SUMMARY OF TERMS
BISCAYNE LANDING
LEASE
May 17, 2012

Premises	Approximately 183.8 acres of land in the City of North Miami, in Miami-Dade County, Florida, known as "Biscayne Landing"
Landlord	The City of North Miami
Tenant	Oleta Partners LLC, indirectly owned by Biscayne Investor LLC, an affiliate of LeFrak Organization, Oleta BL Holdings, LLC, an affiliate of Swerdlow Development Company, and TM Oleta Holdings, LLC, an entity affiliated with Michael Swerdlow and Millenium Investments Group LLC.
Lease Term	99 years, starting when parties have signed the Lease and Landlord has delivered possession ("Commencement Date"). (§2.1)
Renewal Term	One automatic renewal term of 99 years; annual Fixed Rent for the first year of the renewal term to be established in year 70 of the initial Lease term by determining the CPI rate during Lease years 49 - 69 and projecting that rate of increase to year 100. Thereafter, annual fixed rent during the renewal term will increase by 15% every ten years. (§§2.1, 3.5)
Expenses	"Triple net" lease. Tenant pays all taxes, insurance, construction and repairs, expenses, and responsibilities, with a few exclusions for items personal to Landlord . Tenant controls all operations, leasing, tax protests. (§4.1)
Condition of Premises	The lease premises are accepted "As-is" at Commencement Date, with limited representations and warranties and subject to Landlord's responsibility for work covered by the CH2M Hill Agreement. There is no due diligence period.
Environmental: (§9)	*Landfill Closure:* 1. Groundwater remediation: Landlord will retain responsibility for the work covered in the CH2M Hill agreement, i.e. design and construction of the groundwater remediation system, which is currently underway. Landlord commits in Lease to cooperate with Tenant on placement of pipes, extraction wells, construction activities to facilitate development; Project Coordination Team meets monthly; Tenant can observe but not interfere with CH2M Hill work and advise City PE (or other designee) of any concerns, City PE or other designee will handle using professional judgment); Tenant to assume all other obligations under the CLCP and Landfill closure permit (monitoring, stormwater system, capping, methane gas control). 2. Landfill closure: Tenant to assume all landfill obligations under the CLCP and Landfill closure permit except for the work covered in the CH2M Hill agreement, i.e. design and construction of the groundwater remediation system. Closure to take place 10 years after commencement or, if after the 7th year no work on site for 12 months, closure to be done 6 months later. *General:* Tenant assumes responsibility for remediating all environmental conditions

	upon the Premises with the exception of the work covered in the CH2M Hill Agreement.
Grant Agreement with MDC for Landfill Closure	Grant Agreement provides funding for the closure and remediation of the landfill. $31,027,000 was originally allocated to the Site for both closure and remediation. All funds are disbursed pursuant to Grant procedures (inspections, certifications, back-up documents, releases of lien). The Lease provides that Landlord will request/disburse funds for work done pursuant to and in compliance with the Grant Agreement. (§9.3)
Materials on Premises	Landlord will assign rights in construction material and equipment detailed in an inventory list that is on the Premises on the Commencement Date, but excluding the crane and generator; Landlord will be able to request the use of the fusing machine, and Tenant will provided it and a trained operator on reasonable request.
Initial Payments	1. $1,500,000 first year's fixed rent payable two business days following full execution and delivery of Lease (the "Effective Date"). (§3.1) 2, $17,500,000 due within ten business days following the date on which the City has made all its required deliveries under the Lease and cleared notices of commencement from title, but no sooner than thirty days following the Effective Date. (§3.2) 3. On the Commencement Date, Tenant will pay up to One Million Dollars to reimburse Landlord for its maintenance and other costs of carrying the property and its third party professional fees incurred in connection with the Lease transaction. (§3.11) 4. All initial payments due under the Lease including the payment of back Real Estate Taxes are non-refundable as of the Commencement Date. (§3.1)
Payment of back Real Estate Taxes	On the Commencement Date, Tenant pays outstanding real estate taxes in the approximate aggregate amount of $1,710,000.00 (subject to Tenant's right to challenge the amounts, pursuant to Laws and the Contest provisions of the Lease). (§3.1)
Base (Fixed) Rent	<u>First Year:</u> $1,500,000.00 year, paid in advance. (§3.2) <u>Second through Fifth Years:</u> Rent will be completely abated unless and until Tenant completes 500,000 square feet of Improvements, at which point a reduced rent of $200,000 per year will be due. (§3.2) <u>Sixth Year through the end of the Term:</u> Beginning with the sixth year, the Fixed Rent again goes back to $1,500,000 per year (subject to adjustment every 10 years) and is payable quarterly, in advance. (§§3.1, 3.4)
Fixed Adjustments to Base Rent	On each tenth anniversary of the Commencement Date throughout the term of the Lease, the Base Rent will be increased by $150,000.00. There will be no indexed (e.g., CPI) increases. (§3.4)
Participation Rent (§3.3)	1. *Retail, Office Recreation/Entertainment Indoor, Recording and TV/Radio Uses (Also Light Industrial if/when approved for the Premises).* 1.75% of Tenant's gross revenue, less certain expenses. 2. *Residential Rentals.* (senior and residential) 1.75% of Tenant's gross revenue 3. *Hotel.* 2.25% of Tenant's gross revenue 4. *Sales(Condo or Senior Housing).* 3.25% of Tenant's gross revenue (no

	minimum sales price, required to be third party, good faith, commercially reasonable) 5. *Other Commercial Uses; Future Uses and Revenue.* reasonable additional Participation Rent Amendment to Lease to be agreed in good faith.
Park Property (§34)	Park Property: 7.2 acre site to be owned by Landlord. Landlord will maintain 7.2 acre portion. Tenant to pay Landlord $2,000,000 for Landlord's park improvements. Tenant to build and maintain 13.7 acre passive park. Tenant donates $50,000 for renovation of Gwen Margolis Community Center. 37 total acres of open space (includes Park Property) Community Center: Tenant will build a Community Center to be owned and maintained by Tenant. Landlord will have free use of the facility at least 3 times a month Lake Ibis will be owned by Landlord, maintained by the Tenant
Financing	No subordination of Landlord's fee interest to any financing obtained by tenant or a subtenant. Certain Leasehold Mortgagee protections are provided to a Leasehold Mortgagee (e.g., cure rights if Tenant defaults, New Lease on termination). (§19, 20)
Casualty and Condemnation (§13)	Tenant is responsible for restoration after casualty (destruction) or partial condemnation. There is no termination of the Lease, and no abatement of the rent (except for condemnation of essentially all of the Premises, and then the Lease terminates) unless the casualty occurs in the last 5 years of the Lease, in which case the insurance proceeds go to Landlord. Condemnation awards are made in accordance with Florida law.
Use	Tenant may use the premises for any lawful purpose in accordance with applicable zoning and other laws and regulations. (§5.1)
Construction Rights (§7)	Tenant and subtenants may construct and alter improvements without Landlord approval, but in accordance with all zoning, building codes, Laws, permits, etc. Landlord, in its capacity as owner, will cooperate where necessary by signing easements, permit applications, etc., within reasonable limitations.
Construction Obligations (§7, Ex. D)	Tenant has 3 deadlines for development: 1. The Initial Development must be completed by the fifth anniversary of the Commencement Date, and includes the items shown on attached Exhibit A. Tenant has provided a projected Schedule of Values and timeline in the Lease. [Note: a portion of the 13.7 acre park parcel will be used for staging and completed later, see the Concept Plan for the Delayed Park Property] 2. Second Stage Development must be completed by the seventh anniversary of the Commencement Date, and includes (a) substantial completion of the 500,000 square feet of vertical construction for which permits were pulled as part of the Initial Development, and (b) pulling building permits for an additional 200,000 square feet of vertical construction. 3. Third Stage Development must be completed by the tenth anniversary of the Commencement Date, and includes (a) substantial completion of the 200,000 square feet of vertical construction for which permits were pulled as part of the Second Stage Development, and (b) completion of the Landfill closure

	except the work covered under the CH2M Hill agreement for the groundwater remediation system, which is Landlord's responsibility). If any of the hard deadlines are not met, unless it is for good cause ("Unavoidable Delay"), Landlord can hold Tenant in default under the Lease and subject to cure rights in any Leasehold Mortgagee, can terminate it, in which case Landlord will take back the land in its improved state (there will be non-disturbance agreements for certain qualifying subtenants).
Bonds	The Lease requires compliance with 255.05, Fla. Stat. (2012) for a bond for any "public work," including the Remedial Action. (§7.4)
Transfer of Leasehold Interest by Tenant (§17.1, 17.3)	1. No transfer until Tenant's Construction Obligations (Initial Development, Second Stage Development, and Third Stage Development) are completed. 2. No transfer if an Event of Default exists 3. Any transfer must be to a Qualified Developer 4. A transfer payment of 5% of the gross revenue/consideration to Tenant for the transfer is due to Landlord if the Lease is transferred (applies to initial transfer only)
Transfer of Equity Interests in Tenant (§17.2, 17.3)	1. No transfer until Tenant's Construction Obligations (Initial Development, Second Stage Development, and Third Stage Development) are completed except to a Permitted Equity Owner and except for 20% (non-controlling interest) 2. No transfer if an Event of Default exists 3. A transfer payment of 5% of the gross revenue/consideration for the transfer of Equity Interests in the Tenant for consideration is due to Landlord (applies to initial transfer of those interests only); however, this fee will not be due on a sale by the Lefrak affiliate pursuant to its buy-sell agreement with the Swerdlow affiliate, but it will apply to any subsequent sale of those interests by the Swerdlow affiliate. In the event of a transfer of an Equity Interest in Tenant held directly or indirectly by Michael Swerdlow to Biscayne Investor LLC pursuant to a buy/sell agreement, the transfer fee will be equal to 25% of the consideration paid in the buy/sell transaction that is attributable to Michael Swerdlow's interest in the entity. 4. Swerdlow will not Transfer his Equity Interest in Tenant and will remain actively involved in the project until Tenant's Construction Obligations are completed. (§17.5)
Right of First Offer	If Landlord decides to transfer the fee estate, Landlords will notify Tenant as to important terms on which it is willing to sell (purchase price, deposit, any purchase money financing, timing). Tenant will need to exercise or waive the right before Landlord starts marketing. (§15.4)
Option to Purchase Condo parcels (§33)	1. Option to Tenant to purchase from Landlord parcels of at least 5+ acres of the 50.6 acres designated as Phase III and IV along the eastern boundary of the Premises (not abutting Biscayne Blvd) which will be used for condo/condo conversion 2. Subject to Landlord's commercially reasonable approval as to location and

	size of Option Parcel (so remaining property is not prejudiced) 3. Exercisable after the Initial Development is completed and before the 20th Anniversary of the Commencement Date. 4. Purchase price is to be negotiated at the time by the parties in good faith. 5. Prior to recording of deed, covenant running with the land (or other acceptable mechanism) is to be recorded making owner responsible for environmental obligations under the CLCP and other documents as to the purchased Option Parcel. 6. No change to Third Stage Development Landfill Closure obligation.
Nonrecourse (§27)	The Lease is nonrecourse to both parties (in a lawsuit the damages would be limited to that party's interests in the Premises, including the proceeds from the Premises).
Tiered Default System (§23)	1. Minor Defaults (e.g., not providing a progress report, not maintaining a building in good condition) do not risk termination of the Lease; the remedy is Delay Fee or specific performance, unless specific performance is not reasonably available, in which case it can become a major default. 2. Major Defaults (all defaults except for Minor Defaults, but will include a Minor Default for which specific performance is not reasonably available); after notice and time to cure to each of Tenant and the Leasehold Mortgage, if not so cured, the Lease can be terminated. Leasehold Mortgagee can opt for a New Lease (on the same terms as the Lease) within 30 days of such termination, but it has to cure all curable defaults. If the Lease is terminated and no New Lease is requested, the leased premises goes back to Landlord free and clear of the Lease.
Additional Payments to Landlord	Tenant will also reimburse Landlord up to $100,000 annually for its administrative costs monitoring the Lease for the first 5 years of the Lease. (§4.7)
Subleasing	Tenant may enter into subleases without restriction. Landlord shall agree to recognize and nondisturb subtenants that satisfy reasonable objective criteria in the Lease. (§18)
Office Space for Landlord designees on site	Tenant will provide 400 square foot office space onsite to the City PE until landfill closure occurs. Landlord will also provide 400 square foot office space onsite for a city employee designated to monitor environmental compliance until landfill closure occurs. Tenant will pay one-half the salary of such monitor employee until landfill closure, Tenant's contribution not to exceed $125,000.00 annually. (§35.3)
North Miami Educational Foundation, Inc.	Tenant to contribute $250,000.00 in August 2012 and receipt of 501(c)(3) designation and an additional $100,000 annually for 5 years (total of $750,000), and take a seat on the board of directors. (§35.5)
Local Preference (§35)	Tenant to employ or contract with 10% City residents and 10% local businesses, with 25% labor, goods, and services as an aspirational goal for North Miami residents and businesses. Tenant will plan and implement an outreach and training program (with analysis of data to monitor progress and document efforts and financial and business support (including a $5,000,000 line of credit to assist local contractors). Tenant will invest at least $2,500,000.00 over the initial seven years of the Lease term for these

	purposes and any unspent funds will be paid over to the City at the end of the seven year period. The Tenant will pay a minimum of $300,000.00 annually for 5 years from the Commencement Date for implementation of Local Preference Plan.
Future Road	In the event permits and approvals are obtained to build a road from 143 Street to the FIU campus but government or FIU funds are not alloted for the road, Tenant will either construct the road or pay the equivalent costs, excluding permit fees. The Road will be a two-lane road at grade. (§35.6)
Corner Parcel	With respect to the approximately 10 acre parcel running from Biscayne Boulevard to the Oaks and lying between 151 Street and the Park: during the Lease term, Landlord will receive 100% of the first $1,500,000 of net revenue received after Tenant has received $13,500,000 in net revenue. Thereafter,net revenue will be shared by Landlord and Tenant 50/50. (§3.15

EXHIBIT A

DESCRIPTION OF INITIAL DEVELOPMENT

All in compliance with Law and applicable permits and Approvals:

1. The Storm Water Master Plan for the entire site pursuant to applicable permits including FDEP, DPERA, and SFWMD.

2. The Lake Fill Project (permit and fill all lakes except Ibis, denoted as such on Exhibit B) which shall be subject to, among other things, an approved ERP from SFWMD.

3. Mass Grading and Balancing of Premises (but not individual pad sites), including trash/debris removal and/or compaction to levels approved for development for the full site. All excess material not redistributed or relocated as described, including but not limited to excess material from the landfill, shall be completely disposed of offsite at the Tenant's sole expense.

4. The Spine Road (Biscayne Landings Boulevard) extension from the intersection of NE 151 Street (to the North) traversing the site and connecting at the intersection of 143rd Street.

5. Under FDEP Safe Closure requirements, all Utility Infrastructure along the Spine Road, including Domestic Water and Fire Flow Supply, Sanitary Sewer, Storm Water Collection and Disposal, Power Supply Corridor, Communications and CATV Raceways, Gas Supply Main and Reuse Irrigation Main (if allowed by Miami-Dade County Regulatory Authority).

6. All daily Landfill Closure Permit and CLCP (except the ERA Work) required activities, and including without limitation groundwater monitoring commensurate with commencement of the Second Stage Development requirements.

7. The Park Property Improvements of grading, leveling and sodding of the Park Property, as set forth in Section 34 of the Lease. The Park Property Improvements shall not include the walking and biking trails along the open space on the perimeter of the Premises, which shall be constructed with each phase of the development and, thereafter, retained and maintained by Tenant or those claiming under it, and the trails shall be open to the public.

8. Building permits pulled for at least 500,000 leasable square feet of Required Improvements.

9. Creation of a homeowner's association or community development district or declaration of covenants and restrictions or similar funding source running with the land included in the Premises for all environmental monitoring and compliance costs under the CLCP as provided in section 9.3.3 of this Lease.

10. Musco lighting will be provided for all dedicated rights of way to the extent commensurate with commencement of the Second Stage Development requirements.