.

(b) The parking facilities shall remain accessible at all times during which any Subtenants of the Building Improvements in the Project are open, and one hour prior to and following the hours of operation as provided in the Lease Agreement.

(c) Effective on or before June 30, 1996, upon terms mutually agreeable to the parties, the parking facilities shall each have validations programs in support of retail operations which will include two (2) hour parking validation for customers of participating retail establishments, fifty percent (50%) of the cost of which shall be borne by the City. Parking shall otherwise be at short-term rates in the same fashion as is provided in the Lease Agreement with respect to the Parking Garage. Further, Rouse will be entitled to establish validation programs for additional discounted parking rates, the cost of which shall be borne by Rouse.

(d) The City shall provide security respecting the parking facilities, and shall otherwise manage and operate the parking facilities, in the manner and to the standards as set forth in the Lease Agreement with respect to the Parking Garage.

(e) In recognition of the City's not to exceed obligation of \$800,000, the City and Rouse have reviewed various options relative to the expenditure of same to address the improvements to those parking facilities described in paragraph E.1 (a)-(c) of this Third Amendment. The priorities for expenditure of the City's funding of the not to exceed sum of \$800,000 shall be as listed on Exhibit C, attached hereto and made part hereof, with the City

having the right to amend or add to the priorities as it deems appropriate so long as all expenditures involve any of the items or alternates listed in the PQH Summary Report incorporated into Exhibit C.

**F. Miscellaneous.**

1. Whenever in this Third Amendment a reference is made to a page, it refers to the page of the original Disposition, Development and Lease Agreement dated October 3, 1985.

2. Except as herein specifically modified and amended, the Lease Agreement shall remain in full force and effect, and enforceable in accordance with its terms.

3. This Third Amendment shall be binding upon and inure to the benefit of the parties and their successors and assigns. The Lease Agreement as heretofore amended and as further amended hereby, embodies the entire agreement of the parties, and the parties hereby ratify and confirm the Lease Agreement as so amended. The term "Lease," as used in the Lease Agreement shall include this Third Amendment from and after this date.

4. NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS THIRD AMENDMENT, IN THE EVENT A COURT OF COMPETENT JURISDICTION DETERMINES THAT THIS THIRD AMENDMENT OR ANY PORTION HEREOF IS UNENFORCEABLE OR WOULD CAUSE ANY OF THE CITY'S TAX-EXEMPT DEBT TO BE IN JEOPARDY OF LOSING ITS TAX-EXEMPT STATUS, OR THE CITY IS UNABLE TO SECURE FINAL CLEARANCE AND APPROVAL THAT THE HUD SECTION 108 LOAN AND/OR THE USE OF CDBG FUNDS ARE APPROPRIATELY USED IN CONJUNCTION WITH THE JACKSONVILLE LANDING IMPROVEMENTS, THE PARTIES AGREE THAT THIS THIRD AMENDMENT SHALL BE DEEMED TO HAVE NEVER EXISTED, AND ALL OBLIGATIONS OF THE PARTIES EXISTING PRIOR TO THE EXECUTION AND DELIVERY OF THIS THIRD AMENDMENT, INCLUDING THE CITY'S OBLIGATION TO CONSTRUCT, OPERATE AND MANAGE THE PARKING GARAGE, SHALL BE IN FULL FORCE AND EFFECT.

IN WITNESS WHEREOF, the parties have caused this Third Amendment to be executed as of the day and year first above written by its duly authorized officers.

ROUSE-JACKSONVILLE, INC.

By: [Signature]  
Sr Vice President

Attest: [Signature]  
Assistant Secretary

FORM APPROVED:

[Signature]  
Assistant General Counsel  
JTA/ljs 10/18/95 landing.agm

CITY OF JACKSONVILLE  
By: [Signature]  
Mayor  
Attest: [Signature]

L. A. Hester  
Chief Administrative Officer  
For: Mayor John A. Delaney  
Under Authority of  
Executive Order No. 95-197

JACKSONVILLE DOWNTOWN DEVELOPMENT  
AUTHORITY

By: [Signature]  
Its Chairman  
Attest: [Signature]

In compliance with the Charter of the City of Jacksonville, I do certify that there is an unexpended, unencumbered and unimpounded balance in the appropriation sufficient to cover the foregoing Agreement, and provision has been made for the payment of the monies provided therein to be paid.

[Signature]  
Director of Administration and Finance  
Contract # 6252-1 724

STATE OF MARYLAND  
COUNTY OF HOWARD

The foregoing instrument was acknowledged before me this 18th day of January, 1998, by Robert Minutoli, the Sr. Vice President of Rouse-Jacksonville, Inc., a Maryland corporation, on behalf of the corporation. Such person is personally known to me.

Karen J. Green  
Signature of Notary

Karen J. Green  
(Name typed, printed or stamped)

Commission No.(if not legible on seal/stamp): N/A  
My commission expires (if not legible on seal/stamp): 12/29/97  
Title or rank (eg. notary, if not legible on seal/stamp): Notary

STATE OF FLORIDA  
COUNTY OF DUVAL

The foregoing instrument was acknowledged before me this 5th day of February, 1998, by L. A. HESTER, the Chief Adm OFFICER of the City of Jacksonville, Florida, a municipal corporation of the State of Florida, on behalf of the City. Such person is personally known to me.

Edwina W. Hernandez  
Signature of Notary



EDWINA W. HERNANDEZ  
MY COMMISSION # CC447583 EXPIRES  
June 29, 1999  
BONDED THRU TROY FAIR INSURANCE, INC.

\_\_\_\_\_  
(Name typed, printed or stamped)

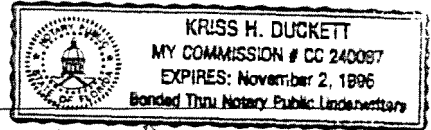
Commission No.(if not legible on seal/stamp): \_\_\_\_\_  
My commission expires (if not legible on seal/stamp): \_\_\_\_\_  
Title or rank (eg. notary, if not legible on seal/stamp): \_\_\_\_\_



STATE OF FLORIDA  
COUNTY OF DUVAL

The foregoing instrument was acknowledged before me this 12<sup>th</sup> day of February, 1996, by Candrey McMillin Moran the Chairman of the Jacksonville Downtown Development Authority, an independent authority of the City of Jacksonville, Florida, on behalf of said authority. Such person is personally known to me.

Kris H. Duckett  
Signature of Notary



(Name typed, printed or stamped)

Commission No. (if not legible on seal/stamp): \_\_\_\_\_

My commission expires (if not legible on seal/stamp): \_\_\_\_\_

Title or rank (eg. notary, if not legible on seal/stamp): \_\_\_\_\_

EXHIBIT A TO INTRO Amendment

Jacksonville - Dining Remerchandising Program

Costs to be Funded by Rouse Jacksonville Inc. (RJI) or with City Proceeds & the City Proceeds not to exceed \$3.4 million:

East/West entryway reinforcement	\$90,000	
Entries to retail from breezeway	70,000	
New Skybridges to connect 2nd level	90,000	
New Stairs to better access 2nd level	60,000	
Repainting Structure	240,000	
New Awnings	50,000	
Sub-Total		\$600,000

Tenant allowances associated with the following:  
demolishing existing spaces and preparing them for new tenants and for the cost of fixed, permanent, non-portable capital improvements associated with new tenants.

Expansions/renovations	440,000	
New tenants		
Retail	561,000	
Restaurants/entertainment	2,999,000	
Sub-Total		* \$4,000,000

Costs to be funded solely by Rouse Jacksonville Inc.:

Design fees related to tenant demolition and preparation for new tenants and work listed above.	120,000	
Development Management cost associated with overseeing design and construction of, marketing of and leasing of the remerchandised and/or renovated spaces.	280,000	
Sub-Total		\$400,000

Total of All Costs and Funds:

Total costs		\$5,000,000
Costs funded by City	3,400,000	
Costs funded by RJI	1,600,000	

\* The amounts for respective line items may vary, but the total City proceeds shall not exceed \$3.4 million.

Note: Items rearranged from previous Exhibit A.

LANDING PROMOTIONAL EVENTS

October \*

Trick of Treat on River Street \$ 10,

November \*

Jacksonville Light Parade/ 42,0  
 Santa Arrival

December

Gator Bowl Parade 1,6  
 New Year's Eve 11,5  
 St. Johns River City Band 4,0  
 (Mayor's Concert)

April

RiverFest ... 40,00  
 A Taste of Jacksonville

May \*

Arts & Crafts Festival 28,00

July

July Fourth Celebration Fireworks 10,000  
 (total July Fourth \$200,000  
 for three days)

August

Summer Symphonette 25,000

September \*

SeaFest 35,000  
\$207,100

\* Southbank Riverwalk Events

SUBJECT TO FUTURE CHANGE

FY9495

Exhibit B to Third Amendment (1 page)

Exhibit C to Third Amendment (7 pages)

Note: All prices are extracted from bids as summarized in the PQH Architects "6 page Summary Report" which is attached hereto.

Base Bid	\$494,700
Alternate #2 (value engineered - first floor lighting)	\$102,300
Alternate #4 (asphalt overlay)	\$ 40,000
Design/Engineering/Construction Management	\$100,000
9.0% contingency	\$ 63,000
Total	\$800,000

If contingency is not used and additional value engineering, i.e. walkway alignment, less garage lighting, etc., can be identified prior to or during construction, the following alternates will be considered for construction as the top two options:

Option 1:	Alternate #9 (stair substitute for alternate 1A)	\$ 39,100
Option 2:	Alternate #3 (value engineered - second floor lighting)	\$ 48,700

REVIEW MEETING  
SURFACE PARKING AT  
THE JACKSONVILLE LANDING  
AUGUST 29, 1995

BASE BID AND ALTERNATES

Sam E. Mousa, P.E.	Director of Public Works
Frank Nero	Director of DDA
Eric Lindstrom	Project Manager, DDA
Jose M. Perez, AIA	Project Architect, POH
*David Shultz	Project Manager, POH

BASE BID - SUMMARY OF WORK

DEMOLITION	-	ASPHALT CONCRETE WALKS	CURB AND GUTTER CONCRETE WALLS
SITE WORK	-	EXCAVATION BLACK TOPPING CONCRETE SIDEWALKS PIPING STRIPING MOBILIZATION	ENTRY - INDEPENDENT DR. NEW ASPHALT CURB AND GUTTERS DRAIN TRENCH RETAINING WALL MISC. STRUCTURAL
LANDSCAPING	-	PLANT MATERIAL IRRIGATION	

SURFACE PARKING AT THE  
JACKSONVILLE LANDING  
REVIEW MEETING  
AUGUST 29, 1995 - PAGE 2

SIGNAGE	-	ENTRY SIGNS DIRECTIONAL SIGNS REGULATORY SIGNS
PAVERS	-	WALKWAY AT BRIDGE
LIGHTING	-	GENERAL - 35' POLES & FIXTURES CITY STANDARD HISTORIC DECORATIVE BRIDGE UNDER STRUCTURE FIXTURES SIGNS - LANDSCAPE FIXTURES
ELECTRICAL		
MISC.		

ADDITIVE ALTERNATE - BID ITEM NO. 1

STAIR AND ELEVATOR TOWER - SUMMARY OF WORK

ELEVATOR  
GLASS STOREFRONT  
RAILS  
LOUVERS  
DOORS  
ROOFING MEMBRANE  
CERAMIC TILE  
STAIR  
FILES  
STEEL  
CONCRETE  
DRAINS  
METAL DECK  
WATERPROOF SLAB  
SUMP PUMP  
ELECTRICAL

SURFACE PARKING AT THE  
JACKSONVILLE LANDING  
REVIEW MEETING  
AUGUST 29, 1995 - PAGE 3

STAIR AND ELEVATOR TOWER - SUMMARY OF WORK (CONT...)

LIGHTING  
DEMOLITION  
RAIL REPAIR  
CEILING  
ELEVATOR SLAB  
CMU  
MISC.

ADDITIVE ALTERNATE BID ITEM NO. 1A

STAIR ONLY AND LANDING - SUMMARY OF WORK

STAIR  
RAILS  
STEEL LANDING  
PILES  
CONCRETE  
METAL DECK  
DEMOLITION  
RAIL REPAIR  
MISC.

SURFACE PARKING AT THE  
JACKSONVILLE LANDING  
REVIEW MEETING  
AUGUST 29, 1995 - PAGE 4

ADDITIVE ALTERNATE BID ITEM NO. 2

DANIELS 1ST LEVEL PARKING IMPROVEMENTS - SUMMARY OF WORK

LIGHTING  
STRIPING  
SIGNAGE - NEW AND REPAIR  
PRESSURE WASHING  
PAINT CEILING

ADDITIVE ALTERNATE BID ITEM NO. 3

DANIELS 2ND LEVEL PARKING IMPROVEMENTS - SUMMARY OF WORK

LIGHTING  
STRIPING  
SIGNAGE REPAIR  
PRESSURE WASHING  
PAINT CEILING

ADDITIVE ALTERNATE BID ITEM NO. 4

ASPHALT PAVEMENT OVERLAY - SUMMARY OF WORK

NEW ASPHALT SURFACE - 1-1/4" THICK  
STRUCTURAL ADJUSTMENT AT CURBS FOR DRAINAGE



SURFACE PARKING AT THE  
JACKSONVILLE LANDING  
REVIEW MEETING  
AUGUST 23, 1995 - PAGE 5

ADDITIVE ALTERNATE BID ITEM NO. 5

ACCENT PAVERS AT SIDEWALKS - SUMMARY OF WORK

PAVER SIDEWALKS AT 6 FT. WIDE TO REPLACE  
CONCRETE SIDEWALKS AT 8 FT. WIDE

PAVER COLLECTOR AREAS AT SIDEWALK ENDS  
TO REPLACE CONCRETE

PAVER COLLECTOR AREA AT STAIR ELEVATOR  
TOWER TO REPLACE CONCRETE

ADDITIVE ALTERNATE - BID ITEM NO. 6

LANDSCAPING - ADDITIONAL - SUMMARY OF WORK

ADDITIONAL TREES, SHRUBS AND GROUND COVER  
LANDSCAPE LIGHTING

ADDITIVE ALTERNATE - BID ITEM NO. 7

ACCENT PAVERS AT CROSSWALKS - SUMMARY OF WORK

PAVERS AT CROSSWALKS TO REPLACE ASPHALT CROSSING AREA.

SURFACE PARKING AT THE  
JACKSONVILLE LANDING  
REVIEW MEETING  
AUGUST 29, 1995 - PAGE 6

ADDITIVE ALTERNATE - BID ITEM NO. 8

DANIELS 3RD LEVEL PARKING IMPROVEMENTS - SUMMARY OF WORK

LIGHTING  
STRIPING  
SIGNAGE - REPAIR  
PRESSURE WASHING  
PAINT CEILING

ADDITIVE ALTERNATE - BID ITEM NO. 9

"L" SHAPED STAIR AT SOUTHWEST CORNER OF DANIELS BUILDING

STAIR  
PILE  
CONCRETE  
RAILINGS  
DEMOLITION  
RAIL REPAIR

---

END

DS:CBR:PKGS23

10/1/89  
Jacksonville

Cash Requirement Projection

Cost Code	Description	Budget	Cost Thru Sep-89	Oct-89	Nov-89	Dec-89	Jan-90	Feb-90	Mar-90	Apr-90	May-90	Jun-90	Jul-90	Aug-90	Sep-90	Total
000	Field Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
100	Land Development	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
200	Building	1,180,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0
300	Tenant Reimbursable	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
400	Architect & Engineer	120,000	4,148	0	0	0	0	0	6,000	10,000	12,500	12,500	12,500	12,500	12,500	120,000
500	Tenant Allowance	3,100,000	0	0	0	0	0	0	215,000	145,000	200,000	340,000	390,000	495,000	590,000	3,100,000
600	Development Management	350,000	214,484	3,000	3,000	3,000	3,000	3,000	3,000	7,000	8,000	8,000	8,000	8,000	8,000	350,000
700	Marketing & Other	0	24,181	0	0	0	0	0	0	0	0	0	0	0	0	24,181
800	Interest & Financing	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
900	Land	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Subtotal	4,780,000	242,803	3,000	3,000	3,000	3,000	3,000	223,000	182,000	270,500	410,500	495,000	590,000	695,000	4,780,000
1000	Contingency	240,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1100	Leased Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Total Project Costs	5,020,000	242,803	3,000	3,000	3,000	3,000	3,000	223,000	182,000	270,500	410,500	495,000	590,000	695,000	5,020,000
	Source of Funds:															
	City Share		0	0	0	0	0	0	0	0	0	0	0	0	0	0
	R/J Share		242,803	3,000	3,000	3,000	3,000	3,000	8,000	17,000	70,500	70,500	70,500	70,500	70,500	242,803
	Project Cost		0	0	0	0	0	0	215,000	145,000	200,000	340,000	390,000	495,000	590,000	0
	Cumulative Totals:		242,803	245,803	248,803	251,803	254,803	257,803	263,803	282,803	353,303	423,803	494,303	564,803	635,303	242,803

EXHIBIT D TO THIRD AMENDMENT (3 pages)

Cash Requirement Projection

Coal Code	Description	Sep-90	Oct-90	Nov-90	Dec-90	Jan-91	Feb-91	Mar-91	Apr-91	May-91	Jun-91	Jul-91	Aug-91	Sep-91
000	Field Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0
100	Land Development	0	0	0	0	0	0	0	0	0	0	0	0	0
200	Building	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	40,000	50,000
300	Tenant Rehabilitation	0	0	0	0	0	0	0	0	0	0	0	0	0
400	Architect & Engineer	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
500	Tenant Allowance	125,000	150,000	150,000	45,000	0	150,000	230,000	50,000	110,000	220,000	200,000	100,000	70,000
600	Development Management	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
700	Maintenance & Other	0	0	0	0	0	0	0	0	0	0	0	0	0
800	Interest & Financing	0	0	0	0	0	0	0	0	0	0	0	0	0
900	Land	0	0	0	0	0	0	0	0	0	0	0	0	0
	<b>Subtotal</b>	<b>185,000</b>	<b>250,000</b>	<b>210,000</b>	<b>105,000</b>	<b>50,000</b>	<b>210,000</b>	<b>250,000</b>	<b>110,000</b>	<b>170,000</b>	<b>250,000</b>	<b>250,000</b>	<b>180,000</b>	<b>150,000</b>
1000	Contingency	0	0	0	0	0	0	0	0	0	0	0	0	0
1100	Leased Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0
	<b>Total Project Costs</b>	<b>185,000</b>	<b>250,000</b>	<b>210,000</b>	<b>105,000</b>	<b>50,000</b>	<b>210,000</b>	<b>250,000</b>	<b>110,000</b>	<b>170,000</b>	<b>250,000</b>	<b>250,000</b>	<b>180,000</b>	<b>150,000</b>
	<b>Source of Funds:</b>													
	City Share	125,000	150,000	150,000	45,000	0	150,000	230,000	50,000	110,000	220,000	200,000	100,000	70,000
	RJI Share	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000
	<b>Cumulative Totals:</b>													
	City Share	1,285,000	1,485,000	1,635,000	1,680,000	1,680,000	1,830,000	2,080,000	2,110,000	2,220,000	2,440,000	2,640,000	2,740,000	2,800,000
	RJI Share	600,000	600,000	720,000	780,000	840,000	900,000	960,000	1,020,000	1,080,000	1,140,000	1,200,000	1,250,000	1,250,000
	<b>Project Cost</b>	<b>1,884,000</b>	<b>2,184,000</b>	<b>2,354,000</b>	<b>2,460,000</b>	<b>2,520,000</b>	<b>2,730,000</b>	<b>3,040,000</b>	<b>3,130,000</b>	<b>3,300,000</b>	<b>3,580,000</b>	<b>3,840,000</b>	<b>3,990,000</b>	<b>4,050,000</b>

10/18/95  
Jacksonville

Cash Requirement Projection

Cost Code	Description	Oct-97	Nov-97	Dec-97	Jan-98	Feb-98	Mar-98	TIC
000	Field Expenses	0	0	0	0	0	0	0
100	Land Development	0	0	0	0	0	0	0
200	Building	50,000	0	0	0	0	0	50,000
300	Tenant Reimbursements	0	0	0	0	0	0	0
400	Architect & Engineer	0	0	0	0	0	0	120,000
600	Tenant Allowance	50,000	145,000	385,000	0	0	0	3,400,000
600	Development Management	5,000	5,000	3,500	0	0	0	350,000
700	Marketing & Other	0	0	0	0	0	0	24,101
800	Interest & Financing	0	0	0	0	0	0	0
900	Land	0	0	0	0	0	0	0
	<b>Subtotal</b>	<b>108,000</b>	<b>150,000</b>	<b>388,500</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,784,101</b>
1000	Contingency	0	0	215,839	0	0	0	215,839
1100	Leased Equipment	0	0	0	0	0	0	0
	<b>Total Project Costs</b>	<b>108,000</b>	<b>150,000</b>	<b>614,345</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>8,000,000</b>
	<b>Source of Funds:</b>							
	City Share	60,000	145,000	385,000	0	0	0	3,400,000
	RJI Share	55,000	5,000	219,345	0	0	0	1,000,000
	<b>Cumulative Totals:</b>							
	City Share	2,890,000	3,005,000	3,400,000	3,400,000	3,400,000	3,400,000	
	RJI Share	1,375,655	1,390,655	1,600,000	1,600,000	1,600,000	1,600,000	
	Project Cost	4,235,655	4,395,655	5,000,000	5,000,000	5,000,000	5,000,000	

# **Exhibit 5**

**FOURTH AMENDMENT TO DISPOSITION, DEVELOPMENT  
AND LEASE AGREEMENT**

THIS FOURTH AMENDMENT TO DISPOSITION, DEVELOPMENT AND LEASE AGREEMENT (this "Fourth Amendment") is made this 5<sup>th</sup> day of December, 1998, by and between ROUSE-JACKSONVILLE, INC. ("Rouse"), the CITY OF JACKSONVILLE, a municipal corporation of the State of Florida (the "City"), acting by and through its Mayor, with the prior approval of the Jacksonville City Council, and the JACKSONVILLE ECONOMIC DEVELOPMENT COMMISSION, a body existing by Special Act of the Florida Legislature (the "Commission").

**RECITALS**

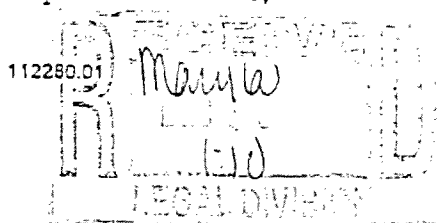
WHEREAS, Rouse, the City and the Jacksonville Downtown Development Authority ("JDDA") entered into that certain Disposition, Development and Lease Agreement dated October 3, 1985, which agreement was amended by that certain First Amendment to Disposition, Development and Lease Agreement dated as of March 13, 1986, by that certain Second Amendment to Disposition, Development and Lease Agreement dated October 26, 1987, and by that certain Third Amendment to Disposition, Development and Lease Agreement dated January 12, 1996 (collectively the "Lease Agreement");

WHEREAS, pursuant to the Lease Agreement, Rouse leases three (3) parcels of land located in the City of Jacksonville upon which Rouse has developed, maintains and operates three buildings which together comprise a retail marketplace commonly known as The Jacksonville Landing (the "Landing");

WHEREAS, the Commission, existing under and created by Special Act of the Florida Legislature, succeeded to the legal authority of the JDDA, effective July 1, 1997;

WHEREAS, Rouse and the City agree to expand the leased premises under the Lease Agreement to accommodate the construction of a new restaurant facility within one of the Landing's buildings known as the East Breezeway Building (as identified and further set forth on the attached Exhibit A);

WHEREAS, pursuant to the Third Amendment, Rouse and the City agreed to relieve the City of its obligation to construct a \$6 million parking garage and to implement a remerchandising program for the Landing (the "Remerchandising Program") for the purpose of renovating the Landing and revitalizing its tenant mix to include new restaurants and merchants. To implement the Remerchandising Program, Rouse agreed to invest \$1.6 million of its own funds and \$3.4 million of the City's funds (collectively, the "Remerchandising Funds") by December 31, 1997, most of which funds are earmarked for tenant leasehold improvement costs;



Post-it <sup>®</sup> Fax Note	7571	Date	12-31	# of pages	10
To	BERNARD Justice	From	John A. Iders		
Co./Dept.		Co.			
Phone #		Phone #	904 630 1714		
Fax #		Fax #			

WHEREAS, although Rouse has diligently pursued tenant prospects to revitalize the Landing, Rouse will not be able to fully invest the Remerchandising Funds earmarked for tenant improvements by the December 31, 1997 deadline; and

WHEREAS, Rouse and the City are confident that the Remerchandising Funds can be fully utilized in the Remerchandising Program by December 31, 1998 and, accordingly, desire to extend the original deadline.

NOW, THEREFORE, in consideration of the foregoing recitals, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties do hereby amend the Lease Agreement as follows:

1. All capitalized terms used in this Fourth Amendment are defined in the Lease Agreement, if not otherwise defined in this Fourth Amendment.

2. The parties hereby agree to extend the deadline, set forth in the Third Amendment, by which Rouse must invest the Remerchandising Funds from December 31, 1997 to December 31, 1998.

3. The City and Rouse hereby agree to expand the premises under the Lease Agreement which constitutes the footprint of the East Breezeway Building by a minimum of 900 square feet, not to exceed a total expanded area of 2000 square feet (as identified and further set forth on the attached Exhibit A). Rouse shall construct and/or improve, at its sole cost and expense, the existing East Breezeway Building to encompass the expanded area as set forth on Exhibit A, except the parties acknowledge that a portion of the expanded area shall remain as exterior landscaping and contain exterior silos for the use and benefit of Rouse or its subtenants. Rouse shall only be obligated to expand the East Breezeway Building as set forth on the attached Exhibit A.

4. The parties further recognize and agree that, upon completion of the construction of the expansion of the East Breezeway Building as contemplated herein, Rouse shall cause at its sole cost and expense a redetermination, by survey and legal description, of the Building Improvements Site, it being the intention of the parties that the Building Improvements Site shall be that portion of the West Parcel actually occupied by the Building Improvements. Upon such redetermination of the Building Improvements Site and upon agreement by the attorneys for the City and Rouse as to a new legal description of the Building Improvements Site, the parties shall, by further amendment to the Lease Agreement, include such legal description as a more specific description of the Building Improvements Site. The description may also be modified to reflect that support columns and exterior stairways are part of the Building Improvements, and their points of contact on the ground constitute at that time a portion of the Building Improvements Site.



IN WITNESS WHEREOF, the parties have caused this Fourth Amendment to be executed as of the day and year first above written by its duly authorized officers.

ROUSE-JACKSONVILLE, INC.

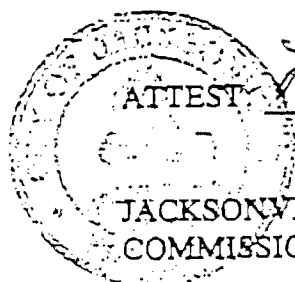
By: [Signature]  
Vice President

Attest: [Signature]  
Assistant Secretary

FORM APPROVED:

[Signature] 11-10-98  
Assistant General Counsel

CITY OF JACKSONVILLE L. A. Hester  
Chief Administrative Officer  
For: Mayor John A. Delaney  
Under Authority of  
Executive Order No. 95-197.  
By: [Signature]  
Mayor



ATTEST: [Signature]  
Corporate Secretary

JACKSONVILLE ECONOMIC DEVELOPMENT COMMISSION

By: [Signature]  
Its Chairman

In compliance with the Charter of the City of Jacksonville, I do certify that there is an unexpended, unencumbered and unimpounded balance in the appropriation sufficient to cover the foregoing Agreement, and provision has been made for the payment of the monies provided therein to be paid.

[Signature]  
Director of Administration and Finance  
Contract # 6-252-1 724

STATE OF MARYLAND  
COUNTY OF HOWARD

The foregoing instrument was acknowledged before me this 11<sup>th</sup> day of August, 1998, by B. Owen Williams Vice President of Rouse-Jacksonville, Inc., a Maryland corporation, on behalf of the corporation. Such person is personally known to me.

Jo A. Reutson  
Signature of Notary

Jo A. Reutson  
(Name typed, printed or stamped)

Commission No. (if not legible on seal/stamp): \_\_\_\_\_  
My Commission expires (if not legible on seal/stamp): 8/10/99  
Title or rank (eg. notary, if not legible on seal/stamp): \_\_\_\_\_

STATE OF FLORIDA  
COUNTY OF DUVAL

The foregoing instrument was acknowledged before me this 3<sup>rd</sup> day of December, 1998, by John Delaney, the Mayor of the City of Jacksonville, Florida, a municipal corporation of the State of Florida, on behalf of the City. Such person is personally known to me.

Linda Schneider  
Signature of Notary

Linda Schneider  
(Name typed, printed or stamped)

Commission No. (if not legible on seal/stamp): \_\_\_\_\_  
My commission expires (if not legible on seal/stamp): \_\_\_\_\_  
Title or rank (eg. notary, if not legible on seal/stamp): \_\_\_\_\_

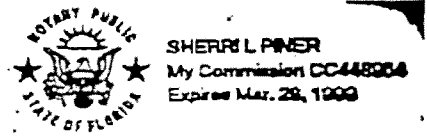


Linda Schneider  
MY COMMISSION # CC566341 EXPIRES  
June 23, 2000  
BONDED THRU TROY FAIR INSURANCE, INC.

STATE OF FLORIDA  
COUNTY OF DUVAL

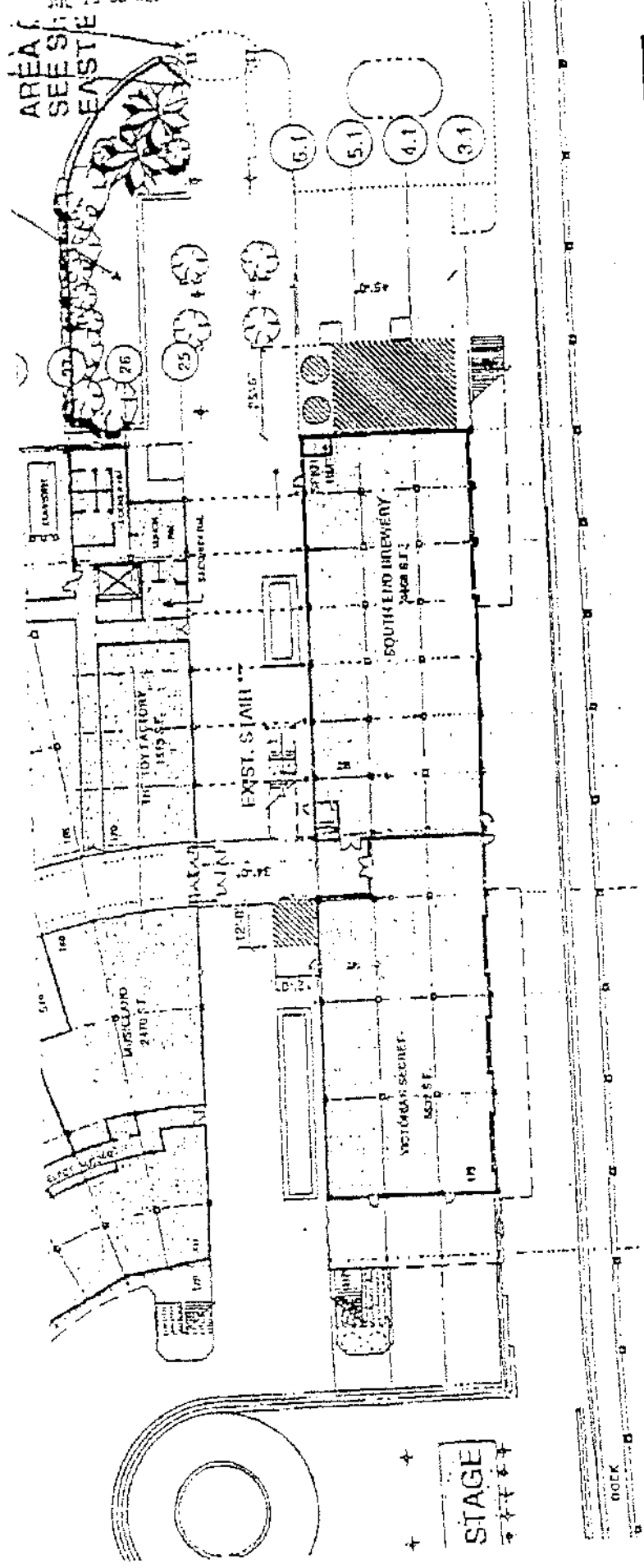
The foregoing instrument was acknowledged before me this 10<sup>th</sup> day of November, 1998, by Thomas F. Petway III, the Chairman of the Jacksonville Economic Development Commission, an authority of the City of Jacksonville, Florida, on behalf of said authority. Such person is personally known to me.

Sherri L. Piner  
Signature of Notary



Sherri L. Piner  
(Name typed, printed or stamped)

Commission No. (if not legible on seal/stamp): \_\_\_\_\_  
My commission expires (if not legible on seal/stamp): \_\_\_\_\_  
Title or rank (eg. notary, if not legible on seal/stamp): \_\_\_\_\_



**JACK  
SON  
VILLE  
LAND  
LINING**

P O N M I K O R S T U V W

ST. JOHN'S RIVER

# **Exhibit 6**

**FIFTH AMENDMENT TO DISPOSITION, DEVELOPMENT  
AND LEASE AGREEMENT**

THIS FIFTH AMENDMENT TO DISPOSITION, DEVELOPMENT AND LEASE AGREEMENT (this "Fifth Amendment") is made this 25<sup>th</sup> day of June, 2001, by and between ROUSE-JACKSONVILLE, INC. ("Rouse"), the CITY OF JACKSONVILLE, a municipal corporation of the State of Florida (the "City"), acting by and through its Mayor, with the prior approval of the Jacksonville City Council, and the JACKSONVILLE ECONOMIC DEVELOPMENT COMMISSION, a body existing by Special Act of the Florida Legislature (the "JEDC").

**RECITALS**

WHEREAS, Rouse, the City and the Jacksonville Downtown Development Authority ("JDDA") entered into that certain Disposition, Development and Lease Agreement dated October 3, 1985, which agreement was amended by that certain First Amendment to Disposition, Development and Lease Agreement dated as of March 13, 1986, by that certain Second Amendment to Disposition, Development and Lease Agreement dated October 26, 1987, by that certain Third Amendment to Disposition, Development and Lease Agreement dated January 12, 1996 ("Third Amendment"), and by that certain Fourth Amendment to Disposition, Development and Lease Agreement dated December 5, 1998 ("Fourth Amendment") (collectively the "Landing Lease Agreement"); and

WHEREAS, pursuant to the Landing Lease Agreement, Rouse leases three (3) parcels of land located in the City of Jacksonville upon which Rouse has developed, maintains and operates three buildings which together comprise a retail marketplace commonly known as The Jacksonville Landing (the "Landing"); and

WHEREAS, the JEDC, existing under and created by Special Act of the Florida Legislature, succeeded to the legal authority of the JDDA, effective July 1, 1997; and

WHEREAS, Rouse, JEDC and the City, pursuant to the Fourth Amendment, extended the deadline by which each must invest in the Remerchandising Program (as defined in the Third Amendment) to December 31, 1998; and

WHEREAS, the parties wish to confirm the expansion of the premises subject to the Landing Lease Agreement to encompass the footprint of the expanded East Breezeway Building; and

WHEREAS, on March 1, 1999, the JEDC sent a letter to Rouse (hereinafter "Default Notice"), in which the JEDC declared Rouse in default of its obligations relating to the Remerchandising Program; and

WHEREAS, the construction related to the final phase of the Remerchandising Program and final documentation of all expenses for such final phase have been completed; and

WHEREAS, contemporaneously with the execution hereof: (a) the City, the JEDC and Humana Medical Plan, Inc. ("Humana") shall enter into a Redevelopment Agreement (the "Redevelopment Agreement"), pursuant to which Humana shall construct, own and thereafter manage a multi-level short term public parking garage with at least 1,000 short term public parking spaces (hereinafter the "Humana Garage"), at the property as more particularly described by Exhibit "A" (the "Humana Property"), situated at the intersection of Hogan Street and Independent Drive, Jacksonville, Florida (the Humana Garage, together with related improvements, being referred to as the "Humana Project"); and (b) the City, Humana and Rouse shall also enter into a Parking Rights Agreement ("Humana Parking Rights Agreement") covering operation and other aspects of the Humana Garage, whereby Humana shall lease 300 daily short-term public parking spaces and 375 weekend, evening and holiday short term public parking spaces in the Humana Garage to the City, for the use by the public, including patrons of the Landing and subject to a parking validation program, for a minimum term of 29 years; and

WHEREAS, pursuant to the Third Amendment, the City undertook certain short term public parking related obligations and granted certain short term public parking rights in favor of Rouse in lieu of the City's obligation to construct a short term public parking garage pursuant to the Landing Lease Agreement, including short term public parking rights in: (i) the Daniels Office Building Garage (the "Daniels Building") located at the intersection of Independent Drive and Newnan Street, Jacksonville, Florida; (ii) the East Side Surface Lot (as defined by the Landing Lease Agreement); and (iii) the Water Street Garage located on Water Street; and

WHEREAS, the Landing Lease Agreement envisioned significant enhancement to the Landing by the development of additional first-class hotel facilities in the downtown Jacksonville area, which objective was advanced by the construction of the Omni Hotel, and which the City and JEDC have further advanced by significant public assistance in securing the construction of a 950 room, \$150 Million, Adam's Mark Hotel within several hundred feet of the Landing; and

WHEREAS, the City and JEDC acknowledge their obligation to provide such short term public parking rights under the Landing Lease Agreement for the entire "Term" (as defined by Section 2.1(b) of the Landing Lease Agreement), consisting of the "Initial Term" (as defined by the Landing Lease Agreement) which ends on March 13, 2031, and the "Extension Term" (as defined by the Landing Lease Agreement) which ends on March 13, 2056, if Rouse elects a 25 year extension pursuant to the Landing Lease Agreement; and

WHEREAS, by this Amendment, Rouse, the City and JEDC desire: (a) to confirm the expansion of the premises subject to the Landing Lease Agreement; (b) to confirm the extension of the Remerchandising Program deadline to allow construction of its final phase to be completed and the payment of the sums due to Rouse for that Program; and (c) to transfer the City's short term public parking obligations and Rouse's short term public parking rights related to the Daniels

Building to the Humana Garage for a portion of the Term, without abatement of any other obligations of the parties under the Landing Lease Agreement.

NOW, THEREFORE, in consideration of the foregoing recitals, the mutual covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties do hereby amend the Landing Lease Agreement as follows:

1. Defined Terms. All capitalized terms used in this Fifth Amendment are defined in the Landing Lease Agreement, if not otherwise defined in this Fifth Amendment.

2. Default Notice. The City and JEDC hereby irrevocably withdraw the Default Notice dated March 1, 1999, and acknowledge that there exists no outstanding default or condition that, upon notice or lapse of time, would constitute a default by Rouse in connection with the Remerchandising Program.

3. Remerchandising Program. The parties hereby agree to extend the Remerchandising Program deadline, as set forth in the Third Amendment and extended by the Fourth Amendment, from December 31, 1998 to August 31, 2000. The parties agree that all construction necessary to complete the final phase of the Remerchandising Program has been substantially completed by August 31, 2000. The City agrees that its obligation to invest in the Remerchandising Program, by granting up to \$3,400,000 to Rouse, has been extended to costs incurred through August 31, 2000. The City acknowledges that Rouse's expenditures under the Remerchandising Program upon completion of the SouthEnd Brewery satisfied Rouse's obligations under the Remerchandising Program. The City further acknowledges that it has received and approved outstanding claims submitted by Rouse in the aggregate sum of \$1,303,889.26, which sum remains due and payable to Rouse, and that there remain no further approvals or unsatisfied conditions necessary to payment of such sum to Rouse. Accordingly, the City agrees to pay to Rouse, within thirty (30) days following the execution and delivery of this Fifth Amendment, the aggregate sum of \$1,303,889.26 due to Rouse in connection with the Remerchandising Program. Rouse agrees that payment of such sum constitutes payment in full of all amounts due to Rouse pursuant to the Remerchandising Program.

4. Amendment to "Building Improvements Site". In view of the expansion of the East Breezeway Building, the parties have caused to be prepared a legal description that more accurately defines those portions of the West Parcel leased to Rouse as the site of the Building Improvements. The parties hereby confirm that the legal description attached to and made a part of this Amendment as Exhibit "B" replaces the legal description of the "East Building Improvement Site" as set forth in Exhibit C-1-B of the Second Amendment, for the purposes of the Landing Lease Agreement. Accordingly, it is agreed that Exhibit C-1-B as attached to the Second Amendment is deemed to be amended accordingly, and the real property described on Exhibit C-1-B to the Second Amendment, as amended by Exhibit "B", to this Amendment is from the date of this Amendment the "Building Improvement Site." Exhibit C-1 to the original Landing Lease Agreement remains a part of the Landing Lease Agreement for its other intended purposes. Notwithstanding the foregoing,



the Building Improvements Site shall also include the land area occupied by any support columns, exterior stairways or other appurtenances, which support or are appurtenant to and part of the Building Improvements.

5. Daniels Building Short Term Public Parking Rights.

(a) Rouse, the City and JEDC agree that Rouse's rights to short term public parking for Landing patrons at the Daniels Building shall terminate upon the satisfaction of the following conditions, as evidenced by a certificate executed and delivered by an authorized officer of Rouse to the City:

(i) The City, Humana and Rouse shall have executed and delivered the Parking Rights Agreement (a copy of which is attached as Exhibit 1).

(ii) The City, JEDC and Humana shall have executed and delivered the Redevelopment Agreement (a copy of which is attached as Exhibit 2).

(iii) The City shall have paid to Rouse, in readily available funds, the sum of \$1,303,889.26 due to Rouse under the Remerchandising Program.

(iv) The Humana Parking Rights Agreement and the Redevelopment Agreement will be executed simultaneously with this Fifth Amendment.

(v) The Humana Parking Rights Agreement, the Redevelopment Agreement and this Fifth Amendment (or memoranda of such agreement in form and substance acceptable to Rouse) shall have been recorded in the public records of Duval County.

(b) Pursuant to the letter from Rouse to the City dated March 26, 2001, Rouse agreed to forebear from enforcement of its rights in connection with the Daniels Building for a limited period of time, expiring on April 24, 2001. Rouse hereby agrees to relinquish all of its rights in connection with the Daniels Building as provided by, and subject to the satisfaction of the conditions set forth in, Paragraph 5 of this Agreement, in consideration of the City's agreement that all Rental otherwise due to the City from Rouse under Section 2.5 of the Landing Lease Agreement shall be waived and abated in full, from February 28, 2001 and continuing through the end of the calendar month in which the earlier of the following dates occurs: (i) the Humana Opening Date, as defined by Paragraph 7(b); or (ii) the date on which an alternate facility as contemplated by Paragraph 14(c) commences full-time operations.

6. East Side Surface Lot.

(a) The City and Rouse are currently in active negotiations regarding the assumption of management of the East Side Surface Lot (the "Lot") by Rouse, it being the intention

of the parties to develop a management plan that maximizes revenues from the operation of such Lot and parking availability for patrons of the Landing. Accordingly, the parties agree as follows:

(i) Within twenty (20) business days of delivery of a request by Rouse to the City, the City shall provide Rouse with such information as Rouse requests, regarding the revenue and expenses associated with the operation of the Lot, including pertinent financial information verified by the City's auditors (but permitting additional time if necessary to complete such verification).

(ii) In the event that Rouse elects to submit a proposal to assume management of the Lot, the City and JEDC shall promptly review such proposal and notify Rouse, within sixty (60) days of the delivery of such proposal, whether or not the proposal is acceptable and, if not, the aspects of the proposal which are not acceptable. However, the City and JEDC agree that they shall consider in good faith any reasonable proposal made by Rouse.

(iii) Within sixty (60) days of the acceptance of Rouse's proposal by the City and JEDC, the parties shall execute and deliver an appropriate written agreement incorporating the terms of the proposal.

(b) For so long as the City manages the Lot, the parties shall continue to actively engage in discussions and implement practices and programs designed to enhance the use of the Lot by patrons of the Landing and revenues generated by the Lot, it being the intent of the parties that adequate, safe and secure parking be available at all times for Landing patrons.

(c) In order to encourage short-term parking at the Lot and discourage long-term parking, as contemplated by the Landing Lease Agreement, the parties acknowledge the need and desirability for flexibility in setting parking rates for use of the Lot. Accordingly, the parties agree that the Lot shall be used exclusively for short-term parking, unless otherwise agreed by Rouse, and Jacksonville City Ordinance Section 122.202 shall be amended to implement and modify from time to time the Lot's parking rates, terms and conditions, in consultation with Rouse, to carry out the purposes of Paragraph 6(b) and (c) of this Amendment. In the event that Rouse assumes management of the Lot, the parties will establish parking rates, terms and conditions that will remain in effect during the term of Rouse's management agreement, which rates, terms and conditions shall be modified only with the prior approval of Rouse and the City.

#### 7. Humana Garage.

(a) The City shall submit to Rouse for its review and approval all plans and design specifications for the construction of the Humana Garage, including, but not limited to, the Concept Plans and the Exterior Design Plans, as defined by the Redevelopment Agreement, including any modifications of such plans (the "Plans"). Rouse's approval of the Plans shall be limited to issues pertaining to: (a) the design specifications, number and location of short term public

parking spaces; (b) location and design of accesses to and from the Humana Garage, including but not limited to the location and design of stairways, vertical transport systems, vehicular and pedestrian entrances and exits, and adjoining walkways; (c) lighting and other design elements affecting security; and (d) signage required by this Fifth Amendment or the Humana Parking Rights Agreement. The City agrees that the City shall not approve the Plans, without Rouse's prior written approval of same, which approval shall not be unreasonably withheld, and that the City shall provide copies of all Plans to Rouse immediately upon the City's receipt of such Plans.

(b) The City shall, pursuant to the Redevelopment Agreement specified in Paragraph 5(a), contract with Humana so that the Commencement Date as defined by the Humana Parking Rights Agreement (such date being referred to, in this Amendment, as the "Humana Opening Date"), occurs on or before February 28, 2003, in accordance with the Redevelopment Agreement, the Humana Parking Rights Agreement and the Plans. The City further agrees that it shall promptly provide copies to Rouse of all notices and reports given to or received by the City under the Redevelopment Agreement and the Humana Parking Rights Agreement.

(c) The City and JEDC shall vigorously enforce all contract rights with the goal of securing the timely performance by Humana (and its successors and assigns) of all covenants, provisions and conditions applicable to the development, operation, repair, alteration and maintenance of the Humana Garage as set forth in the Redevelopment Agreement and the Humana Parking Rights Agreement. The City and JEDC further guarantee and warrant that the Humana Garage shall contain and provide a minimum of 300 short-term daily public parking spaces and 375 short term public parking spaces on evenings, weekends, Holidays and Special Events, for short term public parking by the general public and Landing patrons in accordance with the Humana Parking Rights Agreement and shall otherwise be in compliance with the Humana Parking Rights Agreement at all times during its term.

(d) In the event of the occurrence of damage to or the destruction of the Humana Garage which invokes a right on the part of the City to require the reconstruction of the Humana Garage by Humana, the City shall timely and promptly exercise such right, unless Rouse notifies the City that Rouse does not desire that the Humana Garage be reconstructed. The City shall simultaneously deliver to Rouse a copy of the City's notice to Humana to reconstruct the Humana Garage.

8. Further Humana Property Development. In the event that Humana proposes to the City to further develop the Humana Property beyond the scope of the Plans, the plans for such further development shall also be subject to the review and approval of Rouse, as provided by the Humana Parking Rights Agreement.

9. Parking Lease Amendments/Assignments. The City and JEDC shall not waive, amend, agree to amend, consent to an assignment of, or assign its interest in the Humana Parking Rights Agreement, without Rouse's prior written consent, which consent shall not be unreasonably withheld. In addition, the City further agrees that it shall not consent to the assignment of Humana's

rights or obligations under the Redevelopment Agreement, prior to the Humana Opening Date, without Rouse's prior written consent, which consent shall not be unreasonably withheld or delayed.

10. Additional Short Term Public Parking. The City shall not enter into agreements to allocate spaces in the Humana Garage to other developments and enterprises or purport to accommodate the parking needs of such other developments and enterprises with short term public parking spaces in the Humana Garage, without the prior written consent of Rouse, during the term of the Humana Parking Rights Agreement.

11. Quality of Rouse's Parking Rights. Rouse's short term public parking rights in the Humana Garage, the East Side Surface Lot and the Water Street Garage will not be subject to termination, amendment, subordination or disturbance by reason of the acts or omissions of the City, the owner of such properties or any third parties (including, by way of example, the vendors and secured lenders of the City or the subject property owners or operators).

12. Continuing Rights/Water Street Garage and East Side Surface Lot. The grant to Rouse of the parking rights in the Humana Garage shall not affect in any way the rights of Rouse under the Landing Lease Agreement with respect to the East Side Surface Lot (including Rouse's continuing option to purchase or lease such Lot) or the Water Street Garage. The City and JEDC hereby ratify and confirm all such rights. However, Rouse agrees that it shall relinquish its parking rights under the Third Amendment to the Water Street Garage as of the Humana Opening Date. The City further agrees to provide to Rouse, upon Rouse's request, periodic reports regarding the utilization of Water Street Garage (so long as Rouse retains parking rights in that facility) and the East Side Surface Lot, including the number of vehicles utilizing the facilities for short term daily parking and evening, weekend, and holiday parking, and the number of validated coupons used by Landing patrons.

13. Administration of Validation Programs. The City agrees to administer the validation programs undertaken at the facilities in which Rouse has parking rights, including the East Side Surface Lot and the Humana Garage, at no additional cost to Rouse or participating merchants. Such administration shall include the printing and distribution of parking coupons, the collection of applicable fees from the Landing's participating merchants, and the disbursement of such fees to the appropriate persons. In the event that Rouse assumes management of the East Side Surface Lot as contemplated by Paragraph 6 of this Amendment, it is anticipated that Rouse will also assume responsibility for the administration of the validation programs in effect for both the East Side Surface Lot and the Humana Garage that benefit guests and patrons of the Landing.

14. Lack of Minimum Required Short Term Public Parking Spaces.

(a) The City and JEDC hereby confirm their obligation to provide, at a minimum, short term public parking arrangements to Landing patrons at the Humana Parking Garage as provided by the Humana Parking Rights Agreement, and at the Water Street Garage (unless and until relinquished as provided by Paragraph 12 of this Amendment) and the East Side Surface Lot

as provided by the Third Amendment and this Amendment (the "Minimum Requirements"), during the entire Term (which includes the Extension Term).

(b) The parties acknowledge that, in the event that the short term public parking spaces in accordance with the Minimum Requirements should become unavailable for short term public parking by the patrons of the Landing and the general public for any reason, including, but not limited to, casualty or condemnation, the City's failure to renew or extend related third party agreements during the Term (including the Extension Term) of the Landing Lease Agreement, without additional cost to Rouse or Landing merchants, or defaults under or termination of such third party agreements, Rouse would suffer damages and injury (including, but not limited to, damage to the reputation and desirability of the Landing as a restaurant, entertainment, retail and commercial center), which damages are not readily ascertainable by the parties. Accordingly, in the event short term public parking spaces in accordance with the Minimum Requirements become unavailable for a period in excess of five (5) consecutive days for any reason, and the City or Humana, as applicable, fails to replace the number of short term public parking spaces below the Minimum Requirements with comparable short term public parking spaces to Rouse's satisfaction, on or before the expiration of that period, then for so long as such spaces are not replaced as set forth in this Paragraph, Rouse shall be entitled to the following remedies: (i) payment by the City of an administrative charge to Rouse in the amount of \$275 per day, which sum shall be paid to Rouse within thirty (30) days following delivery of an invoice to the City for such sum, in lieu of any other claim for damages; (ii) full abatement of all Rental otherwise payable under the Landing Lease Agreement; and (iii) specific performance of the Landing Lease Agreement, the Humana Parking Rights Agreement and other relevant third party agreements. However, the foregoing administrative charge shall not apply to: (A) the loss of parking spaces at the East Side Surface Lot during such period that Rouse has assumed management of such Lot by action of Rouse; or (B) the loss of no more than ten percent (10%), in the aggregate, of the parking spaces that are then otherwise required to be available at parking facilities in satisfaction of the Minimum Requirements, due to damage or destruction of such facilities, provided, however, the City diligently pursues and completes the repair and replacement of such facilities within six (6) months of such damage or destruction. Rouse may elect to apply sums due to it by the City pursuant to this Paragraph as an offset against Rental otherwise due under the Landing Lease Agreement.

(c) In the event that, at any time, it appears, in the opinion of either the City or Rouse, that the Humana Opening Date may not occur on or before February 28, 2003, such party shall provide notice to the other, and the City and Rouse shall initiate negotiations of alternate, interim short term public parking arrangements with the City or third party providers, on the same terms (other than the expiration date) as the Humana Parking Rights Agreement. In the event that such alternate arrangements are not implemented, or the Humana Garage project is abandoned or has not been completed by August 31, 2003, Rouse shall be entitled to pursue its remedies pursuant to Paragraph 14(b), except that the administrative charge of \$275 per day from September 1, 2003 through February 28, 2004, shall accrue and shall be applied as an offset against Rental otherwise payable by Rouse under the Landing Lease Agreement following the expiration of the Rental abatement pursuant to Paragraph 5(b). In the event that the Humana Opening Date does not occur

on or before February 28, 2004, for any reason, or Humana earlier abandons the project, the City and JEDC shall promptly initiate plans to build, and diligently proceed to construct, a new public parking facility that will provide at least 600 short term public parking spaces at the East Side Surface Lot or at least 375 short term public parking spaces at such other location as the parties shall mutually agree.

(d) In the event that the parking validation program established by the Humana Parking Rights Agreement or subsequent arrangements for the benefit of Landing patrons should cease due to the failure of the City to appropriate funds for such purpose or the City's default thereunder, Rouse may elect to abate rent due under the Landing Lease Agreement in an amount equal to the sum necessary to avert such default and to apply such sum to cure such default

15. Reservation of Rights. Unless and until Rouse relinquishes its short term public parking rights in the Daniels Building pursuant to Paragraph 5, Rouse expressly reserves all of its rights under the Landing Lease Agreement related to the Daniels Building. In the event that the conditions for such relinquishment are not satisfied on or before such date as the Daniels Building is no longer available for general short term public parking in accordance with the Landing Lease Agreement, Rouse may elect to pursue its remedies under the Landing Lease Agreement as amended by this Amendment.

16. Effect on Landing Lease Agreement. All other provisions of the Landing Lease Agreement not modified or amended herein shall remain in full force and effect.

**REMAINDER OF PAGE LEFT INTENTIONALLY BLANK**

IN WITNESS WHEREOF, the parties have caused this Fifth Amendment to be executed as of the day and year first above written by its duly authorized officers.

ROUSE-JACKSONVILLE, INC.

By: [Signature]  
Vice President

Attest: [Signature]  
Assistant Secretary

ROUSE-JACKSONVILLE, INC.

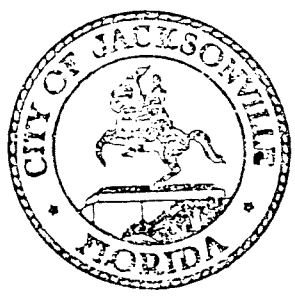
FORM APPROVED:

[Signature]  
Assistant General Counsel

CITY OF JACKSONVILLE

By: [Signature]  
Mayor

ATTEST: [Signature]  
Corporate Secretary



JACKSONVILLE ECONOMIC DEVELOPMENT  
JEDC

By: [Signature]  
Its Chairman

In compliance with the Charter of the City of Jacksonville, I do certify that there is an unexpended, unencumbered and unimpounded balance in the appropriation sufficient to cover the foregoing Agreement, and provision has been made for the payment of the monies provided therein to be paid.

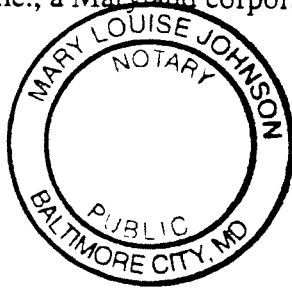
[Signature]  
Director of Administration and Finance

Contract # 6252  
INDEX CODE: PDCDIAI4B  
PROJECT: 080003

10	COMMUNITY DEVELOPMENT	PDC002 - 9705
	ACCOUNTING	
<u>[Signature]</u>	02/18/2001	
APPROVED		DATE

STATE OF MARYLAND  
COUNTY OF HOWARD

The foregoing instrument was acknowledged before me this 7<sup>th</sup> day of May, 2001, by Paul C. Fickinger, a Vice President of Rouse-Jacksonville, Inc., a Maryland corporation, on behalf of the corporation. Such person is personally known to me.



Mary Louise Johnson  
Signature of Notary

MARY LOUISE JOHNSON  
(Name typed, printed or stamped)  
My Commission: 5/1/2005

JEDC No. (if not legible on seal/stamp): \_\_\_\_\_  
My JEDC expires (if not legible on seal/stamp): \_\_\_\_\_  
Title or rank (eg. notary, if not legible on seal/stamp): \_\_\_\_\_

STATE OF FLORIDA  
COUNTY OF DUVAL

The foregoing instrument was acknowledged before me this 17<sup>th</sup> day of May, 2001, by Kelcie Jelbert, the Chairman of the City of Jacksonville, Florida, a municipal corporation of the State of Florida, on behalf of the City. Such person is personally known to me.

Melanie L. Ricks  
Notary Public, State of Florida  
Name: \_\_\_\_\_  
Commission No.: MELANIE L. RICKS  
Commission Expires: NOTARY PUBLIC, STATE OF FLORIDA  
My commission expires Sept. 20, 2003  
Commission No. CC872144

JEDC No. (if not legible on seal/stamp): \_\_\_\_\_  
My JEDC expires (if not legible on seal/stamp): \_\_\_\_\_  
Title or rank (eg. notary, if not legible on seal/stamp): \_\_\_\_\_



STATE OF FLORIDA  
COUNTY OF DUVAL

The foregoing instrument was acknowledged before me this 25<sup>th</sup> day of June, 2001, by the Honorable John A. Delaney and Neill W. McArthur, Jr., the Mayor and Corporation Secretary, respectively, of the City of Jacksonville, a municipal corporation, on behalf of the corporation.. Such persons are personally known to me and they did not take an oath.

Sharon E. Chappelle

Notary Public, State of Florida

Name: SHARON E. CHAPPELLE

Commission No.: \_\_\_\_\_

Commission Expires: \_\_\_\_\_



Sharon E. Chappelle  
MY COMMISSION # CC935460 EXPIRES  
July 25, 2004  
BONDED THROUGH TONY FAIR INSURANCE, INC.

JEDC No. (if not legible on seal/stamp): \_\_\_\_\_

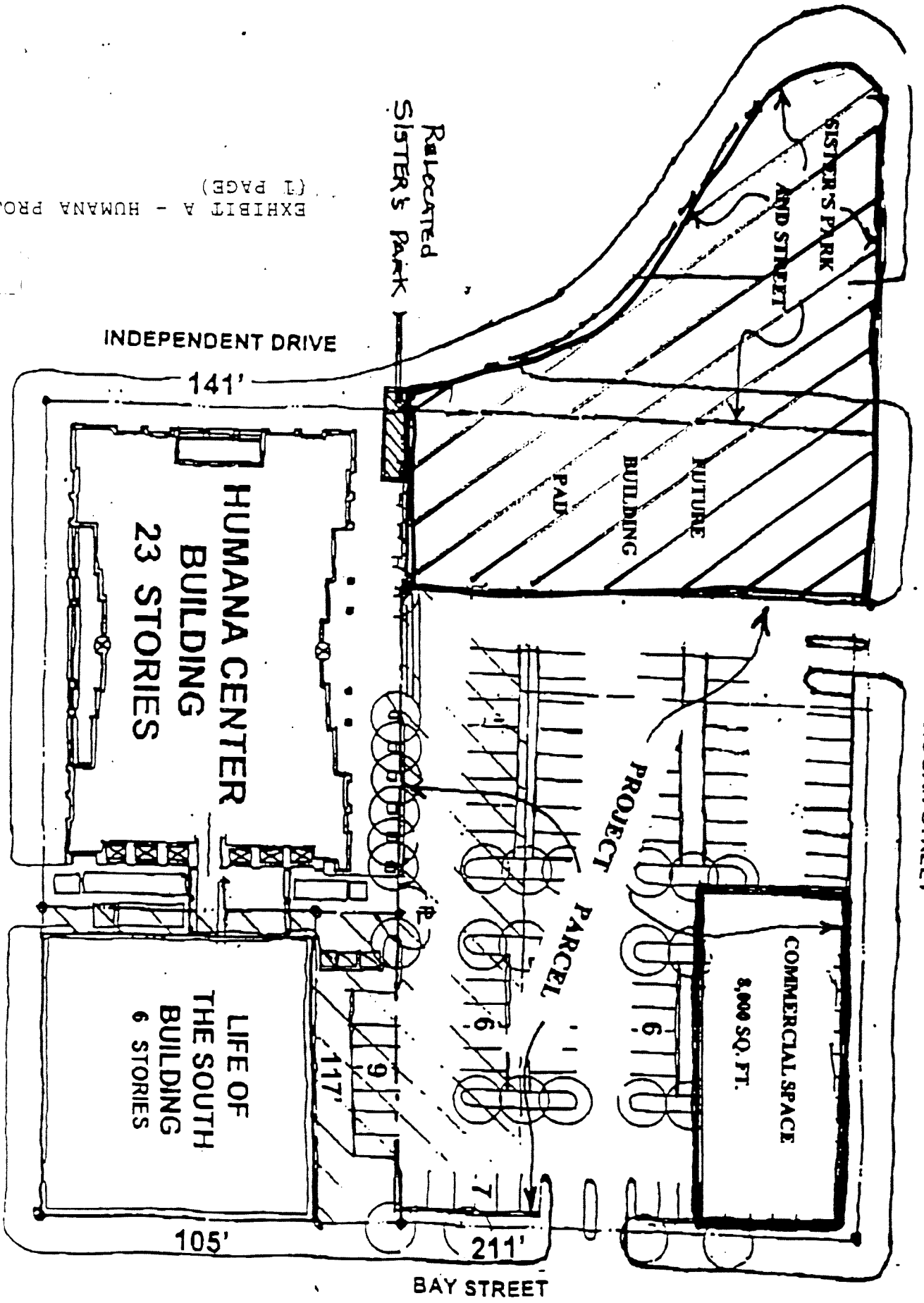
My JEDC expires (if not legible on seal/stamp): \_\_\_\_\_

Title or rank (e.g. notary, if not legible on seal/stamp): \_\_\_\_\_

Exhibit A	Humana Property
Exhibit B	Legal Description
Exhibit 1	Parking Rights Agreement
Exhibit 2	Redevelopment Agreement

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# SITE PLAN



ROUSE-JACKSONVILLE, INC.,  
An affiliate of  
THE ROUSE COMPANY

EXHIBIT B  
LEGAL DESCRIPTION  
(3 PAGES)

E. Bernard Justis  
Senior Assistant General Counsel

(410) 992-6596  
(410) 992-6392 facsimile  
ebjustis@therousecompany.com

RECEIVED  
MAR 30 2001  
Office of General Counsel

March 29, 2001

FEDERAL EXPRESS

John T. Alderson, Jr., Esquire  
117 West Duval Street  
Suite 480  
Jacksonville, Florida 32202

RE: The Jacksonville Landing; 2001 Survey

Dear John:

In anticipation of the execution of the Fifth Amendment to the City Ground Lease, I enclose a revised survey which shows the three (3) pop-outs of the East Breezeway Building which were designed to accommodate the Southend Brewery Restaurant in accordance with the Fourth Amendment. Please review the enclosed survey and the new legal description for the First Floor - East Building as shown on the detailed drawing in the lower left corner of the survey. This new legal description is to be inserted in the Fifth Amendment to memorialize the expansion of the underlying East Breezeway Building premises.

Once you have had a chance to review the enclosed, please give me a call to discuss any comments, questions or concerns you may have.

Sincerely yours,



E. Bernard Justis

EBJ:mij  
Enclosure

cc: Paul C. Fickinger (w/o enclosure)  
John E. Kiddy (w/enclosure)  
Ann Purdue, Esquire (via Federal Express - w/enclosure)



JACKSONVILLE LANDING

FIRST FLOOR EAST BUILDING

A PART OF Z. HOGAN'S GRANT, SECTION 39, TOWNSHIP 2 SOUTH, RANGE 26 EAST, DUVAL COUNTY, FLORIDA, MORE PARTICULARLY DESCRIBED AS FOLLOWS: FOR A POINT OF REFERENCE, COMMENCE AT A POINT IN THE SOUTHERLY RIGHT-OF-WAY LINE OF INDEPENDENT DRIVE (A RIGHT-OF-WAY OF VARYING WIDTH) AT ITS INTERSECTION WITH THE EASTERLY RIGHT-OF-WAY LINE OF HOGAN ROAD (A 70.00 FOOT RIGHT-OF-WAY AS NOW ESTABLISHED) AT THE NORTHWESTERLY CORNER OF THOSE LANDS, EXHIBIT B-1, AS DESCRIBED IN OFFICIAL RECORDS BOOK 6138, PAGES 2127 THROUGH 2139, INCLUSIVE, OF THE CURRENT PUBLIC RECORDS OF SAID COUNTY; THENCE SOUTH  $14^{\circ}22'10''$  WEST ALONG SAID EASTERLY RIGHT-OF-WAY LINE OF HOGAN STREET, A DISTANCE OF 166.93 FEET; THENCE SOUTH  $77^{\circ}18'02''$  EAST LEAVING SAID EASTERLY RIGHT-OF-WAY LINE OF HOGAN STREET, A DISTANCE OF 461.39 FEET TO THE POINT OF BEGINNING; THENCE CONTINUE SOUTH  $77^{\circ}18'02''$  EAST, A DISTANCE OF 106.72 FEET; THENCE NORTH  $12^{\circ}41'58''$  EAST, A DISTANCE OF 11.00 FEET; THENCE SOUTH  $77^{\circ}18'02''$  EAST, A DISTANCE OF 8.50 FEET; THENCE SOUTH  $12^{\circ}41'58''$  WEST, A DISTANCE OF 11.00 FEET; THENCE SOUTH  $77^{\circ}18'02''$  EAST, A DISTANCE OF 36.50 FEET; THENCE NORTH  $12^{\circ}41'58''$  EAST, A DISTANCE OF 9.00 FEET TO THE POINT OF CURVE OF A CURVE, CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 4.00 FEET; THENCE NORTHEASTERLY ALONG THE ARC OF SAID CURVE, AN ARC DISTANCE OF 6.29 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING OF NORTH  $57^{\circ}41'58''$  EAST AND A CHORD DISTANCE OF 5.66 FEET TO THE POINT OF TANGENCY OF SAID CURVE; THENCE SOUTH  $77^{\circ}18'02''$  EAST, A DISTANCE OF 14.00 FEET; THENCE SOUTH  $12^{\circ}41'58''$  WEST, A DISTANCE OF 2.00 FEET; THENCE SOUTH  $77^{\circ}18'02''$  EAST, A DISTANCE OF 8.00 FEET; THENCE SOUTH  $12^{\circ}41'58''$  WEST, A DISTANCE OF 11.00 FEET; THENCE SOUTH  $77^{\circ}18'02''$  EAST, A DISTANCE OF 37.90 FEET; THENCE SOUTH  $12^{\circ}41'58''$  WEST, A DISTANCE OF 0.80 FEET; THENCE SOUTH  $77^{\circ}18'02''$  EAST, A DISTANCE OF 22.30 FEET; THENCE SOUTH  $12^{\circ}41'58''$  WEST, A DISTANCE OF 49.40 FEET; THENCE NORTH  $77^{\circ}18'02''$  WEST, A DISTANCE OF 22.30 FEET; THENCE SOUTH  $12^{\circ}41'58''$  WEST, A DISTANCE OF 0.80 FEET; THENCE NORTH  $77^{\circ}17'47''$  WEST, A DISTANCE OF 215.60 FEET; THENCE NORTH  $12^{\circ}40'46''$  EAST, A DISTANCE OF 50.96 FEET TO THE POINT OF BEGINNING.

CONTAINING 12,508 SQUARE FEET MORE OR LESS.

# **Exhibit 7**

**SIXTH AMENDMENT TO DISPOSITION, DEVELOPMENT  
AND LEASE AGREEMENT**

This SIXTH AMENDMENT TO DISPOSITION, DEVELOPMENT AND LEASE AGREEMENT (this "Sixth Amendment") is made as of the 8th day of February, 2007 (the "Effective Date"), between the **CITY OF JACKSONVILLE**, a municipal corporation and political subdivision of the State of Florida (the "City"), the **JACKSONVILLE ECONOMIC DEVELOPMENT COMMISSION** (the "JEDC") and **JACKSONVILLE LANDING INVESTMENTS, LLC**, a Florida limited liability company (the "JLI").

**Article 1.  
PRELIMINARY STATEMENTS**

**1.1 Background.**

1.1.1 The City is the owner of the land, exterior common area improvements, parking areas and reversionary interest in the buildings of that certain commercial retail establishment currently known as the "Jacksonville Landing" (hereinafter the "Landing"), located in the Community Redevelopment Area on the North Bank of the St. Johns River in downtown Jacksonville. The City leases the land underlying the Landing buildings to JLI for its operation of the Landing retail facility, pursuant to the terms and conditions of the Disposition, Development and Lease Agreement dated October 3, 1985, as previously amended five times and as more particularly described in Exhibit A (the "Lease"). The City entered into the Lease with JLI's predecessor Rouse-Jacksonville, Inc. ("Rouse") pursuant to solicited requests for proposal to develop and lease the Landing property, and Rouse later assigned its interests in the Lease to JLI pursuant to the Assignment and Assumption of City Lease dated August 29, 2003. Pursuant to the terms of the Lease, JLI owns and maintains the Landing buildings (the "Existing Buildings") during the term of the Lease, and such ownership reverts to the City at the end of the Lease term, which has been extended for an additional 25 years by JLI's exercise of its option to extend as provided in §2.1 of the Lease.

1.1.2 The City has certain obligations under the Lease to provide parking for the Landing, and pursuant to the Fifth Amendment to the Lease dated June 25, 2001 (the "Fifth Amendment"), the City and Rouse agreed that the City could discharge those parking obligations by entering into a third-party agreement with Humana Medical Plan, Inc., a Florida corporation ("Humana") dated June 6, 2001, as amended by the Amendment to Redevelopment Agreement dated October 17, 2002 (as amended, the "Garage Development Agreement") for Humana to develop a parking garage on Humana's vacant property (the "Humana Property") located at the southeast corner of Bay and Hogan Streets (the "Parking Garage") and reserve 300 daily and 375 night and weekend short term parking spaces for public use including use by Landing patrons (the "Public Parking Spaces"). The Garage Development Agreement also included a parking validation program to be funded in part by the City to provide parking discounts or free parking for Landing patrons at the Parking Garage (the "Parking Validation"). The terms of the Parking Validation and reservation of the Public Parking Spaces are also set forth



in the Parking Rights Agreement (the "Parking Rights Agreement") dated June 4, 2001 between the City, Rouse and Humana. In those agreements, the City agreed to contribute up to \$3,000,000 to Humana upon the opening of the Parking Garage for the reservation of the Public Parking Spaces, and also agreed to pay Humana \$500,000 upon such garage opening for the Parking Validation for the first five years. The City further agreed to pay up to \$131,250 per year beginning in year 6 and continuing until 2031 for the continuation of the Parking Validation.

1.1.3 Humana did not build the Parking Garage and later contracted to sell the Parking Garage site to a third party, which in turn assigned its interest to Project RiverWatch, LLC, a Florida limited liability company owned or controlled by Cameron Kuhn (such company being referred to herein as "Kuhn"). Kuhn plans to develop a mixed-use development on the site that will include a parking garage (the "Kuhn Garage") large enough to include the Public Parking Spaces. Kuhn has agreed to assume Humana's obligations under the Garage Development Agreement and the Parking Rights Agreement. Pursuant to the Release and Consent to Assignment described in below section 3.2.1, the parties hereto are consenting to Humana's assignment to Kuhn of all of Humana's rights and obligations under the Garage Development Agreement and Parking Rights Agreement, and the parties hereto are releasing Humana from all of its obligations under those agreements. Additionally, the City and Kuhn are simultaneously herewith entering into an Amended Garage Development Agreement for purposes of extending the Parking Garage construction deadline set forth therein, providing for certain adjustments to the Parking Garage design and specifications, and making certain other changes to the Garage Development Agreement (the "Amended Garage Development Agreement"). The Amended Garage Development Agreement also provides that the City will pay to Kuhn upon the opening of the Kuhn Garage, up to \$500,000 to reimburse Kuhn for its expenses in relocating certain utilities located on the Kuhn Garage site (the "Utilities Payment"). The City, JLI and Kuhn are also entering into the Amended Parking Rights Agreement simultaneously herewith and with the execution of the Amended Garage Development Agreement (the "Amended Parking Rights Agreement").

- (a) The Lease in section 2.2 provides to JLI certain rights to purchase and develop, under certain terms and conditions, the property described in the Lease as the "East Parcel" (the "Property" as more specifically defined hereafter), which is owned by the City and currently used as a short-term surface public parking lot to benefit Landing patrons. The Lease allows JLI to purchase the Property from the City for its fair market value under certain terms and conditions, and JLI desires to purchase and develop the Property at this time in accordance with the terms of this Sixth Amendment.

## 1.2 Purpose of Sixth Amendment.

1.2.1 The recitals set forth above are true and correct and incorporated herein.

1.2.2 The City and JLI are entering into this Sixth Amendment for the purpose of (i) conveying the Property to JLI pursuant to the terms and conditions hereof; (ii)

terminating the City's obligations under the Lease to provide parking for the Landing except as set forth in this Sixth Amendment and in the Amended Garage Development Agreement and Amended Parking Rights Agreement; (iii) agreeing to Humana's assignment of its rights and obligations under the Garage Development Agreement and Parking Rights Agreement to Kuhn; (iv) agreeing to the terms of the Amended Garage Development Agreement between the City and Kuhn; (v) releasing Humana from its obligations under the Garage Development Agreement and Parking Rights Agreement; and (vi) mutually releasing each other from all liabilities, debts and obligations under the Lease accruing prior to, but not on or after, the date hereof except as set forth herein.

1.2.3 JLI proposes to develop a mixed-used project on the Property as JLI shall determine in its discretion, subject to (i) the terms and conditions of this Sixth Amendment and (ii) the Permitted Uses and other regulations and laws applicable to the Property (the "Improvements"). The Improvements are also sometimes referred to herein as the "Project." The Project is consistent with and promotes the Community Redevelopment Plan for the Downtown area where the Property is located.

### 1.3 Authority.

The JEDC has authorized the execution of this Sixth Amendment and the Council of the City has further authorized such execution pursuant to City Ordinance 2006-957-E (the "Ordinance").

### 1.4 City/JEDC Determination.

The City, in consultation with the JEDC, has determined that the Project is consistent with the goals of the City in that the Project will create public parking, and assist the City to, among other things:

- (a) increase capital investment in the downtown Jacksonville Area;
- (b) generate significant new ad valorem taxes, including significant new tax revenues for the public school system;
- (c) promote jobs and employment in downtown Jacksonville;
- (d) create savings to the City through reductions in existing and continuing long term obligations of the City;
- (e) help meet the overall community goal of business development and growth in downtown Jacksonville.

### 1.5 No City Indebtedness.

The City shall not incur any costs or indebtedness in connection with this Sixth Amendment apart from the costs and indebtedness that the City previously agreed to incur in connection herewith and with the Garage Development Agreement and Parking Rights Agreement, except that with respect to the Parking Rights Agreement Validation Payments as

described in section 3.2.2 hereof, the annual Validation Payments will be a fixed amount of \$132,250 beginning in the sixth year of the validation program for the period of years described in the Amended Parking Rights Agreement instead of up to \$131,250 per year based on the actual prior year's usage as provided in the original Parking Rights Agreement.

**Article 2.**  
**DEFINITIONS**

As used in this Sixth Amendment, the terms set forth below in this Article 2 shall have the meaning set opposite each. Capitalized terms not defined herein but defined in the original October 3, 1985 Lease shall have the meanings given to them in the original Lease.

**2.1 Amended Garage Development Agreement.**

As defined in section 1.1.3, and in the form of Exhibit E to the Humana Release/Assignment Consent attached hereto as **Exhibit E**.

**2.2 City Council.**

The body politic, as the same shall be from time to time constituted, charged with the duty of governing the City.

**2.3 Closing.**

The Closing is defined in section 4.5.1.

**2.4 Closing Cutoff Date**

The Closing Cutoff date is May 30, 2007, unless extended by the mutual written agreement of the City and JLI.

**2.5 Deed.**

The Deed to the Property as defined in section 4.1.1.

**2.6 JLI.**

Jacksonville Landing Investments, LLC, a Florida limited liability company.

**2.7 Existing Buildings.**

As defined in section 1.1.

**2.8 Garage Development Agreement.**

As defined in section 1.1.2.

**2.9 Hazardous Materials.**

As defined in section 4.4.2.

2.10 **Force Majeure.**

Those circumstances beyond the fault and reasonable control of a party required to perform an act, including, but not limited to, Acts of God, war, act of terrorism, insurrection, fire, flood, earthquake, accident, strike or other labor disturbance, extended shortage of materials, interruptions of or delays in transportation, power failures or judicial decree or injunction, or government moratorium on construction that includes the Property (but not including normal governmental approvals required for construction).

2.11 **Humana.**

Humana Medical Plan, Inc., a Florida corporation.

2.12 **Humana Release/Assignment Consent.**

As defined in section 3.2.

2.13 **Improvements.**

As defined in section 1.2.3.

2.14 **JEDC.**

The Jacksonville Economic Development Commission and any successor to its duties and authority.

2.15 **Kuhn.**

Project RiverWatch, LLC, a Florida limited liability company owned or controlled by Cameron Kuhn that will be developing, owning and maintaining the Kuhn Garage.

2.16 **Kuhn Garage.**

As defined in section 1.1.3.

2.17 **Laws.** The term “law” or “laws” (whether or not capitalized) as used herein shall include without limitation statutes, ordinances, codes, regulations, administrative rulings, and court cases.

2.18 **Parking Garage.**

As defined in section 1.1.2.

2.19 **Parking Rights Agreement and Amended Parking Rights Agreement.**

The Parking Rights Agreement is defined in section 1.1.2, and the Amended Parking Rights Agreement is defined in section 1.1.3.

2.20 **Permitted Exceptions.**

The Permitted Exceptions are defined in section 4.3.1.1.

2.21 **Permitted Uses.**

The “Permitted Uses” shall include parking facilities, retail facilities, entertainment or recreation, residential, office, convention and hotel facilities, and shall include the uses that are consistent with the Plan and Downtown Master Plan.

2.22 **Plan.**

The Community Redevelopment Plan for the Northside East Community Redevelopment Area where the Property is located, which Plan and implementation thereof is governed by ordinance and the Downtown Master Plan.

2.23 **Project.**

The Project is defined in section 1.2.2.

2.24 **Project Documents.**

The term Project Documents is defined in section 13.25.1.

2.25 **Property.**

That real property described on **Exhibit B** attached hereto, and all air rights over such property, subject, however, to all easements and rights in favor of the Florida Department of Transportation and the easements described in Article 7 hereof. The Property consists mostly of a surface parking lot and includes certain parking equipment, gates, booths, etc. The Property to be conveyed shall include all such parking related equipment except for the items to be retained by the City as described in Section 4.5.4, which the City plans to remove from the Property on or before the Closing Date.

2.26 **Public Parking Spaces.**

As defined in section 1.1.2.

2.27 **Purchase Price.**

As defined in section 4.2.1.

2.28 **Release Agreement.**

The Parking Obligation Termination and Mutual Limited Release Agreement dated simultaneously herewith and in the form of attached **Exhibit C**, which terminates the City’s obligation to provide parking for the Landing and contains mutual limited releases pursuant to which the parties, except as otherwise provided herein, mutually release each other from all of their respective obligations, costs, damages and liabilities under and related to the Lease up to

and including the date hereof, but not including the parties' respective obligations accruing on or after the date hereof under the Lease, as amended hereby.

2.29 **Riverwalk Parcel.**

That certain existing improvement area of varying width parallel and adjacent to the St. Johns River along the entirety of the Property, as more specifically described and shown on the survey attached as **Exhibit D** hereto, the ownership of which shall be retained by the City. Such parcel shall continue to be maintained by the City in the manner that the City maintains other areas of the Riverwalk on the Northbank adjacent to the Property.

2.30 **Riverwalk.**

That certain existing improvement area of varying width parallel and adjacent to the St. Johns River along the north bank downtown including along the entirety of the West Parcel and East Parcel, the ownership of which shall be retained by the City. The Riverwalk includes without limitation the Riverwalk Parcel adjacent to the Property.

2.31 **State.**

The State of Florida.

2.32 **Utilities Payment.**

As defined in section 1.1.3.

Other capitalized terms not defined in this Article shall have the meanings assigned to them elsewhere in this Sixth Amendment.

**Article 3.**

**APPROVALS; CONSENT TO ASSIGNMENTS; JLI'S CONDITIONAL RIGHTS TO CONSTRUCT THE JLI PARKING GARAGE; CITY/HUMANA SETTLEMENT**

3.1 **Approval of Agreement.**

By the execution hereof, the parties certify as follows:

- 3.1.1 JLI certifies that
  - (a) the execution and delivery hereof has been approved by all parties whose approval is required under the terms of the governing documents creating the particular JLI entity;
  - (b) this Sixth Amendment does not violate any of the terms or conditions of such governing documents and the Sixth Amendment is binding upon JLI and enforceable against it in accordance with its terms;

- (c) the person or persons executing this Sixth Amendment on behalf of JLI are duly authorized and fully empowered to execute the same for and on behalf of JLI;
- (d) JLI is duly authorized to transact business in the State of Florida and has received all necessary permits and authorizations required by appropriate governmental agencies as a condition to doing business in the State of Florida;
- (e) JLI and its business operations, are in material compliance with all Federal, State and local laws; and
- (f) JLI is presently the sole lessee under the Lease and the sole owner of all the corresponding rights, title and interest in and to the Existing Buildings under the Lease, and, other than JLI, no person or entity has any right, title or interest in or to the Lease or Existing Buildings as a lessee under the Lease, excluding, however, subtenants of JLI.

3.1.2 The JEDC certifies that the execution and delivery hereof has been approved at a duly convened meeting of the JEDC and the same is binding upon the JEDC and enforceable against it in accordance with its terms.

3.1.3 The City certifies that the execution and delivery hereof is binding upon the City to the extent provided herein and enforceable against it in accordance with its terms.

**3.2 Consents to Humana Assignments and Amended Garage Development Agreement; JLI Rights Upon Termination of Amended Garage Development Agreement and Amended Parking Rights Agreement.**

3.2.1 Consents to Humana Assignment. The City and JLI hereby consent to Humana's assignment to Kuhn of Humana's rights and obligations under the Garage Development Agreement and Parking Rights Agreement, and the parties are releasing Humana from all of its obligations under such agreements. JLI also hereby consents to the Amended Garage Development Agreement between the City and Kuhn and the Amended Parking Rights Agreement among the City, JLI and Kuhn. Such consents and release are more specifically set forth in the Release and Consent to Assignment ("Humana Release/Assignment Consent") dated simultaneously herewith and in the form of attached **Exhibit E**.

3.2.2 Payments to JLI Upon Termination of Amended Garage Development Agreement and Parking Rights Agreement; Construction of Garage by JLI. The Amended Garage Development Agreement and Amended Parking Rights Agreement provide that if Kuhn defaults in its obligations to construct the Kuhn Garage within the time periods set forth in the Amended Garage Development Agreement and such defaults continue after expiration of all applicable cure periods, the City shall terminate the Amended Garage Development Agreement and Amended Parking Rights Agreement, provided that JLI also simultaneously joins with the City in terminating the Amended

Parking Rights Agreement, and in the event of such terminations the City will be relieved of all obligations to pay Kuhn the up to \$3,000,000 City grant (the "Garage Grant") payable upon completion of construction of the Kuhn Garage and the parking validation payments described therein and in the Amended Parking Rights Agreement (the "Validation Payments"). Notwithstanding the foregoing, if Kuhn has commenced construction and is actively continuing construction of the Kuhn Garage in the City's opinion, then the City and JLI will be entitled (but not obligated) to grant any extensions to Kuhn that the City and JLI mutually agree upon for the completion of the Kuhn Garage. If, however, Kuhn's defaults in the construction of the Kuhn Garage are continuing after the expiration of all cure periods and the City terminates the Amended Garage Development Agreement and the City and JLI mutually agree to terminate the Amended Parking Rights Agreement, then in the event of such terminations whereby the City is relieved of all obligations to pay to Kuhn the Garage Grant, Utilities Payment and Validation Payments under the Amended Garage Development Agreement and Amended Parking Rights Agreement, the City will instead pay to JLI the Garage Grant, and begin paying the Validation Payments to JLI under the terms of the Amended Parking Rights Agreement (as if JLI were substituted for Kuhn under such agreement), upon the opening to the public of a new parking garage constructed by JLI (the "JLI Garage"). Additionally, assuming such termination of the Amended Garage Development Agreement and Amended Parking Rights Agreement and the payment of the Garage Grant and Validation Payments to JLI, the City will also reimburse JLI upon the opening of the JLI Garage to the public, up to \$500,000 (the amount of the maximum Utilities Payment) of JLI's costs incurred in relocating utilities if (a) the JLI Garage is not located on the Property, and (b) the JLI Garage site chosen by JLI contains utilities that JLI is required by the City or JEA to relocate in order to build the JLI Garage on such site; provided however that such payment shall not exceed JLI's actual out-of-pocket costs of relocating such utilities as demonstrated by paid invoices, receipts or other evidence of such costs requested by the JEDC or City. The JLI Garage shall (i) be located on the Property or other location that JLI determines within the area of downtown Jacksonville bounded by Ocean Street, Forsyth Street, Julia Street and the St. Johns River or other area subject to JEDC approval (the "Garage Location Area"), (ii) contain at least the Public Parking Spaces, which shall be constructed pursuant to the design specifications (including without limitation the specifications concerning the location and configuration of the parking spaces within the garage) set forth in the Amended Parking Rights Agreement, and (iii) be open during the garage hours of operation described in the Amended Parking Rights Agreement. JLI hereby agrees to such parking space location and design specifications, and JLI agrees to such garage hours of operation for the JLI Garage, with respect to the Public Parking Spaces, throughout the Lease term including any renewal periods. Notwithstanding anything to the contrary herein, the JLI Garage, if not constructed as part of the Improvements, shall contain the Public Parking Spaces (i.e., 300 daily and 375 night and weekend spaces as more specifically described in the Amended Parking Rights Agreement), but if constructed as part of the Improvements, the JLI Garage shall contain the Public Parking Spaces plus at least 243 additional short-term public parking spaces, which is the number of such spaces presently located on the Property. If the JLI Garage is built as part of the Improvements, the City will not be obligated to pay the Garage Grant or Utilities Payment, or begin paying the Validation



Payments, to JLI until all such parking spaces (Public Parking Spaces and 243 additional spaces) are open to the public. The parties agree that JLI shall not be entitled to any portion of the Garage Grant or Validation Payments or Utilities Payment for replacing any of the presently existing parking spaces on the Property, and JLI shall only be entitled to such grant/payments for constructing new Public Parking Spaces in addition to the existing parking spaces (and with respect to the Utilities Payment, JLI is only entitled to such payment under the conditions recited above in this section). Notwithstanding the foregoing, the Public Parking Spaces need not be open to the public until 10 a.m.

3.2.3 JLI Construction of JLI Garage. Upon any such termination by the City of the Amended Garage Development Agreement and the mutual termination by the City and JLI of the Amended Parking Rights Agreement, JLI may construct the JLI Garage at such time as JLI determines on the Property or within the Garage Location Area. Upon the opening of the JLI Garage to the public, the City will pay to JLI the Garage Grant and Utilities Payment, and begin paying the Validation Payments, under the terms and conditions of section 3.2.2. As a condition of receiving such Garage Grant and Validation Payments and Utilities Payment, JLI shall enter into agreements with the City containing the terms and conditions of the Amended Garage Development Agreement and Amended Parking Rights Agreement to the extent such terms and conditions are consistent with this Sixth Amendment. Additionally, JLI shall provide public parking for the Landing as described in Section 5.2.2.

### 3.3 City/Humana Settlement.

The City and Humana are simultaneously herewith entering into a settlement agreement (the "City/Humana Settlement Agreement") pursuant to which the City and Humana are settling various obligations among them. The execution of this Sixth Amendment and the delivery of the Release Agreement are conditioned upon the prior or simultaneous execution, delivery and closing of the City/Humana Settlement Agreement and related settlement documents including, without limitation the execution and delivery of: (i) Humana's assignment to Kuhn of Humana's rights and obligations under the Garage Development Agreement and Parking Rights Agreement, (ii) the Amended Garage Development Agreement between the City and Kuhn and the Amended Parking Rights Agreement among the City, JLI and Kuhn (collectively, the "Kuhn/City/Humana Documents").

## **Article 4. PURCHASE AND SALE OF PROPERTY**

### 4.1 Property Conveyed.

4.1.1 Subject to the terms and conditions of this Sixth Amendment and the Permitted Exceptions (as hereafter defined), the City hereby agrees to sell and convey to JLI, and JLI hereby agrees to purchase from the City, the Property. At Closing, the City shall deliver to JLI the special warranty deed in the form of attached **Exhibit F** (the "Deed").

4.1.2 At Closing, JLI shall deliver to the City the Purchase Price (defined hereafter) in immediately available funds.

4.1.3 The portion of the Property located under and between the Main Street Bridge ramps is burdened by a perpetual right of way easement in favor of Florida Department of Transportation, with a reservation by the City to use such easement area for parking where physically possible and for public utilities (the “FDOT Easement”). Notwithstanding such reservation, JLI shall be allowed to use the easement area in the place of the City for parking where physically possible, but only to the extent that such use does not unreasonably interfere with any utilities or utility easements required by the City or JEA, and existing at Closing. JLI’s use of the portion of the Property encumbered by the FDOT Easement shall be in accordance with the terms of such easement.

#### **4.2 Purchase Price; Additional Consideration.**

4.2.1 Current Fair Market Value. The Purchase Price for the Property (the “Purchase Price”) is \$4,700,000, which is the fair market value of the Property as determined by Rogers Appraisal Group, Inc., pursuant to its appraisal dated June 13, 2006 (the “2006 Appraisal”).

4.2.2 Additional Consideration Payable. The City is exploring with the FDOT the possibility of reconfiguring the Main Street Bridge by removing the side ramps leading onto and off of such bridge and making the only entrance and exit via Main Street, or alternatively Main Street and Ocean Street. If and when such ramp removal occurs, it will increase the value of the Ramp Property defined below because it will allow additional vertical development of the Ramp Property. JLI agrees that at such time as such ramps may be removed in the future, the City shall be entitled to additional consideration for the sale of the Ramp Property based on the increase in the fair market value of the Ramp Property resulting from the removal of the ramps, which removal will greatly increase the development potential of the Ramp Property. The 2006 Appraisal, on page 66, includes various per square footage valuations of the Property that differ based upon the development potential of the particular portion of the Property valued, and a copy of such appraisal page is attached hereto as **Exhibit G**. For example, the portions of the property with the highest development potential and least restrictions are valued at a higher per square foot amount. Based on the 2006 Appraisal, the highest development potential areas (the “Main East Parcel”) are valued at \$53.00 per square foot (the “Highest Development Valuation”). Conversely, the portion of the Property located (i) under and between the above-described ramps, which totals 77,711 square feet is valued at \$10.00 per square foot, (ii) next to the ramps but within the FDOT easement area, which totals 7,675 square feet, is valued at \$15.00 per square foot, and (iii) under and between the bridge and ramps but which is unusable and totals 20,000 square feet, is valued at \$0.0 (collectively the “Ramp Property”). The parties agree that for a period of five years beginning on the Closing Date, the increased value of the Ramp Property resulting from any removal of such ramps, will be based upon the difference between the Highest Development Valuation and the valuations for the various types of Ramp Property as described above and shown on **Exhibit G**, multiplied by the number of square feet of the particular type of Ramp Property as described above and on such

Exhibit. If the ramps are removed more than five years after the Closing Date, and in view of then existing or in progress construction the Ramp Property can be developed with vertical construction, the City shall be entitled to obtain an appraisal to determine the difference at that time between the total fair market value of the Ramp Property with the ramps (assuming the ramps still existed) and without the ramps, and based on vertical construction that can be built on the Ramp Property (the “Ramp Property Value Difference”). The parties agree to work together in good faith to determine the assumptions to be used by the appraiser in determining the fair market value of the Ramp Property. If JLI disagrees with such appraised amount, JLI shall be entitled to obtain its own appraisal to determine the Ramp Property Value Difference. If the parties cannot then agree on the above difference in fair market value, then the two appraisers shall pick a third appraiser who shall perform a third appraisal to determine the Ramp Property Value Difference, and such appraisal shall be final and binding on the parties (the “Binding Appraisal,” which term also includes any appraisal obtained by the City and approved by JLI). JLI agrees to pay to the City the Ramp Property Value Difference, within 30 days of receipt of a copy of the Binding Appraisal. Any failure to pay such amount within such 30-day period shall constitute a default hereunder, and the City as its exclusive remedy shall be entitled to bring an action to collect such amount, together with prejudgment interest from the date of such default at four percent per annum in excess of the prevailing prime rate, plus attorneys’ fees and costs. In any other action brought in connection with this Sixth Amendment or the Project Documents each party shall pay its own attorneys’ fees and costs.

4.2.3 Option to Purchase Out Parcel. If the City holds title to the parcel lying north of the Property and south of East Independent Drive on which there is currently located a City storm water pumping station, as more specifically described on **Exhibit H** (the “Out Parcel”), and upon the closing of the ramp connecting the Main Street Bridge to East Independent Drive, JLI shall have the right, but not the obligation, exercisable within two years following the physical removal of such ramp to purchase the fee simple title to the Out Parcel for the then fair market value thereof, which right shall be exercised by JLI’s giving written notice within such time of its exercise to the City and the JEDC. That fair market value shall be determined using the appraisal method described in §4.2.2; provided, however, that as a condition precedent to the closing of the purchase of the Out Parcel, JLI and the City, both acting reasonably, must agree on the relocation of such pumping station and related easements, which shall be at JLI’s sole expense. The City has not at this time determined the feasibility of relocating such pumping station. The closing shall occur within ninety (90) days following the satisfaction of such condition and the payment shall be in immediately available funds. In addition to paying for all pumping/utility station and utilities relocation costs, JLI shall pay all costs related to such conveyance, including the costs of the appraisal, survey, title insurance, deed stamps and other closing costs. JLI will be responsible for confirming the identity of the owner of the Out Parcel prior to Closing.

#### 4.3 Closing and Post-Closing Obligations.

##### 4.3.1 Title Commitment, Survey, and Land Use Issues.

4.3.1.1 JLI has been in possession of the Landing for over three years, has continuously operated its business adjacent to the Property during such time period, and has had ample opportunity to inspect the condition of the Property. JLI has previously obtained at its sole expense a commitment for title insurance (the "Title Commitment") for the Property and JLI approves of the Title Commitment with the exception of the items listed on attached **Exhibit I** (the "Title Objections"). City shall have the right to cure or attempt to cure such Title Objections within thirty (30) days after the Effective Date. Notwithstanding the foregoing, however, the City shall not have any obligation to cure any such Title Objections or to bring suit to cure any or all title exceptions or defects; provided that the City will use reasonable efforts to do so without incurring any out of pocket costs. In the event City is unable to or elects not to cure any one or more of JLI's Title Objections, City shall notify JLI in writing of such election (the "Election Notice"), and JLI may at its option terminate those provisions of this Sixth Amendment relating to the purchase of the Property (the "Purchase Provisions"), by notifying City in writing within three (3) days after receiving the Election Notice, in which event the parties shall have no further liability to one another hereunder with respect to the Purchase Provisions, except as specifically set forth herein. If JLI fails to terminate the Purchase Provisions of this Sixth Amendment within three (3) days after receiving the Election Notice, JLI shall be deemed to have waived such objection and the parties shall proceed to Closing. The term "Permitted Exceptions", as used herein, shall mean (i) the title exceptions listed in Schedule B of the Title Commitment that JLI approves or is deemed to approve pursuant to this Section 4.3.1.1, (ii) any general exceptions and exclusions contained in the standard owner's policy of the Title Company that are not deleted pursuant to the Owner's Affidavit, and (iii) the exceptions listed in the Deed.

4.3.1.2 Within 30 days after the Effective Date, JLI shall obtain a survey of the Property at its own expense and promptly provide a copy to the City, and as a condition to Closing, such survey shall be satisfactory to each of the parties.

4.3.2 No Liability of City. Neither the City, nor any of its officers, directors, employees, agents or representatives, shall be deemed to make or have made any representation or warranty as to the accuracy or completeness of any information pertaining to the Property except as expressly provided herein or in the Deed, or whether or not the information provided constitutes all of the information available to the City; and neither the City nor any of its officers, directors, employees, representatives or agents shall have any liability resulting from JLI's use of any information pertaining to the Property. Notwithstanding anything to the contrary set forth in this Sixth Amendment, the provisions of this section shall survive the Closing or the termination of the Purchase Provisions of this Sixth Amendment, as applicable.

4.3.3 Additional Conditions. The obligations of JLI to close the purchase of the Property are subject to the additional conditions precedent that JLI and guests of the Property shall have the same rights to moor vessels along the north bank of the St. Johns River lying immediately south of the Property as are available to the public. The City

represents that the Property has been rezoned to Commercial Central Business District (CCBD).

4.3.4 Termination. If the Purchase Provisions of this Sixth Amendment relating to the purchase and sale of the Property are terminated pursuant to section 4.3.1 above, neither party shall have any further rights or obligations under this Sixth Amendment with respect thereto. JLI shall, within ten (10) days of such termination, deliver to City copies of all documents received from City including without limitation all feasibility studies, engineering reports, surveys and all other information obtained or generated by JLI in connection with the Property.

**4.4 No Representations or Warranties by City; Acceptance of Property "As Is".**

4.4.1 Disclaimer. JLI ACKNOWLEDGES AND AGREES THAT CITY HAS NOT MADE, DOES NOT MAKE AND SPECIFICALLY NEGATES AND DISCLAIMS ANY REPRESENTATIONS, WARRANTIES (OTHER THAN THE WARRANTY OF TITLE AS SET OUT IN THE SPECIAL WARRANTY DEED DESCRIBED HEREIN AND THE REPRESENTATIONS EXPRESSLY SET FORTH IN THIS SIXTH AMENDMENT), PROMISES, COVENANTS, AGREEMENTS OR GUARANTIES OF ANY KIND OR CHARACTER WHATSOEVER, WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, PAST, PRESENT OR FUTURE, OF, AS TO, CONCERNING OR WITH RESPECT TO (A) THE VALUE, NATURE, QUALITY OR CONDITION OF THE PROPERTY (INCLUDING THE PROPERTY, INCLUDING WITHOUT LIMITATION, THE WATER, SOIL AND GEOLOGY, (B) ANY INCOME TO BE DERIVED FROM THE PROPERTY, (C) THE SUITABILITY OF THE PROPERTY AND PROPERTY FOR ANY AND ALL ACTIVITIES AND USES WHICH JLI MAY CONDUCT THEREON, (D) THE COMPLIANCE OF OR BY THE PROPERTY OR ITS OPERATION WITH ANY LAWS, RULES, ORDINANCES OR REGULATIONS OF ANY APPLICABLE GOVERNMENTAL AUTHORITY OR BODY, (E) THE HABITABILITY, MERCHANTABILITY, MARKETABILITY, PROFITABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF THE PROPERTY, (F) GOVERNMENTAL RIGHTS OF POLICE POWER OR EMINENT DOMAIN, (G) DEFECTS, LIENS, ENCUMBRANCES, ADVERSE CLAIMS OR OTHER MATTERS: (1) NOT KNOWN TO CITY AND NOT SHOWN BY THE PUBLIC RECORDS BUT KNOWN TO JLI AND NOT DISCLOSED IN WRITING BY JLI TO THE CITY PRIOR TO THE CLOSING, (2) RESULTING IN NO LOSS OR DAMAGE TO JLI OR (3) ATTACHING OR CREATED SUBSEQUENT TO THE DATE OF THE CLOSING, (H) VISIBLE AND APPARENT EASEMENTS AND ALL UNDERGROUND EASEMENTS, THE EXISTENCE OF WHICH MAY ARISE BY UNRECORDED GRANT OR BY USE, (I) ALL MATTERS THAT WOULD BE DISCLOSED BY A CURRENT SURVEY OF THE PROPERTY, (J) THE MANNER OR QUALITY OF THE CONSTRUCTION OR MATERIALS, IF ANY, INCORPORATED INTO THE PROPERTY, (K) THE MANNER, QUALITY, STATE OF REPAIR OR LACK OF REPAIR OF THE PROPERTY, OR (L) ANY OTHER MATTER WITH RESPECT TO THE PROPERTY, AND SPECIFICALLY, THAT CITY HAS NOT MADE, DOES NOT MAKE AND SPECIFICALLY DISCLAIMS ANY REPRESENTATIONS REGARDING COMPLIANCE WITH ANY

ENVIRONMENTAL PROTECTION, POLLUTION OR LAND USE, ZONING OR DEVELOPMENT OF REGIONAL IMPACT LAWS, RULES, REGULATIONS, ORDERS OR REQUIREMENTS, INCLUDING THE EXISTENCE IN OR ON THE PROPERTY OF HAZARDOUS MATERIALS (AS DEFINED BELOW). JLI FURTHER ACKNOWLEDGES AND AGREES THAT HAVING OPERATED ITS BUSINESS ON AND ABOUT THE PROPERTY FOR OVER TWO AND ONE-HALF YEARS, JLI HAS HAD AMPLE OPPORTUNITY TO INSPECT THE PROPERTY, AND JLI IS RELYING SOLELY ON ITS OWN INVESTIGATION OF THE PROPERTY AND NOT ON ANY INFORMATION PROVIDED OR TO BE PROVIDED BY CITY. AT THE CLOSING JLI AGREES TO ACCEPT THE PROPERTY AND WAIVE ALL OBJECTIONS OR CLAIMS AGAINST CITY (INCLUDING, BUT NOT LIMITED TO, ANY RIGHT OR CLAIM OF CONTRIBUTION) ARISING FROM OR RELATED TO THE PROPERTY OR TO ANY HAZARDOUS MATERIALS ON THE PROPERTY. JLI FURTHER ACKNOWLEDGES AND AGREES THAT ANY INFORMATION PROVIDED OR TO BE PROVIDED WITH RESPECT TO THE PROPERTY WAS OBTAINED FROM A VARIETY OF SOURCES AND THAT CITY HAS NOT MADE ANY INDEPENDENT INVESTIGATION OR VERIFICATION OF SUCH INFORMATION AND MAKES NO REPRESENTATIONS AS TO THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION. CITY IS NOT LIABLE OR BOUND IN ANY MANNER BY ANY VERBAL OR WRITTEN STATEMENTS, REPRESENTATIONS OR INFORMATION PERTAINING TO THE PROPERTY, OR THE OPERATION THEREOF, FURNISHED BY ANY REAL ESTATE BROKER, OFFICER, EMPLOYEE, AGENT, SERVANT OR OTHER PERSON. JLI FURTHER ACKNOWLEDGES AND AGREES THAT TO THE MAXIMUM EXTENT PERMITTED BY LAW, THE SALE OF THE PROPERTY AS PROVIDED FOR HEREIN IS MADE IN AN "AS IS" CONDITION AND BASIS WITH ALL FAULTS. IT IS UNDERSTOOD AND AGREED THAT THE PURCHASE PRICE HAS BEEN ADJUSTED BY PRIOR NEGOTIATION TO REFLECT THAT ALL OF THE PROPERTY IS SOLD BY CITY AND PURCHASED BY JLI SUBJECT TO THE FOREGOING. THE PROVISIONS OF THIS SECTION SHALL SURVIVE THE CLOSING.

4.4.2 Hazardous Materials. "Hazardous Materials" shall mean any substance which is or contains (i) any "hazardous substance" as now or hereafter defined in the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (42 U.S.C. §9601 et seq.) ("CERCLA") or any regulations promulgated under or pursuant to CERCLA; (ii) any "hazardous waste" as now or hereafter defined in the Resource Conservation and Recovery Act (42 U.S.C. §6901 et seq.) ("RCRA") or regulations promulgated under or pursuant to RCRA; (iii) any substance regulated by the Toxic Substances Control Act (15 U.S.C. §2601 et seq.); (iv) gasoline, diesel fuel, or other petroleum hydrocarbons; (v) asbestos and asbestos containing materials, in any form, whether friable or non-friable; (vi) polychlorinated biphenyls; (vii) radon gas; and (viii) any additional substances or materials which are now or hereafter classified or considered to hazardous or toxic under Environmental Requirements (as hereinafter defined) or the common law, or any other applicable laws relating to the Property. Hazardous Materials shall include, without limitation, any substance, the presence of

which on the Property, (A) requires reporting, investigation or remediation under Environmental Requirements; (B) causes or threatens to cause a nuisance on the Property or adjacent property or poses or threatens to pose a hazard to the health or safety of persons on the Property or adjacent property; or (C) which, if it emanated or migrated from the Property, could constitute a trespass.

4.4.3 Environmental Requirements. Environmental Requirements shall mean all laws, ordinances, statutes, codes, rules, regulations, agreements, judgments, orders, and decrees, now or hereafter enacted, promulgated, or amended, of the United States, the states, the counties, the cities, or any other political subdivisions in which the Property is located, and any other political subdivision, agency or instrumentality exercising jurisdiction over the owner of the Property, the Property, or the use of the Property, relating to pollution, the protection or regulation of human health, natural resources, or the environment, or the emission, discharge, release or threatened release of pollutants, contaminants, chemicals, or industrial, toxic or hazardous substances or waste or Hazardous Materials into the environment (including, without limitation, ambient air, surface water, ground water or land or soil).

4.4.4 Radon Notice. 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 COUNTY PUBLIC HEALTH UNIT.

4.4.5 Environmental Risks. JLI acknowledges that there are, or may be, certain environmental issues and/or risks with respect to the Property. JLI shall have the right to cause such environmental studies of the Property to be performed at JLI's expense as JLI shall so choose.

4.4.6 JLI Responsibility. JLI hereby expressly acknowledges that from and after the Closing, JLI shall be responsible and liable for the proper maintenance and handling of any and all Hazardous Materials, if any, located in or on the Property or any improvements thereon in accordance with all Environmental Requirements, including the regulations at 40 C.F.R. Section 61 as authorized under the Clean Air Act and all regulations promulgated or to be promulgated under all other applicable local, state or federal laws, rules or regulations, as same may be amended from time to time.

4.4.7 Release. JLI, on behalf of itself and its heirs, successors and assigns hereby waives, releases, acquits and forever discharges City, its officers, directors, employees, agents, attorneys, representatives, and any other persons acting on behalf of City and the successors and assigns of any of the preceding, of and from any and all claims, actions, causes of action, demands, rights, damages, costs, expenses or compensation whatsoever, direct or indirect, known or unknown, foreseen or unforeseen, which JLI or any of its heirs, successors or assigns now has or which may arise in the future on account of or in any way related to or in connection with any past, present, or

future physical characteristic or condition of the Property or any improvements thereon, including, without limitation, any Hazardous Materials in, at, on, under or related to the Property or any improvements thereon, or any violation or potential violation of any Environmental Requirement applicable thereto. Notwithstanding anything to the contrary set forth herein, this release shall survive the Closing or termination of this Sixth Amendment. The release in this subsection is not intended to create an indemnity right in favor of the City. Notwithstanding the foregoing, JLI shall receive a credit against the Purchase Price for any amounts due to JLI from the City with respect to the \$275 per day payment due from the City to the extent not previously paid as provided in the Fifth Amendment, which amount as of the date of this Sixth Amendment is \$345,125; provided however that such payment shall only be calculated through the date hereof and further accruals thereof shall be terminated as of the date hereof.

#### 4.5 Closing.

4.5.1 Closing. Subject to the terms of this Sixth Amendment, the closing of the sale of the Property (the "Closing") shall be held at the offices of City's counsel on or before 30 days after the Effective Date, but no later than the Closing Cutoff Date (the "Closing Date").

4.5.2 Possession. Possession of the Property shall be delivered to JLI at the Closing, subject to the Permitted Exceptions.

4.5.3 Prorations. At Closing, pro-rations of expenses and the apportionment of taxes shall be as follows:

- (a) All utilities and all other operating expenses that the City has been responsible for paying, if any, with respect to the Property, for the month in which the Closing occurs shall be prorated as of the date of Closing. JLI shall be responsible for all property taxes and other assessments related to the Property on and after the Closing Date irrespective of any changes in assessed values or taxes after the Closing Date.
- (b) The agreements of City and JLI set forth in this section shall survive the Closing.

4.5.4 Parking Operations Expenses and Revenues; Parking Equipment. Beginning on the Closing Date, JLI shall own and be entitled to operate the parking facility located on the Property, and JLI shall assume all expenses of operating and maintaining such parking facility. All parking revenues and related expenses through the date of Closing shall be retained by the City and JLI shall be entitled to any parking revenues collected by JLI after Closing. As stated in the definition of the "Property" in Article 2 hereof, the Property to be conveyed consists of certain parking equipment (including the electric gates, gate houses and fencing) but does not include the items to be retained by the City as described on attached **Exhibit J**. The City plans to remove such items from the Property on or before the Closing Date, but JLI will cooperate with the



City by permitting the City to remove any such items after Closing if such equipment is not removed before Closing.

4.6 **Closing Costs; Attorneys Fees.** JLI shall conduct such investigations as it deems necessary to purchase the Property and JLI shall pay all closing expenses including, but not limited to, the costs of JLI's investigations, documentary and deed stamp taxes, recording costs, title search, owner's and loan title policies, surveys, environmental site assessments, additional appraisals, any costs associated with its financing of the transaction, and ad valorem taxes pursuant to Fla. Stat. section 196.295. City shall pay the cost of recording instruments curing any title defects related to the conveyance of the Property. Each party shall pay its own attorneys' fees and costs in connection with the transaction and any legal proceeding that may be initiated at any time related to this Sixth Amendment or the Project Documents, except as provided in section 4.2.2.

4.7 **City's Obligations at the Closing.** At the Closing, City shall deliver to JLI each of the following documents:

- (a) **Deed.** The Deed executed by City conveying the Property to JLI subject to the Permitted Exceptions and the restrictions, covenants and easements as described in this Sixth Amendment, in the form of attached **Exhibit F**.
- (b) **Evidence of Authority.** Copy of such documents and resolutions as may be acceptable to the Title Company, so as to evidence the authority of the person signing the Deed and other documents to be executed by City at the Closing and the power and authority of City to convey the Property to JLI in accordance with this Sixth Amendment.
- (c) **Foreign Person.** An affidavit of City certifying that City is not a "foreign person", as defined in the Federal Foreign Investment in Real Property Tax Act of 1980 and the 1984 Tax Reform Act, as amended.
- (d) **Owner's Affidavit.** An executed affidavit or other document acceptable to the Title Company in issuing the Owner's Policy without exception for possible lien claims of mechanics, laborers and materialmen or for parties in possession, as applicable.
- (e) **City's Affidavit.** An affidavit of City at Closing acknowledging that the terms of this Sixth Amendment applicable to the City and that are intended to survive the Closing shall survive the Closing.
- (f) **Riverwalk Parcel Easement.** The executed Riverwalk Parcel Easement in the form attached as **Exhibit K** in favor of JLI and the Property providing ingress and egress over the Riverwalk Parcel between the Property and the St. Johns River and between the Property and the Landing.
- (g) **Other Documentation.** Such other documents as may be reasonable and necessary in the opinion of JLI or its counsel to consummate and close the purchase and sale contemplated herein pursuant to the terms and

provisions of this Sixth Amendment, provided that such documents do not conflict with the terms of this Sixth Amendment.

4.7.1 Additional Documents Required With This Sixth Amendment. The execution and delivery of this Sixth Amendment is conditioned upon the simultaneous execution and delivery of the following agreements between the City and third parties:

4.7.1.1 City/Humana Settlement Agreement. The fully executed City/Humana Settlement Agreement in a form mutually satisfactory to the City and Humana.

4.7.1.2 Amended Garage Development Agreement and Amended Parking Rights Agreement. The fully executed Amended Garage Development Agreement, in a form mutually satisfactory to the City and Kuhn, and the Amended Parking Rights Agreement substantially in the form attached to the Release and Consent to Assignment Agreement attached as **Exhibit E**.

4.7.1.3 Assignment and Assumption Agreement. The fully executed Assignment and Assumption Agreement between Kuhn and Humana, whereby Kuhn assumes all obligations of Humana under the Garage Development Agreement and Parking Rights Agreement.

4.7.1.4 Humana Release/Assignment Consent. The fully executed Humana Release/Assignment Consent in the form of attached **Exhibit E**.

4.8 **JLI's Obligations at the Closing.** At the Closing, JLI shall deliver to City the following:

- (a) Evidence of Authority. Such consents and authorizations as City may reasonably deem necessary to evidence authorization of JLI for the purchase of the Property, the execution and delivery of any documents required in connection with Closing and the taking of all action to be taken by JLI in connection with Closing.
- (b) Buyer's Affidavit. An affidavit of JLI at Closing acknowledging that (i) the terms of this Sixth Amendment applicable to JLI and that are intended to survive the Closing shall survive the Closing and continue to apply to the Property, and (ii) the Property shall be developed subject to (a) the restrictions, covenants, and easements described herein, (b) the Permitted Uses, and all (c) applicable laws, rules and regulations.
- (c) City Sewer Easement and City Utility Easements. The City Sewer Easement and City Utility Easements as described in Section 7.1.1 and in the form of attached **Exhibit L** and **Exhibit M** if not already included in the Deed or previously conveyed by the City to JEA prior to Closing.

- (d) Purchase Price. The Purchase Price in immediately available funds.
- (e) Other Documentation. Such other documents as may be reasonable and necessary in the opinion of the City or its counsel to consummate and close the purchase and sale contemplated herein pursuant to the terms and provisions of this Sixth Amendment.

4.9 **Condemnation.** If, after the Effective Date of this Sixth Amendment and prior to the Closing, action is initiated to take any of the Property by eminent domain proceedings or by deed in lieu thereof, JLI may either (a) terminate this Sixth Amendment, or (b) consummate the Closing, in which latter event the award of the condemning authority shall be assigned to JLI at the Closing. The City agrees that it will not institute such proceedings prior to Closing and represents that it has no present intent to condemn the Property.

4.10 **Casualty.** The Parties shall retain their current respective liabilities for all risks and damage to or injury occurring to the Property by fire, storm, accident, or any other casualty or cause until the Closing has been consummated. Any damage to the current improvements located on the Property shall not affect the Closing.

4.11 **Future Operations.** From the Effective Date of this Sixth Amendment until the Closing or earlier termination of this Sixth Amendment, JLI and City will (a) keep and maintain and operate the Property in substantially the same condition as of the Effective Date of this Sixth Amendment, reasonable wear and tear excepted, pursuant to their current respective obligations under the Lease, and (b) promptly advise each other of any litigation, arbitration or administrative hearing concerning the Property arising or threatened of which either party has written notice.

4.12 **Riverwalk Parcel.** JLI shall receive at Closing in perpetuity a non-exclusive easement for ingress and egress over the Riverwalk Parcel for JLI, its employees, agents, tenants, invitees, guests and customers.

4.13 **Final Closing Date; Environmental.** In the event either (i) JLI determines, in its sole discretion, that the environmental risks associated with the Property are unacceptable, or (ii) if the Closing has not been consummated by the Closing Cutoff Date, then either party shall, by providing written notice to the other party, have the right to terminate the Purchase Provisions of this Agreement with respect to the parties' obligations to purchase and sell the Property and the parties shall in that event be restored to their respective positions as if those provisions of this Sixth Amendment were not contained herein.

## **Article 5. DEVELOPMENT**

5.1 **Scope of Development.** JLI shall construct all Improvements in accordance with all applicable zoning, building and permitting codes.

5.2 **Development of the Property; Parking for the Landing.**

5.2.1 The development of the Property shall be subject to existing building, permitting, zoning, and land use regulations of all jurisdictional agencies, including but not limited to, approval by the Downtown Design Review Committee. Except as provided in section 4.3.3(i) hereof, neither the City nor JEDC shall provide any special assistance or support to JLI for any height restriction changes or other zoning changes, apart from the normal level of City service that the City provides for zoning change applications.

5.2.2 The Property currently contains 243 short-term public parking spaces. JLI shall maintain such parking lot and spaces, and make the parking spaces available to Landing patrons during all times that the Landing is open, until such time as JLI begins construction of the Improvements on the Property. In conjunction with any development of the Property, JLI shall provide at least 243 short-term public parking spaces to replace the existing public parking spaces located on the Property. Such new parking spaces may be located on the Property and may also be located on adjoining property or within the Garage Location Area described in section 3.2.2. During any period throughout the term of the Lease (as extended) that the existing parking on the Property is not available for Landing patrons due to construction of the Improvements or due to other reasons in the control of JLI, JLI will provide at least 243 short-term public parking spaces for Landing patrons during all times that the Landing is open, and such parking spaces shall be located (i) within the Garage Location Area or (ii) at an alternate downtown location (which shall include the Kings Street Garage and the Water Street Garage with JLI paying the owner of such garages the normal parking rates for parking therein, subject to availability) if JLI provides free transportation to and from the Landing for the users of such alternate parking location for all times that the Landing is open. The parking rates charged by JLI for the parking spaces described in this section shall not exceed the rates charged by similar parking facilities located in the same area of downtown. In the event JLI fails to provide for the parking as described in this subsection 5.2.2, which failure continues for more than thirty (30) days following written notice of such default given to JLI by the City and subject to Force Majeure, JLI agrees to pay to the City on a monthly basis as liquidated damages and not as a penalty an amount equal to (i) the number of parking spaces not provided which are otherwise required to be provided in this subsection 5.2.2, multiplied by (ii) the then current average monthly cost, as determined by the City, of public parking in the Garage Location Area defined in section 3.2.2. Any failure to make any such monthly payment shall be treated as a failure to pay rent under the Lease.

### **5.3 Cost of Development and Utilities Relocation.**

JLI shall pay the cost of constructing and developing the Improvements at no out of pocket cost to the JEDC or the City. Without limiting the foregoing, JLI shall pay for all costs of relocating any and all utilities presently located on, under or over the Property, that the City and/or JEA and/or private utility owner determine in their sole opinion should be relocated as a result of any development by JLI of the Property.

### **5.4 Approval by Other Governmental Agencies.**

Notwithstanding any provision of this Sixth Amendment to the contrary, neither the City nor the JEDC guarantee approval of the Project or any aspect of the Project by any government authorities or agencies.

#### **5.5 Authority of JEDC to Monitor Compliance.**

During all periods of design and construction, the Executive Director of the JEDC and the City's Directors of Public Works and Planning and Development shall have the authority to monitor compliance by JLI with the provisions of this Sixth Amendment and the Project Documents. Insofar as practicable, the JEDC shall coordinate such monitoring and supervising activity with those undertaken by the City so as to minimize duplicate activity. To that end, during the period of construction and with prior notice to JLI, representatives of the JEDC and the City shall have the right of access to the Property during normal construction hours to the same extent as they would with any other construction project in the downtown area.

### **Article 6.**

## **LAND USE COVENANTS AND RESTRICTIONS**

### **6.1 Covenants and Restrictions.**

The Property shall be subject to the following covenants and restrictions:

6.1.1 The Property shall only be used for such purposes as are consistent with the Permitted Uses.

6.1.2 JLI shall have the right to construct improvements on the Property that are consistent with the Permitted Uses.

6.1.3 JLI shall comply with all current zoning restrictions and building restrictions that pertain to the Property.

### **6.2 Development Decisions.**

Subject to JLI's compliance with the terms and conditions of this Sixth Amendment and the Plan, and including without limitation the covenants and restrictions provided herein and in the Deed, JLI shall have discretion and control, free from interference, interruption or disturbance from the City or any of its agencies or authorities including, without limitation the JEDC, in all matters relating to the management, development, redevelopment, construction and operation of the Property, provided the same shall conform to all applicable state and local laws, ordinances and regulations (including without limitation applicable zoning, subdivision, building and fire codes). Subject to JLI's compliance with all applicable laws and the terms and conditions of this Sixth Amendment and the Plan, JLI's discretion, control and authority shall include without limitation (a) the construction and design of the Improvements, (b) the selection, approval, hiring and discharge of engineers, architects, subcontractors, professionals and other third parties; (c) the negotiation and execution of contracts, agreements, easements and other documents with third parties; (d) the designation of plans and specifications for all aspects of the Property and improvements thereon as JLI deems appropriate (subject to approvals required by law including without limitation the approval of the Downtown Design Review Committee or

other similar governmental body); and (e) all capital and financing for the development of the Property and Improvements and the terms thereof.

## **Article 7. EASEMENTS**

### **7.1 Easement Rights.**

7.1.1 In the Deed or in separate easements, the City will reserve (i) unto itself, its successors and assigns, and (ii) on behalf of the JEA (or the City shall be entitled to convey separately to JEA prior to Closing):

7.1.1.1 The perpetual, non-exclusive right and easement (the “City Sewer Easement”, which term includes any such easement conveyed by the City to JEA prior to Closing) in the form of **Exhibit L** to replace, maintain and repair the existing underground sanitary sewer lines running the length of a portion of the Property approximately parallel to the St. Johns River and thirty (30) feet in width at grade and thirty (30) feet in width below grade with no obstructions on the surface, under or adjacent to such easement area that would hamper the excavation of the easement area, said right and easement to be for the benefit of the City, provided, however, that the exercise of such easements shall be consistent with the JEA’s exercise of similar easements under developed property in the downtown area.

7.1.1.2 The perpetual, non-exclusive right and easements (the “City Utility Easements”), which term includes any such easements conveyed by the City to JEA prior to Closing) in the form of composite **Exhibit M** to install, maintain, repair and replace such other utility facilities such as water, gas, electric, and telephone lines and storm and sanitary sewers, on, under or above portions of the Property and the Out Parcel, where necessary in the reasonable discretion of the City or JEA, which shall be exercised to the extent reasonably practical so as to minimize the interference and/or disruption of JLI’s use of the Property. Such Utility Easements shall include without limitation 18-foot vertical easements located near and along the northern and eastern boundaries of the East Parcel to access the electrical utilities located (i) along the northern boundary of the East Parcel adjacent to the Main Street Bridge ramp leading to Newnan Street, (ii) inside the Hyatt Hotel parking garage and (iii) adjacent to and/or attached to the Hyatt Hotel parking garage along the eastern boundary of the Property. At closing, JLI shall execute and deliver to the City and/or JEA such other utility and access easements as the City or JEA may request with respect to the Property and Out Parcel for the City or JEA to install, maintain, repair and/or replace such other utility facilities such as water, gas, electric, and telephone lines and storm and sanitary sewers, on, under or above portions of the Property and Out Parcel, where necessary in the reasonable discretion of the City or JEA, which shall be exercised to the extent reasonably practical so as to minimize the interference and/or disruption of JLI’s use of the Property, and the term “City Utility Easements” shall also include any such easements executed by JLI at closing.

7.1.2 At JLI's cost, JLI may relocate the above utility easements benefiting JEA provided that JLI obtains the prior consent of JEA.

7.1.3 JLI shall have a non-exclusive easement in the form of attached **Exhibit K** over and across the Riverwalk Parcel for pedestrian access by JLI's officers, employees, patrons and tenants, provided however that such easement does not permit JLI to, and JLI shall not, place or allow the placement of any items, structures or anything else on the Riverwalk Parcel or any other portion of the Riverwalk (including without limitation portable toilets) at any time without prior written permission from the City, which permission may be denied in the City's sole discretion.

7.2 **Limitations on Easement Rights.** The rights and easements granted or reserved above in this Article 7 shall be limited as follows: with respect to the City Sewer Easement and City Utility Easements, no building or other structure shall be erected on the surface of the easement area nor within the airspace above the same which would reasonably interfere with the exercise of such easements without the prior written consent of the party having the benefit of the easement affected thereby, provided that:

- (a) JLI may erect or place buildings or other structures or improvements on or above the surface of the easement area to the extent permitted by the City, or JEA it being agreed, however, that any such building or structure located on the surface of or above the City Sewer Easement or City Utility Easements (i) shall include openings, access doors or removable panels in the exterior walls thereof, which openings, doors or panels shall have an aggregate height of at least thirteen (13) feet above grade to permit access to the easement area by equipment required for the repair and maintenance of the sewer lines in the City Sewer Easement and City Utility Easements areas, and (ii) shall be free of columns, mezzanines, floor slabs and other structural members (other than a concrete floor slab at or below grade) within the first thirteen (13) feet of airspace above the surface of the easement areas. Additionally, any bridges, overhangs or other improvements located between thirteen (13) and thirty (30) feet above the surface of the easement areas shall be designed and constructed so as to be removable by lifting hooks and cranes (any such removal to be at the Developer's cost and expense unless the structure has been constructed in such a manner that it is readily removable without impacting the structural integrity of the building or structure) so as to permit access to the easement areas by equipment required for the repair and maintenance of the sewer lines or other utilities in the easement areas. Neither the JEA nor City shall be responsible for any damage to any structure located under, on or within 30 feet above the easement area if the JEA or City is required to remove such structure in order to access the utilities located on or under such easement area. Any prior consents granted by the JEA or City with respect to construction on or over similar easement areas

shall not prevent the JEA or City from denying any future similar requests including any similar requests by JLI. Notwithstanding anything to the contrary in the Lease as amended hereby, the JEA and City may exclusively use the Riverwalk Parcel and the Riverwalk area along the West Parcel to place piping, pumps and other equipment used in connection with the maintenance or repair of any utilities, during such times as the JEA or City deems necessary for undertaking any such utilities maintenance or repair.

- (b) JLI shall provide to the City and JEA such portions of the building plans for the Improvements as they relate to any portions of buildings or structures upon or above the City Sewer Easement or City Utility Easements and the City or JEA shall advise JLI in writing within 60 days from the date of such request whether the improvements to be constructed pursuant to such plans are consistent with the provisions of this section 7.2; and should the City or JEA advise JLI that such plans are consistent with this section 7.2, construction pursuant to the same shall be deemed conclusively to be in accordance with this section.
- (c) JLI may place or construct street furniture, kiosks or other removable structures in any such easement areas, provided JLI shall promptly remove the same, at its expense, upon the City's request in order to permit the City to make repairs to or perform maintenance services upon the existing sewer lines or other utilities in the easement areas; and further provided that in the design and construction of the Improvements, JLI will use its reasonable efforts to cluster underground utility lines and to minimize other construction below the surface of the easement areas.

The party having the benefit of any such easement (i) shall carry on any construction, maintenance and repair activity in accordance with the provisions of this Sixth Amendment with diligence and dispatch and shall use its reasonable efforts to complete the same in the shortest time possible under the circumstances, and (ii) shall not carry on any construction, maintenance or repair activity in the easement areas in such a manner as to unreasonably interfere with the use and enjoyment of the property subject to the easement, and, in the case of the City Sewer Easement and City Utility Easements, the City, in carrying on such activities, will do so in such a manner as not to unreasonably interfere with the business or businesses then being conducted on the Property by JLI or its tenants, and otherwise in accordance with the applicable provisions of this Sixth Amendment respecting any such construction, maintenance or repair activity; provided however that nothing herein shall constrain or prevent the City and/or JEA from performing the maintenance or repair activities in the manner and during the times that the JEA and/or City deem necessary and under the normal procedures of the City and/or JLI for performing such maintenance and repair activities. JLI acknowledges that although such maintenance and repair activities may interfere with the business of JLI and its subtenants, the JEA and/or City will seek



to minimize such interference in the same manner that they would for any other business affected by similar repair activity.

7.3 The City agrees to provide to the property line of the Property water, sewer and electrical lines properly sized and with adequate capacity to serve the Permitted Uses of the Property, subject to the payment by JLI, as and when required by the City or JEA, of all costs and fees charged by the City and JEA for providing such utility access, which charges shall be consistent with the charges for similar utilities to other similar privately owned properties in the downtown area. The “chiller line” currently operated by the JEA will, at JLI’s option when available, be connected to JLI’s chiller system upon the payment by JLI, as and when required by the City or JEA, of all costs and fees charged by the JEA and/or City for such connection, at such time as the chiller line may become accessible to the Property, which charges shall be consistent with the charges for similar utilities to other similar privately owned properties in the downtown area. The presently existing chiller line is not accessible to the Property because it is not located near the Property, and neither the JEA nor the City has any obligation to extend the existing chiller line to the Property.

**Article 8.**  
**PROJECT CONSTRUCTION AND OPERATIONS**

**8.1 Construction and Operation Management.**

Except as otherwise expressly provided herein, JLI shall have discretion and control, free from interference, interruption or disturbance, in all matters relating to the management, development, redevelopment, construction and operation of the Improvements and all other aspects of the Property, provided that the same shall, in any event, conform to and comply with the terms and conditions of this Sixth Amendment, and all applicable state and local laws, ordinances and regulations (including without limitation, applicable zoning, subdivision, building and fire codes). Except as otherwise provided herein, JLI’s discretion, control and authority with respect thereto shall be that of any other fee simple owner of real property in the City of Jacksonville, and shall include, without limitation, the following matters:

- (a) the construction and design of the Improvements to the Property, subject to the express terms and conditions of this Sixth Amendment;
- (b) the selection, approval, hiring and discharge of engineers, architects, contractors, subcontractors, professionals and other third parties;
- (c) the negotiation and execution of contracts, agreements, easements and other documents with third parties, in form and substance satisfactory to JLI; and
- (d) the preparation of such budgets, cost estimates, financial projections, statements, information, and reports as JLI deems appropriate.

8.2 City Service. The City agrees with JLI that the City shall provide JLI with the standard City services for the Property provided to other downtown property owners, subject to JLI’s payment to the City of the standard amounts charged by the City for such services. For

avoidance of confusion, this section shall not affect the obligations of the City with respect to the Landing.

**Article 9.**  
**RENTAL PAYMENTS; REPORTING**

**9.1 Rental Payments to Resume.**

As of the date hereof, the \$100,000 "Annual Basic Rental" as defined in the Lease shall begin to accrue and shall be payable in full under the terms of the Lease without any right of set off or deferral. Such Annual Basic Rental for 2007 shall be prorated for 2007 based on the number of days remaining in 2007 beginning on the date hereof and ending December 31, 2007. Also as of the date hereof, the "Annual Percentage Rental" as defined in the Lease and all other rental amounts under the Lease shall begin to accrue and shall be payable to the City under the terms of the Lease in full without any right of set off or deferral.

**Article 10.**  
**DEFAULTS AND REMEDIES**

**10.1 General.**

10.1.1 The default and remedy provisions of this Article shall control over the default and remedy provisions of the original Lease where there is any conflict. The default and remedy provisions of the original Lease shall apply to any defaults not specifically addressed in this Article.

10.1.2 Any waiver or non-action by the City or JLI with respect to any default by JLI or the City under this Sixth Amendment shall not constitute a waiver of any other defaults or restrict the City or JLI, as the case may be, from enforcing its rights and remedies hereunder with respect to such other defaults.

**10.2 Specific Defaults.**

10.2.1 Breach by City. Prior to Closing, if the City breaches this Sixth Amendment, JLI may as its sole remedy and relief hereunder either terminate the provisions of this Sixth Amendment which relate to the purchase and sale of the Property or enforce specific performance of this Sixth Amendment. After Closing, JLI's remedies shall be limited to (i) enforcing the City's obligations to make the Garage Grant and Validation Payment and Utilities Payment under the terms of Section 3.2.2 of this Sixth Amendment, and (ii) those remedies set forth in the original Lease where not in conflict with this Article 10, except that in no event shall the City be liable to JLI for any punitive damages of any kind. In the event of any default by Kuhn under the Amended Garage Development Agreement, JLI's sole remedy against the City with respect to the City's outstanding obligations under the Lease, as amended by this Sixth Amendment, to provide any parking for the Landing shall be limited to JLI's exercise of its option to build the JLI Garage and receive the grants and payments from the City under the terms and conditions of Article 3 hereof.

10.2.2 Breach by JLI. Prior to Closing, if JLI breaches this Sixth Amendment, City may terminate those provisions of this Sixth Amendment which relate to the purchase and sale of the Property, or enforce specific performance of this Sixth Amendment. After Closing, the City's remedies shall be limited to (i) specific performance to enforce JLI's obligations hereunder, (ii) the additional City remedies set forth in Sections 4.2.2 and 5.2.2 of this Sixth Amendment, and (iii) the remedies set forth in the original Lease where not in conflict with this Article 10.

#### **Article 11.**

#### **ANTI-SPECULATION AND ASSIGNMENT PROVISIONS**

##### **11.1 Purpose.**

JLI represents and agrees that its undertakings pursuant to this Sixth Amendment are for the purpose of developing the Property pursuant to this Sixth Amendment, and not for speculation in land holding. JLI further recognizes, in view of the importance of the development of the Property to the general health and welfare of the City and redevelopment of the downtown Jacksonville area, that the qualifications, financial strength and resources of the owner and developer of the Property are of particular concern to the City and the JEDC.

##### **11.2 Assignment; Limitation on Conveyance.**

JLI agrees that, until JLI has constructed a garage providing for 243 parking spaces to replace those on the Main East Parcel or otherwise made provision for such spaces satisfactory to the JEDC, acting reasonably, it shall not assign, transfer or convey (i) the Project or any portion thereof, (ii) the Property or any portion thereof, (iii) this Sixth Amendment or any provision hereof, or (iv) a controlling interest in JLI except (x) to a person or persons who or which a reasonably sophisticated real estate professional would believe possess the financial resources and experience to complete the Improvements, and (y) in a transaction in which the new owner/assignee must assume all obligations of JLI hereunder. Any attempted assignment, transfer or conveyance made in contravention of this paragraph shall not be recognized by the City or the JEDC and the City may continue to enforce this Sixth Amendment against JLI, and JLI shall continue to be fully liable for all of its obligations hereunder notwithstanding any such attempted assignment.

#### **Article 12.**

#### **ADDITIONAL LEASE AMENDMENTS**

12.1 **Section 2.9. Public Area Security and Police Protection; Gating of Exterior Common Areas During High Pedestrian Activity Special Events.** Section 2.9 of the Lease is amended by adding the following provisions to the end of such section:

12.1.1 Notwithstanding anything to the contrary in the Lease, and subject to applicable police and fire codes, regulations and operating guidelines, and other applicable public safety laws, regulations and operating guidelines, JLI shall have the right in its discretion to erect temporary fences and gates around the Exterior Common Areas and Building Improvements for crowd control purposes during periods of special events on the Leased Property. JLI may charge a reasonable access fee during such times

and if such access charge is not redeemable or does not provide a credit for purchase of goods or services at the Landing, JLI shall, at its expense, provide security within the fenced and gated area for such special events. The parties agree that the term “special event” as used herein pertains only to infrequent high pedestrian activity events like the Florida/Georgia football game weekend, Christmas tree lighting night, July 4<sup>th</sup>, New Years Eve, and Super Bowl, and such term does not pertain to normal weekend concerts and activities, and other routine events held on or around the Leased Property. Notwithstanding the foregoing, without the prior written consent of the Jacksonville Sheriff’s Office (“JSO”), JLI shall not be permitted at any time to fence, gate, block access to, or place any object on or within the Riverwalk or any portion thereof. JLI shall not impede pedestrian activity on the Riverwalk at any time.

12.1.2 For all special events during which JLI erects gates or fences as described above, JLI shall provide for directional signage and other traffic flow assistance to facilitate pedestrian traffic flow through or along the following routes so that pedestrians can walk through or around the Exterior Common Areas and Building Improvements unimpeded by any gating or fencing other than pedestrian traffic flow gating or fencing placed to facilitate pedestrian traffic flow: (1) the Riverwalk adjacent to the West Parcel and East Parcel (route 1 as shown on attached **Exhibit N**) unless the JSO decides to close such area of the Riverwalk, and (2) the northern portion of the West and East Parcels (route 2 as shown on **Exhibit N**) or (3) such other route as the parties may mutually agree upon.

12.1.3 Notwithstanding the foregoing, the above gating and traffic flow provisions shall be subject to review by JSO prior to any special event based on the anticipated or actual size of the crowd and the nature of the traffic flow in and around the Leased Premises during the special event. JLI agrees to comply with the reasonable requests of the JSO with respect to placement of gating, fences and directional signage for all special events; provided, however, that JLI shall not be required to provide either route 1 or 2 if the JSO requires that such routes be included within the gated area for crowd control purposes. JLI shall provide the JSO with the lesser of (i) at least 60 day’s prior written notice or (ii) written notice promptly upon the determination of any proposed gating or fencing of any areas on or about the Building Improvements or Exterior Common Areas during a special event, provided that such determination must be made and notice given at least 15 days before regularly scheduled special events, together with the dates and times of such gating or fencing, and the proposed gate fee to be charged. The JSO will have the right to review and comment on such gating/fencing plan, and JLI shall use commercially reasonable efforts to cooperate with the JSO and incorporate its comments into the gating/fencing plan.

12.1.4 Notwithstanding anything to the contrary herein, JLI shall not erect any fences or gates around or within the Exterior Common Areas or Building Improvements or Riverwalk, or charge any admission to such areas, during political or civic events that the City may arrange or sponsor at the Landing, like mayoral speeches or speeches by visiting politicians or dignitaries, or similar such non-commercial events, unless the JSO in its sole discretion determines that such fencing or gating is necessary for crowd control purposes, but JLI shall not under any circumstances charge any admission to such non-

commercial events. The “political or civic events” contemplated in this subsection do not include annual City-sponsored events like those held on New Year’s Eve or July 4<sup>th</sup>; provided however that the foregoing shall not be construed as requiring the City to continue to sponsor any such annual events despite the City’s sponsorship of similar events in the past.

**Article 13.**  
**GENERAL PROVISIONS**

**13.1 Non-liability of JEDC and City Officials.**

No member, official or employee of the JEDC or the City shall be personally liable to JLI or to any person or entity with whom JLI shall have entered into any contract, or to any other person or entity, in the event of any default or breach by the JEDC or the City, or for any amount which may become due to JLI or any other person or entity under the terms of this Sixth Amendment.

**13.2 Force Majeure.**

No party to this Sixth Amendment shall be deemed in default hereunder where such a default is based on a delay in performance as a result of Force Majeure; provided, however, that the extension of time granted for any delay caused by any of the foregoing shall not exceed the actual period of such delay, and in no event shall any of the foregoing excuse any financial liability of a party.

**13.3 Notices.**

Notwithstanding anything to the contrary in the Lease, henceforth all notices to be given hereunder or under the Lease shall be in writing and personally delivered or sent by registered or certified mail, return receipt requested, or delivered by an air courier service utilizing return receipts only to the parties at the following addresses (or to such other or further addresses as the parties may designate by like notice similarly sent) and such notices shall be deemed given and received for all purposes under this Sixth Amendment and shall be effective only upon receipt or when delivery is attempted and refused.

(a) the JEDC and City:

Executive Director  
Jacksonville Economic Development Commission  
220 East Bay Street, 14th Floor  
Jacksonville, Florida 32202

and

Mayor  
City of Jacksonville  
4<sup>th</sup> Floor, City Hall at St. James  
117 West Duval Street  
Jacksonville, Florida 32202

With a copy to:

General Counsel  
Office of the General Counsel  
City Hall-St. James Building  
117 West Duval Street, Suite 480  
Jacksonville, Florida 32202

(b) JLI:

Sleiman Enterprises  
1 Sleiman Parkway, Suite 270  
Jacksonville, Florida 32216  
Attention: Jennifer Ward

With a copy to:

Robert A. Heekin, Esq.  
The Law Offices of Robert A. Heekin  
1 Sleiman Parkway, Suite 270  
Jacksonville, Florida 32216

And a copy to:

Mitchell W. Legler, Esq.  
Kirschner & Legler, P.A.  
300A Wharfside Way  
Jacksonville, Florida 32207

13.4 **Time.**

Time is of the essence in the performance by any party of its obligations hereunder.

13.5 **Entire Agreement.**

The Lease, as amended by this Sixth Amendment, and the Project Documents, constitute the entire understanding and agreement between the parties and supersedes all prior negotiations and agreements between them with respect to all or any of the matters contained herein.

13.6 **Amendment.**

This Sixth Amendment may be amended by the parties hereto only upon the execution of a written amendment or modification signed by the parties. Notwithstanding the foregoing, the Executive Director of the JEDC is authorized on behalf of the JEDC and the City to approve, in his or her sole discretion, any “technical” changes to this Sixth Amendment. Such “technical” changes include without limitation modifications to legal descriptions and surveys, ingress and egress, easements and rights of way, performance schedules, scope of performance and development, and design standards, as long as such modifications do not involve any increased financial obligation or liability to the City or the JEDC.

13.7 **Waivers.**

Except as otherwise provided herein, all waivers, amendments or modifications of this Sixth Amendment must be in writing and signed by all parties. Any failures or delays by any party in insisting upon strict performance of the provisions hereof, or asserting any of its rights and remedies as to any default shall not constitute a waiver of any other default or of any such rights or remedies. Except with respect to rights and remedies expressly declared to be exclusive in this Sixth Amendment, the rights and remedies of the parties hereto are cumulative, and the exercise by any party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, or any other rights or remedies for the same default or any other default by any other party.

13.8 **Indemnification.**

13.8.1 JLI, including its employees, agents and subcontractors, shall indemnify, hold harmless and defend the City, JEDC and JEA from and against any loss, claim, action, damage, injury, liability, cost, and expense of whatsoever kind or nature (including without limitation attorneys’ fees and costs where such indemnified parties are not defended by JLI using legal counsel reasonably acceptable to such indemnified parties) related to any demands, suits and actions of any kind brought against the City, JEDC or JEA, or other damages or losses incurred or sustained, or claimed to have been incurred or sustained, by any person or entity (or persons or entities) arising out of or based on any act or omission of JLI, its contractors, subcontractors, agents, officers, employees, representatives, successors or assigns, including without limitation in connection with the relocation by JLI of any water, sewer, electric, telephone, cable or other utilities located on, under or above the Property. This indemnification shall survive the termination of this Sixth Amendment. The terms “City” and “JEDC” and “JEA” as used in this section shall include all officers, board members, City Council members, employees, representatives, agents, successors and assigns of the City and the JEDC and

JEA, as applicable. Although JEA is not a party to this Sixth Amendment, the parties agree that JEA is a third-party beneficiary of this Sixth Amendment including the indemnity made by JLI in this section. This section is not intended to indemnify the City for the torts of its own employees or officers including without limitation police officers. This indemnity shall not extend to salaries of employees of the indemnified parties for time spent on any such indemnified matters.

13.8.2 Additionally, JLI, including its employees and agents, shall indemnify, hold harmless and defend the City and JEDC from and against any loss, claim, action, damage, injury, liability, cost, and expense of whatsoever kind or nature (including without limitation attorneys' fees and costs where such indemnified parties are not defended by JLI using legal counsel reasonably acceptable to such indemnified parties) related to any demands, suits and actions of any kind brought against the City or JEDC, or other damages or losses incurred or sustained, or claimed to have been incurred or sustained, by any person or entity (or persons or entities) arising out of or based on any failure of the City or JEDC to issue a request for proposals ("RFP") and process such RFP under normal City procurement procedures for the sale of the Property. This indemnification shall survive the termination of this Sixth Amendment. The terms "City" and "JEDC" as used in this section shall include all officers, board members, City Council members, employees, representatives, agents, successors and assigns of the City and the JEDC, as applicable. The Lease provides for JLI's right to purchase and develop the Property under the terms and conditions of the Lease, and the Lease was entered into pursuant to an RFP. Thus, the parties do not believe it is necessary to issue an additional RFP at this time, but JLI has agreed to make this indemnification as a condition of the City entering into this Sixth Amendment. This indemnity shall not extend to salaries of employees of the indemnified parties for time spent on any such indemnified matters.

13.9 **Severability.**

The invalidity, illegality or inability to enforce of any one or more of the provisions of this Sixth Amendment shall not affect any other provisions of this Sixth Amendment, but this Sixth Amendment will be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

13.10 **Compliance with State and Other Laws.**

In the performance of this Sixth Amendment, JLI must comply with any and all applicable Federal, State and local laws, rules and regulations, as the same exist and may be amended from time to time. Such laws, rules and regulations include, but are not limited to, Chapter 119, Florida Statutes, (the Public Records Act) and Section 286.011, Florida Statutes, (the Florida Sunshine Law). If any of the obligations of this Sixth Amendment are to be performed by a Subcontractor, the provisions of this Section shall be incorporated into and become a part of the subcontract.

13.11 **Contingent Fees Prohibited.**



In conformity with Section 126.306, City Ordinance Code, JLI warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for JLI, to solicit or secure this Sixth Amendment, and that it has not paid or agreed to pay any person, company, corporation, individual for firm, other than a bona fide employee working solely for JLI, any fee, commission, percentage, gift, or any other consideration, contingent upon or resulting from the award or making of this Sixth Amendment. For the breach or violation of these provisions, the City shall have the right to terminate this Sixth Amendment without liability and, at its discretion, to deduct from the contract price, or otherwise recover, the full amount of such fee, commission, percentage, gift or consideration.

13.12 **Ethics.**

JLI represents that it has reviewed the provisions of the Jacksonville Ethics Code, as codified in Chapter 602, City Ordinance Code, and the provisions of the Jacksonville Purchasing Code, as codified in Chapter 126, City Ordinance Code.

13.13 **Conflict of Interest.**

The parties will follow the provisions of Section 126.112, City Ordinance Code, with respect to required disclosures by public officials who have or acquire a financial interest in a bid or contract with the City, to the extent the parties are aware of the same.

13.14 **Public Entity Crimes Notice.**

The parties are aware and understand that a person or affiliate who has been placed on the State of Florida Convicted Vendor List, following a conviction for a public entity crime, may not submit a bid on a contract to provide any goods or services to a public entity; may not submit a bid on a contract with a public entity for the construction or repair of a public building or public work; may not submit bids on leases of real property to a public entity; may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity; and may not transact business with any public entity, in excess of \$25,000.00, for a period of thirty-six (36) months from the date of being placed on the Convicted Vendor List.

13.15 **Incorporation by Reference.**

All exhibits and other attachments to this Sixth Amendment that are referenced in this Sixth Amendment are by this reference made a part hereof and are incorporated herein.

13.16 **Counterparts.**

This Contract may be executed in several counterparts, each of which shall be deemed an original, and all of such counterparts together shall constitute one and the same instrument.

13.17 **Independent Contractor.**

In the performance of this Sixth Amendment, JLI will be acting in the capacity of an independent contractor and not as an agent, employee, partner, joint venturer or association of the City or the JEDC. JLI and its employees and agents shall be solely responsible for the

means, method, technique, sequences and procedures utilized by JLI in the performance of this Sixth Amendment.

13.18 **Non-Liability of City.**

Nothing contained herein shall be deemed to impose directly or indirectly any obligation or liability on behalf of the City to carry out or perform any of the obligations or liabilities of the JEDC, and JLI agrees that JLI shall look solely to the JEDC for the performance of all of the terms and conditions hereof relating to the JEDC.

13.19 **Non-merger; survival.**

None of the terms, covenants, agreements or conditions set forth in this Sixth Amendment shall be deemed to be merged with any deed conveying title to the Property, and all such terms, covenants, agreements and conditions hereof shall survive the Closing.

13.20 **Exemption of City.**

Neither this Sixth Amendment nor the obligations imposed upon the City hereunder shall be or constitute an indebtedness of the City within the meaning of any constitutional, statutory or charter provisions requiring the City to levy ad valorem taxes nor a lien upon any properties of the City.

13.21 **Parties to Agreement; Successors and Assigns.**

Subject to the provisions of section 11.2, this is an agreement solely between the JEDC, the City and JLI. The execution and delivery hereof shall not be deemed to confer any rights or privileges on any person not a party hereto. This Sixth Amendment shall be binding upon JLI, and JLI's successors and assigns, and shall inure to the benefit of the City and JEDC, and their successors and assigns; provided however that JLI shall not assign, transfer or encumber its rights or obligations hereunder or under any document executed in connection herewith, except in accordance with the terms of section 11.2.

13.22 **Venue; Applicable Law.**

The rights, obligations and remedies of the parties specified under this Sixth Amendment shall be interpreted and governed in all respects by the laws of the State of Florida. All legal actions arising out of or connected with this Sixth Amendment must be instituted in the Circuit Court of Duval County, Florida, or in the Federal District Court for the Middle District of Florida, Jacksonville Division. The laws of the State of Florida shall govern the interpretation and enforcement of this Sixth Amendment.

13.23 **Omitted.**

13.24 **Civil Rights.**

JLI agrees to comply with all of the terms and requirements of the Civil Rights Act of 1964, as amended, and the Civil Rights Act of 1968, as amended, and the antidiscrimination

provisions of Chapter 126, Part 4, of the City Ordinance Code, and further agrees that in its operation under this Sixth Amendment it will not discriminate against anyone on the basis of race, color, age, disability, sex or national origin.

**13.25 Further Assurances.**

The parties hereto upon request by any other party thereto shall:

13.25.1 promptly correct any defect, error or omission herein or in any document executed in connection herewith (collectively the “Project Documents”);

13.25.2 execute, acknowledge, deliver, procure, record or file such further instruments and do such further acts deemed necessary, desirable or proper by the City to carry out the purposes of the Project Documents;

13.25.3 provide such certificates, documents, reports, information, affidavits and other instruments and do such further acts deemed necessary, desirable or proper by the City to carry out the purposes of the Project Documents.

**13.26 Construction.**

All parties acknowledge that they have had meaningful input into the terms and conditions contained in this Sixth Amendment. JLI further acknowledges that it has had ample time to review this Sixth Amendment and related documents with counsel of its choice. Any doubtful or ambiguous provisions contained herein shall not be construed against the party who drafted the Sixth Amendment. Captions and headings in this Sixth Amendment are for convenience of reference only and shall not affect the construction of this Sixth Amendment.

**13.27 Real Estate Commissions.** Both parties represent and warrant that no real estate commissions will be due to any broker or agent in connection with the purchase and sale contemplated herein.

As used herein, “Acquisition Fees” shall mean all fees paid to any person or entity in connection with the selection and purchase of the Property including real estate commissions, selection fees, nonrecurring management and startup fees, development fees or any other fee of similar nature. City and JLI each hereby agree to indemnify and hold harmless the other from and against any and all claims for Acquisition Fees or similar charges with respect to this transaction, arising by, through or under the indemnifying party, and each further agrees to indemnify and hold harmless the other from any loss or damage resulting from an inaccuracy in the representations contained in this section. This indemnification agreement of the parties shall survive the Closing. Any indemnity by the City herein is limited by the sovereign immunity liability limitations contained in section 768.28, Florida Statutes, and the City does not waive or limit any such statutory limitations.

**13.28 City To Incur No Costs.** Except for the City’s obligations in the Amended Garage Development Agreement, the transactions contemplated herein are intended to be no-cost transactions to the City. Accordingly, notwithstanding anything to the contrary herein, the City shall not incur any out of pocket costs or expenses in connection with any of its obligations

under this Sixth Amendment, whether before closing, at closing, after closing or otherwise except as provided herein and except for normal and internal costs to the City of its operations including its employees. All out of pocket costs and expenses of and related to the transactions and development contemplated herein shall be paid by JLI. Moreover, after Closing, the City shall incur no expenses relating to the Property, including without limitation maintenance or security expenses related to the Property, and JLI expressly acknowledges and agrees that it is assuming responsibility for all expenses and liabilities relating to the Property. The term “out of pocket costs” as used in this Sixth Amendment means actual monetary costs and expenditures of the City and does not include City employee salaries for time spent by City employees in connection with carrying out any City obligations under this Sixth Amendment.

**13.29 Fifth Amendment Obligations Terminated; Other Lease Terms Continue.**

Any obligations under the Fifth Amendment that have not already been fulfilled by either party as of the date of this Sixth Amendment are hereby terminated and replaced by the obligations under this Sixth Amendment, except that where not in conflict with this Sixth Amendment, the Amended Garage Development Agreement or Parking Rights Agreement, the following provisions of the Fifth Amendment remain in effect: (i) § 4 relating to revised legal descriptions of the Building Improvement, (ii) §§ 7 and 8 relating to JLI’s limited review of plans for development of the Parking Garage property, (iii) §§ 9-12 relating to Parking Lease Amendments, Additional Short Term Public Parking, and Quality of JLI’s Parking Rights. The other terms and conditions of the Lease shall remain in full force and effect except as modified herein or in the Project Documents. The terms and conditions of this Sixth Amendment shall control over any conflicting terms or conditions elsewhere in the Lease.

**13.30 Exhibits and Schedules.** The following exhibits and schedules are attached to this Sixth Amendment and are incorporated into this Sixth Amendment and made a part hereof:

- (a) Exhibit A, the Lease;
- (b) Exhibit B, the Property Legal Description;
- (c) Exhibit C, the Parking Obligation Termination and Mutual Limited Release Agreement;
- (d) Exhibit D, the Riverwalk Parcel;
- (e) Exhibit E, the Release and Consent to Assignment;
- (f) Exhibit F, the Property Deed;
- (g) Exhibit G, the Valuations of Ramp/Non-Ramp Property;
- (h) Exhibit H, the Out Parcel;
- (i) Exhibit I, JLI’s Title Objections;
- (j) Exhibit J, the City Retained Parking Equipment;
- (k) Exhibit K, the Riverwalk Easement;
- (l) Exhibit L, City Sewer Easement;
- (m) Exhibit M, the City Utility Easements;
- (n) Exhibit N, Pedestrian Routes During Gated Special Events

IN WITNESS WHEREOF, this Sixth Amendment is executed the day and year above written.

ATTEST:

CITY OF JACKSONVILLE

By: *Neill W. McArthur, Jr.*  
Neill W. McArthur, Jr.  
Corporation Secretary

By: *Pam Markham*  
John Peyton, Mayor  
Date: *2-6-07*  
Pam Markham  
Deputy Chief Administrative Officer  
For: Mayor John Peyton  
Under Authority of:  
Executive Order No. 06-07



JACKSONVILLE ECONOMIC DEVELOPMENT COMMISSION

By: \_\_\_\_\_  
M.C. Harden III, Chairman  
Date: \_\_\_\_\_

WITNESS:

JACKSONVILLE LANDING INVESTMENTS, LLC, a Florida limited liability company

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

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_  
Date: \_\_\_\_\_

IN COMPLIANCE with the Charter of the City of Jacksonville, I hereby certify that there is an unexpended, unencumbered and unimpounded balance in the appropriation to cover the foregoing contract, and provision has been made for the payment of monies provided therein to be paid.

*[Signature]*  
Director of Administration and Finance

FORM APPROVED: *[Signature]*

\_\_\_\_\_  
Office of the General Counsel

IN WITNESS WHEREOF, this Sixth Amendment is executed the day and year above written.

ATTEST:

CITY OF JACKSONVILLE

By: \_\_\_\_\_  
Neill W. McArthur, Jr.  
Corporation Secretary

By: \_\_\_\_\_  
John Peyton, Mayor  
Date: \_\_\_\_\_

JACKSONVILLE ECONOMIC  
DEVELOPMENT COMMISSION

By: *M.C. Harden III*  
M.C. Harden III, Chairman  
Date: 2/6/07

WITNESS:

JACKSONVILLE LANDING INVESTMENTS,  
LLC, a Florida limited liability company

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

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_  
Date: \_\_\_\_\_

IN COMPLIANCE with the Charter of the City of Jacksonville, I hereby certify that there is an unexpended, unencumbered and unimpounded balance in the appropriation to cover the foregoing contract, and provision has been made for the payment of monies provided therein to be paid.

\_\_\_\_\_  
Director of Administration and Finance

FORM APPROVED:

\_\_\_\_\_  
Office of the General Counsel

IN WITNESS WHEREOF, this Sixth Amendment is executed the day and year above written.

ATTEST:

CITY OF JACKSONVILLE

By: \_\_\_\_\_  
Neill W. McArthur, Jr.  
Corporation Secretary


By: \_\_\_\_\_  
John Peyton, Mayor  
Date: \_\_\_\_\_


JACKSONVILLE ECONOMIC  
DEVELOPMENT COMMISSION

By \_\_\_\_\_  
M.C. Harden III, Chairman  
Date: \_\_\_\_\_

WITNESS:

JACKSONVILLE LANDING INVESTMENTS,  
LLC, a Florida limited liability company

  
Print Name: ROBERT A. HEEKIN

  
By: \_\_\_\_\_  
Name: ANTHONY T. SLEIMAN  
Its: MANAGING MEMBER  
Date: 2-7-07

IN COMPLIANCE with the Charter of the City of Jacksonville, I hereby certify that there is an unexpended, unencumbered and unimpounded balance in the appropriation to cover the foregoing contract, and provision has been made for the payment of monies provided therein to be paid.

\_\_\_\_\_  
Director of Administration and Finance

FORM APPROVED:

\_\_\_\_\_  
Office of the General Counsel

Exhibit A  
The Lease

That certain Disposition, Development and Lease Agreement dated October 3, 1985, among Rouse-Jacksonville, Inc. (predecessor in interest to Rouse-Jacksonville, LLC), City of Jacksonville, and Jacksonville Downtown Development Authority (predecessor in interest to City); as amended by that certain Short Form Lease Agreement dated March 13, 1986, recorded in Official Records Volume 6138, page 2127, public records of Duval County, Florida; as amended by that certain First Amendment to Disposition, Development and Lease Agreement dated as of March 13, 1986; as amended by that certain Second Amendment to Disposition, Development and Lease Agreement dated October 26, 1987, recorded in Official Records Volume 6419, page 1334, public records of Duval County, Florida; as amended by that certain Third Amendment to Disposition, Development and Lease Agreement dated January 12, 1996; as amended by that certain Fourth Amendment to Disposition, Development and Lease Agreement dated December 5, 1998; and as amended by that certain Fifth Amendment to Disposition, Development and Lease Agreement dated June 25, 2001 (collectively, the "Lease"), which Lease was assigned to Jacksonville Landing Investments, LLC, as set forth in that certain Assignment and Assumption of City Lease by and between Rouse-Jacksonville, LLC, a Delaware limited liability company and Jacksonville Landing Investments, LLC, a Florida limited liability company, dated August 29, 2003 and recorded in Official Records Volume 11326, page 2118, public records of Duval County, Florida.



Exhibit B  
Property Legal Description  
[to be confirmed by survey and title commitment]

**EAST PARCEL:**

A PART OF THE Z. HOGAN'S GRANT, SECTION 39, TOWNSHIP 2 SOUTH, RANGE 26 EAST, DUVAL COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: COMMENCE AT INDEPENDENT DRIVE (AS RELOCATED BY THE FLORIDA DEPARTMENT OF TRANSPORTATION, AS SHOWN ON DEPARTMENT OF TRANSPORTATION PLAN 72070, SECTION 2703, SHEET 1) CENTERLINE STATION 24 + 29.29 AS SHOWN ON CITY OF JACKSONVILLE DEPARTMENT OF PUBLIC WORKS MAP OF THE PROPOSED CONVENTION CENTER (PROJECT NO. 30/3742/80, FILE NO. 6199, DATED SEPTEMBER 19, 1980); THENCE SOUTH 14°32'05" WEST, 32.00 FEET TO THE SOUTHERLY RIGHT-OF-WAY LINE OF SAID INDEPENDENT DRIVE; THENCE " SOUTH 75°27'55" EAST ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE OF INDEPENDENT DRIVE, 55.64 FEET; THENCE SOUTHEASTERLY ALONG THE SOUTHWESTERLY RIGHT-OF-WAY LINE OF RAMP "C" OF THE MAIN STREET BRIDGE, AS SHOWN ON STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY MAP OF STATE ROAD NO.5, DATED MARCH 25, 1974, THE FOLLOWING THREE (3), COURSES AND DISTANCES: COURSE NO: 1: SOUTH 58°44'51" EAST, 102.69 FEET; COURSE NO.2: SOUTH 66°25'56" EAST, 114.65 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE SOUTHWESTERLY, HAVING A RADIUS OF 406.00 FEET; COURSE NO.3: IN A SOUTHEASTERLY DIRECTION ALONG AND AROUND THE ARC OF SAID CURVE AN ARC DISTANCE OF 258.52 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF SOUTH 48°11'28" EAST, 254.17 FEET; THENCE SOUTH 77°17'24" EAST, 206.55 FEET TO THE POINT OF BEGINNING, AND TO THE SOUTHEASTERLY RIGHT OF WAY LINE OF RAMP B, AS SHOWN ON SAID DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY MAP OF STATE ROAD NO. 5, SAID POINT LYING IN A CURVE, CONCAVE SOUTHEASTERLY, HAVING A RADIUS OF 156.00 FEET; THENCE NORTHEASTERLY ALONG SAID SOUTHEASTERLY RIGHT-OF-WAY LINE OF SAID RAMP "B", AND THE ARC OF SAID CURVE, AN ARC DISTANCE OF 59.83 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF NORTH 67°22'51" EAST, 59.46 FEET TO THE POINT OF TANGENCY OF SAID CURVE; THENCE NORTH 78°22'03" EAST, CONTINUING ALONG LAST SAID RIGHT OF WAY LINE, 289.10 FEET TO AN INTERSECTON WITH THE WESTERLY BOUNDARY OF THE LANDS DESCRIBED AND RECORDED IN OFFICIAL RECORDS BOOK 9195, PAGE 418-PAGE 437 INCLUSIVE, OF THE CURRENT PUBLIC RECORDS, DUVAL COUNTY, FLORIDA; THENCE SOUTHERLY, WESTERLY, AND EASTERLY, ALONG LAST SAID BOUNDARY, RUN THE FOLLOWING NINE (9), COURSES AND DISTANCES: COURSE NO: 1: SOUTH 11°45'46" WEST, 34.11 FEET; COURSE NO.2: NORTH 78°14'14" WEST, 21.49 FEET; COURSE NO: 3: SOUTH 11°54'45" WEST, 22.22 FEET; COURSE NO.4: SOUTH 78°14'14" EAST, 21.55 FEET; COURSE NO: 5: SOUTH 11°45'46" WEST, 72.51 FEET; COURSE NO.6: NORTH 77°59'32" WEST, 7.37 FEET; COURSE NO:7: SOUTH 57°36'06" WEST, 47.95 FEET; COURSE NO.8: NORTH 80°18'09" WEST, 15.52 FEET; COURSE NO: 9: SOUTH 12°01'43" WEST, 52.57 FEET TO AN INTERSECTION WITH THE EASTERLY BOUNDARY OF THE LANDS DESCRIBED AND RECORDED IN OFFICIAL RECORDS VOLUME 6138, PAGE 2127 OF SAID CURRENT PUBLIC RECORDS; THENCE SOUTHERLY, WESTERLY, AND NORTHERLY ALONG THE LAST SAID BOUNDARY RUN THE FOLLOWING SEVEN (7), COURSES AND DISTANCE:

COURSE NO: 1: SOUTH 14°33'09" WEST, 75.00 FEET; COURSE NO.2: NORTH 78°44'37" WEST, 5.69 FEET; COURSE NO: 3: SOUTH 13°22'36" WEST, 39.35 FEET; COURSE NO.4: NORTH 82°09'45" WEST, 40.18 FEET; COURSE NO: 5: NORTH 77°22'30" WEST, 243.79 FEET TO AFORSAID SOUTHEASTERLY RIGHT OF WAY LINE OF RAMP B ; COURSE NO.6: NORTH 04°42'06" EAST, ALONG LAST SAID RIGHT OF WAY LINE 52.15 FEET TO THE POINT OF CURVATURE OF A CURVE, CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 156.00 FEET; COURSE NO:7: CONTINUING ALONG LAST SAID RIGHT OF WAY AND SAID CURVE AN ARC DISTANCE OF 140.56 FEET TO THE POINT OF BEGINNING, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF NORTH 30°34'53" EAST, 135.85 FEET.

THE ABOVE DESCRIBED PARCEL CONTAINS 1.77 ACRES, MORE OR LESS.

**TOGETHER WITH BRIDGE RAMPS PARCEL:**

A PORTION OF THE Z. HOGAN'S GRANT, SECTION 39, TOWNSHIP 2 SOUTH, RANGE 26 EAST, DUVAL COUNTY, FLORIDA. BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE INTERSECTION OF THE SOUTHERLY RIGHT OF WAY LINE OF WATER STREET, (A VARIABLE WIDTH R/W AT THIS POINT), WITH A SOUTHERLY PROLONGATION OF THE EASTERLY LINE OF WATER LOT 20, AS SHOWN ON THE PLAT OF, HARTS' MAP OF JACKSONVILLE, FORMER PUBLIC RECORDS; THENCE SOUTH 75°50'55" EAST, ALONG SAID SOUTHERLY PROLONGATION, 9.53 FEET TO THE POINT OF BEGINNING. THENCE SOUTH 75°27'55" EAST, A DISTANCE OF 36.83 FEET TO A POINT BEING PERPENDICULAR, (90°00'00"), TO THE CONCRETE OVERHEAD STRUCTURE OF THE EASTERLY SIDE OF THE ENTRANCE RAMP OF THE MAIN STREET BRIDGE, (AS SHOWN ON THE DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY MAP SECTION 72070-2703, SHEET 2, PROJECT NUMBER 30/3742/80, FILE NUMBER 6199, DATED SEPTEMBER 19, 1980, FILED IN THE OFFICE OF THE CITY ENGINEER OF SAID COUNTY), SAID POINT ALSO LYING IN A CURVE CONCAVE EASTERLY, HAVING A RADIUS OF 931.93 FEET; THENCE CONTINUE TO FOLLOW LAST SAID RAMP, IN A SOUTHWESTERLY DIRECTION ALONG AND AROUND THE ARC OF SAID CURVE, AN ARC DISTANCE OF 99.36 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF, SOUTH 13°12'24" WEST, 99.31 FEET; THENCE SOUTH 77°17'24" EAST, 59.96 FEET, TO A POINT BEING PERPENDICULAR, (90°00'00"), TO THE CONCRETE OVERHEAD STRUCTURE OF THE NORTHWESTERLY SIDE OF EXIT RAMP "A", AS SHOWN ON SAID DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY MAPS, SAID POINT ALSO LYING IN A CURVE CONCAVE SOUTHEASTERLY, HAVING A RADIUS OF 253.00 FEET; THENCE IN A NORTHEASTERLY DIRECTION FOLLOWING LAST SAID RAMP RUN THE FOLLOWING TWO, (2) COURSES AND DISTANCES; COURSE NO. 1: IN A NORTHEASTERLY DIRECTION ALONG AND AROUND THE ARC OF SAID CURVE, AN ARC DISTANCE OF 17.19 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF, NORTH 52°54'09" EAST, 17.19 FEET TO THE POINT OF TANGENCY OF SAID CURVE; COURSE NO. 2: NORTH 54°50'53" EAST, A DISTANCE OF 110.04 FEET, THENCE SOUTH 75°27'55" EAST, A DISTANCE OF 60.33 FEET, A POINT BEING PERPENDICULAR, (90°00'00"), TO THE

CONCRETE OVERHEAD STRUCTURE OF SOUTHEASTERLY SIDE OF SAID RAMP "A", THENCE SOUTH 54°50'53" WEST, FOLLOWING LAST SAID RAMP, A DISTANCE OF 63.12 FEET TO A POINT BEING PERPENDICULAR, (90°00'00"), TO THE CONCRETE OVERHEAD STRUCTURE OF NORTHERLY SIDE OF EXIT RAMP "B", AS SHOWN ON SAID DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY MAPS; THENCE FOLLOWING LAST SAID RAMP NORTH 78°22'03" EAST, DISTANCE OF 131.52 TO A POINT ON A CURVE CONCAVE NORTHERLY, HAVING A RADIUS OF 269.47 FEET THENCE IN A EASTERLY DIRECTION ALONG AND AROUND THE ARC OF SAID CURVE, AN ARC DISTANCE OF 81.11 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF, SOUTH 88°48'32" EAST, 80.81 FEET; THENCE SOUTH 14°33'09" WEST, A DISTANCE OF 40.17 FEET, TO THE NORTHERLY BOUNDARY OF THE LANDS DESCRIBED AND RECORDED IN OFFICIAL RECORDS VOLUME 6138, PAGE 2121, OF THE CURRENT PUBLIC RECORDS, SAID COUNTY, SAID POINT BEING PERPENDICULAR, (90°00'00"), TO THE CONCRETE OVERHEAD STRUCTURE OF SOUTHERLY SIDE OF SAID RAMP "B", THENCE IN A WESTERLY, SOUTHWESTERLY, AND SOUTHERLY DIRECTION FOLLOWING LAST SAID RAMP, "B" AND LAST SAID BOUNDARY AND IT'S SOUTHERLY PROLONGATION THEREOF, RUN THE FOLLOWING THREE, (3), COURSES AND DISTANCES COURSE NO. 1: SOUTH 78°22'03" WEST, A DISTANCE OF 236.75 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE SOUTHEASTERLY, HAVING A RADIUS OF 156.00 FEET; COURSE NO. 2: IN A SOUTHWESTERLY DIRECTION ALONG AND AROUND THE ARC OF SAID CURVE, AN ARC DISTANCE OF 200.40 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF, SOUTH 41°34'02" WEST, 186.90 FEET TO THE POINT OF TANGENCY OF SAID CURVE; COURSE NO. 3: SOUTH 04°46'05" WEST, A DISTANCE OF 52.15 FEET; THENCE NORTH 77°18'31" WEST, A DISTANCE OF 90.87 FEET TO A POINT BEING PERPENDICULAR, (90°00'00"), TO THE CONCRETE OVERHEAD STRUCTURE OF THE SOUTHWESTERLY SIDE OF RAMP "C", AS SHOWN ON SAID DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY MAPS; THENCE IN A NORTHERLY AND NORTHWESTERLY DIRECTION, FOLLOWING LAST SAID RAMP, "C", RUN THE FOLLOWING THREE, (3), COURSES AND DISTANCES COURSE NO. 1: NORTH 04°46'05" EAST, A DISTANCE OF 38.51 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE NORTHWESTERLY, HAVING A RADIUS OF 206.00 FEET; COURSE NO. 2: IN A NORTHWESTERLY DIRECTION ALONG AND AROUND THE ARC OF SAID CURVE, AN ARC DISTANCE OF 86.33 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF, NORTH 06°55'34" WEST, 85.70 FEET TO THE POINT OF COMPOUND CURVATURE OF A CURVE, CONCAVE SOUTHWESTERLY, HAVING A RADIUS OF 406.00 FEET; COURSE NO. 3: IN A NORTHWESTERLY DIRECTION ALONG AND AROUND THE ARC OF SAID CURVE, AN ARC DISTANCE OF 321.35 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF, NORTH 41°36'22" WEST, 313.02 FEET; THENCE NORTH 23°34'04" EAST, A DISTANCE OF 47.04 FEET TO A POINT BEING PERPENDICULAR, (90°00'00"), TO THE CONCRETE OVERHEAD STRUCTURE OF THE NORTHEASTERLY SIDE OF SAID RAMP "C", AS SHOWN ON SAID DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY MAPS, SAID POINT ALSO LYING IN A CURVE CONCAVE NORTHEASTERLY, HAVING A RADIUS OF 453.00 FEET; THENCE IN A SOUTHEASTERLY DIRECTION FOLLOWING LAST SAID RAMP "C" AND SAID CURVE, AN ARC DISTANCE OF 328.21 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF, SOUTH 43°44'52" EAST, 321.08 FEET TO A POINT BEING

PERPENDICULAR, (90°00'00"), TO THE CONCRETE OVERHEAD STRUCTURE OF THE WESTERLY SIDE OF THE ENTRANCE RAMP OF THE MAIN STREET BRIDGE, (AS SHOWN ON SAID DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY MAP), SAID POINT LYING IN A CURVE CONCAVE EASTERLY, HAVING A RADIUS OF 977.93 FEET; THENCE IN A NORTHERLY DIRECTION, FOLLOWING LAST SAID RAMP, AND SAID CURVE, AN ARC DISTANCE OF 167.57 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF NORTH 11°16'22" EAST, 167.37 FEET; THENCE SOUTH 75°27'55" EAST, A DISTANCE OF 9.19 FEET TO THE POINT OF BEGINNING.

THE ABOVE DESCRIBED PARCEL CONTAINS 1.52 ACRES MORE OR LESS.

**TOGETHER WITH WEST REMAINDER PARCEL BETWEEN RAMPS:**

A PART OF THE Z. HOGAN'S GRANT , SECTION 39, TOWNSHIP 2 SOUTH, RANGE 26 EAST, DUVAL COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: FOR A POINT OF REFERENCE, COMMENCE AT THE INTERSECTION OF THE SOUTHERLY PROLONGATION OF THE WESTERLY RIGHT OF WAY OF MAIN STREET (A 70 FOOT RIGHT OF WAY), AND THE SOUTHERLY RIGHT OF WAY OF WATER STREET (A VARIABLE WIDTH RIGHT OF WAY AT THIS POINT), AS SHOWN ON FLORIDA DEPARTMENT OF TRANSPORTATION RIGHT OF WAY MAPS, SECTION 72070-2703, SHEET 2, PROJECT NUMBER 30/3742/80, FILE NUMBER 6199, DATED SEPTEMBER 19, 1980, FILED IN THE OFFICE OF THE CITY ENGINEER OF SAID COUNTY); THENCE NORTH 75°27'55" WEST ALONG SAID SOUTHERLY RIGHT OF WAY LINE, A DISTANCE OF 8.83 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE EASTERLY AND HAVING A RADIUS OF 977.93 FEET, SAID POINT ALSO BEING PERPENDICULAR (90°00'00") TO THE WESTERLY SIDE OF THE CONCRETE OVERHEAD STRUCTURE OF THE APPROACH RAMP OF THE MAIN STREET BRIDGE (AS SHOWN ON SAID DEPARTMENT OF TRANSPORTATION RIGHT OF WAY MAPS) AND THE POINT OF BEGINNING; THENCE CONTINUING TO FOLLOW SAID APPROACH RAMP, SOUTHWESTERLY ALONG AND AROUND THE ARC OF SAID CURVE, AN ARC DISTANCE OF 176.54 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF SOUTH 11°32'08" WEST, 176.30 FEET TO A POINT, SAID POINT ALSO BEING PERPENDICULAR (90°00'00") TO THE NORTHEASTERLY SIDE OF THE CONCRETE OVERHEAD STRUCTURE OF RAMP "C" OF THE MAIN STREET BRIDGE (AS SHOWN ON SAID DEPARTMENT OF TRANSPORTATION RIGHT OF WAY MAPS), SAID POINT ALSO LYING IN A CURVE CONCAVE TO THE SOUTHWEST AND HAVING A RADIUS OF 453.00 FEET; THENCE NORTHWESTERLY ALONG AND AROUND THE ARC OF SAID CURVE OF RAMP "C", AN ARC DISTANCE OF 343.46 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF NORTH 44°42'44" WEST, 335.30 FEET TO THE POINT OF TANGENCY; THENCE CONTINUING TO FOLLOW SAID RAMP "C", NORTH 66°25'56" WEST, A DISTANCE OF 29.37 FEET TO A POINT ON THE SOUTHERLY RIGHT OF WAY LINE OF WATER STREET; THENCE SOUTH 75°27'55" EAST ALONG THE SAID RIGHT OF WAY LINE, A DISTANCE OF 307.93 FEET TO THE POINT OF BEGINNING.

THE ABOVE DESCRIBED PARCEL CONTAINS, 17,574 SQUARE FEET (0.40 ACRES) MORE OF LESS.

**TOGETHER WITH MIDDLE REMAINDER PARCEL BETWEEN RAMPS:**

A PART OF THE Z. HOGAN'S GRANT , SECTION 39, TOWNSHIP 2 SOUTH, RANGE 26 EAST, DUVAL COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: FOR A POINT OF REFERENCE, COMMENCE AT THE INTERSECTION OF THE SOUTHERLY PROLONGATION OF THE WESTERLY RIGHT OF WAY OF MAIN STREET (A 70 FOOT RIGHT OF WAY), AND THE SOUTHERLY RIGHT OF WAY OF WATER STREET (A VARIABLE WIDTH RIGHT OF WAY AT THIS POINT), AS SHOWN ON FLORIDA DEPARTMENT OF TRANSPORTATION RIGHT OF WAY MAPS, SECTION 72070-2703, SHEET 2, PROJECT NUMBER 30/3742/80, FILE NUMBER 6199, DATED SEPTEMBER 19, 1980, FILED IN THE OFFICE OF THE CITY ENGINEER OF SAID COUNTY); THENCE SOUTH 75°27'55" EAST, A DISTANCE OF 37.20 FEET TO A POINT, SAID POINT BEING PERPENDICULAR (90°00'00") TO THE EASTERLY SIDE OF THE CONCRETE OVERHEAD STRUCTURE OF THE APPROACH RAMP OF THE MAIN STREET BRIDGE (AS SHOWN ON SAID DEPARTMENT OF TRANSPORTATION RIGHT OF WAY MAPS), AND THE POINT OF BEGINNING; THENCE CONTINUE SOUTH 75°27'55" EAST, A DISTANCE OF 151.37 FEET TO A POINT, SAID POINT BEING PERPENDICULAR (90°00'00") TO THE NORTHWESTERLY SIDE OF THE CONCRETE OVERHEAD STRUCTURE OF RAMP "A" OF THE MAIN STREET BRIDGE (AS SHOWN ON SAID DEPARTMENT OF TRANSPORTATION RIGHT OF WAY MAPS); THENCE CONTINUING TO FOLLOW SAID RAMP "A", SOUTH 54°50'53" WEST, A DISTANCE OF 121.79 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE SOUTHEASTERLY AND HAVING A RADIUS OF 253.00 FEET; THENCE CONTINUING TO FOLLOW SAID RAMP "A", SOUTHWESTERLY ALONG AND AROUND THE ARC OF SAID CURVE, AN ARC DISTANCE OF 17.19 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF SOUTH 52°54'09" WEST, 17.19 FEET; THENCE NORTH 77°17'24" WEST, A DISTANCE OF 59.96' TO A POINT LYING ON A CURVE, SAID POINT BEING PERPENDICULAR (90°00'00") TO SAID EASTERLY SIDE OF THE CONCRETE OVERHEAD STRUCTURE OF THE APPROACH RAMP OF THE MAIN STREET BRIDGE (AS SHOWN ON SAID DEPARTMENT OF TRANSPORTATION RIGHT OF WAY MAPS); SAID CURVE BEING CONCAVE EASTERLY AND HAVING A RADIUS OF 931.93 FEET; THENCE CONTINUING TO FOLLOW SAID APPROACH RAMP OF THE SAID MAIN STREET BRIDGE, NORTHERLY ALONG AND AROUND THE ARC OF SAID CURVE, AN ARC DISTANCE OF 108.33 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF NORTH 13°29'04" EAST, 108.27 FEET, TO THE POINT OF TANGENCY AND THE POINT OF BEGINNING.

THE ABOVE DESCRIBED PARCEL CONTAINS, 11,370 SQUARE FEET (0.26 ACRES) MORE OR LESS.

Exhibit C

Parking Obligation Termination and Mutual Limited Release Agreement

## PARKING OBLIGATION TERMINATION AND MUTUAL LIMITED RELEASE AGREEMENT

This PARKING OBLIGATION TERMINATION AND MUTUAL LIMITED RELEASE AGREEMENT (this "Agreement") is made as of the 8<sup>th</sup> day of February, 2007 (the "Effective Date"), between the CITY OF JACKSONVILLE, a municipal corporation and political subdivision of the State of Florida ("City"), JACKSONVILLE ECONOMIC DEVELOPMENT COMMISSION ("JEDC"), and JACKSONVILLE LANDING INVESTMENTS, LLC, a Florida limited liability company ("JLI").

### PRELIMINARY STATEMENTS

A. The City is the owner of the land, exterior common area improvements, parking areas and reversionary interest in the buildings of that certain commercial retail establishment currently known as the "Jacksonville Landing" (hereinafter the "Landing"), located in downtown Jacksonville. The City leases the land underlying the Landing buildings to JLI for its operation of the Landing retail facility, pursuant to the terms and conditions of the Disposition, Development and Lease Agreement dated October 3, 1985, as previously amended five times and as more particularly described in Exhibit A (the "Lease"). The City entered into the Lease with JLI's predecessor Rouse-Jacksonville, Inc. ("Rouse") pursuant to solicited requests for proposal to develop and lease the Landing property, and Rouse later assigned its interests in the Lease to JLI in August 2003. Pursuant to the terms of the Lease, the JLI owns and maintains the Landing buildings during the term of the Lease, and such ownership reverts to the City at the end of the Lease term.

B. The City has certain obligations under the Lease to provide parking for the Landing, and pursuant to the Fifth Amendment to the Lease dated June 25, 2001 (the "Fifth Amendment"), the City and Rouse agreed that the City could discharge those parking obligations by entering into a third-party agreement with Humana Medical Plan, Inc. ("Humana") dated June 6, 2001 (the "Garage Development Agreement") for Humana to develop a parking garage on Humana's vacant property located at the southeast corner of Bay and Hogan Streets (the "Parking Garage") and reserve 300 daily and 375 night and weekend short term parking spaces for public use including use by Landing patrons (the "Public Parking Spaces"), all as more specifically set forth in the Garage Development Agreement. The Garage Development Agreement also included a parking validation program to be funded in part by the City to provide parking discounts or free parking for Landing patrons at the Parking Garage (the "Parking Validation").

C. The terms of the Parking Validation and reservation of the Public Parking Spaces are also set forth in the Parking Rights Agreement (the "Parking Rights Agreement") dated June 4, 2001 between the City, Rouse and Humana. In the Garage Development Agreement and Parking Rights Agreement, the City agreed to contribute up to \$3,000,000 to Humana upon the opening of the Parking Garage for the reservation of the Public Parking Spaces, and also agreed to pay Humana \$500,000 upon such garage opening for the Parking Validation for the first five years. The City further agreed to pay up to \$131,250 per year beginning in year 6 and continuing until 2031 for the continuation of the Parking Validation.

D. Humana did not build the Parking Garage and later contracted to sell the Parking Garage site to a third party, which assigned its interests to Project RiverWatch, LLC, a Florida limited liability company owned or controlled by Cameron Kuhn (such company being hereafter referred to as “Kuhn”). Kuhn plans to develop a mixed-use development on the site that will include a parking garage large enough to accommodate the Public Parking Spaces. Kuhn has agreed to accept all of Humana’s obligations under the Garage Development Agreement and the Parking Rights Agreement.

E. The City and Kuhn are simultaneously herewith entering into the Amended Garage Development Agreement (the “Amended Garage Development Agreement”) and Amended Parking Rights Agreement (the “Amended Parking Rights Agreement”) for purposes of (i) extending the Parking Garage construction deadline set forth in the original Garage Development Agreement, (ii) providing for certain modifications to the Parking Garage design and specifications, and (iii) making certain other changes to the Garage Development Agreement and Parking Rights Agreement.

F. The City, JEDC and JLI are simultaneously herewith entering into the Sixth Amendment to Disposition, Development and Lease Agreement (the “Sixth Amendment”), pursuant to which, among other things, the City is agreeing to convey the Property, as defined in the Sixth Amendment, to JLI, and the parties are agreeing to (i) release Humana from its obligations under the Parking Rights Agreement and Garage Development Agreement; (ii) accept Kuhn’s assumption of Humana’s obligations under the Parking Rights Agreement and Garage Development Agreement, as amended by the Amended Garage Development Agreement; and (iii) enter into this Agreement and certain other documents described in the Sixth Amendment. (The Sixth Amendment, Amended Garage Development Agreement, Amended Parking Rights Agreement, Release and Consent to Assignment and Assumption Agreement of even date herewith between the parties hereto and Humana, the utility easements described in the Sixth Amendment, and all other documents executed in connection with the Closing described in the Sixth Amendment are hereafter referred to as the “Project Documents”).

G. This Agreement terminates the City’s obligation to provide parking for the Landing except as set forth in the Sixth Amendment, Amended Garage Development Agreement and Amended Parking Rights Agreement, and contains mutual limited releases pursuant to which the parties mutually release each other from all of their respective obligations, costs, damages and liabilities under and related to the Lease (other than the obligations under the Sixth Amendment) up to and including the date of this Agreement, but not including the parties’ respective obligations accruing after such date under the Lease or the Project Documents.

NOW THEREFORE, in consideration of the mutual promises and releases contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. **PRELIMINARY STATEMENTS CORRECT.**

The above Preliminary Statements are true and correct.



**2. APPROVAL OF AGREEMENT.**

By the execution hereof, the parties certify as follows:

2.1 JLI certifies that:

- (a) the execution and delivery hereof has been approved by all parties whose approval is required under the terms of the governing documents creating JLI;
- (b) this Agreement does not violate any of the terms or conditions of such governing documents and this Agreement is binding upon JLI and enforceable against JLI in accordance with its terms;
- (c) the person or persons executing this Agreement on behalf of JLI are duly authorized and fully empowered to execute the same for and on behalf of JLI;
- (d) JLI is duly authorized to transact business in the State of Florida and has received all necessary permits and authorizations required by appropriate governmental agencies as a condition to doing business in the State of Florida;
- (e) JLI and its business operations are in material compliance with all Federal, State and local laws.

2.2 The JEDC certifies that the execution and delivery hereof has been approved at a duly convened meeting of the JEDC and the same is binding upon the JEDC and enforceable against it in accordance with its terms.

2.3 The City certifies that the execution and delivery hereof is binding upon the City to the extent provided herein and enforceable against it in accordance with its terms.

**3. TERMINATION OF PARKING OBLIGATION.**

All City obligations to provide any type of parking or financial or other assistance related to parking with respect to the Landing as contained in the (i) Lease including without limitation the Fifth Amendment, (ii) Garage Development Agreement and (iii) Parking Rights Agreement are hereby terminated and released except as set forth in the Sixth Amendment to the Lease, the Amended Parking Rights Agreement and Amended Garage Development Agreement (the "Continuing Parking Obligations"). From and after the date hereof and except for the Continuing Parking Obligations, the City shall have no obligation to provide any parking for the Landing or JLI, or any financial assistance related to parking for the Landing or JLI.

**4. MUTUAL LIMITED RELEASES FROM PRIOR OBLIGATIONS UNDER THE LEASE.**

4.1 City and JEDC Limited Release.

With respect to any outstanding or unfulfilled obligations or liabilities of JLI under or in connection with the Lease (other than under the Sixth Amendment) accruing prior to the date hereof (the “Prior JLI Obligations”), the City and JEDC do hereby remise, release, acquit, satisfy, and forever discharge JLI, and its officers, directors, agents, representatives, attorneys and employees (collectively the “JLI Parties”), of and from all, and all manner of, action and actions, cause and causes of action, suits, debts, dues, sums of money, accounts, reckonings, bonds, bill, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, executions, claims and demands whatsoever in law or in equity, which the City or JEDC, or any of their respective affiliates, subsidiaries, officers, directors, agents, representatives and employees (collectively the “City/JEDC Parties”) ever had, now have or which any successor, personal representative or heir or assign of the City/JEDC Parties hereafter can, shall or may have, from the beginning of the world to the date of this Agreement against any of the JLI Parties related to the Prior JLI Obligations; provided however that this limited release shall not affect the obligations and liabilities of JLI under (i) the Lease, as amended by the Sixth Amendment, accruing on and after the date hereof (including without limitation all rental payment obligations under the Lease), or (ii) the Project Documents (collectively the “Continuing JLI Obligations”), and all such Continuing JLI Obligations shall remain in full force and effect.

#### 4.2 **JLI Limited Release.**

With respect to any outstanding or unfulfilled obligations or liabilities of the City or JEDC under the (a) Lease (other than under the Sixth Amendment), (b) Parking Rights Agreement and (c) Garage Development Agreement accruing prior to the date hereof (the “Prior City/JEDC Obligations”), JLI hereby remises, releases, acquits, satisfies, and forever discharges the City/JEDC Parties, of and from all, and all manner of, action and actions, cause and causes of action, suits, debts, dues, sums of money, accounts, reckonings, bonds, bill, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, executions, claims and demands whatsoever in law or in equity, which any of the JLI Parties ever had, now have or which any successor, personal representative or heir or assign of the JLI parties hereafter can, shall or may have, from the beginning of the world to the date of this Agreement against any of the City/JEDC Parties related to the Prior City/JEDC Obligations; provided however that this limited release shall not affect the obligations and liabilities of the City or JEDC under (i) the Lease, as amended by the Sixth Amendment, accruing on and after the date hereof, or (ii) the Project Documents (collectively the “Continuing City/JEDC Obligations”), and all such Continuing City/JEDC Obligations shall remain in full force and effect.

### 5. **MISCELLANEOUS.**

#### 5.1 **Severability.**

The invalidity, illegality or inability to enforce of any one or more of the provisions of this Agreement shall not affect any other provisions of this Agreement, but this Agreement will be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

5.2 **Incorporation by Reference.**

All exhibits and other attachments to this Agreement that are referenced in this Agreement are by this reference made a part hereof and are incorporated herein.

5.3 **Counterparts.**

This Contract may be executed in several counterparts, each of which shall be deemed an original, and all of such counterparts together shall constitute one and the same instrument.

5.4 **Parties to Agreement; Successors and Assigns.**

This is an agreement solely between the parties hereto, and the execution and delivery hereof shall not be deemed to confer any rights or privileges on any person not a party hereto. This Agreement shall be binding upon the parties hereto and their successors and assigns, and shall inure to the benefit of the parties hereto, and their successors and assigns.

5.5 **Venue; Applicable Law.**

The rights, obligations and remedies of the parties specified under this Agreement shall be interpreted and governed in all respects by the laws of the State of Florida. All legal actions arising out of or connected with this Agreement must be instituted in the Circuit Court of Duval County, Florida, or in the Federal District Court for the Middle District of Florida, Jacksonville Division. The laws of the State of Florida shall govern the interpretation and enforcement of this Agreement.

5.6 **Further Assurances.**

The parties hereto upon request by any other party thereto shall:

5.6.1 promptly correct any defect, error or omission herein or in any of the Project Documents;

5.6.2 execute, acknowledge, deliver, procure, record or file such further instruments and do such further acts deemed necessary, desirable or proper by the City to carry out the purposes of the Project Documents;

5.6.3 provide such certificates, documents, reports, information, affidavits and other instruments and do such further acts deemed necessary, desirable or proper by the City to carry out the purposes of the Project Documents.

5.7 **Construction.**

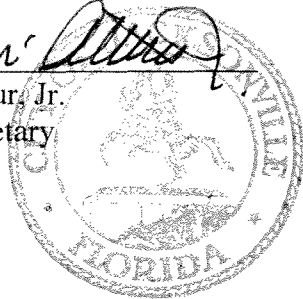
All parties acknowledge that they have had meaningful input into the terms and conditions contained in this Agreement. Each party further acknowledges that it has had ample time to review this Agreement and related documents with counsel of its choice. Any doubtful or ambiguous provisions contained herein shall not be construed against the party who drafted the

Agreement. Captions and headings in this Agreement are for convenience of reference only and do not in any way limit, amplify, or otherwise modify the provisions of this Agreement.

IN WITNESS WHEREOF, this Agreement is executed the day and year above written.

ATTEST:

By: Neil W. McArthur, Jr.  
Neil W. McArthur, Jr.  
Corporation Secretary



WITNESS:

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

CITY OF JACKSONVILLE

By: Pam Markham  
John Peyton, Mayor  
Date: 2-6-07  
Pam Markham  
Deputy Chief Administrative Officer  
For Mayor John Peyton  
Under Authority of:  
Executive Order No. 06-07

JACKSONVILLE ECONOMIC  
DEVELOPMENT COMMISSION

By: \_\_\_\_\_  
M.C. Harden III, Chairman  
Date: \_\_\_\_\_

WITNESS:

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

JACKSONVILLE LANDING INVESTMENTS,  
LLC, a Florida limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_  
Date: \_\_\_\_\_

FORM APPROVED:

[Signature]  
\_\_\_\_\_  
Office of the General Counsel

Agreement. Captions and headings in this Agreement are for convenience of reference only and do not in any way limit, amplify, or otherwise modify the provisions of this Agreement.

**IN WITNESS WHEREOF**, this Agreement is executed the day and year above written.

ATTEST:

CITY OF JACKSONVILLE

By: \_\_\_\_\_  
Neill W. McArthur, Jr.  
Corporation Secretary

By: \_\_\_\_\_  
John Peyton, Mayor  
Date: \_\_\_\_\_

WITNESS:

JACKSONVILLE ECONOMIC  
DEVELOPMENT COMMISSION

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

By: *M. Harden III*  
M.C. Harden III, Chairman  
Date: 2/6/07

WITNESS:

JACKSONVILLE LANDING INVESTMENTS,  
LLC, a Florida limited liability company

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

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_  
Date: \_\_\_\_\_

FORM APPROVED:

\_\_\_\_\_  
Office of the General Counsel

Agreement. Captions and headings in this Agreement are for convenience of reference only and do not in any way limit, amplify, or otherwise modify the provisions of this Agreement.

IN WITNESS WHEREOF, this Agreement is executed the day and year above written.

ATTEST:

CITY OF JACKSONVILLE

By: \_\_\_\_\_  
Neill W. McArthur, Jr.  
Corporation Secretary

By: \_\_\_\_\_  
John Peyton, Mayor  
Date: \_\_\_\_\_

WITNESS:

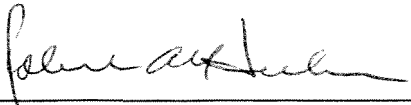
JACKSONVILLE ECONOMIC  
DEVELOPMENT COMMISSION

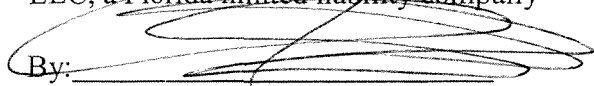
\_\_\_\_\_  
Print Name: \_\_\_\_\_

By \_\_\_\_\_  
M.C. Harden III, Chairman  
Date: \_\_\_\_\_

WITNESS:

JACKSONVILLE LANDING INVESTMENTS,  
LLC, a Florida limited liability company

  
\_\_\_\_\_  
Print Name: ROBERT A. HEEKIN

By:   
Name: ANTHONY T. SLEIMAN  
Its: MANAGING MEMBER  
Date: 2-7-07

FORM APPROVED:

\_\_\_\_\_  
Office of the General Counsel

**EXHIBIT A**  
**THE LEASE**

That certain Disposition, Development and Lease Agreement dated October 3, 1985, among Rouse-Jacksonville, Inc. (predecessor in interest to Rouse-Jacksonville, LLC), City of Jacksonville, and Jacksonville Downtown Development Authority (predecessor in interest to City); as amended by that certain Short Form Lease Agreement dated March 13, 1986, recorded in Official Records Volume 6138, page 2127, public records of Duval County, Florida; as amended by that certain First Amendment to Disposition, Development and Lease Agreement dated as of March 13, 1986; as amended by that certain Second Amendment to Disposition, Development and Lease Agreement dated October 26, 1987, recorded in Official Records Volume 6419, page 1334, public records of Duval County, Florida; as amended by that certain Third Amendment to Disposition, Development and Lease Agreement dated January 12, 1996; as amended by that certain Fourth Amendment to Disposition, Development and Lease Agreement dated December 5, 1998; and as amended by that certain Fifth Amendment to Disposition, Development and Lease Agreement dated June 25, 2001 (collectively, the "Lease"), which Lease was assigned to Jacksonville Landing Investments, LLC, as set forth in that certain Assignment and Assumption of City Lease by and between Rouse-Jacksonville, LLC, a Delaware limited liability company and Jacksonville Landing Investments, LLC, a Florida limited liability company, dated August 29, 2003 and recorded in Official Records Volume 11326, page 2118, public records of Duval County, Florida.

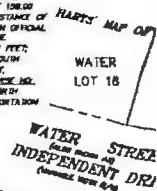
Exhibit D  
Riverwalk Parcel  
[to be confirmed by survey and title]



SKETCH AND LEGAL DESCRIPTION OF:

A PART OF THE 2. HOGAN'S CHANT, SECTION 36, TOWNSHIP 2 SOUTH, RANGE 26 EAST, DADE COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: COMMENCE AT INDEPENDENT DRIVE (AS RELOCATED BY THE FLORIDA DEPARTMENT OF TRANSPORTATION, AS SHOWN ON DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY MAPS, 7702L SECTION 2701, SHEET 1) CENTERLINE STATION 24 + 28.29 AS SHOWN ON CITY OF JACKSONVILLE DEPARTMENT OF PUBLIC WORKS MAP OF THE PROPOSED CONVENTION CENTER (PROJECT NO. 30/2742/00, FILE NO. 8188, DATED SEPTEMBER 18, 1989) THENCE SOUTH 14.52°00' WEST, 22.06 FEET TO THE SOUTHWESTLY RIGHT-OF-WAY LINE OF SAID INDEPENDENT DRIVE; THENCE SOUTH 75°27'30" EAST ALONG SAID SOUTHWESTLY RIGHT-OF-WAY LINE OF INDEPENDENT DRIVE, 50.84 FEET; THENCE SOUTHEASTERNLY ALONG THE SOUTHWESTERNLY RIGHT-OF-WAY LINE OF RAMP "C" OF THE MAIN STREET BRIDGE, AS SHOWN ON STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY MAP OF STATE ROAD 161, DATED MARCH 28, 1974, THE FOLLOWING BEING COURSES AND DISTANCES: COURSE NO. 1: SOUTH 08°14'30" EAST, 102.89 FEET; COURSE NO. 2: SOUTH 08°25'30" EAST, 114.83 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE SOUTHWESTERLY, HAVING A RADIUS OF 405.00 FEET; COURSE NO. 3: IN A SOUTHEASTERNLY DIRECTION ALONG AND AROUND THE ARC OF SAID CURVE AN ARC DISTANCE OF 208.53 FEET; SAID ARC BEING SUBSTENDED BY A CHORD BEARING AND DISTANCE OF SOUTH 48°17'10" EAST, 304.17 FEET; THENCE SOUTH 77°17'20" EAST, 302.50 FEET TO THE SOUTHWESTERNLY RIGHT-OF-WAY LINE OF RAMP "B", AS SHOWN ON SAID DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY MAP OF STATE ROAD 161, SAID POINT BEING IN A CURVE, CONCAVE SOUTHWESTERLY, HAVING A RADIUS OF 128.00 FEET; THENCE NORTHEASTERLY ALONG SAID SOUTHWESTERNLY RIGHT-OF-WAY LINE OF SAID RAMP "B", AND THE ARC OF SAID CURVE, AN ARC DISTANCE OF 38.83 FEET, SAID CURVE BEING SUBSTENDED BY A CHORD BEARING AND DISTANCE OF NORTH 87°23'30" EAST, 58.48 FEET; THENCE NORTH 87°23'30" EAST, CONTINUING ALONG SAID RIGHT-OF-WAY LINE, 288.1 FEET TO AN INTERSECTION WITH THE WESTERLY BOUNDARY OF THE LANDS DESCRIBED AND RECORDED IN OFFICIAL RECORDS BOOK 818, PAGE 418-419 AND 427 INCLUSIVE, OF THE COUNTY PUBLIC RECORDS, DADE COUNTY, FLORIDA; THENCE IN A SOUTHWEST, WESTERLY, AND EASTERNLY, ALONG SAID BOUNDARY, RUN THE FOLLOWING 6 BEING COURSES AND DISTANCES: COURSE NO. 1: SOUTH 11°48'48" WEST, 34.11 FEET; COURSE NO. 2: NORTH 76°14'14" WEST, 21.89 FEET; COURSE NO. 3: SOUTH 11°34'45" WEST, 28.22 FEET; COURSE NO. 4: SOUTH 78°47'14" EAST, 21.51 FEET; COURSE NO. 5: SOUTH 11°55'48" WEST, 29.51 FEET; COURSE NO. 6: NORTH 77°30'27" WEST, 7.37 FEET; COURSE NO. 7: SOUTH 57°30'00" WEST, 47.80 FEET; COURSE NO. 8: SOUTH 88°10'00" WEST, 15.32 FEET; COURSE NO. 9: SOUTH 87°04'30" WEST, 58.54 FEET TO AN INTERSECTION WITH THE EASTERN BOUNDARY OF THE LANDS DESCRIBED AND RECORDED IN OFFICIAL RECORDS BOOK 818, PAGE 2127 OF SAID COUNTY PUBLIC RECORDS; THENCE SOUTHERLY, WESTERLY, AND NORTHERLY ALONG THE SAID BOUNDARY RUN THE FOLLOWING 4 MORE COURSES AND DISTANCES: COURSE NO. 1: SOUTH 14°15'00" WEST, 24.00 FEET; COURSE NO. 2: SOUTH 78°44'30" WEST, 5.88 FEET; COURSE NO. 3: SOUTH 32°20'30" WEST, 20.35 FEET TO THE POINT OF BEGINNING; COURSE NO. 4: CONTINUE SOUTH 13°22'30" WEST, 20.28 FEET TO THE WATER BOUNDARY OF A CONCRETE OVERHEAD ALONG THE ST. JOHNS RIVER; THENCE NORTH 77°20'30" WEST, ALONG SAID OVERHEAD, 37.00 FEET TO A POINT BEING PERPENDICULAR TO THE CENTERLINE OVERHEAD STRUCTURE OF THE EXISTING WESTERLY SIDE OF RAMP "C", AS SHOWN ON AFRSHAD DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY MAPS; THENCE FOLLOWING SAID RAMP NORTH 04°10'25" EAST, 24.38 FEET; THENCE SOUTH 77°22'30" EAST, 334.71 FEET; THENCE SOUTH 82°00'00" EAST, 40.18 FEET TO THE POINT OF BEGINNING.

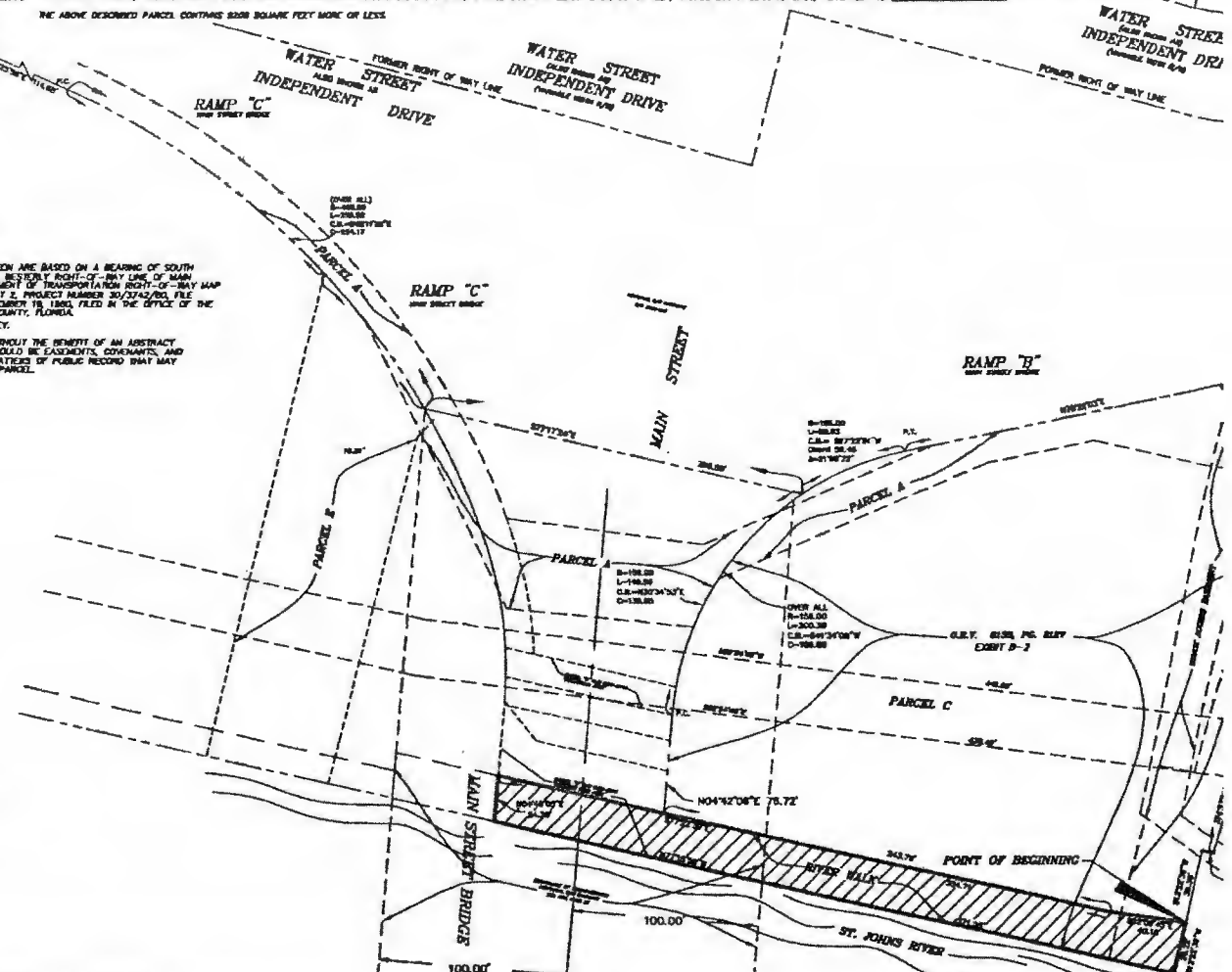
THE ABOVE DESCRIBED PARCEL CONTAINS 3208 SQUARE FEET MORE OR LESS.



GENERAL NOTES:

1. THE BEARINGS SHOWN HEREON ARE BASED ON A BEARING OF SOUTH 14°52'00" WEST ALONG THE WESTERLY RIGHT-OF-WAY LINE OF MAIN STREET AS SHOWN ON THE DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY MAP SECTION 2701-2702 SHEET 2, PROJECT NUMBER 30/2742/00, FILE NUMBER 8188, DATED SEPTEMBER 18, 1989, FILED IN THE OFFICE OF THE CITY ENGINEER OF DADE COUNTY, FLORIDA.
2. THIS IS NOT A FIELD SURVEY.
3. THIS SURVEY WAS MADE WITHOUT THE BENEFIT OF AN ABSTRACT TITLE; THEREFORE, THERE COULD BE EASEMENTS, COVENANTS, AND RESTRICTIONS OR OTHER MATTERS OF PUBLIC RECORD THAT MAY OR MAY NOT AFFECT THIS PARCEL.

LEGEND	
P.T.	POINT OF BEGINNING
P.C.	POINT OF CURVATURE
OFF	OFFICIAL RECORDS BOOK
OFF	OFFICIAL RECORDS PAGE
C.R.	COURSE RECORD
C.B.	CURVE BOUNDARY



6/ROAD/PROJECTS/21/DAHNNY/LANDING/SEA EXHIBIT/70508 EAST PARCELS RIVER BANK

NO. BY DATE		SURVEY DATA		CITY OF JACKSONVILLE		PROJECT NO. 71	
		DATE MADE BY	PROJECT NAME	ISSUED BY	ROOM NO.	DATE	
		SURVEY BOOK NO.	THE LANDING			01	
		CURV. BOOK NO.					
		LAST DATE IN FIELD					

CITY OF JACKSONVILLE  
DEPARTMENT OF PUBLIC WORKS  
230 E. BAY STREET ENGINEERING DIVISION JACKSONVILLE, FL. 32202  
SCALE 1" = 100'

Exhibit E  
Release and Consent to Assignment

## RELEASE AND CONSENT TO ASSIGNMENT AND ASSUMPTION AGREEMENT

This RELEASE AND CONSENT TO ASSIGNMENT AND ASSUMPTION AGREEMENT (this "Agreement") is made as of the 8<sup>th</sup> day of February, 2007 (the "Effective Date"), between the **CITY OF JACKSONVILLE**, a municipal corporation and political subdivision of the State of Florida ("City"), **JACKSONVILLE ECONOMIC DEVELOPMENT COMMISSION** ("JEDC"), **JACKSONVILLE LANDING INVESTMENTS, LLC**, a Florida limited liability company ("JLI"), **HUMANA MEDICAL PLAN, INC.**, a Florida corporation and **HUMANA HEALTH INSURANCE COMPANY OF FLORIDA, INC.**, a Florida corporation (collectively, "Humana"), and **PROJECT RIVERWATCH LLC**, a Florida limited liability company ("Kuhn").

### PRELIMINARY STATEMENTS

A. The City is the owner of the land, exterior common area improvements, parking areas and reversionary interest in the buildings of that certain commercial retail establishment currently known as the "Jacksonville Landing" (hereinafter the "Landing"), located in downtown Jacksonville. The City leases the land underlying the Landing buildings to JLI for its operation of the Landing retail facility, pursuant to the terms and conditions of the Disposition, Development and Lease Agreement dated October 3, 1985, as previously amended five times and as more particularly described in Exhibit A (the "Lease"). The City entered into the Lease with JLI's predecessor Rouse-Jacksonville, Inc. ("Rouse") pursuant to solicited requests for proposal to develop and lease the Landing property, and Rouse later assigned its interests in the Lease to JLI pursuant to the Assignment and Assumption of City Lease dated August 29, 2003. Pursuant to the terms of the Lease, the JLI owns and maintains the Landing buildings during the term of the Lease, and such ownership reverts to the City at the end of the Lease term.

B. The City has certain obligations under the Lease to provide parking for the Landing, and pursuant to the Fifth Amendment to the Lease dated June 25, 2001 (the "Fifth Amendment"), the City and Rouse agreed that the City could discharge those parking obligations by entering into a third-party agreement with Humana dated June 6, 2001, a true and correct copy of which is attached as Exhibit B (the "Garage Development Agreement"), for Humana to develop a parking garage on Humana's vacant property located at the southeast corner of Bay and Hogan Streets (the "Parking Garage") and reserve 300 daily and 375 night and weekend short term parking spaces for public use including use by Landing patrons (the "Public Parking Spaces"), all as more specifically set forth in the Garage Development Agreement. The Garage Development Agreement also included a parking validation program to be funded in part by the City to provide parking discounts or free parking for Landing patrons at the Parking Garage (the "Parking Validation").

C. The terms of the Parking Validation and reservation of the Public Parking Spaces are also set forth in the Parking Rights Agreement dated June 4, 2001 between the City, Rouse and Humana, a true and correct copy of which is attached as Exhibit C (the "Parking Rights Agreement"). In the Garage Development Agreement and Parking Rights Agreement, the City agreed to contribute up to \$3,000,000 to Humana upon the opening of the Parking Garage for the reservation of the Public Parking Spaces, and also agreed to pay Humana \$500,000 upon such garage opening for the Parking Validation for the first five years. The City further agreed to pay

up to \$131,250 per year beginning in year 6 and continuing until 2031 for the continuation of the Parking Validation.

D. Humana did not build the Parking Garage and later contracted to sell the Parking Garage site to a third party, which in turn assigned its interests to Kuhn. Kuhn plans to develop a mixed-use development on the site that will include a parking garage large enough to accommodate the Public Parking Spaces. Kuhn has agreed to accept all of Humana's rights and obligations under the Garage Development Agreement and the Parking Rights Agreement pursuant to an Assignment and Assumption Agreement between Humana and Kuhn dated contemporaneously herewith in the form of attached **Exhibit D** (the "Assignment and Assumption Agreement").

E. The City and Kuhn are contemporaneously herewith entering into the Second Amendment to Redevelopment Agreement in the form of attached **Exhibit E** (the "Second Amendment to Redevelopment Agreement") and the First Amendment to Parking Rights Agreement in the form of attached **Exhibit F** (the "First Amendment to Parking Rights Agreement") for purposes of (i) extending the Parking Garage construction deadline set forth in the original Garage Development Agreement, (ii) providing for certain modifications to the Parking Garage design and specifications, and (iii) making certain other changes to the Garage Development Agreement and Parking Rights Agreement.

F. In this Agreement, the City, JEDC and JLI are (i) consenting to Humana's assignment to Kuhn of all of Humana's rights and obligations under the Garage Development Agreement and Parking Rights Agreement, and (ii) releasing Humana from all of its obligations under the Garage Development Agreement and Parking Rights Agreement. Additionally, JLI is consenting to the Amended Garage Development Agreement and First Amendment to Parking Rights Agreement between the City and Kuhn, and Humana is releasing the City, JEDC and JLI from any obligations under the Garage Development Agreement or Parking Rights Agreement.

NOW THEREFORE, in consideration of the mutual promises, consent and releases contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. **PRELIMINARY STATEMENTS CORRECT.**

The above Preliminary Statements are true and correct.

2. **APPROVAL OF AGREEMENT.**

By the execution hereof, the parties certify as follows:

2.1 JLI, Humana and Kuhn each certify that:

- (a) the execution and delivery hereof has been approved by all parties whose approval is required under the terms of the governing documents creating the particular JLI, Humana or Kuhn entity, and each represents, warrants and certifies that it continues to own, and has not assigned or transferred its interests in, the documents and agreements referenced above;

- (b) this Agreement does not violate any of the terms or conditions of such governing documents and the Agreement is binding upon JLI, Humana and Kuhn and enforceable against each of them in accordance with its terms;
- (c) the person or persons executing this Agreement on behalf of JLI, Humana and Kuhn are duly authorized and fully empowered to execute the same for and on behalf of such entities;
- (d) JLI, Humana and Kuhn are duly authorized to transact business in the State of Florida and have received all necessary permits and authorizations required by appropriate governmental agencies as a condition to doing business in the State of Florida;
- (e) JLI, Humana and Kuhn, and their respective business operations, are in compliance with all Federal, State and local laws in all material respects.

2.2 The JEDC certifies that the execution and delivery hereof has been approved at a duly convened meeting of the JEDC and the same is binding upon the JEDC and enforceable against it in accordance with its terms.

2.3 The City certifies that the execution and delivery hereof is binding upon the City to the extent provided herein and enforceable against it in accordance with its terms.

3. **CONSENT TO ASSIGNMENTS AND SECOND AMENDMENT TO REDEVELOPMENT AGREEMENT AND FIRST AMENDMENT TO PARKING RIGHTS AGREEMENT; ASSUMPTION OF HUMANA OBLIGATIONS BY KUHN.**

3.1 The City, JEDC and JLI hereby consent to (i) Humana's assignment to Kuhn pursuant to the Assignment and Assumption Agreement, of all of Humana's rights and obligations under the Garage Development Agreement and Parking Rights Agreement, and (ii) Kuhn's assumption of all of Humana's rights and obligations under the Garage Development Agreement and Parking Rights Agreement. The City, JEDC and JLI acknowledge that although Kuhn is obligated to perform all obligations of the Developer/Humana under the Garage Development Agreement, as amended, and the Parking Rights Agreement, as amended, Kuhn has no liability for any prior alleged defaults of Humana under such agreements, and such prior alleged defaults are being released hereby.

3.2 Kuhn hereby confirms, pursuant to the Assignment and Assumption Agreement, Kuhn's assumption of all of the rights and obligations of Humana under the Garage Development Agreement and the Parking Rights Agreement. Kuhn agrees and confirms (i) it will be directly liable to the City in the place of Humana under the Garage Development Agreement, as amended by the Second Amendment to Redevelopment Agreement, and (ii) it will be directly liable to the City and JLI in the place of Humana under the Parking Rights Agreement, as amended by the First Amendment to Parking Rights Agreement. The City, JLI and JEDC hereby agree to accord Kuhn all of the rights, entitlements and obligations owed to

Humana under the Parking Rights Agreement, as amended, and the Garage Development Agreement, as amended.

3.3 JLI hereby consents to the Second Amendment to Redevelopment Agreement and First Amendment to Parking Rights Agreement.

**4. RELEASES.**

**4.1 City, JEDC, and JLI Release.**

The City, JEDC and JLI do hereby unconditionally remise, release, acquit, satisfy, and forever discharge Humana, and its affiliates, subsidiaries, parent, sister company, officers, directors, agents, representatives, attorneys and employees (collectively the "Humana Parties"), of and from all, and all manner of, action and actions, cause and causes of action, suits, debts, dues, sums of money, accounts, reckonings, bonds, bill, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, executions, claims and demands whatsoever in law or in equity, which the City, JEDC or JLI, or any of their respective affiliates, subsidiaries, parent, sister company, officers, directors, shareholders, agents, representatives and employees (collectively the "City/JEDC/JLI Parties") ever had, now have or which any successor, personal representative or heir or assign of the City/JEDC/JLI Parties hereafter can, shall or may have, from the beginning of the world to the date of this Agreement against any of the Humana Parties arising from or related to the Garage Development Agreement and/or the Parking Rights Agreement, or from acts, or omissions to act, of any of the Humana Parties thereunder; provided however that the foregoing release shall not release Humana from any of its obligations hereunder or under the Settlement Agreement between the City and Humana dated contemporaneously herewith or under the Settlement Documents defined therein.

**4.2 Humana Release.**

Humana does hereby unconditionally remise, release, acquit, satisfy, and forever discharge each of the City/JEDC/JLI Parties of and from all, and all manner of, action and actions, cause and causes of action, suits, debts, dues, sums of money, accounts, reckonings, bonds, bill, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, executions, claims and demands whatsoever in law or in equity, which the Humana Parties ever had, now have or which any personal representative, successor, heir or assign of the Humana Parties hereafter can, shall or may have, from the beginning of the world to the date of this Agreement against any of the City/JEDC/JLI Parties arising from or related to the Garage Development Agreement and/or the Parking Rights Agreement, or from acts, or omissions to act, of any of the City/JEDC/JLI Parties thereunder; provided however that the foregoing release shall not release the City from any of its obligations hereunder or under the Settlement Agreement between the City and Humana dated contemporaneously herewith or under the Settlement Documents defined therein.

**5. MISCELLANEOUS.**

**5.1 Severability.**

The invalidity, illegality or inability to enforce of any one or more of the provisions of this Agreement shall not affect any other provisions of this Agreement, but this Agreement will be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

5.2 **Incorporation by Reference.**

All exhibits and other attachments to this Agreement that are referenced in this Agreement are by this reference made a part hereof and are incorporated herein.

5.3 **Counterparts.**

This Agreement may be executed in several counterparts, each of which shall be deemed an original, and all of such counterparts together shall constitute one and the same instrument.

5.4 **Parties to Agreement; Successors and Assigns.**

This is an agreement solely between the parties hereto, and the execution and delivery hereof shall not be deemed to confer any rights or privileges on any person not a party hereto. This Agreement shall be binding upon the parties hereto and their successors and assigns, and shall inure to the benefit of the parties hereto, and their successors and assigns.

5.5 **Venue; Applicable Law.**

The rights, obligations and remedies of the parties specified under this Agreement shall be interpreted and governed in all respects by the laws of the State of Florida. All legal actions arising out of or connected with this Agreement must be instituted in the Circuit Court of Duval County, Florida, or in the Federal District Court for the Middle District of Florida, Jacksonville Division. The laws of the State of Florida shall govern the interpretation and enforcement of this Agreement.

5.6 **Further Assurances.**

The parties hereto upon request by any other party thereto shall:

5.6.1 promptly correct any defect, error or omission herein or in any document executed in connection herewith (collectively the "Project Documents");

5.6.2 execute, acknowledge, deliver, procure, record or file such further instruments and do such further acts deemed necessary, desirable or proper by the City to carry out the purposes of the Project Documents; and

5.6.3 provide such certificates, documents, reports, information, affidavits and other instruments and do such further acts deemed necessary, desirable or proper by the City to carry out the purposes of the Project Documents.

5.7 **Construction.**


All parties acknowledge that they have had meaningful input into the terms and conditions contained in this Agreement. Each party further acknowledges that it has had ample time to review this Agreement and related documents with counsel of its choice. Any doubtful or ambiguous provisions contained herein shall not be construed against the party who drafted the Agreement. Captions and headings in this Agreement are for convenience of reference only and do not in any way limit, amplify, or otherwise modify the provisions of this Agreement.

IN WITNESS WHEREOF, this Agreement is executed the day and year above written.

ATTEST:

CITY OF JACKSONVILLE

By: Neil W. McArthur, Jr.  
Neil W. McArthur, Jr.  
Corporation Secretary



By: Pam Markham  
John Peyton, Mayor  
Date: 2-6-07  
Pam Markham  
Deputy Chief Administrative Officer  
For: Mayor John Peyton  
Under Authority of:  
Executive Order No. 06-07

WITNESS:

JACKSONVILLE ECONOMIC  
DEVELOPMENT COMMISSION

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

By: \_\_\_\_\_  
M.C. Harden III, Chairman  
Date: \_\_\_\_\_

WITNESS:

JACKSONVILLE LANDING INVESTMENTS,  
LLC, a Florida limited liability company

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

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_  
Date: \_\_\_\_\_

FORM APPROVED

By: [Signature]  
Office of General Counsel



All parties acknowledge that they have had meaningful input into the terms and conditions contained in this Agreement. Each party further acknowledges that it has had ample time to review this Agreement and related documents with counsel of its choice. Any doubtful or ambiguous provisions contained herein shall not be construed against the party who drafted the Agreement. Captions and headings in this Agreement are for convenience of reference only and do not in any way limit, amplify, or otherwise modify the provisions of this Agreement.

**IN WITNESS WHEREOF**, this Agreement is executed the day and year above written.

ATTEST:

CITY OF JACKSONVILLE

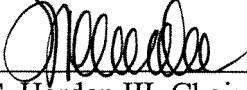
By: \_\_\_\_\_  
Neill W. McArthur, Jr.  
Corporation Secretary

By: \_\_\_\_\_  
John Peyton, Mayor  
Date: \_\_\_\_\_

WITNESS:

JACKSONVILLE ECONOMIC  
DEVELOPMENT COMMISSION

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

By:  \_\_\_\_\_  
M.C. Harden III, Chairman  
Date: 2/6/07

WITNESS:

JACKSONVILLE LANDING INVESTMENTS,  
LLC, a Florida limited liability company

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

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_  
Date: \_\_\_\_\_

All parties acknowledge that they have had meaningful input into the terms and conditions contained in this Agreement. Each party further acknowledges that it has had ample time to review this Agreement and related documents with counsel of its choice. Any doubtful or ambiguous provisions contained herein shall not be construed against the party who drafted the Agreement. Captions and headings in this Agreement are for convenience of reference only and do not in any way limit, amplify, or otherwise modify the provisions of this Agreement.

**IN WITNESS WHEREOF**, this Agreement is executed the day and year above written.

ATTEST:

CITY OF JACKSONVILLE

By: \_\_\_\_\_  
Neill W. McArthur, Jr.  
Corporation Secretary

By: \_\_\_\_\_  
John Peyton, Mayor  
Date: \_\_\_\_\_

WITNESS:


JACKSONVILLE ECONOMIC  
DEVELOPMENT COMMISSION

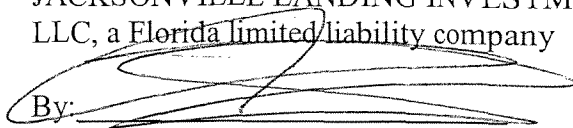
\_\_\_\_\_  
Print Name: \_\_\_\_\_

By \_\_\_\_\_  
M.C. Harden III, Chairman  
Date: \_\_\_\_\_

WITNESS:

JACKSONVILLE LANDING INVESTMENTS,  
LLC, a Florida limited liability company

  
\_\_\_\_\_  
Print Name: ROBERT A. HEEKIN

  
By: \_\_\_\_\_  
Name: ANTHONY T. SLEIMAN  
Its: MANAGING MEMBER  
Date: 2-7-07

WITNESS:

~~ASHLEY~~ Conkle  
Print Name: ASHLEY CONKLE

PROJECT RIVERWATCH, LLC, a Florida limited liability company

By: [Signature]  
Name: CAMERON KOHN  
Its: MANAGER  
Date: \_\_\_\_\_

WITNESS:

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

By: \_\_\_\_\_  
Print Name: Kathleen Pellegrino  
Title: Vice President and Deputy General Counsel  
Date: \_\_\_\_\_

WITNESS:

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

HUMANA HEALTH INSURANCE COMPANY OF FLORIDA, INC., a Florida corporation

By: \_\_\_\_\_  
Print Name: Kathleen Pellegrino  
Title: Vice President and Deputy General Counsel  
Date: \_\_\_\_\_

FORM APPROVED:

\_\_\_\_\_  
Office of the General Counsel

WITNESS:

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

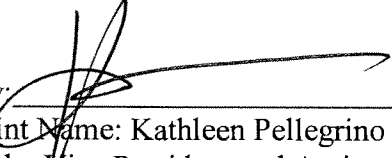
PROJECT RIVERWATCH, LLC, a Florida  
limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_  
Date: \_\_\_\_\_

WITNESS:

*Sarah E. Conn*  
Print Name: Sarah E. Conn

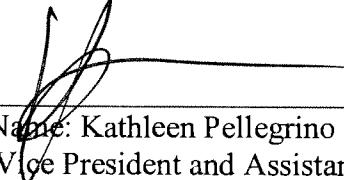
HUMANA MEDICAL PLAN, INC., a Florida  
corporation

By:   
Print Name: Kathleen Pellegrino  
Title: Vice President and Assistant Secretary  
Date: \_\_\_\_\_

WITNESS:

*Janet T. Harper*  
Print Name: JANET T. HARPER

HUMANA HEALTH INSURANCE COMPANY  
OF FLORIDA, INC., a Florida corporation

By:   
Print Name: Kathleen Pellegrino  
Title: Vice President and Assistant Secretary  
Date: \_\_\_\_\_

FORM APPROVED:

\_\_\_\_\_  
Office of the General Counsel

## **EXHIBITS**

EXHIBIT A: THE LEASE

EXHIBIT B: GARAGE DEVELOPMENT AGREEMENT

EXHIBIT C: PARKING RIGHTS AGREEMENT

EXHIBIT D: ASSIGNMENT AND ASSUMPTION AGREEMENT

EXHIBIT E: SECOND AMENDMENT TO REDEVELOPMENT AGREEMENT

EXHIBIT F: FIRST AMENDMENT TO PARKING RIGHTS AGREEMENT

**EXHIBIT A**  
**THE LEASE**

That certain Disposition, Development and Lease Agreement dated October 3, 1985, among Rouse-Jacksonville, Inc. (predecessor in interest to Rouse-Jacksonville, LLC), City of Jacksonville, and Jacksonville Downtown Development Authority (predecessor in interest to City); as amended by that certain Short Form Lease Agreement dated March 13, 1986, recorded in Official Records Volume 6138, page 2127, public records of Duval County, Florida; as amended by that certain First Amendment to Disposition, Development and Lease Agreement dated as of March 13, 1986; as amended by that certain Second Amendment to Disposition, Development and Lease Agreement dated October 26, 1987, recorded in Official Records Volume 6419, page 1334, public records of Duval County, Florida; as amended by that certain Third Amendment to Disposition, Development and Lease Agreement dated January 12, 1996; as amended by that certain Fourth Amendment to Disposition, Development and Lease Agreement dated December 5, 1998; and as amended by that certain Fifth Amendment to Disposition, Development and Lease Agreement dated June 25, 2001 (collectively, the "Lease"), which Lease was assigned to Jacksonville Landing Investments, LLC, as set forth in that certain Assignment and Assumption of City Lease by and between Rouse-Jacksonville, LLC, a Delaware limited liability company and Jacksonville Landing Investments, LLC, a Florida limited liability company, dated August 29, 2003 and recorded in Official Records Volume 11326, page 2118, public records of Duval County, Florida.

EXHIBIT "B"

REDEVELOPMENT AGREEMENT

This REDEVELOPMENT AGREEMENT (this "Agreement") is made this 6<sup>th</sup> day of June, 2001 (the "Effective Date"), between the **CITY OF JACKSONVILLE**, a municipal corporation and a political subdivision of the State of Florida (the "City"), the **JACKSONVILLE ECONOMIC DEVELOPMENT COMMISSION** (the "Agency") and **HUMANA MEDICAL PLAN, INC.**, a Florida corporation, (the "Developer").

**ARTICLE I.**  
**PRELIMINARY STATEMENTS**

1. Creation of the Agency. By Ordinance No. 81-891-352 and subsequent City Council legislation (2000-1078-E) and Special Act of the Florida legislature creating the Agency, the City and Florida legislature designated the Agency as a community redevelopment agency (a "CRA") as contemplated or permitted by Part III of Chapter 163, Florida Statutes, known as the Community Redevelopment Act (the "Act"), and conferred upon the Agency all the rights, powers, privileges, duties and immunities of a CRA.

2. Creation of Redevelopment Area. The City adopted legislation in accordance with the Act, finding that the area in which the intended project falls was a slum or blighted area. The Council of the City of Jacksonville, Florida (the "Council") found that a blighted area in the Northside East Community Redevelopment Area the "Redevelopment Area"), pursuant to criteria established in the Community Redevelopment Act of 1969, as amended, Chapter 163, Part III, Florida Statutes, as amended.

3. The Plan. After public hearing, a redevelopment plan for the Redevelopment Area, was reviewed, and Council approved a community redevelopment plan (the "Plan") for the Redevelopment Area.

4. The Project. The Agency's staff, pursuant to the frequently stated need to secure parking enhancements in the City's downtown area including the Redevelopment Area, held certain discussions with the Developer. The Developer submitted a proposal (the "Proposal") to construct and develop certain improvements, (as more particularly described in the Project Summary attached hereto as **Exhibit "A"**, the "Improvements") on that certain parcel of land within the Redevelopment Area (the "Project Parcel") more particularly described on **Exhibit "A"** attached hereto (generally described as being bounded by Independent Drive to the south, Hogan Street to the west, Bay Street to the north, and the Humana Building to the east). The Project Parcel and the Improvements are collectively referred to herein as, the "Project" and constitute, subject to terms and conditions within this Agreement, the obligations of Developer to construct. The Proposal included, among other things, preliminary concept plans and schematic drawings describing the Project. As is set forth in more detail in the Proposal, the Project will include, among other things, an approximately 1,000 space parking deck (with approximately 8,000 square feet of pedestrian oriented-commercial/office/retail/ etc. space, on the parking deck's first floor fronting on Bay and Hogan Streets ). The Project

will represent a capital investment (the "Capital Investment") in the Redevelopment Area of approximately \$14,200,000.

5. City/Agency Determination. The City, in consultation with the Agency, has determined that the Project is consistent with the goals of the City in that the Project will, among other things:

- a. increase capital investment in the City's downtown area;
- b. generate significant new ad valorem taxes over a twenty year period, including significant new tax revenues for the public school system;
- c. provide downtown parking and pedestrian oriented space opportunities;
- d. meet the overall community goal of business development and growth (including new jobs) in the Downtown Areas and certain City obligations to provide short-term public parking in the immediate vicinity of the Jacksonville Landing; and
- e. provide parking resources found to be needed in the City's downtown area pursuant to the Master Plan adopted by Ordinance 2000-321-E.

6. Small, Minority, and Women-Owned Businesses. It is important to the economic health of the community that whenever a Developer receives incentives for construction, that the Developer provides contracting opportunities to the maximum extent possible to small, minority, and women-owned businesses in Duval County.

## **ARTICLE II. DEFINITIONS**

As used in this Agreement, the following terms shall have the meaning set opposite each:

2.1. City Council. The legislative arm of the municipal corporation and body politic, as the same shall be from time to time constituted, charged with the duty of governing the City.

2.2. Improvements. Any buildings, structures and other improvements shown on the Concept Plans and the Project Documents, or either of them, constructed or to be constructed on to the Project Parcel substantially in accordance with the Concept Plans, this Agreement and the Project Documents.

2.3. Person. Any individual, corporation, firm, partnership, trust, association, joint venture or other entity of any nature.

2.4. Substantial Completion. The date when construction of any Improvement is sufficiently complete, in the opinion of the architect or engineer for such Improvement (or, if there is none, an architect or engineer selected by the Developer and approved by the Agency), so that the Improvement may be used for the purposes for which it is intended.

2.5. Financial Assurances. A letter or other written indication from the Developer or a



lending institution pursuant to which the Developer or said lending institution on its behalf or on behalf of a group of institutions, states that it has reviewed the Developer's ability to provide its own funds together with the loan funds in an amount not less than \$14.2 million to complete the Project.

Other capitalized terms not defined in this Article shall have the meanings assigned to them elsewhere in this Agreement.

**ARTICLE III.**  
**APPROVALS; PERFORMANCE SCHEDULES**

3.1. Concept Plans. The preliminary concept plan prepared on behalf of the Developer, copies of which are attached hereto as **Exhibit "B"**, which have been submitted by the Developer to the Agency and is herein referred to as the "Concept Plans".

3.2. Zoning. The Developer's Project Parcel is zoned CCBD which Developer has determined is the zoning needed for the Project. The Agency shall, with Developer's cooperation and assistance, undertake action necessary to provide Developer with evidence satisfactory to Developer that the City property ("City Property") to be conveyed to Developer pursuant to Section 3.3 hereof is zoned CCBD to permit the development of the Project. Promptly after the Effective Date, the Agency shall process such rezoning application of City Property before the City Council and will use all reasonable efforts to see that the rezoning of the City Property in accordance with such application is completed and finalized within 90 days from the Effective Date of this Agreement or the date the City receives Developer's Financial Assurances, whichever date is later. The Agency and Developer agree to cooperate in the rezoning process and use reasonable efforts to see that the rezoning is accomplished in a timely manner.

3.3. Vacation of Streets, Parking and Park Areas/City Conveyance at No Cost. The Agency shall use all reasonable efforts to cause the vacation and abandonment of: (1) Sister Cities parking and street areas fronting Sister Cities Park, and (2) the area known as Sister Cities Plaza, all in accordance with the **Exhibit "A"** and the drawings of these two areas as shown on the hereinafter described **Exhibit "B"**; provided however, that no vacation of any park, street, road, alley or right-of-way shall be final prior to the Effective Date and the City's receipt of Financial Assurances. The Agency will use all reasonable efforts to see that the vacation and abandonment of the existing park, streets, roads, alleys and rights-of-way are completed and finalized prior to the conveyance of City Property, including (if necessary) the execution of a special warranty deed from the City to the Developer conveying all City interests in said areas at no cost to the Developer. However, Developer shall pay any and all costs related to said conveyance (e.g. survey, title insurance, recording fees, etc.). The aforementioned vacation/conveyance shall be undertaken in a manner (to include a reverter in any conveyance document in the event Developer fails to construct the Project and a release of said reverter upon construction of the Project) which results in the restoration of all City rights and interests in the City Property in the event the Project is not constructed in accordance with the terms of this Agreement.

In exchange for the City's vacation of the Sisters Cities Parking Street and the Sisters Cities Plaza/Park, the Developer agrees to create and maintain at its expense a landscaped area for the Sisters Cities Park Monument as identified on **Exhibit "B"**. Developer also agrees to landscape and maintain the entire undeveloped area of the site as identified on **Exhibit "B"** to a level required by the Downtown Development Authority Design Review Committee until such time as the Developer proceeds to construct a building on the undeveloped area. Upon proceeding to construct the Improvements pursuant to the terms of this Agreement, the Developer shall be allowed to utilize the Sisters Cities Parking Street and Sisters Cities Plaza for mobilization during said construction.

3.4. Air, Landscaping, Pedestrian, and Vehicular Access Rights. The Agency will use all reasonable efforts to see that the Developer be provided with a permanent air, landscaping, pedestrian and vehicular access rights easement ("Easement") extending westerly for fifteen (15) feet from the eastern boundary of the Hogan Street right-of-way between Bay Street and Independent Drive on the date of conveyance of City Property, including (if necessary) the execution of a permanent Easement from the City to the Developer conveying said Easement at no cost to the Developer, subject to all existing utilities. However, Developer shall pay any and all costs related to said Easement conveyance (e.g. survey, title insurance, recording fees, etc.). If, at a date in the future, the parking structure is demolished and efforts to reconstruct are not evidenced by the initiation of said reconstruction within 12 months from the demolition, the Easement shall expire and revert to the City. The aforementioned conveyance of the Easement shall be undertaken in a manner (to include a reverter in any conveyance document) which results in the restoration of all City rights and interests in the event the Project is not constructed in accordance with the terms of this Agreement.

In exchange for the City's Easement, the Developer agrees to create and maintain at its expense the entire Easement area to a level required by the Downtown Development Authority Design Review Committee's streetscape standards in effect at the Effective Date.

3.5. Governmental Approvals/Assistance with JEA, etc.. The Agency shall use all reasonable efforts to assist the Developer in obtaining or cause to be obtained by the date of conveyance of City Property and Easement, all approval, permits, subdivisions, variances or waivers necessary under applicable municipal laws (other than building permits) for such construction and in order that the Project as contemplated in this Agreement shall comply with all applicable zoning, subdivision, land use and/or environmental laws within the City's jurisdiction; provided that the foregoing shall not be deemed to relieve the Developer of the obligation to pay water charges, pollution control charges and electrical service charges respecting the Improvements and other customer/applicable charges, at their normal rates or levels. The Agency agrees to assist the Developer in working with the JEA, City Agencies and providers of telephone and optical fiber ("Providers") to ensure that adequate levels of service ("Service") are available to the parking structure contemplated by this Agreement, with the Developer being solely responsible for all costs/expenses payable to the JEA/City/Providers for said Service.

3.6. Performance Schedule. The Developer and the Agency have jointly prepared a schedule of performance setting forth specific target dates and deadline dates for the performance of each party's respective obligations under this Agreement ( herein called the "Performance Schedule"). The Performance Schedule has been approved by the Agency and the Developer and is attached hereto as **Exhibit "C"**. By the execution hereof, and subject to the terms of this Agreement, the Developer hereby agrees to undertake and complete the construction and development of the Project, and to comply with all of the obligations and abide by all the dates set forth therein. By the execution of this Agreement, the Agency hereby agrees to complete those acts to be performed by the Agency within the dates set forth in the Performance Schedule, and to use all reasonable efforts to cause those acts to be performed by the City described in the Performance Schedule to be completed within the dates established by the Performance Schedule, and to otherwise comply with all of the obligations of the Agency and abide by all the dates set forth therein. Except as may otherwise be expressly permitted in this Agreement, in no event will the Performance Schedule be modified without the prior written approval of all parties to this Agreement.

3.7. Approval of Agreement. By the execution hereof, the parties represent and warrant as follows:

(a) Developer represents and warrants that (i) the execution and delivery hereof has been approved by all parties whose approval is required under the terms of the governing documents creating the particular Developer entity; (ii) this Agreement does not violate any of the terms or conditions of such governing documents and the same is binding upon the Developer entities and enforceable against them in accordance with its terms; (iii) the Persons executing this agreement on behalf of the Developer entities are duly authorized and fully empowered to execute the same for and on behalf of the Developer entities; and (iv) each entity composing the Developer is duly authorized to transact business in this state and has received all necessary permits and authorizations required by appropriate governmental agencies as a condition to doing business in this state.

(b) The Agency represents and warrants that the execution and delivery hereof has been approved at a duly convened meeting of the Agency and the same is binding upon the Agency and enforceable against it in accordance with its terms.

(c) The City represents and warrants that the execution and delivery hereof has been approved at a duly convened meeting of the City Council and the same is binding upon the City and enforceable against it in accordance with its terms.

#### ARTICLE IV CONDITIONS PRECEDENT

4.1 Simultaneous to the Effective Date and prior to the conveyance of City Property and Easement, the City shall undertake the following: execution of a Fifth Amendment between the City

and Rouse-Jacksonville, Inc. (Rouse) regarding certain issues to include termination of all short-term public parking rights of Rouse at the Daniels Building.

Should City be unable to accomplish the foregoing, after undertaking in good faith to do so, then this Agreement shall be deemed terminated upon written notice by City to Developer. In the event of such termination, neither party shall be entitled to recover any cost or expense from the other party.

## **ARTICLE V. PAYMENTS TO DEVELOPER**

5.1 Parking Rights Payment to Developer: Amount. The City shall, for the considerations generally described herein, make a Parking Rights Payment ("Developer Payment") in the not to exceed amount of \$3,000,000. The Developer Payment shall be in consideration of: (1) the Developer's construction of a parking deck of at least 900 spaces, (2) the City's ability to satisfy certain short term public parking obligations relative to Rouse, and (3) for the City's right to certain public parking, pursuant to the Parking Rights Agreement (hereinafter described). The details of the terms and conditions related to the aforementioned parking deck spaces are set forth in the Parking Rights Agreement, attached hereto as **Exhibit "D"** and made part hereof. The Developer Payment shall be payable by the City to the Developer within 30 days of the Commencement Date (as defined by the Parking Rights Agreement).

5.2 Calculation of Developer Payment. The Developer Payment levels are based, in part, on the estimated amount of the Developer's Capital Investment and the Project's containing the "Minimum Components" (herein defined as a 900 space parking deck and 8,000 square feet of pedestrian oriented commercial/office/retail/etc. space on the parking deck's first floor fronting on Bay and Hogan Streets). Therefore, notwithstanding anything to the contrary set forth in this Agreement, the amount of the Developer Payment shall be \$1.00 for every \$4.73 of the Developer's Capital Investment, not to exceed \$3,000,000. The term "Capital Investment" shall mean funds used by the Developer or paid to third parties by the Developer in connection with the acquisition, planning, permitting, investigation, demolition, repair, renovation, construction or remediation of the Project and include the fair market value of any services provided by the Developer. The term "Capital Investment" shall not include replacements for, or repairs to, any equipment previously calculated as part of the Capital Investment. Within sixty (60) days from Substantial Completion of the Improvements, Developer shall furnish the Agency with written documentation to evidence the actual Capital Investment in a form to be mutually agreed upon. In the event the Project fails to contain the Minimum Components, the City shall not be obligated to make any Developer Payment and this Agreement shall be deemed terminated upon Developer's reconveyance of all City Property transferred to Developer pursuant to Sections 3.3 and 3.4 hereof at no cost to the City.

5.3. Validation Payments.

In exchange for validated parking for patrons of the Jacksonville Landing for the first 5 years of validation program as provided by and in accordance with the terms of the Parking Rights Agreement (**Exhibit "D"**),] the City agrees to make a \$500,000 cash payment within 30 days (per Parking Agreement] of the Commencement Date (as defined by the Parking Rights Agreement). Starting in the sixth year of the validation program, the City agrees to make an annual prepayment based upon the prior year's actual validation usage as provided by the Parking Rights Agreement. At the end of each year, an adjustment will be made by comparing the actual validations accepted by the Developer to the City's prepayment made at the beginning of the year. If the City's prepayment amount is less than the actual usage, the City will make a payment of the difference to the Developer. If the City's prepayment amount is greater than the actual usage, the Developer will make a payment of the difference to the City. In no event shall the total of the City's prepayment and end of the year adjustment exceed \$131,250 (the maximum amount for 131,250 validations) on an annual basis as set forth in the Parking Rights Agreement. In the event the City shall fail to make any payment for validation required pursuant to this Section 5.3, the Developer shall have the right to terminate the validation provisions set forth in this Section 5.3 upon providing written notice to the City and City's right to cure as said notice/cure periods are set forth in the Parking Rights Agreement. Upon such termination, Developer shall be entitled to recover any validation payments then owing at the date of termination. However, such termination of this Section 5.3 shall not in any way terminate or impair the remaining provisions of this Agreement or Developer's obligations to provide the City with certain parking spaces as set forth in this Agreement and the Parking Rights Agreement.

5. 4. Further disclaimer. The Developer Payment and the validation payments shall not be deemed to constitute a debt, liability, or obligation of the City or of the State of Florida or any political subdivision thereof within the meaning of any constitutional or statutory limitation, or a pledge of the faith and credit or taxing power of the City or of the State of Florida or any political subdivision thereof, but shall be payable solely from the funds provided therefor in either this Article V or the City Ordinance authorizing execution of this Agreement by the City. The City shall not be obligated to pay the Developer Payment or any installment thereof except from the non-ad valorem revenues or other legally available funds provided for that purpose, and neither the faith and credit nor the taxing power of the City or of the State of Florida or any political subdivision thereof is pledged to the payment of the Developer Payment or any installment thereof. The Developer, or any person, firm or entity claiming by, through or under the Developer, or any other person whomsoever, shall never have any right, directly or indirectly, to compel the exercise of the ad valorem taxing power of the City or of the State of Florida or any political subdivision thereof for the payment of the Developer Payment or any installment thereof.

## **ARTICLE VI** **THE DEVELOPMENT**

### 6.1 Scope of Development.

(a) The Developer shall construct and develop or cause to be constructed and developed, in substantial compliance with the times set forth in the Performance Schedule, all Improvements which the Developer is obligated to construct and develop under the Performance Schedule and this Agreement. "Improvements" shall include, as set forth in **Exhibit "A"**, parking deck structure, ground level pedestrian oriented space, internal common areas and other Improvements related to the Project.

(b) All Improvements shall be constructed by the Developer pursuant to a building permit or permits, if applicable, issued by the City covering each such Improvement.

6.2 Cost of Development. Except as otherwise set forth in this Agreement, the Developer shall pay the cost of constructing and developing the Improvements at no cost to the Agency or the City.

6.3 Design Review. All plans and drawings related to the exterior design, landscaping, streetscaping of the Improvements (the "Exterior Design Plans") of the Project shall be submitted to the Downtown Development Authority Design Review Committee. The Committee, working together with the Project architect and the Developer, will make recommendations (utilizing City guidelines and standards in effect as of January 18, 2001) to the Authority's governing board regarding the Exterior Design Plans, and a copy of the approved Exterior Design Plans will be attached to this Agreement as **Exhibit "E"**.

6.4. Agency Approval. The Agency has reviewed the Concept Plans. No Concept Plans shall be materially amended, revised, modified or otherwise altered without the prior written approval of the Agency, the City and any other governmental agency which approved the original Concept Plans, which approval shall not be unreasonably withheld, delayed or conditioned.

6.5. Approval by Other Governmental Agencies. All Project Documents shall also be approved by such other governmental agencies, whether state, local or federal, as have jurisdiction and require approval of them.

6.6. Intentionally Omitted.

6.7. Timing of Completion. Construction of the Improvements shall be commenced and completed substantially in accordance with the terms of this Agreement and the Performance Schedule.

6.8. Discrimination. The Developer shall not discriminate against any person, or group of persons, on account of race, color, creed, sex, age, religion, national origin, marital status, handicap, having children or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of all or any part of the Improvements nor shall the Developer or any person claiming under or through it establish or permit any such practice or practices of discrimination or segregation with the reference to the selection, location, number, use of occupancy of tenants, lessees,

subtenants, sublessees or vendees thereof, and any lease entered into for the leasing of any portion of either the Project Parcel or the Improvements shall contain a provision prohibiting the lessee from discriminating against any person, or group of persons, on account of race, color, creed, sex, age, religion, national origin, marital status, handicap, having children or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of all or any part of the Improvements.

6.9. Insurance. The Developer will maintain, at its sole cost and expense, adequate insurance with responsible insurers with coverage normally obtained by businesses similar to that of the Developer but covering at least: (i) damage to physical property from fire and other hazards for the full insurable value of such property; and (ii) liability on account of injury to persons.

## **ARTICLE VII**

### **PROJECT GOALS, COMMUNITY SERVICE COMMITMENT**

7.1 Construction and Operation Management. Except as otherwise expressly provided herein, the Developer shall have discretion and control, free from interference, interruption or disturbance, in all matters relating to the management, development, redevelopment, construction and operation of the Project, provided that the same shall, in any event, conform to and comply with the terms and conditions of the Proposal, the Project Concept Plan this Agreement and **Exhibit "D"**, and all applicable state and local laws, ordinances and regulations (including without limitation, applicable zoning, subdivision, building and fire codes). The Developer's discretion, control and authority with respect thereto shall include, without limitation, the following matters:

(a) the construction and design of the Project, subject to the express terms and conditions of this Agreement;

(b) the selection, approval, hiring and discharge of engineers, architects, contractors, subcontractors, professionals and other third parties (collectively the "Vendors") on such terms and conditions as the Developers deem appropriate; provided however, that to the extent that the City furnishes to the Developers the names and identities of Jacksonville based Vendors, including without limitation Jacksonville based minority Vendors, and to the extent that Developers have the need to enter into contracts with Vendors outside of persons employed by Developers or companies affiliated with or controlled by Developers or their principals, then Developers agree to include all such Jacksonville based Vendors in the process established by the Developers for obtaining bids for any of the Improvements;

(c) the negotiation and execution of contracts, agreements, easements and other documents with third parties, in form and substance satisfactory to Developers; and

(d) the preparation of such budgets, cost estimates, financial projections, statements, information, and reports as the Developers deem appropriate.

7.2 Periodic Reports. The Developer shall provide to the City and the Agency reports with respect to the Project on an annual basis for the duration of this Agreement, until completion of the Project, regarding all activities affecting the implementation of the Project, in accordance with this Agreement, including a narrative summary of progress on the Project, on report forms prepared by the Developer and approved by the City.

7.3 Community Service Commitment. The Developer agrees that, during the term of this Agreement, the Developer, for itself or through its subsidiaries, shall continue to participate in community service activities of the type set forth on **Exhibit "F"**.

## **ARTICLE VIII**

### **DEFAULTS, REMEDIES, TERMINATION AND FURTHER RIGHTS**

8.1. Agency/City Default. If the Agency is unable to:

(a) rezone the City Property pursuant to Section 3.2 hereof prior to the date of conveyance of said City Property; or

(b) vacate the streets and other rights-of-way located in the Project Parcel pursuant to Section 3.3 hereof prior to the City's conveyance of the Easement; or

(c) complete any obligations of Agency/City to convey the City Property as set forth in **Exhibit "C"** at the time called for therein, then the Developer may, at its option, but as the Developer's sole remedy, terminate this Agreement. In the event of such termination, the Agency/City shall reimburse the Developer for all costs incurred by the Developer after the Effective Date and prior to the date of termination (reasonable attorney's fees, survey costs, environmental report fees, costs of soils and geotechnical reports, appraisal costs, site design costs, infrastructure design costs, engineering work and costs of permitting) up to the not-to-exceed sum of \$50,000. If the Agency/City defaults in the performance of any material obligation imposed upon it under this Agreement (e.g. payment of \$3.5 Million pursuant to **Exhibit "C"**), the Developer shall deliver written notice of such default to the Agency. The Agency/City shall commence to cure such default within forty-five (45) days after the delivery of such notice of default from the Developer and diligently pursue such cure to completion within seventy-five (75) days after delivery of such notice as to any default which by its nature is capable of being cured within seventy-five (75) days (or within a reasonable period of time in no event to exceed one hundred twenty (120) days as to any default which by its nature is not capable of being cured within seventy-five (75) days). If the City/Agency does not commence to cure and cure the default within the above time period, the Agency shall, at the option of the Developer, be liable to the Developer for specific performance or damages (which may be in excess of \$ 50,000) caused by such default.



## 8.2 Developer Default.

(a) If the Developer defaults in the performance of any material obligation imposed upon it under this Agreement or if the Developer fails to complete any material item required to be completed by it under the Performance Schedule at the time called for therein, the Agency shall deliver written notice of such failure or default to the Developer. The Developer shall commence to cure such default within forty-five (45) days after delivery of such notice of default from the Agency and diligently pursue such cure to completion within seventy-five (75) days after delivery of such notice as to any default which by its nature is capable of being cured within seventy-five (75) days (or within a reasonable period of time in no event to exceed one hundred twenty (120) days as to any default which by its nature is not capable of being cured within seventy-five (75) days). If the Developer does not so commence to cure and cure such default within the above time period, the Agency may terminate this Agreement and/or the Developer shall, at the option of the Agency, be liable to the Agency for specific performance or damages caused by such default.

(b) If a delay by the Developer results from an event described in Section 10.4, the Performance Schedule shall be extended for the period of time lost by such delay. Except for delays caused by events described in Section 10.4, Developer agrees to devote all necessary resources such that in any event the parking deck shall be completed and open to public parking on or before February 28, 2004.

8.3 Deviation from Performance Schedule. If the Agency or the Developer (the "notifying party") determines that it cannot reasonably comply with any deadline date set forth in the Schedule of Performance (after taking into account any applicable extension of that deadline pursuant to Section 10.4), it shall notify the other party thereof. The party receiving such notice shall, if such party reasonably determines that such deviation is material, and after providing written notice and the opportunity to cure as set forth in Sections 8.1 and 8.2 herein above, have the option of pursuing the rights and remedies set forth in this Article VIII or of negotiating an amendment to this Agreement with the notifying party; provided, however, that time extensions agreed to between the parties may be entered into by the president of the Developer or his designee, and by the Executive Director of the Agency.

## **ARTICLE IX** **ANTI-SPECULATION, ASSIGNMENT AND TERM PROVISIONS**

9.1 Successors and Assigns. This Agreement is binding upon and inures to the benefit of the City, the Agency and the Developer, and their respective successors and assigns, including any successor in interest to or assignee of the Developer's interest in any of the Property or the Project that assumes in writing and agrees to perform the Developer's obligations both hereunder and pursuant to **Exhibit "D"** (Parking Rights Agreement).

9.2. Term of Agreement. The term of this Agreement shall commence as of the date first written above and shall expire upon March 13, 2031, unless sooner terminated as provided herein.

9.3. Restrictions of Future Assignments. This Agreement may be assigned by Developer upon providing written notice to Agency. Agency, through its Executive Director or an individual in a comparable position for any successor/transferee of the Agency, shall approve or reject such assignment within Forty-Five (45) days of the date of such notice, such approval being reasonably granted, to Developer or comparable operator of parking decks, upon the expressed written assumption of this agreement and Exhibit "D" and subject to the requirement that such Developer is an entity which, in the reasonable opinion of the City, possesses the experience, qualifications, good reputation and financial resources to own the Project and insure compliance with Exhibit "D" in a manner consistent with the quality, character, reputation and economic viability of the Project.

## ARTICLE X. GENERAL PROVISIONS

10.1. Amendment to the Plan and Ordinances. Any amendment to the Plan by the City Council and any amendment by the City Council to any existing ordinance pertaining to the Redevelopment Area or any new ordinance enacted by the City Council pertaining to the Redevelopment Area which, in any such event, amends or concerns the Project Parcel, shall not be applicable to the Project Parcel or enforceable against the Developer unless the same shall have been approved in writing by the Developer.

10.2. Non-liability of Agency Officials. No member, official or employee of the Agency or the City shall be personally liable to the Developer or to any Person with whom the Developer shall have entered into any contract, or to any other Person in the event of any default or breach by the Agency or the City, or for any amount which may become due to the Developer or any other Person under the terms of this Agreement.

10.3. Approval. Whenever this Agreement requires the Agency, the City, the Committee or the Developer to approve any contract, document, plan, specification, drawing or other matter, such approval shall not be unreasonably withheld, delayed or conditioned. The Developer and the Agency shall perform all obligations imposed upon them under this Agreement in a reasonable and timely fashion.

10.4. Force Majeure. No party to this Agreement shall be deemed in default hereunder where such a default is based on a delay in performance as a result of war, insurrection, strikes, lockouts, riots, floods, earthquakes, fires, casualty, acts of God, acts of public enemy, epidemic, quarantine restrictions, freight embargo, interruption of utilities service, government restrictions of priority, litigation, severe weather and other acts or failures beyond the control or without the control of either party; provided, however, that the extension of time granted for any delay caused by any of the foregoing shall not exceed the actual period of such delay, and in no event shall any of the

foregoing excuse any financial liability of a party. In no event shall any extension occasioned by said force majeure exceed two years.

10.5 Notices. All notices to be given hereunder shall be in writing and personally delivered or sent by registered or certified mail, return receipt requested, or delivered by an air courier service utilizing return receipts to the parties at the following addresses (or to such other or further addresses as the parties may designate by like notice similarly sent) and such notices shall be deemed given and received for all purposes under this Agreement three (3) business days after the date same are deposited in the United States mail, if sent by registered or certified mail, or the date actually received if sent by personal delivery or air courier service, except that notice of a change in address shall be effective only upon receipt.

(a) The Agency:

Executive Director  
Jacksonville Economic Development Commission  
220 East Bay Street, 14th Floor  
Jacksonville, Florida 32202

With copy to:

City of Jacksonville  
Office of the General Counsel  
City Hall-St. James Building  
117 West Duval Street, Suite 480  
Jacksonville, Florida 32202  
Attn: General Counsel

(b) The City:

Executive Director  
Jacksonville Economic Development Commission  
220 East Bay Street, 14th Floor  
Jacksonville, Florida 32202

With copy to:

City of Jacksonville  
Office of the General Counsel  
City Hall-St. James Building  
117 West Duval Street, Suite 480  
Jacksonville, Florida 32202

Attn: General Counsel

(c) The Developer:

Humana Medical Plan, Inc.  
500 W. Main Street  
Louisville, Kentucky 40202  
Attn: Director of Real Estate

With copies to:  
Jack C. Davis  
1620 Hendricks Avenue  
Jacksonville, Florida, 32207 and

Fred H. Kent, III  
Kent, Crawford & Gooding  
225 Water Street, Suite 900  
Jacksonville, Florida 32202

10.6 Time. Time is of the essence in the performance by any party of its obligations hereunder.

10.7 Entire Agreement. This Agreement constitutes the entire understanding and agreement between the parties and supersedes all prior negotiations and agreements between them with respect to all or any of the matters contained herein.

10.8 Amendment. No amendment or modification of this Agreement shall be effective or binding upon any party hereto unless such amendment or modification is in writing, signed by an authorized officer of the party claimed to be bound and delivered to the other party. This Agreement and any provision hereof may be amended or modified as aforesaid to carry out the purposes and intent of the Ordinance and this Agreement, without further City Council action, except that no increase in the City's financial commitments shall be made without City Council approval.

10.9 Waivers. All waivers, amendments or modifications of this Agreement must be in writing and signed by all parties. Any failures delays by either party in asserting any of its rights and remedies as to any default shall not constitute a waiver of any other default or of any such rights or remedies. Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the parties hereto are cumulative, and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at

the same or different times, or any other rights or remedies for the same default or any other default by the other party.

10.10 Indemnification. Each party agrees to indemnify and defend the other party from all suits or actions of any kind brought against the other party based on personal injury, bodily injury, death or property damage, destruction received or claimed to be received or sustained by any Person or Persons arising out of or in connection with any negligent act or omission of the party of its subcontractor, its agents, employees or assigns in performing the duties and obligations required by this Agreement. This indemnification shall survive the termination of this Agreement. The Developer agrees to furnish the Agency copies of any insurance policies which the Developer carries covering the Project and such policies shall name the Agency as an insured thereunder as its interest may appear. The City and Agency's indemnification pursuant to this subsection shall be limited to the provisions of Florida law as set forth in s. 768.28, Florida Statutes.

10.11 Severability. The invalidity, illegality or inability to enforce of any one or more of the provisions of this Agreement shall not affect any other provisions of this Agreement, but this Agreement will be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

10.12 Contingent Fee. The Developer represents and warrants that it has not employed or retained any Person having a relationship with the City or the Agency to solicit or secure this Agreement and that it has not paid or agreed or promised to pay any such Person any fee, commission, percentage, gift or any other consideration contingent upon or resulting from the execution of this Agreement.

10.13 Independent Contractor. In the performance of this Agreement, the Developer will be acting in the capacity of an independent contractor and not as an agent, employee, partner, joint venturer or association of the City or the Agency. The Developer and its employees or agents shall be solely responsible for the means, method, technique, sequences and procedures utilized by the Developer in the performance of this Agreement.

10.14 Intentionally Omitted.

10.15 Non-merger. None of the terms, covenants, agreements or conditions set forth in this Agreement shall be deemed to be merged with any deed conveying title to the Project Parcel.

10.16 Exemption of City. Neither this Agreement nor the obligations imposed upon the Agency hereunder shall be or constitute an indebtedness of the City within the meaning of any constitutional, statutory or charter provisions requiring the City to levy ad valorem taxes nor a lien upon any properties of the City.

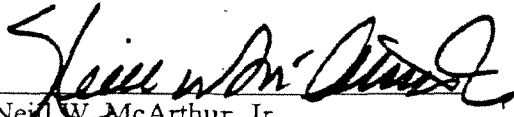
10.17 Parties to Agreement. This is an agreement solely between the Agency, the City and Developer. The execution and delivery hereof shall not be deemed to confer any rights or privileges on any Person not a party hereto other than the successors or assigns of the Agency, the City and the Developer.

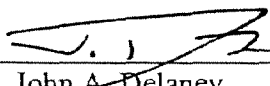
10.18 Venue: Applicable Law. All legal actions arising out of or connected with this Agreement must be instituted in the Circuit Court of Duval County, Florida, or in the appropriate Federal District Court in Florida. The laws of the State of Florida shall govern the interpretation and enforcement of this Agreement.

IN WITNESS WHEREOF, this Agreement is executed the day and year above written.

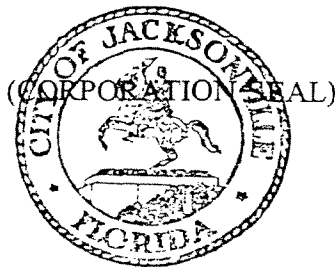
ATTEST:

CITY OF JACKSONVILLE, FLORIDA

  
Neil W. McArthur, Jr.  
Corporation Secretary

  
John A. Delaney  
Mayor

“City”



JACKSONVILLE ECONOMIC DEVELOPMENT  
COMMISSION

By \_\_\_\_\_  
Leerie T. Jenkins, Jr., Its Chairman

“Agency”

DEVELOPER:

\_\_\_\_\_  
(Type/Print Name)  
Its \_\_\_\_\_  
(Title)

By \_\_\_\_\_  
(Type/Print Name) Walter E. Neely  
\_\_\_\_\_  
(Title)

“Developer”

10.17 Parties to Agreement. This is an agreement solely between the Agency, the City and Developer. The execution and delivery hereof shall not be deemed to confer any rights or privileges on any Person not a party hereto other than the successors or assigns of the Agency, the City and the Developer.

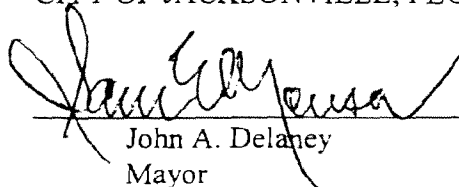
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IN WITNESS WHEREOF, this Agreement is executed the day and year above written.

ATTEST:

CITY OF JACKSONVILLE, FLORIDA

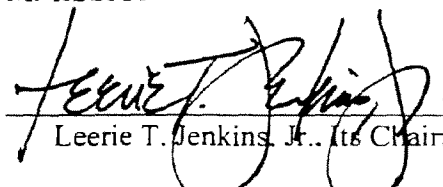
\_\_\_\_\_  
Neill W. McArthur, Jr.  
Corporation Secretary

  
\_\_\_\_\_  
John A. Delaney  
Mayor

(CORPORATION SEAL)

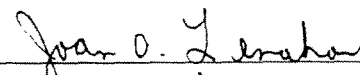
"City"

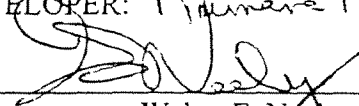
JACKSONVILLE ECONOMIC DEVELOPMENT  
COMMISSION

By   
\_\_\_\_\_  
Leerie T. Jenkins, Jr., Its Chairman

"Agency"

DEVELOPER: Humana Medical Plan, Inc

  
\_\_\_\_\_  
(Type/Print Name) JOAN O. LENAHAN  
Its SECRETARY  
\_\_\_\_\_  
(Title) \_\_\_\_\_


By   
\_\_\_\_\_  
(Type/Print Name) Walter E. Neely  
Its Vice President  
\_\_\_\_\_  
(Title) \_\_\_\_\_

"Developer"

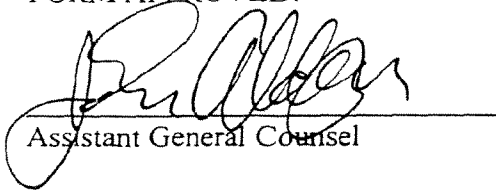
**IN COMPLIANCE** with the Charter of the City of Jacksonville. I hereby certify that there is an unexpended, unencumbered and unimpounded balance in the appropriation to cover the foregoing contract, and provision has been made for the payment of monies provided therein to be paid.



Director of Administration and Finance

7646-2 

FORM APPROVED:

  
Assistant General Counsel



## LIST OF EXHIBITS

<b>Exhibit A</b>	<b>Project Summary including: Description of Improvements and Project Parcel Legal Description</b>
<b>Exhibit B</b>	<b>Site Plans</b>
<b>Exhibit C</b>	<b>Performance Schedule</b>
<b>Exhibit D</b>	<b>Parking Rights Agreement</b>
<b>Exhibit E</b>	<b>Exterior Design Plans</b>
<b>Exhibit F</b>	<b>Community Service Commitment</b>

**Project Summary Exhibit to Ordinance (4 Pages)  
Exhibit A to the Redevelopment Agreement(4-10-01)**

**Jacksonville Economic Development Commission**

**Downtown Development**

**Humana Parking Structure  
Project Summary**

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**Company:** Humana Medical Plan, Inc.  
Director of Real Estate  
500 West Main Street  
Louisville, Kentucky 40202  
(502) 580-1410

**Project Parameters**

- Description:** Humana is proposing to construct a parking structure of at least 900 spaces on a site directly across Independent Drive from the Jacksonville Landing with 8000 square feet of first floor commercial or pedestrian oriented uses in a public-private partnership with the City of Jacksonville.
- Capital Investment:** The project will represent a capital investment (the "Capital Investment") in downtown Jacksonville of approximately \$14.2 million.
- Site and Council District:** The site for the project is bounded by Independent Drive to the south, Hogan Street to the west and Bay Street to the north and the Humana Building to the east. It is within City Council District 4.
- Project Assistance:** The proposed City investment package includes the reservation of 300 daily parking spaces and 375 evening, weekend and holiday spaces within the garage structure for twenty-nine years for an up-front payment of \$3.0 M, an air rights, landscaping, pedestrian and vehicular easement for fifteen feet over the eastern side of Hogan Street right-of-way between Bay Street and Independent Drive and the conveyance of Sister Cities Park and the dead-end City street to Humana. In addition, the City will contract with Humana for a validation program in the 375 evening, weekend and holiday spaces to provide no cost parking for patrons of the Jacksonville Landing when matched by Landing merchants. The City will make an up front payment of \$500,000 for this validation program for the first five years of the lease. In years 6 through 29, the City will make an annual prepayment for validations for the coming year based on the prior year's usage. At the end of each year during the period from Year 6 to 29, a calculation of the difference between the prepaid amount and the actual usage will be made with the City making a payment to Humana if usage is above the prepaid amount and Humana making a payment to the City if usage is under the prepaid amount. In no instance would the total of the City's prepayment and end of year adjustment payment exceed \$131,250.
- Rouse/Landing Obligation:** The City's 300 daily parking spaces and 375 evening, weekend and

## **Humana Parking Structure Project Summary**

### **Page 2**

holiday spaces will replace those contractually obligated to the Rouse Company for the Landing in the Daniels Garage. Under the terms of the existing agreement with HBE Corporation (Adams Mark) the Daniel Garage spaces are only available until February 2003 and would have to be replaced by the City at that time. Rouse has agreed to release the Daniels Garage spaces during the period while Humana Garage is being constructed in exchange for an abatement of rent owed to the City for the Landing.

### **Redevelopment Agreement Highlights**

□ **City Project Contribution:** The City will make a one-time payment of \$3.0 M to reserve the daily, evening, weekend and holiday parking spaces within the structure for 29 years. Humana agrees to operate the parking structure in accord to standards mutually agreed to by Humana, Rouse and the City in a Parking Rights Agreement. In addition, to provide free validated parking for patrons of the Jacksonville Landing for the first five years within the 375 evening, weekend and holiday spaces the City agrees to make an up front payment of \$500,000. In years 6 through 29, the City agrees to make an annualized payment in an amount not to exceed \$131,250 to Humana based upon the actual validation usage by Jacksonville Landing parkers. The amount of the annual payment will be based on documentation provided by Humana of the number of Jacksonville Landing parkers from the prior year identified by a validation documents presented by patron of participating Jacksonville Landing merchants who have purchased from the Humana up to a maximum of 131,250 validation documents. In addition, the City will make a payment in amount not to exceed \$20,000 for the purchase of signs to be affixed to the parking structure identifying the garage as available for public parking for the Landing.

□ **Parking Garage Retail:** The parking structure will include 8000 square feet of retail space on the first floor of the garage fronting Hogan and Bay Streets.

□ **Hogan Street Easement, Street Vacation and Property Transfer:** The City will provide Humana with an easement to the eastern fifteen feet of Hogan Street right of way from Bay to Independent Drive for the construction of the garage above the right of way, landscaping, pedestrian and vehicular access, vacation of the dead end parking street fronting Sister Cities park and the transfer ownership of the Sister Cities Park parcel to the project. In exchange, Humana agrees to create at its expense a landscaped area for the Sisters Park Monument. Humana also agrees to landscape the entire area to the level required by the Downtown Development Authority Design Review Committee.

□ **Clawback:** The City's \$3.0 M reservation obligation will be reduced on a pro-rata based on the ratio of the City's obligation to the private capital investment.

□ **Design Review:** The exterior design, site plan and landscaping plan will be reviewed and approved by the Downtown Development Authority Design Review Committee (DDA-DRC).

□ **Community Service Commitment:** Human Medical Plan, Inc. commits to continuing community service activities at the same level it presently engages in.

## Humana Parking Structure Project Summary

Page 3

### Summary

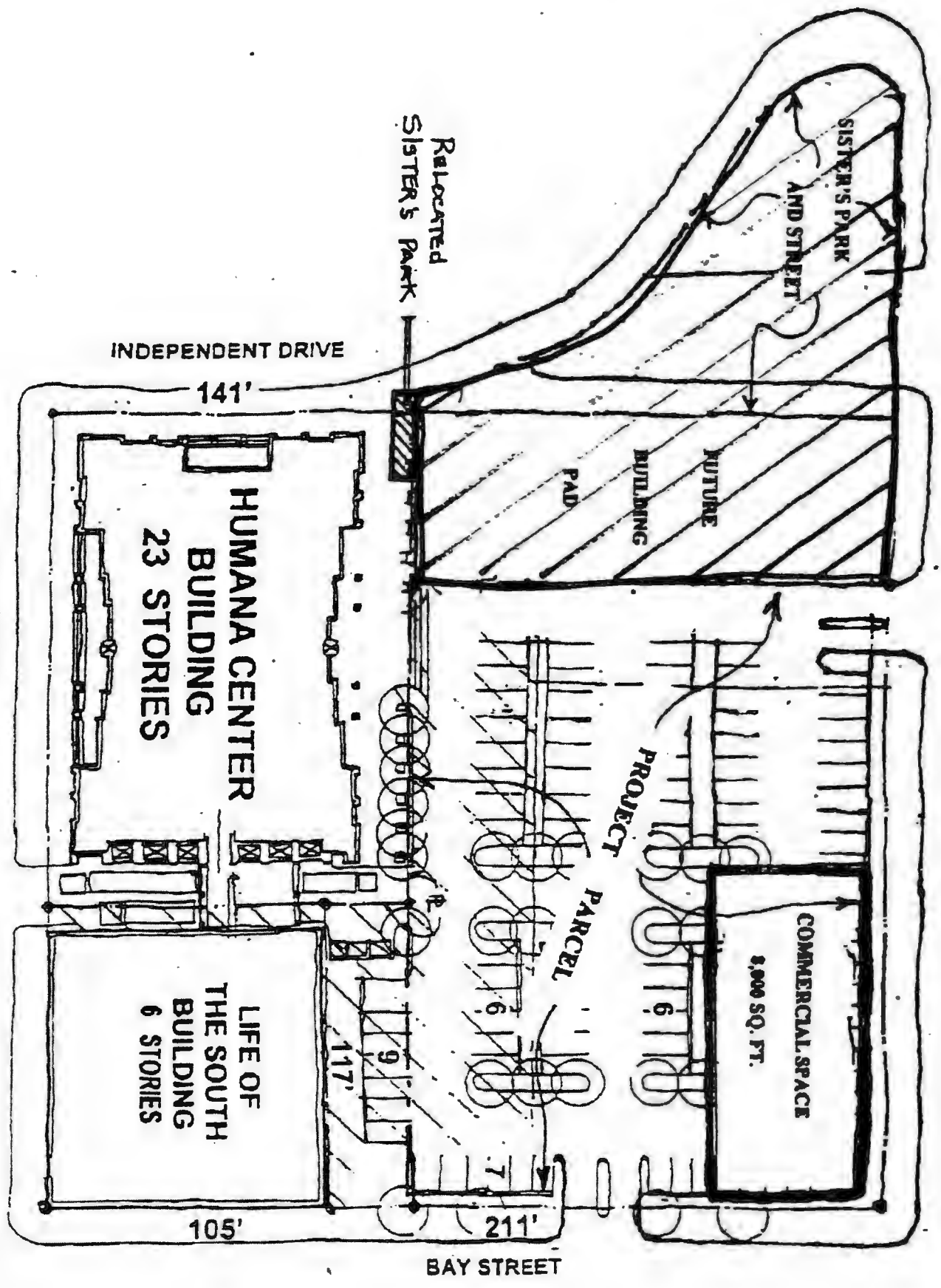
This project is recommended for approval by the Jacksonville Economic Development Commission (JEDC) and the Downtown Development Authority (DDA).

Public investment is necessary to support this large-scale urban development on a vacant site in the downtown Central Civic Core District. This investment helps to provide the economic return necessary to attract the \$14.2 million in private capital investment on this site on a return on asset basis.

JEDC/DDA staff evaluation of the proposed Humana Project shows that it meets key community criteria:

- it helps to fulfill two of Mayor Delaney's charges to the Jacksonville Economic Development Commission that two-thirds of new capital investment be located north and west of the St. Johns River and that one of every three major projects be located in downtown;
- the project supports the Mayor's growth management initiatives to reduce sprawl by developing Class A office space in the downtown employment center in an already urbanized area and by providing additional parking making existing office space more marketable downtown;
- the creation of at least 900 parking spaces in the Central Civic Core District helps to fill the parking deficit identified in the Downtown Master Plan of 2500 long term and 1000 hourly spaces and complies with the objective of the draft plan to eliminate surface parking lots in the Central Civic Core District and provide parking in high capacity parking structures;
- the City's 300 daily parking spaces will replace those contractually obligated to the Rouse Company for the Landing in the Daniels Garage. The Daniels Garage spaces are only available until February 2003 and would have to be replaced by the City at that time;
- the creation of at least 900 parking spaces will provide additional spaces for evening, weekend and holiday parking at that Landing as well as a new parking resource for the Times-Union Performing Arts Center one-half block away;
- the project will include 8000 square feet of retail use in the first floor of the garage satisfying a key design guideline of the Downtown Master Plan;
- there will be substantial capital investment - approximately \$14.2 million;
- the project will generate \$5.4 million in new ad valorem taxes over 20 years, including approximately \$2.4 million in new tax revenues to the public school system and \$2.9 million to the County; and
- the design of the project will be approved by the DDA Design Review Committee.

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# Exhibit B - SITE PLAN

 Landscape Area

**EXHIBIT "C"**  
**PERFORMANCE SCHEDULE**

- |    |  |                              |
|----|--|------------------------------|
| 1. | Execute Redevelopment Agreement by Mayor                                       | Day 1 (no later than 5-1-01) |
| 2. | Financial Assurances   | 60 Days From Day 1           |
| 3. | Humana begins design   | 60 days From Day 1           |
| 4. | City conveys City Property (rezoning) & Easement                               | 90 days From Day 1           |
| 5. | Humana begins site development subject to receipt of all permits and approvals | 365 days From Day 1          |
| 6. | Completion of construction   | 730 Days From Day 1          |
| 7. | City pays \$3.5 million and executes release of Reverter on Sisters City       | 30 days following completion |



## PARKING RIGHTS AGREEMENT

This PARKING RIGHTS AGREEMENT (this "Agreement") made and entered into this 4 day of June, 2001, by and among HUMANA MEDICAL PLAN, INC., a Florida corporation (hereinafter referred to as "Humana"), THE CITY OF JACKSONVILLE, a Florida municipality and political subdivision of the State of Florida (hereinafter referred to as "City"), THE JACKSONVILLE ECONOMIC DEVELOPMENT COMMISSION (hereinafter referred to as the "JEDC") and ROUSE-JACKSONVILLE, INC., a Florida corporation (hereinafter referred to as "Rouse").

### RECITATION OF FACTS

A. Humana owns certain property described on Exhibit A hereto (the "Humana Parcel") and intends to construct on a portion of the Humana Parcel a parking garage having approximately 1,000 spaces (the "Garage"), and certain commercial space having approximately 8,000 gross square feet on the ground floor (the "Commercial Space", and together with the Garage herein collectively called the "Project").

B. Pursuant to the Disposition, Development and Lease Agreement dated October 3, 1985, as amended by a First Amendment dated March 13, 1986, a Second Amendment dated October 26, 1987, a Third Amendment dated January 12, 1996, a Fourth Amendment dated December 3, 1998, and a Fifth Amendment dated \_\_\_\_\_, 2001 (the "Rouse Agreement"), the City is obligated to Rouse to provide certain parking spaces for the benefit of the Jacksonville Landing, some of which are now provided in the former Daniels Building. The City has sold the former Daniels Building for construction

of the Adams Mark Hotel so that such spaces will no longer be available for Rouse on or about February 28, 2003.

C. The draft Downtown Master Plan indicates the need for 2,500 long-term and 1,000 hourly parking spaces to satisfy parking demand in the core city area. In addition, the draft Master Plan includes the objective of replacing surface parking lots in the core city area with parking structures having ground-floor commercial space.

D. In order to help meet the demands for parking described above by ensuring at least 300 additional hourly spaces are available to the public, and to provide assistance to Humana in order to make construction of the Project economically feasible for Humana, the City Council of the City of Jacksonville (the "City Council") has, by Ordinance \_\_\_\_\_, duly authorized the execution and delivery of this Parking Rights Agreement and related Redevelopment Agreement between the City, the Jacksonville Economic Development Commission ("JEDC") and Humana (the "Development Agreement").

## **AGREEMENT**

In consideration of mutual agreements contained herein, to induce the City to assist in the funding of the construction of the Project, and to induce Humana to construct the Project, including the Garage, and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the parties hereto agree as follows:



1. Definitions. As used herein, the following terms shall have the following meanings in this Agreement:

(a) "Short-Term Parking" shall mean the occupancy of a parking space by the same vehicle for a continuous period of three (3) hours or less during Peak Hours and for any length of time during Non-Peak Hours;

(b) "Garage Hours" shall mean those hours during which the Garage shall be open for hourly parking being from no later than 7:00 am and continuing until no sooner than the later of, (i) 12:00 am, or (ii) one hour after the last restaurant closes at the Landing, subject to modification pursuant to Section 9(a);

(c) "Peak Hours" shall mean all Garage Hours other than Non-Peak Hours as defined herein;

(d) "Non-Peak Hours" shall mean, subject to modification pursuant to Section 9(a), from 5:00 pm until (i) 12:00 am, or (ii) one hour after the last restaurant closes at the Landing, whichever is later, and during all Garage Hours on Saturdays, Sundays and dates on which Humana's offices are closed for holidays. Upon written request, Humana shall provide Rouse and the City with Humana's holiday schedule for the upcoming year.

2. Term.

(a) Initial Term and Renewal Terms. For the purposes of this Agreement, the "Initial Term" shall commence as of the Commencement Date (as hereafter defined) and terminate as of March 13, 2031. The City and Humana may agree to extend this Agreement for additional periods of time on mutually acceptable terms following the expiration of the Initial Term (each renewal period being referred to as a "Renewal

Term"). The Initial Term, together with all applicable Renewal Terms, are referred to as the "Reservation Term."

(b) Commencement Date. The " Commencement Date" shall be the later of: (i) the date on which the City issues a certificate of occupancy for the Project; or (ii) the date when construction of the Garage shall have been completed (including, without limitation, all entrances, exits and parking areas) in accordance with the Development Agreement, and shall have opened for continuous operation as contemplated by the Development Agreement and this Agreement, such that, among other things, all Short Term Parking Spaces shall be available for use and freely accessible for parking by the general public, all elevators, lighting and other electrical components of the Garage and related entrances and exits within the Project shall be fully operational, and all directional signs and graphics within and upon the Garage and the Project shall have been installed as required by this Agreement and the Development Agreement.

3. Allocation of Parking Spaces by Utilization.

The Garage shall have at all times a minimum of 900 parking spaces that will be utilized solely for the following purposes:

(a) Short-Term Parking Spaces. At least 300 parking spaces during Peak Hours and 375 parking spaces during Non-Peak Hours shall be used exclusively for Short-Term Parking by the general public (the "Short-Term Parking Spaces"). Additional spaces for Short Term Parking in excess of the Short-Term Parking Spaces may be made available at Humana's discretion to anyone, including, without limitation, Humana employees and tenants.

(b) Long-Term Parking. The remaining parking spaces shall be available to anyone, including, without limitation, Humana employees and tenants and the general public, either for: (i) use by full-time reservation by designation of specific parking spaces by specific individuals or firms at any time (the "Reserved Spaces"); and (ii) use by monthly parking contract without designated reserved spaces (the "Monthly Spaces") (the "Reserved Spaces" and the "Monthly Spaces" may collectively be hereafter referred to as the "Long-Term Parking Spaces")

(c) Reservation of Short Term Parking Spaces. The parties agree that the Short-Term Parking Spaces shall be provided by allocating one-half (1/2) of the spaces per floor beginning on the ground floor of the Garage and one-half (1/2) on each successive floor thereafter until the total of 300 spaces are available; provided, however, that not less than fifty percent (50%) of the spaces on each floor of the Garage may be for either Short Term Parking Spaces or Long-Term Parking Spaces. Humana shall provide the Short-Term Parking Spaces during Garage Hours daily. Short-Term Parking Spaces shall be identified by appropriate signage.

4. City Reservation Payment.

In consideration for the construction of the Garage and the reservation of the Short-Term Parking Spaces for the Initial Term, the City agrees to pay to Humana within Thirty (30) days of the Commencement Date the amount of Three Million Dollars (\$3,000,000) (the "Reservation Payment"), the payment of which is more fully described in the Development Agreement.

5. Operation of Short-Term Spaces.

(a) Public Parking. At least 375 parking spaces shall be available for parking by the general public during Non-Peak Hours.

(b) Parking Rates. It is the parties' intention that hourly parking rates: first, encourage the utilization of Short-Term Parking Spaces for short-term parking by the general public and, secondly, maximize net revenues from the Short-Term Spaces without discouraging such use of the Short-Term Parking Spaces. To this end, the short-term parking rates as of the Commencement Date shall be as follows: (i) for Short Term Parking Spaces from 11:00 am until 2:00 PM, Monday through Friday, not more than \$2.00 with a Landing validation and without a Landing validation, at the rate then charged in the surface parking lot lying to the east of and adjacent to the Landing and known as the East Side Surface Lot (the "Lunch Validation Program"); and (ii) for all Short Term Parking Spaces there shall be no charge for parking during Non-Peak Hours with a Landing validation (the "City Validation Program"). Except for the parking rates specified in this paragraph 5(b)(i) and (ii), parking rates shall be based on market rates, with the initial rates being established on the Commencement Date at no more than the then current average market rates for the Four Thousand (4,000) parking spaces in privately-owned parking lots or garages closest to the Landing, excluding any parking spaces in lots or garages owned, operated or managed by the parties to this Agreement, their affiliates or subsidiaries. All of the above rates may be increased from time to time in the future, but not more frequently than annually, by an amount equal to the average percentage increase in rates for Short Term Parking charged for the Four Thousand (4,000) parking spaces in privately-owned parking lots or garages closest to the Landing,

excluding any parking spaces in lots or garages owned, operated or managed by the parties to this Agreement, their affiliates or subsidiaries (the "Annual Rate Increase Cap").

If Rouse, or any affiliate or subsidiary of Rouse, or any successor owner or operator of the Landing becomes the owner of or assumes the management and/or operation of the East Side Surface Lot, then Humana's parking rates for the Short-Term Parking Spaces, including, without limitation, rates under the Lunch Validation Program for parking without a validation, shall be the greater of either, i) the then current average of the rates charged for parking in the market area defined in the immediately preceding paragraph, or ii) the parking rates charged by Rouse in the East Side Surface Lot. These rates shall not be restricted as to frequency of adjustment.

The parties acknowledge that the parking validation program referenced in the Development Agreement, and the only program under which the City is obligated, is the City Validation Program. In addition, there is no financial contribution due from Rouse or its Landing sub-tenants for the Lunch Validation Program and no financial contribution due from Rouse for the City Validation Program.

(c). Security. During all Garage Hours, Humana shall operate the Garage in a fashion that is reasonably secure.

(d) Indemnification. Humana shall indemnify and defend the City and Rouse and hold them harmless from any liability, losses, damages or expenses, including reasonable costs of defense and attorney fees, that the City and Rouse may incur from any claim or demand arising out of the operation of the Garage. However, the parties agree that the Garage shall be used only for parking of motor vehicles with reasonable

pedestrian and vehicular access within the Garage. Use of the Garage shall be subject to any and all regulations for the use of the Garage as may from time to time be prescribed by Humana or its operator. Humana does not assume any liability or responsibility whatsoever for loss, damages, or theft to motor vehicles or their contents, however caused, except for the gross negligence or willful misconduct of Humana.

(e). Pedestrian Access: The Project shall at all times provide for reasonable public pedestrian access to and from the Garage and the Landing on a well-lighted walkway area between the Humana Building and the Garage, along Independent Drive/Water Street and along Hogan Street.

6. Signage.

During the Reservation Term, Humana agrees to install and maintain lighted signs showing the availability of "Public Parking/Landing" in the Garage which signage shall be affixed to the Garage on any two (2) of the three sides of the Garage facing Water Street, Bay Street or Hogan Street. The City agrees to expend not more than \$20,000 for the purchase of the signs to be affixed to the Garage. The City agrees to place and maintain signs along nearby streets directing the public to the Garage. Humana, the City and Rouse shall agree upon the details of such signage plans, during the design phase of the Project. The parties' obligations relating to signage shall be subject to applicable laws and regulations. The JEDC shall use reasonable efforts to obtain such permits, exceptions or waivers as necessary for the signage contemplated by this Section 6. Humana agrees that the City and Rouse may refer to the Garage in its advertising and promotional materials.

7. Parking Validation Programs.

(a) Humana agrees to provide and maintain parking spaces for the City Validation Program and the Lunch Validation Program, which will be available to and for the benefit of patrons and guests of the retail subtenants of Rouse at the Jacksonville Landing who elect to participate in such program ("Participating Merchants") and not for the benefit of such subtenants or their employees or the patrons and guests of non-retail subtenants. For purposes of this Agreement, the term "retail" shall include, but not be limited to, restaurants, fast-food businesses and entertainment uses. Such programs shall begin on the Commencement Date and shall continue until the earlier of, (i) the expiration of the Initial Term; or (ii) (a) in the case of the City Validation Program, the date specified in a cancellation notice delivered to Humana by both the City and Rouse; or (b) in the case of the Lunch Validation Program, the date specified in a cancellation notice delivered to Humana by Rouse.

(b) In consideration for Humana accommodating the City Validation Program, the City shall pay to Humana the sum of Five Hundred Thousand and 00/100 Dollars (\$500,000), which shall satisfy the City's responsibility to Humana for validation payments for the first five (5) years of the City Validation Program (the "Initial Validation Payment"). The Initial Validation Payment shall be paid to Humana within thirty (30) days following the Commencement Date. Beginning on the Commencement Date and continuing until the City Validation Termination Date (as hereafter defined), Participating Merchants will pay, and Humana shall be entitled to receive, \$1.00 for each parking validation pursuant to the City Validation Program. After the first year of City Validation Program, the Participating Merchant rate may be increased from time to time

in the future, but no more frequently than annually, subject to the Annual Rate Increase Cap. After expiration of the fifth (5<sup>th</sup>) year, the City shall begin making annual parking validation payments to Humana. The annual payments shall be paid each year in advance and shall be an amount equal to \$1.00, which rate shall not be subject to increase, for each parking validation multiplied by the total number of City parking validations in the previous year, thirty (30) days after the City receives notice from Humana of the prior years usage. The annual City validation payments shall continue each year until the earlier of, (i) March 13, 2031, or (ii) the date Humana receives joint written notification from the City and Rouse to terminate the City Validation Program (the "City Validation Termination Date"). The City annual validation payment shall not exceed the amount set forth in, and will be adjusted pursuant to, Section 5.3 of the Development Agreement.

(c) The City, Humana and the Participating Merchants shall execute and deliver such agreements, as they deem reasonably necessary to implement the foregoing, it being understood and agreed, however, that Rouse shall not incur any financial liability and shall not be deemed to guarantee the payment or performance of any Participating Merchants. Revenue from such spaces shall be solely for the account of Humana.

(d) The City, Humana and Rouse, for itself and on behalf of the Participating Merchants, agree that Humana may designate up to Twenty (20) days each calendar year on which days the terms of the City Validation Program and the Lunch Validation Program shall not be in effect ("Special Event Days"). "Special Event Days" shall be days on which Humana reasonably anticipates that the number of vehicles parking in the Garage will be large enough to adversely affect the orderly and efficient ingress and egress of vehicle traffic in and out of the Garage and will justify Humana charging a pre-



paid, flat fee for parking. Humana shall give Rouse not less than Ten (10) days prior notice of its intent to designate a Special Event Day. Humana's right to designate Special Event Days in excess of the Twenty (20) days authorized herein shall require the prior consent of Rouse and City, which consent shall not be unreasonably withheld.

(e) The City and Humana further agree that they shall not implement, administer or support for the Short-Term Parking Spaces any parking validation program for the benefit of third parties other than the guests and patrons of Participating Merchants.

8. Quiet Possession and Subordination.

(a) By City. Humana, or any successor, has and shall continue to hold fee simple title to the Project, and covenants and agrees with the City that, during the Reservation Term, the City shall have quiet, undisturbed and continued possession of the Short-Term Parking Spaces free from all claims of any kind, nature, or description. The City agrees that its rights hereunder shall be subject and subordinate to the lien, if any, of any mortgagee of Humana now or hereafter obtaining a mortgage lien on the Garage, provided that such mortgagee shall agree in writing not to disturb the quiet possession of the City.

(b) By the General Public. Notwithstanding anything to the contrary in this Agreement or any other agreement between the City and Humana, provided that the City has paid to Humana the Reservation Payment due for the Initial Term, Humana shall observe and perform all terms of this Agreement relevant to the operation and maintenance of the Short-Term Parking Spaces for use by the general public during the entire Reservation Term, and neither Humana nor any secured or unsecured creditor of Humana shall be permitted to disturb or terminate such use for any reason.

9. Hours of Operation.

(a) Garage Hours. Humana agrees that the Garage shall be open for hourly parking during the Garage Hours. Currently, at the Landing, the last restaurant closes at the following hour: 12:00 a.m., Monday through Thursday; 2:00 a.m. on Friday and Saturday; and 11:00 p.m. on Sunday (as modified from time to time, "Landing Hours"). Rouse shall deliver notice to Humana of changes in the Landing Hours, and the Garage Hours shall change accordingly as of the later of the effective date of the change in the Landing Hours or the expiration of fourteen (14) days from the delivery of such notice to Humana.

(b) "Open for Hourly Parking". For the purposes of this Agreement, the Garage shall be deemed "open for hourly parking" during such time as it is freely accessible by the general public, without the necessity of keys, magnetic cards or other devices, lighting, elevators, and other electric components are fully operational and turned on.

10. No Alterations by City.

The City shall not have the right to make any alterations to the Garage or to otherwise exercise rights of occupancy other than as set forth herein. If Humana should permit alterations by City, City shall not allow any construction liens or other liens to be placed upon the Garage or the Project. No estate or interest of Humana in the Garage or the Project will be subject to any lien arising in connection with any alteration, addition, or improvement made by or on behalf of the City.

11. Rules and Regulations.

Humana reserves the right to establish reasonable rules and regulations from time to time governing use and occupancy of the Garage so long as such rules and regulations are consistent with the terms of this Agreement.

12. Representations and Warranties.

(a) Humana hereby represents and warrants to the City and Rouse that: (i) Humana has good, marketable, fee-simple title to the Garage and the Project, subject to no liens, claims, or other matters which would jeopardize the right of City or the general public to quiet enjoyment under this Agreement; (ii) this Agreement has been duly authorized, executed and delivered by Humana and represents the valid and binding obligation of Humana enforceable in accordance with its terms.

(b) The City hereby represents and warrants to Humana and Rouse that this Agreement has been duly authorized, executed and delivered by the City and represents the valid and binding obligation of the City enforceable in accordance with its terms.

13. Books and Records.

The parties each shall maintain suitable books of account relating to the utilization and availability of the Short-Term Parking Spaces, the Long-Term Parking Spaces, the City Validation Program and the Lunch Validation Program where applicable and such books and records shall be available for inspection and audit by any party or its agent at any reasonable time. Humana or its operator shall provide a report on at least an annual basis for the items set forth in the preceding sentence.

14. Operation, Maintenance and Repair.

(a) General Operations Standards. Humana shall continuously operate and manage, or shall cause the operation and management of the Garage to be comparable to parking garages serving the general public in the downtown Jacksonville urban area (with at least 300 spaces specifically reserved for short-term parking as contemplated by this Agreement) by a Qualified Parking Operator (as defined by Section 18 of this Agreement) and, except as expressly provided by this Agreement, for no other purpose. Humana shall cause the Garage to be operated and maintained in a manner that will encourage the use of the Garage by the general public, including, without limitation, the patrons, customers, or invitees of Rouse or its subtenants at the Jacksonville Landing.

(b) Maintenance and Repair. Humana agrees to use reasonable diligence in the care, protection and maintenance of the Garage during the Reservation Term, and shall also be responsible for all repairs and replacements, including, but not limited to: electrical, plumbing, pavement repair, painting of the structure, replacement of all mercury or sodium lighting tubes and ballasts, repairs to the walls and floors of the garage, and maintenance of ventilation system and elevators. Humana may make any alteration to the Garage without the consent of the City and Rouse; provided, however, alterations which may affect the use of the Garage for short-term parking by the general public (including, without limitation, the location, dimensions, or accessibility of parking spaces), may not be made without the prior written consent of the City and Rouse. Humana shall make all alterations and repairs and shall perform maintenance of the Garage so as to minimize interference with the use of the Short-Term Parking Spaces as contemplated by this Agreement. Accordingly, Humana shall not perform or cause to be

performed such work during Garage Hours, unless such work is necessitated during Garage Hours to avert unreasonable risk of personal injury or property damage.

15. Use of Garage

(a) By City. The Short-Term Parking Spaces shall be used by City only for the purpose of renting such Short-Term Parking Spaces for use by the general public on an hourly basis in accordance with the terms of this Agreement, and shall not be used for any illegal purpose or in any manner to create a nuisance or trespass.

(b) By Humana. The Garage shall be used by Humana only for the purposes described by Sections 3 and 14(a) of this Agreement, and shall not be used for any illegal purpose, or in any manner to create any nuisance or trespass.

16. Insurance.

(a) On the Commencement Date, and during the Reservation Term, Humana agrees to maintain or cause its operator to maintain the following types of insurance with limits not less than those set forth below:

Humana:

Commercial General Liability	\$1,000,000 combined single limit each occurrence for bodily injury and property damage.
Umbrella Excess Coverage	\$1,000,000
Contractual Liability	\$1,000,000

Operator:

Garagekeeper's Legal Liability	\$100,000 combined single limit each occurrence
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Humana shall cause its insurers to agree to give notice to the City and Rouse at least thirty (30) days prior to cancellation or non-renewal of all insurance policies including policies maintained by the operator. In addition, Humana shall cause each such policy to name the City and Rouse (and its parent, subsidiaries and affiliates) as additional named insureds.

(b) All insurance maintained by Humana pursuant to this Section shall be issued by Managed Care Indemnity, Inc., a captive insurance company chartered in the State of Vermont and an affiliate of Humana or by companies licensed to do business in Florida and having a rating of not less than A-1X by Best Insurance Reports or a similar nationally recognized insurance rating service. Insurance maintained by Humana's operator shall name Humana as an additional insured and shall be issued by companies licensed to do business in Florida and having a rating of not less than A1X by Best Insurance Reports or a similarly recognized insurance rating service. Duly executed certificates for the insurance required to be carried by Humana or its operator under this Agreement shall be deposited with the City and Rouse by the Commencement Date and thereafter upon request. Upon the request of the City or Rouse, the City or Rouse may examine copies of all casualty and liability insurance policies at the location where the Humana regularly keeps such insurance policies.

(c) Humana shall have the right to utilize a "blanket" policy of insurance, provided that Humana provides the City and Rouse with satisfactory evidence that such blanket policy expressly references the Garage and such blanket policy shall provide the coverage required under this Agreement.

17. Waiver of Subrogation Rights.

The City and Rouse hereby waive on behalf of themselves and their insurers (none of which shall ever be assigned any such claim or be entitled thereto due to subrogation or otherwise) any and all rights of recovery, claim, action, or cause of action, against Humana, its agents, officers, or employees, for any loss or damage that may occur to the Garage, or any improvements thereto, or any personal property of City or Rouse therein, by reason of fire, the elements, or any other causes which are insured against by Humana under the terms of the standard fire and extended coverage insurance policies referred to herein, regardless of the cause or origin of the damage involved, including negligence of the Humana, its agents, officers, or employees. However, the foregoing shall not negate or diminish Humana's obligations pursuant to Section 21.

18. Assignment and Subletting.

(a) By the City. The City shall not assign this Agreement in whole or in part, or sublet all or any part of the Short-Term Parking Spaces, except for hourly rentals in accordance with the terms of this Agreement, without the prior written consent of Humana and Rouse. However, the City may assign or sublease the Short-Term Parking Spaces and its rights hereunder to a parking authority or other governmental entity, without the approval of Humana or Rouse, so long as such authority or entity expressly assumes in writing the rights and obligations of the City under this Agreement.

(b) By Humana. Humana may assign its rights and obligations hereunder to operate the Garage, provided that the proposed assignee: (i) is a Qualified Parking Operator (as defined below); or (ii) covenants and agrees with the City and Rouse to retain during the Reservation Term a Qualified Parking Operator to have full control over

the operation, management and maintenance of the Garage. A "Qualified Parking Operator" means a person or entity, which in the reasonable opinion of the City and Rouse, possesses the experience, qualifications, good reputation, financial resources and adequate personnel necessary or appropriate for the proper operation of the Garage in a manner consistent with the quality, character, reputation and economic viability of the Project. For purposes of this Agreement, the parties agree that Central Parking Systems, Inc. is a Qualified Parking Operator. Such assignment shall require the prior approval of the City and Rouse, which approval will not be unreasonably withheld, and the City and Rouse shall respond to notice of such assignment within 10 business days of receipt of same. Upon any permitted assignment to operate the Garage, Humana's assignee shall expressly assume, in writing, all of Humana's obligations under this Agreement for operating the Garage and Humana shall be relieved of all personal liability relating to the operation of the Garage under this Agreement accruing on or after such assignment, except to the extent otherwise required by the City or Rouse. In addition, without assigning its rights or obligations under this Agreement, with the prior approval of the City and Rouse, Humana may employ, and may delegate or assign some or all of Humana's duties hereunder to, a parking management firm to manage the Garage, provided that such firm constitutes a Qualified Parking Operator.

(c) By Rouse. Rouse shall be permitted to assign its rights under this Agreement to Rouse's successors in interest to any or all of its right, title or interest in or to the Leased Property (as defined by the Rouse Agreement) or the Rouse Agreement. Rouse shall provide to Humana and the City written notice within 10 days of the date such successor acquires Rouse's interest.



19. Default.

(a) City Defaults. If the City fails to make the Reservation Payment and/or the Initial Validation Payment as required in this Agreement and such default is not cured within thirty (30) days after receipt of written notice of such default by Humana to the City and Rouse, by registered or certified mail, then, in any such case, Humana may take such enforcement action, including action for damages, mandamus of specific performance, as permitted by law. If the default is the result of the City failing to make the annual parking validation payment required pursuant to Section 7, Humana shall have the right to terminate the City Validation Program provisions set forth in this Agreement if the City fails to timely cure such default within sixty (60) days after the City and Rouse receive written notice of such default and Humana shall be entitled to recover any validation payments then owing at the date of termination. However, provided the City has made the Reservation Payment to Humana, such termination of the City Validation Program shall not in any way terminate or impair the remaining provisions of this Agreement or Humana's obligations to provide the City with certain parking spaces as set forth in this Agreement. In no event shall Humana be entitled to terminate this Agreement or to discontinue utilization of the Short-Term Parking Spaces as provided by this Agreement following payment of the Reservation Payment pursuant to the Development Agreement. Rouse shall be entitled to cure or prosecute the curing of defaults by City and to receive immediate reimbursement from City of all reasonable expenses incurred by Rouse in connection with such cure, together with interest per annum at a fixed rate equal to the prime rate of interest published in the Wall Street

Journal on the date of default. Humana hereby grants to Rouse such easement, license or other rights as may be necessary to effect such cure.

(b) Humana Defaults. If Humana shall at any time fail to perform any of the covenants, conditions, or provisions of this Agreement and such default is not cured within thirty (30) days after receipt of written notice thereof from City or Rouse, then, in any such case, the City and/or Rouse may pursue all available remedies, including, without limitation, actions for damages or specific performance, as may be permitted by law, and termination of this Agreement by delivery of notice given by the City and Rouse. In addition to any other available remedy, City and/or Rouse shall be entitled to cure or prosecute the curing of defaults by Humana and to receive immediate reimbursement from Humana of all reasonable expenses incurred by City or Rouse in connection with such cure, together with interest per annum at a fixed rate equal to the prime rate of interest published in the Wall Street Journal on the date of default. Humana hereby grants to City and Rouse such easement, license or other rights as may be necessary to affect such cure.

(c) Cumulative Remedies. All remedies shall be non-exclusive and cumulative. The prevailing party in any litigation arising hereunder shall be entitled to recover its reasonable attorney fees and costs, including fees and costs on appeal.

(d) Costs. If a party engages legal counsel to enforce by litigation the rights of such party under this Agreement and such party prevails in such litigation, the losing party shall reimburse the prevailing party (or parties) for all reasonable, out of pocket expenses incurred by such party (including travel expenses, paralegal and attorneys' fees,

court costs and fees, whether at or prior to trial or appeal) in connection with such litigation.

20. Condemnation.

(a) Total Taking. In the event of any total taking of the Garage by eminent domain, or conveyance in lieu thereof, this Agreement shall terminate on the date of taking. Each party shall be entitled to seek compensation in accordance with their respective interests in the Garage and Humana's award shall in no way be reduced by any award to the City or Rouse; provided, however, that the City shall not be entitled to compensation in excess of the present value at the time of the taking of City's interest in the Short-Term Parking Spaces for the remainder of the Term (or for the period of the taking if shorter) as determined in accordance with Subsection (b). If the taking occurs after the Initial Term, the City shall not be entitled to any compensation.

(b) Valuation of City's Interest. The present value of City's interest shall be determined by an MAI appraiser selected by Humana and reasonably satisfactory to the City.

(c) Partial Taking. In the event of a partial taking of the Garage by eminent domain, or conveyance in lieu thereof, which partial taking reduces the total number of parking spaces in the Garage, such reduction shall be applied first against the required number of Reserved and Monthly Spaces, and then against the Short-Term Parking Spaces. In the event the number of Short-Term Parking Spaces is reduced below 300, the City may seek compensation not exceeding the present value of the City's interest in such lost Short-Term Parking Spaces, as determined as set forth in Subsection (b) above.

21. Destruction of, or Damage to, Garage.

(a) If the Garage is destroyed prior to the last two (2) years of the Term (which shall include damaged beyond 25% of its value) by fire, storm, lightning, earthquake, or other casualty, Humana shall give written notice of the damage to the City and Rouse. Upon receipt of such notice, the City shall have sixty (60) days to determine whether the City shall require Humana to reconstruct the Garage. If the City timely notifies Humana of its election to have the Garage repaired or rebuilt, Humana shall commence repair and/or reconstruction within sixty (60) days of receipt of such notice and must diligently pursue and complete the repair and/or reconstruction of the Garage within two (2) years, and the City shall have no claim against Humana for any loss of use of the Short-Term Parking Spaces. In addition, if the City elects to have the Garage repaired and/or reconstructed, then, the Initial Term shall be extended for a period of time equal to the period of time the Short-Term Parking Spaces are unavailable for use, unless Humana elects, in lieu of such extension, to pay to the City an amount equal to the present value of the City's interest in the Short-Term Parking Spaces attributable to the period of time the Short-Term Parking Spaces are unavailable for use. If the City fails to notify Humana within the sixty-day period this Agreement shall terminate, in which case, the City shall be entitled to share in insurance proceeds in an amount equal to the present value of that portion the City's Reservation Payment attributable to Humana's obligation to provide the Short-Term Parking Spaces and prorated for the remainder of the Term, as determined in accordance with Subsection 20(b) above. In the event of such destruction, the City shall have first priority to use the first three hundred (300) parking spaces available for use, to the extent practicable.

(b) If the Garage is damaged, but not wholly destroyed by any such casualty or made inaccessible or unusable, Humana shall restore the Garage to substantially as good and serviceable condition as before the damage as speedily as practicable, and the City shall have no claim against Humana for any loss of use of the Short-Term Parking Spaces. In the event of such partial destruction, the City shall have first priority to use the first three hundred (300) parking spaces available for use.

(c) If damage or destruction described in 21(a) and (b) occurs during the last two (2) years of the Initial Term or any Renewal Term of this Agreement, Humana shall have the right, at its sole discretion, to elect whether or not to restore or rebuild the Garage. If Humana elects not to restore or rebuild then the City shall be entitled to receive a portion of the insurance proceeds equal to the then present value of the City's interest in the Short-Term Parking Spaces for the remainder of the Initial Term or such Renewal Term, as determined in accordance with Subsection 20(b).

22. Taxes and Assessments.

Humana will be responsible for payment of all property taxes and special assessments on the Garage.

23. Personal Liability.

The liability of Humana to City or Rouse for any default by Humana under the terms of this Agreement shall be limited to the interest of the Humana in the Garage, and City agrees to look solely to Humana's interest in the Garage for the recovery of any judgment from Humana, it being intended that neither Humana, nor any member,

director, officer, shareholder, or partner of Humana shall be personally liable for any judgment or deficiency.

24. Estoppel Certificate.

The City agrees that it will from time to time upon five (5) business days' request by Humana, execute and deliver to such persons as Humana shall request, a statement in recordable form certifying that this Agreement is unmodified and in full force and effect (or, if there have been modifications, that the same is in full force and effect as so modified), stating that Reservation Payments then due and owing under this Agreement have been paid, stating that the Humana is not in default hereunder (or if the City alleged a default, stating the nature of such alleged default), and further stating such other matters as Humana shall reasonably require.

25. Recordation.

Humana and the City agree to record a memorandum of this Agreement in the public records of Duval County, in form and substance acceptable to Humana, the City and Rouse.

26. Brokers.

Humana and the City each represent and warrant one to the other that neither of them has employed any broker in connection with the negotiations of the terms of this Agreement or the execution thereof. Humana and the City hereby agree to indemnify and to hold each other harmless against any loss, expense, or liability with respect to any claims for commissions or brokerage fees arising from or out of any breach of the foregoing representation and warranty.

27. Miscellaneous Provisions.

It is mutually covenanted and agreed by and between the parties as follows:

(a) Applicable Law. This Agreement shall be construed under the laws of the State of Florida without regard to its conflicts of laws principles.

(b) Headings. The captions of the Sections of this Agreement are inserted for identification only, and shall not govern the construction, nor alter, vary, or change any of the terms, conditions, or provisions of this Agreement.

(c) Severability. Each provision herein shall be deemed separate and distinct from all other provisions, and if any one of them shall be declared illegal or unenforceable, the same shall not affect the legality or enforceability of the other terms, conditions, and provisions hereof, which shall remain in full force and effect.

(d) Successors and Assigns. The successors and assigns of the parties, and any person, firm or corporation who may acquire an interest in the Garage shall take notice of all the terms and conditions set out herein as well as the covenants referred to herein, and shall be bound thereby.

(e) Amendment. This Agreement shall not be amended or modified, and none of its terms shall be deemed waived, except by written instruments executed and delivered by City, Humana and Rouse.

28. Notices.

In the event notices, reports, consents or approvals are required or permitted to be sent or given under the provisions of this Agreement, they will be in writing and shall be deemed given: (i) upon personal delivery; (ii) one (1) business day

following mailing by a nationally recognized overnight carrier; or (iii) three (3) business days following mailing by U.S. Mail, postage prepaid by certified or registered mail, return receipt requested, to the parties at the following addresses:

City:

City of Jacksonville  
Office of the Mayor  
City Hall  
117 West Duval Street  
Jacksonville, Florida 32202  
Attention: Mayor

With Copies to:

Office of General Counsel  
City of Jacksonville  
City Hall  
117 West Duval Street  
Jacksonville, Florida 32202  
Attention: General Counsel, Suite 480

Humana:

Humana Medical Plan, Inc.  
c/o Humana, Inc.  
500 West Main Street  
Louisville, Kentucky 40201  
Attention: Walter E. Neely, Esq.  
Clarence M. Jones

With Copies to:

Jack C. Davis  
1620 Hendricks Avenue  
Jacksonville, Florida 32207

And

Fred H. Kent, III Esq.  
Kent, Crawford & Gooding  
225 Water Street, Suite 900  
Jacksonville, Florida 32202

Rouse:

Rouse-Jacksonville, Inc.  
C/o The Rouse Company  
10275 Little Patuxent Parkway  
Columbia, Maryland 21044-3456  
Attention: General Counsel

With Copies to:

Rouse-Jacksonville, Inc.  
2 East Independent Drive  
Jacksonville, Florida 32202  
Attention: General Manager

Any party may, by such prior notice to the other parties, designate a new or other address to which notice may be mailed. City and Humana further agree that each shall



deliver to Rouse a copy of any and all notices, reports, consents and approvals that either delivers to the other pursuant to this Agreement.

29. Rouse's Rights.

Rouse shall be entitled to enforce the obligations of Humana and to cure the defaults of City under this Agreement, and joins in this Agreement for that sole purpose, it being understood and agreed that: (i) neither Rouse nor its subtenants or its respective patrons, guests or invitees at the Jacksonville Landing shall incur any liability or obligations under this Agreement; and (ii) Rouse obtains its rights under this Agreement in satisfaction of rights that it has agreed to relinquish pursuant to the Fifth Amendment to the Rouse Agreement dated \_\_\_\_, 2001.

30. Radon. RADON IS A NATURALLY OCCURRING RADIOACTIVE GAS THAT, WHEN IT HAS ACCUMULATED IN A BUILDING IN SUFFICIENT QUANTITIES, MAY PRESENT A HEALTH RISK 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 TESTING MAY BE OBTAINED FROM YOUR COUNTY PUBLIC HEALTH UNIT.

[Signatures on Next Page]

IN WITNESS WHEREOF, the parties hereto have caused their names to be hereto signed by their duly authorized officer on the date hereinbefore first written.

Signed, sealed and delivered in the presence of:

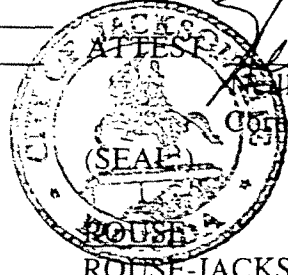
HUMANA:  
HUMAN MEDICAL PLAN, INC.

Name: Julie L. Bredan BY: [Signature] Vice President

Name: Joan O. Lenahan (SEAL:) Secretary

CITY:  
CITY OF JACKSONVILLE, FLORIDA  
BY: [Signature] Mayor John Delaney  
Sam E. Mousa  
Chief Administrative Officer  
For: Mayor John Delaney  
Under Authority of  
Executive Order No. 80-10

Name: \_\_\_\_\_  
Name: \_\_\_\_\_  
BY: [Signature] W. McArthur, Jr.  
Corporation Secretary



ROUSE-JACKSONVILLE, INC.

Name: \_\_\_\_\_ BY: \_\_\_\_\_

ATTEST: \_\_\_\_\_ Secretary

Name: \_\_\_\_\_ (SEAL:)

Name: Melanie K. Ricks JACKSONVILLE ECONOMIC DEVELOPMENT COMMISSION

Name: Sherree M. Riger BY: [Signature] Leerie T. Jenkins, Jr. Chairman (SEAL:)

FORM APPROVED

[Signature]  
ASSISTANT GENERAL COUNSEL

IN WITNESS WHEREOF, the parties hereto have caused their names to be hereto signed by their duly authorized officer on the date hereinbefore first written.

Signed, sealed and delivered in the presence of:

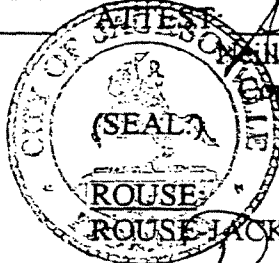
HUMANA:  
HUMAN MEDICAL PLAN, INC.

BY: \_\_\_\_\_  
Name: \_\_\_\_\_ President

(SEAL:)  
Name: \_\_\_\_\_

CITY:  
CITY OF JACKSONVILLE, FLORIDA  
BY: [Signature] Sam E. Mousa  
Chief Administrative Officer  
For: Mayor John Delaney  
Under Authority of  
Executive Order No. 00-1



Name: \_\_\_\_\_  
BY: [Signature] W. McArthur, Jr.  
Corporation Secretary



[Signature]  
Name: MARY LOUISE JOHNSON  
BY: [Signature]  
ATTEST: [Signature]  
Assistant Secretary  
Name: [Signature]  
(SEAL:)

[Signature]  
Name: MELANIE L. RICKS  
JACKSONVILLE ECONOMIC DEVELOPMENT COMMISSION  
BY: [Signature]  
Leerie T. Jenkins, Jr. Chairman  
(SEAL:)

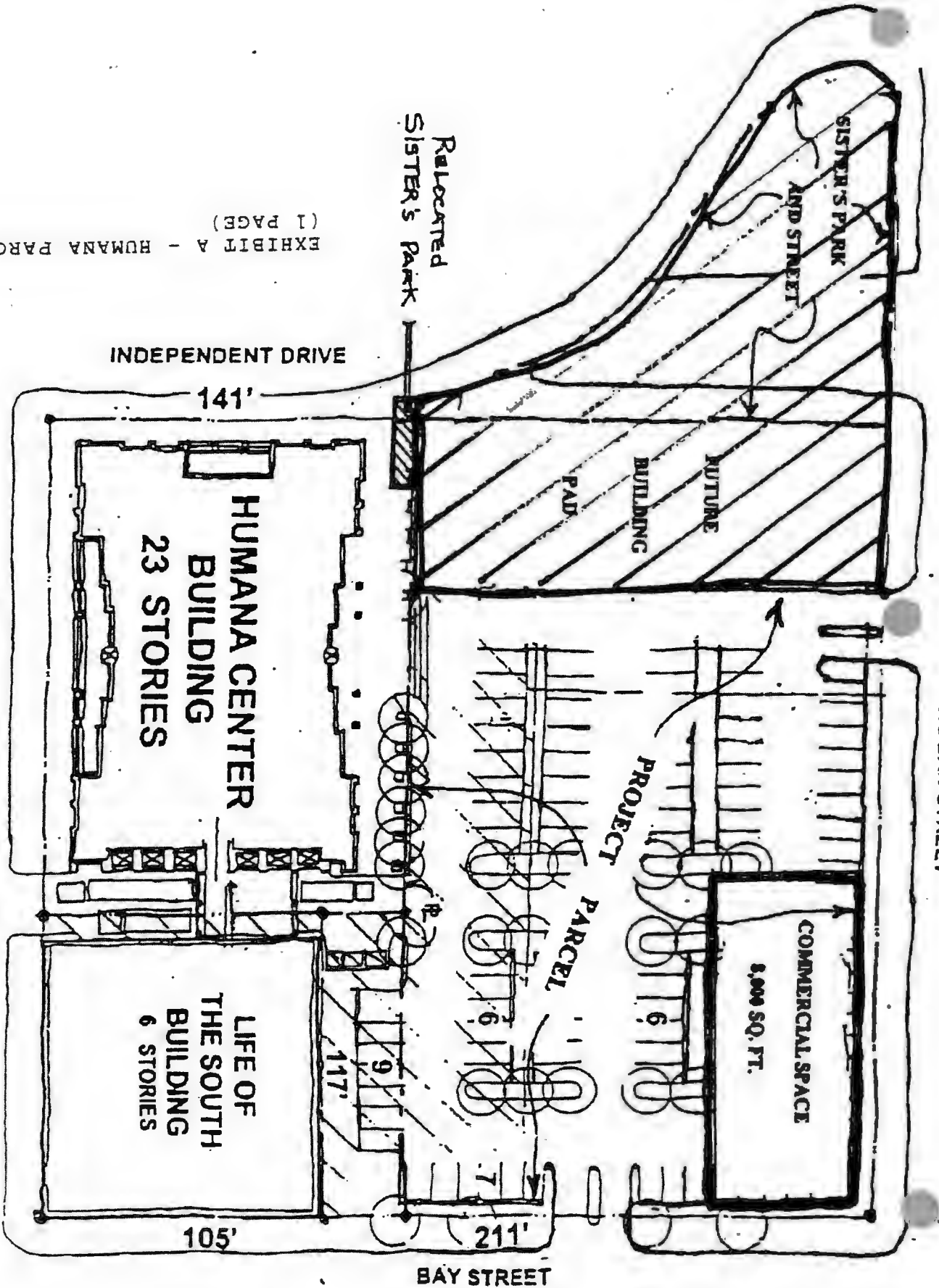
In accordance with the Charter of the City of Jacksonville, I do hereby certify that there is an unexpended, unencumbered and unimpounded balance in the appropriation sufficient to cover the foregoing Agreement and that provision has been made for the payment of the monies provided therein to be paid.

  
\_\_\_\_\_  
Director of Administration and Finance  
7646-3 


Form Approved:

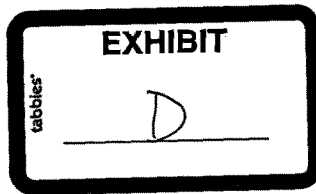
\_\_\_\_\_  
Assistant General Counsel

EXHIBIT A - HUMANA PARCEL  
(1 PAGE)



**SITE PLAN**

 Landscaping Area



**ASSIGNMENT AND ASSUMPTION OF REDEVELOPMENT AGREEMENT  
AND PARKING RIGHTS AGREEMENT**

THIS ASSIGNMENT AND ASSUMPTION OF REDEVELOPMENT AGREEMENT AND PARKING RIGHTS AGREEMENT is entered into this 8<sup>th</sup> day of February, 2007, by HUMANA MEDICAL PLAN, INC., a Florida corporation ("Assignor"), in favor of PROJECT RIVERWATCH, LLC, a Florida limited liability company ("Assignee").

**WITNESSETH:**

WHEREAS, Assignor has on this day transferred, sold and conveyed to Assignee the real property (the "Real Property") described on Exhibit "A" attached hereto, pursuant to that certain Special Warranty Deed (the "Deed") of even date herewith; and

WHEREAS, Assignor, the City of Jacksonville ("City") and the Jacksonville Economic Development Commission ("JEDC") are parties to that certain Redevelopment Agreement dated June 6, 2001, as amended by the Amendment to Redevelopment Agreement dated October 17, 2002 (collectively the "Redevelopment Agreement"); and Assignor, the City, JEDC and Jacksonville Landing Investments, LLC ("JLI"), successor in interest to Rouse-Jacksonville, Inc., are parties to that certain Parking Rights Agreement ("Parking Rights Agreement") dated June 4, 2001 (collectively the "Contracts"); and

WHEREAS, the City, JEDC and Assignee are simultaneously herewith entering into the Second Amendment to Redevelopment Agreement (the "Second Amendment to Redevelopment Agreement") for purposes of extending the parking garage construction deadline in the original Redevelopment Agreement and making certain other changes to such agreement; and

WHEREAS, the City, JEDC, Assignee and JLI are simultaneously herewith entering into the First Amendment to Parking Rights Agreement for purposes of revising certain terms of the Parking Rights Agreement to conform to Assignee's proposed development ("First Amendment to Parking Rights Agreement"); and

WHEREAS, in connection with Assignee's purchase of the Real Property from Assignor, Assignee desires to assume, and Assignor desires to assign to Assignee, the Contracts and all of the rights, benefits and privileges of Assignor thereunder.

**NOW THEREFORE**, in consideration of the foregoing and the agreements and covenants herein set forth, the sum of TEN AND NO/100 DOLLARS (\$10.00), and other good and valuable consideration paid by Assignee to Assignor, the receipt and sufficiency of which are hereby acknowledged, Assignor does hereby assign, transfer, set over, and deliver unto Assignee the Contracts and all of the rights, benefits, and privileges of Assignor thereunder, subject to all terms, conditions, reservations and limitations set forth in the Contracts.

Assignor warrants that (i) the Contracts are free of all encumbrances except the liens, easements, restrictions and other matters listed in the Deed, (ii) good title and right to assign the Contracts is vested in Assignor, and (iii) Assignor will defend the same against the lawful claims of all persons claiming by, through or under Assignor, but against none other.

Assignor has or had certain duties and obligations under the Contracts that Assignor was required to discharge or perform on or prior to the date of this Assignment ("Assignor's Obligations"). Assignor had certain obligations and duties under the Contracts that Assignor would have been required to discharge or perform after the date hereof if not for this Assignment, and Assignee is hereby assuming such duties and obligations accruing after the date hereof ("Assignee's Obligations"). Assignor shall not be responsible to the other parties to the Contracts for the discharge or performance of any of Assignee's Obligations. Assignee shall not be responsible to the other parties to the Contracts for the discharge or performance of any of Assignor's Obligations. By accepting this Assignment and by its execution hereof, Assignee hereby assumes and agrees to perform all of the terms, covenants and conditions of the Contracts on the part of the Assignor required to be performed from and after the date hereof, subject to the terms of the Second Amendment to Redevelopment Agreement and First Amendment to Parking Rights Agreement.

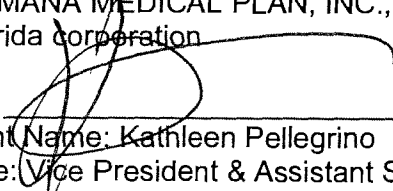
Assignee hereby agrees to indemnify and hold harmless Assignor from and against any and all loss, cost or expense (including, without limitation, reasonable attorneys' fees) resulting by reason of Assignee's failure to perform any of Assignee's Obligations. Assignor hereby agrees to indemnify and hold harmless Assignee from and against any and all lost, cost or expense (including, without limitation, reasonable attorneys' fees) resulting by reason of the failure of Assignor to perform any of Assignor's Obligations.

All of the covenants, terms and conditions set forth herein shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, executors, administrators, personal representatives, successors and assigns.

Executed the date and year first above written.

**"ASSIGNOR"**

HUMANA MEDICAL PLAN, INC., a  
Florida corporation

By:   
Print Name: Kathleen Pellegrino  
Title: Vice President & Assistant Secretary

**"ASSIGNEE"**

PROJECT RIVERWATCH, LLC, a  
Florida limited liability corporation

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

Assignor has or had certain duties and obligations under the Contracts that Assignor was required to discharge or perform on or prior to the date of this Assignment ("Assignor's Obligations"). Assignor had certain obligations and duties under the Contracts that Assignor would have been required to discharge or perform after the date hereof if not for this Assignment, and Assignee is hereby assuming such duties and obligations accruing after the date hereof ("Assignee's Obligations"). Assignor shall not be responsible to the other parties to the Contracts for the discharge or performance of any of Assignee's Obligations. Assignee shall not be responsible to the other parties to the Contracts for the discharge or performance of any of Assignor's Obligations. By accepting this Assignment and by its execution hereof, Assignee hereby assumes and agrees to perform all of the terms, covenants and conditions of the Contracts on the part of the Assignor required to be performed from and after the date hereof, subject to the terms of the Second Amendment to Redevelopment Agreement and First Amendment to Parking Rights Agreement.

Assignee hereby agrees to indemnify and hold harmless Assignor from and against any and all loss, cost or expense (including, without limitation, reasonable attorneys' fees) resulting by reason of Assignee's failure to perform any of Assignee's Obligations. Assignor hereby agrees to indemnify and hold harmless Assignee from and against any and all lost, cost or expense (including, without limitation, reasonable attorneys' fees) resulting by reason of the failure of Assignor to perform any of Assignor's Obligations.

All of the covenants, terms and conditions set forth herein shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, executors, administrators, personal representatives, successors and assigns.

Executed the date and year first above written.

**"ASSIGNOR"**

HUMANA MEDICAL PLAN, INC., a  
Florida corporation

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

**"ASSIGNEE"**

PROJECT RIVERWATCH, LLC, a  
Florida limited liability corporation

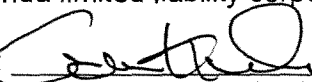
By:  \_\_\_\_\_  
Print Name: CAMERON KUHN  
Title: MANAGER



EXHIBIT A

PARCEL 1

GARAGE PARCEL, inclusive of parcels 3-5 and 8-11

A portion of Water Lots 24, 25 and 26, Hart's Map of Jacksonville, according to the former public records of Duval County, Florida, being more particularly described as follows:

For point of reference, commence at the Northeasterly corner of said Water Lot 24, said corner also being the Northeasterly corner of the lands described in Official Records Volume 7949, page 13, public records of said county, and the intersection of the Southerly right of way line of Bay Street, with the Westerly right of way line of Laura Street, and run Southerly, along said Westerly right of way line, and along said lands, a distance of 117.00 feet to the point of beginning.

From the point of beginning thus described, continue Southerly, along said right of way line, a distance of 9.85 feet to the Northeasterly corner of the lands described in Official Records Volume 7192, page 1030, said public records; run thence Westerly, along the Northerly boundary of said lands on a line making a deflection angle to the right of  $90^{\circ}09'00''$  with the preceding course, a distance of 141.07 feet to the Northwesterly corner of said lands; run thence Southerly, along the Westerly boundary of said lands, on a line making a deflection angle to the left of  $90^{\circ}09'00''$  with the preceding course, a distance of 193.15 feet to a point in the Northerly right of way line of Sister Cities Plaza, formerly known as Independent Drive or Water Street; run thence Westerly, along the Northerly right of way line of Sister Cities Plaza, on a line making a deflection angle to the right of  $90^{\circ}09'00''$  with the preceding course, a distance of 175.64 feet to its point of intersection with the Westerly right of way line of Hogan Street; run thence Northerly, along said Westerly right of way line, on a line making a deflection angle to the right of  $89^{\circ}51'00''$  with the preceding course, a distance of 320.00 feet to its point of intersection with the aforementioned Southerly right of way line of Bay Street; run thence Easterly, along said Southerly right of way line, on a line making a deflection angle to the right of  $90^{\circ}09'00''$ , a distance of 211.13 feet to the Northwesterly corner of the aforementioned lands described in Official Records Volume 7949, page 13, said public records; run thence Southerly, along the Westerly boundary of said lands, on a line making a deflection angle to the right of  $89^{\circ}51'00''$ , with the preceding course, a distance of 117.00 feet to the Southwesterly corner of said lands; run thence Easterly, along the Southerly boundary of said lands, on a line making a deflection angle to the left of  $89^{\circ}51'00''$  with the preceding course, a distance of 105.57 feet to the point of beginning. The land thus described 61,746 square feet, or 1.42 acres, more or less.

The above described lands are the same as those referred to as Parcel 3, 4, 5, 8, 9, 10 and 11, and described as follows:

Parcel 3:

The North 320 feet of the East ½ of Water Lot 26, Hart's Map of Jacksonville, according to the former public records of Duval County, Florida.

Parcel 4:

The South 148.2 feet of the North 320 feet of the West ½ of Water Lot 26, Hart's Map of Jacksonville, according to the former public records of Duval County, Florida.

Parcel 5:

The North 171.8 feet of the West ½ of Water Lot 26, Hart's Map of Jacksonville, according to the former public records of Duval County, Florida.

Parcel 8:

The North 105.50 feet of Water Lot 25 (except the East 35.50 feet thereof), Hart's Map of Jacksonville, according to the former public records of Duval County, Florida.

Parcel 9:

A portion of Water Lot 25, Hart's Map of Jacksonville, according to the former public records of Duval County, Florida, being more particularly described as follows:

For point of reference, commence at the Northeasterly corner of Water Lot 24, Hart's Map of Jacksonville, said corner also being the intersection of the Westerly right of way line of Laura Street, with the Southerly right of way line of Bay Street, and run Westerly along said Southerly right of way line, along the Northerly line of said Water Lots 24 and 25, a distance of 141.07 feet to the point of beginning of the lands to be described; run thence Southerly, on a line making an angle of 89°51'00" to the right of the preceding course, a distance of 105.50 feet to a point; run thence Easterly, on a line making an angle of 90°09'00" to the right of the preceding course, a distance of 35.50 feet to the Easterly line of said Water Lot 25; run thence Southerly along said lot line, on a line making an angle 90°09'00" to the left, of the preceding course, a distance of 21.35 feet to a point; run thence Westerly, on a line making an angle of 89°51'00" to the left of the preceding course, a distance of 35.50 feet to a point; run thence Southerly on a line making an angle of 89°51'00" to the right of the preceding course, a distance of 193.15 feet to a point on the Northerly right of way line of Independent Drive; run thence Westerly, along said right of way line, and on a line making an angle of 89°51'00" to the left of the preceding course, a distance of 70.07 feet to the Westerly line of the aforementioned Water Lot 25, run thence Northerly, along said lot line, making an angle of 90°09'00" to the left of the preceding course, a distance of 320.00 feet to the Northerly line of said Water Lot 25 and to the aforementioned Southerly right of way line of Bay Street; run thence Easterly, along said Northerly lot line and along said right of way line, making an angle of 89°51'00" to the left of the preceding course, a distance of 70.07 feet to the point of beginning.

Parcel 10:

The South 9.85 feet of the North 126.85 feet of Water Lot 24, Hart's Map of Jacksonville, according to the former public records of Duval County, Florida, being more particularly described as follows:

For point of reference, commence at the Northeasterly corner of said Water Lot 24, said corner also being the intersection of the Southerly right of way line of Bay Street with the Westerly right of way line of Laura Street, and run Southerly, along the Easterly line of said Water Lot 24 and along said Westerly right of way line, a distance of 117.00 feet to the point of beginning of the lands to be described; thence continue Southerly, along said Westerly right of way line, a distance of 9.85 feet to a point; run thence Westerly on a line making an interior angle of  $89^{\circ}51'00''$  to the left of the preceding course, a distance of 105.57 feet to the Westerly line of said Water Lot 24; run thence Northerly, on a line making an interior angle of  $90^{\circ}09'00''$  to the left of the preceding course, a distance of 9.85 feet to a point; run thence Easterly, on a line making an interior angle of  $89^{\circ}51'00''$  to the left of the preceding course, a distance of 105.57 feet to the point of beginning.

Parcel 11:

The Easterly 35.50 feet of the Northerly 105.50 feet of Water Lot 25, Hart's Map of Jacksonville, according to the former public records of Duval County, Florida, being more particularly described as follows:

For point of reference, commence at the Northeasterly corner of Water Lot 24, said Hart's Map of Jacksonville, said corner also lying on the intersection of the Westerly right of way line of Laura Street with the Southerly right of way line of Bay Street, and run Westerly, along said Southerly right of way line, a distance of 105.57 feet to the Northeasterly corner of said Water Lot 25 and to the point of beginning; thence continue Westerly, along said right of way line, a distance of 35.50 feet to a point; run thence Southerly on a line making an interior angle of  $89^{\circ}51'00''$  to the right of the preceding course, a distance of 105.50 feet to a point; run thence Easterly on a line making an interior angle of  $90^{\circ}09'00''$  to the right of the preceding course, a distance of 35.50 feet to the Easterly line of said Water Lot 25; run thence Northerly, along said line making an interior angle of  $89^{\circ}51'00''$  to the right of the preceding course, a distance of 105.50 feet to the point of beginning; AND

Continue to next page for PARCEL 2

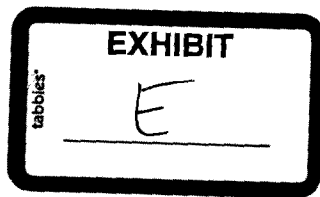
PARCEL 2

SISTER CITY PARCEL

A parcel of land comprised of portions of Water Lots 25 and 26, Harts Map of Jacksonville, Duval County, Florida, being more particularly described as follows:

For Point of Beginning, commence at a point in the Westerly line of said Water Lot 26, lying in the Easterly right of way line of Hogan Street, as now established, also being the Southwesterly corner of those lands described in Official Records Volume 9813, Page 1009, Current Public Records of said county and run South  $14^{\circ}18'32''$  West, along said Westerly line of Water Lot 26 and along said Easterly right of way line, a distance of 133.86 feet to a point on the Northwesterly right of way line of Water Street (relocated), a variable width right of way, per Florida Department of Transportation Section Number 72070-2703; run thence along said Northwesterly right of way line the following courses: 1<sup>st</sup> Course, South  $48^{\circ}27'05''$  East, a distance of 9.15 feet to a point on a curve; 2<sup>nd</sup> Course, Northeasterly, along the arc of a curve, concave Northwesterly and having a radius of 198.00 feet, an arc distance of 50.35 feet to a point of reverse curvature, said arc being subtended by a chord bearing and distance of North  $60^{\circ}02'44''$  East, 50.21 feet; 3<sup>rd</sup> Course, Northeasterly, along the arc of a curve, concave Southeasterly and having a radius of 262.00 feet, an arc distance of 64.56 feet to a point on said curve, said arc being subtended by a chord bearing and distance of North  $59^{\circ}49'15''$  East, 64.40 feet; thence continue Northeasterly, along the arc of said curve, concave Southeasterly and having a radius of 262.00 feet, an arc distance of 131.73 feet to a point on the Easterly line of aforementioned Water Lot 25, said arc being subtended by a chord bearing and distance of North  $81^{\circ}17'04''$  East, 130.35 feet; run thence North  $14^{\circ}18'32''$  East, along said Easterly line, a distance of 7.48 feet to a point in the Southerly boundary of those lands described in Official Records Volume 8913, Page 1711, said public records; run thence North  $75^{\circ}51'01''$  West, along the Southerly boundary line of last said lands and the aforementioned lands described in Official Records Volume 9813, Page 1009, a distance of 210.00 feet to the Point of Beginning; AND

TOGETHER WITH all rights and benefits contained in those certain beneficial documents described as: (i) Permit and Hold Harmless Agreement recorded November 5, 2002 in O.R. Book 10748, Page 992; as assigned by Assignment of Permit and Hold Harmless Agreement between City of Jacksonville and Project RiverWatch, LLC, a Florida limited liability company, of even date herewith



## SECOND AMENDMENT TO REDEVELOPMENT AGREEMENT

This SECOND AMENDMENT TO REDEVELOPMENT AGREEMENT (this "Second Amendment") is made as of the 8<sup>th</sup> day of February, 2007 (the "Effective Date"), between the CITY OF JACKSONVILLE, a municipal corporation and political subdivision of the State of Florida (the "City"), the JACKSONVILLE ECONOMIC DEVELOPMENT COMMISSION (the "JEDC") and PROJECT RIVERWATCH, LLC, a Florida limited liability company ("Developer").

### Article 1. PRELIMINARY STATEMENTS

#### 1.1 Background.

1.1.1 The City is the owner of the land, exterior common area improvements, parking areas and reversionary interest in the buildings of that certain commercial retail establishment currently known as the "Jacksonville Landing" (hereinafter the "Landing"), located in the Community Redevelopment Area on the North Bank of the St. Johns River in downtown Jacksonville. The City currently leases the land underlying the Landing buildings to Jacksonville Landing Investments, LLC, a Florida limited liability company ("JLI") for its operation of the Landing retail facility, pursuant to the terms and conditions of the Disposition, Development and Lease Agreement dated October 3, 1985, as more particularly described in Exhibit A (the "Lease"). The City entered into the Lease with Rouse-Jacksonville, Inc. ("Rouse") pursuant to solicited requests for proposal to develop and lease the Landing property, and Rouse later assigned its interests in the Lease to JLI pursuant to the Assignment and Assumption of City Lease dated August 29, 2003. Pursuant to the terms of the Lease, JLI owns and maintains the Landing buildings during the term of the Lease, and such ownership reverts to the City at the end of the Lease term.

1.1.2 The City has certain obligations under the Lease to provide parking for the Landing, and pursuant to the Fifth Amendment to the Lease dated June 25, 2001 (the "Fifth Amendment"), the City and Rouse agreed that the City could discharge those parking obligations by entering into the Redevelopment Agreement with Humana Medical Plan, Inc., a Florida corporation ("Humana") dated June 6, 2001, as amended by the Amendment to Redevelopment Agreement dated October 17, 2002. A true and correct copy of such redevelopment agreement and amendment are attached hereto as composite Exhibit B and incorporated herein by reference (collectively the "Garage Development Agreement"). The Garage Development Agreement required Humana to develop a parking garage on Humana's vacant property located at the southeast corner of Bay and Hogan Streets (the "Humana Garage") and reserve 300 daily and 375 night and weekend short term parking spaces for public use including use by Landing patrons (the "Public Parking Spaces").

1.1.3 The Garage Development Agreement also included a parking validation program to be funded in part by the City to provide parking discounts or free parking for Landing patrons at the Humana Garage (the "Parking Validation"). The terms of the Parking Validation and reservation of the Public Parking Spaces are also set forth in the Parking Rights

Agreement dated June 4, 2001 between the City, Rouse and Humana (the "Parking Rights Agreement"), and the parties are simultaneously herewith entering into the Amended Parking Rights Agreement in the form of attached **Exhibit C** (the "Amended Parking Rights Agreement"). In those agreements, the City agreed to contribute \$3,000,000 to Humana upon the opening of the Humana Garage for the reservation of the Public Parking Spaces, and also agreed to pay Humana \$500,000 upon such garage opening for the Parking Validation for the first five years. The City further agreed to pay up to \$131,250 per year beginning in year 6 and continuing until 2031 for the continuation of the Parking Validation.

1.1.4 Humana did not build the Humana Garage and later contracted to sell the Humana Garage pursuant to that certain Purchase and Sale Agreement between Humana and Developer's predecessor-in-interest, Capital Partners, Inc. (as subsequently assigned to 76L Owners LLC, a Delaware limited liability company, and then to Developer), dated June 5, 2003, as thereafter amended by First Amendment dated July 21, 2003, Second Amendment dated August 27, 2003, Third Amendment dated October 31, 2003, Fourth Amendment dated November 21, 2003, Fifth Amendment dated December 5, 2003, Sixth Amendment dated December 12, 2003, Seventh Amendment dated December 19, 2003, Eighth Amendment dated January 16, 2004, and Ninth Amendment dated February 8, 2007 (collectively, the "Humana Sales Agreement"). Developer plans to develop a mixed-use development on the site that will include a parking garage large enough to include the Public Parking Spaces and such garage will include up to 72 residential units on its exterior (such garage and condominium units being hereafter referred to collectively as the "Developer Garage"). Developer has assumed Humana's obligations under the Garage Development Agreement and the Parking Rights Agreement pursuant to and as set forth in the Assignment and Assumption of Redevelopment Agreement and Parking Rights Agreement dated contemporaneously herewith between Developer and Humana in the form of attached **Exhibit D** (the "Assignment and Assumption Agreement").

1.1.5 In the Sixth Amendment to the Lease dated simultaneously herewith (the "Sixth Amendment"), the City, JEDC and JLI are entering into the Release and Consent to Assignment Agreement with Humana dated simultaneously herewith, pursuant to which the City, JEDC and JLI are consenting to Humana's assignment to Developer of all of Humana's rights and obligations under the Garage Development Agreement and the Parking Rights Agreement, and JLI is consenting to this Second Amendment.

1.1.6 The parties are entering into this Second Amendment for purposes of (i) extending the Humana Garage construction deadline set forth in the Garage Development Agreement in order to allow Developer time to build the Developer Garage, (ii) providing for certain adjustments to the Humana Garage design and specifications to conform to the design and specifications of the Developer Garage, and (iii) making certain other changes to the Garage Development Agreement that do not adversely affect the Public Parking Spaces or Parking Validation other than to change the annual payment to Developer beginning in year 6 to a fixed payment of \$132,250.

1.2 **Recitals.** The recitals above are true and correct and incorporated herein by reference.

1.3 **Authority.**

The JEDC has authorized the execution of this Second Amendment and the Council of the City has further authorized such execution pursuant to City Ordinance 2006-957-E (the "Ordinance").

1.4 **No City Indebtedness.**

The City shall not incur any costs or indebtedness in connection with this Second Amendment apart from the costs and indebtedness that the City previously agreed to incur in connection with the Garage Development Agreement and the Parking Rights Agreement.

1.5 **Definitions.**

Capitalized terms not defined herein shall have the meanings assigned to them in the Garage Development Agreement.

**Article 2.**

**AMENDMENTS TO GARAGE DEVELOPMENT AGREEMENT**

The Garage Development Agreement is hereby amended and modified as follows:

2.1 **Developer Substituted in Place of Humana; New Developer Obligations.**

Pursuant to the Assignment and Assumption Agreement, the Developer has assumed all of Humana's rights and obligations under the Garage Development Agreement. Developer is substituted in the place of Humana in the Garage Development Agreement. Developer shall be directly liable to the City, JEDC and JLI for all of Humana's obligations under the Garage Development Agreement, and for all of the additional obligations of Developer under this Second Amendment. Notwithstanding the foregoing, Developer shall not be liable for any defaults of Humana under the Garage Development Agreement and the City is simultaneously herewith entering into a settlement agreement with Humana to resolve all such defaults. The parties hereto are therefore entering into this Second Amendment on the basis that (a) the City is (i) simultaneously herewith settling with Humana for all outstanding defaults under the Garage Development Agreement, (ii) accepting Developer as the assignee of Humana under the Garage Development Agreement, and (iii) extending and otherwise amending the Garage Development Agreement as provided in this Second Amendment, and (b) Developer is simultaneously herewith closing on the Humana Sales Agreement.

2.2 **Article I, paragraph 4:**

The Project Summary attached as Exhibit A to the Garage Development Agreement is replaced with the Project Summary attached hereto as **Exhibit E**, and the "Project" is the project described in such new Project Summary. The approximate number of parking spaces in the Developer Garage will be not less than 900. The Project will not include any office space and there will be not less than 15,000 square feet of retail space on the ground floor exterior of the garage. Developer plans to make a capital investment of approximately \$19,000,000 in developing the Developer Garage.

2.3 **Article I, paragraph 6:** Article I, paragraph 6 is deleted and replaced in its entirety with the following:

“6. Jacksonville Small and Emerging Businesses (JSEB) Program.

The Developer, in further recognition of and consideration for the public funds provided to assist the Developer pursuant to this Agreement, hereby acknowledges the importance of affording to small and emerging vendors and contractors the full and reasonable opportunity to provide materials and services. Therefore, the Developer hereby agrees as follows:

a. The Developer shall obtain from the City’s Procurement Division the list of certified Jacksonville Small and Emerging Businesses (“JSEB”), and shall exercise good faith, in accordance with Municipal Ordinance Code Sections 126.601 et seq., to enter into contracts with City certified JSEBs to provide materials or services in an aggregate amount of not less than \$1,263,500, which amount represents 19% of the City’s maximum contribution to the Project with respect to the development activities of the Project over the term of this Agreement.

b. The Developer shall submit JSEB report(s) regarding the Developer’s actual use of City certified JSEBs on the Project, (i) on the date of any request for City funds which are payable prior to the Completion of Construction, (ii) upon Completion of Construction, and, if the Developer has not reached its goal for use of JSEBs described above prior to Completion of Construction, quarterly thereafter until said goal is reached. The form of the report to be used for the purposes of this section is attached hereto as **Exhibit F** (the “JSEB REPORTING FORM”).”

2.4 **Section 2.5:** The proposed capital investment amount of “\$14.2 million” is replaced with “\$19 million.”

2.5 **Section 3.2:** The zoning change contemplated in section 3.2 has been accomplished and the City has fulfilled all of its obligations under section 3.2.

2.6 **Section 3.3:** The vacation and abandonment of streets, parking and park areas as described in this section, and the City’s conveyance of the City Property to Humana, have been completed. The City has therefore fulfilled all of its obligations under section 3.3. Pursuant to the Special Warranty Deed from the City to Humana dated October 17, 2002, and recorded at Book 10748, page 1005 of the current public records of Duval County, Florida (the “Sister Cities Deed”), the City conveyed the “Sister Cities Parcel” described therein to Humana with a right of reversion in the City if Humana did not construct the Humana Garage by a certain date that has already passed. Although Humana did not construct the Humana Garage, the Developer and City have extended the time for the construction of the Developer Garage to provide at least the same number of public parking spaces that Humana agreed to construct in the Humana Garage. The City, Humana and Developer are simultaneously herewith executing the Cancellation and Waiver of Reverter in Special Warranty Deed in the form of attached **Exhibit G** for recording in



the Duval County public records, pursuant to which the reverter provision of the Sister Cities Deed is being canceled and waived because at least one of the following has occurred on or before the date hereof: (a) the recording of a mortgage securing a loan to finance the construction of the Developer Garage, or (b) the receipt by the Developer of binding written commitments from third parties to invest not less than \$3,800,000 in equity to finance pre-construction and construction costs of the Developer Garage, and the funding of not less than \$2,000,000 of such committed amounts to the Developer in cash. The parties agree that if the Developer later defaults in its obligation to build the Developer Garage, the City's damages with respect to the Sister Cities Parcel shall be \$2,000,000.

2.7 **Section 3.4:** The City created the "Easement" described in this section by executing with Humana the Permit and Hold Harmless Agreement dated October 17, 2002, recorded at Book 10748, Page 992 of the current public records of Duval County, Florida (the "2002 Permit and Hold Harmless Agreement"), and the City has therefore fulfilled all of its obligations under section 3.4. Although the 2002 Permit and Hold Harmless Agreement would have terminated under its terms because Humana did not construct the Humana Garage, Humana is assigning its rights under the 2002 Permit and Hold Harmless Agreement to Developer, and Developer is assuming Humana's obligations thereunder, pursuant to the Assignment of Permit and Hold Harmless Agreement in the form of attached **Exhibit H**, to enable Developer to complete the Developer Garage.

2.8 **Section 3.6:** The performance schedule attached as Exhibit C to the Garage Development Agreement is replaced with the performance schedule attached as **Exhibit I** hereto.

2.9 **Section 3.7:** Developer is substituted in the place of Humana under the Garage Development Agreement, and therefore all representations and warranties of Humana contained in section 3.7 and elsewhere in the Garage Development Agreement are now made by Developer in the place of Humana and shall bind and be enforceable against Developer.

2.10 **Section 4.1:** The outstanding obligations of the parties under the Fifth Amendment have been superseded by the Sixth Amendment, and the City and JLI are executing and delivering to each other the Sixth Amendment between JLI and the City contemporaneously with the execution of this Second Amendment between the City and Developer.

2.11 **Section 5.3:** The second, third, fourth and fifth sentences of Section 5.3 are deleted and replaced with the following:

"Starting in the sixth year of the validation program, the City agrees to make an annual validation payment of \$132,250 through the Initial Term of the Amended Parking Rights Agreement ending March 13, 2031."

2.12 **Section 5.5:** New Section 5.5 is added as follows:

"5.5. Utilities Relocation Payment. The construction of the Project will require Developer to relocate certain utilities currently located in the existing right of way adjacent to the Sister Cities Parcel. Upon completion of the Developer Garage and the opening of such garage to the public, the City will pay to the Developer its costs (not including Developer's internal salaries or development

fees) of relocating such utilities, provided that the City's payment obligation shall not exceed \$500,000. The City will make such payment after Developer provides to the City paid invoices, receipts or other evidence of such utilities relocation costs as may be requested by the JEDC."

2.13 **Section 6.1(a)**: As stated above, Exhibit A to the Garage Development Agreement (Project Summary) is replaced with **Exhibit E** attached hereto.

2.14 **Section 6.3**: The "Downtown Development Authority Design Review Committee" is now known as the Downtown Design Review Committee. The City guidelines and standards in effect as of the date of such committee's review of the Exterior Design Plans will govern the committee's recommendations with respect to such plans. Developer will promptly provide a final, approved copy of the Exterior Design Plans to the JEDC but such plans will not be attached to this Second Amendment.

2.15 **Section 7.1**: Exhibit D (Parking Rights Agreement) of the Garage Development Agreement is replaced with **Exhibit C** (Amended Parking Rights Agreement) attached hereto.

2.16 **Section 7.2**: Section 7.2 is replaced with the following:

"On a quarterly basis until the Developer Garage is completed or no later than thirty (30) days following a request by the JEDC or the City, Developer shall submit reports to the JEDC regarding Developer's activities affecting the implementation of this Agreement, including a narrative summary of progress on the Developer Garage. Samples of the general forms of these reports are attached hereto as **Exhibit J** (the "Quarterly Survey"); however the specific data requested may vary from the forms attached. Within thirty (30) days following the request of the JEDC or the City, Developer shall provide the JEDC or the City with additional information or status reports requested by the JEDC or the City at any time."

2.17 **Section 7.3**: The Community Service Commitment attached as Exhibit F to the Garage Development Agreement is replaced with the Community Service Commitment attached as **Exhibit K** hereto.

2.18 **Section 8.1(a) and (b)**: The City obligations in sections 8.1(a) and (b) have been fulfilled, and therefore the references to such obligations in these default sections are now moot.

2.19 **Section 8.1(c)**: The City obligation to convey the City Property has been accomplished and therefore any reference to such obligation in this default section is moot. Exhibit C to the Garage Development Agreement (Performance Schedule) is replaced with **Exhibit I** attached hereto.

2.20 **Section 8.2**: Sections 8.2(a) and 8.2(b) are replaced by the following:

"8.2 **Developer Default**. If Developer defaults in the performance of any material obligation hereunder including failing to comply with any and all of the deadlines in the Performance Schedule, then the City will have the right to terminate this Agreement if the default continues for 30 days after the City provides written notice of the default to Developer; provided however that if such default cannot be reasonably

cured within such 30-day period and Developer has commenced and is diligently proceeding to cure such default, then the City will allow Developer an additional 45 days in which to cure such default provided that Developer continues to diligently proceed to cure such default within such additional time period. If a delay by the Developer results from an event described in Section 10.4, the Performance Schedule shall be extended for the period of time lost by such delay. Except for delays caused by events described in Section 10.4, Developer agrees to devote all necessary resources to (i) beginning relocation of the utilities, and (ii) completing the parking deck and opening it for public parking, all within the respective time periods set forth in the Performance Schedule attached hereto as **Exhibit I**. If after beginning relocation of the utilities, the Developer ceases active, physical, ongoing material construction activity for a period or periods of more than 90 days in the aggregate for any reason other than an event described in Section 10.4, such inactivity shall constitute a material default hereunder. Developer acknowledges and agrees that as more specifically set forth in section 10.17 hereof, upon Developer's default, whether declared by the City or JLI, and the expiration of applicable cure periods, then the City will thereupon be relieved of all obligations to pay to Developer the \$3,000,000 grant described in sections 5.1 and 5.2 (the "Garage Grant"), the validation payments described in section 5.3 ("Validation Payments") and the Utilities Relocation Payment (described in section 5.5) under this Second Amendment and under the Amended Parking Rights Agreement, and the City will instead pay to JLI the Garage Grant, and begin paying the Validation Payments to JLI under the terms of the Amended Parking Rights Agreement (as if JLI were substituted for Developer under such agreement), upon the opening to the public of a new parking garage constructed by JLI (the "JLI Garage"). Additionally, assuming the payment of the Garage Grant and Validation Payments to JLI, the City will also reimburse JLI upon the opening of the JLI Garage to the public, up to \$500,000 (the amount of the maximum Utilities Relocation Payment) of JLI's costs incurred in relocating utilities, all as more specifically described in section 10.17 hereof. Developer consents to such payments to JLI in the event of such default, and Developer acknowledges and agrees that it will not have any claim or recourse against the City for any such payments to JLI in the event of such default. As provided in section 3.3 hereof, if the Developer defaults hereunder, the City's damages with respect to the Sister Cities Parcel shall be \$2,000,000. In the event of Developer's default hereunder, the City's only remedy apart from the City's right to terminate this Agreement and be relieved from all obligations hereunder, shall be such \$2,000,000 in damages (plus any applicable pre-judgment interest)."

2.21 **Section 8.2(c)**: A new section 8.2(c) is added and provides as follows:

"(c) Developer's failure to provide any of the reports described in section 7.2 within 30 days after written request by the JEDC, shall result in a reduction in the Developer Payment in the amount of \$5,000 for each such failure."

2.22 **Sections 9.1 and 9.3**: Exhibit D (Parking Rights Agreement) as referenced in these sections is replaced with **Exhibit C** (Amended Parking Rights Agreement) attached hereto.

2.23 **Section 9.3**: Section 9.3 is replaced with the following:

“9.3 Restrictions on Future Assignments. Developer shall provide Agency written notice of any proposed assignment of this Agreement or the Parking Rights Agreement attached as **Exhibit “D”**, and the Agency, through its Executive Director, shall approve or reject such assignment within forty-five (45) days after receipt of such notice. Agency shall approve such assignment on the following conditions: (a) the proposed assignee is a comparable operator of parking decks, (b) the proposed assignee assumes in writing all of the obligations of Developer hereunder and under the Parking Rights Agreement attached as **Exhibit “D”**, and (c) the proposed assignee, in the reasonable opinion of the City, possesses the experience, qualifications, good reputation and financial resources to own the Project and insure compliance with this Agreement and the Parking Rights Agreement in a manner consistent with the quality, character, reputation and economic viability of the Project. Additionally, upon the closing of a construction loan to finance the construction of the Developer Garage, Developer shall be entitled to collaterally assign this Agreement and the Parking Rights Agreement to the construction lender as security for such loan.”

2.24 **Section 10.5(c):** The addresses for notice to the Developer are replaced with the following:

(c) The Developer:

Project RiverWatch, LLC  
205 East Central Boulevard  
Suite 600  
Orlando, Florida 32801  
Fax: 407-540-9955

With a copy to:

Jeff Decker  
Baker & Hostetler LLP  
200 South Orange Avenue  
SunTrust Center - Suite 2300  
Orlando, FL 32801  
(407) 649-4017  
(407) 841-0168 (fax)

2.25 **Other Modifications:**

All references in the Garage Development Agreement to the “Downtown Development Authority” are replaced with the “JEDC”.

2.26 **Additions to Article 10:** The following sections shall be added to the end of Article 10 except for section 10.17, which shall be substituted for the existing section 10.17

10.17. JLI as Beneficiary.

(a) JLI is hereby expressly designated a third party beneficiary of this Agreement; provided, however, (i) that in the event of any default by the Developer under Section 8.2, JLI's remedies against Developer shall be limited to the right to declare a default by the Developer with respect to Developer's failure to meet the Performance Schedule under section 8.2 if the City fails to declare such default within 15 days after a request from JLI to declare such default and provided, however, that the City had the right under this Agreement to declare the Developer in default; and (ii) that JLI shall expressly not have any remedy for damages at law or for specific performance against Developer.

(b) Following a default by Developer, and whether declared by the City or JLI, and the expiration of applicable cure periods, then the City will thereupon be relieved of all obligations to pay to Developer the Garage Grant, Validation Payments and the Utilities Relocation Payment under this Second Amendment and under the Amended Parking Rights Agreement, and the City will instead pay to JLI the Garage Grant, and begin paying the Validation Payments to JLI under the terms of the Amended Parking Rights Agreement (as if JLI were substituted for Developer under such agreement), upon the opening to the public of a new parking garage constructed by JLI (the "JLI Garage"). Additionally, assuming the payment of the Garage Grant and Validation Payments to JLI, the City will also reimburse JLI upon the opening of the JLI Garage to the public, up to \$500,000 (the amount of the maximum Utilities Relocation Payment) of JLI's costs incurred in relocating utilities if (a) the JLI Garage is not located on the Property (as that term is defined in the Sixth Amendment), and (b) the JLI Garage site chosen by JLI contains utilities that JLI is required by the City or JEA to relocate in order to build the JLI Garage on such site; provided however that such payment shall not exceed JLI's actual out-of-pocket costs of relocating such utilities as demonstrated by paid invoices, receipts or other evidence of such costs requested by the JEDC or City. The JLI Garage shall (i) be located on the Property or other location that JLI determines within the area of downtown Jacksonville bounded by Ocean Street, Forsyth Street, Julia Street and the St. Johns River or other area subject to JEDC approval (the "Garage Location Area"), (ii) contain at least the Public Parking Spaces (as that term is defined in the Sixth Amendment), which shall be constructed pursuant to the design specifications (including without limitation the specifications concerning the location and configuration of the parking spaces within the garage) set forth in the Amended Parking Rights Agreement, and (iii) be open during the garage hours of operation described in the Amended Parking Rights Agreement. JLI hereby agrees to such parking space location and design specifications, and JLI agrees to such garage hours of operation for the JLI Garage, with respect to the Public Parking Spaces, throughout the Lease term including any renewal periods. Notwithstanding anything to the contrary herein, the JLI Garage, if not constructed as part of the Improvements (as that term is defined in the Sixth Amendment), shall contain the Public Parking Spaces (i.e., 300 daily and 375 night and weekend spaces as more specifically described in the Amended Parking Rights Agreement), but if constructed as part of the Improvements, the JLI Garage shall contain the Public Parking Spaces plus at least 243 additional short-term public parking spaces, which is the number of such spaces presently located on the Property. If the JLI Garage is built as part of the Improvements, the City will not be obligated to pay the Garage Grant or Utilities Relocation Payment, or begin paying the Validation Payments, to JLI until all such parking spaces (Public Parking Spaces and 243 additional spaces) are open to the public. The parties agree that JLI shall not be entitled to any portion of the Garage Grant or Validation Payments or Utilities Relocation Payment for replacing any of the presently existing parking spaces on the Property, and JLI shall only be entitled to such grant/payments for constructing

new Public Parking Spaces in addition to the existing parking spaces. Notwithstanding the foregoing, the Public Parking Spaces need not be open to the public until 10 a.m.

10.19 Authority of JEDC to Monitor Compliance.

During all periods of design and construction, the Executive Director of the JEDC and the City's Directors of Public Works and Planning and Development shall have the authority to monitor compliance by Developer with the provisions of this Agreement. Insofar as practicable, the JEDC shall coordinate such monitoring and supervising activity with those undertaken by the City so as to minimize duplicate activity. To that end, during the period of construction and with prior notice to Developer, representatives of the JEDC and the City shall have the right of access to the Property during normal construction hours.

10.20 Development Decisions.

Subject to Developer's compliance with the terms and conditions of this Agreement, and including without limitation the covenants and restrictions provided herein and in the Deed, Developer shall have discretion and control, free from interference, interruption or disturbance from the City or any of its agencies or authorities including, without limitation the JEDC, in all matters relating to the management, development, redevelopment, construction and operation of the Developer Garage, provided the same shall conform to all applicable state and local laws, ordinances and regulations (including without limitation applicable zoning, subdivision, building and fire codes). Subject to Developer's compliance with all applicable laws and the terms and conditions of this Agreement, Developer's discretion, control and authority shall include without limitation (a) the construction and design of the Developer Garage, (b) the selection, approval, hiring and discharge of engineers, architects, subcontractors, professionals and other third parties; (c) the negotiation and execution of contracts, agreements, easements and other documents with third parties; (d) the designation of plans and specifications for all aspects of the Developer Garage as Developer deems appropriate (subject to approvals required by law including without limitation the approval of the Downtown Design Review Committee or other similar governmental body); and (e) all capital and financing for the development of the Developer Garage and the terms thereof.

10.21 Incorporation by Reference.

All exhibits and other attachments to this Agreement that are referenced in this Agreement are by this reference made a part hereof and are incorporated herein.

10.22 Counterparts.

This Contract may be executed in several counterparts, each of which shall be deemed an original, and all of such counterparts together shall constitute one and the same instrument.

10.23 Perpetual Obligations.

Whenever a party hereto has an obligation which is perpetual, such obligation can be modified, but only with the prior written consent of both the City and Developer.

#### 10.24 Civil Rights.

Developer agrees to comply with all of the terms and requirements of the Civil Rights Act of 1964, as amended, and the Civil Rights Act of 1968, as amended, and the antidiscrimination provisions of Chapter 126, Part 4, of the City Ordinance Code, and further agrees that in its operation under this Agreement it will not discriminate against anyone on the basis of race, color, age, disability, sex or national origin.

#### 10.25 Further Assurances.

The parties hereto upon request by any other party thereto shall:

- (a) promptly correct any defect, error or omission herein or in any document executed in connection herewith (collectively the "Project Documents");
- (b) execute, acknowledge, deliver, procure, record or file such further instruments and do such further acts deemed necessary, desirable or proper by the City to carry out the purposes of the Project Documents;
- (c) provide such certificates, documents, reports, information, affidavits and other instruments and do such further acts deemed necessary, desirable or proper by the City to carry out the purposes of the Project Documents.

#### 10.26 Construction.

All parties acknowledge that they have had meaningful input into the terms and conditions contained in this Agreement. Developer further acknowledges that it has had ample time to review this Agreement and related documents with counsel of its choice. Any doubtful or ambiguous provisions contained herein shall not be construed against the party who drafted this Agreement. Captions and headings in this Agreement are for convenience of reference only and shall not affect the construction of this Agreement.

#### 10.27 Retention of Records/Audit

The Developer agrees:

- (a) To establish and maintain books, records and documents (including electronic storage media) sufficient to reflect all income and expenditures of funds provided by the City under this Agreement.
- (b) To retain all client records, financial records, supporting documents, statistical records, and any other documents (including electronic storage media) pertinent to this Agreement for a period of six (6) years after completion of the date of final payment by the City under this Agreement. If an audit has been initiated and audit findings have not been resolved at the end of six (6) years, the records shall be retained until resolution of the audit findings or any litigation that may be based on the terms of this Agreement, at no additional cost to the City.

- (c) Upon demand, at no additional cost to the City, to facilitate the reasonable duplication and transfer of any records or documents during the required retention period.
- (d) To assure that these records shall be subject at all reasonable times to inspection, review, copying, or audit by personnel duly authorized by the City.
- (e) At all reasonable times for as long as records are maintained, to allow persons duly authorized by the City full access to and the right to examine any of the Developer's contracts and related records and documents, regardless of the form in which kept.
- (f) To ensure that all related party transactions are disclosed to the auditor.
- (g) To include the aforementioned audit, inspections, investigations and record keeping requirements in all subcontracts and assignments.
- (h) To permit at reasonable times and upon reasonable notice, persons duly authorized by the City to inspect and copy any records, papers, documents, facilities, goods and services of the Developer which are relevant to this Agreement, and to interview any employees and subcontractor employees of the Developer to assure the City of the satisfactory performance of the terms and conditions of this Agreement. Following such review, the City will deliver to the Developer a written report of its findings and request for development by the Developer of a corrective action plan where appropriate. The Developer hereby agrees to timely correct all reasonable deficiencies identified in the corrective action plan within reasonable time periods under the circumstances.

#### 10.28 Ethics.

The Developer represents that it has reviewed the provisions of the Jacksonville Ethics Code, as codified in Chapter 602, *Ordinance Code*, and the provisions of the Jacksonville Purchasing Code, as codified in Chapter 126, *Ordinance Code*.

#### 10.29 Conflict of Interest.

The parties will follow the provisions of Section 126.110, *Ordinance Code* with respect to required disclosures by public officials who have or acquire a financial interest in a bid or contract with the City, to the extent the parties are aware of the same.

#### 10.30 Public Entity Crimes Notice.

The parties are aware and understand that a person or affiliate who has been placed on the State of Florida Convicted Vendor List, following a conviction for a public entity crime, may not submit a bid on a contract to provide any goods or services to a public entity; may not submit a bid on a contract with a public entity for the construction or repair of a public building or public



work; may not submit bids on leases of real property to a public entity; may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity; and may not transact business with any public entity, in excess of \$25,000.00, for a period of thirty-six (36) months from the date of being placed on the Convicted Vendor List.

**Article 3.  
OTHER PROVISIONS UNAFFECTED**

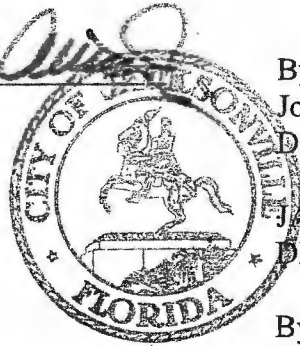
Except as amended hereby, the provisions of the Garage Development Agreement shall remain in full force and effect, and shall be binding upon the parties to this Second Amendment.

**IN WITNESS WHEREOF**, this Second Amendment is executed the day and year above written.

ATTEST:

CITY OF JACKSONVILLE

By: *Neill W. McArthur, Jr.*  
Neill W. McArthur, Jr.  
Corporation Secretary



By: *Pam Markham* Pam Markham  
John Peyton, Mayor Deputy Chief Administrative Officer  
Date: *2-6-07* For: Mayor John Peyton  
Under Authority of:  
Executive Order No. 06-07

JACKSONVILLE ECONOMIC  
DEVELOPMENT COMMISSION

By: \_\_\_\_\_  
M.C. Harden III, Chairman  
Date: \_\_\_\_\_

WITNESS:

PROJECT RIVERWATCH, LLC, a Florida  
limited liability company

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

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_  
Date: \_\_\_\_\_

work; may not submit bids on leases of real property to a public entity; may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity; and may not transact business with any public entity, in excess of \$25,000.00, for a period of thirty-six (36) months from the date of being placed on the Convicted Vendor List.

**Article 3.  
OTHER PROVISIONS UNAFFECTED**

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**IN WITNESS WHEREOF**, this Second Amendment is executed the day and year above written.

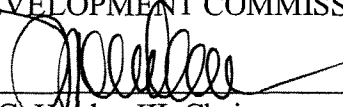
ATTEST:

CITY OF JACKSONVILLE

By: \_\_\_\_\_  
Neill W. McArthur, Jr.  
Corporation Secretary

By: \_\_\_\_\_  
John Peyton, Mayor  
Date: \_\_\_\_\_

JACKSONVILLE ECONOMIC  
DEVELOPMENT COMMISSION

By:  \_\_\_\_\_  
M.C. Harden, III, Chairman  
Date: 2/6/07

WITNESS:

PROJECT RIVERWATCH, LLC, a Florida  
limited liability company

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

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_  
Date: \_\_\_\_\_

work; may not submit bids on leases of real property to a public entity; may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity; and may not transact business with any public entity, in excess of \$25,000.00, for a period of thirty-six (36) months from the date of being placed on the Convicted Vendor List.

**Article 3.  
OTHER PROVISIONS UNAFFECTED**

Except as amended hereby, the provisions of the Garage Development Agreement shall remain in full force and effect, and shall be binding upon the parties to this Second Amendment.

**IN WITNESS WHEREOF**, this Second Amendment is executed the day and year above written.

ATTEST:

CITY OF JACKSONVILLE

By: \_\_\_\_\_  
Neill W. McArthur, Jr.  
Corporation Secretary

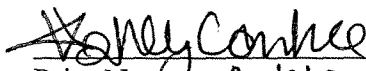
By: \_\_\_\_\_  
John Peyton, Mayor  
Date: \_\_\_\_\_

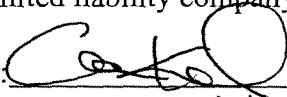
JACKSONVILLE ECONOMIC  
DEVELOPMENT COMMISSION

By: \_\_\_\_\_  
M.C. Harden III, Chairman  
Date: \_\_\_\_\_

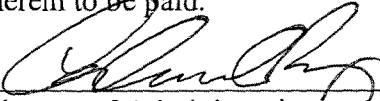
WITNESS:


PROJECT RIVERWATCH, LLC, a Florida  
limited liability company

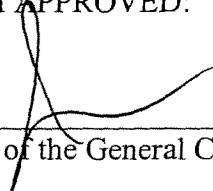
  
Print Name: Ashley Conkie

By:   
Name: CAMERON DUNN  
Its: MANAGER  
Date: \_\_\_\_\_

IN COMPLIANCE with the Charter of the City of Jacksonville, I hereby certify that there is an unexpended, unencumbered and unimpounded balance in the appropriation to cover the foregoing contract, and provision has been made for the payment of monies provided therein to be paid.

  
\_\_\_\_\_  
Director of Administration and Finance

9106  
FORM APPROVED: 

  
\_\_\_\_\_  
Office of the General Counsel

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## EXHIBITS

- EXHIBIT A: THE LEASE
- EXHIBIT B: ✓ REDEVELOPMENT AGREEMENT
- EXHIBIT B-1: AMENDMENT TO REDEVELOPMENT AGREEMENT
- EXHIBIT C: AMENDED PARKING RIGHTS AGREEMENT
- EXHIBIT D: ASSIGNMENT AND ASSUMPTION AGREEMENT
- EXHIBIT E: ✓ PROJECT SUMMARY
- EXHIBIT F: JSEB REPORTING FORM
- EXHIBIT G: CANCELLATION AND WAIVER OF REVERTER IN SPECIAL WARRANTY DEED
- EXHIBIT H: ASSIGNMENT OF PERMIT AND HOLD HARMLESS AGREEMENT
- EXHIBIT I: PERFORMANCE SCHEDULE
- EXHIBIT J: QUARTERLY SURVEY
- EXHIBIT K: COMMUNITY SERVICE COMMITMENT

**EXHIBIT A**  
**THE LEASE**

That certain Disposition, Development and Lease Agreement dated October 3, 1985, among Rouse-Jacksonville, Inc. (predecessor in interest to Rouse-Jacksonville, LLC), City of Jacksonville, and Jacksonville Downtown Development Authority (predecessor in interest to City); as amended by that certain Short Form Lease Agreement dated March 13, 1986, recorded in Official Records Volume 6138, page 2127, public records of Duval County, Florida; as amended by that certain First Amendment to Disposition, Development and Lease Agreement dated as of March 13, 1986; as amended by that certain Second Amendment to Disposition, Development and Lease Agreement dated October 26, 1987, recorded in Official Records Volume 6419, page 1334, public records of Duval County, Florida; as amended by that certain Third Amendment to Disposition, Development and Lease Agreement dated January 12, 1996; as amended by that certain Fourth Amendment to Disposition, Development and Lease Agreement dated December 5, 1998; and as amended by that certain Fifth Amendment to Disposition, Development and Lease Agreement dated June 25, 2001 (collectively, the "Lease"), which Lease was assigned to Jacksonville Landing Investments, LLC, as set forth in that certain Assignment and Assumption of City Lease by and between Rouse-Jacksonville, LLC, a Delaware limited liability company and Jacksonville Landing Investments, LLC, a Florida limited liability company, dated August 29, 2003 and recorded in Official Records Volume 11326, page 2118, public records of Duval County, Florida.

## **Exhibits B – K to Second Amendment to Redevelopment Agreement**

For purposes of Exhibit E to this Release and Consent to Assignment and Assumption Agreement, the parties to this Second Amendment to Redevelopment Agreement have mutually agreed NOT to attach these exhibits to this document due to their length and because each party was provided at Closing an original of this document. The parties acknowledge and agree that the original of the referenced document delivered to the party in possession of this original counterpart of the Second Amendment to Redevelopment Agreement shall serve as the Exhibit for this Second Amendment to Redevelopment Agreement.

EXHIBIT "F"

FIRST AMENDMENT TO PARKING RIGHTS AGREEMENT

**THIS FIRST AMENDMENT TO PARKING RIGHTS AGREEMENT** (the "First Amendment") is effective as of February 28, 2007, and is made by and among Project RiverWatch, LLC, a Florida limited liability company ("Developer"), The City of Jacksonville, a Florida municipality and political subdivision of the State of Florida (the "City"), The Jacksonville Economic Development Commission (the "JEDC") and Jacksonville Landing Investments, LLC, a Florida limited liability company ("Landing Investments").

WITNESSETH:

WHEREAS, Humana Medical Plan, Inc. ("Humana"), the City, the JEDC and Rouse-Jacksonville, Inc. ("Rouse") previously entered into a certain Parking Rights Agreement dated as of June 4, 2001 (the "Original Agreement"), in connection with the anticipated development of a parking facility (the "Garage") by Humana, pursuant to the Redevelopment Agreement dated June 6, 2001, as amended on October 17, 2002 between the City and Humana (the "Original Garage Development Agreement"), on certain real property owned by Humana and defined in the Original Agreement as the "Humana Parcel," which Garage was intended to provide parking for the occupants, licensees and invitees of the office tower (now commonly known as the "SunTrust Tower") which was owned by Humana and located adjacent to the Humana Parcel (the "Office Building"); and

WHEREAS, the Original Agreement also provided that the Garage would be used, in part, for certain public parking and for validated parking pursuant to the City Validation Program and Lunch Validation Program (as each such term is defined in the Original Agreement"); and

WHEREAS, the City Validation Program and the Lunch Validation Program (collectively, the "Validation Programs") were intended in part to benefit the commercial development known as "The Landing" which is located adjacent to the Humana Parcel; and

WHEREAS, simultaneously herewith Developer and the City are entering into the Second Amendment to Redevelopment Agreement (the "Second Amendment to Redevelopment Agreement") whereby Developer is assuming certain obligations of Humana (but not Humana's defaults) under the Original Garage Development Agreement to construct the Garage; and

WHEREAS, Developer will, on the date hereof, purchase from Humana the Humana Parcel and, in connection therewith, will be assigned, and will assume Humana's rights and obligations arising from and after the date hereof under, the Original Agreement and Original Garage Development Agreement; and

WHEREAS, Landing Investments has succeeded to Rouse's interest in the Landing and, in connection therewith, was assigned, and has assumed Rouse's rights and obligations under, the Original Agreement; and

WHEREAS, Developer's affiliate, Jacksonville Riverside Tower, LLC, has previously acquired the Office Building;



WHEREAS, Developer intends to develop and construct on the Humana Parcel a mixed-use condominium project consisting of a residential tower (the "Residential Tower"), retail and commercial space (the "Commercial Space") and the Garage (the "Project"); and

WHEREAS, the Garage which Developer intends to construct is intended to provide parking to support the residential and retail/commercial components of the Project, as well as to provide parking for the occupants, licensees and invitees of the Office Building and, but for such use of the Garage, Developer would not develop and construct the Project or the Garage; and

WHEREAS, the Original Agreement was entered into and set forth the parking parameters for the Garage based upon a project that Humana intended to develop that was significantly different than that proposed by Developer in that there was no residential component and a smaller retail component than that proposed by Developer; and

WHEREAS, the differences in the Project when compared to the project Humana intended to construct, including the different parking needs that the Project must support which were not contemplated by Humana's project, as well as the substantial differences in the costs and economic requirements of constructing a parking facility today compared to the year 2001 when the Original Agreement was executed, require that certain of the terms and conditions of the Original Agreement be amended in order to make the development, construction and operation of the Project, including the Garage, operationally and economically feasible; and

WHEREAS, Developer's purchase of the Humana Parcel and development and construction of the Project, as well as Developer's assumption of Humana's obligations arising from and after the date hereof under the Original Agreement are conditioned upon the amendment of the Original Agreement; and

WHEREAS, the parties, desiring to facilitate Developer's purchase of the Humana Parcel, development and construction of the Project, and the assumption of Humana's obligations arising from and after the date hereof under the Original Agreement, have agreed to amend the Original Agreement as provided herein.

NOW THEREFORE, in consideration of \$10.00 and other good valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Recitals. The recitals above are true and correct and incorporated herein by referenced.

2. Capitalized Terms. Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Original Agreement.

3. Amendments to Original Agreement. The Original Agreement is hereby amended as follows:

(a) All references in the Original Agreement to "Humana Medical Plan, Inc." and "Humana" shall, from and after the date hereof shall mean and refer to Developer. All references in the Original Agreement to "Rouse-Jacksonville, Inc." and "Rouse" shall mean and refer to Landing Investments.

(b) The term "Project" shall have the meaning ascribed to it in the recitals set forth above.

(c) Section 1(d) is hereby deleted in its entirety and, in lieu thereof, there is substituted the following:

"(d) Non-Peak Hours" shall mean, subject to modification pursuant to Section 9(a), from 5:00 pm until (i) 12:00 am, or (ii) one hour after the last tenant closes at the Landing, whichever is later, and during all Garage Hours on Saturdays, Sundays and the following holidays: New Year's Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, Christmas Day."

(d) A new subsection (e) is hereby added to Section 1 to read as follows:

"(e) East Side Surface Lot" shall mean the parking lot lying to the east of and adjacent to the Land and known as the East Side Surface Lot."

(e) Section 3 is hereby deleted in its entirety and, in lieu thereof, there is substituted the following:

3. Allocation of Parking Spaces by Utilization.

(a) Total Number of Spaces. The Garage shall have at all times a minimum of nine hundred (900) parking spaces.

(b) Short-Term Parking Spaces. Three hundred (300) parking spaces during Peak Hours and an additional seventy-five (75) parking spaces during Non-Peak Hours shall be available for Short-Term Parking by the general public (the "Short-Term Parking Spaces").

(c) Reservation of Short-Term Parking Spaces. The parties agree that the three hundred (300) Peak Hours Short-Term Parking Spaces shall be located on the ramps to be constructed for the first six (6) floors of the Garage (twenty-five (25) spaces on each side of each such ramp) or, at Developer's election, in such configuration on lower floors as Developer determines. The locations of the additional seventy-five (75) Non-Peak Hours Short-Term Parking Spaces shall be determined by Developer and shall be subject to relocation from time to time within the Garage.

(d) Remainder of Parking Spaces and Use of Garage. Except as expressly set forth in this Agreement and subject to applicable law, Developer shall be entitled to exercise complete discretion, dominion and control over the Garage, the parking spaces therein and the use of the foregoing. Specifically, and without limiting in any way any rights, powers or and discretion of Developer with the respect to the Garage and

the parking spaces, Developer shall be entitled to provide parking spaces other than those that are designated Short-Term Parking Spaces to be used as such during Peak Hours or Non-Peak Hours, as applicable, (the “Long-Term Parking Spaces”) (i) to anyone Developer determines, including, but not limited to, the general public; owners and tenants of commercial or residential condominium units in the Project, and their respective employees, agents, licensees and invitees; and owners and tenants of condominium units in the Office Building and their respective employees, agents, licensees and invitees, (ii) under such terms and conditions as Developer determines, and (iii) pursuant to such form and structure as Developer determines including hourly fee parking, grants of use rights, licenses, easements, deeded rights or other form of right or interest (which rights may constitute full-time or part-time exclusive or reserved use of parking spaces).”

(f) Section 5(b) is hereby deleted in its entirety and, in lieu thereof, there is substituted the following:

“(b) Parking Rates. It is the parties’ intention that hourly parking rates: first, encourage the utilization of Short-Term Parking Spaces for short-term parking by the general public and, secondly, maximize net revenues from the Short-Term Spaces without discouraging such use of the Short-Term Parking Spaces. To this end, the short-term parking rates as of the Commencement Date shall be as follows: (i) for Short Term Parking Spaces from 11:00 am until 2:00 PM, Monday through Friday, not more than \$1.00 per hour with a Landing validation (the “Lunch Validation Program”); and (ii) for all Short Term Parking Spaces there shall be no charge for parking during Non-Peak Hours with a Landing validation (the “City Validation Program”). Except for the parking rates specified in this paragraph 5(b)(i) and (ii), parking rates shall be based on market rates, with the initial rates being established on the Commencement Date at no more than the then current average market rates for the Four Thousand (4,000) parking spaces in privately-owned parking lots or garages closest to the Landing, excluding any parking spaces in lots or garages owned, operated or managed by the parties to this Agreement, their affiliates or subsidiaries. All of the above rates may be increased from time to time in the future, but not more frequently than annually, by an amount equal to the average percentage increase in rates for Short Term Parking charged for the Four Thousand (4,000) parking spaces in privately-owned parking lots or garages closest to the Landing, excluding any parking spaces in lots or garages owned, operated or managed by the parties to this Agreement, their affiliates or subsidiaries (the “Annual Rate Increase Cap”).”

(g) Section 5(d) is hereby amended by deleting the second sentence therein in its entirety.

(h) Section 6 is hereby deleted in its entirety and, in lieu thereof, there is substituted the following:

“6. Signage. During the Reservation Term, Developer to install and maintain lighted signs showing the availability of “Public Parking/Landing” in the Garage which signage shall be affixed to the Garage on any two (2) of the three sides of the Garage facing Water Street, Bay Street or Hogan Street as determined by Developer. The City shall pay all costs and expenses related to or associated with the purchase, installation, operation, maintenance, replacement and removal of such signs. The City agrees to place and maintain signs along nearby streets directing the public to the Garage. Developer, the City and Landing Investments shall agree upon the details of such signage plans, during the design phase of the Project. The parties’ obligations relating to signage shall be subject to applicable laws and regulations. The JEDC shall use reasonable efforts to obtain such permits, exceptions or waivers as necessary for the signage contemplated by this Section 6. Developer agrees that the City and Landing Investments may refer to the Garage in its advertising and promotional materials.”

(i) Section 7(b) is hereby deleted in its entirety and, in lieu thereof, there is substituted the following:

“(b) In consideration for Developer accommodating the City Validation Program, the City shall pay to Developer the sum of Five Hundred Thousand and 00/100 Dollars (\$500,000.00), which shall satisfy the City’s responsibility to Developer for validation payments for the City Validation Program for the first five (5) years following the Commencement Date (the “Initial Validation Payment”). The Initial Validation Payment shall be paid to Developer within thirty (30) days following the Commencement Date. After the fifth (5th) anniversary of the Commencement Date, the City shall begin making annual parking validation payments to Developer. The annual payments shall be paid on the applicable anniversary dates of the Commencement Date in advance in an amount equal to One Hundred Thirty-two Thousand Two Hundred Fifty and 00/100 Dollars (\$132,250.00) each. The annual City validation payments shall continue each year until the earlier of, (i) March 13, 2031, or (ii) the date Developer receives joint written notification from the City and Landing Investments to terminate the City Validation Program (the “City Validation Termination Date”). Additionally, beginning on the Commencement Date and continuing until the City Validation Termination Date (as hereafter defined), Participating Merchants will pay, and Developer shall be entitled to receive, \$1.00 for each parking validation pursuant to the City Validation Program. After the first year of City Validation Program, the Participating Merchant rate may be increased

from time to time, but no more frequently than annually, subject to the Annual Rate Increase Cap.”

(j) Section 7(e) is hereby deleted in its entirety.

(k) Section 8(a) is hereby amended by deleting the first sentence thereof in its entirety.

(l) Section 11 is hereby amended by deleting the phrase “are consistent” and in lieu thereof, substituting the phrase “do not conflict.”

(m) Section 12(a) is hereby deleted in its entirety.

(n) Section 13 is hereby amended by deleting the reference to “Long-Term Parking Spaces” therein.

(o) Section 15(a) is hereby deleted in its entirety.

(p) Section 15(b) is hereby deleted in its entirety and, in lieu thereof, there is substituted the following:

“(b) By Developer. The Garage shall not be used by Developer for any illegal purpose or in any manner to create any nuisance or trespass.”

(q) Section 16(b) is hereby amended by adding the following phrase at the end of the first sentence: “, as determined by Developer.”

(r) Section 18(a) is hereby deleted in its entirety and, in lieu thereof, there is substituted the following:

“(a) By the City. The City shall not assign this Agreement or any right, title or interest therein, in whole or in part, or sublet all or any part of the Short-Term Parking Spaces or any other parking spaces within the Garage, without the prior written consent of Developer and Landing Investments.”

(s) Section 18(b) is hereby amended as follows:

I. The list of “Qualified Parking Operators” therein by adding the following: any nationally or state recognized parking facility operator, any parking facility operator that owns, manages or operates a parking facility in downtown Jacksonville, Florida, any affiliate of Developer, Republic Parking, 841 Prudential Drive, Suite 50, Jacksonville, FL 32207, and System Parking, Inc., 37 N. Orange Avenue Suite 500, Orlando, FL 32801.

II. The fourth sentence is hereby deleted in its entirety and, in lieu thereof, there is substituted the following:

“Any assignment other than in compliance with the foregoing shall require the prior approval of the City and Landing Investments, which approval shall not be unreasonably withheld, and the City and Landing Investments shall respond to notice of such assignment within 10 business days after receipt of same.”

III. The requirement for prior approval of the City and Landing Investments is hereby deleted from the last sentence of Section 18(b).

(t) Section 19(b) is hereby amended by adding the following at the end thereof:

“In addition to all other remedies available to the City and Landing Investments hereunder, upon a default by Developer, and expiration of applicable cure periods, in commencing, continuing or completing construction of the Garage by the times provided in this Agreement and the Second Amendment to Redevelopment Agreement, the City shall terminate this Agreement provided that Landing Investments also mutually agrees simultaneously with the City to terminate this Agreement, and in the event of such termination hereof by the City and Landing Investments, the obligation of Developer to provide 300 Short Term Parking Spaces during Peak Hours and 375 during Non-Peak Hours at the parking rates provided herein shall be offered by the City to Landing Investments pursuant to the terms of a separate agreement between the City and Landing Investments, and upon acceptance thereof by Landing Investments, the City’s Reservation Payment and payments under the Validation Programs shall thereafter be payable to Landing Investments under such separate agreement and not to Developer.”

(u) Section 20(c) is hereby amended by replacing the reference therein to “Reserved and Monthly Parking Spaces” with “Long-Term Parking Spaces.”

(v) Section 27 is hereby amended by replacing the Notices information for Humana with the following:

“Project RiverWatch, LLC  
205 East Central Boulevard  
Suite 600  
Orlando, Florida 32801  
Attention: David Dix

With a copy to:

Baker & Hostetler LLP  
200 South Orange Avenue  
Suite 2300  
Orlando, Florida 32801  
Attention: Jeffrey E. Decker”

(w) A new Section 31 is hereby inserted into the Agreement to read as follows:

“31. Property Rights. Notwithstanding anything expressly or implicitly in the Agreement or the Development Agreement to the contrary, the parties acknowledge and agree that Developer has the sole ownership and other property rights and interests in and Garage and the parking spaces therein and that the City and Landing Investments, and their successors and permitted assigns, do not and will not, by virtue of the Agreement or otherwise, have any ownership or other property rights or other interests (including those of a lessee or licensee) in and to the Project, the Garage or any of the parking spaces therein, including the Short-Term Parking Spaces; provided, however, that this provision shall not in any respect limit the remedies of the City and Landing Investments under this Agreement, including those remedies pursuant to Section 19(b) hereof.”

4. Representations and Warranties. Each party represents and warrants to the other parties that this Amendment has been duly authorized, executed and delivered by such party and constitutes the valid, legal and binding obligation of such party enforceable in accordance with its terms.

5. Miscellaneous. This Amendment may be executed and delivered in counterparts, each of which so executed and delivered shall be deemed to be an original and all of which shall constitute one and the same instrument. A facsimile copy of this Amendment and any signature thereon shall be considered for all purposes an original. Except as expressly amended hereby, the Original Agreement shall remain in full force and effect in accordance with its terms. In the event of any conflict or inconsistency between the Original Agreement and this Amendment, this Amendment will control and supersede the Original Agreement to the extent of such conflict or inconsistency. Purchaser and Developer hereby ratify and confirm the Original Agreement as herein amended.

IN WITNESS WHEREOF, the parties have executed this First Amendment to Parking Rights Agreement effective as of the date first above written.

[signatures on next page]

"Developer"

PROJECT RIVERWATCH, LLC

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

By: \_\_\_\_\_  
Cameron Kuhn, Manager

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

"City"

CITY OF JACKSONVILLE, FLORIDA

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



By: Pam Markham  
Name: John Peyton  
Title: MAYOR

Pam Markham  
Deputy Chief Administrative Office  
For: Mayor John Peyton  
Under Authority of:  
Executive Order No. 06-07

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

Secretary  
JEDC  
City of Jacksonville

JACKSONVILLE ECONOMIC  
DEVELOPMENT COMMISSION

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

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

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

[signatures continued on next page]



“Developer”

PROJECT RIVERWATCH, LLC

By: \_\_\_\_\_  
Cameron Kuhn, Manager

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

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

“City”

CITY OF JACKSONVILLE, FLORIDA

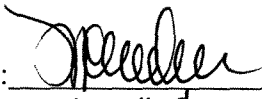
By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

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

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

“JEDC”

JACKSONVILLE ECONOMIC  
DEVELOPMENT COMMISSION

By:   
Name: M.G. Harden  
Title: Chairman

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

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

[signatures continued on next page]

Antley Conkle  
Name: Antley Conkle

Jeffrey E. Decker  
Name: Jeffrey E. Decker

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

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

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

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

“Developer”

PROJECT RIVERWATCH, LLC

By: Cameron Kuhn  
Cameron Kuhn, Manager

“City”

CITY OF JACKSONVILLE, FLORIDA

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

“JEDC”

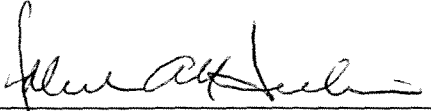
JACKSONVILLE ECONOMIC  
DEVELOPMENT COMMISSION

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

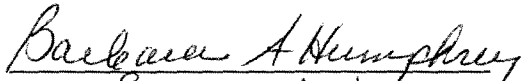
[signatures continued on next page]

"Landing Investments"

JACKSONVILLE LANDING  
INVESTMENTS, LLC



Name: ROBERTA A. HEEKIN



Name: BARBARA A. HUMPHREY




By: \_\_\_\_\_

Name: ANTHONY T. SLEIMAN

Title: MANAGING MEMBER

In accordance with the *Ordinance Code*, of the City of Jacksonville, I do hereby certify that there is an unexpended, unencumbered, and unimpounded balance in the appropriation sufficient to cover the foregoing agreement; and that provision has been made for the payment of monies provided therein to be paid.

  
\_\_\_\_\_  
Director of Administration and Finance

City Contract Number 9106 

Form Approved:

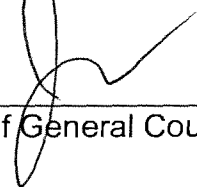
  
\_\_\_\_\_  
Office of General Counsel

Exhibit F  
Property Deed

Prepared by and  
AFTER RECORDING RETURN TO:  
John F. Germany, Jr., Esquire  
Office of General Counsel  
117 West Duval St. Suite 480  
Jacksonville, Florida 32202

**SPECIAL WARRANTY DEED**

**THIS SPECIAL WARRANTY DEED** is made this \_\_\_\_\_ day of \_\_\_\_\_, 2007, by **THE CITY OF JACKSONVILLE**, a municipal corporation, hereinafter referred to as the "**Grantor**", whose address is 117 West Duval Street, Suite 480, Jacksonville, FL 32202, to **JACKSONVILLE LANDING INVESTMENTS, LLC**, a Florida limited liability company, hereinafter referred to as the "**Grantee**", whose address is 1 Sleiman Parkway, Suite 270, Jacksonville, FL 32216.

**WITNESSETH:** Grantor, for and in consideration of the sum of TEN DOLLARS AND NO CENTS (\$10.00), receipt of which is hereby acknowledged, by these presents does hereby grant, bargain, sell, alienate, remise, release, convey and confirm unto Grantee, its heirs, successors and assigns forever, all that certain land situate in Duval County, Florida, being more particularly described in Exhibit A, attached hereto and incorporated herein by reference, together with all improvements, if any, located on such land (such land and improvements being collectively referred to as the "Property").

This conveyance is made and accepted subject to all matters (the "Permitted Exceptions") set forth in Exhibit B, attached hereto and incorporated herein by reference.

TO HAVE AND TO HOLD the Property, together with all and singular the rights and appurtenances pertaining thereto, subject to the Permitted Exceptions, unto Grantee and Grantee's successors and assigns forever. And Grantor hereby covenants with Grantee that, except as above noted, that at the time of the delivery of this Special Warranty Deed the Property was free from all encumbrances made by it and that it will warrant and defend the same against the lawful claims and demands of all persons claiming by, through or under Grantor, but against none other.

BY ACCEPTANCE OF THIS DEED, GRANTEE ACKNOWLEDGES THAT GRANTOR HAS NOT MADE, DOES NOT MAKE AND SPECIFICALLY NEGATES AND DISCLAIMS ANY REPRESENTATIONS, WARRANTIES (OTHER THAN THE WARRANTY OF TITLE HEREIN AND THE REPRESENTATIONS AND WARRANTIES EXPRESSLY SET FORTH IN THE SIXTH AMENDMENT TO DISPOSITION, DEVELOPMENT AND LEASE AGREEMENT ("SIXTH AMENDMENT") PURSUANT TO WHICH THIS SPECIAL WARRANTY DEED IS DELIVERED), PROMISES, COVENANTS, AGREEMENTS OR GUARANTIES OF ANY KIND OR

CHARACTER WHATSOEVER, WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, PAST, PRESENT OR FUTURE, OF, AS TO, CONCERNING OR WITH RESPECT TO (A) THE VALUE, NATURE, QUALITY OR CONDITION OF THE PROPERTY (INCLUDING THE PROPERTY, INCLUDING WITHOUT LIMITATION, THE WATER, SOIL AND GEOLOGY), (B) ANY INCOME TO BE DERIVED FROM THE PROPERTY, (C) THE SUITABILITY OF THE PROPERTY AND PROPERTY FOR ANY AND ALL ACTIVITIES AND USES WHICH GRANTEE MAY CONDUCT THEREON, (D) THE COMPLIANCE OF OR BY THE PROPERTY OR ITS OPERATION WITH ANY LAWS, RULES, ORDINANCES OR REGULATIONS OF ANY APPLICABLE GOVERNMENTAL AUTHORITY OR BODY, (E) THE HABITABILITY, MERCHANTABILITY, MARKETABILITY, PROFITABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF THE PROPERTY, (F) GOVERNMENTAL RIGHTS OF POLICE POWER OR EMINENT DOMAIN, (G) DEFECTS, LIENS, ENCUMBRANCES, ADVERSE CLAIMS OR OTHER MATTERS: (1) NOT KNOWN TO GRANTOR AND NOT SHOWN BY THE PUBLIC RECORDS BUT KNOWN TO GRANTEE AND NOT DISCLOSED IN WRITING BY GRANTEE TO THE GRANTOR PRIOR TO THE CLOSING, (2) RESULTING IN NO LOSS OR DAMAGE TO GRANTEE OR (3) ATTACHING OR CREATED SUBSEQUENT TO THE DATE OF THE CLOSING, (H) VISIBLE AND APPARENT EASEMENTS AND ALL UNDERGROUND EASEMENTS, THE EXISTENCE OF WHICH MAY ARISE BY UNRECORDED GRANT OR BY USE, (I) ALL MATTERS THAT WOULD BE DISCLOSED BY A CURRENT SURVEY OF THE PROPERTY, (J) THE MANNER OR QUALITY OF THE CONSTRUCTION OR MATERIALS, IF ANY, INCORPORATED INTO THE PROPERTY, (K) THE MANNER, QUALITY, STATE OF REPAIR OR LACK OF REPAIR OF THE PROPERTY, OR (L) ANY OTHER MATTER WITH RESPECT TO THE PROPERTY, AND SPECIFICALLY, THAT GRANTOR HAS NOT MADE, DOES NOT MAKE AND SPECIFICALLY DISCLAIMS ANY REPRESENTATIONS REGARDING COMPLIANCE WITH ANY ENVIRONMENTAL PROTECTION, POLLUTION OR LAND USE, ZONING OR DEVELOPMENT OF REGIONAL IMPACT LAWS, RULES, REGULATIONS, ORDERS OR REQUIREMENTS, INCLUDING THE EXISTENCE IN OR ON THE PROPERTY OF HAZARDOUS MATERIALS (AS DEFINED IN THE SIXTH AMENDMENT). GRANTEE ACCEPTS THE PROPERTY AND WAIVES ALL OBJECTIONS OR CLAIMS AGAINST GRANTOR (INCLUDING, BUT NOT LIMITED TO, ANY RIGHT OR CLAIM OF CONTRIBUTION) ARISING FROM OR RELATED TO THE PROPERTY OR TO ANY HAZARDOUS MATERIALS ON THE PROPERTY. GRANTEE FURTHER ACKNOWLEDGES AND AGREES THAT TO THE MAXIMUM EXTENT PERMITTED BY LAW, THE SALE OF THE PROPERTY AS PROVIDED FOR HEREIN IS MADE IN AN "AS IS" CONDITION AND BASIS WITH ALL FAULTS.

Grantee hereby assumes payment of all ad valorem taxes and subsequent assessments due to change in land usage, ownership, or both.

IN WITNESS WHEREOF, Grantor has caused these presents to be executed in its name and he day and year first above written.

Signed and Sealed in Our Presence:

(Sign) \_\_\_\_\_  
(Print) \_\_\_\_\_

(Sign) \_\_\_\_\_  
(Print) \_\_\_\_\_

Signed and Sealed in Our Presence:

(Sign) \_\_\_\_\_  
(Print) \_\_\_\_\_

(Sign) \_\_\_\_\_  
(Print) \_\_\_\_\_

GRANTOR:

CITY OF JACKSONVILLE, a municipal corporation

By: \_\_\_\_\_  
John Peyton  
Mayor

ATTEST:

By: \_\_\_\_\_  
Neill W. McArthur, Jr.  
Corporation Secretary

STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_

The foregoing was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2007, by John Peyton, Mayor, and Neill W. McArthur, Jr., Corporation Secretary, of the City of Jacksonville, on behalf of the City. Such persons: *(notary must check applicable box)*

- are personally known to me; or
- produced a current \_\_\_\_\_ driver's license as identification; or
- produced \_\_\_\_\_ as identification.

(Sign) \_\_\_\_\_  
(Print) \_\_\_\_\_  
NOTARY PUBLIC

**EXHIBIT A TO SPECIAL WARRANTY DEED  
LEGAL DESCRIPTION**

[to be confirmed by survey and title commitment]

**EAST PARCEL:**

A PART OF THE Z. HOGAN'S GRANT, SECTION 39, TOWNSHIP 2 SOUTH, RANGE 26 EAST, DUVAL COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: COMMENCE AT INDEPENDENT DRIVE (AS RELOCATED BY THE FLORIDA DEPARTMENT OF TRANSPORTATION, AS SHOWN ON DEPARTMENT OF TRANSPORTATION PLAN 72070, SECTION 2703, SHEET 1) CENTERLINE STATION 24 + 29.29 AS SHOWN ON CITY OF JACKSONVILLE DEPARTMENT OF PUBLIC WORKS MAP OF THE PROPOSED CONVENTION CENTER (PROJECT NO. 30/3742/80, FILE NO. 6199, DATED SEPTEMBER 19, 1980); THENCE SOUTH 14°32'05" WEST, 32.00 FEET TO THE SOUTHERLY RIGHT-OF-WAY LINE OF SAID INDEPENDENT DRIVE; THENCE " SOUTH 75°27'55" EAST ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE OF INDEPENDENT DRIVE, 55.64 FEET; THENCE SOUTHEASTERLY ALONG THE SOUTHWESTERLY RIGHT-OF-WAY LINE OF RAMP "C" OF THE MAIN STREET BRIDGE, AS SHOWN ON STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY MAP OF STATE ROAD NO.5, DATED MARCH 25, 1974, THE FOLLOWING THREE (3), COURSES AND DISTANCES: COURSE NO: 1: SOUTH 58°44'51" EAST, 102.69 FEET; COURSE NO.2: SOUTH 66°25'56" EAST, 114.65 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE SOUTHWESTERLY, HAVING A RADIUS OF 406.00 FEET; COURSE NO.3: IN A SOUTHEASTERLY DIRECTION ALONG AND AROUND THE ARC OF SAID CURVE AN ARC DISTANCE OF 258.52 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF SOUTH 48°11'28" EAST, 254.17 FEET; THENCE SOUTH 77°17'24" EAST, 206.55 FEET TO THE POINT OF BEGINNING, AND TO THE SOUTHEASTERLY RIGHT OF WAY LINE OF RAMP B, AS SHOWN ON SAID DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY MAP OF STATE ROAD NO. 5, SAID POINT LYING IN A CURVE, CONCAVE SOUTHEASTERLY, HAVING A RADIUS OF 156.00 FEET; THENCE NORTHEASTERLY ALONG SAID SOUTHEASTERLY RIGHT-OF-WAY LINE OF SAID RAMP "B", AND THE ARC OF SAID CURVE, AN ARC DISTANCE OF 59.83 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF NORTH 67°22'51" EAST, 59.46 FEET TO THE POINT OF TANGENCY OF SAID CURVE; THENCE NORTH 78°22'03" EAST, CONTINUING ALONG LAST SAID RIGHT OF WAY LINE, 289.10 FEET TO AN INTERSECTON WITH THE WESTERLY BOUNDARY OF THE LANDS DESCRIBED AND RECORDED IN OFFICIAL RECORDS BOOK 9195, PAGE 418-PAGE 437 INCLUSIVE, OF THE CURRENT PUBLIC RECORDS, DUVAL COUNTY, FLORIDA; THENCE SOUTHERLY, WESTERLY, AND EASTERLY, ALONG LAST SAID BOUNDARY, RUN THE FOLLOWING NINE (9), COURSES AND DISTANCES: COURSE NO: 1: SOUTH 11°45'46" WEST, 34.11 FEET; COURSE NO.2: NORTH 78°14'14" WEST, 21.49 FEET; COURSE NO: 3: SOUTH 11°54'45" WEST, 22.22 FEET; COURSE NO.4: SOUTH 78°14'14" EAST, 21.55 FEET; COURSE NO: 5: SOUTH 11°45'46" WEST, 72.51 FEET; COURSE NO.6: NORTH 77°59'32" WEST, 7.37 FEET; COURSE NO:7: SOUTH 57°36'06" WEST, 47.95 FEET; COURSE NO.8: NORTH 80°18'09" WEST, 15.52 FEET; COURSE NO: 9: SOUTH 12°01'43" WEST, 52.57 FEET TO AN INTERSECTION WITH THE EASTERLY BOUNDARY OF THE LANDS DESCRIBED



AND RECORDED IN OFFICIAL RECORDS VOLUME 6138, PAGE 2127 OF SAID CURRENT PUBLIC RECORDS; THENCE SOUTHERLY, WESTERLY, AND NORTHERLY ALONG THE LAST SAID BOUNDARY RUN THE FOLLOWING SEVEN (7), COURSES AND DISTANCE: COURSE NO. 1: SOUTH 14°33'09" WEST, 75.00 FEET; COURSE NO.2: NORTH 78°44'37" WEST, 5.69 FEET; COURSE NO. 3: SOUTH 13°22'36" WEST, 39.35 FEET; COURSE NO.4: NORTH 82°09'45" WEST, 40.18 FEET; COURSE NO: 5: NORTH 77°22'30" WEST, 243.79 FEET TO AFORSAID SOUTHEASTERLY RIGHT OF WAY LINE OF RAMP B ; COURSE NO.6: NORTH 04°42'06" EAST, ALONG LAST SAID RIGHT OF WAY LINE 52.15 FEET TO THE POINT OF CURVATURE OF A CURVE, CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 156.00 FEET; COURSE NO:7: CONTINUING ALONG LAST SAID RIGHT OF WAY AND SAID CURVE AN ARC DISTANCE OF 140.56 FEET TO THE POINT OF BEGINNING, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF NORTH 30°34'53" EAST, 135.85 FEET.

THE ABOVE DESCRIBED PARCEL CONTAINS 1.77 ACRES, MORE OR LESS.

**TOGETHER WITH BRIDGE RAMPS PARCEL:**

A PORTION OF THE Z. HOGAN'S GRANT, SECTION 39, TOWNSHIP 2 SOUTH, RANGE 26 EAST, DUVAL COUNTY, FLORIDA. BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE INTERSECTION OF THE SOUTHERLY RIGHT OF WAY LINE OF WATER STREET, (A VARIABLE WIDTH R/W AT THIS POINT), WITH A SOUTHERLY PROLONGATION OF THE EASTERLY LINE OF WATER LOT 20, AS SHOWN ON THE PLAT OF, HARTS' MAP OF JACKSONVILLE, FORMER PUBLIC RECORDS; THENCE SOUTH 75°50'55" EAST, ALONG SAID SOUTHERLY PROLONGATION, 9.53 FEET TO THE POINT OF BEGINNING. THENCE SOUTH 75°27'55" EAST, A DISTANCE OF 36.83 FEET TO A POINT BEING PERPENDICULAR, (90°00'00"), TO THE CONCRETE OVERHEAD STRUCTURE OF THE EASTERLY SIDE OF THE ENTRANCE RAMP OF THE MAIN STREET BRIDGE, (AS SHOWN ON THE DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY MAP SECTION 72070-2703, SHEET 2, PROJECT NUMBER 30/3742/80, FILE NUMBER 6199, DATED SEPTEMBER 19, 1980, FILED IN THE OFFICE OF THE CITY ENGINEER OF SAID COUNTY), SAID POINT ALSO LYING IN A CURVE CONCAVE EASTERLY, HAVING A RADIUS OF 931.93 FEET; THENCE CONTINUE TO FOLLOW LAST SAID RAMP, IN A SOUTHWESTERLY DIRECTION ALONG AND AROUND THE ARC OF SAID CURVE, AN ARC DISTANCE OF 99.36 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF, SOUTH 13°12'24" WEST, 99.31 FEET; THENCE SOUTH 77°17'24" EAST, 59.96 FEET, TO A POINT BEING PERPENDICULAR, (90°00'00"), TO THE CONCRETE OVERHEAD STRUCTURE OF THE NORTHWESTERLY SIDE OF EXIT RAMP "A", AS SHOWN ON SAID DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY MAPS, SAID POINT ALSO LYING IN A CURVE CONCAVE SOUTHEASTERLY, HAVING A RADIUS OF 253.00 FEET; THENCE IN A NORTHEASTERLY DIRECTION FOLLOWING LAST SAID RAMP RUN THE FOLLOWING TWO, (2) COURSES AND DISTANCES; COURSE NO. 1: IN A NORTHEASTERLY DIRECTION ALONG AND AROUND THE ARC OF SAID CURVE, AN ARC DISTANCE OF 17.19 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF, NORTH

52°54'09" EAST, 17.19 FEET TO THE POINT OF TANGENCY OF SAID CURVE; COURSE NO. 2: NORTH 54°50'53" EAST, A DISTANCE OF 110.04 FEET, THENCE SOUTH 75°27'55" EAST, A DISTANCE OF 60.33 FEET, A POINT BEING PERPENDICULAR, (90°00'00"), TO THE CONCRETE OVERHEAD STRUCTURE OF SOUTHEASTERLY SIDE OF SAID RAMP "A", THENCE SOUTH 54°50'53" WEST, FOLLOWING LAST SAID RAMP, A DISTANCE OF 63.12 FEET TO A POINT BEING PERPENDICULAR, (90°00'00"), TO THE CONCRETE OVERHEAD STRUCTURE OF NORTHERLY SIDE OF EXIT RAMP "B", AS SHOWN ON SAID DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY MAPS; THENCE FOLLOWING LAST SAID RAMP NORTH 78°22'03" EAST, DISTANCE OF 131.52 TO A POINT ON A CURVE CONCAVE NORTHERLY, HAVING A RADIUS OF 269.47 FEET THENCE IN A EASTERLY DIRECTION ALONG AND AROUND THE ARC OF SAID CURVE, AN ARC DISTANCE OF 81.11 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF, SOUTH 88°48'32" EAST, 80.81 FEET; THENCE SOUTH 14°33'09" WEST, A DISTANCE OF 40.17 FEET, TO THE NORTHERLY BOUNDARY OF THE LANDS DESCRIBED AND RECORDED IN OFFICIAL RECORDS VOLUME 6138, PAGE 2121, OF THE CURRENT PUBLIC RECORDS, SAID COUNTY, SAID POINT BEING PERPENDICULAR, (90°00'00"), TO THE CONCRETE OVERHEAD STRUCTURE OF SOUTHERLY SIDE OF SAID RAMP "B", THENCE IN A WESTERLY, SOUTHWESTERLY, AND SOUTHERLY DIRECTION FOLLOWING LAST SAID RAMP, "B" AND LAST SAID BOUNDARY AND IT'S SOUTHERLY PROLONGATION THEREOF, RUN THE FOLLOWING THREE, (3), COURSES AND DISTANCES COURSE NO. 1: SOUTH 78°22'03" WEST, A DISTANCE OF 236.75 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE SOUTHEASTERLY, HAVING A RADIUS OF 156.00 FEET; COURSE NO. 2: IN A SOUTHWESTERLY DIRECTION ALONG AND AROUND THE ARC OF SAID CURVE, AN ARC DISTANCE OF 200.40 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF, SOUTH 41°34'02" WEST, 186.90 FEET TO THE POINT OF TANGENCY OF SAID CURVE; COURSE NO. 3: SOUTH 04°46'05" WEST, A DISTANCE OF 52.15 FEET; THENCE NORTH 77°18'31" WEST, A DISTANCE OF 90.87 FEET TO A POINT BEING PERPENDICULAR, (90°00'00"), TO THE CONCRETE OVERHEAD STRUCTURE OF THE SOUTHWESTERLY SIDE OF RAMP "C", AS SHOWN ON SAID DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY MAPS; THENCE IN A NORTHERLY AND NORTHWESTERLY DIRECTION, FOLLOWING LAST SAID RAMP, "C", RUN THE FOLLOWING THREE, (3), COURSES AND DISTANCES COURSE NO. 1: NORTH 04°46'05" EAST, A DISTANCE OF 38.51 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE NORTHWESTERLY, HAVING A RADIUS OF 206.00 FEET; COURSE NO. 2: IN A NORTHWESTERLY DIRECTION ALONG AND AROUND THE ARC OF SAID CURVE, AN ARC DISTANCE OF 86.33 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF, NORTH 06°55'34" WEST, 85.70 FEET TO THE POINT OF COMPOUND CURVATURE OF A CURVE, CONCAVE SOUTHWESTERLY, HAVING A RADIUS OF 406.00 FEET; COURSE NO. 3: IN A NORTHWESTERLY DIRECTION ALONG AND AROUND THE ARC OF SAID CURVE, AN ARC DISTANCE OF 321.35 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF, NORTH 41°36'22" WEST, 313.02 FEET; THENCE NORTH 23°34'04" EAST, A DISTANCE OF 47.04 FEET TO A POINT BEING PERPENDICULAR, (90°00'00"), TO THE CONCRETE OVERHEAD STRUCTURE OF THE NORTHEASTERLY SIDE OF SAID RAMP "C", AS SHOWN ON SAID DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY MAPS, SAID POINT ALSO LYING IN A CURVE CONCAVE NORTHEASTERLY, HAVING A RADIUS OF 453.00 FEET; THENCE IN A

SOUTHEASTERLY DIRECTION FOLLOWING LAST SAID RAMP "C" AND SAID CURVE, AN ARC DISTANCE OF 328.21 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF, SOUTH 43°44'52" EAST, 321.08 FEET TO A POINT BEING PERPENDICULAR, (90°00'00"), TO THE CONCRETE OVERHEAD STRUCTURE OF THE WESTERLY SIDE OF THE ENTRANCE RAMP OF THE MAIN STREET BRIDGE, (AS SHOWN ON SAID DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY MAP), SAID POINT LYING IN A CURVE CONCAVE EASTERLY, HAVING A RADIUS OF 977.93 FEET; THENCE IN A NORTHERLY DIRECTION, FOLLOWING LAST SAID RAMP, AND SAID CURVE, AN ARC DISTANCE OF 167.57 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF NORTH 11°16'22" EAST, 167.37 FEET; THENCE SOUTH 75°27'55" EAST, A DISTANCE OF 9.19 FEET TO THE POINT OF BEGINNING.

THE ABOVE DESCRIBED PARCEL CONTAINS 1.52 ACRES MORE OR LESS.

**TOGETHER WITH WEST REMAINDER PARCEL BETWEEN RAMPS:**

A PART OF THE Z. HOGAN'S GRANT , SECTION 39, TOWNSHIP 2 SOUTH, RANGE 26 EAST, DUVAL COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:  
FOR A POINT OF REFERENCE, COMMENCE AT THE INTERSECTION OF THE SOUTHERLY PROLONGATION OF THE WESTERLY RIGHT OF WAY OF MAIN STREET (A 70 FOOT RIGHT OF WAY), AND THE SOUTHERLY RIGHT OF WAY OF WATER STREET (A VARIABLE WIDTH RIGHT OF WAY AT THIS POINT), AS SHOWN ON FLORIDA DEPARTMENT OF TRANSPORTATION RIGHT OF WAY MAPS, SECTION 72070-2703, SHEET 2, PROJECT NUMBER 30/3742/80, FILE NUMBER 6199, DATED SEPTEMBER 19, 1980, FILED IN THE OFFICE OF THE CITY ENGINEER OF SAID COUNTY); THENCE NORTH 75°27'55" WEST ALONG SAID SOUTHERLY RIGHT OF WAY LINE, A DISTANCE OF 8.83 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE EASTERLY AND HAVING A RADIUS OF 977.93 FEET, SAID POINT ALSO BEING PERPENDICULAR (90°00'00") TO THE WESTERLY SIDE OF THE CONCRETE OVERHEAD STRUCTURE OF THE APPROACH RAMP OF THE MAIN STREET BRIDGE (AS SHOWN ON SAID DEPARTMENT OF TRANSPORTATION RIGHT OF WAY MAPS) AND THE POINT OF BEGINNING;  
THENCE CONTINUING TO FOLLOW SAID APPROACH RAMP, SOUTHWESTERLY ALONG AND AROUND THE ARC OF SAID CURVE, AN ARC DISTANCE OF 176.54 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF SOUTH 11°32'08" WEST, 176.30 FEET TO A POINT, SAID POINT ALSO BEING PERPENDICULAR (90°00'00") TO THE NORTHEASTERLY SIDE OF THE CONCRETE OVERHEAD STRUCTURE OF RAMP "C" OF THE MAIN STREET BRIDGE (AS SHOWN ON SAID DEPARTMENT OF TRANSPORTATION RIGHT OF WAY MAPS), SAID POINT ALSO LYING IN A CURVE CONCAVE TO THE SOUTHWEST AND HAVING A RADIUS OF 453.00 FEET; THENCE NORTHWESTERLY ALONG AND AROUND THE ARC OF SAID CURVE OF RAMP "C", AN ARC DISTANCE OF 343.46 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF NORTH 44°42'44" WEST, 335.30 FEET TO THE POINT OF TANGENCY;  
THENCE CONTINUING TO FOLLOW SAID RAMP "C", NORTH 66°25'56" WEST, A DISTANCE OF 29.37 FEET TO A POINT ON THE SOUTHERLY RIGHT OF WAY LINE OF WATER STREET; THENCE SOUTH 75°27'55" EAST ALONG THE SAID RIGHT OF WAY LINE, A DISTANCE OF 307.93 FEET TO THE POINT OF BEGINNING.

THE ABOVE DESCRIBED PARCEL CONTAINS, 17,574 SQUARE FEET (0.40 ACRES) MORE OF LESS.

**TOGETHER WITH MIDDLE REMAINDER PARCEL BETWEEN RAMPS:**

A PART OF THE Z. HOGAN'S GRANT, SECTION 39, TOWNSHIP 2 SOUTH, RANGE 26 EAST, DUVAL COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

FOR A POINT OF REFERENCE, COMMENCE AT THE INTERSECTION OF THE SOUTHERLY PROLONGATION OF THE WESTERLY RIGHT OF WAY OF MAIN STREET (A 70 FOOT RIGHT OF WAY), AND THE SOUTHERLY RIGHT OF WAY OF WATER STREET (A VARIABLE WIDTH RIGHT OF WAY AT THIS POINT), AS SHOWN ON FLORIDA DEPARTMENT OF TRANSPORTATION RIGHT OF WAY MAPS, SECTION 72070-2703, SHEET 2, PROJECT NUMBER 30/3742/80, FILE NUMBER 6199, DATED SEPTEMBER 19, 1980, FILED IN THE OFFICE OF THE CITY ENGINEER OF SAID COUNTY); THENCE SOUTH 75°27'55" EAST, A DISTANCE OF 37.20 FEET TO A POINT, SAID POINT BEING PERPENDICULAR (90°00'00") TO THE EASTERLY SIDE OF THE CONCRETE OVERHEAD STRUCTURE OF THE APPROACH RAMP OF THE MAIN STREET BRIDGE (AS SHOWN ON SAID DEPARTMENT OF TRANSPORTATION RIGHT OF WAY MAPS), AND THE POINT OF BEGINNING; THENCE CONTINUE SOUTH 75°27'55" EAST, A DISTANCE OF 151.37 FEET TO A POINT, SAID POINT BEING PERPENDICULAR (90°00'00") TO THE NORTHWESTERLY SIDE OF THE CONCRETE OVERHEAD STRUCTURE OF RAMP "A" OF THE MAIN STREET BRIDGE (AS SHOWN ON SAID DEPARTMENT OF TRANSPORTATION RIGHT OF WAY MAPS); THENCE CONTINUING TO FOLLOW SAID RAMP "A", SOUTH 54°50'53" WEST, A DISTANCE OF 121.79 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE SOUTHEASTERLY AND HAVING A RADIUS OF 253.00 FEET; THENCE CONTINUING TO FOLLOW SAID RAMP "A", SOUTHWESTERLY ALONG AND AROUND THE ARC OF SAID CURVE, AN ARC DISTANCE OF 17.19 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF SOUTH 52°54'09" WEST, 17.19 FEET; THENCE NORTH 77°17'24" WEST, A DISTANCE OF 59.96' TO A POINT LYING ON A CURVE, SAID POINT BEING PERPENDICULAR (90°00'00") TO SAID EASTERLY SIDE OF THE CONCRETE OVERHEAD STRUCTURE OF THE APPROACH RAMP OF THE MAIN STREET BRIDGE (AS SHOWN ON SAID DEPARTMENT OF TRANSPORTATION RIGHT OF WAY MAPS); SAID CURVE BEING CONCAVE EASTERLY AND HAVING A RADIUS OF 931.93 FEET; THENCE CONTINUING TO FOLLOW SAID APPROACH RAMP OF THE SAID MAIN STREET BRIDGE, NORTHERLY ALONG AND AROUND THE ARC OF SAID CURVE, AN ARC DISTANCE OF 108.33 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF NORTH 13°29'04" EAST, 108.27 FEET, TO THE POINT OF TANGENCY AND THE POINT OF BEGINNING.

THE ABOVE DESCRIBED PARCEL CONTAINS, 11,370 SQUARE FEET (0.26 ACRES) MORE OF LESS.

**EXHIBIT B TO SPECIAL WARRANTY DEED  
PERMITTED EXCEPTIONS TO DEED**

1. Rights of parties in possession.
2. Governmental rights of police power or eminent domain unless notice of the exercise of such rights appears in the public records as of the date hereof; and the consequences of any law, ordinance or governmental regulation including, but not limited to, building and zoning ordinances.
3. Defects, liens, encumbrances, adverse claims or other matters 1) not known to the Grantor and not shown by the public records but known to the Grantee as of the date hereof and not disclosed in writing by the Grantee to the Grantor prior to the date hereof; 2) resulting in no loss or damage to the Grantee; or 3) attaching or created subsequent to the date hereof.
4. Visible and apparent easements, and all underground easements, the existence of which may arise by unrecorded grant or by use.
5. Taxes and assessments for the year of closing and subsequent years.
6. All judgments, liens (excluding construction liens), assessments, code enforcement liens, encumbrances, declarations, mineral reservations, covenants, restrictions, reservations, easements, agreements and any other matters as shown on the public records.
7. All matters that would be disclosed by a current survey of the property.

Exhibit G  
Valuations of Ramp/Non-Ramp Property

## East Parcel

	<u>SF</u>	<u>Price/SF</u>	<u>Value</u>
<b>Fee Simple Interest</b>			
Main East Parcel	71,275	\$53.00	\$3,777,575
Outside Approaches/Bridge (DOT Easement) (Note 1)	7,675	\$15.00	\$115,125
<b>Easement Interests</b>			
Under & Between Approaches/ Bridge (DOT Easement) (Note 2)	77,711	\$10.00	\$777,110
Under & Between Approaches/ Bridge (DOT Easement) (Note 3)	<u>20,000</u>	<u>\$0.00</u>	<u>\$0</u>
Totals (Avg.)	176,661		\$4,669,810
Round			<b>\$4,700,000</b>

Note 1: Per Deed Book 826, Page 27

Note 2: Per ORV 3722 Page 216

Note 3: Per ORV 3722 Page 216 (Unusable solid areas or areas of insufficient height to be used for parking related activities)

Exhibit H  
Out Parcel  
[to be confirmed by survey and title]



**EXHIBIT H**

LEGAL DESCRIPTION TO ACCOMPANY SKETCH:

A PART OF THE Z. HOGAN'S GRANT, SECTION 39, TOWNSHIP 2 SOUTH, RANGE 26 EAST, DUVAL COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

FOR A POINT OF REFERENCE, COMMENCE AT THE INTERSECTION OF THE SOUTHERLY PROLONGATION OF THE WESTERLY RIGHT OF WAY OF MAIN STREET (A 70 FOOT RIGHT OF WAY), AND THE SOUTHERLY RIGHT OF WAY OF WATER STREET (A VARIABLE WIDTH RIGHT OF WAY AT THIS POINT), AS SHOWN ON FLORIDA DEPARTMENT OF TRANSPORTATION RIGHT OF WAY MAPS, SECTION 72070-2703, SHEET 2, PROJECT NUMBER 30/3742/80, FILE NUMBER 6199, DATED SEPTEMBER 19, 1980, FILED IN THE OFFICE OF THE CITY ENGINEER OF SAID COUNTY); THENCE SOUTH 75°27'55" EAST, A DISTANCE OF 248.90 FEET TO A POINT, SAID POINT BEING ON THE EASTERLY SIDE OF THE CONCRETE OVERHEAD STRUCTURE OF THE EXIT RAMP OF RAMP "A" OF THE MAIN STREET BRIDGE (AS SHOWN ON SAID DEPARTMENT OF TRANSPORTATION RIGHT OF WAY MAPS SECTION 72070-2703), AND THE POINT OF BEGINNING; THENCE CONTINUE SOUTH 75°27'55" EAST, A DISTANCE OF 46.55 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE NORTHEASTERLY, HAVING A RADIUS OF 269.47; THENCE IN A SOUTHEASTERLY DIRECTION ALONG AND AROUND THE ARC OF SAID CURVE AN ARC DISTANCE OF 23.08 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF SOUTH 77°43'55" EAST, 23.07 TO THE NORTHWESTERLY SIDE OF THE CONCRETE OVERHEAD STRUCTURE OF RAMP "B" OF THE MAIN STREET BRIDGE (AS SHOWN ON SAID DEPARTMENT OF TRANSPORTATION RIGHT OF WAY MAPS); THENCE CONTINUING TO FOLLOW SAID RAMP "B", SOUTH 78°22'03" WEST, A DISTANCE OF 131.52 FEET TO SAID EASTERLY SIDE OF THE CONCRETE OVERHEAD STRUCTURE OF THE EXIT RAMP "A" OF SAID MAIN STREET BRIDGE (AS SHOWN ON SAID DEPARTMENT OF TRANSPORTATION RIGHT OF WAY MAPS); SAID; THENCE NORTH 54°50'53" EAST CONTINUING TO FOLLOW SAID RAMP "A", 47.82 FEET, TO THE POINT OF BEGINNING.

THE ABOVE DESCRIBED PARCEL CONTAINS 1940 SQUARE FEET MORE OR LESS.

GENERAL NOTES

1. THE BEARINGS SHOWN HEREON ARE BASED ON A BEARING OF SOUTH 14°09'05" WEST, ALONG THE WESTERLY RIGHT-OF-WAY LINE OF MAIN AS SHOWN ON THE DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY MAP SECTION 72070-2703, SHEET 2, PROJECT NUMBER 30/3742/80, FILE NUMBER 6199, DATED SEPTEMBER 19, 1980, FILED IN THE OFFICE OF THE CITY ENGINEER OF DUVAL COUNTY, FLORIDA.
2. THIS IS NOT A BOUNDARY SURVEY.
3. THIS SKETCH WAS MADE WITHOUT THE BENEFIT OF AN ABSTRACT TITLE. THEREFORE, THERE COULD BE EASEMENTS, COVENANTS, AND RESTRICTIONS OR OTHER MATTERS OF PUBLIC RECORD THAT MAY OR MAY NOT AFFECT THIS PARCEL.

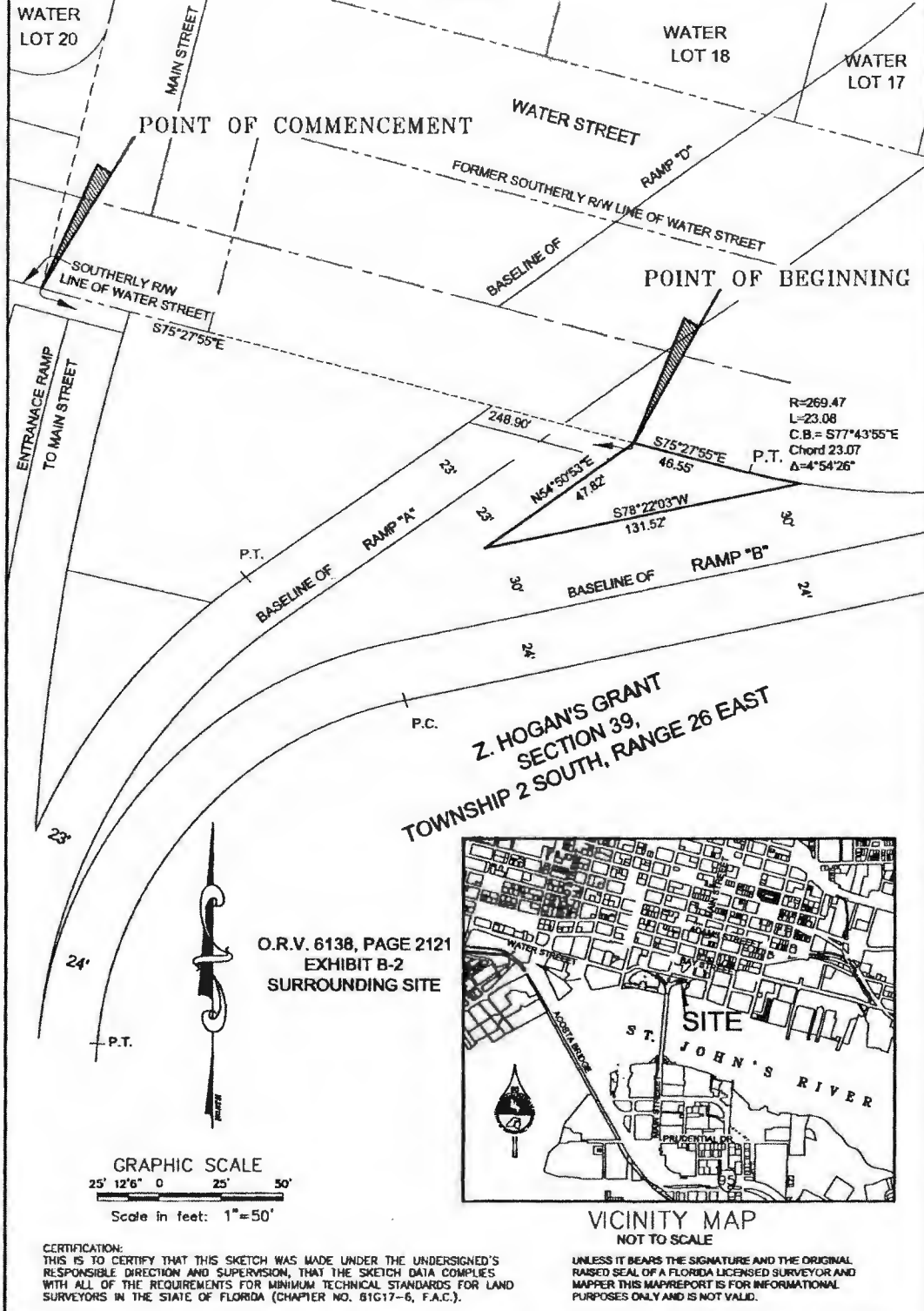
LEGEND

- R/W = RIGHT OF WAY  
 P.C. = POINT OF CURVATURE  
 P.C.C. = POINT OF COMPOUND CURVATURE  
 P.I. = POINT OF TANGENCY

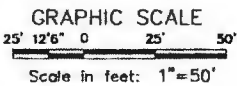
CITY OF JACKSONVILLE, FLORIDA	ENGINEERING DIVISION DEPARTMENT OF PUBLIC WORKS	LEGEND
DATE: <u>9/25/2006</u>	SCALE: <u>NONE</u>	<input type="checkbox"/> CONCRETE MONUMENT x—x FENCE o NAIL ○ IRON PIPE x CROSS CUT
ROAD NO.: _____	ER NO.: <u>2005/085</u>	SHEET NO. 2 OF 2

SKETCH TO ACCOMPANY LEGAL DESCRIPTION

A PORTION OF THE Z. HOGAN'S GRANT, SECTION 39, TOWNSHIP 2 SOUTH, RANGE 26 EAST, DUVAL COUNTY, FLORIDA.



O.R.V. 6138, PAGE 2121  
EXHIBIT B-2  
SURROUNDING SITE



CERTIFICATION:  
THIS IS TO CERTIFY THAT THIS SKETCH WAS MADE UNDER THE UNDERSIGNED'S RESPONSIBLE DIRECTION AND SUPERVISION, THAT THE SKETCH DATA COMPLIES WITH ALL OF THE REQUIREMENTS FOR MINIMUM TECHNICAL STANDARDS FOR LAND SURVEYORS IN THE STATE OF FLORIDA (CHAPTER NO. 61G17-6, F.A.C.).

UNLESS IT BEARS THE SIGNATURE AND THE ORIGINAL RAISED SEAL OF A FLORIDA LICENSED SURVEYOR AND MAPPER THIS MAP/REPORT IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT VALID.

CITY OF JACKSONVILLE, FLORIDA	ENGINEERING DIVISION DEPARTMENT OF PUBLIC WORKS	LEGEND
W. MONROE HAZEN, P.L.S. FLORIDA REGISTRATION NUMBER 3398 ROOM 908, 220 E. BAY STREET, 32202 (904)-630-1374  DATE: 9/25/2006 SCALE: NONE FILE NO.: JOB NO.: 2005/085		□ CONCRETE MONUMENT x-x FENCE o NAIL ○ IRON PIPE x CROSS CUT  SHEET NO. 1 OF 2

Exhibit I  
JLI's Title Objections

NONE

Exhibit J  
City Retained Parking Equipment  
2/4/07

**ITEMS TO BE RETAINED BY THE CITY AND REMOVED PRIOR TO CLOSING:**

Federal Ticket Splitters:	Two
Cash register power pads	Two
Cash drawers	Four
Ticket Validator	Two
Printers	Two
Power supply	Two
Connector Boards	Two
Port controller	One
9600 Modem communicator	One
Office Stool Chairs	Two
Office Chair	One
Ornamental Trash Containers	Five

**ITEMS TO REMAIN ON THE PROPERTY AFTER CLOSING:**

Federal Gate control arms	Four
PAR-KUT Cashier booths	Two
Window air conditioners	Two
IT: HyperEdge Circuit card controller	One
Telephone	Two
Miscellaneous signs:	
'OPEN' Electric	Two
Payment required upon exit	Two
Payment due, on pedestal	One
Lot Full / Traffic flow, on Pedestal	One
Do Not Enter, on Pedestal	One
Hourly rate	Two
Thank You	Two
Vehicle restriction	Two
Lighting control timer	One

Exhibit K  
Riverwalk Easement

Prepared by:  
Suzanne S. Howard  
Assistant General Counsel  
Office of General Counsel  
117 West Duval Street, Suite 480  
Jacksonville, Florida 32202

2-3-07 Draft

**NON-EXCLUSIVE PEDESTRIAN ACCESS EASEMENT AGREEMENT**

This PEDESTRIAN ACCESS EASEMENT AGREEMENT (“Easement Agreement”) is made as of this \_\_\_\_ day of \_\_\_\_\_, 2007, by and between **CITY OF JACKSONVILLE**, a municipal corporation (“**Grantor**”), whose address is 117 West Duval Street, Jacksonville, Florida 32202 and **JACKSONVILLE LANDING INVESTMENTS, LLC**, a Florida limited liability company (“**Grantee**”), whose address is 1 Sleiman Parkway, Suite 270, Jacksonville, Florida 32216 .

RECITALS:

A. Grantor owns certain property known as the Northbank Riverwalk and a portion of such property is described on **Exhibit A** attached hereto and made a part hereof (the “**Riverwalk Parcel**”).

B. Concurrent with this Easement Agreement, Grantor has sold and conveyed to Grantee the land described in **Exhibit B** attached hereto and made a part hereof (the “**Benefited Parcel**”), which lies adjacent to the Riverwalk Parcel.

C. Grantee has requested, and Grantor has agreed to provide, an easement for pedestrian ingress, egress and passage over and across the Riverwalk Parcel, to benefit only the Benefited Parcel, according to the terms and conditions more particularly set forth herein.

NOW, THEREFORE, in consideration of Ten and no/100 Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **Grant of Easement Rights.** Grantor hereby bargains, sells, grants and conveys unto Grantee, its successors and assigns, a perpetual non-exclusive easement over and across the Riverwalk Parcel for the purpose of pedestrian ingress, egress and passage only. The easement rights granted herein are only for the benefit of and appurtenant to the Benefited Parcel.

2. **Reserved Rights.** Grantor reserves unto itself, and its successors and assigns, the right to use, and to grant to others the right to use the Riverwalk Parcel for any and all purposes that do not unreasonably interfere with the rights granted herein.

Grantee acknowledges and agrees that the Riverwalk Parcel is a public walkway and Grantee's rights granted herein are co-equal to the rights of the public to use the Riverwalk Parcel as a public walkway. Notwithstanding anything herein, (i) Grantor reserves the right to gate or otherwise block Grantee's access to the Riverwalk Parcel during times of high pedestrian activity when recommended by the Jacksonville Sheriff's Office, and (ii) Grantor and the JEA may exclusively use the Riverwalk Parcel to place piping, pumps and other equipment used in connection with the maintenance or repair of any utilities, during such times as the JEA or Grantor deems necessary for undertaking any such utilities maintenance or repair.

3. **Restrictions on Use of Riverwalk Parcel.** Grantee agrees that in utilizing the Riverwalk Parcel, Grantee will not unreasonably interfere with any existing or future use of the Riverwalk Parcel by the Grantor, its successors and assigns. Any property of Grantor disturbed by the Grantee in the exercise of the rights granted herein will be restored as soon as reasonably practical following such activity to its previously existing condition by the Grantee, at its sole cost and expense. Grantee shall not place or allow the placement of any items, structures or anything else on the Riverwalk Parcel or any other portion of the Northbank Riverwalk (including without limitation portable toilets) at any time without prior written permission from the Grantor, which permission may be denied in the Grantor's sole discretion. Grantee shall only use the Riverwalk Parcel for pedestrian ingress and egress, and Grantor shall not at anytime interfere with the rights of the public to use the Riverwalk Parcel as a public walkway.

4. **Indemnification.** Grantee shall indemnify, defend and hold harmless Grantor, its officers, agents, servants, employees, successors and assigns against any claim, action, loss, damage, injury, liability, cost and expense of whatsoever kind or nature (including, but not by way of limitation, attorney's fees and court costs) arising out of injury (whether mental or corporeal) to persons, including death, or damage to property, arising out of or incidental to the rights granted herein.

5. **Notices.** Any notice required or permitted to be given pursuant to the terms of this Easement Agreement shall be in writing and personally delivered or sent by registered or certified mail, return receipt requested, or delivered by an air courier service utilizing return receipts only to the parties at the following addresses (or to such other or further addresses as the parties may designate by like notice similarly sent) and such notices shall be deemed given and received for all purposes under this instrument and shall be effective only upon receipt or when delivery is attempted and refused.

Grantor:  
City of Jacksonville  
Executive Director  
Jacksonville Economic Development  
Commission  
220 E. Bay Street, Suite 1400  
Jacksonville, Florida 32202

Grantee:  
Jacksonville Landing Investments, LLC  
1 Sleiman Parkway  
Suite 270  
Jacksonville, Florida 32216

With a copy to:  
Office of General Counsel  
117 West Duval Street, Suite 480  
Jacksonville, Florida 32202  
Attn: Corporation Secretary

6. **Attorneys Fees.** In connection with any litigation, including appellate proceedings, arising out of this Easement Agreement, the prevailing party shall be entitled to recover all reasonable attorneys' fees and costs from the party not prevailing therein; provided however that the recoverable amount of the attorneys' fees and costs of Grantee shall not exceed the amount of the attorneys' fees and costs of the Grantor in the same proceeding.

7. **Miscellaneous.** This Easement Agreement shall be construed under the laws of the State of Florida. Venue for any action for the interpretation or enforcement of this Easement Agreement shall lie only in Duval County, Florida. This Easement Agreement may only be modified or supplemented in writing signed by the parties, or their heirs, successors and assigns, and any modification shall take effect only upon recordation of the signed instrument in the Public Records of Duval County, Florida

8. **Beneficiaries.** The terms of this Easement Agreement shall be binding and enforceable by Grantor, Grantee, and their respective successors and assigns who own the Riverwalk Parcel or the Benefited Property, respectively; it being understood that the rights and obligations herein shall run with the land.

**IN WITNESS WHEREOF**, the parties have executed this instrument as of the date first written above.

[signatures begin on next page]



**GRANTOR:**

**CITY OF JACKSONVILLE**, a  
municipal corporation

**WITNESSES:**

(Sign) \_\_\_\_\_  
(Print) \_\_\_\_\_

(Sign) \_\_\_\_\_  
(Print) \_\_\_\_\_

(Sign) \_\_\_\_\_  
(Print) \_\_\_\_\_

(Sign) \_\_\_\_\_  
(Print) \_\_\_\_\_

By: \_\_\_\_\_  
John Peyton  
Mayor

**ATTEST:**

By: \_\_\_\_\_  
Neill W. McArthur, Jr.  
Corporation Secretary

**STATE OF FLORIDA**  
**COUNTY OF DUVAL**

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2007, by John Peyton and Neill W. McArthur, Jr. as Mayor and Corporation Secretary, respectively, of the City of Jacksonville, a municipal corporation, on behalf of the corporation. Such persons are personally known to me.

\_\_\_\_\_  
\_\_\_\_\_  
(Print or type name)  
NOTARY PUBLIC  
My Commission expires:

**GRANTEE:**

**WITNESSES**

**JACKSONVILLE LANDING  
INVESTMENTS, LLC**

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

\_\_\_\_\_  
Print name: \_\_\_\_\_

By: \_\_\_\_\_

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

Title: \_\_\_\_\_

STATE OF FLORIDA  
COUNTY OF DUVAL

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2007, by \_\_\_\_\_, the \_\_\_\_\_ of Jacksonville Landing Investments, LLC, a Florida limited liability company, on behalf of the company. Such person: *(notary must check applicable box)*

- is personally known to me; or
- produced a current \_\_\_\_\_ driver's license as identification; or
- produced \_\_\_\_\_ as identification.

\_\_\_\_\_  
\_\_\_\_\_  
(Print or type name)

NOTARY PUBLIC

My Commission expires:

EXHIBIT A

Riverwalk Parcel

[subject to confirmation by survey and title]

A PART OF THE Z. HOGAN'S GRANT, SECTION 39, TOWNSHIP 2 SOUTH, RANGE 26 EAST, DUVAL COUNTY, FLORIDA, MORE PARTICULARLY DESCRIBED AS FOLLOWS: FOR A POINT OF REFERENCE, COMMENCE AT INDEPENDENT DRIVE (AS RELOCATED BY THE FLORIDA DEPARTMENT OF TRANSPORTATION, AS SHOWN ON FLORIDA DEPARTMENT OF TRANSPORTATION PLAN 72070, SECTION 2703, SHEET 1) CENTERLINE STATION 24 + 29.29 AS SHOWN ON CITY OF JACKSONVILLE DEPARTMENT OF PUBLIC WORKS MAP OF THE PROPOSED CONVENTION CENTER (PROJECT NO. 30/3742/80, FILE NO. 6199, DATED SEPTEMBER 19, 1980); THENCE SOUTH 14°32'05" WEST, A DISTANCE OF 32.00 FEET TO A POINT ON THE SOUTHERLY RIGHT-OF-WAY LINE OF SAID INDEPENDENT DRIVE. SAID POINT LYING IN A CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 198.00 FEET; THENCE SOUTHEASTERLY ALONG LAST SAID RIGHT OF WAY LINE RUN THE FOLLOWING THREE COURSES AND DISTANCES; COURSE NO. 1: SOUTHEASTERLY ALONG AND AROUND THE ARC OF SAID CURVE, AN ARC DISTANCE OF 178.92 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF, SOUTH 78°38'52" WEST, 172.89 FEET TO A POINT OF REVERSE CURVE OF A CURVE BEING CONCAVE NORTHWESTERLY, HAVING A RADIUS OF 262.00 FEET; COURSE NO. 2: SOUTHEASTERLY ALONG AND AROUND THE ARC OF SAID CURVE, AN ARC DISTANCE OF 111.13 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF, SOUTH 64°54'46" WEST, 110.30 FEET; COURSE NO. 3: SOUTH 46°13'56" WEST, 17.41 FEET TO AN INTERSECTION WITH THE EASTERLY RIGHT OF WAY LINE OF HOGAN STREET, (A 70 FOOT WIDE RIGHT OF WAY); ); THENCE SOUTH 14°22'10" WEST, ALONG LAST SAID EASTERLY LINE 27.92 FEET TO AN INTERSECTION WITH THE EASTERLY PROLONGATION OF THE SOUTHERLY RIGHT OF WAY LINE OF WATER, (A VARIABLE WIDTH RIGHT OF WAY); THENCE NORTH 75°23'46" WEST, ALONG LAST SAID SOUTHERLY LINE, 70.00 FEET TO THE WEST LINE OF SAID HOGAN STREET; THENCE IN A SOUTHERLY DIRECTION ALONG LAST SAID WESTERLY LINE RUN THE FOLLOWING TWO COURSES AND DISTANCES; COURSE NO. 1: SOUTH 14°22'10" WEST, 287.64 FEET TO THE POINT OF BEGINNING; COURSE NO. 2 CONTINUE SOUTH 14°22'10" WEST, 15.56 FEET TO THE WATER WARD FACE OF A CONCRETE BULKHEAD, AND MEAN HIGH WATER LINE, OF THE ST. JOHNS RIVER; THENCE IN A EASTERLY DIRECTION ALONG SAID BULK HEAD RUN THE FOLLOWING THREE COURSES AND DISTANCES: COURSE NO. 1: NORTH 83°04'03" EAST, 122.38 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE SOUTHERLY, HAVING A RADIUS OF 952.96 FEET; COURSE NO. 2: EASTERLY ALONG AND AROUND THE ARC OF SAID CURVE, AN ARC DISTANCE OF 327.13 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND

DISTANCE OF, SOUTH 87°05'59" EAST, 325.53 FEET TO THE POINT OF TANGENCY OF SAID CURVE; COURSE NO. 3: SOUTH 77°15'59" EAST, 841.44 FEET TO AN INTERSECTION WITH THE WESTERLY RIGHT OF WAY LINE OF COASTLINE DRIVE, A VARIABLE WIDTH RIGHT OF WAY; THENCE NORTH 13°22'36" EAST, ALONG LAST SAID RIGHT OF WAY LINE, 28.22 FEET; THENCE NORTH 82°09'45" WEST, 40.18 FEET; THENCE NORTH 77°22'30" WEST, 390.19 FEET; THENCE SOUTH 4°42'06" WEST, 9.65 FEET; THENCE NORTH 77°15'59" WEST, 412.88 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE SOUTHERLY, HAVING A RADIUS OF 967.46 FEET; THENCE IN A WESTERLY DIRECTION, ALONG AND AROUND THE ARC OF SAID CURVE, AN ARC DISTANCE OF 332.11 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF, NORTH 87°05'59" WEST, 330.48 FEET; THENCE SOUTH 83°04'03" WEST, 116.73 FEET TO THE POINT OF BEGINNING.

THE ABOVE DESCRIBED PARCEL CONTAINS 23,060 SQUARE FEET, 0.53 ACRES, MORE OR LESS.

EXHIBIT B

Benefited Parcel  
[subject to confirmation by survey]

Exhibit L  
City Sewer Easement

Prepared by:  
Suzanne S. Howard  
Assistant General Counsel  
Office of General Counsel  
117 West Duval Street, Suite 480  
Jacksonville, Florida 32202

2-2-07

**GRANT OF EASEMENT  
(Sewer Utilities)**

This **GRANT OF EASEMENT**, is made as of this \_\_\_\_\_ day of \_\_\_\_\_, 2007, by and between **CITY OF JACKSONVILLE**, a municipal corporation, whose business address is 117 West Duval Street, Jacksonville, Florida, 32202 ("**Grantor**") and **JEA**, a body politic and corporate, whose business address is 21 West Church Street, Jacksonville, Florida, 32202 ("**Grantee**").

**RECITALS:**

The following recitals are a material part of this instrument:

A. Grantor owns certain land located in Duval County, Florida described in Exhibit A, attached hereto and made a part hereof, upon which is located the Jacksonville Landing and its adjacent parking lot (collectively, the "**Landing Property**").

B. Grantee owns and is now operating and using certain sewer utility lines and other sewer utility improvements within portions of the Landing Property.

C. Grantee desires to obtain from Grantor an easement in, to, on, over, across, under and through that portion of the Landing Property described in Exhibit B, attached hereto and made a part hereof (the "**Easement Premises**"), which easement is approximately 30 feet in width at grade as more specifically described on attached Exhibit B, and 30 feet below grade, with no obstructions on the surface, under or adjacent to such easement area, for the construction, use, operation and maintenance of facilities and associated equipment for sewer utilities.

D. Grantor desires to grant to Grantee an easement in, to, on, over, across, under and through the Easement Premises, on the terms and conditions hereunder and for the purposes set forth herein.

NOW, THEREFORE, in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by Grantor and Grantee, it is agreed as follows:

1. Ownership of Sewer Utility Improvements. Grantor hereby acknowledges and agrees that Grantee owns and has title to the existing sewer utility improvements within the Easement Premises.

2. Grant of Easement. Grantor hereby grants to Grantee, its successors and assigns, a perpetual, unobstructed easement to construct, lay, use, operate, maintain, improve, repair, replace, remove, and/or upgrade facilities and associated equipment for sewer utilities on, along, through, across, over and/or under (up to 30 feet below grade) the Easement Premises. Said facilities and associated equipment for sewer utilities shall be collectively referred to as the "**Utilities**". Grantee, its successors and assigns, shall also have the right of unobstructed ingress and egress in, to and over said Easement Premises, together also with the right and easements, privileges and appurtenances in and to said Easement Premises which may be required for the enjoyment of the rights herein granted.

3. Use and Limitations on Use of Easement Premises. Except as specifically reserved herein to Grantor, exclusive use of the Easement Premises is hereby granted, but only for the specific uses specified in Paragraph 2 above.

4. Reservation of Rights by Grantor.

A. Grantor hereby reserves the right to continue its existing use of the Easement Premises. Apart from such existing use, Grantor shall not use the Easement Premises, including the subsurface, surface and/or airspace, without the prior written consent of Grantee, nor shall any further easement or other interests be granted with respect to the Easement Premises, including subsurface, surface and/or airspace, by Grantor without the prior written consent of Grantee. In no event will Grantor build, create, construct, nor allow to be built, created or constructed any improvements or structures of any nature (other than the existing improvements) nor alter the grade or permit such alteration anywhere within the Easement Premises, including subsurface, surface and/or airspace, without the prior written consent of Grantee. In no event will Grantee consent to any use or improvements within the Easement Premises that would hamper the excavation of the Easement Premises or interfere with Grantee's use and operation of the Utilities.

B. To the extent permitted by Grantee, buildings or other structures or improvements may be erected or placed on or above the surface of the Easement Premises provided however that any such buildings or structures located on the surface or above the Easement Premises (i) shall include openings, access doors or removable panels in the exterior walls thereof, which openings, doors or panels shall have an aggregate height of at least thirteen (13) feet above grade to permit access to the Easement Premises by equipment required for the repair and maintenance of the Utilities, and (ii) shall be free of columns, mezzanines, floor slabs and other structural members within the first thirteen (13) feet of airspace above the surface of the Easement Premises, except for those which shall have readily removable openings to permit access to the



Easement Premises. Additionally, any bridges, overhangs or other improvements located between thirteen (13) and thirty (30) feet above the surface of the Easement Premises shall be designed and constructed so as to be removable by lifting hooks and cranes (any such removal to be at Grantor's cost and expense unless the structure has been constructed in such a manner that it is readily removable without impacting the structural integrity of the building structure) so as to permit access to the Easement Premises by equipment required for the repair and maintenance of the Utilities. Grantee shall not be responsible for any damage to any building, structure or other improvement located under, on or within 30 feet above the Easement Premises if Grantee is required to remove such structure in order to access the Utilities.

C. Any prior consents granted by Grantee with respect to construction on or over the Easement Premises shall not prevent Grantee from denying any future similar requests.

D. Grantor shall provide to Grantee the building plans for buildings or structures within the Easement Premises and Grantee shall advise Grantor in writing within 60 days from the date of such request whether or not Grantee consents to the improvements to be constructed pursuant to such plans. Should Grantee consent to such plans, construction pursuant to the same shall be deemed conclusively to be in accordance with this Paragraph 4.

E. Grantor may place or construct street furniture, kiosks or other removable structures in the Easement Premises, provided Grantor shall promptly remove the same, at its expense, upon the Grantee's request and when necessary in order to permit Grantee to exercise its rights herein granted.

F. Notwithstanding any contrary provisions of this Grant of Easement, Grantor shall not construct or install any improvements within the subsurface of Easement Premises without Grantee's consent.

5. Maintenance. Grantee shall keep and maintain the Utilities within the Easement Premises at all times in good operating order at its sole cost and expense. Grantor shall maintain the Easement Premises above grade in a clean and safe condition at its sole cost and expense. Grantee shall use reasonable efforts so that work performed by Grantee, its agents, employees, and representatives, in and about the Easement Premises related to or involving the construction, installation, maintenance, repairs, alteration, operation, replacement and/or removal of the Utilities will not unreasonably interfere with the business conducted on the Landing Property. Upon the completion of any work, Grantee, at its own cost and expense, shall promptly remove all debris, materials and equipment and restore any driveways, roadways and landscaping located within the Easement Premises that may have been damaged by Grantee in the same manner as specified in and in accordance with the latest edition, City of Jacksonville Standards Specifications, as if within a public right of way. Any repair or restoration of other improvements located within the Easement Premises or further repair or restoration of the driveways, roadways and landscaping beyond the scope of a City of Jacksonville

standard repair and restoration shall be the responsibility of Grantor, at Grantor's sole cost and expense. Grantee agrees to follow its standard safety practices for all work performed by Grantee in the Easement Premises.

6. Relocation of Easement Premises. Grantor shall have the right to relocate the Easement Premises subject to the following conditions:

(a) If Grantor desires to relocate the Easement Premises, Grantor shall provide written notice of such proposed relocation to Grantee along with a survey showing the relocated Easement Premises, a detailed description of the work to be performed in connection with the relocation of the Utilities, a cost estimate for relocation of the Utilities, and a schedule for such relocation. Grantee shall have the right, in its sole discretion, to deny the proposed relocation. Grantee shall provide Grantor written notice of its approval or denial of the proposed relocation within ninety (90) days of receipt of Grantor's notice of proposed relocation.

(b) The Easement Premises, as relocated, shall be unobstructed, the same width as the existing Easement Premises, and have similar access to a public road. Upon any relocation of the Easement Premises as set forth herein, Grantor and Grantee shall record an amendment to this Grant of Easement setting forth the legal description of the relocated Easement Premises.

(c) Grantor shall be responsible for the entire cost of any relocation of the Easement Premises and the Utilities to the extent any such relocation is requested by Grantor.

(d) Grantor and any contractors performing the relocation of the Utilities shall provide such insurance as required by Grantee.

7. Obligation to Comply with All Laws and Regulations. Grantee, as to the Easement Premises, and Grantor, as to its ownership interest in the land subject to this Grant of Easement, shall comply with all applicable governmental or quasi-governmental laws, ordinances, rules, regulations of every kind pertaining to their respective interests in the Easement Premises or to the use and occupancy thereof, including without limitation, any applicable law, ordinance, rule or regulation regarding or relating to environmental protection, pollution, sanitation or safety. Neither Grantor nor Grantee will commit or suffer any waste of the Easement Premises and will not use or permit any use of the Easement Premises for any illegal purpose or in any such way as to constitute a public nuisance or in any way so as to violate or breach any law, rule, regulation or ordinance to which their interest in the Easement Premises are subject.

8. Indemnification.

A. Subject to the limitations and provisions of Section 768.28, Florida Statutes (which provisions are not altered, expanded or waived hereby, and which provisions are applicable to Grantor but are not applicable to any non-governmental

entity to which Grantor may later convey any portion of the Easement Premises), Grantor shall indemnify, defend and hold harmless Grantee, its board members, officers, agents, servants, employees, successors and assigns against any claim, action, loss, damage, injury, liability, cost and expense of whatsoever kind or nature (including, but not by way of limitation, attorney's fees and court costs) arising out of injury (whether mental or corporeal) to persons, including death, or damage to property, arising out of or incidental to (i) any construction, alteration, improvement, repair, use, operation, maintenance, replacement or removal of any existing or future improvements of Grantor within the Easement Premises or the Landing Property, (ii) any act or omission of Grantor, its officers, agents, employees, servants, contractors, or invitees related to the Easement Premises or Landing Property, or (iii) relocation of the Easement Premises and Utilities by Grantor

B. Subject to the limitations and provisions of Section 768.28, Florida Statutes (which provisions are not altered, expanded or waived), Grantee shall indemnify, defend and hold harmless Grantor, its officers, agents, servants, employees, successors and assigns against any claim, action, loss, damage, injury, liability, cost and expense of whatsoever kind or nature (including, but not by way of limitation, attorney's fees and court costs) arising out of injury (whether mental or corporeal) to persons, including death, or damage to property, arising out of the negligent act or omission of Grantee, its board members, officers, agents, or employees, related to the Utilities, during the exercise of the rights granted by Grantor to the Grantee herein.

9. Insurance. Without limiting its liability under this Grant of Easement, Grantor will, at all times during this Grant of Easement procure and maintain at its sole expense insurance of the types and in the minimum amounts stated below. The provisions of this Paragraph 9 are not applicable to the City of Jacksonville but shall be applicable to any non-governmental entity to which Grantor may later convey any portion of the Easement Premises.

<u>SCHEDULE</u>	<u>AMOUNT</u>
<u>Worker's Compensation</u> Florida Statutory coverage and Employer's Liability (including appropriate Federal Acts)	Statutory Limits (Worker's Compensation) \$500,000 each accident (Employer's Liability)
<u>Commercial General Liability</u> Premises-Operations Products – Completed Operations Contractual Liability Independent Contractors Broad Form Property Damage Explosion, Collapse and Underground Hazards (XCU coverage) as appropriate Environmental Impairment Liability (coverage for sudden and accidental and	\$1,000,000 each occurrence and \$2,000,000 annual aggregate for bodily injury and property damage, combined single limit

gradual pollution including clean-up expenses)

Automobile Liability

All autos-owned, hired, or non-owned \$1,000,000 each occurrence,  
combined single limit

Excess or Umbrella Liability

\$50,000,000 each occurrence  
and annual aggregate

The Indemnity agreement set forth in Paragraph 8(A) is separate and apart from and is in no way limited by the insurance amounts stated above.

Grantor will specify Grantee as an additional insured for all coverages except Worker's Compensation and Employer's Liability. Such insurance will be primary to any and all other insurance or self-insurance maintained by Grantee to the extent of the coverage afforded under this Grant of Easement. Grantor will include a Waiver of Subrogation on all such insurance in favor of Grantee, its officers, employees, agents, successors and assigns.

Such insurance shall be written by a company or companies licensed to do business in the State of Florida and satisfactory to Grantee. At the time that Grantor is required to maintain insurance pursuant to this Grant of Easement, Grantor shall deliver certificates evidencing the maintenance of said insurance to Grantee for approval.

Any such insurance certificate shall provide that no material alteration or cancellation, including expiration and non-renewal, shall be effective until 30 days after receipt of written notice by Grantee.

Without limiting the liability of Grantor, Grantor will cause any general contractor and its subcontractors of all tiers who are constructing or performing other work on the Easement Premises or within the Landing Property, or any improvements located on either the Easement Premises or Landing Property to procure and maintain the insurance required of Grantor hereunder (except the Excess or Umbrella Liability insurance shall have minimum limits of \$2,000,000 each occurrence and annual aggregate) during any such work or construction during the life of any contract with it. Grantor will submit the contractor's and subcontractor's Certificates of Insurance to Grantee prior to allowing any contractor or subcontractor to begin work or construction, in, on, around or near the Easement Premises and/or Landing Property.

10. Running of Benefits and Burdens. All provisions of this instrument, including the benefits and burdens, run with the land and are binding upon and enure to the heirs, successors and assigns of the parties hereto.

11. Construction. The rule of strict construction does not apply to this grant. This grant shall be given a reasonable construction so that the intention of the parties to confer a commercially usable right of enjoyment on Grantee is carried out.

12. Notice. All notices to be given hereunder shall be in writing and personally delivered or sent by registered or certified mail, return receipt requested, or delivered by an air courier service utilizing return receipts only to the parties at the addresses set forth above in this instrument (or to such other or further addresses as the parties may designate by like notice similarly sent) and such notices shall be deemed given and received for all purposes under this instrument and shall be effective only upon receipt or when delivery is attempted and refused.

13. No Third Party Beneficiaries. This easement is granted only for the benefit of Grantee, its successors and assigns, and will bind the Grantor, its successors and assigns, and creates no third party beneficiaries.

14. Entire Agreement; Amendment. The parties hereto agree that the entire agreement between the parties with respect to the easement granted hereby is set forth in this instrument. This Grant of Easement may be amended only by an instrument in writing and signed by the persons who are the then owners of the fee simple title to the Easement Premises and the record owners of the rights of Grantee hereunder.

15. Consents. Whenever the Grantee's approval or consent is required herein, the Grantee will endeavor to respond within a reasonable time period and will act reasonably in reviewing and responding to each request for such consent or approval.

16. Waiver. No waiver of any of the provisions hereof shall be effective unless it is in writing and signed by the party against whom the waiver is asserted. Any such written waiver shall be applicable only to the specific instance to which it related and shall not be deemed to be a continuing waiver or waiver of any future matter.

17. Law and Venue. This Grant of Easement shall be enforced in accordance with the laws of the State of Florida. The agreed upon venue is Jacksonville, Duval County, Florida.

18. Representations. Grantor represents and warrants that it is the true owner of record of the Easement Premises and that it has full power and authority to grant to Grantee the rights granted hereunder.

IN WITNESS WHEREOF, each party has executed this instrument the day and year first above written.

**Signed and Sealed in Our Presence:**

**GRANTOR:**

**CITY OF JACKSONVILLE**, a municipal corporation

(Sign) \_\_\_\_\_  
(Print) \_\_\_\_\_

By: \_\_\_\_\_  
John Peyton  
Mayor

(Sign) \_\_\_\_\_  
(Print) \_\_\_\_\_

**Signed and Sealed in Our Presence:**

**ATTEST:**

(Sign) \_\_\_\_\_  
(Print) \_\_\_\_\_

By: \_\_\_\_\_  
Neill W. McArthur, Jr.  
Corporation Secretary

(Sign) \_\_\_\_\_  
(Print) \_\_\_\_\_

**STATE OF FLORIDA  
COUNTY OF DUVAL**

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2007, by John Peyton and Neill W. McArthur Jr., the Mayor and Corporation Secretary, respectively, of the City of Jacksonville, a municipal corporation, on behalf of the corporation. Such persons are personally known to me.

\_\_\_\_\_  
Print Name: \_\_\_\_\_  
NOTARY PUBLIC, State of Florida at Large  
My Commission Expires:

**WITNESSES:**

**JEA, a body politic and corporate**

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

By: \_\_\_\_\_

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

Title: \_\_\_\_\_

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

**STATE OF FLORIDA  
COUNTY OF DUVAL**

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2007, by \_\_\_\_\_, the \_\_\_\_\_ of JEA, a body politic and corporate, on behalf of JEA. Such person is personally known to me.

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

NOTARY PUBLIC, State of Florida at Large

My Commission Expires:

EXHIBIT A

Landing Property

[TO BE CONFIRMED BY SURVEY AND TITLE COMMITMENT PRIOR TO  
CLOSING]



EXHIBIT B

Easement Premises

[TO BE CONFIRMED BY SURVEY AND TITLE COMMITMENT PRIOR TO CLOSING]

**PARCEL C**

A PART OF THE Z. HOGAN'S GRANT, SECTION 39, TOWNSHIP 2 SOUTH, RANGE 26 EAST, DUVAL COUNTY, FLORIDA, MORE PARTICULARLY DESCRIBED AS FOLLOWS: FOR A POINT OF REFERENCE, COMMENCE AT INDEPENDENT DRIVE (AS RELOCATED BY THE FLORIDA DEPARTMENT OF TRANSPORTATION, AS SHOWN ON FLORIDA DEPARTMENT OF TRANSPORTATION PLAN 72070, SECTION 2703, SHEET 1) CENTERLINE STATION 24 + 29.29 AS SHOWN ON CITY OF JACKSONVILLE DEPARTMENT OF PUBLIC WORKS MAP OF THE PROPOSED CONVENTION CENTER (PROJECT NO. 30/3742/80, FILE NO. 6199, DATED SEPTEMBER 19, 1980); THENCE SOUTH 14°32'05" WEST, A DISTANCE OF 32.00 FEET TO A POINT ON THE SOUTHERLY RIGHT-OF-WAY LINE OF SAID INDEPENDENT DRIVE. SAID POINT LYING IN A CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 198.00 FEET; THENCE SOUTHEASTERLY ALONG LAST SAID RIGHT OF WAY LINE RUN THE FOLLOWING FOUR COURSES AND DISTANCES; COURSE NO. 1: SOUTHEASTERLY ALONG AND AROUND THE ARC OF SAID CURVE, AN ARC DISTANCE OF 178.92 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF, SOUTH 78°38'52" WEST, 172.89 FEET TO A POINT OF REVERSE CURVE OF A CURVE BEING CONCAVE NORTHWESTERLY, HAVING A RADIUS OF 262.00 FEET; COURSE NO. 2: SOUTHEASTERLY ALONG AND AROUND THE ARC OF SAID CURVE, AN ARC DISTANCE OF 103.34 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF, SOUTH 64°03'40" WEST, 102.68 FEET TO THE POINT OF BEGINNING; COURSE NO. 3: SOUTHEASTERLY CONTINUE ALONG LAST SAID CURVE, AN ARC DISTANCE OF 7.79 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF, SOUTH 76°12'45" WEST, 7.79 FEET; COURSE NO. 4: SOUTH 46°13'56" WEST, 17.41 FEET TO AN INTERSECTION WITH THE EASTERLY RIGHT OF WAY LINE OF HOGAN STREET, (A 70 FOOT WIDE RIGHT OF WAY); THENCE SOUTH 14°22'10" WEST, ALONG LAST SAID EASTERLY LINE 166.50 FEET; THENCE SOUTH 77°18'15" EAST, 774.17 FEET; THENCE SOUTH 82°54'45" EAST, 438.49 FEET TO THE WEST LINE OF THE LANDS DESCRIBED AND RECORDED IN OFFICIAL RECORDS BOOK 9195, PAGE 418, DUVAL COUNTY, FLORIDA; THENCE NORTH 14°33'09" EAST, ALONG LAST SAID WEST LINE, 30.26 FEET; THENCE NORTH 82°54'45" WEST, 441.00 FEET; THENCE NORTH 77°18'15" WEST, 753.22 FEET; THENCE NORTH 13°26'44" WEST, 154.43 FEET TO THE POINT OF BEGINNING.

Exhibit M  
City Utility Easements (Electric, All-Utilities and Drainage)

Prepared by:  
Suzanne S. Howard  
Assistant General Counsel  
Office of General Counsel  
117 West Duval Street, Suite 480  
Jacksonville, Florida 32202

2-3-07

**GRANT OF EASEMENT  
(Ingress/Egress and Electric Utilities)**

**This GRANT OF EASEMENT**, is made as of this \_\_\_\_\_ day of \_\_\_\_\_, 2007, by and between **CITY OF JACKSONVILLE**, a municipal corporation, whose business address is 117 West Duval Street, Jacksonville, Florida, 32202 ("Grantor") and **JEA**, a body politic and corporate, whose business address is 21 West Church Street, Jacksonville, Florida, 32202 ("Grantee").

**RECITALS:**

The following recitals are a material part of this instrument:

A. Grantor owns certain land located in Duval County, Florida described in **Exhibit A**, attached hereto and made a part hereof, upon which is located the Jacksonville Landing and its adjacent parking lot (collectively, the "Landing Property").

B. Grantee has heretofore constructed and operated certain electric utility lines and other electric utility improvements within portions of the Landing Property.

C. Grantee desires to acquire from Grantor an easement in, on, over, across, under and through that portion of the Landing Property described in **Exhibit B**, attached hereto and made a part hereof (the "Easement Premises") for ingress, egress and passage and the construction, use, operation and maintenance of facilities and associated equipment for electric utilities.

D. Grantor desires to grant to Grantee an easement in, on, over, across, under and through the Easement Premises, on the terms and conditions hereunder and for the purposes set forth herein.

NOW, THEREFORE, in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by Grantor and Grantee, it is agreed as follows:

1. Ownership of Electric Utility Improvements. Grantor hereby acknowledges and agrees that Grantee owns and has title to the existing electric utility improvements within the Easement Premises.

2. Grant of Easement. Grantor hereby grants to Grantee, its successors and assigns, a perpetual, unobstructed easement on, along, through, across, over (up to 18 feet above grade) and/or under the Easement Premises for the purposes of (a) ingress, egress and passage (both pedestrian and vehicular), and (b) constructing, laying, using, operating, maintaining, improving, repairing, replacing, removing, and/or upgrading facilities and associated equipment for electric utilities. Further, Grantor also grants to Grantee, its successors and assigns, the right and easements, privileges and appurtenances in and to said Easement Premises which may be required for the enjoyment of the rights herein granted. Said facilities and associated equipment for electric utilities shall be collectively referred to as the “Utilities”.

3. Use and Limitations on Use of Easement Premises. Except as specifically reserved herein to Grantor, exclusive use of the Easement Premises is hereby granted, but only for the specific uses specified in Paragraph 2 above.

4. Reservation of Rights by Grantor.

A. Grantor hereby reserves the right to continue its existing use of the Easement Premises. Apart from such existing use, Grantor shall not use the Easement Premises, including the subsurface, surface and/or airspace, without the prior written consent of Grantee, nor shall any further easement or other interests be granted with respect to the Easement Premises, including subsurface, surface and/or airspace, by Grantor without the prior written consent of Grantee. In no event will Grantor build, create, construct, nor allow to be built, created or constructed any improvements or structures of any nature (other than the existing improvements) nor alter the grade or permit such alteration anywhere within the Easement Premises, including subsurface, surface and/or airspace, without the prior written consent of Grantee. In no event will Grantee consent to any use or improvements within the Easement Premises that would hamper the excavation of the Easement Premises, interfere with Grantee’s use and operation of the Utilities, or interfere with Grantee’s access to the Utilities.

B. To the extent permitted by Grantee, buildings or other structures or improvements may be erected or placed on or above the surface of the Easement Premises provided however that any such buildings or structures located on the surface or above the Easement Premises (i) shall include openings, access doors or removable panels in the exterior walls thereof, which openings, doors or panels shall have an aggregate height of at least eighteen (18) feet above grade to permit access to the Easement Premises by equipment required for the repair and maintenance of the Utilities, and (ii) shall be free of columns, mezzanines, floor slabs and other structural members within the first eighteen (18) feet of airspace above the surface of the Easement Premises, except for those which shall have readily removable openings to permit access to the Easement Premises. Additionally, any bridges, overhangs or other improvements located between eighteen (18) and thirty (30) feet above the surface of the Easement Premises shall be designed and constructed so as to be removable by lifting hooks and cranes (any such removal to be at Grantor’s cost and expense unless the structure has been constructed in such a manner that it is readily removable without impacting the structural

integrity of the building structure) so as to permit access to the Easement Premises by equipment required for the repair and maintenance of the Utilities. Grantee shall not be responsible for any damage to any building, structure or other improvement located under, on or within 30 feet above the Easement Premises if Grantee is required to remove such structure in order to access the Utilities.

C. Any prior consents granted by Grantee with respect to construction on or over the Easement Premises shall not prevent Grantee from denying any future similar requests.

D. Grantor shall provide to Grantee the building plans for buildings or structures within the Easement Premises and Grantee shall advise Grantor in writing within 60 days from the date of such request whether or not Grantee consents to the improvements to be constructed pursuant to such plans. Should Grantee consent to such plans, construction pursuant to the same shall be deemed conclusively to be in accordance with this Paragraph 4.

E. Grantor may place or construct street furniture, kiosks or other removable structures in the Easement Premises, provided Grantor shall promptly remove the same, at its expense, upon the Grantee's request and when necessary in order to permit Grantee to exercise its rights herein granted.

F. Notwithstanding any contrary provisions of this Grant of Easement, Grantor shall not construct or install any improvements within the subsurface of Easement Premises without Grantee's consent.

5. Maintenance. Grantee shall keep and maintain the Utilities within the Easement Premises at all times in good operating order at its sole cost and expense. Grantor shall maintain the Easement Premises above grade in a clean and safe condition at its sole cost and expense. Grantee shall use reasonable efforts so that work performed by Grantee, its agents, employees, and representatives, in and about the Easement Premises related to or involving the construction, installation, maintenance, repairs, alteration, operation, replacement and/or removal of the Utilities will not unreasonably interfere with the business conducted on the Landing Property. Upon the completion of any work, Grantee, at its own cost and expense, shall promptly remove all debris, materials and equipment and restore any driveways, roadways and landscaping located within the Easement Premises that may have been damaged by Grantee in the same manner as specified in and in accordance with the latest edition, City of Jacksonville Standards and Specifications, as if within a public right of way. Any repair or restoration of other improvements located within the Easement Premises or further repair or restoration of the driveways, roadways and landscaping beyond the scope of a City of Jacksonville standard repair and restoration shall be the responsibility of Grantor, at Grantor's sole cost and expense. Grantee agrees to follow its standard safety practices for all work performed by Grantee in the Easement Premises.

6. Relocation of Easement Premises. Grantor shall have the right to relocate the Easement Premises subject to the following conditions:

(a) If Grantor desires to relocate the Easement Premises, Grantor shall provide written notice of such proposed relocation to Grantee along with a survey showing the relocated Easement Premises, a detailed description of the work to be performed in connection with the relocation of the Utilities, a cost estimate for relocation of the Utilities, and a schedule for such relocation. Grantee shall have the right, in its sole discretion, to deny the proposed relocation. Grantee shall provide Grantor written notice of its approval or denial of the proposed relocation within ninety (90) days of receipt of Grantor's notice of proposed relocation.

(b) The Easement Premises, as relocated, shall be unobstructed, the same width as the existing Easement Premises, and have similar access to a public road. Upon any relocation of the Easement Premises as set forth herein, Grantor and Grantee shall record an amendment to this Grant of Easement setting forth the legal description of the relocated Easement Premises.

(c) Grantor shall be responsible for the entire cost of any relocation of the Easement Premises and the Utilities to the extent any such relocation is requested by Grantor.

(d) Grantor and any contractors performing the relocation of the Utilities shall provide such insurance as required by Grantee.

7. Obligation to Comply with All Laws and Regulations. Grantee, as to the Easement Premises, and Grantor, as to its ownership interest in the land subject to this Grant of Easement, shall comply with all applicable governmental or quasi-governmental laws, ordinances, rules, regulations of every kind pertaining to their respective interests in the Easement Premises or to the use and occupancy thereof, including without limitation, any applicable law, ordinance, rule or regulation regarding or relating to environmental protection, pollution, sanitation or safety. Neither Grantor nor Grantee will commit or suffer any waste of the Easement Premises and will not use or permit any use of the Easement Premises for any illegal purpose or in any such way as to constitute a public nuisance or in any way so as to violate or breach any law, rule, regulation or ordinance to which their interest in the Easement Premises are subject.

8. Indemnification.

A. Subject to the limitations and provisions of Section 768.28, Florida Statutes (which provisions are not altered, expanded or waived hereby, and which provisions are applicable to Grantor but are not applicable to any non-governmental entity to which Grantor may later convey any portion of the Easement Premises), Grantor shall indemnify, defend and hold harmless Grantee, its board members, officers, agents, servants, employees, successors and assigns against any claim, action, loss, damage, injury, liability, cost and expense of whatsoever kind or nature (including, but not by way

of limitation, attorney's fees and court costs) arising out of injury (whether mental or corporeal) to persons, including death, or damage to property, arising out of or incidental to (i) any construction, alteration, improvement, repair, use, operation, maintenance, replacement or removal of any existing or future improvements of Grantor within the Easement Premises or the Landing Property, (ii) any act or omission of Grantor, its officers, agents, employees, servants, contractors, or invitees related to the Easement Premises or Landing Property, or (iii) relocation of the Easement Premises and Utilities by Grantor.

B. Subject to the limitations and provisions of Section 768.28, Florida Statutes (which provisions are not altered, expanded or waived), Grantee shall indemnify, defend and hold harmless Grantor, its officers, agents, servants, employees, successors and assigns against any claim, action, loss, damage, injury, liability, cost and expense of whatsoever kind or nature (including, but not by way of limitation, attorney's fees and court costs) arising out of injury (whether mental or corporeal) to persons, including death, or damage to property, arising out of the sole negligent act or omission of Grantee, its board members, officers, agents, or employees, related to the Utilities, during the exercise of the rights granted by Grantor to the Grantee herein.

9. Running of Benefits and Burdens. All provisions of this instrument, including the benefits and burdens, run with the land and are binding upon and enure to the heirs, successors and assigns of the parties hereto.

10. Consents. Whenever the Grantee's approval or consent is required herein, the Grantee will endeavor to respond within a reasonable time period and will act reasonably in reviewing and responding to each request for such consent or approval.

11. Construction. The rule of strict construction does not apply to this grant. This grant shall be given a reasonable construction so that the intention of the parties to confer a commercially usable right of enjoyment on Grantee is carried out.

12. Notice. All notices to be given hereunder shall be in writing and personally delivered or sent by registered or certified mail, return receipt requested, or delivered by an air courier service utilizing return receipts only to the parties at the addresses set forth above in this instrument (or to such other or further addresses as the parties may designate by like notice similarly sent) and such notices shall be deemed given and received for all purposes under this Grant of Easement and shall be effective only upon receipt or when delivery is attempted and refused.

13. No Third Party Beneficiaries. This easement is granted only for the benefit of Grantee, its successors and assigns, and binds the Grantor, its successor and assigns, and creates no third party beneficiaries.

14. Entire Agreement; Amendment. The parties hereto agree that the entire agreement between the parties with respect to the easement granted hereby is set forth in this instrument. This Grant of Easement may be amended only by an instrument in

writing and signed by the persons who are the then owners of the fee simple title to the Easement Premises and the record owners of the rights of Grantee hereunder.

15. Waiver. No waiver of any of the provisions hereof shall be effective unless it is in writing and signed by the party against whom the waiver is asserted. Any such written waiver shall be applicable only to the specific instance to which it related and shall not be deemed to be a continuing waiver or waiver of any future matter.

16. Law and Venue. This Grant of Easement shall be enforced in accordance with the laws of the State of Florida. The agreed upon venue is Jacksonville, Duval County, Florida.

17. Representations. Grantor represents and warrants that it is the true owner of record of the Easement Premises and that it has full power and authority to grant to Grantee the rights granted hereunder.

**IN WITNESS WHEREOF**, each party has executed this instrument the day and year first above written.

**Signed and Sealed in Our Presence:**

**GRANTOR:**

**CITY OF JACKSONVILLE**, a municipal corporation

(Sign) \_\_\_\_\_  
(Print) \_\_\_\_\_

By: \_\_\_\_\_  
John Peyton  
Mayor

(Sign) \_\_\_\_\_  
(Print) \_\_\_\_\_

**Signed and Sealed in Our Presence:**

**ATTEST:**

(Sign) \_\_\_\_\_  
(Print) \_\_\_\_\_

By: \_\_\_\_\_  
Neill W. McArthur, Jr.  
Corporation Secretary

(Sign) \_\_\_\_\_  
(Print) \_\_\_\_\_



**STATE OF FLORIDA  
COUNTY OF DUVAL**

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2007, by John Peyton and Neill W. McArthur Jr., the Mayor and Corporation Secretary, respectively, of the City of Jacksonville, a municipal corporation, on behalf of the corporation. Such persons are personally known to me.

\_\_\_\_\_  
Print Name: \_\_\_\_\_  
NOTARY PUBLIC, State of Florida at Large  
My Commission Expires:

[signatures continued on next page]

**WITNESSES:**

**JEA, a body politic and corporate**

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

By: \_\_\_\_\_

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

Title: \_\_\_\_\_

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

**STATE OF FLORIDA  
COUNTY OF DUVAL**

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2007, by \_\_\_\_\_, the \_\_\_\_\_ of JEA, a body politic and corporate, on behalf of JEA. Such person is personally known to me.

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

NOTARY PUBLIC, State of Florida at Large

My Commission Expires:

EXHIBIT A

Landing Property  
[to be confirmed by survey and title]

EXHIBIT B

Easement Premises  
[to be confirmed by survey and title]

PARCEL A

A PART OF THE Z. HOGAN'S GRANT, SECTION 39, TOWNSHIP 2 SOUTH, RANGE 26 EAST, DUVAL COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: COMMENCE AT INDEPENDENT DRIVE (AS RELOCATED BY THE FLORIDA DEPARTMENT OF TRANSPORTATION, AS SHOWN ON DEPARTMENT OF TRANSPORTATION PLAN 72070, SECTION 2703, SHEET 1) CENTERLINE STATION 24 + 29.29 AS SHOWN ON CITY OF JACKSONVILLE DEPARTMENT OF PUBLIC WORKS MAP OF THE PROPOSED CONVENTION CENTER (PROJECT NO. 30/3742/80, FILE NO. 6199, DATED SEPTEMBER 19, 1980); THENCE SOUTH 14°32'05" WEST, 32.00 FEET TO THE SOUTHERLY RIGHT-OF-WAY LINE OF SAID INDEPENDENT DRIVE; THENCE SOUTH 75°27'55" EAST ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE OF INDEPENDENT DRIVE, 55.64 FEET; THENCE SOUTHEASTERLY ALONG THE SOUTHWESTERLY RIGHT-OF-WAY LINE OF RAMP "C" OF THE MAIN STREET BRIDGE, AS SHOWN ON STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY MAP OF STATE ROAD NO.5, DATED MARCH 25, 1974, THE FOLLOWING FOUR COURSES AND DISTANCES: COURSE NO. 1: SOUTH 58°44'51" EAST, 76.11 FEET TO THE POINT OF BEGINNING; COURSE NO. 2: CONTINUE SOUTH 58°44'51" EAST, 26.58 FEET; COURSE NO.3: SOUTH 66°25'56" EAST, 114.65 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE SOUTHWESTERLY, HAVING A RADIUS OF 406.00 FEET; COURSE NO 4: IN A SOUTHEASTERLY DIRECTION ALONG AND AROUND THE ARC OF SAID CURVE AN ARC DISTANCE OF 202.89 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF SOUTH 52°07'00" EAST, 200.78 FEET; THENCE SOUTH 26°10'34" EAST, 169.79 FEET; THENCE SOUTH 84°34'09" EAST, 100.22 FEET THE SOUTHEASTERLY RIGHT OF WAY OF RAMP B AS SHOWN ON SAID DEPARTMENT OF TRANSPORTATION MAPS, AND THE WESTERLY BOUNDARY OF THE LANDS DESCRIBED AND RECORDED IN OFFICIAL RECORDS VOLUME 6138, PAGE 2127 OF THE CURRENT RECORDS, SAID COUNTY, SAID POINT LYING IN A CURVE CONCAVE SOUTHEASTERLY AND HAVING A RADIUS OF 156.00 FEET; THENCE NORTHEASTERLY ALONG AND AROUND THE ARC OF SAID CURVE AND SAID WESTERLY BOUNDARY, AN ARC DISTANCE OF 28.51 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF NORTH 27°43'07" EAST, 28.47 FEET; THENCE NORTH 66°36'57" EAST, 154.62 FEET; THENCE NORTH 78°22'03" EAST, 58.93 FEET; THENCE SOUTH 77°23'48" EAST, 76.87 FEET; THENCE SOUTH 14°33'09" WEST, 20.01 FEET; THENCE SOUTH 77°23'48" EAST, 20.01 FEET; THENCE SOUTH 14°33'09" WEST, 140.06 FEET; THENCE NORTH 78°44'18" WEST, 20.03 FEET; THENCE SOUTH 14°27'28"

WEST, 106.71 FEET TO THE WATERWARD FACE OF THE CONCRETE BULKHEAD OF THE ST JOHNS RIVER; THENCE SOUTH 77°15'59" EAST, ALONG SAID BULKHEAD, 35.55 FEET TO AN INTERSECTION WITH THE WESTERLY RIGHT OF WAY LINE OF COASTLINE DRIVE, (A VARIABLE WIDTH RIGHT OF WAY); THENCE NORTH 13°22'36" EAST, ALONG LAST SAID LINE 67.57 FEET TO AN INTERSECTION WITH THE NORTHERLY RIGHT OF WAY LINE OF SAID COASTLINE DRIVE; THENCE SOUTH 78°44'37" EAST, ALONG LAST SAID LINE 5.69 FEET; THENCE NORTH 14°33'09" EAST, 199.60 FEET; THENCE SOUTH 77°23'46" EAST, 51.46 FEET TO AN INTERSECTION WITH THE WESTERLY BOUNDARY OF THE LANDS DESCRIBED AND RECORDED IN OFFICIAL RECORDS BOOK 9195, PAGE 418 OF SAID CURRENT PUBLIC RECORDS; THENCE NORTHERLY, WESTERLY, AND EASTERLY, ALONG LAST SAID BOUNDARY THE FOLLOWING FIVE, (5) COURSES AND DISTANCE; COURSE NO. 1: NORTH 11°45'46" EAST, 72.51 FEET; COURSE NO. 2: NORTH 78°14'14" WEST, 21.55 FEET; COURSE NO. 3: NORTH 11°54'45" EAST, 22.22 FEET; COURSE NO. 4: SOUTH 78°14'14" EAST, 21.49 FEET; COURSE NO. 5: NORTH 11°45'46" EAST, 34.11 FEET TO AN INTERSECTION WITH AFORESAID SOUTHEASTERLY RIGHT OF WAY OF RAMP "B", AND THE NORTHERLY BOUNDARY OF AFORESAID LANDS DESCRIBED AND RECORDED IN OFFICIAL RECORDS VOLUME 6138, PAGE 2127, SAID POINT ALSO BEING THE NORTHEAST CORNER THEREOF; THENCE SOUTH 78°22'03" WEST, ALONG SAID BOUNDARY LINE 274.92 FEET; THENCE SOUTH 66°36'57" WEST, 132.17 FEET; THENCE NORTH 82°33'56" WEST, 106.11 FEET TO AN INTERSECTION WITH THE EASTERLY BOUNDARY OF THE LANDS DESCRIBED AND RECORDED IN OFFICIAL RECORDS VOLUME 6138, PAGE 2127, SAID POINT LYING IN A CURVE BEING CONCAVE SOUTHWESTERLY AND HAVING A RADIUS OF 421.00 FEET; THENCE IN A NORTHWESTERLY DIRECTION ALONG SAID EASTERLY BOUNDARY THE FOLLOWING FOUR COURSES AND DISTANCE: COURSE NO. 1: ALONG AND AROUND THE ARC OF SAID CURVE AN ARC DISTANCE OF 340.91 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF NORTH 43°14'06" WEST, 331.68 FEET TO THE POINT OF TANGENCY OF SAID CURVE; COURSE NO. 2: NORTH 66°25'56" WEST, 36.00 FEET; COURSE NO. 3: NORTH 44°45'42" WEST, 24.37 FEET; COURSE NO. 4: NORTH 66°25'56" WEST, 34.00 FEET TO THE NORTHWESTERLY CORNER THEREOF; THENCE NORTH 23°34'04" EAST, ALONG A NORTHEASTERLY PROLONGATION OF THE WESTERLY LINE OF LAST SAID LANDS 14.84 FEET TO THE FORMER SOUTHERLY RIGHT OF WAY LINE OF SAID INDEPENDENT DRIVE; THENCE NORTH 75°27'55" WEST, ALONG THE LAST SAID LINE, 26.81 FEET; THENCE IN A NORTHWESTERLY DIRECTION ALONG LAST SAID SOUTERLY LINE THE FOLLOWING TWO COURSES AND DISTANCE: COURSE NO. 1: NORTH 75°27'55" WEST, 26.81 FEET; COURSE NO. 2: NORTH 72°34'20" WEST, 18.04 FEET; THENCE SOUTH 31°15'09" WEST, 29.41 FEET TO THE POINT OF BEGINNING.

Prepared by:  
Suzanne S. Howard  
Assistant General Counsel  
Office of General Counsel  
117 West Duval Street, Suite 480  
Jacksonville, Florida 32202

2-3-07

**NON-EXCLUSIVE GRANT OF EASEMENT  
(All Utilities)**

**This GRANT OF EASEMENT**, is made as of this \_\_\_\_\_ day of \_\_\_\_\_, 2007, by and between **CITY OF JACKSONVILLE**, a municipal corporation, whose business address is 117 West Duval Street, Jacksonville, Florida, 32202 ("Grantor") and **JEA**, a body politic and corporate, whose business address is 21 West Church Street, Jacksonville, Florida, 32202 ("Grantee").

**RECITALS:**

The following recitals are a material part of this instrument:

A. Grantor owns certain land located in Duval County, Florida described in **Exhibit A**, attached hereto and made a part hereof, upon which is located the Jacksonville Landing and its adjacent parking lot (collectively, the "Landing Property").

B. Grantee has heretofore constructed and operated certain electrical, water reuse, water, sewer, and/or other public utilities or quasi-utilities (collectively the "Utilities") within portions of the Landing Property.

C. Grantee desires to acquire from Grantor an easement in, on, over, across, under and through that portion of the Landing Property where the Main Street Bridge ramps are located on the Downtown North Bank, and certain land between such bridge ramps, as more specifically described in **Exhibit B**, attached hereto and made a part hereof (the "Easement Premises"), for construction, use, operation and maintenance of the Utilities and associated equipment for the Utilities.

D. Grantor desires to grant to Grantee an easement in, on, over, across, under and through the Easement Premises, on the terms and conditions hereunder and for the purposes set forth herein.

NOW, THEREFORE, in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by Grantor and Grantee, it is agreed as follows:

1. Ownership of Utility Improvements. Grantor hereby acknowledges and agrees that Grantee owns and has title to the existing Utility improvements within the Easement Premises.

2. Grant of Easement. Grantor hereby grants to Grantee, its successors and assigns, a perpetual, unobstructed right of way and easement with the right, privilege, and authority to Grantee, its successors and assigns, to construct, operate, lay, maintain, improve, and/or repair, either above or below the surface of the ground, facilities and associated equipment for the Utilities, on, along, over, through, across, or under the Easement Premises. Grantor further grants to Grantee, its successors and assigns, the right of ingress and egress to and over said Easement Parcel, and for doing anything necessary or useful or convenient, or removing at any time any and all of said improvements under or in said lands, together also with the right and easements, privileges and appurtenances in and to said land which may be required for the enjoyment of the rights herein granted.

3. Use and Limitations on Use of Easement Premises. Except as specifically reserved herein to Grantor, exclusive use of the Easement Premises is hereby granted, but only for the specific uses specified in Paragraph 2 above.

4. Reservation of Rights by Grantor.

A. Grantor hereby reserves the right to continue its existing use of the Easement Premises. Apart from such existing use, Grantor shall not use the Easement Premises, including the subsurface, surface and/or airspace, without the prior written consent of Grantee, nor shall any further easement or other interests be granted with respect to the Easement Premises, including subsurface, surface and/or airspace, by Grantor without the prior written consent of Grantee. In no event will Grantor build, create, construct, nor allow to be built, created or constructed any improvements or structures of any nature (other than the existing improvements) nor alter the grade or permit such alteration anywhere within the Easement Premises, including subsurface, surface and/or airspace, without the prior written consent of Grantee. In no event will Grantee consent to any use or improvements within the Easement Premises that would hamper the excavation of the Easement Premises, interfere with Grantee's use and operation of the Utilities, or interfere with Grantee's access to the Utilities.

B. Any prior consents granted by Grantee with respect to construction on or over the Easement Premises shall not prevent Grantee from denying any future similar requests.

C. Grantor shall provide to Grantee the building plans for buildings or structures within the Easement Premises and Grantee shall advise Grantor in writing within 60 days from the date of such request whether or not Grantee consents to the improvements to be constructed pursuant to such plans. Should Grantee consent to such plans, construction pursuant to the same shall be deemed conclusively to be in accordance with this Paragraph 4.

D. Grantor may place or construct street furniture, kiosks or other removable structures in the Easement Premises, provided Grantor shall promptly remove the same, at its expense, upon the Grantee's request and when necessary in order to permit Grantee to exercise its rights herein granted.

E. Notwithstanding any contrary provisions of this Grant of Easement, Grantor shall not construct or install any improvements within the subsurface of Easement Premises without Grantee's consent.

5. Maintenance. Grantee shall keep and maintain the Utilities within the Easement Premises at all times in good operating order at its sole cost and expense. Grantor shall maintain the Easement Premises above grade in a clean and safe condition at its sole cost and expense. Grantee shall use reasonable efforts so that work performed by Grantee, its agents, employees, and representatives, in and about the Easement Premises related to or involving the construction, installation, maintenance, repairs, alteration, operation, replacement and/or removal of the Utilities will not unreasonably interfere with the business conducted on the Landing Property. Upon the completion of any work, Grantee, at its own cost and expense, shall promptly remove all debris, materials and equipment and restore any driveways, roadways and landscaping located within the Easement Premises that may have been damaged by Grantee in the same manner as specified in and in accordance with the latest edition, City of Jacksonville Standards and Specifications, as if within a public right of way. Any repair or restoration of other improvements located within the Easement Premises or further repair or restoration of the driveways, roadways and landscaping beyond the scope of a City of Jacksonville standard repair and restoration shall be the responsibility of Grantor, at Grantor's sole cost and expense. Grantee agrees to follow its standard safety practices for all work performed by Grantee in the Easement Premises.

6. Relocation of Easement Premises. Grantor shall have the right to relocate the Easement Premises subject to the following conditions:

(a) If Grantor desires to relocate the Easement Premises, Grantor shall provide written notice of such proposed relocation to Grantee along with a survey showing the relocated Easement Premises, a detailed description of the work to be performed in connection with the relocation of the Utilities, a cost estimate for relocation of the Utilities, and a schedule for such relocation. Grantee shall have the right, in its sole discretion, to deny the proposed relocation. Grantee shall provide Grantor written notice of its approval or denial of the proposed relocation within ninety (90) days of receipt of Grantor's notice of proposed relocation.

(b) The Easement Premises, as relocated, shall be unobstructed, the same width as the existing Easement Premises, and have similar access to a public road. Upon any relocation of the Easement Premises as set forth herein, Grantor and Grantee shall record an amendment to this Grant of Easement setting forth the legal description of the relocated Easement Premises.



(c) Grantor shall be responsible for the entire cost of any relocation of the Easement Premises and the Utilities to the extent any such relocation is requested by Grantor.

(d) Grantor and any contractors performing the relocation of the Utilities shall provide such insurance as required by Grantee.

7. Obligation to Comply with All Laws and Regulations. Grantee, as to the Easement Premises, and Grantor, as to its ownership interest in the land subject to this Grant of Easement, shall comply with all applicable governmental or quasi-governmental laws, ordinances, rules, regulations of every kind pertaining to their respective interests in the Easement Premises or to the use and occupancy thereof, including without limitation, any applicable law, ordinance, rule or regulation regarding or relating to environmental protection, pollution, sanitation or safety. Neither Grantor nor Grantee will commit or suffer any waste of the Easement Premises and will not use or permit any use of the Easement Premises for any illegal purpose or in any such way as to constitute a public nuisance or in any way so as to violate or breach any law, rule, regulation or ordinance to which their interest in the Easement Premises are subject.

8. Indemnification.

A. Subject to the limitations and provisions of Section 768.28, Florida Statutes (which provisions are not altered, expanded or waived hereby, and which provisions are applicable to Grantor but are not applicable to any non-governmental entity to which Grantor may later convey any portion of the Easement Premises), Grantor shall indemnify, defend and hold harmless Grantee, its board members, officers, agents, servants, employees, successors and assigns against any claim, action, loss, damage, injury, liability, cost and expense of whatsoever kind or nature (including, but not by way of limitation, attorney's fees and court costs) arising out of injury (whether mental or corporeal) to persons, including death, or damage to property, arising out of or incidental to (i) any construction, alteration, improvement, repair, use, operation, maintenance, replacement or removal of any existing or future improvements of Grantor within the Easement Premises or the Landing Property, (ii) any act or omission of Grantor, its officers, agents, employees, servants, contractors, or invitees related to the Easement Premises or Landing Property, or (iii) relocation of the Easement Premises and Utilities by Grantor.

B. Subject to the limitations and provisions of Section 768.28, Florida Statutes (which provisions are not altered, expanded or waived hereby), Grantee shall indemnify, defend and hold harmless Grantor, its officers, agents, servants, employees, successors and assigns against any claim, action, loss, damage, injury, liability, cost and expense of whatsoever kind or nature (including, but not by way of limitation, attorney's fees and court costs) arising out of injury (whether mental or corporeal) to persons, including death, or damage to property, arising out of the sole negligent act or omission

of Grantee, its board members, officers, agents, or employees, related to the Utilities, during the exercise of the rights granted by Grantor to the Grantee herein.

9. Running of Benefits and Burdens. All provisions of this instrument, including the benefits and burdens, run with the land and are binding upon and enure to the heirs, successors and assigns of the parties hereto.

10. Consents. Whenever the Grantee's approval or consent is required herein, the Grantee will endeavor to respond within a reasonable time period and will act reasonably in reviewing and responding to each request for such consent or approval.

11. Construction. The rule of strict construction does not apply to this grant. This grant shall be given a reasonable construction so that the intention of the parties to confer a commercially usable right of enjoyment on Grantee is carried out.

12. Notice. All notices to be given hereunder shall be in writing and personally delivered or sent by registered or certified mail, return receipt requested, or delivered by an air courier service utilizing return receipts only to the parties at the addresses set forth above in this instrument (or to such other or further addresses as the parties may designate by like notice similarly sent) and such notices shall be deemed given and received for all purposes under this Grant of Easement and shall be effective only upon receipt or when delivery is attempted and refused.

13. No Third Party Beneficiaries. This easement is granted only for the benefit of Grantee, its successors and assigns, and binds the Grantor, its successor and assigns, and creates no third party beneficiaries.

14. Entire Agreement; Amendment. The parties hereto agree that the entire agreement between the parties with respect to the easement granted hereby is set forth in this instrument. This Grant of Easement may be amended only by an instrument in writing and signed by the persons who are the then owners of the fee simple title to the Easement Premises and the record owners of the rights of Grantee hereunder.

15. Waiver. No waiver of any of the provisions hereof shall be effective unless it is in writing and signed by the party against whom the waiver is asserted. Any such written waiver shall be applicable only to the specific instance to which it related and shall not be deemed to be a continuing waiver or waiver of any future matter.

16. Law and Venue. This Grant of Easement shall be enforced in accordance with the laws of the State of Florida. The agreed upon venue is Jacksonville, Duval County, Florida.

17. Overlap with Other Easements.

**A. Easements Granted to Grantee and Grantor. JEA and This Easement is being recorded simultaneously with the Grant of Easement (Sewer Utilities) and**

Grant of Easement (Ingress/Egress Electric Utilities) made by Grantor in favor of Grantee (the "Sewer Easement" and "Electric Easement", respectively), and subsequent to the recording of this Easement, Grantor will be recording the Grant of Easement (Drainage Utilities) made by Grantor in favor of Jacksonville Landing Investments, LLC, a Florida limited liability company (the "Drainage Easement", and together with the Sewer Easement and Electric Easement, the "Specific Easements"). Portions of the Easement Parcel described herein overlap portions of the respective easement parcels described in the Specific Easements. The terms and conditions of this Easement shall supersede and control over the terms and conditions of the Specific Easements with respect to the utilities (drainage, sewer and electric) located within the Easement Parcel described herein.

B. Prior Easement Granted to FDOT. The parties acknowledge and agree that the Easement Parcel is subject, among other things, to the Perpetual Right of Way Easement dated May 3, 1974, from Grantor to the State of Florida, for the Use and Benefit of the State of Florida, Department of Transportation ("FDOT"), recorded at official records volume 3722, page 216, of the current public records of Duval County, Florida (the "FDOT Easement"), pertaining to the Main Street Bridge right of way and also for any and all public utilities in such right of way. Notwithstanding anything herein, the FDOT Easement is superior to and controls over the terms and conditions hereof, and the parties agree to abide by the terms of the FDOT Easement.

IN WITNESS WHEREOF, each party has executed this instrument the day and year first above written.

Signed and Sealed in Our  
Presence:

GRANTOR:

CITY OF JACKSONVILLE, a  
municipal corporation

(Sign) \_\_\_\_\_  
(Print) \_\_\_\_\_

By: \_\_\_\_\_  
John Peyton  
Mayor

(Sign) \_\_\_\_\_  
(Print) \_\_\_\_\_

**Signed and Sealed in Our  
Presence:**

(Sign) \_\_\_\_\_  
(Print) \_\_\_\_\_

(Sign) \_\_\_\_\_  
(Print) \_\_\_\_\_

**ATTEST:**

By: \_\_\_\_\_  
Neill W. McArthur, Jr.  
Corporation Secretary

**STATE OF FLORIDA  
COUNTY OF DUVAL**

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2007, by John Peyton and Neill W. McArthur Jr., the Mayor and Corporation Secretary, respectively, of the City of Jacksonville, a municipal corporation, on behalf of the corporation. Such persons are personally known to me.

\_\_\_\_\_  
Print Name: \_\_\_\_\_  
NOTARY PUBLIC, State of Florida at Large  
My Commission Expires:

[signatures continued on next page]

**WITNESSES:**

**JEA, a body politic and corporate**

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

By: \_\_\_\_\_

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

Title: \_\_\_\_\_

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

**STATE OF FLORIDA  
COUNTY OF DUVAL**

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2007, by \_\_\_\_\_, the \_\_\_\_\_ of JEA, a body politic and corporate, on behalf of JEA. Such person is personally known to me.

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

NOTARY PUBLIC, State of Florida at Large

My Commission Expires:

EXHIBIT A

Landing Property  
[to be confirmed by survey and title]

EXHIBIT B

Easement Premises  
[to be confirmed by survey and title]

**BRIDGE RAMPS PARCEL:**

A PORTION OF THE Z. HOGAN'S GRANT, SECTION 39, TOWNSHIP 2 SOUTH, RANGE 26 EAST, DUVAL COUNTY, FLORIDA. BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE INTERSECTION OF THE SOUTHERLY RIGHT OF WAY LINE OF WATER STREET, (A VARIABLE WIDTH R/W AT THIS POINT), WITH A SOUTHERLY PROLONGATION OF THE EASTERLY LINE OF WATER LOT 20, AS SHOWN ON THE PLAT OF, HARTS' MAP OF JACKSONVILLE, FORMER PUBLIC RECORDS; THENCE SOUTH 75°50'55" EAST, ALONG SAID SOUTHERLY PROLONGATION, 9.53 FEET TO THE POINT OF BEGINNING. THENCE SOUTH 75°27'55" EAST, A DISTANCE OF 36.83 FEET TO A POINT BEING PERPENDICULAR, (90°00'00"), TO THE CONCRETE OVERHEAD STRUCTURE OF THE EASTERLY SIDE OF THE ENTRANCE RAMP OF THE MAIN STREET BRIDGE, (AS SHOWN ON THE DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY MAP SECTION 72070-2703, SHEET 2, PROJECT NUMBER 30/3742/80, FILE NUMBER 6199, DATED SEPTEMBER 19, 1980, FILED IN THE OFFICE OF THE CITY ENGINEER OF SAID COUNTY), SAID POINT ALSO LYING IN A CURVE CONCAVE EASTERLY, HAVING A RADIUS OF 931.93 FEET; THENCE CONTINUE TO FOLLOW LAST SAID RAMP, IN A SOUTHWESTERLY DIRECTION ALONG AND AROUND THE ARC OF SAID CURVE, AN ARC DISTANCE OF 99.36 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF, SOUTH 13°12'24" WEST, 99.31 FEET; THENCE SOUTH 77°17'24" EAST, 59.96 FEET, TO A POINT BEING PERPENDICULAR, (90°00'00"), TO THE CONCRETE OVERHEAD STRUCTURE OF THE NORTHWESTERLY SIDE OF EXIT RAMP "A", AS SHOWN ON SAID DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY MAPS, SAID POINT ALSO LYING IN A CURVE CONCAVE SOUTHEASTERLY, HAVING A RADIUS OF 253.00 FEET; THENCE IN A NORTHEASTERLY DIRECTION FOLLOWING LAST SAID RAMP RUN THE FOLLOWING TWO, (2) COURSES AND DISTANCES; COURSE NO. 1: IN A NORTHEASTERLY DIRECTION ALONG AND AROUND THE ARC OF SAID CURVE, AN ARC DISTANCE OF 17.19 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF, NORTH 52°54'09" EAST, 17.19 FEET TO THE POINT OF TANGENCY OF SAID CURVE; COURSE NO. 2: NORTH 54°50'53" EAST, A DISTANCE OF 110.04 FEET, THENCE SOUTH 75°27'55" EAST, A DISTANCE OF 60.33 FEET, A POINT BEING PERPENDICULAR, (90°00'00"), TO THE CONCRETE OVERHEAD STRUCTURE OF SOUTHEASTERLY SIDE OF SAID RAMP "A", THENCE SOUTH 54°50'53" WEST, FOLLOWING LAST SAID RAMP, A DISTANCE OF 63.12 FEET TO A POINT BEING PERPENDICULAR, (90°00'00"), TO THE CONCRETE OVERHEAD

STRUCTURE OF NORTHERLY SIDE OF EXIT RAMP "B", AS SHOWN ON SAID DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY MAPS; THENCE FOLLOWING LAST SAID RAMP NORTH 78°22'03" EAST, DISTANCE OF 131.52 TO A POINT ON A CURVE CONCAVE NORTHERLY, HAVING A RADIUS OF 269.47 FEET THENCE IN A EASTERLY DIRECTION ALONG AND AROUND THE ARC OF SAID CURVE, AN ARC DISTANCE OF 81.11 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF, SOUTH 88°48'32" EAST, 80.81 FEET; THENCE SOUTH 14°33'09" WEST, A DISTANCE OF 40.17 FEET, TO THE NORTHERLY BOUNDARY OF THE LANDS DESCRIBED AND RECORDED IN OFFICIAL RECORDS VOLUME 6138, PAGE 2121, OF THE CURRENT PUBLIC RECORDS, SAID COUNTY, SAID POINT BEING PERPENDICULAR, (90°00'00"), TO THE CONCRETE OVERHEAD STRUCTURE OF SOUTHERLY SIDE OF SAID RAMP "B", THENCE IN A WESTERLY, SOUTHWESTERLY, AND SOUTHERLY DIRECTION FOLLOWING LAST SAID RAMP, "B" AND LAST SAID BOUNDARY AND IT'S SOUTHERLY PROLONGATION THEREOF, RUN THE FOLLOWING THREE, (3), COURSES AND DISTANCES COURSE NO. 1: SOUTH 78°22'03" WEST, A DISTANCE OF 236.75 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE SOUTHEASTERLY, HAVING A RADIUS OF 156.00 FEET; COURSE NO. 2: IN A SOUTHWESTERLY DIRECTION ALONG AND AROUND THE ARC OF SAID CURVE, AN ARC DISTANCE OF 200.40 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF, SOUTH 41°34'02" WEST, 186.90 FEET TO THE POINT OF TANGENCY OF SAID CURVE; COURSE NO. 3: SOUTH 04°46'05" WEST, A DISTANCE OF 52.15 FEET; THENCE NORTH 77°18'31" WEST, A DISTANCE OF 90.87 FEET TO A POINT BEING PERPENDICULAR, (90°00'00"), TO THE CONCRETE OVERHEAD STRUCTURE OF THE SOUTHWESTERLY SIDE OF RAMP "C", AS SHOWN ON SAID DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY MAPS; THENCE IN A NORTHERLY AND NORTHWESTERLY DIRECTION, FOLLOWING LAST SAID RAMP, "C", RUN THE FOLLOWING THREE, (3), COURSES AND DISTANCES COURSE NO. 1: NORTH 04°46'05" EAST, A DISTANCE OF 38.51 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE NORTHWESTERLY, HAVING A RADIUS OF 206.00 FEET; COURSE NO. 2: IN A NORTHWESTERLY DIRECTION ALONG AND AROUND THE ARC OF SAID CURVE, AN ARC DISTANCE OF 86.33 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF, NORTH 06°55'34" WEST, 85.70 FEET TO THE POINT OF COMPOUND CURVATURE OF A CURVE, CONCAVE SOUTHWESTERLY, HAVING A RADIUS OF 406.00 FEET; COURSE NO. 3: IN A NORTHWESTERLY DIRECTION ALONG AND AROUND THE ARC OF SAID CURVE, AN ARC DISTANCE OF 321.35 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF, NORTH 41°36'22" WEST, 313.02 FEET; THENCE NORTH 23°34'04" EAST, A DISTANCE OF 47.04 FEET TO A POINT BEING PERPENDICULAR, (90°00'00"), TO THE CONCRETE OVERHEAD STRUCTURE OF THE NORTHEASTERLY SIDE OF SAID RAMP "C", AS SHOWN ON SAID DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY MAPS, SAID POINT ALSO LYING IN A CURVE CONCAVE NORTHEASTERLY, HAVING A RADIUS OF 453.00 FEET; THENCE IN A



SOUTHEASTERLY DIRECTION FOLLOWING LAST SAID RAMP "C" AND SAID CURVE, AN ARC DISTANCE OF 328.21 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF, SOUTH 43°44'52" EAST, 321.08 FEET TO A POINT BEING PERPENDICULAR, (90°00'00"), TO THE CONCRETE OVERHEAD STRUCTURE OF THE WESTERLY SIDE OF THE ENTRANCE RAMP OF THE MAIN STREET BRIDGE, (AS SHOWN ON SAID DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY MAP), SAID POINT LYING IN A CURVE CONCAVE EASTERLY, HAVING A RADIUS OF 977.93 FEET; THENCE IN A NORTHERLY DIRECTION, FOLLOWING LAST SAID RAMP, AND SAID CURVE, AN ARC DISTANCE OF 167.57 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF NORTH 11°16'22" EAST, 167.37 FEET; THENCE SOUTH 75°27'55" EAST, A DISTANCE OF 9.19 FEET TO THE POINT OF BEGINNING.

THE ABOVE DESCRIBED PARCEL CONTAINS 1.52 ACRES MORE OR LESS.

**TOGETHER WITH WEST REMAINDER PARCEL BETWEEN RAMPS:**

A PART OF THE Z. HOGAN'S GRANT , SECTION 39, TOWNSHIP 2 SOUTH, RANGE 26 EAST, DUVAL COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

FOR A POINT OF REFERENCE, COMMENCE AT THE INTERSECTION OF THE SOUTHERLY PROLONGATION OF THE WESTERLY RIGHT OF WAY OF MAIN STREET (A 70 FOOT RIGHT OF WAY), AND THE SOUTHERLY RIGHT OF WAY OF WATER STREET (A VARIABLE WIDTH RIGHT OF WAY AT THIS POINT), AS SHOWN ON FLORIDA DEPARTMENT OF TRANSPORTATION RIGHT OF WAY MAPS, SECTION 72070-2703, SHEET 2, PROJECT NUMBER 30/3742/80, FILE NUMBER 6199, DATED SEPTEMBER 19, 1980, FILED IN THE OFFICE OF THE CITY ENGINEER OF SAID COUNTY); THENCE NORTH 75°27'55" WEST ALONG SAID SOUTHERLY RIGHT OF WAY LINE, A DISTANCE OF 8.83 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE EASTERLY AND HAVING A RADIUS OF 977.93 FEET, SAID POINT ALSO BEING PERPENDICULAR (90°00'00") TO THE WESTERLY SIDE OF THE CONCRETE OVERHEAD STRUCTURE OF THE APPROACH RAMP OF THE MAIN STREET BRIDGE (AS SHOWN ON SAID DEPARTMENT OF TRANSPORTATION RIGHT OF WAY MAPS) AND THE POINT OF BEGINNING;

THENCE CONTINUING TO FOLLOW SAID APPROACH RAMP, SOUTHWESTERLY ALONG AND AROUND THE ARC OF SAID CURVE, AN ARC DISTANCE OF 176.54 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF SOUTH 11°32'08" WEST, 176.30 FEET TO A POINT, SAID POINT ALSO BEING PERPENDICULAR (90°00'00") TO THE NORTHEASTERLY SIDE OF THE CONCRETE OVERHEAD STRUCTURE OF RAMP "C" OF THE MAIN STREET BRIDGE (AS SHOWN ON SAID DEPARTMENT OF TRANSPORTATION RIGHT OF WAY MAPS), SAID POINT ALSO LYING IN A CURVE CONCAVE TO THE SOUTHWEST AND HAVING A RADIUS OF 453.00 FEET; THENCE NORTHWESTERLY ALONG AND AROUND THE ARC OF SAID CURVE OF RAMP "C", AN ARC DISTANCE OF 343.46 FEET,

SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF NORTH 44°42'44" WEST, 335.30 FEET TO THE POINT OF TANGENCY; THENCE CONTINUING TO FOLLOW SAID RAMP "C", NORTH 66°25'56" WEST, A DISTANCE OF 29.37 FEET TO A POINT ON THE SOUTHERLY RIGHT OF WAY LINE OF WATER STREET; THENCE SOUTH 75°27'55" EAST ALONG THE SAID RIGHT OF WAY LINE, A DISTANCE OF 307.93 FEET TO THE POINT OF BEGINNING.

THE ABOVE DESCRIBED PARCEL CONTAINS, 17,574 SQUARE FEET (0.40 ACRES) MORE OF LESS.

**TOGETHER WITH MIDDLE REMAINDER PARCEL BETWEEN RAMPS:**

A PART OF THE Z. HOGAN'S GRANT , SECTION 39, TOWNSHIP 2 SOUTH, RANGE 26 EAST, DUVAL COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

FOR A POINT OF REFERENCE, COMMENCE AT THE INTERSECTION OF THE SOUTHERLY PROLONGATION OF THE WESTERLY RIGHT OF WAY OF MAIN STREET (A 70 FOOT RIGHT OF WAY), AND THE SOUTHERLY RIGHT OF WAY OF WATER STREET (A VARIABLE WIDTH RIGHT OF WAY AT THIS POINT), AS SHOWN ON FLORIDA DEPARTMENT OF TRANSPORTATION RIGHT OF WAY MAPS, SECTION 72070-2703, SHEET 2, PROJECT NUMBER 30/3742/80, FILE NUMBER 6199, DATED SEPTEMBER 19, 1980, FILED IN THE OFFICE OF THE CITY ENGINEER OF SAID COUNTY); THENCE SOUTH 75°27'55" EAST, A DISTANCE OF 37.20 FEET TO A POINT, SAID POINT BEING PERPENDICULAR (90°00'00") TO THE EASTERLY SIDE OF THE CONCRETE OVERHEAD STRUCTURE OF THE APPROACH RAMP OF THE MAIN STREET BRIDGE (AS SHOWN ON SAID DEPARTMENT OF TRANSPORTATION RIGHT OF WAY MAPS), AND THE POINT OF BEGINNING; THENCE CONTINUE SOUTH 75°27'55" EAST, A DISTANCE OF 151.37 FEET TO A POINT, SAID POINT BEING PERPENDICULAR (90°00'00") TO THE NORTHWESTERLY SIDE OF THE CONCRETE OVERHEAD STRUCTURE OF RAMP "A" OF THE MAIN STREET BRIDGE (AS SHOWN ON SAID DEPARTMENT OF TRANSPORTATION RIGHT OF WAY MAPS); THENCE CONTINUING TO FOLLOW SAID RAMP "A", SOUTH 54°50'53" WEST, A DISTANCE OF 121.79 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE SOUTHEASTERLY AND HAVING A RADIUS OF 253.00 FEET; THENCE CONTINUING TO FOLLOW SAID RAMP "A", SOUTHWESTERLY ALONG AND AROUND THE ARC OF SAID CURVE, AN ARC DISTANCE OF 17.19 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF SOUTH 52°54'09" WEST, 17.19 FEET; THENCE NORTH 77°17'24" WEST, A DISTANCE OF 59.96' TO A POINT LYING ON A CURVE, SAID POINT BEING PERPENDICULAR (90°00'00") TO SAID EASTERLY SIDE OF THE CONCRETE OVERHEAD STRUCTURE OF THE APPROACH RAMP OF THE MAIN STREET BRIDGE (AS SHOWN ON SAID DEPARTMENT OF TRANSPORTATION RIGHT OF WAY MAPS); SAID CURVE BEING CONCAVE EASTERLY AND HAVING A RADIUS OF 931.93 FEET; THENCE CONTINUING TO FOLLOW SAID APPROACH RAMP OF THE SAID MAIN STREET BRIDGE,

NORTHERLY ALONG AND AROUND THE ARC OF SAID CURVE, AN ARC DISTANCE OF 108.33 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF NORTH 13°29'04" EAST, 108.27 FEET, TO THE POINT OF TANGENCY AND THE POINT OF BEGINNING.

THE ABOVE DESCRIBED PARCEL CONTAINS, 11,370 SQUARE FEET (0.26 ACRES) MORE OF LESS.

Prepared by:  
Suzanne S. Howard  
Assistant General Counsel  
Office of General Counsel  
117 West Duval Street, Suite 480  
Jacksonville, Florida 32202

2-3-07 Draft

**GRANT OF EASEMENT  
(Drainage Utilities)**

**This GRANT OF EASEMENT**, is made as of this \_\_\_\_\_ day of \_\_\_\_\_, 2007, by and between **JACKSONVILLE LANDING INVESTMENTS, LLC**, a Florida limited liability company, whose business address is 1 Sleiman Parkway, Suite 270, Jacksonville, Florida 32216 (“Grantor”) and **CITY OF JACKSONVILLE**, a municipal corporation, whose business address is 117 West Duval Street, Jacksonville, Florida, 32202 (“Grantee”).

**RECITALS:**

The following recitals are a material part of this instrument:

A. Grantee has sold and conveyed to Grantor on the date hereof the land located in Duval County, Florida described in **Exhibit A**, attached hereto and made a part hereof (the “Property”).

B. Grantee owns and is now operating and using certain drainage utility lines and other drainage utility improvements within portions of the Property.

C. Grantee desires to obtain from Grantor an easement in, to, on, over, across, under and through that portion of the Property described in **Exhibit B**, attached hereto and made a part hereof (the “Easement Premises”), for the construction, use, operation and maintenance of facilities and associated equipment for drainage utilities.

D. Grantor desires to grant to Grantee an easement in, to, on, over, across, under and through the Easement Premises, on the terms and conditions hereunder and for the purposes set forth herein.

NOW, THEREFORE, in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by Grantor and Grantee, it is agreed as follows:

1. Ownership of Drainage Utility Improvements. Grantor hereby acknowledges and agrees that Grantee owns and has title to the existing drainage utility improvements within the Easement Premises.

2. Grant of Easement. Grantor hereby grants to Grantee, its successors and assigns, a perpetual, unobstructed easement to construct, lay, use, operate, maintain, improve, repair, replace, remove, and/or upgrade facilities and associated equipment for drainage utilities on, along, through, across, over and/or under the Easement Premises. Said facilities and associated equipment for drainage utilities shall be collectively referred to as the "Utilities". Grantee, its successors and assigns, shall also have the right of unobstructed ingress and egress in, to and over said Easement Premises, together also with the right and easements, privileges and appurtenances in and to said Easement Premises which may be required for the enjoyment of the rights herein granted.

3. Use and Limitations on Use of Easement Premises. Except as specifically reserved herein to Grantor, exclusive use of the Easement Premises is hereby granted, but only for the specific uses specified in Paragraph 2 above.

4. Reservation of Rights by Grantor.

A. Grantor hereby reserves the right to continue its existing use of the Easement Premises. Apart from such existing use, Grantor shall not use the Easement Premises, including the subsurface, surface and/or airspace, without the prior written consent of Grantee, nor shall any further easement or other interests be granted with respect to the Easement Premises, including subsurface, surface and/or airspace, by Grantor without the prior written consent of Grantee. In no event will Grantor build, create, construct, nor allow to be built, created or constructed any improvements or structures of any nature (other than the existing improvements) nor alter the grade or permit such alteration anywhere within the Easement Premises, including subsurface, surface and/or airspace, without the prior written consent of Grantee. In no event will Grantee consent to any use or improvements within the Easement Premises that would hamper the excavation of the Easement Premises or interfere with Grantee's use and operation of the Utilities.

B. To the extent permitted by Grantee, buildings or other structures or improvements may be erected or placed on or above the surface of the Easement Premises provided however that any such buildings or structures located on the surface or above the Easement Premises (i) shall include openings, access doors or removable panels in the exterior walls thereof, which openings, doors or panels shall have an aggregate height of at least thirteen (13) feet above grade to permit access to the Easement Premises by equipment required for the repair and maintenance of the Utilities, and (ii) shall be free of columns, mezzanines, floor slabs and other structural members within the first thirteen (13) feet of airspace above the surface of the Easement Premises, except for those which shall have readily removable openings to permit access to the Easement Premises. Additionally, any bridges, overhangs or other improvements located between thirteen (13) and thirty (30) feet above the surface of the Easement Premises

shall be designed and constructed so as to be removable by lifting hooks and cranes (any such removal to be at Grantor's cost and expense unless the structure has been constructed in such a manner that it is readily removable without impacting the structural integrity of the building structure) so as to permit access to the Easement Premises by equipment required for the repair and maintenance of the Utilities. Grantee shall not be responsible for any damage to any building, structure or other improvement located under, on or within 30 feet above the Easement Premises if Grantee is required to remove such structure in order to access the Utilities.

C. Any prior consents granted by Grantee with respect to construction on or over the Easement Premises shall not prevent Grantee from denying any future similar requests.

D. Grantor shall provide to Grantee the building plans for buildings or structures within the Easement Premises and Grantee shall advise Grantor in writing within 60 days from the date of such request whether or not Grantee consents to the improvements to be constructed pursuant to such plans. Should Grantee consent to such plans, construction pursuant to the same shall be deemed conclusively to be in accordance with this Paragraph 4.

E. Grantor may place or construct street furniture, kiosks or other removable structures in the Easement Premises, provided Grantor shall promptly remove the same, at its expense, upon the Grantee's request and when necessary in order to permit Grantee to exercise its rights herein granted.

F. Notwithstanding any contrary provisions of this Grant of Easement, Grantor shall not construct or install any improvements within the subsurface of Easement Premises without Grantee's consent.

5. Maintenance. Grantee shall keep and maintain the Utilities within the Easement Premises at all times in good operating order at its sole cost and expense. Grantor shall maintain the Easement Premises above grade in a clean and safe condition at its sole cost and expense. Grantee shall use reasonable efforts so that work performed by Grantee, its agents, employees, and representatives, in and about the Easement Premises related to or involving the construction, installation, maintenance, repairs, alteration, operation, replacement and/or removal of the Utilities will not unreasonably interfere with the business conducted on the Property. Upon the completion of any work, Grantee, at its own cost and expense, shall promptly remove all debris, materials and equipment and restore any driveways, roadways and landscaping located within the Easement Premises that may have been damaged by Grantee in the same manner as specified in and in accordance with the latest edition, City of Jacksonville Standards and Specifications, as if within a public right of way. Any repair or restoration of other improvements located within the Easement Premises or further repair or restoration of the driveways, roadways and landscaping beyond the scope of a City of Jacksonville standard repair and restoration shall be the responsibility of Grantor, at Grantor's sole

cost and expense. Grantee agrees to follow its standard safety practices for all work performed by Grantee in the Easement Premises.

6. Relocation of Easement Premises. Grantor shall have the right to relocate the Easement Premises subject to the following conditions:

(a) If Grantor desires to relocate the Easement Premises, Grantor shall provide written notice of such proposed relocation to Grantee along with a survey showing the relocated Easement Premises, a detailed description of the work to be performed in connection with the relocation of the Utilities, a cost estimate for relocation of the Utilities, and a schedule for such relocation. Grantee shall have the right, in its sole discretion, to deny the proposed relocation. Grantee shall provide Grantor written notice of its approval or denial of the proposed relocation within ninety (90) days of receipt of Grantor's notice of proposed relocation.

(b) The Easement Premises, as relocated, shall be unobstructed, the same width as the existing Easement Premises, and have similar access to a public road. Upon any relocation of the Easement Premises as set forth herein, Grantor and Grantee shall record an amendment to this Grant of Easement setting forth the legal description of the relocated Easement Premises.

(c) Grantor shall be responsible for the entire cost of relocation of the Easement Premises and the Utilities to the extent requested by Grantor.

(d) Grantor and any contractors performing the relocation of the Utilities shall provide such insurance as required by Grantee.

7. Obligation to Comply with All Laws and Regulations. Grantee, as to the Easement Premises, and Grantor, as to its ownership interest in the land subject to this Grant of Easement, shall comply with all applicable governmental or quasi-governmental laws, ordinances, rules, regulations of every kind pertaining to their respective interests in the Easement Premises or to the use and occupancy thereof, including without limitation, any applicable law, ordinance, rule or regulation regarding or relating to environmental protection, pollution, sanitation or safety. Neither Grantor nor Grantee will commit or suffer any waste of the Easement Premises and will not use or permit any use of the Easement Premises for any illegal purpose or in any such way as to constitute a public nuisance or in any way so as to violate or breach any law, rule, regulation or ordinance to which their interest in the Easement Premises are subject.

8. Indemnification.

A. Grantor shall indemnify, defend and hold harmless Grantee, its board members, officers, agents, servants, employees, successors and assigns against any claim, action, loss, damage, injury, liability, cost and expense of whatsoever kind or nature (including, but not by way of limitation, attorney's fees and court costs) arising out of injury (whether mental or corporeal) to persons, including death, or damage to

property, arising out of or incidental to (i) any construction, alteration, improvement, repair, use, operation, maintenance, replacement or removal of any existing or future improvements of Grantor within the Easement Premises or the Property, (ii) any act or omission of Grantor, its officers, agents, employees, servants, contractors, or invitees related to the Easement Premises or Property, or (iii) relocation of the Easement Premises and Utilities by Grantor.

B. Subject to the limitations and provisions of Section 768.28, Florida Statutes (which provisions are not altered, expanded or waived hereby), Grantee shall indemnify, defend and hold harmless Grantor, its officers, agents, servants, employees, successors and assigns against any claim, action, loss, damage, injury, liability, cost and expense of whatsoever kind or nature (including, but not by way of limitation, attorney's fees and court costs) arising out of injury (whether mental or corporeal) to persons, including death, or damage to property, arising out of the sole negligent act or omission of Grantee, its board members, officers, agents, or employees, related to the Utilities, during the exercise of the rights granted by Grantor to the Grantee herein.

9. Consents. Whenever the Grantee's approval or consent is required herein, the Grantee will endeavor to respond within a reasonable time period and will act reasonably in reviewing and responding to each request for such consent or approval.

10. Running of Benefits and Burdens. All provisions of this instrument, including the benefits and burdens, run with the land and are binding upon and enure to the heirs, successors and assigns of the parties hereto.

11. Construction. The rule of strict construction does not apply to this grant. This grant shall be given a reasonable construction so that the intention of the parties to confer a commercially usable right of enjoyment on Grantee is carried out.

12. Notice. All notices to be given hereunder shall be in writing and personally delivered or sent by registered or certified mail, return receipt requested, or delivered by an air courier service utilizing return receipts only to the parties at the addresses set forth above in this instrument (or to such other or further addresses as the parties may designate by like notice similarly sent) and such notices shall be deemed given and received for all purposes under this Grant of Easement and shall be effective only upon receipt or when delivery is attempted and refused.

13. No Third Party Beneficiaries. This easement is granted only for the benefit of Grantee, its successors and assigns, and binds the Grantor, its successors and assigns, and creates no third party beneficiaries.

14. Entire Agreement; Amendment. The parties hereto agree that the entire agreement between the parties with respect to the easement granted hereby is set forth in this instrument. This Grant of Easement may be amended only by an instrument in writing and signed by the persons who are the then owners of the fee simple title to the Easement Premises and the record owners of the rights of Grantee hereunder.



15. Waiver. No waiver of any of the provisions hereof shall be effective unless it is in writing and signed by the party against whom the waiver is asserted. Any such written waiver shall be applicable only to the specific instance to which it related and shall not be deemed to be a continuing waiver or waiver of any future matter.

16. Law and Venue. This Grant of Easement shall be enforced in accordance with the laws of the State of Florida. The agreed upon venue is Jacksonville, Duval County, Florida.

17. Representations. Grantor represents and warrants that it is the true owner of record of the Easement Premises and that it has full power and authority to grant to Grantee the rights granted hereunder.

**IN WITNESS WHEREOF**, each party has executed this instrument the day and year first above written.

**Signed and Sealed in Our Presence:**

**GRANTOR:**

**JACKSONVILLE LANDING INVESTMENTS, LLC**, a Florida limited liability company

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

By: \_\_\_\_\_

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

Title: \_\_\_\_\_

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

STATE OF FLORIDA  
COUNTY OF DUVAL

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 200\_\_, by \_\_\_\_\_, the \_\_\_\_\_, of Jacksonville Landing Investments, LLC, a Florida limited liability company, on behalf of the company. Such person: *(notary must check applicable box)*

- is personally known to me; or
- produced a current \_\_\_\_\_ driver's license as identification; or
- produced \_\_\_\_\_ as identification.

\_\_\_\_\_

(Print or type name)

NOTARY PUBLIC

My Commission expires:

**GRANTEE:**

**CITY OF JACKSONVILLE**, a  
municipal corporation

**WITNESSES:**

(Sign) \_\_\_\_\_  
(Print) \_\_\_\_\_

(Sign) \_\_\_\_\_  
(Print) \_\_\_\_\_

(Sign) \_\_\_\_\_  
(Print) \_\_\_\_\_

(Sign) \_\_\_\_\_  
(Print) \_\_\_\_\_

By: \_\_\_\_\_  
John Peyton  
Mayor

**ATTEST:**

By: \_\_\_\_\_  
Neill W. McArthur, Jr.  
Corporation Secretary

**STATE OF FLORIDA**  
**COUNTY OF DUVAL**

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2007, by John Peyton and Neill W. McArthur, Jr. as Mayor and Corporation Secretary, respectively, of the City of Jacksonville, a municipal corporation, on behalf of the corporation. Such persons are personally known to me.

\_\_\_\_\_  
\_\_\_\_\_  
(Print or type name)  
NOTARY PUBLIC  
My Commission expires:

EXHIBIT A

Property  
[to be confirmed by survey and title]

**EAST PARCEL:**

A PART OF THE Z. HOGAN'S GRANT, SECTION 39, TOWNSHIP 2 SOUTH, RANGE 26 EAST, DUVAL COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: COMMENCE AT INDEPENDENT DRIVE (AS RELOCATED BY THE FLORIDA DEPARTMENT OF TRANSPORTATION, AS SHOWN ON DEPARTMENT OF TRANSPORTATION PLAN 72070, SECTION 2703, SHEET 1) CENTERLINE STATION 24 + 29.29 AS SHOWN ON CITY OF JACKSONVILLE DEPARTMENT OF PUBLIC WORKS MAP OF THE PROPOSED CONVENTION CENTER (PROJECT NO. 30/3742/80, FILE NO. 6199, DATED SEPTEMBER 19, 1980); THENCE SOUTH 14°32'05" WEST, 32.00 FEET TO THE SOUTHERLY RIGHT-OF-WAY LINE OF SAID INDEPENDENT DRIVE; THENCE " SOUTH 75°27'55" EAST ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE OF INDEPENDENT DRIVE, 55.64 FEET; THENCE SOUTHEASTERLY ALONG THE SOUTHWESTERLY RIGHT-OF-WAY LINE OF RAMP "C" OF THE MAIN STREET BRIDGE, AS SHOWN ON STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY MAP OF STATE ROAD NO.5, DATED MARCH 25, 1974, THE FOLLOWING THREE (3), COURSES AND DISTANCES: COURSE NO. 1: SOUTH 58°44'51" EAST, 102.69 FEET; COURSE NO.2: SOUTH 66°25'56" EAST, 114.65 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE SOUTHWESTERLY, HAVING A RADIUS OF 406.00 FEET; COURSE NO.3: IN A SOUTHEASTERLY DIRECTION ALONG AND AROUND THE ARC OF SAID CURVE AN ARC DISTANCE OF 258.52 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF SOUTH 48°11'28" EAST, 254.17 FEET; THENCE SOUTH 77°17'24" EAST, 206.55 FEET TO THE POINT OF BEGINNING, AND TO THE SOUTHEASTERLY RIGHT OF WAY LINE OF RAMP B, AS SHOWN ON SAID DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY MAP OF STATE ROAD NO. 5, SAID POINT LYING IN A CURVE, CONCAVE SOUTHEASTERLY, HAVING A RADIUS OF 156.00 FEET; THENCE NORTHEASTERLY ALONG SAID SOUTHEASTERLY RIGHT-OF-WAY LINE OF SAID RAMP "B", AND THE ARC OF SAID CURVE, AN ARC DISTANCE OF 59.83 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF NORTH 67°22'51" EAST, 59.46 FEET TO THE POINT OF TANGENCY OF SAID CURVE; THENCE NORTH 78°22'03" EAST, CONTINUING ALONG LAST SAID RIGHT OF WAY LINE, 289.10 FEET TO AN INTERSECTION WITH THE WESTERLY BOUNDARY OF THE LANDS DESCRIBED AND RECORDED IN OFFICIAL RECORDS BOOK 9195, PAGE 418-PAGE 437 INCLUSIVE, OF THE CURRENT PUBLIC RECORDS, DUVAL COUNTY, FLORIDA; THENCE SOUTHERLY, WESTERLY, AND EASTERLY, ALONG LAST SAID BOUNDARY, RUN THE FOLLOWING NINE (9), COURSES AND

DISTANCES: COURSE NO: 1: SOUTH 11°45'46" WEST, 34.11 FEET; COURSE NO.2: NORTH 78°14'14" WEST, 21.49 FEET; COURSE NO: 3: SOUTH 11°54'45" WEST, 22.22 FEET; COURSE NO.4: SOUTH 78°14'14" EAST, 21.55 FEET; COURSE NO: 5: SOUTH 11°45'46" WEST, 72.51 FEET; COURSE NO.6: NORTH 77°59'32" WEST, 7.37 FEET; COURSE NO:7: SOUTH 57°36'06" WEST, 47.95 FEET; COURSE NO.8: NORTH 80°18'09" WEST, 15.52 FEET; COURSE NO: 9: SOUTH 12°01'43" WEST, 52.57 FEET TO AN INTERSECTION WITH THE EASTERLY BOUNDARY OF THE LANDS DESCRIBED AND RECORDED IN OFFICIAL RECORDS VOLUME 6138, PAGE 2127 OF SAID CURRENT PUBLIC RECORDS; THENCE SOUTHERLY, WESTERLY, AND NORTHERLY ALONG THE LAST SAID BOUNDARY RUN THE FOLLOWING SEVEN (7), COURSES AND DISTANCE: COURSE NO: 1: SOUTH 14°33'09" WEST, 75.00 FEET; COURSE NO.2: NORTH 78°44'37" WEST, 5.69 FEET; COURSE NO: 3: SOUTH 13°22'36" WEST, 39.35 FEET; COURSE NO.4: NORTH 82°09'45" WEST, 40.18 FEET; COURSE NO: 5: NORTH 77°22'30" WEST, 243.79 FEET TO AFORSAID SOUTHEASTERLY RIGHT OF WAY LINE OF RAMP B ; COURSE NO.6: NORTH 04°42'06" EAST, ALONG LAST SAID RIGHT OF WAY LINE 52.15 FEET TO THE POINT OF CURVATURE OF A CURVE, CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 156.00 FEET; COURSE NO:7: CONTINUING ALONG LAST SAID RIGHT OF WAY AND SAID CURVE AN ARC DISTANCE OF 140.56 FEET TO THE POINT OF BEGINNING, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF NORTH 30°34'53" EAST, 135.85 FEET.

THE ABOVE DESCRIBED PARCEL CONTAINS 1.77 ACRES, MORE OR LESS.

**TOGETHER WITH BRIDGE RAMPS PARCEL:**

A PORTION OF THE Z. HOGAN'S GRANT, SECTION 39, TOWNSHIP 2 SOUTH, RANGE 26 EAST, DUVAL COUNTY, FLORIDA. BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE INTERSECTION OF THE SOUTHERLY RIGHT OF WAY LINE OF WATER STREET, (A VARIABLE WIDTH R/W AT THIS POINT), WITH A SOUTHERLY PROLONGATION OF THE EASTERLY LINE OF WATER LOT 20, AS SHOWN ON THE PLAT OF, HARTS' MAP OF JACKSONVILLE, FORMER PUBLIC RECORDS; THENCE SOUTH 75°50'55" EAST, ALONG SAID SOUTHERLY PROLONGATION, 9.53 FEET TO THE POINT OF BEGINNING. THENCE SOUTH 75°27'55" EAST, A DISTANCE OF 36.83 FEET TO A POINT BEING PERPENDICULAR, (90°00'00"), TO THE CONCRETE OVERHEAD STRUCTURE OF THE EASTERLY SIDE OF THE ENTRANCE RAMP OF THE MAIN STREET BRIDGE, (AS SHOWN ON THE DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY MAP SECTION 72070-2703, SHEET 2, PROJECT NUMBER 30/3742/80, FILE NUMBER 6199, DATED SEPTEMBER 19, 1980, FILED IN THE OFFICE OF THE CITY ENGINEER OF SAID COUNTY), SAID POINT ALSO LYING IN A CURVE CONCAVE EASTERLY, HAVING A RADIUS OF 931.93 FEET; THENCE CONTINUE TO FOLLOW LAST SAID RAMP, IN A

SOUTHWESTERLY DIRECTION ALONG AND AROUND THE ARC OF SAID CURVE, AN ARC DISTANCE OF 99.36 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF, SOUTH 13°12'24" WEST, 99.31 FEET; THENCE SOUTH 77°17'24" EAST, 59.96 FEET, TO A POINT BEING PERPENDICULAR, (90°00'00"), TO THE CONCRETE OVERHEAD STRUCTURE OF THE NORTHWESTERLY SIDE OF EXIT RAMP "A", AS SHOWN ON SAID DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY MAPS, SAID POINT ALSO LYING IN A CURVE CONCAVE SOUTHEASTERLY, HAVING A RADIUS OF 253.00 FEET; THENCE IN A NORTHEASTERLY DIRECTION FOLLOWING LAST SAID RAMP RUN THE FOLLOWING TWO, (2) COURSES AND DISTANCES; COURSE NO. 1: IN A NORTHEASTERLY DIRECTION ALONG AND AROUND THE ARC OF SAID CURVE, AN ARC DISTANCE OF 17.19 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF, NORTH 52°54'09" EAST, 17.19 FEET TO THE POINT OF TANGENCY OF SAID CURVE; COURSE NO. 2: NORTH 54°50'53" EAST, A DISTANCE OF 110.04 FEET, THENCE SOUTH 75°27'55" EAST, A DISTANCE OF 60.33 FEET, A POINT BEING PERPENDICULAR, (90°00'00"), TO THE CONCRETE OVERHEAD STRUCTURE OF SOUTHEASTERLY SIDE OF SAID RAMP "A", THENCE SOUTH 54°50'53" WEST, FOLLOWING LAST SAID RAMP, A DISTANCE OF 63.12 FEET TO A POINT BEING PERPENDICULAR, (90°00'00"), TO THE CONCRETE OVERHEAD STRUCTURE OF NORTHERLY SIDE OF EXIT RAMP "B", AS SHOWN ON SAID DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY MAPS; THENCE FOLLOWING LAST SAID RAMP NORTH 78°22'03" EAST, DISTANCE OF 131.52 TO A POINT ON A CURVE CONCAVE NORTHERLY, HAVING A RADIUS OF 269.47 FEET THENCE IN A EASTERLY DIRECTION ALONG AND AROUND THE ARC OF SAID CURVE, AN ARC DISTANCE OF 81.11 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF, SOUTH 88°48'32" EAST, 80.81 FEET; THENCE SOUTH 14°33'09" WEST, A DISTANCE OF 40.17 FEET, TO THE NORTHERLY BOUNDARY OF THE LANDS DESCRIBED AND RECORDED IN OFFICIAL RECORDS VOLUME 6138, PAGE 2121, OF THE CURRENT PUBLIC RECORDS, SAID COUNTY, SAID POINT BEING PERPENDICULAR, (90°00'00"), TO THE CONCRETE OVERHEAD STRUCTURE OF SOUTHERLY SIDE OF SAID RAMP "B", THENCE IN A WESTERLY, SOUTHWESTERLY, AND SOUTHERLY DIRECTION FOLLOWING LAST SAID RAMP, "B" AND LAST SAID BOUNDARY AND IT'S SOUTHERLY PROLONGATION THEREOF, RUN THE FOLLOWING THREE, (3), COURSES AND DISTANCES COURSE NO. 1: SOUTH 78°22'03" WEST, A DISTANCE OF 236.75 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE SOUTHEASTERLY, HAVING A RADIUS OF 156.00 FEET; COURSE NO. 2: IN A SOUTHWESTERLY DIRECTION ALONG AND AROUND THE ARC OF SAID CURVE, AN ARC DISTANCE OF 200.40 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF, SOUTH 41°34'02" WEST, 186.90 FEET TO THE POINT OF TANGENCY OF SAID CURVE; COURSE NO. 3: SOUTH 04°46'05" WEST, A DISTANCE OF 52.15 FEET; THENCE NORTH 77°18'31" WEST, A DISTANCE OF 90.87 FEET TO A POINT BEING PERPENDICULAR, (90°00'00"), TO THE CONCRETE OVERHEAD STRUCTURE OF THE SOUTHWESTERLY SIDE

OF RAMP "C", AS SHOWN ON SAID DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY MAPS; THENCE IN A NORTHERLY AND NORTHWESTERLY DIRECTION, FOLLOWING LAST SAID RAMP, "C", RUN THE FOLLOWING THREE, (3), COURSES AND DISTANCES COURSE NO. 1: NORTH 04°46'05" EAST, A DISTANCE OF 38.51 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE NORTHWESTERLY, HAVING A RADIUS OF 206.00 FEET; COURSE NO. 2: IN A NORTHWESTERLY DIRECTION ALONG AND AROUND THE ARC OF SAID CURVE, AN ARC DISTANCE OF 86.33 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF, NORTH 06°55'34" WEST, 85.70 FEET TO THE POINT OF COMPOUND CURVATURE OF A CURVE, CONCAVE SOUTHWESTERLY, HAVING A RADIUS OF 406.00 FEET; COURSE NO. 3: IN A NORTHWESTERLY DIRECTION ALONG AND AROUND THE ARC OF SAID CURVE, AN ARC DISTANCE OF 321.35 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF, NORTH 41°36'22" WEST, 313.02 FEET; THENCE NORTH 23°34'04" EAST, A DISTANCE OF 47.04 FEET TO A POINT BEING PERPENDICULAR, (90°00'00"), TO THE CONCRETE OVERHEAD STRUCTURE OF THE NORTHEASTERLY SIDE OF SAID RAMP "C", AS SHOWN ON SAID DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY MAPS, SAID POINT ALSO LYING IN A CURVE CONCAVE NORTHEASTERLY, HAVING A RADIUS OF 453.00 FEET; THENCE IN A SOUTHEASTERLY DIRECTION FOLLOWING LAST SAID RAMP "C" AND SAID CURVE, AN ARC DISTANCE OF 328.21 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF, SOUTH 43°44'52" EAST, 321.08 FEET TO A POINT BEING PERPENDICULAR, (90°00'00"), TO THE CONCRETE OVERHEAD STRUCTURE OF THE WESTERLY SIDE OF THE ENTRANCE RAMP OF THE MAIN STREET BRIDGE, (AS SHOWN ON SAID DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY MAP), SAID POINT LYING IN A CURVE CONCAVE EASTERLY, HAVING A RADIUS OF 977.93 FEET; THENCE IN A NORTHERLY DIRECTION, FOLLOWING LAST SAID RAMP, AND SAID CURVE, AN ARC DISTANCE OF 167.57 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF NORTH 11°16'22" EAST, 167.37 FEET; THENCE SOUTH 75°27'55" EAST, A DISTANCE OF 9.19 FEET TO THE POINT OF BEGINNING.

THE ABOVE DESCRIBED PARCEL CONTAINS 1.52 ACRES MORE OR LESS.

**TOGETHER WITH WEST REMAINDER PARCEL BETWEEN RAMPS:**

A PART OF THE Z. HOGAN'S GRANT , SECTION 39, TOWNSHIP 2 SOUTH, RANGE 26 EAST, DUVAL COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

FOR A POINT OF REFERENCE, COMMENCE AT THE INTERSECTION OF THE SOUTHERLY PROLONGATION OF THE WESTERLY RIGHT OF WAY OF MAIN STREET (A 70 FOOT RIGHT OF WAY), AND THE SOUTHERLY RIGHT OF WAY OF WATER STREET (A VARIABLE WIDTH RIGHT OF WAY AT THIS POINT), AS SHOWN ON FLORIDA DEPARTMENT OF TRANSPORTATION RIGHT OF WAY MAPS, SECTION 72070-2703, SHEET 2, PROJECT NUMBER 30/3742/80,

FILE NUMBER 6199, DATED SEPTEMBER 19, 1980, FILED IN THE OFFICE OF THE CITY ENGINEER OF SAID COUNTY); THENCE NORTH 75°27'55" WEST ALONG SAID SOUTHERLY RIGHT OF WAY LINE, A DISTANCE OF 8.83 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE EASTERLY AND HAVING A RADIUS OF 977.93 FEET, SAID POINT ALSO BEING PERPENDICULAR (90°00'00") TO THE WESTERLY SIDE OF THE CONCRETE OVERHEAD STRUCTURE OF THE APPROACH RAMP OF THE MAIN STREET BRIDGE (AS SHOWN ON SAID DEPARTMENT OF TRANSPORTATION RIGHT OF WAY MAPS) AND THE POINT OF BEGINNING;

THENCE CONTINUING TO FOLLOW SAID APPROACH RAMP, SOUTHWESTERLY ALONG AND AROUND THE ARC OF SAID CURVE, AN ARC DISTANCE OF 176.54 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF SOUTH 11°32'08" WEST, 176.30 FEET TO A POINT, SAID POINT ALSO BEING PERPENDICULAR (90°00'00") TO THE NORTHEASTERLY SIDE OF THE CONCRETE OVERHEAD STRUCTURE OF RAMP "C" OF THE MAIN STREET BRIDGE (AS SHOWN ON SAID DEPARTMENT OF TRANSPORTATION RIGHT OF WAY MAPS), SAID POINT ALSO LYING IN A CURVE CONCAVE TO THE SOUTHWEST AND HAVING A RADIUS OF 453.00 FEET; THENCE NORTHWESTERLY ALONG AND AROUND THE ARC OF SAID CURVE OF RAMP "C", AN ARC DISTANCE OF 343.46 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF NORTH 44°42'44" WEST, 335.30 FEET TO THE POINT OF TANGENCY;

THENCE CONTINUING TO FOLLOW SAID RAMP "C", NORTH 66°25'56" WEST, A DISTANCE OF 29.37 FEET TO A POINT ON THE SOUTHERLY RIGHT OF WAY LINE OF WATER STREET; THENCE SOUTH 75°27'55" EAST ALONG THE SAID RIGHT OF WAY LINE, A DISTANCE OF 307.93 FEET TO THE POINT OF BEGINNING.

THE ABOVE DESCRIBED PARCEL CONTAINS, 17,574 SQUARE FEET (0.40 ACRES) MORE OR LESS.

**TOGETHER WITH MIDDLE REMAINDER PARCEL BETWEEN RAMPS:**

A PART OF THE Z. HOGAN'S GRANT, SECTION 39, TOWNSHIP 2 SOUTH, RANGE 26 EAST, DUVAL COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

FOR A POINT OF REFERENCE, COMMENCE AT THE INTERSECTION OF THE SOUTHERLY PROLONGATION OF THE WESTERLY RIGHT OF WAY OF MAIN STREET (A 70 FOOT RIGHT OF WAY), AND THE SOUTHERLY RIGHT OF WAY OF WATER STREET (A VARIABLE WIDTH RIGHT OF WAY AT THIS POINT), AS SHOWN ON FLORIDA DEPARTMENT OF TRANSPORTATION RIGHT OF WAY MAPS, SECTION 72070-2703, SHEET 2, PROJECT NUMBER 30/3742/80, FILE NUMBER 6199, DATED SEPTEMBER 19, 1980, FILED IN THE OFFICE OF THE CITY ENGINEER OF SAID COUNTY); THENCE SOUTH 75°27'55" EAST, A DISTANCE OF 37.20 FEET TO A POINT, SAID POINT BEING PERPENDICULAR (90°00'00") TO THE EASTERLY SIDE OF THE CONCRETE OVERHEAD STRUCTURE OF THE APPROACH RAMP OF THE MAIN STREET BRIDGE (AS

SHOWN ON SAID DEPARTMENT OF TRANSPORTATION RIGHT OF WAY MAPS), AND THE POINT OF BEGINNING; THENCE CONTINUE SOUTH 75°27'55" EAST, A DISTANCE OF 151.37 FEET TO A POINT, SAID POINT BEING PERPENDICULAR (90°00'00") TO THE NORTHWESTERLY SIDE OF THE CONCRETE OVERHEAD STRUCTURE OF RAMP "A" OF THE MAIN STREET BRIDGE (AS SHOWN ON SAID DEPARTMENT OF TRANSPORTATION RIGHT OF WAY MAPS); THENCE CONTINUING TO FOLLOW SAID RAMP "A", SOUTH 54°50'53" WEST, A DISTANCE OF 121.79 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE SOUTHEASTERLY AND HAVING A RADIUS OF 253.00 FEET; THENCE CONTINUING TO FOLLOW SAID RAMP "A", SOUTHWESTERLY ALONG AND AROUND THE ARC OF SAID CURVE, AN ARC DISTANCE OF 17.19 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF SOUTH 52°54'09" WEST, 17.19 FEET; THENCE NORTH 77°17'24" WEST, A DISTANCE OF 59.96' TO A POINT LYING ON A CURVE, SAID POINT BEING PERPENDICULAR (90°00'00") TO SAID EASTERLY SIDE OF THE CONCRETE OVERHEAD STRUCTURE OF THE APPROACH RAMP OF THE MAIN STREET BRIDGE (AS SHOWN ON SAID DEPARTMENT OF TRANSPORTATION RIGHT OF WAY MAPS); SAID CURVE BEING CONCAVE EASTERLY AND HAVING A RADIUS OF 931.93 FEET; THENCE CONTINUING TO FOLLOW SAID APPROACH RAMP OF THE SAID MAIN STREET BRIDGE, NORTHERLY ALONG AND AROUND THE ARC OF SAID CURVE, AN ARC DISTANCE OF 108.33 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF NORTH 13°29'04" EAST, 108.27 FEET, TO THE POINT OF TANGENCY AND THE POINT OF BEGINNING.

THE ABOVE DESCRIBED PARCEL CONTAINS, 11,370 SQUARE FEET (0.26 ACRES) MORE OF LESS.



## EXHIBIT B

Easement Premises  
[to be confirmed by survey and title]

### PARCEL G:

A PART OF THE Z. HOGAN'S GRANT, SECTION 39, TOWNSHIP 2 SOUTH, RANGE 26 EAST, DUVAL COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: COMMENCE AT INDEPENDENT DRIVE (AS RELOCATED BY THE FLORIDA DEPARTMENT OF TRANSPORTATION, AS SHOWN ON DEPARTMENT OF TRANSPORTATION PLAN 72070, SECTION 2703, SHEET 1) CENTERLINE STATION 24 + 29.29 AS SHOWN ON CITY OF JACKSONVILLE DEPARTMENT OF PUBLIC WORKS MAP OF THE PROPOSED CONVENTION CENTER (PROJECT NO. 30/3742/80, FILE NO. 6199, DATED SEPTEMBER 19, 1980); THENCE SOUTH 14°32'05" WEST, 32.00 FEET TO THE SOUTHERLY RIGHT-OF-WAY LINE OF SAID INDEPENDENT DRIVE, (ALSO KNOWN AS WATER STREET) A VARIABLE WIDTH RIGHT OF WAY; THENCE " SOUTH 75°27'55" EAST ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE OF INDEPENDENT DRIVE, 55.64 FEET; THENCE SOUTHEASTERLY ALONG THE SOUTHWESTERLY RIGHT-OF-WAY LINE OF RAMP "C" OF THE MAIN STREET BRIDGE, AS SHOWN ON STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY MAP OF STATE ROAD NO.5, DATED MARCH 25, 1974, THE FOLLOWING FOUR COURSES AND DISTANCES: COURSE NO. 1: SOUTH 58°44'51" EAST, 102.69 FEET; COURSE NO.2: SOUTH 66°25'56" EAST, 114.65 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE SOUTHWESTERLY, HAVING A RADIUS OF 406.00 FEET; COURSE NO.3: IN A SOUTHEASTERLY DIRECTION ALONG AND AROUND THE ARC OF SAID CURVE AN ARC DISTANCE OF 15.24 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF NORTH 65°21'26" WES, 15.24 FEET TO THE POINT OF BEGINNING; COURSE NO.4: CONTINUE IN A SOUTHEASTERLY DIRECTION ALONG AND AROUND THE ARC OF SAID CURVE AN ARC DISTANCE OF 243.28 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF NORTH 47°06'57" WEST 239.66 FEET; THENCE SOUTH 77°17'24" EAST, 8.75 FEET; THENCE NORTH 40°25'20" EAST, 142.68 FEET; THENCE SOUTH 75°40'08" EAST, 214.74 FEET; THENCE NORTH 54°30'53" EAST, 49.97 FEET TO AN INTERSECTION WITH A EASTERLY PROLONGATION OF THE SOUTH RIGHT OF WAY LINE OF SAID INDEPENDENCE DRIVE; THENCE NORTH 75°27'55" WEST, ALONG LAST SAID LINE , A DISTANCE OF 269.77; THENCE SOUTH 81°51'46" WEST, 109.74 FEET; THENCE NORTH 69°02'17" WEST, 154.41 FEET; THENCE SOUTH 23°34'04" WEST, 29.05 FEET TO THE POINT OF BEGINNING.

THE ABOVE DESCRIBED PARCEL CONTAINS 0.68 ACRES, MORE OR LESS.

Exhibit N  
Pedestrian Routes During Gated Special Events

Route 3

Route 2

Route 1



# **Exhibit 8**

Prepared by and return to  
Kenneth M. Keefe, Jr.  
McGuireWoods LLP  
50 N. Laura St. Suite 3300  
Jacksonville, Florida 32202

## ASSIGNMENT AND ASSUMPTION OF CITY LEASE

**THIS ASSIGNMENT AND ASSUMPTION OF CITY LEASE** ("Assignment") is made this ~~29<sup>th</sup>~~ day of August, 2003 ("Effective Date"), by and among **ROUSE-JACKSONVILLE, LLC**, a Delaware limited liability company (hereinafter "Assignor") and **JACKSONVILLE LANDING INVESTMENTS, LLC**, a Florida limited liability company (hereinafter "Assignee").

### RECITALS

A. Rouse-Jacksonville, Inc. (predecessor-in-interest to Assignor), the City of Jacksonville and the Jacksonville Downtown Development Authority (predecessor-in-interest to the Jacksonville Economic Development Commission) entered into that certain Disposition, Development and Lease Agreement dated October 3, 1985, which agreement was amended by that certain Short Form Lease Agreement dated March 13, 1986, recorded in Official Records Volume 6138, page 2127, that certain First Amendment to Disposition, Development and Lease Agreement dated as of March 13, 1986, by that certain Second Amendment to Disposition, Development and Lease Agreement dated October 26, 1987, recorded in Official Records Volume 6419, page 1334, by that certain Third Amendment to Disposition, Development and Lease Agreement dated January 12, 1996, by that certain Fourth Amendment to Disposition, Development and Lease Agreement dated December 5, 1998, and by the certain Fifth Amendment to Disposition, Development and Lease Agreement dated June 25, 2001, recorded in Official Records Volume 10429, page 618 (collectively the "City Lease");

B. Pursuant to the City Lease, Assignor possessed under a leasehold certain real property located in the City of Jacksonville, County of Duval, Florida, said real property being more particularly described on **Exhibit A** hereto, upon which Assignor owned and operated an urban festival marketplace commonly known as The Jacksonville Landing.

C. Assignor and Assignee entered into an Agreement of Purchase and Sale dated July 11, 2003, amended by a First Amendment to Agreement of Purchase and Sale Agreement dated August 12, 2003 and as amended by that Corrective Letter correcting the name of the Seller dated August 25, 2003 (collectively, the "Sale Agreement"), wherein Assignor agreed to assign all of its rights, title and interest in and to, and Assignee agreed to assume the obligations of Assignor under, the City Lease.

D. In accordance with the Sale Agreement, Assignor desires to assign its rights, title and interest in, and Assignee desires to assume Assignor's obligations under, the City Lease pursuant to the terms and conditions set forth herein.

**NOW, THEREFORE**, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Attached hereto as **Exhibit B** is a true and accurate copy of the resolution of the Jacksonville Economic Development Commission consenting to the approval of Assignee as a "Qualified Retail Operator" as required under the City Lease. For ease of recording, the exhibits referenced in the Consent are not attached hereto as a part of **Exhibit B**.

2. Assignor hereby assigns to Assignee, as of the Effective Date, all of Assignor's rights, title and interest in and to the City Lease, subject to the title exceptions listed on **Exhibit C** attached hereto.

3. Assignee hereby assumes, as of the Effective Date, the City Lease and agrees to perform and observe all of the covenants and conditions applicable to Assignor as tenant therein.

4. Assignee shall indemnify, hold harmless and, at Assignor's option, defend Assignor with respect to, against and from, any liabilities, demands, claims, damages or expenses (including attorneys' fees) arising from or relating to the City Lease accruing on and after the Effective Date, except to the extent of Assignor's negligence, intentional acts or breach of the City Lease. Assignor shall indemnify, hold harmless and, at Assignee's option, defend Assignee with respect to, against and from, any liabilities, demands, claims, damages or expenses (including attorneys' fees) arising from or relating to the City Lease and accruing before the Effective Date, except to the extent of Assignee's negligence, intentional acts or breach of the City Lease.

5. This Agreement shall be binding upon and shall inure to the benefit of the parties' successors and assigns.

6. Except as may be set forth in the Sale Agreement, all prior understandings, letters of intent and agreements between the parties with respect to the assignment of the City Lease are merged in this Assignment, which alone fully and completely expresses the agreement of the parties regarding the assignment of the City Lease. The provisions of this Assignment may not be changed or terminated except by a written instrument executed by both parties hereto.

7. Notices, requests, instructions or other documents to be given under this Assignment shall be in writing and shall be deemed given, (A) when delivered, if delivered personally to the intended recipient; (B) one (1) business day later, if sent by overnight delivery via a national courier service; and (C) five (5) days after deposit in the United States mail, postage prepaid, when sent by certified or registered mail, and in each case addressed to a party at the following address for that party or sent by facsimile to the following facsimile number for that party, or to such other address or facsimile number as any party may designate by giving written notice to the other parties in accordance with this paragraph:

ASSIGNEE: JACKSONVILLE LANDING  
INVESTMENTS, LLC  
One Sleiman Parkway, Suite 240  
Jacksonville, Florida 32216  
Attn: Toney Sleiman

with a copy to: Robert A. Heekin, Esq.  
One Sleiman Parkway, Suite 280  
Jacksonville, Florida 32216

ASSIGNOR: ROUSE-JACKSONVILLE, LLC  
c/o The Rouse Company  
10275 Little Patuxent Parkway  
Columbia, Maryland 21044  
Attn: Robert Minutoli

with a copy to: The Rouse Company  
10275 Little Patuxent Parkway  
Columbia, Maryland 21044  
Attn: General Counsel

with a copy to: McGuireWoods LLP  
50 N. Laura St., Suite 3300  
50 North Laura Street  
Jacksonville, Florida 32202  
Attn: Kenneth M. Keefe, Jr., Esq.

8. This Assignment may be executed in counterparts, all of which shall be deemed originals and constitute one instrument.

**IN WITNESS WHEREOF**, the parties have duly executed or caused these presents to be executed as of the date and year first above-written.

[SIGNATURES ON FOLLOWING PAGES]

Signed, sealed and delivered  
in the presence of:

[Signature]  
Print name: F. Bernard Justice  
[Signature]  
Print Name: BEATRICE YOFFE

ASSIGNOR:

ROUSE-JACKSONVILLE, LLC, a Delaware  
limited liability company

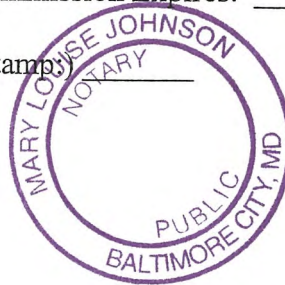
By: [Signature]  
Print Name: Robert Minutoli  
Print Title: Executive Vice-President

STATE OF MARYLAND  
COUNTY OF HOWARD

The foregoing instrument was acknowledged before me this 27<sup>th</sup> day of August,  
2003, by Robert Minutoli, an Executive Vice President of Rouse-Jacksonville, LLC, a Delaware  
limited liability company, on behalf of the company. Such person is personally known to me.

[Signature]  
Notary Public, State of ~~Florida~~ Maryland  
Name: MARY LOUISE JOHNSON  
Commission No.: NONE  
Commission Expires: 5/4/2005

Title or rank (eg. notary, if not legible on seal/stamp)





Signed, sealed and delivered  
in the presence of:

**ASSIGNEE**

JACKSONVILLE LANDING INVESTMENTS,  
LLC, a Florida limited liability company

Sue J. Wakeman  
Print name: Sue J. Wakeman

Colby C. Wise  
Print name: Colby C. Wise

[Signature]  
By:

Print Name: Anthony T. Sleiman  
Print Title: Managing Member

STATE OF FLORIDA  
COUNTY OF DUVAL

The foregoing instrument was acknowledged before me this 29<sup>th</sup> day of August, 2003, by Anthony T. Sleiman, a Member/Manager of Jacksonville Landing Investments, LLC, a Florida limited liability company, on behalf of the Company. Such person is personally known to me/or produced \_\_\_\_\_ as identification.



Sue J. Wakeman  
MY COMMISSION # CC941752 EXPIRES  
June 4, 2004  
BONDED THRU TROY FAIN INSURANCE, INC.

Sue J. Wakeman  
Notary Public, State of Florida  
Name: Sue J. Wakeman  
Commission No.: CC941752  
Commission Expires: 6/4/04

Title or rank (eg. notary, if not legible on seal/stamp): \_\_\_\_\_

[SIGNATURES CONTINUED ON FOLLOWING PAGE]

The City of Jacksonville signs below solely for the purpose of acknowledging that it hereby approves Assignee as a "Qualified Retail Operator" as such term is defined in Section 8.1(c) of the City Lease, with the understanding that such approval by the City does not constitute a waiver of (A) any of the City's rights under the City Lease, or (B) Assignor's liability under the City Lease for Assignor's obligations arising under the City Lease up to, but not on or after, the date hereof, or (C) Assignee's liability under the City Lease for Assignee's obligations arising under the City Lease from and after, but not before, the date hereof.

Attest: [Signature]  
Corporation Secretary

THE CITY OF JACKSONVILLE, a municipal corporation

By: [Signature]  
John Peyton, Mayor



(CORPORATE SEAL)

STATE OF FLORIDA  
COUNTY OF DUVAL

The foregoing instrument was acknowledged before me this 29<sup>th</sup> day of August 2003, by JOHN PEYTON, the Mayor of the CITY OF JACKSONVILLE, a municipal corporation, on behalf of the corporation, who  is personally known to me, or who  has produced \_\_\_\_\_ as identification.

[Signature]  
Notary Public, State of Florida  
Name: Rebecca L. Dicks  
Commission No.: \_\_\_\_\_  
Commission Expires: \_\_\_\_\_

(NOTARIAL SEAL)



Rebecca L. Dicks  
MY COMMISSION # CC927940 EXPIRES  
April 22, 2004  
BONDED THRU TROY FAH INSURANCE, INC.

FORM APPROVED:

[Signature]  
Assistant Counsel

Exhibit A  
to Assignment and Assumption of City Lease

Parcel I:

The leasehold estate, created by the instrument herein referred to as the Lease, executed by the City of Jacksonville and the Jacksonville Downtown Development Authority, as Lessors, and Rouse-Jacksonville, Inc., a Maryland corporation, as lessee, under document entitled Disposition, Development and Lease Agreement dated October 3, 1985, as amended by that certain First Amendment to Disposition, Development and Lease Agreement dated as of March 13, 1986, a certain Short Form Lease Agreement dated March 13, 1986 by and among such parties having been recorded in Official Records Volume 6138, page 2127, and having further been modified by that certain First Amendment to Disposition, Development and Lease Agreement dated as of March 13, 1986, by that certain Second Amendment to Disposition, Development and Lease Agreement dated October 26, 1987, recorded in Official Records Volume 6419, page 1334, by that certain Third Amendment to Disposition, Development and Lease Agreement dated January 12, 1996, by that certain Fourth Amendment to Disposition, Development and Lease Agreement dated December 5, 1998, and by the certain Fifth Amendment to Disposition, Development and Lease Agreement dated June 25, 2001, recorded in Official Records Volume 10429, page 618, public records of Duval County, Florida; the Lease demising the following described real property owned by the City of Jacksonville, less all improvements and buildings located or to be located thereon:

West Building Improvement Site

A part of the Z. Hogan's Grant, Section 39, Township 2 South, Range 26 East, Duval County, Florida, more particularly described as follows: For a point of reference, commence at Independent Drive (as relocated by the Florida Department of Transportation, as shown on Florida Department of Transportation Plan 72070, Section 2703, Sheet 1) centerline station 24 + 29.29 as shown on City of Jacksonville Department of Public Works Map of the Proposed Convention Center (Project No. 30/3742/80, File No. 6199, dated September 19, 1980); thence South 14°32'05" West, a distance of 32.00 feet to a point on the Southerly right-of-way line of said Independent Drive, said point being the beginning of a curve of said Southerly right-of-way line, said curve being concave Southeasterly having a radius of 198.00 feet; thence Southwesterly along the arc of said curve and along said Southerly right-of-way line, an arc distance of 178.92 feet, said arc being subtended by a chord bearing of South 78°38'52" West and a chord distance of 172.89 feet to a point of reverse curve; thence Southwesterly along the arc of said curve and along said Southerly right-of-way line of Independent Drive, said curve being concave Northwesterly having a radius of 262.00 feet an arc distance of 111.13 feet, said arc being subtended by a chord bearing of South 64°54'46" West and a chord distance of 110.30 feet to a point on said Southerly right-of-way line; thence South 46°13'56" West along said Southerly right-of-way line to its intersection with the Easterly right-of-way line of Hogan Street a distance of 17.41 feet; thence South 14°22'10" West along said Easterly right-of-way line of Hogan Street a distance of 166.93 feet; thence South 77°18'02" East a distance of 43.48 feet to the point of beginning; thence continue South 77°18'02" East a distance of 249.22 feet; thence South 12°43'01" West a distance of 50.93 feet; thence North 77°18'50" West a distance of 183.73 feet; thence South 13°11'38" West a distance of 12.88 feet; thence North 77°23'02" West a

distance of 63.70 feet; thence North  $12^{\circ}39'15''$  East a distance of 12.96 feet; thence North  $77^{\circ}18'50''$  West a distance of 1.66 feet; thence North  $12^{\circ}43'01''$  East a distance of 50.99 feet to the point of beginning.

#### East Building Improvement Site

A part of Z. Hogan's Grant, Section 39, Township 2 South, Range 26 East, Duval County, Florida, more particularly described as follows: For a point of reference, commence at a point in the Southerly right-of-way line of Independent Drive (a right-of-way of varying width) at its intersection with the Easterly right-of-way line of Hogan Road (a 70.00 foot right-of-way as now established) at the Northwesterly corner of those lands, Exhibit B-1, as described in Official Records Book 6138, pages 2127 through 2139, inclusive, of the current public records of said County; thence South  $14^{\circ}22'10''$  West along said Easterly right-of-way line of Hogan Street, a distance of 166.93 feet; thence South  $77^{\circ}18'02''$  East leaving said Easterly right-of-way line of Hogan Street, a distance of 461.39 feet to the Point of Beginning; thence continue South  $77^{\circ}18'02''$  East, a distance of 106.72 feet; thence North  $12^{\circ}41'58''$  East, a distance of 11.00 feet; thence South  $77^{\circ}18'02''$  East, a distance of 8.50 feet; thence South  $12^{\circ}41'58''$  West, a distance of 11.00 feet; thence South  $77^{\circ}18'02''$  East, a distance of 36.50 feet; thence North  $12^{\circ}41'58''$  East, a distance of 9.00 feet to the point of curve of a curve, concave Southeasterly having a radius of 4.00 feet; thence Northeasterly along the arc of said curve, an arc distance of 6.29 feet, said arc being subtended by a chord bearing of North  $57^{\circ}41'58''$  East and a chord distance of 5.66 feet to the point of tangency of said curve; thence South  $77^{\circ}18'02''$  East, a distance of 14.00 feet; thence South  $12^{\circ}41'58''$  West, a distance of 2.00 feet; thence South  $77^{\circ}18'02''$  East, a distance of 8.00 feet; thence South  $12^{\circ}41'58''$  West, a distance of 11.00 feet; thence South  $77^{\circ}18'02''$  East, a distance of 37.90 feet; thence South  $12^{\circ}41'58''$  West, a distance of 0.80 feet; thence South  $77^{\circ}18'02''$  East, a distance of 22.30 feet; thence South  $12^{\circ}41'58''$  West, a distance of 49.40 feet; thence North  $77^{\circ}18'02''$  West, a distance of 22.30 feet; thence South  $12^{\circ}41'58''$  West, a distance of 0.80 feet; thence North  $77^{\circ}17'47''$  West, a distance of 215.60 feet; thence North  $12^{\circ}40'46''$  East, a distance of 50.96 feet to the Point of Beginning.

#### Dumpster Building Improvement Site

A part of the Z. Hogan's Grant, Section 39, Township 2 South, Range 26 East, Duval County, Florida, more particularly described as follows: For a point of reference, commence at Independent Drive (as relocated by the Florida Department of Transportation, as shown on Florida Department of Transportation Plan 72070, Section 2703, Sheet 1) centerline station 24 + 29.29 as shown on City of Jacksonville Department of Public Works Map of the Proposed Convention Center (Project No. 30/3742/80, File No. 6199, dated September 19, 1980); thence South  $14^{\circ}32'05''$  West, a distance of 32.00 feet to a point on the Southerly right-of-way line of said Independent Drive, said point being the beginning of a curve of said Southerly right-of-way line, said curve being concave Southeasterly having a radius of 198.00 feet; thence Southwesterly along the arc of said curve and along said Southerly right-of-way line, an arc distance of 178.92 feet, said arc being subtended by a chord bearing of South  $78^{\circ}38'52''$  West and a chord distance of 172.89 feet to a point of reverse curve; thence Southwesterly along the arc of said curve and along said Southerly right-of-way line of Independent Drive, said curve being concave Northwesterly having a radius of 262.00 feet an arc distance of 111.13 feet, said

arc being subtended by a chord bearing of South 64°54'46" West and a chord distance of 110.30 feet to a point on said Southerly right-of-way line; thence South 46°13'56" West along said Southerly right-of-way line to its intersection with the Easterly right-of-way line of Hogan Street a distance of 17.41 feet; thence South 14°22'10" West along said Easterly right-of-way line of Hogan Street a distance of 182.42 feet; thence South 77°16'59" East a distance of 0.87 feet to the point of beginning; thence continue South 77°16'59" East a distance of 32.10 feet; thence South 12°43'01" West a distance of 18.10 feet; thence North 77°16'59" West a distance of 9.08 feet; thence South 11°32'18" West a distance of 3.19 feet; thence North 77°36'47" West a distance of 3.29 feet; thence North 11°49'16" East a distance of 3.21 feet; thence North 77°16'59" West a distance of 19.75 feet; thence North 12°43'01" East a distance of 18.10 feet to the point of beginning.

### North Building Improvement Site

A part of the Z. Hogan's Grant, Section 39, Township 2 South, Range 26 East, Duval County, Florida, more particularly described as follows: For a point of reference, commence at Independent Drive (as relocated by the Florida Department of Transportation, as shown on Florida Department of Transportation Plan 72070, Section 2703, Sheet 1) centerline station 24 + 29.29 as shown on City of Jacksonville Department of Public Works Map of the Proposed Convention Center (Project No. 30/3742/80, File No. 6199, dated September 19, 1980); thence South 14°32'05" West, a distance of 32.00 feet to a point on the Southerly right-of-way line of said Independent Drive, said point being the beginning of a curve of said Southerly right-of-way line, said curve being concave Southeasterly having a radius of 198.00 feet; thence Southwesterly along the arc of said curve and along said Southerly right-of-way line, an arc distance of 178.92 feet, said arc being subtended by a chord bearing of South 78°38'52" West and a chord distance of 172.89 feet to a point of reverse curve; thence Southwesterly along the arc of said curve and along said Southerly right-of-way line of Independent Drive, said curve being concave Northwesterly having a radius of 262.00 feet an arc distance of 111.13 feet, said arc being subtended by a chord bearing of South 64°54'46" West and a chord distance of 110.30 feet to a point on said Southerly right-of-way line; thence South 46°13'56" West along said Southerly right-of-way line to its intersection with the Easterly right-of-way line of Hogan Street a distance of 17.41 feet; thence South 14°22'10" West along said Easterly right-of-way line of Hogan Street a distance of 119.80 feet to a point on said right-of-way line; thence South 77°10'00" East a distance of 106.80 feet to the point of beginning; thence North 16°08'18" East a distance of 9.28 feet; thence North 19°58'08" East a distance of 23.51 feet; thence North 24°57'46" East a distance of 23.45 feet; thence North 30°12'35" East a distance of 23.50 feet; thence North 35°05'13" East a distance of 23.42 feet; thence North 40°44'15" East a distance of 23.66 feet; thence North 44°57'51" East a distance of 24.94 feet; thence South 43°09'57" East a distance of 19.91 feet; thence North 50°27'17" East a distance of 20.07 feet; thence North 54°51'15" East a distance of 19.82 feet; thence South 34°44'39" East a distance of 12.95 feet; thence North 59°33'19" East a distance of 22.24 feet; thence North 64°53'00" East a distance of 20.42 feet; thence North 70°38'12" East a distance of 20.68 feet; thence North 74°31'36" East a distance of 9.98 feet; thence North 77°33'05" East a distance of 21.05 feet; thence North 82°04'44" East a distance of 10.46 feet; thence North 84°48'18" East a distance of 20.58 feet; thence South 89°46'20" East a distance of 20.74 feet; thence South 83°33'01" East a distance of 21.90 feet; thence North 07°46'16" East a distance of 13.18 feet; thence South 79°27'38" East, a

distance of 20.36 feet; thence South 75°21'40" East a distance of 22.47 feet; thence South 69°02'10" East a distance of 21.18 feet; thence South 64°48'55" East a distance of 21.79 feet; thence South 60°08'57" East a distance of 21.85 feet; thence South 54°37'43" East, a distance of 21.70 feet; thence South 49°57'51" East a distance of 21.72 feet; thence South 44°38'08" East a distance of 12.25 feet; thence South 77°15'39" East a distance of 70.32 feet; thence South 12°33'02" West a distance of 31.97 feet; thence South 77°18'39" East a distance of 63.80 feet; thence South 12°16'20" West a distance of 32.15 feet; thence South 77°25'36" East a distance of 31.94 feet; thence South 12°41'48" West a distance of 131.26 feet; thence North 77°18'30" West a distance of 16.03 feet; thence South 12°41'48" West a distance of 15.98 feet; thence North 77°18'30" West a distance of 98.72 feet; thence South 12°41'30" West a distance of 4.63 feet; thence North 77°18'30" West a distance of 15.81 feet; thence North 12°41'30" East a distance of 4.63 feet; thence North 77°18'30" West a distance of 101.07 feet; thence North 02°35'18" East a distance of 25.68 feet; thence North 17°05'06" West a distance of 24.56 feet; thence North 37°07'42" West a distance of 24.60 feet; thence North 58°24'32" West a distance of 23.93 feet; thence North 77°23'00" West a distance of 17.87 feet; thence North 02°27'35" East a distance of 16.03 feet; thence North 85°28'58" West a distance of 5.69 feet; thence South 02°34'06" West a distance of 2.80 feet; thence South 86°30'16" West a distance of 14.75 feet; thence North 07°54'40" West a distance of 3.50 feet; thence South 77°14'43" West a distance of 14.21 feet; thence South 17°35'53" East a distance of 3.38 feet; thence South 68°00'33" West a distance of 14.89 feet; thence North 29°06'45" West a distance of 3.01 feet; thence South 59°13'14" West a distance of 5.60 feet; thence South 26°07'44" East a distance of 15.76 feet; thence South 65°16'38" West a distance of 5.93 feet; thence South 41°40'36" West a distance of 24.38 feet; thence South 22°41'38" West a distance of 25.66 feet; thence North 77°18'30" West a distance of 100.83 feet; thence South 12°41'30" West a distance of 3.16 feet; thence North 77°18'30" West a distance of 15.96 feet; thence North 12°41'30" East a distance of 3.16 feet; thence North 77°18'30" West a distance of 66.72 feet; thence North 12°37'32" East a distance of 16.00 feet; thence North 77°22'28" West a distance of 15.40 feet to the point of beginning.

Parcel II:

Fee simple interest in all of the Building Improvements (as defined in the Lease) located on the following described lands, but not the lands:

West Building Improvement Site

A part of the Z. Hogan's Grant, Section 39, Township 2 South, Range 26 East, Duval County, Florida, more particularly described as follows: For a point of reference, commence at Independent Drive (as relocated by the Florida Department of Transportation, as shown on Florida Department of Transportation Plan 72070, Section 2703, Sheet 1) centerline station 24 + 29.29 as shown on City of Jacksonville Department of Public Works Map of the Proposed Convention Center (Project No. 30/3742/80, File No. 6199, dated September 19, 1980); thence South 14°32'05" West, a distance of 32.00 feet to a point on the Southerly right-of-way line of said Independent Drive, said point being the beginning of a curve of said Southerly right-of-way line, said curve being concave Southeasterly having a radius of 198.00 feet; thence Southwesterly along the arc of said curve and along said Southerly right-of-way line, an arc distance of 178.92 feet, said arc being subtended by a chord bearing of South 78°38'52" West and a chord distance of 172.89 feet to a point of reverse curve; thence Southwesterly along the arc of said curve and along said Southerly right-of-way line of Independent Drive, said curve being concave Northwesterly having a radius of 262.00 feet an arc distance of 111.13 feet, said arc being subtended by a chord bearing of South 64°54'46" West and a chord distance of 110.30 feet to a point on said Southerly right-of-way line; thence South 46°13'56" West along said Southerly right-of-way line to its intersection with the Easterly right-of-way line of Hogan Street a distance of 17.41 feet; thence South 14°22'10" West along said Easterly right-of-way line of Hogan Street a distance of 166.93 feet; thence South 77°18'02" East a distance of 43.48 feet to the point of beginning; thence continue South 77°18'02" East a distance of 249.22 feet; thence South 12°43'01" West a distance of 50.93 feet; thence North 77°18'50" West a distance of 183.73 feet; thence South 13°11'38" West a distance of 12.88 feet; thence North 77°23'02" West a distance of 63.70 feet; thence North 12°39'15" East a distance of 12.96 feet; thence North 77°18'50" West a distance of 1.66 feet; thence North 12°43'01" East a distance of 50.99 feet to the point of beginning.

East Building Improvement Site

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11.00 feet; thence South 77°18'02" East, a distance of 36.50 feet; thence North 12°41'58" East, a distance of 9.00 feet to the point of curve of a curve, concave Southeasterly having a radius of 4.00 feet; thence Northeasterly along the arc of said curve, an arc distance of 6.29 feet, said arc being subtended by a chord bearing of North 57°41' 58" East and a chord distance of 5.66 feet to the point of tangency of said curve; thence South 77°18' 02" East, a distance of 14.00 feet; thence South 12°41'58" West, a distance of 2.00 feet; thence South 77°18'02" East, a distance of 8.00 feet; thence South 12°41'58" West, a distance of 11.00 feet; thence South 77°18'02" East, a distance of 37.90 feet; thence South 12°41'58" West, a distance of 0.80 feet; thence South 77°18'02" East, a distance of 22.30 feet; thence South 12°41'58" West, a distance of 49.40 feet; thence North 77°18'02" West, a distance of 22.30 feet; thence South 12°41'58" West, a distance of 0.80 feet; thence North 77°17'47" West, a distance of 215.60 feet; thence North 12°40'46" East, a distance of 50.96 feet to the Point of Beginning.

#### Dumpster Building Improvement Site

A part of the Z. Hogan's Grant, Section 39, Township 2 South, Range 26 East, Duval County, Florida, more particularly described as follows: For a point of reference, commence at Independent Drive (as relocated by the Florida Department of Transportation, as shown on Florida Department of Transportation Plan 72070, Section 2703, Sheet 1) centerline station 24 + 29.29 as shown on City of Jacksonville Department of Public Works Map of the Proposed Convention Center (Project No. 30/3742/80, File No. 6199, dated September 19, 1980); thence South 14°32'05" West, a distance of 32.00 feet to a point on the Southerly right-of-way line of said Independent Drive, said point being the beginning of a curve of said Southerly right-of-way line, said curve being concave Southeasterly having a radius of 198.00 feet; thence Southwesterly along the arc of said curve and along said Southerly right-of-way line, an arc distance of 178.92 feet, said arc being subtended by a chord bearing of South 78°38'52" West and a chord distance of 172.89 feet to a point of reverse curve; thence Southwesterly along the arc of said curve and along said Southerly right-of-way line of Independent Drive, said curve being concave Northwesterly having a radius of 262.00 feet an arc distance of 111.13 feet, said arc being subtended by a chord bearing of South 64°54'46" West and a chord distance of 110.30 feet to a point on said Southerly right-of-way line; thence South 46°13'56" West along said Southerly right-of-way line to its intersection with the Easterly right-of-way line of Hogan Street a distance of 17.41 feet; thence South 14°22'10" West along said Easterly right-of-way line of Hogan Street a distance of 182.42 feet; thence South 77°16'59" East a distance of 0.87 feet to the point of beginning; thence continue South 77°16'59" East a distance of 32.10 feet; thence South 12°43'01" West a distance of 18.10 feet; thence North 77°16'59" West a distance of 9.08 feet; thence South 11°32'18" West a distance of 3.19 feet; thence North 77°36'47" West a distance of 3.29 feet; thence North 11°49'16" East a distance of 3.21 feet; thence North 77°16'59" West a distance of 19.75 feet; thence North 12°43'01" East a distance of 18.10 feet to the point of beginning.

#### North Building Improvement Site

A part of the Z. Hogan's Grant, Section 39, Township 2 South, Range 26 East, Duval County, Florida, more particularly described as follows: For a point of reference, commence at Independent Drive (as relocated by the Florida Department of Transportation, as shown on



Florida Department of Transportation Plan 72070, Section 2703, Sheet 1) centerline station 24 + 29.29 as shown on City of Jacksonville Department of Public Works Map of the Proposed Convention Center (Project No. 30/3742/80, File No. 6199, dated September 19, 1980); thence South 14°32'05" West, a distance of 32.00 feet to a point on the Southerly right-of-way line of said Independent Drive, said point being the beginning of a curve of said Southerly right-of-way line, said curve being concave Southeasterly having a radius of 198.00 feet; thence Southwesterly along the arc of said curve and along said Southerly right-of-way line, an arc distance of 178.92 feet, said arc being subtended by a chord bearing of South 78°38'52" West and a chord distance of 172.89 feet to a point of reverse curve; thence Southwesterly along the arc of said curve and along said Southerly right-of-way line of Independent Drive, said curve being concave Northwesterly having a radius of 262.00 feet an arc distance of 111.13 feet, said arc being subtended by a chord bearing of South 64°54'46" West and a chord distance of 110.30 feet to a point on said Southerly right-of-way line; thence South 46°13'56" West along said Southerly right-of-way line to its intersection with the Easterly right-of-way line of Hogan Street a distance of 17.41 feet; thence South 14°22'10" West along said Easterly right-of-way line of Hogan Street a distance of 119.80 feet to a point on said right-of-way line; thence South 77°10'00" East a distance of 106.80 feet to the point of beginning; thence North 16°08'18" East a distance of 9.28 feet; thence North 19°58'08" East a distance of 23.51 feet; thence North 24°57'46" East a distance of 23.45 feet; thence North 30°12'35" East a distance of 23.50 feet; thence North 35°05'13" East a distance of 23.42 feet; thence North 40°44'15" East a distance of 23.66 feet; thence North 44°57'51" East a distance of 24.94 feet; thence South 43°09'57" East a distance of 19.91 feet; thence North 50°27'17" East a distance of 20.07 feet; thence North 54°51'15" East a distance of 19.82 feet; thence South 34°44'39" East a distance of 12.95 feet; thence North 59°33'19" East a distance of 22.24 feet; thence North 64°53'00" East a distance of 20.42 feet; thence North 70°38'12" East a distance of 20.68 feet; thence North 74°31'36" East a distance of 9.98 feet; thence North 77°33'05" East a distance of 21.05 feet; thence North 82°04'44" East a distance of 10.46 feet; thence North 84°48'18" East a distance of 20.58 feet; thence South 89°46'20" East a distance of 20.74 feet; thence South 83°33'01" East a distance of 21.90 feet; thence North 07°46'16" East a distance of 13.18 feet; thence South 79°27'38" East, a distance of 20.36 feet; thence South 75°21'40" East a distance of 22.47 feet; thence South 69°02'10" East a distance of 21.18 feet; thence South 64°48'55" East a distance of 21.79 feet; thence South 60°08'57" East a distance of 21.85 feet; thence South 54°37'43" East, a distance of 21.70 feet; thence South 49°57'51" East a distance of 21.72 feet; thence South 44°38'08" East a distance of 12.25 feet; thence South 77°15'39" East a distance of 70.32 feet; thence South 12°33'02" West a distance of 31.97 feet; thence South 77°18'39" East a distance of 63.80 feet; thence South 12°16'20" West a distance of 32.15 feet; thence South 77°25'36" East a distance of 31.94 feet; thence South 12°41'48" West a distance of 131.26 feet; thence North 77°18'30" West a distance of 16.03 feet; thence South 12°41'48" West a distance of 15.98 feet; thence North 77°18'30" West a distance of 98.72 feet; thence South 12°41'30" West a distance of 4.63 feet; thence North 77°18'30" West a distance of 15.81 feet; thence North 12°41'30" East a distance of 4.63 feet; thence North 77°18'30" West a distance of 101.07 feet; thence North 02°35'18" East a distance of 25.68 feet; thence North 17°05'06" West a distance of 24.56 feet; thence North 37°07'42" West a distance of 24.60 feet; thence North 58°24'32" West a distance of 23.93 feet; thence North 77°23'00" West a distance of 17.87 feet; thence North 02°27'35" East a distance of 16.03 feet; thence North 85°28'58" West a distance of 5.69 feet; thence South 02°34'06" West a distance of 2.80 feet; thence South 86°30'16" West a distance of 14.75 feet; thence North

07°54'40" West a distance of 3.50 feet; thence South 77°14'43" West a distance of 14.21 feet; thence South 17°35'53" East a distance of 3.38 feet; thence South 68°00'33" West a distance of 14.89 feet; thence North 29°06'45" West a distance of 3.01 feet; thence South 59°13'14" West a distance of 5.60 feet; thence South 26°07'44" East a distance of 15.76 feet; thence South 65°16'38" West a distance of 5.93 feet; thence South 41°40'36" West a distance of 24.38 feet; thence South 22°41'38" West a distance of 25.66 feet; thence North 77°18'30" West a distance of 100.83 feet; thence South 12°41'30" West a distance of 3.16 feet; thence North 77°18'30" West a distance of 15.96 feet; thence North 12°41'30" East a distance of 3.16 feet; thence North 77°18'30" West a distance of 66.72 feet; thence North 12°37'32" East a distance of 16.00 feet; thence North 77°22'28" West a distance of 15.40 feet to the point of beginning.

Parcel III:

The reciprocal and nonexclusive rights, easements and privileges of use, ingress and egress, parking, and for utility, encroachment and other purposes created and granted as a benefit for and an appurtenance to the leasehold estate described in Parcel I above, in and by the Lease, in, on, over, upon and under certain adjoining real property described as follows:

East Parcel

A part of the Z. Hogan's Grant, Section 39, Township 2 South, Range 26 East, Duval County, Florida, being more particularly described as follows:

COMMENCE at Independent Drive (as relocated by the Florida Department of Transportation, as shown on Department of Transportation Plan 72070, Section 2703, Sheet 1) centerline station 24 + 29.29 as shown on City of Jacksonville Department of Public Works Map of the Proposed Convention Center (Project No. 30/3742/80, File No. 6199, dated September 19, 1980); thence South 14°32'05" West, 32.00 feet to the Southerly right-of-way line of said Independent Drive; thence " South 75°27'55" East along said Southerly right-of-way line of Independent Drive, 55.64 feet; thence Southeasterly along the Southwesterly right-of-way line of Ramp "C" of the Main Street Bridge, as shown on State of Florida Department of Transportation Right-of-way Map of State Road No.5, dated March 25, 1974, the following three courses: Course No: 1: South 58°44'51" East, 102.69 feet: Course No.2: South 66°25'56" East, 114.65 feet to the point of curvature of a curve leading Southeasterly: Course No.3: thence along and around the arc of said curve, being concave Southwesterly and a having a radius of 406.00 feet, an arc distance of 258.52 feet, said arc being subtended by a chord bearing and distance of South 48°11'27" East, 254.17 feet; thence South 77°17'24" East, 206.55 feet to an intersection with the Southeasterly right-of-way line of Ramp "B" as shown on State of Florida Department of Transportation Right-of-way Map of State Road No.5, said point also being the POINT OF BEGINNING: thence Northeasterly along and around the arc of a curve and said Southeasterly right-of-way line, being concave Southeasterly and having a radius of 156.00 feet, an arc distance of 59.83 feet, said arc being subtended by a chord bearing and distance of North 67°22'51" East, 59.46 feet to the point of tangency of said curve; thence North 78°22'03" East, along said Southeasterly right-of-way line of Ramp "B", 236.76 feet; thence South 14°33'09" West, 269.79 feet: thence North 78°44'37" West, 5.69 feet: thence South 13°22'36" West, along the Easterly line of an easement to the City of Jacksonville, as recorded in Official Records Volume 5899, Page 471 of the Current Public Records of said county, 67.57 feet, to the Southerly face of an existing concrete bulkhead of the St. Johns River along Coastline Drive; thence North 77°15'59" West, along a line that approximates the location of an existing concrete bulkhead of the St. Johns River along Coastline Drive, 280.08 feet: thence North 04°42'06" East along the Easterly right-of-way line of said Main Street Bridge, 76.72 feet to the point of curvature of a curve leading Northeasterly; thence along and around the arc of said curve and said Easterly right-of-way line of Ramp "B", being concave Southeasterly and having a radius of 156.00 feet, an arc distance of 140.56 feet, said arc being subtended by a chord bearing and distance of North 30°34'52" East, 135.86 feet, to the POINT OF BEGINNING.

## West Parcel

A part of the Z. Hogan's Grant, Section 39, Township 2 South, Range 26 East, Duval County, Florida, being more particularly described as follows: COMMENCE at Independent Drive (as relocated by the Florida Department of Transportation, as shown on Florida Department of Transportation Plan 72070, Section 2703, Sheet 1) centerline station 24 + 29.29 as shown on City of Jacksonville Department of Public Works Map of the Proposed Convention Center (Project No. 30/3742/80, File No. 6199, dated September 19, 1980); thence South 14°32'05" West, 32.00 feet to the Southerly right-of-way line of said Independent Drive, said point also being the POINT OF BEGINNING; thence South 75°27'55" East along said Southerly right-of-way line of Independent Drive, 55.64 feet; thence Southeasterly along the Southwesterly right-of-way line of Ramp "C" of the Main Street Bridge, as shown on State of Florida Department of Transportation Right-of-Way Map of State Road No.5, dated March 25, 1974, the following 3 courses: Course No. 1: South 58°44'51" East, 102.69 feet; Course No. 2: South 66°25'56" East, 114.65 feet to the point of curvature of a curve leading Southeasterly; Course No.3: thence along and around the arc of said curve, being concave Southwesterly and having a radius of 406.00 feet, an arc distance of 258.52 feet, said arc being subtended by a chord bearing and distance of South 48°11'27" East, 254.17 feet; thence South 77° 17' 24" East, 206.55 feet to an intersection with the Southeasterly right-of-way line of Ramp "B" as shown on said State of Florida Department of Transportation Right-of-Way Map of State Road No.5; thence Southwesterly along and around the arc of a curve and said Southeasterly right-of-way line, being concave Southeasterly and having a radius of 156.00 feet, an arc distance of 140.56 feet, said arc being subtended by a chord bearing and distance of South 30°34'52" West, 135.86 feet to the point of tangency of said curve; thence South 04°42'06" West along the Easterly right-of-way line of said Ramp "B" and it's Southerly projection, 76.72 feet to the Southerly face of an existing concrete bulkhead of the St. Johns River along Coastline Drive; thence Westerly along a line that approximates the location of said existing concrete bulkhead, run the following 3 courses: Course No.1: North 77°15'59" West, 561.36 feet to the point of curvature of a curve leading Westerly; Course No.2: thence along and around the arc of said curve, being concave Southerly and having a radius of 952.96 feet, an arc distance of 327.09 feet, said arc being subtended by a chord bearing and distance of North 87°05'58" West, 325.49 feet to the point of tangency of said curve; Course No.3: South 83°04'03" West, 47.30 feet to a point; thence North 14°22'10" East along the Easterly right-of-way line of Hogan Street and its Southerly projection, 303.54 feet; thence Northeasterly along the Southerly right-of-way line of said Independent Drive, run the following 3 courses: Course No.1: North 46°13'56" East, 17.41 feet to a point on a curve; Course No.2: thence along and around the arc of said curve, being concave Northwesterly and having a radius of 262.00 feet, an arc distance of 111.13 feet, said arc being subtended by a chord bearing and distance of North 64°54'46" East, 110.30 feet to the point of reverse curvature of a curve leading Northeasterly; Course No.3: thence along and around the arc of said curve, being concave Southeasterly and having a radius of 198.00 feet, an arc distance of 178.92 feet, said arc being subtended by a chord bearing and distance of North 78°38'52" East, 172.89 feet, to the POINT OF BEGINNING.

EXCLUDING THEREFROM those lands described in Parcel I hereinabove as Building Improvements Sites.

TOGETHER WITH all of the rights, powers, privileges and benefits under the Lease accruing to the owner of said leasehold estate, its successors, legal representatives and assigns.

Exhibit B to Assignment and Assumption of City Lease

**A RESOLUTION OF THE JACKSONVILLE ECONOMIC DEVELOPMENT COMMISSION ("JEDC"), PERTAINING TO CITY ORDINANCE 84-1478-798 ("ORDINANCE") AND THE DISPOSITION, DEVELOPMENT AND LEASE AGREEMENT DATED OCTOBER 3, 1985 (AS AMENDED, HEREIN "AGREEMENT") BETWEEN ROUSE-JACKSONVILLE, INC. ("ROUSE"), THE CITY OF JACKSONVILLE ("CITY") AND THE JEDC (AS SUCCESSOR TO THE JACKSONVILLE DOWNTOWN DEVELOPMENT AUTHORITY) AUTHORIZED BY SAID ORDINANCE; APPROVING JACKSONVILLE LANDING INVESTMENTS, LLC, AN AFFILIATE OF SLEIMAN ENTERPRISES, INC. ("SLEIMAN ENTERPRISES") AS A "QUALIFIED RETAIL OPERATOR" PURSUANT TO THE AGREEMENT AND AS A TRANSFEREE OF THE RIGHTS AND OBLIGATIONS OF ROUSE UNDER THE AGREEMENT; PROVIDING AN EFFECTIVE DATE**

WHEREAS, the Agreement authorized by the Ordinance resulted in the construction and operation of the Jacksonville Landing; and

WHEREAS, Rouse and Sleiman Enterprises have notified the City/JEDC in writing of Rouse's desire to assign and transfer all of its rights and obligations under the Agreement to Sleiman Enterprises, and of Sleiman Enterprises' desire to assume all of Rouse's rights and obligations under the Agreement; and

WHEREAS, Rouse and Sleiman Enterprises have entered into a contract whereby Sleiman Enterprises would be entitled to purchase and assume all of Rouse's rights and obligations under the Agreement; and

WHEREAS, under the terms of section 8.3 of the Agreement, the City/JEDC agreed not to withhold approval of any proposed transfer by Rouse of its interest in the Agreement to a "Qualified Retail Operator"; and

WHEREAS, Sleiman Enterprises has requested that it be approved as a "Qualified Retail Operator" pursuant to the terms of the Agreement; and

WHEREAS, as demonstrated by the resume of Sleiman Enterprises attached as Exhibit A, Sleiman Enterprises meets the requirements of a "Qualified Retail Operator" as defined in section 8.1(c) of the Agreement, a copy of which section is attached as Exhibit B, together with a copy of sections 8.1 through 8.3 of the Agreement pertaining to transfers by Rouse; now therefore,

**BE IT RESOLVED** by the Jacksonville Economic Development Commission:

**Section 1. JEDC Approval.** The JEDC, as successor in interest to all contracts and agreements of the Jacksonville Downtown Development Authority, including the Agreement, hereby consents to the approval of Sleiman Enterprises as a "Qualified Retail Operator" pursuant to the authority vested in the JEDC in Section 10 of the Ordinance. The Executive Director is hereby authorized to execute any necessary documentation to effectuate this consent as may be approved by the Office of the General Counsel.

**Section 2. Effective Date.** This resolution shall become effective upon its approval by the JEDC this 14th day of August, 2003.

WITNESS:

Jacksonville Economic Development Commission

Elizabeth Dglesky

M. C. Harden, III  
M. C. Harden, III, Chairman

Form Approved:

[Signature]  
Office of the General Counsel

VOTE: In Favor: 4 Opposed: 0 Abstained: 0

## Exhibit C

### List of Permitted Title Exceptions

1. Unrecorded easements, if any, on, above or below the surface; and any discrepancies or conflicts in boundary lines of shortage in area or shortage in area or encroachments, which a correct survey or an inspection of the premises would disclose.
2. General or special taxes and assessments required to be paid in the year 2003 and subsequent years.
3. Terms and Conditions of that certain Disposition, Development and Lease Agreement dated October 3, 1985, as amended by that certain Short Form Lease Agreement dated March 13, 1986, recorded in Official Records Volume 6138, page 2127, by that certain First Amendment to Disposition, Development and Lease Agreement dated as of March 13, 1986, by that certain Second Amendment to Disposition, Development and Lease Agreement dated October 26, 1987, recorded in Official Records Volume 6419, page 1334, by that certain Third Amendment to Disposition, Development and Lease Agreement dated January 12, 1996, by that certain Fourth Amendment to Disposition, Development and Lease Agreement dated December 5, 1998, and by the certain Fifth Amendment to Disposition, Development and Lease Agreement dated June 25, 2001, recorded in Official Records Volume 10429, page 618, and as amended by instruments recorded in Official Records Volume 6348, page 933 and in Official Records Volume 6552, page 22, all of the current public records of Duval County, Florida.
4. Riparian and littoral rights, if any, are neither guaranteed nor insured.
5. Title to that portion of subject property lying below the mean or ordinary high water mark of the St. Johns River is not insured.
6. Bulkhead line, if any, land lying Easterly (seaward) of this line is excepted from coverage.
7. Any portion of the property herein described which is or is located upon artificially filled land, in what was formerly navigable waters, is subject to any and all rights of the United States Government, arising by reasons of the United States Government control over navigable waters in the interest of navigation and commerce.
8. Unrecorded Agreement between the City of Jacksonville and the State of Florida Department of General Services, dated December 12, 1975.
9. Terms, conditions and limitations set forth in Special Warranty Deed dated January 30, 1976, between the City of Jacksonville and the State of Florida Board of Trustees for the Internal Improvement Fund, recorded in Official Records Volume 4091, page 356, of the current public records of Duval County, Florida.
10. Agreement dated September 19, 1985, among the City of Jacksonville, Southern Bell Telephone & Telegraph Company, and Rouse-Jacksonville, Inc., recorded in Official



Records Volume 6138, page 2101, of the current public records of Duval County, Florida.

11. Permit and Easement Agreement dated February 13, 1986, between the State of Florida, Department of Transportation and the City of Jacksonville, recorded in Official Records Volume 6138, page 2093, of the current public records of Duval County, Florida.
  12. Revocable Permit and Indemnification Agreement filed March 28, 1999, in Official Records Book 9305, page 1864, in the current public records of Duval County, Florida.
  13. Revocable Permit and Indemnification Agreement filed August 16, 1999, recorded in Official Records Book 9387, page 1099, in the current public records of Duval County, Florida.
  14. Perpetual Easement in Warranty Deed dated April 27, 1938, from Duval County to the State of Florida, recorded in Deed Book 786, page 88, of the current public records of Duval County, Florida.
  15. Perpetual Easement dated August 15, 1939, from the Trustees of the Internal Improvement Fund of the State of Florida to the State Road Department of Florida, recorded in Deed Book 836, page 27, of the current public records of Duval County, Florida.
  16. Perpetual Right-Of-Way Easement dated May 3, 1974, from the City of Jacksonville to the State of Florida, for the use and benefit of the State of Florida, Department of Transportation, and recorded in Official Records Volume 3722, page 216, in the current public records of Duval County, Florida.
- NOTE:** Items 14, 15 and 16 above are each modified by that certain Permit and Easement Agreement dated February 13, 1986, between the State of Florida, Department of Transportation and the City of Jacksonville, recorded in Official Records Volume 6138, page 2093, in the current public records of Duval County, Florida.
17. Any unrecorded leases or agreements not found of record.
  18. Notices of Prohibition of Liens for Improvements Made By Lessees filed of record on August 19, 1998, in Official Records Book 9045, page 1379, in the current public records of Duval County, Florida

\\REA\164772.8

# **Exhibit 9**

OFFICE OF GENERAL COUNSEL  
CITY OF JACKSONVILLE

JASON R. GABRIEL\*  
GENERAL COUNSEL



CITY HALL, ST. JAMES BUILDING  
117 WEST DUVAL STREET, SUITE 480  
JACKSONVILLE, FLORIDA 32202

ASHLEY B. BENSON  
JODY L. BROOKS  
WENDY E. BYNDLOSS  
KAREN M. CHASTAIN  
DERREL Q. CHATMON  
JEFFERY C. CLOSE  
JULIA B. DAVIS  
STEPHEN M. DURDEN  
CRAIG D. FEISER  
GILBERT L. FELTEL, JR.  
SONDRA R. FETNER  
LOREE L. FRENCH  
CHRISTOPHER GARRETT  
SEAN B. GRANAT  
SUSAN C. GRANDIN  
KATY A. HARRIS  
LAWSIKIA J. HODGES  
SONYA HARRELL HOENER  
PAIGE HOBBS JOHNSTON  
EMERSON M. LOTZIA

RITA M. MAIRS  
JAMES R. MCCAIN JR.  
WENDY L. MUMMAW  
KELLY H. PAPA  
TRACEY KORT PARDE  
JACOB J. PAYNE  
GAYLE PETRIE  
JON R. PHILLIPS  
CHERRY SHAW POLLOCK  
STEPHEN J. POWELL  
TIFFINY DOUGLAS SAFI  
R. ANTHONY SALEM  
JOHN C. SAWYER, JR.  
MARGARET M. SIDMAN  
SANDRA P. STOCKWELL  
JASON R. TEAL  
ADINA TEODORESCU  
MICHAEL B. WEDNER  
STANLEY M. WESTON  
GABY YOUNG

\*BOARD CERTIFIED CITY, COUNTY  
AND LOCAL GOVERNMENT LAW

October 17, 2017

**VIA HAND DELIVERY**

Jacksonville Landing Investments, LLC  
c/o Sleiman Enterprises  
1 Sleiman Parkway, Suite 270  
Jacksonville, Florida 32216  
Attention: Anthony T. Sleiman, President

**Re: NOTICE OF BREACH OF LEASE AGREEMENT**

Dear Mr. Sleiman:

Jacksonville Landing Investments, LLC ("JLI") is hereby notified that it is in breach of the Disposition, Development and Lease Agreement dated October 3, 1985, as amended (the "Lease Agreement"), for failing to operate and maintain The Jacksonville Landing as "a high-quality, first class retail facility" as required by the Lease Agreement.

The City entered into the Lease Agreement with Rouse-Jacksonville, Inc. ("Rouse") in 1985 for the express purpose of developing and maintaining The Jacksonville Landing as a first-class retail facility in the heart of downtown. At the time, Rouse was the premier national developer of specialty retail space and had developed a number of very successful and high-quality shopping centers, including other festival marketplace properties like those referenced in Section 7.2 of the Lease Agreement: 1) The Gallery at Market Street East (Philadelphia); 2) Harborplace (Baltimore); 3) Fanueil Hall Marketplace (Boston); 4) Santa Monica Place (Santa Monica); The Grand Avenue (Milwaukee); and 5) South Street Seaport (New York City).

Several material covenants were included in Article VII of the Lease Agreement to ensure that The Jacksonville Landing would be operated and maintained “in a manner that is attractive both in its physical characteristics and in its appeal to customers and trade.” JLI, as assignee of Rouse since 2003, is bound by those covenants.

The Jacksonville Landing is not currently being operated and maintained as required by the Lease Agreement. The occupancy rate of The Jacksonville Landing is far below industry averages, and the spaces that are leased do not house enough high-quality merchants providing a broad range of merchandise and services consistent with other first-class festival marketplace-style properties. A large percentage of spaces are vacant. Many of the spaces that appear to be occupied are closed during normal business hours. There is peeling paint, plywood covering doors in the public areas, vacant spaces secured with chains and padlocks, leasable areas visibly being used as storage space, unpleasant smells, dirt and grime, open demolition, and an overall unattractive environment. Not only are they poorly maintained, but The Jacksonville Landing’s improvements are antiquated. JLI has failed to modernize The Jacksonville Landing’s 30-year-old buildings in any appreciable way so as to remain competitive and attract customers and tenants.

Accordingly, JLI has breached the materials terms of the Lease Agreement by failing to do the following:

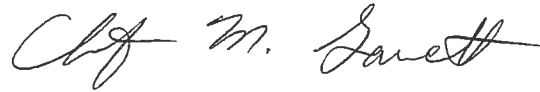
1. Prudently and continuously manage and operate The Jacksonville Landing as a “first-class retail facility having a broad range of merchandise and services consistent with the size and location” of its improvements, as required by Section 7.2 of the Lease Agreement;
2. Operate The Jacksonville Landing “at or above the prevailing level of quality of the urban retail centers known as The Gallery at Market Street East in Philadelphia, Pennsylvania; Harborplace, in Baltimore, Maryland; Fanueil Hall Marketplace, in Boston, Massachusetts; Santa Monica Place, in Santa Monica, California; The Grand Avenue, Milwaukee, Wisconsin; and South Street Seaport in New York City, New York,” as required by Section 7.2, clause (ii) of the Lease Agreement;
3. Use “all reasonable efforts” to lease space at The Jacksonville Landing to subtenants “who will provide a balanced mix of goods and services consistent with the standards” set forth in the Lease Agreement, as required by Section 7.2, clause (a) of the Lease Agreement;
4. Properly maintain The Jacksonville Landing’s improvements and keep them in good repair, as required by Section 7.2, clause (c) of the Lease Agreement; and
5. Operate The Jacksonville Landing “in a high-quality, first-class manner which [is] attractive in both its physical characteristics and in its appeal to customers and trade,” as required by Section 7.4, clause (a) of the Lease Agreement.

October 17, 2017

Page 3

Pursuant to Section 11.1, if JLI fails within thirty (30) days of this notice to cure its breach, or commence and diligently prosecute all actions necessary to cure such breach, it will constitute an Event of Default under the Lease Agreement. The City will then take action to terminate the Lease Agreement and remove JLI from the property.

Sincerely,



Christopher M. Garrett

cc:

Rutledge R. Liles, Esq.  
Michael D. Lee, Esq.  
Liles Gavin, P.A.  
301 W. Bay Street, Suite 1030  
Jacksonville, Florida 32202  
(Via Certified Mail – Return Receipt Requested)

9171 9690 0935 0160 5152 36

Robert A. Heekin, Esq.  
The Law Offices of Robert A. Heekin  
1 Sleiman Parkway, Suite 270  
Jacksonville, Florida 32216  
(Via Certified Mail – Return Receipt Requested)

9171 9690 0935 0160 5152 43

Mitchell W. Legler, Esq.  
Kirschner & Legler, P.A.  
1431 Riverplace Blvd., Suite 910  
The Peninsula Building  
Jacksonville, Florida 32207  
(Via Certified Mail – Return Receipt Requested)

9171 9690 0935 0160 5152 50

PNC BANK, N.A.  
205 Datura Street  
West Palm Beach, Florida 33401  
(Via Certified Mail – Return Receipt Requested)

9171 9690 0935 0160 5152 67

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 PS Form 3800, August 2006 See Reverse for Instructions

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 Rutledge R. Liles, Esq.  
 Michael D. Lee, Esq.  
 Liles Gavin, PA  
 301 W. Bay St., Ste. 1030  
 Tax FL 32202

2. Article Number (Transfer from service label) 7008 3230 0002 6942 6314  
 PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature *[Signature]*  Agent  
 B. Received by (Printed Name) *[Name]*  Addressee  
 C. Date of Delivery 10/23/14  
 D. Is delivery address different from item 1?  Yes  
 If YES, enter delivery address below:  No

3. Service Type  
 Certified Mail  Express Mail  
 Registered  Return Receipt for Merchandise  
 Insured Mail  C.O.D.  
 4. Restricted Delivery? (Extra Fee)  Yes

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:  
 PNC Bank, N.A.  
 205 Datura Street  
 West Palm Beach, FL  
 33401

2. Article Number (Transfer from service label) 7008 3230 0002 6942 6338  
 PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature *[Signature]*  Agent  
 B. Received by (Printed Name) *[Name]*  Addressee  
 C. Date of Delivery 10/23/14  
 D. Is delivery address different from item 1?  Yes  
 If YES, enter delivery address below:  No

3. Service Type  
 Certified Mail  Express Mail  
 Registered  Return Receipt for Merchandise  
 Insured Mail  C.O.D.  
 4. Restricted Delivery? (Extra Fee)  Yes

7008 3230 0002 6942 6338

7008 3230 0002 6942 6345

7008 3230 0002 6942 6321

**U.S. Postal Service™**  
**CERTIFIED MAIL™ RECEIPT**  
*(Domestic Mail Only; No Insurance Coverage Provided)*

For delivery information visit our website at [www.usps.com](http://www.usps.com)  
**OFFICIAL USE**

Postage	\$	Postmark Here
Certified Fee		
Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees	\$	

Sent to  
 Street, Apt. No. or PO Box No. Robert A Heekin, Esq.  
1 Sleiman Pkwy, Ste. 270  
 City, State, ZIP+4 Tax FL 32216

PS Form 3800, August 2006 See Reverse for Instructions

**U.S. Postal Service™**  
**CERTIFIED MAIL™ RECEIPT**  
*(Domestic Mail Only; No Insurance Coverage Provided)*

For delivery information visit our website at [www.usps.com](http://www.usps.com)  
**OFFICIAL USE**

Postage	\$	Postmark Here
Certified Fee		
Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees	\$	

Sent to  
 Street, Apt. No. or PO Box No. Mitchell W. Legler, Esq.  
1431 Riverplace Blvd, Ste. 910  
 City, State, ZIP+4 Tax FL 32207

PS Form 3800, August 2006 See Reverse for Instructions

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:  
Robert A. Heekin, Esq.  
Law Offices of Robert E. Heekin  
1 Sleiman Pkwy, Ste. 270  
Tax FL 32216

2. Article Number  
 (Transfer from service label)  
7008 3230 0002 6942 6321

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature  Agent  
 Addressee

B. Received by (Printed Name) Laura Wilcott Date of Delivery 10/19/17

D. Is delivery address different from item 1?  Yes  
 If YES, enter delivery address below:  No

3. Service Type  
 Certified Mail  Express Mail  
 Registered  Return Receipt for Merchandise  
 Insured Mail  C.O.D.

4. Restricted Delivery? (Extra Fee)  Yes

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:  
Mitchell W. Legler, Esq.  
Kirschner & Legler, P.A.  
1431 Riverplace Blvd, Ste. 910  
The Peninsula Building  
Tax FL 32207

2. Article Number  
 (Transfer from service label)  
7008 3230 0002 6942 6345

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature  Agent  
 Addressee

B. Received by (Printed Name) SS Wilcott C. Date of Delivery 10/19/17

D. Is delivery address different from item 1?  Yes  
 If YES, enter delivery address below:  No

3. Service Type  
 Certified Mail  Express Mail  
 Registered  Return Receipt for Merchandise  
 Insured Mail  C.O.D.

4. Restricted Delivery? (Extra Fee)  Yes

# **Exhibit 10**



OFFICE OF GENERAL COUNSEL  
CITY OF JACKSONVILLE

JASON R. GABRIEL\*  
GENERAL COUNSEL



CITY HALL, ST. JAMES BUILDING  
117 WEST DUVAL STREET, SUITE 480  
JACKSONVILLE, FLORIDA 32202

ASHLEY B. BENSON  
JODY L. BROOKS  
WENDY E. BYNDLOSS  
KAREN M. CHASTAIN  
DERREL Q. CHATMON  
JEFFERY C. CLOSE  
JULIA B. DAVIS  
STEPHEN M. DURDEN  
CRAIG D. FEISER  
GILBERT L. FELTEL, JR.  
SONDRA R. FETNER  
LOREE L. FRENCH  
CHRISTOPHER GARRETT  
SEAN B. GRANAT  
SUSAN C. GRANDIN  
KATY A. HARRIS  
LAWSIKIA J. HODGES  
SONYA HARRELL HOENER  
PAIGE HOBBS JOHNSTON  
EMERSON M. LOTZIA

RITA M. MAIRS  
JAMES R. MCCAIN JR.  
WENDY L. MUMMAW  
KELLY H. PAPA  
TRACEY KORT PARDE  
JACOB J. PAYNE  
GAYLE PETRIE  
JON R. PHILLIPS  
CHERRY SHAW POLLOCK  
STEPHEN J. POWELL  
TIFFINY DOUGLAS SAFI  
R. ANTHONY SALEM  
JOHN C. SAWYER, JR.  
MARGARET M. SIDMAN  
SANDRA P. STOCKWELL  
JASON R. TEAL  
ADINA TEODORESCU  
MICHAEL B. WEDNER  
STANLEY M. WESTON  
GABY YOUNG

\*BOARD CERTIFIED CITY, COUNTY  
AND LOCAL GOVERNMENT LAW

May 25, 2018

**VIA HAND DELIVERY AND FEDEX**

Jacksonville Landing Investments, LLC  
c/o Sleiman Enterprises  
1 Sleiman Parkway, Suite 270  
Jacksonville, Florida 32216  
Attention: Anthony T. Sleiman, President

**Re: NOTICE OF TERMINATION OF LEASE AGREEMENT**

Dear Mr. Sleiman:

**PURSUANT TO SECTION 11.2(b) OF THE LEASE AGREEMENT, THIS LETTER IS NOTICE TO JLI OF THE IMMEDIATE TERMINATION OF THE TERM AND THE LEASE AGREEMENT.**

On October 17, 2017, the City of Jacksonville (the "City") provided Jacksonville Landing Investments, LLC ("JLI") notification that it is in breach of the Disposition, Development and Lease Agreement dated October 3, 1985, as amended (the "Lease Agreement"). JLI's failure to take action to cure its breach within the thirty (30) days provided by the Lease Agreement constituted an Event of Default, as defined in the Lease Agreement. (All capitalized terms below are defined as provided in the Lease Agreement).

PNC Bank, N.A. ("PNC"), as Mortgagee, was notified of the Event of Default on November 27, 2017. PNC has not pursued any of the rights it may have had under the Lease Agreement within the time period set forth in the Lease Agreement.

May 25, 2018

Page 2

The City demands that JLI provide it with immediate access to, and possession of, the Leased Property and all Building Improvements and other fixtures thereon. Additionally, the City requests that JLI provide copies of all sub-leases currently in effect for the Property.

Sincerely,



Christopher M. Garrett

cc:

Rutledge R. Liles, Esq.  
Michael D. Lee, Esq.  
Liles Gavin, P.A.  
301 W. Bay Street, Suite 1030  
Jacksonville, Florida 32202  
(Via Hand Delivery)

Robert A. Heekin, Esq.  
The Law Offices of Robert A. Heekin  
1 Sleiman Parkway, Suite 270  
Jacksonville, Florida 32216  
(Via Federal Express)

Mitchell W. Legler, Esq.  
Kirschner & Legler, P.A.  
1431 Riverplace Blvd., Suite 910  
The Peninsula Building  
Jacksonville, Florida 32207  
(Via Federal Express)

PNC BANK, N.A.  
205 Datura Street  
West Palm Beach, Florida 33401  
(Via Federal Express)

ORIGIN ID NRBA (904) 630-146  
MAILROOM JACKSONVILLE CITY HALL  
CITY OF JACKSONVILLE CITY HALL  
117 W DUVAL ST STE M150  
JACKSONVILLE, FL 32202  
UNITED STATES US

DATE 25MAY18  
G 18 LTB  
J5849425 4551729C9

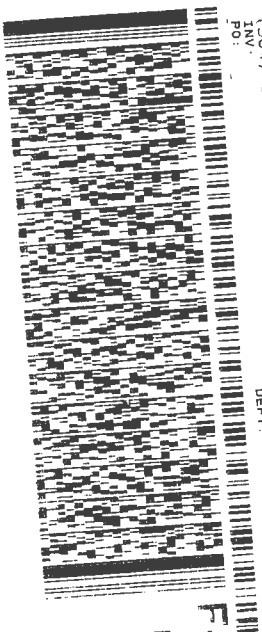
BILL SENDER

TO: MICHIGAN N IEE

LILES GAVIN PA  
301 W. BAY STREET-SUITE 1030

JACKSONVILLE FL 32202

INV: (904) 634-1100  
REF: DEPT:

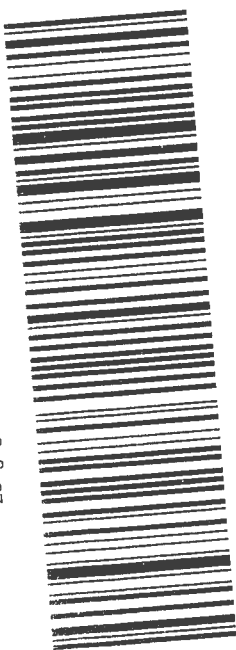


TUE - 29 MAY 10:30A  
PRIORITY OVERNIGHT

TRK# 7811 3131 0894  
0201

31 NRBA

32202  
FL-US JAX



Acct # : GCGA551  
Cust # : 620000001496  
ZIP/Zone : 32202 / 2  
ZIP # : 781131310894  
Date : 05-25-18 0 1p 2 8 oz  
Base \$ 6.53  
Sp. S. \$ 0.45  
Addl \$ 0.00  
Total \$ 6.99

ORIGIN ID:NRBA (904) 630-1467  
MAILROOM  
CITY OF JACKSONVILLE CITY HALL  
117 W DUVAL ST STE M150

JACKSONVILLE, FL 32202  
UNITED STATES US

SHIP DATE: 25MAY18  
ACTWGT: 0.16 LB  
CAD 105849425/MSX12900

BILL SENDER

TO ANTHONY T. SLEIMAN  
JACKSONVILLE LANDING INVESTMENTS  
1 SLEIMAN PKWY

1127829/DCRS

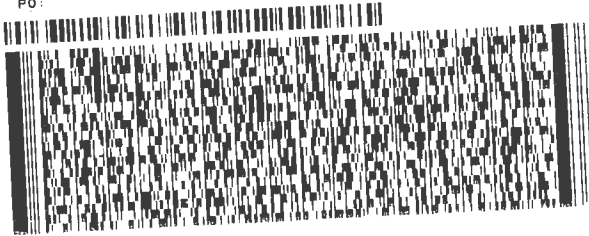
JACKSONVILLE FL 32216

(904) 636-9777

REF:

INV:

DEPT:



FedEx  
Express



1127829/DCRS

TRK# 7811 3124 2820  
0201

TUE - 29 MAY 10:30A  
PRIORITY OVERNIGHT

**31 NRBA**

32216  
FL-US JAX



Date: 05-25-18 0 lb 2 5 oz  
Acct # : GCGA551  
Cust # : G20000001495  
Zip/Zone : 32216 / 2  
Trk # : 781131242820  
Pkg ID #: 0  
Service : FedEx Priority Overnight

Base \$	6.53
Spc S \$	0.46
Addl \$	0.00
Total \$	6.99

ORIGIN ID: NRBA (904) 630-1467  
MAILROOM  
CITY OF JACKSONVILLE CITY HALL  
117 W DUVAL ST STE 1150  
JACKSONVILLE, FL 32202  
UNITED STATES US

SHIP DATE: 25MAY18  
ACTWGT: 0.16 LB  
CRD: 105849425/MSX12900  
BILL SENDER

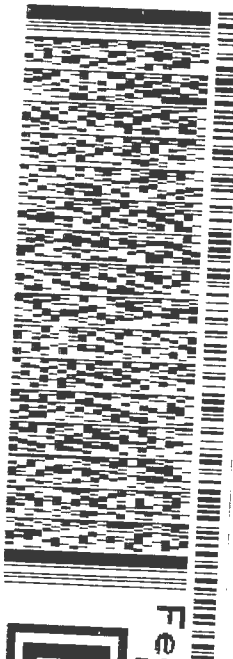
TO MITCHELL LEGLER ESQ.  
KIRSCHNER LEGLER PA  
1431 RIVERPLACE BLVD-APT 910

JACKSONVILLE FL 32207

(904) 346-3200  
INV: REF:

PO:

DEPT:



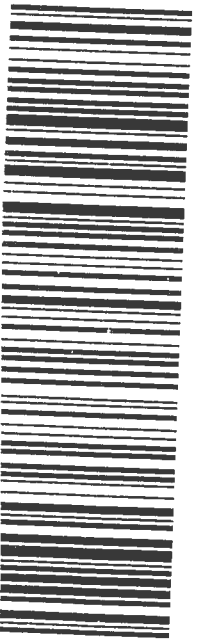
01092710811191

TRK# 7811 3139 5460  
2201

TUE - 29 MAY 10:30A  
PRIORITY OVERNIGHT

31 NRBA

32207  
FL-US JAX



552J2/782B/DCAS

ORIGIN ID:NRBA (904) 630-1467  
MAILROOM  
CITY OF JACKSONVILLE CITY HALL  
117 W DUVAL ST STE M150  
JACKSONVILLE, FL 32202  
UNITED STATES US

SHIP DATE: 25MAY18  
ACTWGT: 0.18 LB  
CAD: 105849425/WSX12900

BILL SENDER

TO PNC BANK  
PNC BANK  
205 DATURA

WEST PALM BEACH FL 33401

(561) 803-9790  
INV:  
PO:

REF:

DEPT:



FedEx  
Express



J1811160126010v

TUE - 29 MAY 10:30A  
PRIORITY OVERNIGHT

TRK# 7811 3154 0149  
0201

3E PBIA

33401  
FL-US PBI



Date: 05-25-18 0 lb 2.8 oz  
Acct # : GCGA551  
Cust # : 22122  
Zip/Zone: 33401 / 3  
Trk # : 781131540149  
Pkg ID #: 0  
Service : FedEx Priority Overnight

Base :\$ 8.68  
Spc S:\$ 0.61  
Addl :\$ 0.00  
Total \$ 9.29

ORIGIN ID: NRBA (904) 630-1467  
MAILROOM  
CITY OF JACKSONVILLE CITY HALL  
117 W DUVALL ST STE M150  
JACKSONVILLE FL 32202  
UNITED STATES US

SHIP DATE: 26MAY18  
RCLWGT: 0.18 LB  
CAD: 105849425/MSX12900

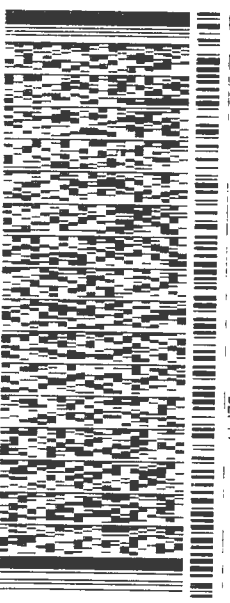
BILL SENDER

TO  
**ROBERT A. HEEKIN ESQ**  
**LAW OFFICES OF ROBERT HEEKIN**  
**1 SLEIMAN PKWY-SUITE 270**

**JACKSONVILLE FL 32216**

(904) 636-9777 REF:

DEPT:

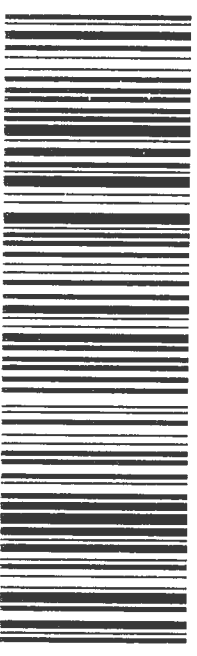


TRK# 7811 3144 7725  
0201

**TUE - 29 MAY 10:30A**  
**PRIORITY OVERNIGHT**

**31 NRBA**

**32216**  
**FL-US JAX**



Acct # : GCGA551 Date: 05-25-18 0 lb 2.8 oz  
Cust # : G20000001498  
Zip/Zone : 32216 / 2  
TRK # : 78113+447725  
PK9 ID # : 0  
Service : FedEx Priority Overnight

Base : \$ 6.53  
Spc S : \$ 0.46  
Addl : \$ 0.00  
Total \$ 6.99