

## **PURCHASE CONTRACT**

**THIS PURCHASE CONTRACT** (this “Contract”) is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2013 (the “Effective Date”), by and between the **CITY OF ORLANDO, FLORIDA**, a municipal corporation of the State of Florida (the “City”), whose mailing address is 400 South Orange Avenue, Orlando, Florida 32801, and **SED DEVELOPMENT, LLC**, a Delaware limited liability company (the “Buyer”), whose mailing address is 8701 Maitland Summit Boulevard, Orlando, Florida 32810-5915. City and Buyer may together be referred to herein as the “Parties”, or individually as a “Party”.

### **BACKGROUND**

In 2006, City approved the downtown Orlando Community Venues Master-Plan centered around the development of three community venues and the future development and linkage of the venues to the surrounding area (the “Community Venues Master Plan”). The development principles of the Community Venues Master Plan and the development of the three community venues are to foster economic development and job creation. The development principles are intended (among other things) to assist City in evaluating potential development scenarios around each venue, which include: (i) matching the urban form of the Community Venues Master Plan to community investments; (ii) celebrating and strengthening cultural and civic amenities; (iii) leveraging community assets to build vibrant activity centers and spur private development; and (iv) advancing re-development of areas in downtown Orlando contiguous to the venues (the “Development Principles”).

In furtherance of the Community Venues Master Plan, on September 21, 2011, City and Buyer entered into a Feasibility Study and Purchase Option Agreement (the “First Option Agreement”) which gave Buyer the right to study the feasibility of development of and an option to purchase certain real property owned by City described therein (the “First Option Property”). The First Option Property was identified in the First Option Agreement as consisting of approximately four and 9/10 (4.9) acres and includes a parking garage, a motor vehicle car wash and refueling facility, a communications tower and other improvements.

On March 12, 2013, City and Buyer entered into a second Feasibility Study and Purchase Option Agreement (the “Second Option Agreement”) which gave Buyer the right to study the feasibility of development of and an option to purchase certain real property owned by City adjacent to the First Option Property and depicted and described therein (the “Second Option Property”). The Second Option Property includes the Orlando Police Department headquarters building and other improvements and was identified in the Second Option Agreement as consisting of approximately three and 33/100 (3.33) acres.

On March 28, 2013, Buyer timely exercised its option to purchase the First Option Property. Buyer also timely delivered to City, for City’s review, a proposed agreement for the purchase of the First Option Property, but the Parties have now agreed to the sale and purchase of the entire Premises (as referred to in this manner until defined below in Section 1.2(a)) as set forth in this Contract).

Buyer shares common ownership with the Orlando Magic, Ltd., a Florida limited partnership.

The Parties desire to merge the purchase and sale of the First Option Property and the Second Option Property into a single transaction, and Buyer and City hereby agree to proceed with a single closing for the First Option Property and the Second Option Property pursuant to the terms and conditions set forth in this Contract. A survey of the First Option Property and the Second Option Property has been performed to accurately identify the acreage and dimensions of the combined First Option Property and Second Option Property. The combined First Option Property and Second Option Property which Buyer seeks to purchase and City wishes to sell pursuant to this Contract is described on attached **Exhibit "A"** and referred to in this Contract as the "Premises" and are further described below in Article I. Subject to any change in the Survey based on the update to be performed during the Investigation Period (as referred to in this manner until defined below in Section 4.1 as set forth in this Contract), based on such survey described in Section 3.3 below, the Parties have agreed to use the acreage of the Premises reflected on such survey for purposes of this Contract.

Based on its feasibility studies, Buyer seeks to develop the Premises as a unified development with a preliminary development plan to include the following: (i) demolition of the improvements on the First Option Property shortly after Closing (as referred to in this manner until defined below in Section 18.1 as set forth in this Contract), (ii) construction of a commercial office building to house the headquarters for the Orlando Magic, Ltd. among other tenants, (iii) construction of a parking garage; (iv) after City vacates the OPD Property, as defined in Section 1.4 below, demolition of the existing improvements on the OPD Property, construction of a hotel (the "Hotel") and conference center of approximately 40,000 square feet (the "Conference Center"), construction of retail space ancillary to the commercial office building, Hotel and Conference Center and additional improvements in a manner that is consistent with market demand (collectively, the "Project"). This preliminary development plan of the Project (the "Preliminary Development Plan") including the approximate square footage of the buildings that comprise the Project is further described on attached **Exhibit "B"** and is subject to modification as described in this Contract. The Parties hereby agree to cooperate and communicate reasonably with each other to submit and process any necessary applications (including, without limitation, allowing Buyer to serve as authorized agent for any such applications), attend, and/or complete the necessary notices, hearing(s), and City approvals for the Project by the Closing Date (as referred to in this manner until defined below in Section 8.2 as set forth in this Contract) and will negotiate and agree on the form of Development Agreement containing the general terms and elements as set forth in Section 13.5 of this Contract.

The Parties acknowledge that the Second Option Property contains the Orlando Police Department headquarters and that City will not vacate a portion of the Premises at Closing. Instead, this Contract provides for City to lease the Orlando Police Department's headquarters building (the "OPD Lease") after Closing until a replacement facility is built.

The Parties hereby agree that the resulting transactions from City's grant of the First Option Agreement and Second Option Agreement described herein, have followed and shall continue to follow the requirements set forth in the City of Orlando Code of Ordinances, Chapter

13, Section 7(2), which states that City may sell, lease or otherwise alienate real property, for the benefit of City.

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**ARTICLE I**  
**PURCHASE AND SALE**

**Background.** The foregoing background information is true and correct and shall be incorporated herein by this reference. Any agreements between the Parties stated in the background shall have the same force and effect as it would hereafter in Articles I-XV.

**Property.** City agrees to sell and convey to Buyer, and Buyer agrees to buy from City, at the price and upon the other terms and conditions hereafter set forth, that certain property described as follows:

the tract of land more particularly described on attached **Exhibit “A”**, together with all of the estate, right, title and interest of City, if any, in and to any land lying in the beds of any streets, roads or avenues, open or proposed, public or private, and all easements, rights, licenses, privileges, rights-of-way, strips and gores, mineral rights, air development rights, rights of ingress and egress, hereditaments and such other real property rights and interests appurtenant to the foregoing (the “**Premises**”); and

the buildings, structures, improvements, fixtures, facilities, installations, machinery and equipment in, on, under or over the Premises and including, but not limited to, the foundations and footings therefor, elevators, plumbing, air conditioning, heating, ventilating, mechanical, electrical and utility systems, signs and light fixtures, doors, windows, fences, parking lots, walks and walkways, the City of Orlando Police radio tower, the City of Orlando Police fueling station and car wash, the City of Orlando Police parking garage, and each and every other type of physical improvement to the extent owned, in whole or in part, by City, located at, on or affixed to the Premises, to the fullest extent such items constitute are, can or may be construed as realty under the laws of the State of Florida, that were not removed by City from the First Option Property prior to the Closing Date (collectively, the “**Improvements**”). Notwithstanding the foregoing, City may elect to retain ownership of certain Improvements as will be disclosed to Buyer during the Investigation Period (the “**Retained Improvements**”). City may elect to remove any or all of the Retained Improvements at its sole expense within sixty (60) days following the Closing Date (the “**Removal Date**”). As of the Removal Date, City shall forfeit any interest it has in the Retained Improvements on the First Option Property and Buyer may remove, destroy or otherwise disturb any or all of the Retained Improvements without any liability. Removal by City of any Retained Improvements on the OPD Property will be addressed in the OPD Lease.

**Easement.** At Closing, Buyer will grant City a non-exclusive easement for the use of a portion of the abandoned South Bryan Avenue for ingress and egress from the OPD Property. The form of the Easement Agreement shall be agreed between the Parties during the Investigation Period.

**Purchase Documents.** The Purchase Documents are more particularly described on **Schedule “2”** attached hereto and made a part hereof. The Purchase Documents include the OPD Lease whereby City shall lease a portion of the Premises on the terms and conditions described therein for an annual rental of the lesser of (i) fair market rental value, or (ii) ONE HUNDRED THOUSAND DOLLARS (\$100,000.00), which the Parties believe is set at a below market rate of approximately TWO DOLLARS (\$2.00) per square foot. The portion of the Premises

leased to City pursuant to the OPD Lease shall be defined therein and shall be referred to in this Contract as the “OPD Property”. The form of the OPD Lease shall be agreed between the Parties during the Investigation Period. It is the intent of the Parties that the OPD Lease shall be a “triple net lease” whereby the City would pay (in addition to its annual rent) all expenses, and maintenance for the OPD Property. The Parties recognize that the City cannot pay sales and/or ad valorem taxes as a result of its current statutory exemptions as a municipality. Notwithstanding, during the Inspection Period and as set forth in the OPD Lease, the Parties shall coordinate any such filing requirements to so that the Buyer can apply to receive the same exemption from sales and/or ad valorem tax as a result of the City being a tenant in the OPD Property and until such time that the City turns the OPD Property over to the Buyer. The OPD Lease is subject to separate City Council approval consistent with City Code and Charter.

**“AS IS” Purchase.** Buyer acknowledges that the purchase of the Premises is “As Is” in the state and condition existing at the time of Buyer’s execution of this Contract, without any warranty, express or implied, of merchantability or fitness for a particular purpose except as expressly set forth in this Contract. In purchasing the Premises, Buyer is relying solely upon its own inspection and investigation and not upon any representation, warranty, statement, study, report, description, guideline or other information materials made or furnished by City or any of its officers, employees, elected and appointed officials, agents or representatives, whether written or oral, express or implied, of any nature whatsoever unless set forth expressly in this Contract.

**Conference Center.** City desires to have the Conference Center constructed by Buyer and to reserve for itself periodic use of the Conference Center and other rights associated with the Conference Center. As a result, during the Investigation Period, the Parties will negotiate and agree upon the form and substance of the following agreements associated with the Conference Center: (i) an agreement for the participation by City in the construction of the Conference Center in the amount of ONE MILLION SEVEN HUNDRED THOUSAND and 00/100 DOLLARS (\$1,700,000.00) which will include, without limitation, approval rights in favor of the City on the design and size of the Conference Center and staged payment based on the progress of construction (the “Conference Center Participation Agreement”), (ii) an agreement whereby City would be entitled to use, or authorize use of, the Conference Center six (6) days each year without facility rental cost (not inclusive of food and beverages) and have other rights to use the Conference Center as may be described therein (the “Conference Center Use Agreement”).

**Demolition Costs / Insurance for Remediation Expenses.** Following the Closing and at the appropriate time frames set forth in this Contract, the Development Agreement and in the OPD Lease, Buyer shall be responsible for funding and causing demolition of the Improvements on the Premises and City shall have no obligation to perform or pay for any demolition of any Improvements on the Premises. During the Investigation Period Buyer will present its estimates for demolition of the existing improvements on the Premises and any estimate or budget for demolition or environmental remediation of the Premises, and in the event the actual costs for such items is less than the budgets or estimates thereof presented to City, then the difference shall be paid to City upon completion of demolition and any required environmental remediation. This obligation of Buyer shall be reflected in the Development Agreement.

Buyer shall be responsible for procuring and binding, effective as of the Closing Date, at Buyer's sole cost and expense, for a minimum term of five (5) years, a premises pollution liability environmental insurance policy covering any costs associated with Cleanup on the Premises from a carrier, and in form and content reasonably acceptable to City (the "Environmental Insurance Policy"). The Environmental Insurance Policy shall include coverage in the amount of not less than \$1,000,000 per occurrence with not less than a \$2,000,000 annual aggregate limit for all claims, including but not limited to, on and off-site bodily injury or death, property damage, cleanup costs, and business operations interruption costs, arising out of any pre-existing pollution condition on the Premises. This Contract, and the OPD Lease shall be insured contracts under the Environmental Insurance Policy. The deductible for Environmental Insurance Policy shall not be greater than FIFTY THOUSAND AND 00/100 DOLLARS (\$50,000.00) per occurrence. City will be a named insured under the Environmental Insurance Policy, which shall contain a contractual liability endorsement in favor of City and shall also be primary, and not contributory, as to any insurance coverage maintained by City. Nothing herein operates as a waiver of City's grant of sovereign immunity or the limits of liability established under Florida law. City shall have no obligation to perform or pay for any costs for environmental remediation or testing of any portion of the Premises as a result of this Contract. Buyer shall fulfill all obligations of the first named insured under the Environmental Insurance Policy, including, without limitation, payment of deductibles/self insured retention, all obligations for reporting or notice to the insurer under the Environmental Insurance Policy. Furthermore, Buyer hereby waives any claim against City to pay for any costs for environmental remediation for any Cleanup to the extent that such costs are recovered by Buyer pursuant to a claim submitted under the Environmental Insurance Policy. -

## **ARTICLE II** **PURCHASE PRICE**

**Purchase Price.** The purchase price for the Premises shall be TWELVE MILLION SEVEN HUNDRED TWELVE THOUSAND FIVE HUNDRED SIXTY AND 88/100 DOLLARS (\$12,712,560.88) ("Purchase Price"). The Purchase Price negotiated between the Parties has been determined as follows:

(a) **Appraised Value.** Pursuant to the terms of the First Option Agreement and Buyer's delivery of the Election Notice (as defined in the First Option Agreement) to City, the Parties engaged Pinel & Carpenter, Inc. (the "Appraiser") to prepare an appraisal of the First Option Property. Subsequently, the Parties obtained an updated appraisal report for the entire Premises dated June 12, 2013 (the "Appraisal"). Buyer paid the Appraiser's fee for the preparation of the appraisal report. The value of the Premises, on a square foot basis, as determined from the Appraisal, shall be the "Appraised Value". The total value of the Premises reflected in the Appraisal was ELEVEN MILLION NINE HUNDRED THOUSAND AND NO/100 DOLLARS (\$11,900,000.00) and assumed the area of the Premises to be approximately seven and eighty-two hundredths (7.82) acres. Thus, the Appraised Value of the Premises is THIRTY-FOUR AND 93/100 DOLLARS (\$34.93) per square foot. The Parties acknowledge that, pursuant to this Contract, the City will construct, at its sole cost and in accordance with the Development Agreement, an extension of Pine Street through the Premises and Buyer shall be required to dedicate to the public the right of way of this new Pine Street extension of this new Pine Street extension. The area that will be required to be dedicated to the public for the right of

way for the Pine Street extension is estimated to be 21,539 square feet. For determination of the Purchase Price attributable to the Appraised Value, the Parties have agreed that the total area of the Premises should be reduced by 21,539 square feet and based on 319,100.2 square feet. Therefore, the Parties have agreed that the total Appraised Value of the Premises is equal to ELEVEN MILLION ONE HUNDRED FORTY-SIX THOUSAND ONE HUNDRED SIXTY-NINE AND 98/100 DOLLARS (\$11,146,169.98) (the "Total Appraised Value").

(b) Additional Purchase Price. The Parties recognize that the Total Appraised Value may not provide City with the full measure of the value of the Premises. This includes, but is not limited to, additional compensation to City for the loss of its facilities and parking revenue plus its relocation and replacement costs for OPD parking (the "Additional Purchase Price"). The Additional Purchase Price shall be ONE MILLION FIVE HUNDRED SIXTY-SIX THOUSAND THREE HUNDRED NINETY AND 90/100 DOLLARS (\$1,566,390.90).

(c) Deposits. The Purchase Price shall be adjusted by TWO HUNDRED THOUSAND AND NO/100 DOLLARS (\$200,000.00) as the sum previously paid from Buyer to City from (i) the FIFTY THOUSAND AND NO/100 DOLLARS (\$50,000.00) deposit from the First Option Agreement; (ii) the FIFTY THOUSAND AND NO/100 DOLLARS (\$50,000.00) from the extension of the First Option Agreement, and (iii) the ONE HUNDRED THOUSAND AND NO/100 DOLLARS (\$100,000.00) deposit from the Second Option Agreement.

**Payment of Purchase Price.** The Purchase Price, plus or minus credits, and adjustments as provided for herein shall be paid by Buyer at Closing by wire transfer of immediately available funds into City's designated account with good, collected federal funds in said account on the Closing Date.

### **ARTICLE III** **TITLE INSURANCE; SURVEY**

**Title Commitment.** Buyer has obtained and delivered to City and City's counsel, from Baker & Hostetler LLP ("Title Agent") a commitment for title insurance (the "Commitment") written by Chicago Title Insurance Company (the "Title Company") for the Premises together with legible copies of all documents referred to therein (the "Exception Documents"). Further, matters disclosed by the Title Documents (as defined in Section 3.3 below) that Buyer disapproves of (each a "Defect") as set forth in a written notice that was timely delivered to City. City has no duty to cure any of the Defects. However, City may undertake to remove one or more of the Defects and will, prior to the end of the Investigation Period (as referred to in this manner until defined below in Section 4.1), identify any such Defects it will agree to remove prior to Closing. If City elects not to cure any or all Defects, Buyer may elect to terminate this Contract during the Investigation Period. Buyer's obligation to close pursuant to this Contract is contingent upon removal of the Defects, if any, City may undertake to remove pursuant to the notice described above and if City does not cure the Defects it undertakes to cure prior to Closing, Buyer may, at its sole election, terminate this Contract by delivering written notice to City prior to the Closing. In the event Buyer delivers such written notice, this Contract shall be terminated and cancelled in all respects and neither Buyer nor City shall have any further rights or obligations hereunder except for any rights or obligations contained in this Contract which expressly survive such termination. If Buyer fails to timely deliver such notice of termination, Buyer shall be

deemed to have agreed to accept the Title Documents subject to all matters disclosed by the Title Documents (as defined below) and any and all Defects that City has not cured or agreed to cure and the same shall be “Permitted Exceptions”.

**Title Policy.** Buyer may obtain an ALTA 1992 Form B Owner’s Title Insurance Policy from the Title Company, with Florida modifications issued by the Title Company (or a pro-forma or signed marked commitment, with the original policy to be delivered promptly following Closing), dated as of the day and time of recording of the Deed (as defined in Section 10.1(a) ), in the full amount of the Purchase Price, showing fee simple title to the Premises in the name of Buyer subject only to the standard exclusions from coverage contained in such Title Policy and the Permitted Exceptions, with the following endorsements (to the extent available and subject to any and all underwriting requirements and conditions of the Title Company, including, but not limited to, Buyer’s delivery of the Survey to the Title Agent prior to Closing): Survey Endorsement, Continuity Endorsement, and a Florida Form 9.2 Endorsement (the “Title Policy”).

**Survey.** Buyer, at Buyer’s expense, obtained and delivered to City and City’s counsel an ALTA/ACSM Land Title Survey (the “Survey”) of the Premises signed June 13, 2013, prepared by PEC Surveying and Mapping, LLC. Buyer shall cause the Survey to be updated during the Investigation Period at its expense. The Survey was or shall be certified by such surveyor to Buyer, City, the Title Company, Title Agent and any lender, and sets forth the legal description of the Premises, identifies whether or not each matter referenced in the Commitment applies to the Property, depicts the boundaries of each such item that is capable of being depicted and shall otherwise be in a form satisfactory to the Title Company to eliminate the standard survey exceptions from the Title Policy. The Commitment, the Exception Documents and the Survey are sometimes hereinafter collectively referred to as the “Title Documents”. The Parties acknowledge that the Parties do not have accurate legal descriptions of the Premises and the surveyor has prepared a legal description for the Premises. The Parties agree that the legal description prepared by the surveyor shall be subject to the reasonable approval of the Parties during the Investigation Period.

#### **ARTICLE IV** **INVESTIGATION OF PROPERTY**

**Investigation of Property.** Commencing upon the effective date of the First Option and the effective date of the Second Option Agreement, Buyer has engaged in and continues to engage in investigations of the Premises. Buyer shall have until the date one hundred twenty (120) days after the Effective Date of this Contract (the “Investigation Period”) to engage in investigations of the Premises and determine if it wishes to complete the purchase of the Premises and other transactions contemplated pursuant to this Contract. In addition, during the Investigation Period, the Parties shall, in good faith, utilizing reasonable and diligent efforts, negotiate several agreements, which include (but are not limited to) the following: (i) the easement described in Section 1.3 of this Contract; (ii) the OPD Lease; (iii) The Conference Center Participation Agreement; (iv) the Conference Center Use Agreement; (v) the Environmental Insurance Policy; and (vi) the Development Agreement (the “Investigation Period Agreements”). Neither Party may terminate this Contract during the Investigation Period. Following the expiration

of the Investigation Period and any extension thereof, either Party may elect to cancel and terminate this Contract by providing written notice to the other Party if after good faith, reasonable and diligent efforts, the Parties are unable or unwilling to reach an agreement in all respects with regard to the form, substance, terms or any provision of any of the Investigation Period Agreements. Termination of this Contract pursuant to this Section 4.1 shall terminate all obligations of the Parties under the Contract and neither Party shall have any further responsibilities under this Contract except matters that specifically survive termination as stated in this Contract. If either Party fails to give such written notice of termination, such Party shall waive its rights to terminate under this Section 4.1.

**Investigation of Premises.** Commencing upon the effective date of the First Option Agreement, and continuing until the earlier of termination of this Contract or Closing, Buyer, including all agents, representatives and other persons designated by Buyer, shall have the absolute right, upon reasonable prior notice, during normal working hours, accompanied by a representative of City, to enter on any portion of the Premises for the purpose of investigation, discovery and testing of the Premises, including, without limitation, surveying, soil testing and boring, hydrological studies, or any other testing Buyer determines in its sole discretion to be necessary or appropriate. City agrees to provide Buyer with its commercially reasonable cooperation in regard to Buyer's reasonable efforts to obtain all appropriate or relevant information concerning the Premises. All rights provided to Buyer in this Section 4.2 shall continue unabated through the Closing Date unless this Contract is earlier terminated. Buyer shall indemnify, defend and hold City harmless from and against any claim arising out of its entry onto the Premises or the entry by any of its contractors or affiliates and this obligation shall survive termination of this Contract. Buyer shall promptly repair any damage to the Premises resulting from any physical testing and replace, refill, and regrade any holes made in or excavations of any portion of the Premises used for such physical testing so that the Premises shall be in substantially the same condition that existed prior to such physical testing. Buyer shall maintain or cause to be maintained, at Buyer's expense, a policy of comprehensive general liability insurance, with a broad form contractual liability endorsement, and with a combined single limit of not less than \$1,000,000.00 per occurrence for bodily injury and property damage, automobile liability coverage including owned and hired vehicles with a combined single limit of \$1,000,000.00 per occurrence for bodily injury and property damage, and an excess umbrella liability policy for bodily injury and property damage in the amount of \$2,000,000.00 insuring Buyer and its affiliates, and name the City (and its affiliates) as an additional insured, against any injuries or damages to persons or property that may result from or are related to (i) Buyer's and/or Buyer's representatives entry upon the Premises; (ii) any physical testing or other activities conducted on the Premises; and/or (iii) any and all other activities undertaken by Buyer and/or Buyer's representatives in connection with the investigations of the Premises, all of which insurance shall be on an "occurrence form" and with an insurance company qualified and licensed to do business in the State, and deliver a copy of a certificate evidencing the aforementioned insurance to City prior to the first entry on the Premises.

**Development Approvals.** Prior to the end of the Investigation Period Buyer shall submit all completed applications (specifically including an application to rezone the Premises to Planned Development zoning and an application for Master Plan approval), which shall be necessary to obtain any and all approvals and/or permits that Buyer may need for the development and construction of the Project (with the recognition that the OPD Property shall constitute a later

phase of development for the Project). The Parties hereby agree to cooperate and communicate reasonably with each other to submit and process any necessary applications (specifically including an application to rezone the Premises to Planned Development zoning and an application for Master Plan approval), attend, and/or complete the necessary notices, hearing(s), and City approvals for the future development of the Project on the Premises by the Closing Date, or provide reasonable assurances to Buyer as to the status of any necessary City approvals (the "Project Entitlements"). Nothing in this Contract obligates City to approve any application.

## **ARTICLE V CITY'S COVENANTS**

**City's Covenants.** Between the Effective Date of this Contract and the Closing:

City will not sell, transfer, convey or encumber, or cause or permit to be sold, transferred, conveyed or encumbered, the Premises, or any part thereof or interest therein, or consent to or acquiesce in any alteration or amendment to the zoning classification of the Premises (inconsistent with the Project Entitlements), or otherwise perform or permit any act or deed which shall diminish, encumber or affect City's rights in and to the Premises or prevent it from performing fully its obligations hereunder.

City will not, without the prior written consent of Buyer, enter into any new leases, extend any existing leases, or enter into other occupancy agreement for all or any portion of the Premises.

City will continue to carry all of the existing casualty and liability insurance applicable to the Premises.

City will not, without the prior written consent of Buyer, enter into any maintenance, leasing, service, operation, repair or other contract or agreement relating to the use, maintenance or operation of the Premises, or renew any existing contract unless the same are assignable to Buyer and cancelable upon not more than thirty (30) days' notice without cost or penalty.

City will pay, in the normal course of business, and in any event, prior to Closing, all sums due for work, materials or services furnished or otherwise incurred in the ownership and operation of the Premises up to the Closing Date.

## **ARTICLE VI REPRESENTATIONS AND WARRANTIES**

**City's Representations and Warranties.** City represents and warrants to Buyer as follows:

City has the power and authority to enter into this Contract and to carry out its obligations hereunder. The execution, delivery and performance of this Contract and the other agreements and documents to be executed and delivered by City pursuant to the provisions of this Contract have been duly authorized by all necessary municipal action on the part of City. This Contract has been duly executed and delivered on behalf of City and is a legal, valid and binding obligation of City, enforceable against City in accordance with its terms.

To City's knowledge, there are no actions, suits, proceedings or investigations, either at law or in equity, or before any commission or other administrative authority in any United States or foreign jurisdiction, of any kind now pending or, to City's knowledge, threatened or proposed in any manner, or any circumstances which should or could reasonably form the basis of any such action, suit, proceeding or investigation, involving City or of the Premises that (i) questions the validity of this Contract; or (ii) seeks to delay, prohibit or restrict in any manner any action taken or contemplated to be taken by City under this Contract.

City is not a "foreign person" as such term is defined in Section 1445(f)(3) of the Internal Revenue Code of 1986, as amended.

To City's knowledge, there are no pending or threatened condemnation or similar proceedings to take any portion of the Premises by power of eminent domain.

To City's knowledge:

City has received no written notice of any Environmental Claim relating to the Premises of which it has not notified Buyer.

City has provided to Buyer any and all documents, correspondence, pleadings, reports (including, without limitation, environmental site assessment reports), assessments, and analytical results, Environmental Permits, or other records concerning Environmental Laws, Hazardous Substances or other environmental subjects in its possession related to the Premises.

Whenever used in this Contract, the following terms shall have the meanings set forth below:

"Environmental Claim" shall mean any investigation, claim, notice of violation, information request, allegation, demand, summons, suit, action, injunction, proceeding, penalty, fine, restriction, lien, encumbrance, judgment, decree, order or agreement from, by or with any governmental authority or private party concerning any Environmental Laws or any Release of any Hazardous Substance into the environment.

"Environmental Laws" shall mean any applicable federal, state, municipal or local statute, law, regulation, rule, order, by-law, standard, judgment, order, consent decree, Environmental Permit, and any policies, guidelines or other directives of any governmental or regulatory body or agency or other legal requirement or common law, at any time in force or effect, pertaining to (i) the protection of health, safety, and environment; (ii) the conservation, management, or use of natural resources and wildlife; (iii) the management, use, generation, transportation, shipment, treatment, storage, disposal, Release, threatened Release, abatement, removal, remediation or handling of, or exposure to, Hazardous Substances; or (iv) pollution.

"Hazardous Substance" shall mean any substance, chemical, compound, product, solid, gas, liquid, odor, heat, sound, vibration, radiation, waste, byproduct, pollutant, contaminant, or material which is (i) regulated, defined or designated as a hazardous substance, hazardous waste, extremely or imminently hazardous, carcinogenic, toxic, deleterious, caustic, a pollutant, a contaminant, or a source of contamination pursuant to Environmental Laws; (ii) subject to investigation, monitoring, reporting or remediation

by any government authority (local, state, municipal, territorial or federal); (iii) asbestos, polychlorinated biphenyls and petroleum and petroleum products (including crude oil or any fraction thereof); or (iv) natural gas, synthetic gas and any mixtures thereof.

“Release” shall mean any spilling, leaking, depositing, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing into the environment (including the abandonment or discarding of barrels, containers, and other closed receptacles containing any Hazardous Substance) in violation of any Environmental Laws or Environmental Permits.

To City’s knowledge, City has not received any written notice of violation of any law (including common law), statute, code, ordinance, rule, regulation, order or other requirements enacted, promulgated or issued by any applicable governmental authority (collectively, “Laws”), restrictive covenants, deed restrictions, right of way, licenses or easements affecting title to or relating to the use of the Premises or applicable to the Premises, which has not been remedied, nor has City received any written notice of any fence dispute, boundary dispute, boundary line question, water dispute or drainage dispute concerning or affecting any portion of the Premises.

**Buyer’s Representations and Warranties.** Buyer hereby represents and warrants to City as follows:

Buyer is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware and has the power and authority to carry on its business as now being conducted and to own and operate the properties and assets now owned and being operated by it.

Buyer has the requisite legal power and authority to enter into this Contract and to carry out its obligations hereunder. The execution, delivery and performance of this Contract and the other agreements and documents to be executed and delivered by Buyer pursuant to the provisions of this Contract have been duly authorized by all necessary action on the part of Buyer. This Contract has been duly executed and delivered on behalf of Buyer and is a legal, valid, and binding obligation of Buyer enforceable against it in accordance with its terms, except as the enforceability thereof may be limited by bankruptcy, insolvency, reorganization or other laws or equitable principles relating to or affecting the enforcement of creditors’ rights.

Neither the execution, delivery or performance of this Contract by Buyer nor the consummation of any of the transactions provided for in this Contract will (i) violate or conflict with any provision of the respective Certificates of Formation or the Limited Liability Company Agreements of Buyer; (ii) result in any breach of or default by Buyer under any provision of any material contract or agreement of any kind to which Buyer is a party or by which Buyer is bound or to which the properties or assets of the Buyer is subject; or (iii) is prohibited by, or requires Buyer to obtain or make any consent, authorization, approval, registration or filing under, any statute, law, ordinance, regulation, rule, judgment, decree or order of any court or governmental agency, board, bureau, body, department or authority.

There are no actions, suits, proceedings or investigations, either at law or in equity, or before any commission or other administrative authority in any United States or foreign jurisdiction,

of any kind now pending or, to Buyer's knowledge, threatened or proposed in any manner, or any circumstances which should or could reasonably form the basis of any such action, suit, proceeding or investigation, involving Buyer or any of its respective properties or assets that: (i) questions the validity of this Contract; or (ii) seeks to delay, prohibit or restrict in any manner any action taken or contemplated to be taken by Buyer under this Contract.

All negotiations on behalf of Buyer relating to this Contract and the transactions contemplated hereby have been carried on by Buyer directly with City and without the intervention of any other person and in such manner as not to give rise to any valid claim against any of the Parties for a finder's fee, brokerage commission or similar payment. Any claims for any finder's fee, brokerage commission or similar payment by any broker or other party claiming to represent Buyer shall be satisfied by Buyer.

### **Survival of representations and Warranties.**

All representations, warranties and agreements made by City or Buyer in this Contract shall survive the Closing Date for a period of six (6) months, provided, that such termination shall not affect the rights of a Party in respect to any claim made by such Party in a writing received by the other Party prior to the expiration of any such period.

All of the obligations of each Party under this Contract will expire when fully performed and discharged, and each obligation that is required to be performed or satisfied on or before the Closing Date will be completely waived, discharged, or performed by the Closing of the transactions contemplated by this Contract. The representations and warranties made by City in Section 6.1 of this Contract are the exclusive representations and warranties made by City to Buyer with respect to this Contract. City disclaims any other express or implied representations or warranties with respect to itself or the Premises.

## **ARTICLE VII INDEMNIFICATION**

**7.1 Indemnity Provisions of OPD Lease.** The Parties hereby agree to negotiate in good faith to establish any indemnification rights and any limits thereof to be included in the OPD Lease, and in the event the Parties are unable to reach agreement on such matters, then either Party may elect to terminate this Contract at the end of the Investigation Period.

## **ARTICLE VIII CLOSING**

**Closing.** Provided this Contract shall not have been terminated pursuant to the terms hereof, Buyer and City shall cause the closing of the Premises hereunder (the "Closing") to occur on or before sixty (60) days after the end of the Investigation Period (the "Closing Date"). The Closing shall take place in the office of the Title Agent, or such other location as is mutually agreed to in writing by City and Buyer. The Closing may be accomplished via "mail away" and neither Party shall have an obligation to have a representative present at the Closing.

**Escrow.** This Contract shall serve as escrow instructions to the Title Agent, who shall act and serve as the closing agent other than with respect to all funds, for which the Title Company shall

act as closing agent and to the Title Company who shall act and serve as the Closing Agent with respect to all funds, and an executed copy of this Contract shall be deposited with the Title Agent and Title Company. City and Buyer shall execute and deliver to the Title Company any and all customary agreements required by the Title Company in connection with its service as the Closing Agent with respect to the funds. The Title Agent and Title Company shall not be liable in any way to City or Buyer for any action taken in good faith pursuant to the terms hereof; provided, however, that nothing herein shall release the Title Agent and Title Company for its fraud, willful misconduct or gross negligence. Provided that the Title Company in good faith executes the terms hereof, it shall be entitled to recover from the non-prevailing party its costs, expenses and liabilities (including reasonable attorneys' fees) in connection with any proceeding in which the Title Company may become a party or otherwise involved by reason of the Title Company administering the Purchase Price deposited into escrow in accordance with the terms hereof.

## **ARTICLE IX**

### **CONDITIONS TO CLOSING**

**Buyer's Conditions to Closing.** The obligation of Buyer to consummate the transactions contemplated by this Contract at the Closing is subject to the satisfaction, on or prior to the Closing, of each of the following conditions, the failure of any one of which shall excuse Buyer from consummating such transactions unless any such conditions are waived by Buyer in writing or by Buyer proceeding to consummate the transactions contemplated by this Contract:

(a) The representations and warranties of City contained in this Contract (i) shall be true and correct in all respects (in the case of any representation or warranty containing any materiality qualification) or in all material respects (in the case of any representation or warranty without any materiality qualification) at and as of the Effective Date; and (ii) shall be repeated and shall be true and correct in all respects (in the case of any representation or warranty containing any materiality qualification) or in all material respects (in the case of any representation or warranty without any materiality qualification) on and as of the Closing Date with the same effect as though made on and as of the Closing Date. City shall have duly performed and complied in all material respects with all agreements and conditions required by this Contract to be performed or complied with by it prior to or on the Closing Date;

(b) City and Buyer shall have executed and delivered the Purchase Documents;

(c) There shall not be in effect any non-appealable preliminary or permanent injunction or other legal restraint or prohibition preventing the consummation of the transactions contemplated by this Contract;

(d) City shall meet all of its requirements, if any, relating to Defects under Section 3.1 of this Contract;

(e) The Parties shall have agreed on the form and substance of the Development Agreement during the Investigation Period (as referred to in this manner until defined below in Section 13.5);

(f) Buyer and City shall have agreed on the location of the extension of Pine Street running through the Premises and the methodology for the dedication to the public of this extension of Pine Street Extension;

(g) Buyer and City shall have agreed on the location and form of a non-exclusive easement for the use of the abandoned South Bryan Avenue for ingress and egress of the OPD Property;

(h) The Parties shall have agreed on the form and substance of the OPD Lease during the Investigation Period;

(i) The Parties shall have agreed on the form and substance of the Conference Center Participation Agreement, the Conference Center Use Agreement; and the design, access and other matters relating to the Conference Center during the Investigation Period;

(j) The Parties shall have agreed on the form and substance of the Environmental Insurance Policy during the Investigation Period; and

(k) The Project as reflected by the Project Entitlements has not materially changed from the Project as described in this Contract.

**City's Conditions to Closing.** The obligation of City to consummate the transactions contemplated by this Contract at the Closing is subject to the satisfaction, on or prior to the Closing, of each of the following conditions, the failure of any one of which shall excuse City from consummating such transactions unless any such conditions are waived by City in writing or by City proceeding to consummate the transactions contemplated by this Contract:

(a) The representations and warranties of Buyer contained in this Contract (i) shall be true and correct in all respects (in the case of any representation or warranty containing any materiality qualification) or in all material respects (in the case of any representation or warranty without any materiality qualification) at and as of the Effective Date of this Contract; and (ii) shall be repeated and shall be true and correct in all respects (in the case of any representation or warranty containing any materiality qualification) or in all material respects (in the case of any representation or warranty without any materiality qualification) on and as of the Closing Date with the same effect as though made at and as of such time. Buyer shall have duly performed and complied in all material respects with all agreements and conditions required by this Contract to be performed or complied with by it prior to or on the Closing Date;

(b) Buyer shall have paid the Purchase Price, subject to the adjustments provided by this Contract, and executed and delivered the Purchase Documents, as applicable and as required by this Contract;

(c) There shall not be in effect any non-appealable preliminary or permanent injunction or other legal restraint or prohibition preventing the consummation of the transactions contemplated by this Contract;

(d) The Parties shall have agreed on the form and substance of the Development Agreement during the Investigation Period;

(e) Buyer shall have provided City with reasonable assurances of its ability to finance construction of the proposed improvements constituting the Project;

(f) Buyer shall have applied for and received approval for special assessment financing for public garage in an amount not less than [SIX MILLION ONE HUNDRED FIFTY FOUR AND 00/100 DOLLARS (\$6,154,000.00)];

(g) Buyer shall have submitted and received all Project Entitlements or City shall provide Buyer with reasonable assurances that it will obtain all needed Project Entitlements within ninety (90) days after Closing;

(h) Buyer and City shall have agreed on the location of the extension of Pine Street running through the Premises and the methodology for the dedication to the public of this extension of Pine Street Extension;

(i) Buyer and City shall have agreed on the location of a non-exclusive easement for the use of the abandoned South Bryan Avenue for ingress and egress of the OPD Property;

(j) The Parties shall have agreed on the form and substance of the OPD Lease during the Investigation Period;

(k) The Parties shall have agreed on the form and substance of the Conference Center Participation Agreement, the Conference Center Use Agreement, and the Conference Center design, access and other matters relating to the Conference Center during the Investigation Period;

(l) The Parties shall have agreed on the form and substance of the Environmental Insurance Policy during the Investigation Period; and

(m) The Project as reflected by the Project Entitlements has not materially changed from the Project as described in this Contract.

## **ARTICLE X**

### **CLOSING DELIVERIES**

**City's Closing Deliveries.** At or prior to the Closing (unless otherwise provided), City shall provide (except as otherwise provided) each of the following instruments and documents (collectively, the "City's Closing Deliveries"):

a duly executed Special Warranty Deed (the "Deed") substantially in the form of **Exhibit "C"** attached hereto and made a part hereof. The conveyance of the Premises by the Deed shall be free and clear of all liens, encumbrances, exceptions or qualifications whatsoever; save and except only for the Permitted Exceptions;

a duly executed assignment of any leases for the First Option Property;

a certification that City, to its knowledge, is not aware of any uncured breach of any representation, warranty or covenant of City in this Contract;

a settlement statement prepared by the Title Agent;

all keys and combinations to all locks on the First Option Property (which shall be delivered to Buyer at the Premises);

deliver to the Title Agent instruments, documents and certificates as are customarily required, and approved by City's counsel in advance, by the Title Company to be executed by City as a condition to the issuance of the Title Policy including any appropriate and customary affidavits of City as assurance against the existence of outstanding rights which could form the basis for construction liens, unrecorded easements or claims of parties in possession, permitting the Title Company to delete the standard exceptions, including the "gap", pursuant to Florida Statutes 627.7841, as amended;

any required real estate transfer tax declarations or any similar documentation required to evidence payment of any tax imposed by the state, county and/or city on the transactions contemplated by this Contract, or a formal written waiver of the same where applicable; and

such other documents and instruments as may be required by any other provision of this Contract and/or the Purchase Documents, or as may reasonably be required to carry out the terms and intent of this Contract and/or the Purchase Documents.

**Buyer's Closing Deliveries.** At the Closing, Buyer shall provide each of the following instruments, documents and payments ("Buyer's Closing Deliveries"):

a settlement statement prepared by the Title Agent;

the Purchase Price, plus or minus credits and adjustments as provided for herein, shall be deposited into escrow with Title Company pending disbursement to City in accordance with the terms and conditions of this Contract;

the Escrow payment as described in Section 1.7 of this Contract;

a certification that Buyer, to its knowledge, is not aware of any uncured breach of any representation, warranty or covenant of Buyer in this Contract;

deliver to the Title Agent instruments, documents, and certificates as are customarily required by the Title Company to be executed by Buyer as a condition to the issuance of the Title Policy; and

such other documents and instruments as may be required by any other provision of this Contract and/or the Purchase Documents, or as may reasonably be required to carry out the terms and intent of this Contract and/or the Purchase Documents.

**Recordation and Disbursement at Closing.** The Parties shall satisfy all reasonable conditions required for the Title Agent to cause all documents required to be recorded pursuant to this Contract and the Title Company to disburse all funds collected pursuant to the approved settlement statement for the Closing of this Contract. Upon receipt by Buyer of the signed, “marked up” Commitment showing title in Buyer as required by Section 3.2 of this Contract, the Purchase Price, plus or minus credits and adjustments as provided for herein, shall be paid to City. The Deed shall not be recorded prior to disbursement to City.

## **ARTICLE XI** **TERMINATION**

**Termination.** This Contract may be terminated as follows:

**Termination by Mutual Consent.** This Contract may be terminated at any time prior to the Closing by mutual written consent of both Buyer and City.

**Termination by Either Party.** Either Party may, without liability to the other Party, terminate this Contract by notice to the other Party:

If the conditions or contingencies to the obligations of a Party are not satisfied as described in this Contract, the applicable Party may elect by written notice to the other Party to terminate further negotiations and in such event the Purchase Contract Deposit shall be returned in full to Buyer and this Contract, the First Option Agreement and Second Option Agreement will be deemed terminated.

If City or Buyer fails to perform any of its respective covenants or obligations under this Contract, the non-defaulting Party (as may be limited by applicable law as to City) shall be entitled to seek any remedy at law and/or equity, including, but not limited to, the Option Purchase Price, the deposits as more particularly described in Section 2.1(c) of this Contract, and/or specific performance, subject to the limitations, in addition to any others, that City shall not under any circumstances be liable or responsible for any lost profits, or any other consequential or special damages and any claim for damages against City shall be limited to a maximum of TEN THOUSAND AND NO/100 DOLLARS (\$10,000.00).

**Effect of Termination.** Termination of this Contract pursuant to this Article XI shall terminate all obligations of the Parties hereto. Notwithstanding the foregoing, if this Contract is terminated pursuant to the provisions of this Article XI, the provisions that, per the terms of this Contract, expressly survive termination, shall survive such termination.

## **ARTICLE XII** **EXPENSES**

**City's Share of Expenses.** At or prior to Closing, City shall at its sole cost and expense pay:

(a) All fees and costs for releasing liens and encumbrances for which City had agreed to obtain releases, pursuant to Section 3.1, if any; and

(b) All fees and costs for relocating the Orlando Police Department's radio tower.

**Buyer's Share of Expenses.** At or prior to Closing, Buyer shall at its sole cost and expense pay:

(a) All costs associated with obtaining a survey, title work, title policies, environmental assessments, geotechnical, archaeological, and any other appropriate studies regarding the Premises or otherwise;

(b) All recording fees for recording the Deed;

(c) All costs of any documentary stamp taxes or intangible taxes on the Deed or other transfer or similar taxes on the conveyance of the Premises or encumbrance thereof pursuant to the Deed; and

(d) All costs and expenses associated with any Buyer financing, including, but not limited to, documentary stamp taxes, intangible taxes, and any lender's policy of title insurance and endorsements thereto.

**Other Expenses.** Other costs, charges, and expenses shall be borne and paid as provided in this Contract, or in the absence of such provision shall be borne as agreed upon at the time by Buyer and City. City and Buyer shall be responsible for paying the fees and costs of their respective counsel.

### **ARTICLE XIII POST CLOSING OBLIGATIONS**

**Radio Tower.** City shall have the City of Orlando Police Department's radio tower deconstructed and removed from the Premises on or before the Removal Date.

**Retained Improvements.** City will remove any Retained Improvements prior to the Removal Date, except any Retained Improvements on the OPD Property.

**Orlando Magic Headquarters/Timeline.** The Development Agreement shall provide that Buyer will cause the owner and operator of the Orlando Magic National Basketball Association franchise to relocate its headquarters to the Premises within five (5) years after Closing. In addition, the Development Agreement shall set forth the time within which Buyer will demolish the improvements on the Premises and construct the remainder of the Project. These obligations will be recorded and run with the land for the entire Premises and failure to meet the time requirements of the Development Agreement may subject the Premises to liquidated damages as may be further described in the Development Agreement. Further, upon Buyer's failure to meet these obligations, City shall have an option to purchase the Premises from Buyer in the general amount of the Buyer's purchase price hereunder, including any costs incurred by Buyer to environmentally remediate the Premises pursuant to terms set forth in the Development Agreement and any portion of the Conference Center participation paid by City or its affiliates will be refunded to City, all as to be more particularly described in the Development Agreement.

**Demolition.** After Closing, after procuring appropriate permits to do so and within the time required by the Development Agreement, Buyer shall commence demolition of the Improvements on the First Option Property and shall proceed expeditiously to complete the demolition of such Improvements. After City vacates the OPD Property upon expiration of the term of the OPD Lease, after Buyer procures appropriate permits to do so, and within the time required by the Development Agreement, Buyer shall commence demolition of the Improvements on the OPD Property and shall proceed expeditiously to complete such demolition.

**Development of Project.** Buyer shall construct the Project in accordance with a development agreement to be negotiated by and between the Parties during the Investigation Period (the “Development Agreement”). City’s remedies for Buyer’s failure to develop the Premises in accordance with the Development Agreement may be specified therein.

**Survival.** The obligations of the Parties set forth in this Article 13 shall survive Closing for the periods described in the Development Agreement.

#### **ARTICLE XIV DESTRUCTION OF IMPROVEMENTS; CONDEMNATION**

**Notice of Damage or Condemnation.** If, prior to Closing, any of the Improvements are damaged or destroyed, or if any condemnation or taking procedure is threatened or commenced, City shall promptly notify Buyer in writing of such damage, destruction or condemnation. Buyer shall have no interest in or claim to any funds relating to any damage to the Improvements or any damage thereto, but at Closing City shall assign any and all right, title and interest of City, if any, in and to any unpaid award for the taking by eminent domain of any part of the Premises.

#### **ARTICLE XV GENERAL PROVISIONS**

**Entire Agreement.** This Contract (including the Exhibits and Schedules attached hereto and those Schedules and Exhibits to the Purchase Documents that are referenced herein, and which, by this reference are incorporated herein), when executed and delivered, constitutes the entire agreement and supersedes all prior agreements and understandings, both written and oral, between the Parties with respect to the subject matter hereof. The definitions and use of terms in this Contract shall supersede and replace those terms as they may have been used in the First Option Agreement, the Second Option Agreement, and all other prior agreements and understandings, both written and oral, between the Parties with respect to the subject matter hereof. The Parties agree that the First Option Agreement and the Second Option Agreement have merged into this Contract and that the First Option Agreement and the Second Option Agreement have terminated upon execution of this Contract.

**Amendment; Waivers; Remedies.** No amendment or modification of this Contract, and no waiver hereunder, shall be valid or binding unless set forth in writing and duly executed by the Party against whom enforcement of the amendment, modification or waiver is sought. Any such waiver shall constitute a waiver only with respect to the specific matter described in such writing and shall in no way impair the rights of the Party granting such waiver in any other respect or

at any other time. Neither the waiver by any of the Parties hereto of a breach of or a default under any of the provisions of this Contract, nor the failure by any of the Parties, on one or more occasions, to enforce any of the provisions of this Contract or to exercise any right or privilege hereunder, shall be construed as a waiver of any other breach or default of a similar nature, or as a waiver of any of such provisions, rights or privileges hereunder.

**Computation of Time.** In the computation of any period of time provided for in this Contract or by law, the day of the act or event from which said period of time runs shall be excluded, and the last day of such period shall be included, unless it is a Saturday, Sunday, or legal holiday, in which case the period shall be deemed to run until the end of the next day which is not a Saturday, Sunday, or legal holiday.

**Severability.** It is the Parties' intent that each section of this Contract shall be read and interpreted with every reasonable inference given to its enforceability. However, it is also the Parties' intent that if any term, provision, covenant or condition of this Contract is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired or invalidated. Finally, it is also the Parties' intent that if a court should determine any restrictive covenant contained in this Contract to be unenforceable because of over breadth, then the court shall modify said covenant so as to make it reasonable and enforceable under the prevailing circumstances.

**Headings.** The headings contained in this Contract are for purposes of convenience only, and shall not affect the meaning or interpretation of this Contract.

**Successors and Assigns.** This Contract shall be binding upon and shall inure to the benefit of the parties hereto, and their respective successors and permitted assigns.

**Assignment.** This Contract is personal to Buyer and City and Buyer shall not be entitled to assign this Contract without prior written consent of City, which consent may be withheld in City's sole and absolute discretion. Notwithstanding the foregoing, Buyer may assign this Contract to an Affiliate, which is owned (at least fifty percent (50%) of the equity ownership of any such Affiliate shall constitute ownership) and controlled by Buyer or its principals. No such assignment shall cause a release of Buyer's obligations pursuant to this Contract. An "Affiliate" of a person or Entity shall mean any Entity in which such person or Entity shall have a controlling ownership interest as defined by GAAP. "Entity" means any corporation (including any non-profit corporation), sole proprietorship, general partnership, limited partnership, limited liability partnership, joint venture, estate, trust, company (including any limited liability company or joint stock company), firm or other enterprise, association, organization or entity.

**Notices.**

All notices, requests, demand and other communications under this Contract shall be in writing and delivered in person or sent by overnight courier or certified mail, postage prepaid, and properly addressed as follows:

If to City, to:

City of Orlando  
400 South Orange Avenue

P.O. Box 4990  
Orlando, FL 32802-4990  
Attn: Mayanne Downs, Esq., City Attorney

with a copy to: Carlton Fields, P.A.  
CNL Center at City Commons, Suite 500  
450 South Orange Avenue  
Orlando, FL 32801-3370  
Attn: Daniel L. DeCubellis, Esq.

If to Buyer, to: SED Development, LLC  
c/o Orlando Magic, Ltd.  
8701 Maitland Summit Boulevard  
Orlando, FL 32810-5915  
Attn: Alex Martins, President

with copy to: Baker & Hostetler LLP  
SunTrust Center, Suite 2300  
200 South Orange Avenue  
Orlando, Florida 32801-3432  
Attn: Gregory D. Lee, Esq.

If to Title Agent, to: Baker & Hostetler LLP  
SunTrust Center, Suite 2300  
200 South Orange Avenue  
Orlando, Florida 32801-3432  
Attn: Gregory D. Lee, Esq.

If to Title Company, to: Chicago Title Insurance Company  
2400 Maitland Center Parkway  
Maitland, Florida 32751  
Attn: Susan Holland, Commercial Examiner

Any Party may from time to time change its address for the purpose of notices to that party by a similar notice specifying a new address, but no such change shall be deemed to have been given until it is actually received by the Party sought to be charged with its contents.

All notices and other communications required or permitted under this Contract which are addressed as provided in this Section 15.8 if delivered personally or by overnight courier, shall be effective upon delivery; and if delivered by mail, shall be effective three business days after deposit in the United States mail, postage prepaid.

The delivery to a party's legal counsel of a copy of a notice, demand, waiver, consent, Claims Notice or other communication will not constitute delivery of the notice, demand, waiver, consent, Claims Notice or other communication to the party, unless so confirmed in writing by the party's counsel.

**Governing Law.** This Contract shall be governed by and construed in accordance with the laws of the State of Florida, excluding the “Conflict of Laws” rules thereof.

**Jurisdiction; Remedies.** Each of the Parties hereto (a) irrevocably consents to submit itself to the exclusive personal jurisdiction of any federal or state court located in Orange County, Florida (and elsewhere with respect to appellate courts with jurisdiction over such matter) in the event any dispute arises out of this Contract or any of the transactions contemplated hereby, and consents to service of process by notice as provided in this Contract; (b) agrees that it will not attempt to deny or defeat such personal jurisdiction by motion or other request for leave from any such court; and (c) agrees that it will not bring any action relating to this Contract or any of the transactions contemplated hereby in any court other than a federal or state court sitting in Orange County, Florida.

**Counterparts.** This Contract may be executed in any number of counterparts, which taken together shall constitute one instrument. To facilitate execution of this Contract, the Parties may execute and exchange facsimile or electronic counterparts of the signature pages, which shall be binding as originals.

**Attorneys’ Fees.** Should either Party hereto incur any costs or fees to enforce its rights hereunder including institution of any action or proceeding in court to enforce any provision hereof or for damages by reason of any alleged breach of any provision of this Contract or for any other judicial remedy, including, but not limited to specific performance, the prevailing Party shall be entitled to receive from the non-prevailing Party all reasonable attorneys’ fees, paralegals’ fees, and costs through all trial and appellate levels and post judgment enforcement proceedings. Any judgment rendered in connection with such litigation between the Parties shall bear interest at the lesser of eighteen percent (18%) per annum, or the highest lawful rate.

**Additional Documents.** City will, whenever and as often as it shall be reasonably requested so to do by Buyer, and Buyer will, whenever and as often as it shall be reasonably requested so to do by City, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, any and all conveyances, assignments, corrective instruments and all other instruments and documents as may be reasonably necessary in order to complete the transaction and develop the Project which is the subject of this Contract and the Purchase Documents and to carry out the intent and purposes of this Contract and the Purchase Documents. The Parties shall act in good faith to cooperate with one another regarding this Section 15.13. Notwithstanding the Closing Date and time frames contemplated herein, the Parties may mutually agree in writing (through the declaration of authority granted to the City Attorney on behalf of City) to extend the Closing Date or any time frame stated in this Contract for up to sixty (60) days. The provisions of this Section 15.13 shall survive the Closing.

**No Third Party Beneficiaries.** Nothing in this Contract shall confer any rights upon any person or Entity other than the parties hereto and their respective successors and permitted assigns.

**Knowledge.** For purposes of this Contract, the term “knowledge” or “possession” or words of similar import shall mean, with respect to (a) City, the actual knowledge or possession of Laurie Botts, City’s Real Estate Division Manager, as of the date of this Contract; and (b) with respect to any other individual or any corporation, partnership, joint venture, association, limited liability

company, trust, unincorporated organization, other legally valid entity under the laws of the State of Florida, or a government or governmental entity (each a “Person”) other than City, the actual knowledge of or actual possession of the executive officers or directors of such Person.

**Recording.** Neither this Contract nor any memorandum or notice of it shall be recorded and recording any portion of this Contract or any memorandum or notice hereof shall constitute a default under this Contract.

**Relationship of the Parties.** Nothing contained in this Contract is intended to, or shall be deemed to, create a joint venture or partnership of any kind between the Parties hereto, or any relationship other than that of a seller and buyer of the Premises.

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

[SIGNATURES ON FOLLOWING PAGE]

*EXECUTION PAGE  
PURCHASE CONTRACT BETWEEN  
CITY OF ORLANDO AND SED DEVELOPMENT, LLC*

**IN WITNESS WHEREOF**, the Parties have caused these presents to be executed on the day and year indicated above.

**“City”**

**CITY OF ORLANDO**

By: \_\_\_\_\_  
Buddy Dyer, Mayor

**ATTEST:**

\_\_\_\_\_  
Alana C. Brenner, City Clerk

APPROVED AS TO FORM AND LEGALITY  
For the use and reliance of the City of Orlando, only,  
\_\_\_\_\_, 2013

\_\_\_\_\_  
Mayanne Downs, City Attorney

**“Buyer”**

**SED DEVELOPMENT, LLC,**  
a Delaware limited liability company

By: \_\_\_\_\_  
Alex Martins, President

DRAFT

**EXHIBITS**

- |                     |   |                              |
|---------------------|---|------------------------------|
| <b>Exhibit “A”</b>  |   | Legal Description: Premises  |
| <b>Exhibit “B”</b>  | - | Preliminary Development Plan |
| <b>Exhibit “C”</b>  | - | Special Warranty Deed        |
| <b>Schedule “2”</b> | - | Purchase Documents           |

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**EXHIBIT “A”**

**LEGAL DESCRIPTION: PREMISES**

**[To be inserted]**

**EXHIBIT “B”**

**PROJECT**

**[To be inserted]**

**EXHIBIT "C"**

**SPECIAL WARRANTY DEED**

This instrument was prepared  
by and should be returned to:

[Attorney Name,  
Firm Name,  
Address,  
Telephone Number]

Parcel I.D. (Folio) No.:  
Consideration:

**SPECIAL WARRANTY DEED**

THIS SPECIAL WARRANTY DEED, made and executed as of this \_\_\_\_ day of \_\_\_\_\_, 2013, by **CITY OF ORLANDO, FLORIDA**, a municipal corporation of the State of Florida (the "Grantor"), whose mailing address is 400 South Orange Avenue, Orlando, Florida 32801, and **SED DEVELOPMENT, LLC**, a Delaware limited liability company (the "Grantee"), whose mailing address is 8701 Maitland Summit Boulevard, Orlando, Florida 32810:

**WITNESSETH:**

That the Grantor, for and in consideration of the sum of TEN DOLLARS (\$10.00) and other valuable considerations, the receipt and sufficiency of which are hereby acknowledged by these presents does grant, bargain, sell, alien, remise, release, convey, and confirm unto the Grantee that certain real property (the "Property") located in Orange County, Florida more particularly described as follows, to wit:

***See Exhibit "A" attached hereto and by this reference incorporated herein.***

THIS CONVEYANCE IS SUBJECT TO the following:

***See Exhibit "B" attached hereto and by this reference incorporated herein.***

TOGETHER WITH all and singular the tenements, hereditaments, easements and appurtenances, thereunto belonging or in anywise appertaining.

TO HAVE AND TO HOLD, the same in fee simple forever.

AND the Grantor hereby warrants that it has authority to execute this Deed and warrants to Grantee title to said land and will defend the same against the lawful claims of all persons claiming by, through or under the said Grantor but none other.

**IN WITNESS WHEREOF**, the Grantor has caused these presents to be executed in manner and form sufficient to bind it as of the day and year first above written.

**ATTEST**

**“City”**

By: \_\_\_\_\_

By: \_\_\_\_\_

City Clerk

Mayor/Mayor Protem

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

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

Approved as to form and legality for the use and reliance of the City of Orlando, Florida, only.

By: \_\_\_\_\_  
City Attorney

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

STATE OF FLORIDA        )  
  )ss.  
COUNTY OF                )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2013, by \_\_\_\_\_, as \_\_\_\_\_ of **CITY OF ORLANDO, FLORIDA**, a municipal corporation of the State of Florida, on behalf of the corporation. He/She is personally known to me or has produced \_\_\_\_\_ as identification.

(NOTARY SEAL)

Notary Signature)

(Notary Name Printed)  
NOTARY PUBLIC  
Commission No.

**EXHIBIT "A" TO DEED**

**LEGAL DESCRIPTION OF THE PREMISES**

[To be inserted]

**EXHIBIT "B" TO DEED**  
**PERMITTED EXCEPTIONS**

[To be inserted]

**Schedule "2"**  
**Purchase Documents**