

7. A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE RIVIERA BEACH COMMUNITY REDEVELOPMENT AGENCY (THE AGENCY) AUTHORIZING THE EXCHANGE OF PROPERTY LOCATED AT 44 W. 16TH STREET FOR PROPERTY LOCATED AT 1101 AVENUE E, RIVIERA BEACH, FL WITH COURTNEY ELIZABETH PROPERTIES, LLC; AUTHORIZING THE CHAIRMAN AND EXECUTIVE DIRECTOR TO EXECUTE ANY DOCUMENTS IN FURTHERANCE OF THE EXCHANGE; PROVIDING AN EFFECTIVE DATE
(ATTACHMENT #7)



Florida's Dynamic
Waterfront Community

RIVIERA BEACH COMMUNITY REDEVELOPMENT AGENCY

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RIVIERA BEACH, FL 33404
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Website: www.rbcra.com

MEMORANDUM

TO: Honorable Chair and Members, CRA Board of Commissioners
City of Riviera Beach, Florida

FROM: Tony T. Brown, Executive Director, Riviera Beach CRA

DATE: June 8, 2012

CC: Michael Haygood, Interim CRA Attorney

SUBJECT: Property Analysis for Property Located at 44 W. 16th Street (Owned by RBCRA) and Property Located at 1101 Avenue E, Riviera Beach, FL (Owned by Courtney Elizabeth Properties, LLC, c/o Viking Yacht facility)

This Memorandum requests authorization to exchange property owned by Riviera Beach Community Redevelopment Agency (RBCRA) for property owned by Courtney Elizabeth Properties, LLC, c/o Viking Yachts (Viking), pursuant to a duly filed Notice of Intent to Dispose of Real Property and Invitation for Proposals to Develop, wherein the Agency received one proposal discussed below.

The Agency has identified Avenue E as a critical corridor for redevelopment, as confirmed in the 2011 CRA Master Plan. The Citizens' Master Plan in 2007 recognized the corridor for its importance to the neighborhood and recommends improving the street by identifying infill opportunities for commercial and residential development. These plans go on further to recommend that such infill development include mixed-use development, offering an array of uses needed to help the neighborhood thrive. A proper mix of uses can create a synergistic effect on existing infrastructure while encouraging additional new infill development. The area thus becomes sustainable, and thrives.

The Agency has identified the property at 1101 Avenue E as a potential early candidate for acquisition in order to begin developing anchor properties in this neighborhood and along this corridor as a precursor to more in depth development. Viking Yachts, Inc. has notified the Agency that it is desirous of effectuating a swap of the CRA owned parcel at 44 SW 16th Street where they have assembled a sizeable portion, in exchange for the parcel located at 1101 Avenue E, where the CRA has assembled a sizeable portfolio. The exchange is a mutual benefit to both parties. A discussion and recommendation of this subject strategy follows as part of this memorandum; discussion of any further property disposition will be presented at a separate opportunity.

In order to facilitate the fiscal and strategic analysis of this acquisition through exchange, the Agency has undertaken a level of due diligence that is outlined below.

1. The Agency filed a Notice of Intention to Dispose of Real Property and Invitation for Proposals to Develop Such Real Property located at 44 W. 16th Street, Riviera Beach, FL, on March 31, 2012.

2. One proposal response was received wherein Viking Developers. LLC proposes to deliver title to 1101 Avenue E in exchange for the title to 44 W. 16th Street. We would use the subject exchange property to help complete our assemblage on the block bordered by 16th and 17th Streets on the North and South and Broadway and Avenue E on the East and West. As you may be aware, we hold title to the contiguous parcels on either side of the subject and a significant portion of the remainder of this block. Our intention would be to develop this assemblage once a suitable user can be identified.

3. The Agency commissioned an appraisal of the subject parcels, dated April 27, 2012, by Philip M. Holden, MAI, State-Certified General Real Estate Appraiser RZ 1666, and Sharon L. Morgan, Sate-Certified General Real Estate Appraiser RZ 626, S.F. Holden, Inc., 8259 North Military Trail, Suite 10, Palm Beach Gardens, Florida 33410, Job No. 2629, pursuant to an approved bid process.

A. Key findings are listed below:

Property Description	1101 Avenue E	44 W. 16 th Street
Location/Access	The property is located at the northwest corner of Avenue E and West 11 th Street, in Riviera Beach, Palm Beach County, Florida. Access is provided by two-lane paved Avenue E and is considered good.	The property is located on the north side of West 16 th Street, 150 feet east of Avenue E, in Riviera Beach, Palm Beach County, Florida. Access is provided by two-lane paved West 16 th Street and considered good.
Legal Description	East 70 feet of Lots 14 to 16, inclusive, Block 17, Riviera, recorded in Plat Book 2, Pages 90 and 91, Public Records of Palm Beach County, Florida	Lot 9, Block 6, Inlet grove, recorded in Plat Book 6, Page 87 and Plat Book 8, Page 14, Public Records of Palm Beach County, Florida
Owner of Record	Courtney Elizabeth Properties, LLC c/o Viking Yacht facility 11550 Avenue C Riviera Beach, FL 33404-5638	Riviera Beach CRA 2001 Broadway, Suite 300 Riviera Beach, FL 33404-5612
Ownership History	The subject property has been under the current ownership since April 2006. There have been no market transactions within the past five years and the property is not known to be listed for sale. It has been available for lease for quite some time according to John Tracy, broker.	The subject property has been under the current ownership for over a decade. There have been no market transactions within the past five years and the property is not known to be listed for sale.

Property Description	1101 Avenue E	44 W. 16 th Street
Site Description	The parcel is rectangular in shape with overall dimensions of about 70 feet by 75 feet, with a total size of 5,250 square feet or 0.1205 acres (according to Property Appraisers records.)	The parcel is rectangular in shape with overall dimensions of about 50 feet by 130 feet, with a total size of 6,450 square feet or 0.1481 acres (according to property appraisal records.)
Zoning	The zoning of the subject is OP, Office Professional District, by the City of Riviera Beach and DMN, Downtown Mixed Use Neighborhood on the Downtown Riviera Beach Regulating Plan. These districts are consistent with the existing land use. They allow a minimum lot width of 20 feet and minimum lot area of 2,000 square feet, as well as minimal setbacks and maximal lot coverage in keeping with a pedestrian-friendly environment.	The zoning of the subject is CG, General Commercial District, by the City of Riviera Beach and DC, Downtown Core on the Downtown Riviera Beach Regulating Plan. These districts are consistent with the existing land use. They allow a minimum lot width of 20 feet and minimum lot area of 2,000 square feet, as well as minimal setbacks and maximal lot coverage in keeping with a pedestrian-friendly environment.
Comprehensive Land Use	The subject is designated on the City of Riviera Beach CRA Future Land Use Map as Downtown Mixed Use	The subject is designated on the City of Riviera Beach CRA Future Land Use Map as Downtown Mixed Use
Improvements	Building Improvements on this parcel consist of a 1,050 square foot, one-story, CBS office building with a flat roof built in 1958 reportedly with one restroom. The building is basically a shell. Site improvements include asphalt paved parking area and drive and perimeter fencing.	None
Present Use	Commercial building currently unoccupied.	Unimproved and cleared (appears to have been previously developed.)
As Improved	The building improvement on the subject is an older one-story office currently not in use. This could serve as an interim use until redevelopment of the site occurs once market conditions improve. The reasons for this conclusion are the same as those mentioned above.	Not applicable.

Property Description	1101 Avenue E	44 W. 16 th Street
Assessed Value/Taxes (2011)	Parcel ID# 56-43-42-33-06-017-0141 Land Area (Acres) 0.1205 Land Value \$29,768 Improvement Value \$7,883 Total Market Value \$37,651 Assessed/Taxable Value \$37,651 Total Taxes \$512.05 (Parcel ID# 56-43-42-33-04-006-0090 Land Area (Acres) 0.1481 Land Value \$36,572 Improvement Value \$0 Total Market Value \$36,572 Assesses/Taxable Value \$36,572 Total Taxes \$0* (Riviera Beach CRA is tax exempt. Taxes would be \$497.37 based on millage rate of 13.6 mils.)

- B. Therefore the appraised value of Parcel A, with the building, is \$53,000.
Therefore the appraised value of Parcel B, vacant land, is \$22,600.

4. The Agency Solicited Quotes for Inspection Services on May 4, 2012 for 1101 Avenue E, Parcel B. After consideration of responses, Staff selected Beatty Inspection Services, 33 E. Center Street, Jupiter, FL 33477, Mark Beatty, Principal, as the most responsive and most responsible bidder. Beatty Inspection Services provided a detailed inspection report, encompassing an inspection of the interior and exterior premises, including the roof, paved areas and fencing, windows, plumbing, electrical, lighting, fixtures, HVAC, and walls. Additionally, testing was done for asbestos, lead, mold, and Chinese Drywall.

5. Beatty Inspection Services also provided a Scope of Services and Work Write-up that served as the basis for a Request for Proposals for General Contracting Services, let by the Agency on June 1, 2012. (Please note that appropriate Public Notices of the RFP were filed; additionally, said Notice was sent by US Mail, First Class, to every General Contractor registered with the City of Riviera Beach.) **The estimated costs of repair are \$36,750, not including permits and General Conditions.** Responses were due by Monday, June 11, 2012 at 3:00 p.m. The response date has been extended to June 28, 2012. Proposals should include qualifications as well as price. The most responsive and responsible proposer will be selected for contract negotiations, after authority is granted by this Board. The contract will include the following areas of repair: debris removal, fencing, handicapped parking, impact resistant exterior doors, impact resistant windows, block in AC openings, roofing, exterior painting, mold removal, interior framing, interior drywall, interior painting, termite infestation, flooring, restroom vanity, toilet, interior doors, remove hose bibb, install new gate valve, tankless water heater, rewire/new panel installation, install flood light fixture w/photo cell, exhaust fan vented through roof, CO/smoke detector, install new central air conditioner and duct system.

6. The Total Cost of Rehabilitation is estimated as follows:

Estimated repairs	\$36,750.00
General Conditions, Permits and Contingencies	<u>\$ 9,187.50</u>
Total	\$45,937.50

7. Summary analysis of parcels:

	1101 Avenue E	44 W. 16 th Street
Size of Lot	5,250 square feet or 0.1205 acres	6,450 square feet or 0.1481 acres
Taxes	Total Taxes \$512.05	Total Taxes \$0* (Riviera Beach CRA is tax exempt. Taxes would be \$497.37 based on millage rate of 13.6 mils.)
Appraised Value	\$53,000	\$22,600
Estimated Cost of Rehabilitation	\$45,937.50 (estimated)	\$0 (Vacant Land)
Estimated Value, As Improved	TBD	\$22,600 (unimproved)

8. Fiscal Impacts: The only carrying expense currently incurred for Property B is the maintenance expense, which is approximately \$1,000 per year. A reasonable holding period is three years; therefore the total maintenance expense incurred would be \$3,000. We would realize a net of -\$260.44 per year in taxes until Property B was improved if we did swap the parcels. Once improved, we will realize additional tax revenue from Viking. The Agency would acquire an asset with a current value of \$53,000, a gain of \$30,400. With an investment of approximately \$46,000, the asset would have an estimated increased value and would create a productive use in this important corridor.

9. Plan of Action:

- A. Negotiate contract for swap.
- B. Negotiate contract for General Contractor Rehabilitation Services.
- C. Once site control is obtained, execute contract for General Contractor.
- D. Issue Notice to Proceed.
- E. Once construction is 25% complete, finalize marketing strategy for highest and best use or interim use of structure.
- F. Once a Certificate of Completion/Occupancy is obtained, execute lease for structure.
- G. Develop and finalize asset management strategy.

RECOMMENDATION: Staff recommends approval of the resolution authorizing the exchange of property located at 44 W. 16. Street for the property located at 1101 Avenue E, finding that the proposed use is consistent with the CRA Plan, and the Property Acquisition and Disposition Plan. The CRA will receive future tax revenue on the property located at 44 w. 16th. Street and no longer have property maintenance responsibilities. The CRA will confer with the City through the site plan permitting process to ensure that the development of the property is attractive to neighboring properties and consistent with the new vision for the Broadway/Avenue E Corridor. Staff will return with a recommendation concerning rehabilitation of the property at 1101 Avenue E at a later date.

We will keep the Board apprised of our progress on this strategy.

TB:aj

RESOLUTION NO. 2012 - ____

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE RIVIERA BEACH COMMUNITY REDEVELOPMENT AGENCY (THE AGENCY) AUTHORIZING THE EXCHANGE OF PROPERTY LOCATED AT 44 W. 16TH STREET FOR PROPERTY LOCATED AT 1101 AVENUE E, RIVIERA BEACH, FL WITH COURTNEY ELIZABETH PROPERTIES, LLC; AUTHORIZING THE CHAIRMAN AND EXECUTIVE DIRECTOR TO EXECUTE ANY DOCUMENTS IN FURTHERANCE OF THE EXCHANGE; PROVIDING AN EFFECTIVE DATE

WHEREAS, the Board of Commissioners authorized the filing of Notice of Intention to Dispose of Real Property and Invitation for Proposals to Develop the Real Property located at 44 W. 16th Street, Riviera Beach (the "Real Property"); and

WHEREAS, the Agency advertised the Notice of Intention to dispose of the Real Property in the Palm Beach Post on March 31, 2012; and

WHEREAS, one response was received in response to the Notice; and

WHEREAS, the Courtney Elizabeth Properties, LLC, the owner ("Owner") of real property located at 1101 Avenue E, Riviera Beach has offered to swap parcels with the Agency; and

WHEREAS, said exchange is in keeping with the strategies outlined in the 2011 CRA Master Plan, including mixed-use development, offering an array of uses needed to help make the neighborhood thrive; and

WHEREAS, the Agency has identified the property at 1101 Avenue E as a potential early candidate for acquisition in order to begin developing anchor properties in this neighborhood and along this corridor as a precursor to more in depth development;

WHEREAS, the Agency commissioned an appraisal of both properties; and

WHEREAS, the Agency would acquire an asset with a current appraised value of \$53,000 for a property with a value of \$22,600.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE RIVIERA BEACH COMMUNITY REDEVELOPMENT AGENCY THAT:

SECTION 1. The Agency hereby authorizes the Chairman and Executive Director to execute the agreement attached hereto as Exhibit "A" for the exchange of property located at 44 W. 16. Street for the property located at 1101 Avenue E, finding that the proposed use is consistent with the CRA Plan, and the Property Acquisition and Disposition Plan.

SECTION 2. This resolution shall be effective immediately upon its adoption.

PASSED AND ADOPTED this 18th day of June, 2012.

RIVIERA BEACH COMMUNITY
REDEVELOPMENT AGENCY

ATTEST:

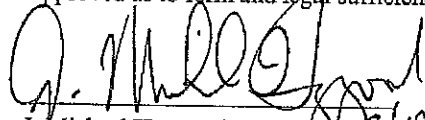
By: _____
Name: BILLIE E. BROOKS
Title: Chairperson

Executive Director

MOTION BY: _____
SECONDED BY: _____

B. BROOKS _____
D. PARDO _____
C. THOMAS _____
S. LOWE _____
J. DAVIS _____

Approved as to form and legal sufficiency


J. Michael Haygood Date: 6/12/2012
Haygood & Harris LLC
General Counsel to CRA

PURCHASE AND SALE AGREEMENT

THIS AGREEMENT is made and entered into as of this ___th day of _____, 2012 by and between RIVIERA BEACH COMMUNITY REDEVELOPMENT AGENCY, a body corporate and politic created pursuant to Part III, Chapter 163, Florida Statutes (the "Agency"), and COURTNEY ELIZABETH PROPERTIES, LLC, a Florida limited liability company (the "Company")(the Agency and Company shall collectively be referred to as "Owner", "Purchaser" and "Buyer", where appropriate in the context of the agreement).

WHEREAS, the Agency and the Company have agreed to exchange the following described properties to each other for no additional consideration other than the value of the exchanged properties.

In consideration of the mutual covenants and promises herein set forth, the parties agree as follows:

1. *Purchase and Sale.*

Agency owns the following described property:

Lot 9, Block 6, INLET GROVE, according to the Plat recorded in Plat Book 8, Page 14, as recorded in the Public Records of Palm Beach County, Florida. ("Agency Property")

Company owns the following described property:

East 70 feet of Lots 14 to 16, inclusive, Block 17, Riviera, according to the Plat recorded in Plat Book 2, Pages 90 and 91, Public Records of Palm Beach County. ("Company Property")

Agency and Company agree to exchange the Agency Property and Company Property upon the terms and conditions contained herein. The "Agency Property and Company Property" shall mean and include all of owner's rights to such parcel of land, together with:

(a) all easements, privileges, rights-of-way and other appurtenances pertaining to such property, including credits and rights regarding utility and impact fees;

(b) all licenses, permits and franchises issued by any governmental authority to or in favor of each owner and pertaining to the ownership, development or use of such property; and

(c) all contract rights and general intangible rights pertaining to the ownership, development or use of such property.

2. *Purchase Price.* The purchase price to be paid by the each owner to the other for the exchange of the Agency Property and the Company Property shall be the value of the property and One Dollar (\$1.00).

3. *Effective Date.* This Agreement shall not be effective until executed by both parties and the Effective Date shall be the last date on which this Agreement is executed. This agreement must be fully executed and delivered by all parties here on or before 5:00 pm, on June 21, 2012, or this Agreement and any offer contained herein shall be considered rejected and null and void and all deposits delivered pursuant to Section 3 (if any) shall be refunded by the escrow agent to the Purchaser. Execution and delivery shall be defined as receipt of the fully executed Agreement by the parties by means of delivery by a nationally recognized overnight delivery service or hand delivery.

4. *Title.* The Property is to be conveyed by a good and sufficient warranty deed running to the buyer, and said deed shall convey a good, clear record insurable and marketable fee simple title to

the property, free from all liens, encumbrances, easements, reservations, limitations, covenants, conditions and restrictions, except the following ("Permitted Exceptions"): (i) provisions of existing building and zoning laws; (ii) such taxes for the then current year as are not due and payable on the Closing Date (hereinafter defined); (iii) restriction of record which do not render title unmarketable and (iv) any liens for other taxes assessments, water and sewer charges and all other fees and charges assessed or imposed by a public body upon the property or the operation thereof which are not due and payable on the Closing Date.

(a) It is understood and agreed by the parties that Owner's title to the Property shall not be considered marketable unless: (i) no building, structure or improvement of any kind belonging to any other person or entity shall encroach upon or under the Property; (ii) the Property shall have sufficient and indefeasible legal access to an adjoining right-of-way; (iii) there are no easements not already of record and running with the land across land of others that are required to permit surface water runoff to discharge from the existing surface water drainage system or to permit the installation, maintenance and use of the utility lines presently serving the Property including, without limitation, sewer lines, electrical, gas, water or telephone lines; all subdivision approvals necessary to deliver the Real Property as described herein to Purchaser, shall be in full force and effect and satisfactory to Buyer.

5. *Reserved.*

6. *Seller Materials and Cooperation.* Within 15 days of the Effective Date, Seller shall to deliver to Purchaser, at Purchaser's expense copies of all reports, studies, appraisals, surveys, construction plans and specifications, building permits, environmental assessments, engineering reports and land use directives and approvals pertaining to the Property in their possession, including, but not limited to:

(a) Any building and use restrictions or declarations of easements, covenants and restrictions applicable to any portion of the Property to the extent not disclosed on the survey.

(b) All existing licenses, permits or other federal, state or local authorizations (including but not limited to soil erosion permits) issued or required to be issued in connection with improvements to be built on at the Property.

(c) All public or private utility easements, access agreements, special assessment arrangements, tap-in or connection fee agreements or procedures relating to the Property.

(d) Any soils or boring reports, hydrological studies, engineering studies, percolation tests or data, septic permits, traffic studies, grading or mitigation studies, erosion permits or other permits, requirements or letters issued by the State Department of Environmental Protection, [Water Management District], U.S. Army Corps of Engineers or other governmental authority in connection with the development of the Property.

(e) Any Phase I environmental report and any other environmental, wetland, vegetation or wildlife studies.

(f) Current tax bills, insurance policies and premium statements.

(g) Any other documents, maps, surveys, appraisals and market studies, title work, plats, agreements, declarations, easements, permits or other materials describing the Property which are currently in Seller's engineer's possession.

(h) In the event this Purchase Agreement is terminated prior to closing, all of said materials shall be returned to Owner promptly upon such termination.

(i) Any architectural, landscape architectural, engineering plans and specifications and site plans.

(j) Any correspondence from any governmental authorities relating to zoning and site plan approval.

Purchaser agrees that all plans, studies, applications, approvals, appraisals, reports prepared at or by Purchaser in connection with the Property shall become the property of Seller [at no cost to Seller] if for any reason the closing does not take place.

7. *Conditions to Purchaser Obligations.* Purchaser's obligation to purchase the Property shall be conditioned and subject to the following events, it being understood that Purchaser shall have the right to waive any one or all of said conditions in whole or in part:

(a) Reserved.

(b) Availability of utilities for construction and operation of the Property, including without limitation, electricity, telephone, cable, gas, water and sanitary sewer.

(c) The availability of right-of-way access and ingress/egress acceptable to Purchaser.

(d) Reserved.

(e) Delivery by Seller to Purchaser of a warranty deed which conveys to Purchaser free and clear insurable and marketable title subject to the permitted exceptions contained in the title commitment provided pursuant to Section 5.

(f) Reserved.

In the event the contingencies cannot be satisfied prior to the Closing Date, as such Closing Date may be extended, notwithstanding Seller's best efforts, Purchaser may terminate the Agreement and receive a full refund of its Escrow Deposits, if any.

8. *Seller Representations and Warranties.* The Seller makes the following warranties and representations as of the date hereof and as of the Closing Date:

(a) To Seller's actual knowledge, there are no contracts, leases, agreements or licenses, written or oral, relating to the Property that will survive the Closing, other than those disclosed to Buyer as required by this Agreement.

(b) Seller has no actual notice of (i) any violations of zoning ordinances or other governmental regulations with respect to the Property, or (ii) any pending or threatened condemnation or eminent domain proceedings with respect to the Property.

(c) The execution, delivery and performance of this Agreement by Seller has been duly authorized. Neither the execution of this Agreement or the consummation of the transactions contemplated hereby will (i) result in a breach of, or default under, any agreement to which Seller is a party or by which the Property is bound, or (ii) violate any restrictions to which Seller is subject.

(d) To Seller's actual knowledge, there is no threatened or pending litigation or claim involving the Property or any adjoining property that would have a material adverse effect on the value of the Property, and, to the best of Seller's knowledge, there are no facts or circumstances which could give rise to such claim or litigation.

(e) To Seller's actual knowledge, there is no oil or hazardous waste, hazardous materials or substances hazardous to human health on the Property, and there has been no storage, treatment, generation, discharge, transportation or disposal of industrial, toxic or hazardous substances or solid or hazardous waste at, on or beneath the Property by Seller or its predecessors in interest, other than those allowable under applicable federal, state and/or local environmental laws and regulations (collectively, "Environmental Laws"), except as otherwise noted in this Agreement.

(f) At the date of closing, the Seller will be the sole and exclusive owner of the Property and no other parties are required to execute this Agreement in order to bind all presently held and/or future fee interests in the Property.

(g) To Seller's actual knowledge, there are no easements, building and use restrictions, pipelines or utility lines which might prohibit or materially and adversely interfere with the contemplated development of the Property.

(h) there are no liens upon the Property except as disclosed to Purchaser.

(i) To Seller's actual knowledge, the Property is not located in a flood plain.

It shall be a condition of Purchaser's obligations herein that all of the warranties and representations of Seller herein contained shall be true at the time the same are made and on the Closing Date. If the representations and warranties of Seller are found to not be accurate prior to the Closing Date, then Purchaser shall have the option to terminate the Agreement. Seller agrees to indemnify Purchaser against and hold Purchaser harmless from any loss, damage, cost (including, without limitation, attorneys' fees) or liability which Purchaser may incur as a consequence of Seller's breach of any of the foregoing warranties and representations. This indemnification obligation shall survive the Closing, provided Purchaser promptly notifies Seller and gives Seller the option to defend in such cases.

9. *Purchaser's Representations and Warranties.* Purchaser hereby represents and warrants to Seller as follows:

(a) Purchaser is a Florida not for profit corporation which is authorized to transact business under the laws of the State of Florida. Purchaser has all necessary power and authority to enter into this Purchase Agreement and to perform all of the obligations to be performed by Purchaser hereunder.

(b) This Purchaser Agreement has been duly and validly executed and delivered by Purchaser and this Purchase Agreement constitutes the valid and legally binding obligation of Purchaser, enforceable against Purchaser in accordance with its terms, except as such enforceability may be limited by law.

11. *Closing.* The Closing shall take place on or before July 15, 2012. The Purchase Price shall be paid to Seller in full in cash at the time of closing, subject to prorations and adjustments as hereinafter provided in Section 14, to be paid by either a bank cashier's check or by wire transfer. At Closing, Seller and Purchaser shall pay customary Closing Costs. Purchaser shall pay its closing costs including its attorney's fees and financing costs and for the recording of the deed. Seller shall pay its closing costs, documentary stamps and intangible taxes.

12. *Closing Documents.* At the Closing, Seller shall deliver to Buyer the following duly executed: (a) warranty deed to the Property in accordance with the provisions of Section 6 of this Agreement, (b) warranty bill of sale transferring any personal property to the Buyer (as applicable), (c) an absolute assignment of all development rights and impact fee credits (as applicable) pertaining to the Real Property, (d) an affidavit and indemnity in the form customarily required by Seller's title insurer for the purposes of deleting from the owner's and lender's title policies the standard exceptions for parties in possession and mechanics liens, (e) a no-lien, gap and exclusive possession affidavit relating to any activity of the Seller at the Property within the period that a mechanic's lien can be filed based on such

activity prior to the Closing Date in form and content satisfactory to Buyer, (f) an affidavit establishing that Seller is not a foreign person as defined in I.R.S. code Section 1445 (and the regulations promulgated thereunder) in the form recommended by the Internal Revenue Service for the purpose of establishing that the withholding requirements of said Section 1445 do not apply to this transaction, (g) any forms required to comply with Internal Revenue Service reporting requirements, (h) originals of all plans, permits, licenses, contracts, leases, appraisals and surveys pertaining to the Property, to the extent the same are within Seller's possession or control, (i) all other instruments, which may be necessary to establish Buyer as the record owner of title to the Property, in accordance with the requirements of Section 3, (j) a certificate from the Seller that all representations and warranties contained herein are true and accurate as of the Closing Date, and (k) any other documents required to be delivered at Closing pursuant to this Agreement.

13. *Prorations and Adjustments.* All real estate taxes and assessments which have become due upon the Property at the Closing Date shall be paid by Seller and all current state and local taxes, if any, shall be prorated and adjusted, allowing for the maximum discount, as of the Closing Date. If the assessment for the current fiscal year has not yet been determined, then the taxes shall be prorated on the assumption that the assessment will be the same as the prior year's assessment, and any over or under charges will be adjusted within 30 days after the taxes and assessments for the current year are finally established at the request of either party and upon presentation of a copy of the current year's tax bill to the other party. If at the time of the closing, the Property or any part thereof shall be affected by any special assessment and such assessment shall be payable (other than interest), Seller shall pay any and all of such installments which are due and payable or which may be paid without penalty (other than interest) prior to the Closing Date, and the installment relating to the current fiscal year shall be apportioned as of the Closing Date. All subsequent installments shall be the obligation of the Purchaser. Purchaser shall pay or take title subject to the lien of the City of Riviera Beach for water and sewer.

14. *Reserved.*

15. *Reserved.*

16. *Assignment.* The Purchaser may not assign this Purchase Agreement without the prior written consent of Seller, provided, however, that Purchaser shall have the right to assign all or any part of its right, title and interest in and to this Purchase Agreement to any affiliate without such Seller consent. This Purchase Agreement shall be binding upon and inure to the benefit of said assignee, their respective heirs, representatives, successors and assigns. In the event of an assignment to a non-affiliate without Seller's written consent, this Agreement shall become null and void and the parties will be released of any obligation to each other.

17. *Brokers.* The parties hereto represent and warrant each to the other, which representation and warranty shall survive the closing, that there are no claims or amounts due for any brokerage or salesman commissions or fees or for any finders fees in connection with the transactions set forth in this Purchase Agreement. Each party agrees to indemnify and hold and save the other party harmless from any other claims or demands for commissions and/or fees incurred by such party in connection with the transactions set forth in this Purchase Agreement.

18. *Reserved..*

19. *No Further Encumbrances To Property.* Seller agrees that during the term of this Purchase Agreement, it will not sell, convey, lease, mortgage (other than mortgages that will be released at closing), pledge, hypothecate, option, plat, grant easements, dedications or otherwise additionally encumber the Property or permit to be done any act or deed to diminish or encumber the title to the Property, except with the prior written consent of Purchaser, which consent shall not be unreasonably withheld and granted in a timely manner.

20. *Default and Remedies.* In the event of the failure or refusal of the Purchaser to close this transaction, without termination of this Agreement pursuant to its provisions, failure of Seller to satisfy any

of the conditions precedent to Purchaser's obligations, or Seller's breach of any its representations or warranties, then Purchaser shall be in default in the performance of this Agreement. Seller shall have the right to terminate this Purchase Agreement and retain all the Deposits paid as liquidated damages for any and all claims against Purchaser. In the event of default by Seller under this Agreement, Purchaser shall have the right to (receive the return of all Deposits paid and, in the event Seller's default consists of the willful conveyance of the Property to a third party or the willful failure to convey the Property to Purchaser, seek actual damages based on the out-of-pocket costs actually incurred by Purchaser in connection with this transaction, but in any event not to exceed the sum of \$10,000. Alternatively, the Purchaser may seek specific performance of the Seller's obligations under the Purchase Agreement. In the event of any litigation between the parties pursuant to this Agreement, the prevailing party shall be entitled to collect its legal expenses from the other party pursuant to such litigation. The Purchaser shall return to Seller all materials relating to the Property obtained from Seller pursuant to Section 8 above.

21. *Notices.* Any notice, delivery or tender required or permitted to be given or served upon any party hereto in connection with this Purchase Agreement shall be deemed to be completed and legally sufficient when (i) personally delivered, or (ii) deposited with an expedited mail service company for delivery on the next business day, or (iii) sent by facsimile with a confirmed transmission receipt, or (iv) when a certified or registered letter containing such notice, properly addressed, with postage prepaid is deposited in the United States Mails, addressed to the party for whom the same is intended, and the customary certified or registered mail receipt shall be the evidence of such notice. Such written notice shall be addressed as follows:

If to Agency: Tony Brown
Riviera Beach Community Redevelopment Agency
2001 Broadway, Suite 300
Riviera Beach, Florida 33419
(561) 848-3389; (561) 881-8043 (fax)

With a copy to: J. Michael Haygood, P.A.
1551 Forum Place
Suite 400-B
West Palm Beach, Florida 33401
(561) 684-8311; (561) 684-9380

If to Company: Courtney Elizabeth Properties, LLC
c/o Viking Yacht Facility
11550 Avenue C
Riviera Beach, Florida 33419
(561) _____

Any party hereto may, at any time by written notice to the other party hereto, designate any other address in substitution of the foregoing address to which such notice shall be given and other parties to whom copies of all notices hereunder shall be sent. If any notice or tender is required or permitted to be given on a Saturday, Sunday or legal holiday, then the time for giving such notice or tender is hereby extended to the next regular business day

22. *Section 1445 Withholding Tax.* Seller represents and warrants that it is not a "foreign person" within the meaning of Internal Revenue Code Section 1445, and that the Seller qualifies for an exception to the withholding requirements set forth therein. If Seller qualifies for an exemption from withholding, Seller shall demonstrate such qualification to Buyer by delivery to the Purchaser of a Qualifying Statement or a Non-foreign Affidavit as defined by Internal Revenue Code Section 1445. If the Seller fails to deliver a Qualifying Statement or a Non-foreign Affidavit, the Purchaser may deduct and withhold from the Purchase Price the amount of tax required to be withheld pursuant to Internal Revenue Code Section 1445.

23. *Reserved.*

24. *Waiver of Jury Trial, Mediation.* Purchaser and Seller hereby mutually, knowingly, voluntarily and intentionally waive any right either may have to a trial by jury in respect of any litigation (including, but not limited to, any claims, cross-claims or third party claims), arising out of, under or in connection with this agreement or the transactions contemplated herein. The parties agree to use mediation in the first instance for the resolution of any disputes prior to instituting litigation. The costs of the mediation shall be divided equally between the parties.

25. *No Joint Venture.* It is expressly agreed that neither party is the agent, partner, nor joint venture partner of the other, and that neither Seller nor Purchaser has any obligations or duty to the other except as specifically provided for in this Purchase Agreement.

26. *Governing Law.* This Purchase Agreement shall be governed by, construed and enforced in accordance with the laws of the State of Florida.

27. *Successors and Assigns.* This Purchase Agreement, and the covenants, conditions and obligations set forth herein shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, successors, administrators, representatives and assigns.

28. *Time.* The parties agree that time shall be of the essence in this Purchase Agreement.

29. *Counterparts.* This Purchase Agreement shall be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which shall constitute one and the same Purchase Agreement.

30. *Amendments and Waivers.* No amendment or waiver of any provision of this Purchase Agreement shall be effective unless it is in writing, signed by the party against whom it is asserted. Any such written waiver shall only be applicable to the specific instance to which it relates and shall not be deemed to be a continuing or future waiver.

31. *Further Assurances.* Each party will promptly execute and deliver any and all written further assurances that are necessary, convenient or desirable to evidence, complete or perfect (or any combination thereof) the transactions contemplated by this Agreement, so long as no further assurance operates to impose any new or additional liability upon any party. The parties will so perform all other acts that are reasonably necessary, convenient or desirable for any such purpose, so long as no new or additional liabilities are incurred.

32. *Severability.* If any provisions of this Purchase Agreement shall be held to be invalid, void or unenforceable, the remaining provisions of this Purchase Agreement shall not be affected or impaired, and each remaining provision shall remain in full force and effect.

33. *Entire Agreement.* This Purchase Agreement constitutes the entire agreement between the parties, and all prior or contemporaneous oral or written agreements, understandings, representations, and statements are merged into this Purchase Agreement. Neither this Purchase Agreement nor any provision hereof may be waived, modified, amended, discharged, or terminated except by an instrument in writing signed by the party against which the enforcement is sought, and then only to the extent set forth in such instrument.

IN WITNESS WHEREOF, the parties hereof through their authorized agents, have executed this Purchase and Sale Agreement as of the Effective Date.

[Signatures on flowing page]

Date:

Witness

Witness

Date:

Witness

Witness

AGENCY:

Riviera Beach Community
Redevelopment Corporation Agency

By: _____
BILLIE E. BROOKS, CHAIRPERSON

COMPANY:

Courtney Elizabeth Properties, LLC

By: _____

Name: _____

Title: _____