

**POMPANO BEACH
COMMUNITY REDEVELOPMENT AGENCY**

Meeting Date: May 19, 2015

Agenda Item 6

REQUESTED CRA BOARD ACTION:

Resolution(s) Consideration Approval Other

SHORT TITLE OR MOTION: A RESOLUTION OF THE POMPANO BEACH COMMUNITY REDEVELOPMENT AGENCY, APPROVING AND AUTHORIZING THE PROPER OFFICIALS TO EXECUTE AN AMENDMENT TO CONTRACT FOR SALE AND PURCHASE BETWEEN THE POMPANO BEACH COMMUNITY REDEVELOPMENT AGENCY AND HBJ HOLDING, LTD. FOR THE PURCHASE OF PROPERTY LOCATED AT 790 AND 800 HAMMONDVILLE ROAD; PROVIDING AN EFFECTIVE DATE.

Summary of Purpose and Why:

The Pompano Beach Community Redevelopment Agency entered into a Contract for Sale and Purchase with HBJ Holding LTD for a 5.75 acre site on December 15, 2015. The site contains Rocky's convenience store and a small commercial building fronting along Dr. Martin Luther King Jr. Blvd. The southern end of the property abuts the South Florida Water management District Canal and contains 18 shotgun style homes otherwise known as "Jones Quarters." The CRA contracted with a Relocation Consultant to assist in the relocation efforts of 14 families residing on the property. The relocation process is proceeding accordingly, however, finding comparable units with respect to the tenant's income and low rental payments have proven to be challenging. While some families have been relocated, some families awaiting Relocation Assistance Payments from the CRA prior to relocating and some families pending application approvals, not all tenants will be relocated prior to the set closing date of May 19, 2015. CRA staff recommends approval of the amendment to the contract for sale and purchase to extend the closing date to occur on or before May 22, 2015 and to modify the contractual language to allow closing to occur with or without tenants remaining on the premises.

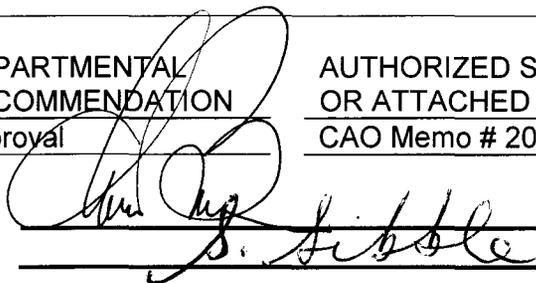
Staff recommends approval of the Amended Contract for Sale and Purchase with HBJ Holding LTD.

QUESTIONS TO BE ANSWERED BY ORIGINATING DEPARTMENT:

- (1) Origin of request for this action: Staff
- (2) Primary staff contact: Chris Brown/Nguyen Tran  Ext. 7769
- (3) Expiration of contract, if applicable: N/A
- (4) Fiscal impact and source of funding: N/A

<u>DEPARTMENTAL COORDINATION</u>	<u>DATE</u>	<u>DEPARTMENTAL RECOMMENDATION</u>	<u>AUTHORIZED SIGNATURE OR ATTACHED MEMO NUMBER</u>
<u>CAO</u>	<u>5/14/2015</u>	<u>Approval</u>	<u>CAO Memo # 2015-972</u>

- CRA Executive Director
- Finance Director



ACTION PREVIOUSLY TAKEN BY CRA BOARD:

<u>Resolution Results:</u>	<u>Consideration Results:</u>	<u>Other Results:</u>
<u>2015-29: Approved</u>		

CRA

POMPANO BEACH

P. O. Drawer 1300
Pompano Beach, FL 33061

Phone: (954) 545-7769
Fax: (954) 786-7836

MEMORANDUM

Date: May 13, 2015

To: CRA Board

Through: Christopher J. Brown, Co-Executive Director
Kim Briesemeister, Co-Executive Director

From: Nguyen Tran, Northwest CRA Director

Subject: Amendment to the Contract for Sale and Purchase with HBJ HOLDING LTD

Background

The Pompano Beach Community Redevelopment Agency (CRA) approved a Contract for Sale and Purchase with HBJ Holding LTD for two large parcels of land located on the South side of Dr. Martin Luther King Jr. Boulevard, between NW 7th Terrace and NW 9th Avenue on December 15, 2014. The 5.75 acre site contains Rocky's convenience store and a small commercial building fronting along MLK Blvd. The southern end of the property abuts the South Florida Water Management District Canal and contains 18 shotgun style homes (aka Jones Quarters); 14 of which are occupied. Relocation efforts are underway and the CRA's relocation consultant was successful in relocating four (4) families at the time this Memorandum was written. A total of five (5) more families have completed the application process for new apartments and are awaiting the CRA's Relocation Assistance Payments in order to finalize their new leases. The remaining five (5) families are still looking at the time this report was written. Based upon the income range and low rental payments for the existing units, finding comparable units that will be affordable has been a challenge. CRA staff and our relocation consultant are confident that all remaining tenants will be placed within the next couple of weeks.

Based upon the current Contract, closing is scheduled to be May 19, 2015. The property owner has been cooperative with CRA staff and our relocation consultant during the relocation efforts; No eviction notices have been issued to date. Since the property closing date is rapidly approaching and not all tenants have been relocated prior to this contractual date, it is recommended that the contract be amended to extend the closing date until May 22, 2015 and the contract language be amended to allow closing to occur with or without tenants remaining on the premises.

Recommendation:

Staff recommends approval of the Amended Contract for Sale and Purchase with HBJ Holding LTD.



City Attorney's Communication #2015-972

May 13, 2015

TO: Nguyen Tran, Community Redevelopment Agency

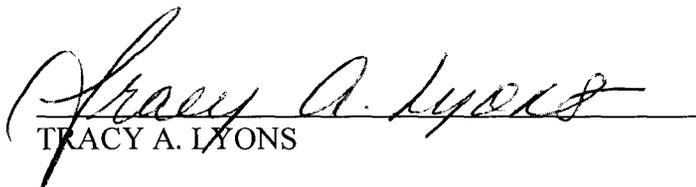
FROM: Tracy A. Lyons, Assistant City Attorney

RE: Amendment to CRA Contract for Sale and Purchase from HBJ Holding, Ltd. –
790 and 800 Hammondville Road

As requested, the above-referenced Amendment to Contract has been prepared and is attached at this time along with the appropriate Resolution captioned as follows:

A RESOLUTION OF THE POMPANO BEACH COMMUNITY REDEVELOPMENT AGENCY APPROVING AND AUTHORIZING THE PROPER OFFICIAL TO EXECUTE AN AMENDMENT TO CONTRACT FOR SALE AND PURCHASE BETWEEN THE POMPANO BEACH COMMUNITY REDEVELOPMENT AGENCY AND HBJ HOLDING, LTD. FOR THE PURCHASE OF PROPERTY LOCATED AT 790 AND 800 HAMMONDVILLE ROAD; PROVIDING AN EFFECTIVE DATE.

Please feel free to contact me if I may be of further assistance.


TRACY A. LYONS

/jrm
L:cor/cra/2015-972

Attachments

RESOLUTION NO. _____

POMPANO BEACH COMMUNITY REDEVELOPMENT AGENCY

A RESOLUTION OF THE POMPANO BEACH COMMUNITY REDEVELOPMENT AGENCY APPROVING AND AUTHORIZING THE PROPER OFFICIAL TO EXECUTE AN AMENDMENT TO CONTRACT FOR SALE AND PURCHASE BETWEEN THE POMPANO BEACH COMMUNITY REDEVELOPMENT AGENCY AND HBJ HOLDING, LTD. FOR THE PURCHASE OF PROPERTY LOCATED AT 790 AND 800 HAMMONDVILLE ROAD; PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE POMPANO BEACH COMMUNITY REDEVELOPMENT AGENCY:

SECTION 1. That an Amendment to Contract for Sale and Purchase between the Pompano Beach Community Redevelopment Agency and HBJ Holding, Ltd., a copy of which is attached hereto and incorporated by reference as if set forth in full, is hereby approved.

SECTION 2. That the proper officials are hereby authorized to execute said Amendment to Contract for Sale and Purchase between the Pompano Beach Community Redevelopment Agency and HBJ Holding, Ltd.

SECTION 3. This Resolution shall become effective upon passage.

PASSED AND ADOPTED this _____ day of _____, 2015.

LAMAR FISHER, CHAIRPERSON

ATTEST:

MARGARET GALLAGHER, SECRETARY

AMENDMENT TO CONTRACT FOR SALE AND PURCHASE

The following provisions shall be incorporated with full force and effect into the Contract for Sale and Purchase (the "Contract"), passed by Resolution No. 2015-29 on December 15, 2014, between the POMPANO BEACH COMMUNITY REDEVELOPMENT AGENCY ("Buyer") and HBJ HOLDING, LTD. ("Buyer"). In any case wherein language in this Amendment is deemed to be in conflict with language found in the Contract, the Amendment language shall supersede and be controlling.

1. **CLOSING DATE:**

The date of closing under the Contract is hereby extended to be on or before May 22, 2015.

2. Article 7 Section 7.2 (7) of the contract shall be hereby amended to allow the CRA to accept the property and move forward with the closing notwithstanding the fact that the following tenants may remain on the property at the time of closing:

JoAnn Davis	790 Hammondville Road, Unit 26, Pompano Beach, FL 33060
Annette Davis	790 Hammondville Road, Unit 25, Pompano Beach, FL 33060
Freddie Monroe	790 Hammondville Road, Unit 22, Pompano Beach, FL 33060
Ellnor Favors	790 Hammondville Road, Unit 5, Pompano Beach, FL 33060
Elizabeth Paige	790 Hammondville Road, Unit 2, Pompano Beach, FL 33060
Patrice Healy	790 Hammondville Road, Unit 21, Pompano Beach, FL 33060
Shawntel Killiens	790 Hammondville Road, Unit 9, Pompano Beach, FL 33060
Beulah Mainer	790 Hammondville Road, Unit 12, Pompano Beach, FL 33060

3. Seller requests a Section 1031 tax deferred exchange in connection with this transaction. The parties agree to cooperate in effecting the exchange in accordance with Section

1031 of the Internal Revenue Code, including execution of any documents that may be reasonably necessary to effect the exchange; provided that (1) the party requesting the exchange shall bear all additional costs incurred in connection with the exchange, (2) the non-requesting party shall not be obligated to delay the closing or execute any note, contract, or other document providing for any personal liability which would survive the exchange.”

4. Article 27 of the contract is hereby created as follows:

ARTICLE 27
LEASES; TENANCIES; DEPOSITS

- 27.1 Within three (3) days after the date of this Amendment, Seller shall deliver a rent roll to Buyer that shall contain the information with respect to each lessee and tenant from month to month. At the closing, Seller shall assign to Buyer all leases and tenancies then existing and shall pay Buyer, at closing, all security and cleaning deposits received from tenants, together with a statement as to the status of such deposits. Seller shall at the time deliver to Buyer all Seller's counterparts of leases and rental agreements.

Buyer shall assume all the obligations of Seller under the existing leases and rental agreements, as so disclosed, as of the closing. Seller shall remain liable for and shall indemnify Buyer against any and all claims arising out of events or incidents on or about the Property, or out of Seller's ownership of the property, prior to closing, to the extent that such claims would not be a liability of or valid claim against Buyer in the absence of Buyer's assumption of Seller's obligations under the leases and rental agreements. This indemnity shall survive the closing.

Seller warrants that the leases and rental agreements listed in the rent roll are in full force and effect according to their terms and that no arrears exist except as expressly set forth in the rent roll.

Seller shall execute and deliver to Buyer, a signed notice to each tenant named in the rent roll that Property has been sold to Buyer and that all rents should be paid to Buyer after the date specified in the notice, which shall be on date of closing.

5. This Amendment may be signed in counterparts and the counterparts when taken together shall constitute the entire Amendment.

IN WITNESS WHEREOF, the parties have executed this Amendment on the date set forth below.

“BUYER”:

Witnesses:

**POMPANO BEACH COMMUNITY
REDEVELOPMENT AGENCY**

BY: _____
LAMAR FISHER , CHAIRPERSON

ATTEST: _____
MARGARET GALLAGHER, SECRETARY

“SELLER”:

HBJ HOLDINGS LTD, a Florida limited partnership

BY: HBJ Land, LLC, General Partner

BY: _____
Charles W. Hendrix III, Trustee of the Thelma Lee Johnston Family Trust, Managing Member

ATTEST:

Signature Witness 1

Signature Witness 2

Print/Type Name Witness 1

Print/Type Name Witness 2

DATED: _____, 2015

TAL:jrm
05/14/15
l:realest/cra/2015-969

RESOLUTION NO. 2015-29

POMPANO BEACH COMMUNITY REDEVELOPMENT AGENCY

A RESOLUTION OF THE POMPANO BEACH COMMUNITY REDEVELOPMENT AGENCY APPROVING AND AUTHORIZING THE PROPER OFFICIAL TO EXECUTE A CONTRACT FOR SALE AND PURCHASE BETWEEN THE POMPANO BEACH COMMUNITY REDEVELOPMENT AGENCY AND HBJ HOLDING, LTD. FOR THE PURCHASE OF PROPERTY LOCATED AT 790 AND 800 HAMMONDVILLE ROAD; PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE POMPANO BEACH COMMUNITY REDEVELOPMENT AGENCY:

SECTION 1. That a Contract for Sale and Purchase between the Pompano Beach Community Redevelopment Agency and HBJ Holding, Ltd., a copy of which is attached hereto and incorporated by reference as if set forth in full, is hereby approved.

SECTION 2. That the proper officials are hereby authorized to execute said Contract for Sale and Purchase between the Pompano Beach Community Redevelopment Agency and HBJ Holding, Ltd.

SECTION 3. This Resolution shall become effective upon passage.

PASSED AND ADOPTED this 15th day of December, 2014.



LAMAR FISHER, CHAIRPERSON

ATTEST:



MARGARET GALLAGHER, SECRETARY

CONTRACT FOR SALE AND PURCHASE

THIS CONTRACT FOR SALE AND PURCHASE ("Contract") is made as of this 17th day of December, 2014, by and between

HBJ HOLDING, LTD., of 21715 Cartagena Drive, Boca Raton, FL 33428, hereinafter referred to as "SELLER,"

And

POMPAÑO BEACH COMMUNITY REDEVELOPMENT AGENCY, of 100 West Atlantic Boulevard, Pompano Beach, Florida 33060, hereinafter referred to as the "CRA,"

collectively referred to as the Parties.

SELLER and CRA hereby agree that SELLER shall sell and CRA shall purchase the following described properties, situate, lying and being in Broward County, Florida, and more particularly described as follows:

ID Numbers: **4842 35 00 0920**
Address: 800 Hammondville Road
Pompano Beach, FL 33062

ID Numbers: **4842 35 00 0930**
Address: 790 Hammondville Road
Pompano Beach, FL 33062

LEGAL DESCRIPTION

See Exhibit "A"

ARTICLE 1
TERMS, DEFINITIONS AND IDENTIFICATIONS

For the purposes of this Contract and the various covenants, conditions, terms and provisions which follow, the definitions and identifications set forth below are assumed to be true and correct and are, therefore, agreed upon by the Parties.

- 1.1 **DIRECTOR**: Whenever the term Director is used herein, it is intended to mean the CRA Director or his appointee. In the administration of this Contract, as contrasted with matters of policy, all Parties may rely upon instructions or determinations made by the Director or the Director's deputy or designee.

- 1.2 COMMISSIONERS: The Pompano Beach City Commissioners, which are also the governing body of the City of Pompano Beach, as the governing body of the Pompano Beach Community Redevelopment Agency.
- 1.3 CONVEYANCE: Whenever the term Conveyance is used herein, it shall mean a warranty deed in statutory form properly executed, witnessed and acknowledged.
- 1.4 POMPANO BEACH CRA: A body corporate and politic created pursuant to Chapter 163 of the Florida Statutes.
- 1.5 EFFECTIVE DATE: The date upon which this Contract is last executed by the Parties hereto.
- 1.6 PUBLIC RECORDS: Whenever the term Public Records is used herein, it shall mean the Public Records of Broward County, Florida.
- 1.7 SELLER: Whenever the term Seller is used herein, it shall mean the person or entity owning fee simple title to the Real Property and any agent or designee to whom SELLER has delegated authority to negotiate or administer the terms and conditions of this Agreement.
- 1.8 SPECIAL ASSESSMENT LIENS: Whenever the term Special Assessment Liens is used herein, it shall mean all liens on the property which is the subject matter of this Contract arising out of a special improvement or service by any city, town, municipal corporation, CRA or other governmental entity pursuant to any general or special act of the legislature providing a special benefit to land abutting, adjoining or contiguous to the special improvement. Said special improvement shall include, but is not limited to, paving, repaving, hard surfacing, rehard surfacing, widening, guttering, and draining of streets, boulevards, alleys and sidewalks; construction or reconstruction of sanitary sewers, storm sewers, drains, water mains, water laterals, water distribution facilities and all appurtenances thereto.

For the purpose of closing or settlement of this purchase, such special assessment liens shall be designated as either "certified" or "pending."

A "certified" lien is hereby defined as a lien which has been certified, confirmed or ratified pursuant to the statute, special act, ordinance, or resolution creating same and for which the exact amount of same has been determined.

A "pending" lien is a lien which has been created or authorized by an enabling resolution adopted by the appropriate governmental entity, causing said lien to attach to and become an encumbrance upon the subject Real Property but for which there has been no determination of the final amount of same.

- 1.9 SURVEY: Whenever the term Survey is used herein, it shall mean a survey certified to "Pompano Beach Community Redevelopment Agency" by a professional land surveyor registered in and licensed by the State of Florida.

- 1.10 TITLE: Whenever the term Title is used herein, it shall mean fee simple title, free and clear of all liens, charges and encumbrances, other than matters specified in Section 4.1 of this Contract, if any.
- 1.11 TITLE BASE: Either an existing prior Owner's or First Mortgagee Title Insurance Policy, qualified for use as a title base for reissue of coverage on the Real Property at the Purchase Price, from a reputable title company acceptable to CRA. If a prior policy is unavailable as a title base, then any alternate title base that is acceptable to CRA's title insurance underwriter.
- 1.12 TITLE COMMITMENT: A commitment or binder for an owner's policy of title insurance written on a company acceptable to CRA, in the amount of the purchase price, covering the Real Property and having an effective date subsequent to the full execution of this Contract, listing and attaching copies of all instruments of record affecting title to the Real Property and listing the requirements, as of the date of the commitment, for conveyance of marketable fee simple title to the Real Property.
- 1.13 TITLE INSURANCE: An owner's policy of title insurance issued on the Title Commitment, having an effective date as of the recording of the conveyance insuring title in accordance with standards set forth in Section 4.1.

ARTICLE 2

TERMS AND CONDITIONS OF PURCHASE AND SALE

2.1 PURCHASE PRICE:

CRA, as purchaser, agrees to pay as and for the total purchase price for the Property in the manner and at the times hereinafter specified the total sum of **Two Million Five Hundred Thousand (\$2,500,000) dollars**, subject to the prorations, credits, and adjustments hereinafter specified

2.2 PROCEEDS OF SALE; SATISFACTION OF ENCUMBRANCES:

2.2.1 The proceeds of sale, adjusted for prorations, credits or other closing related charges, if any, shall be disbursed by the closing agent at closing in the form of a trust or escrow account check drawn locally from a bank in Broward County and payable to SELLER or by wire transfer of immediately available funds.

2.2.2 Any and all mortgages, liens and encumbrances or claims or any other debts, affecting the title to the Property ("Encumbrances"), which are outstanding on the date of closing shall be discharged and satisfied from the proceeds of the sale at closing and such additional amounts paid by SELLER as may be necessary. CRA or CRA's designated closing agent or attorney shall cause to be issued separate checks payable to the respective mortgagors, lienees, lienors or encumbrances, the aggregate of which shall not exceed the purchase price less proration or other credits. The closing agent or attorney shall arrange to exchange such checks for the instruments necessary to satisfy such Encumbrances.

2.2.3 The SELLER hereby acknowledges and agrees that any payments due as provided in this Section 2.2 shall not be paid from ad valorem taxes nor shall such taxes be pledged or committed for any payment due SELLER. Further, there shall be no pledge of CRA property or otherwise to secure said payments to SELLER nor any mortgage or right to foreclose on the Property to be conveyed by SELLER to CRA or on any property owned by CRA.

2.3 ADDITIONAL OBLIGATIONS OF SELLER

2.3.1 SELLER agrees to deliver possession of the Property to CRA on the date of closing. The Property shall be vacant at the time of such delivery.

2.3.2 SELLER hereby grants to CRA the right to enter on the Property to perform, or have performed, such inspections, surveys and studies of the Property as CRA may elect including, without limitation, an environmental audit of the Property, and SELLER agrees to provide CRA with such information as may reasonably be requested which is in the possession of SELLER in connection with such investigations. CRA shall have sixty (60) days from the Effective Date of his Contract ("Inspection Period") within which to have such inspections and studies of the Property performed as CRA shall desire and utilities shall be made available by SELLER during the Inspection Period. In the event that the results of such investigations reveal conditions affecting the Property which are not acceptable to CRA, in its sole and absolute discretion, CRA may terminate this Contract by giving written notice to SELLER within ten (10) days of the expiration of the Inspection Period. CRA shall hold Seller harmless and indemnify Seller from all loss, damages and liabilities, including attorney fees, incurred or suffered by Seller resulting from CRA's inspections on the Property. Upon completion of any inspections, CRA shall restore any damage to the Property caused, directly or indirectly, by CRA's inspections to the condition existing immediately prior to such inspections of the Property. CRA shall, at CRA's expense, promptly cause: (i) all borings made by or on behalf of CRA to be plugged or capped in a safe manner in accordance with applicable law; (ii) all property, if any, damaged or destroyed by CRA, its employees, agents and independent contractors to be repaired, restored and replaced; and (iii) all debris, if any, and all underbrush cut or uprooted, if any, resulting from or in connection with the inspections to be removed from the Property, provided, however, in no event shall such inspections disturb environmentally sensitive lands nor shall CRA cut or uproot, or permit or cause any of CRA's employees, agents or independent contractors to cut or uproot, any living trees or disturb any wetlands situated on the Property. Notwithstanding the above, Seller shall allow for reasonable asbestos inspections of the property and structures located thereon and shall not hold CRA liable for any damage to the structures associated with and resulting from such asbestos inspection.

2.3.3 Between the Effective Date and the date of closing, SELLER covenants and warrants to keep and maintain the Property in the same condition as it exists on the Effective Date, normal wear and tear excepted, and agrees that SELLER shall not enter into any contract for the Property, including without limitation any lease

or tenancy thereof, without the prior written consent of Director, which consent may be granted or withheld by CRA in its sole discretion.

2.4 **REPRESENTATIONS AND WARRANTIES OF SELLER:** In addition to the representations and warranties contained elsewhere in this Contract, SELLER hereby represents and warrants to CRA, as of the date SELLER executes this Contract and as of the closing date, as follows:

2.4.1 SELLER warrants and represents to CRA that SELLER is the owner of fee simple title to the Property, and that no consents of any third party are required in order for SELLER to convey title to the Property to CRA as provided herein.

2.4.2 SELLER warrants and represents to CRA that there are no contracts or agreements, whether written or oral, regarding the use, development, maintenance, or operation of the Property which will survive the closing, other than the contracts or agreements listed in Exhibit "B" hereto, and further that SELLER has provided CRA with true and correct copies of each such written contract or agreement, and any modifications and amendments thereof, or with written summaries of any such oral agreements. If CRA, in its sole and absolute discretion, determines that said contracts or agreements are unsatisfactory, CRA may at its option: (1) terminate this Contract by written notice to the SELLER within thirty (30) days of the delivery of such contracts or agreements to CRA; (2) request that the SELLER modify the terms and conditions of the existing contracts or agreements to a form and content acceptable to CRA; or, (3) proceed to close accepting the contracts or agreements as they are.

2.4.3 SELLER covenants and warrants that there is ingress and egress to the Property over public roads, and title to the Property is insurable in accordance with Section 3.2 without exception for lack of legal right of access.

ARTICLE 3 **EVIDENCE OF TITLE AND TITLE INSURANCE**

3.1 **EVIDENCE OF TITLE:**

3.1.1 SELLER shall, at SELLER's expense, on or before fifteen (15) days from the Effective Date, deliver an existing prior Owner's or First Mortgagee Title Insurance Policy qualified for use as a title base for reissue of coverage on the Real Property at the Purchase Price of the Real Property ("Prior Policy") together with copies of all exceptions thereto, if requested. SELLER shall, at SELLER's option, pay for either: (1) an abstract continuation or; (2) a computer title search, from the effective date of the prior Owner's Policy or in the case of a First Mortgagee Title Insurance Policy from the date of recording the deed into the mortgagor. The abstract continuation or title search shall be ordered or performed by CRA's closing agent; or

3.1.2 If a prior policy described in Paragraph 3.1.1 above is not available, then SELLER shall, at SELLER's option, provide and pay for either: (1) an

alternative title evidence which is acceptable to CRA's title insurance underwriter; or (2) a title insurance commitment issued by a Florida licensed title insurer agreeing to issue to CRA, upon recording of the deed to CRA, an Owner's Policy of Title Insurance in the amount of the Purchase Price, insuring CRA's title to the Real Property, subject only to liens, encumbrances, exceptions or qualifications provided in this Contract and those to be discharged by SELLER at or before Closing.

- 3.2 **INSURANCE OF TITLE:** CRA may obtain, at CRA's expense and in reliance on the Evidence of Title referred to in Paragraph 3.1.1 of Section 3.1, a Title Commitment from a title agent selected by CRA, pursuant to which the title insurer agrees to issue to CRA, upon the recordation of the deed hereafter mentioned, an owner's policy of title insurance in the amount of the purchase price, insuring CRA's marketable title to the Property, subject only to matters contained in Section 4.1 and those to be discharged by SELLER at or before closing.
- 3.3 CRA shall have thirty (30) days from the date of receiving the Evidence of Title to examine the Title Base, the computer title search update, or the Title Commitment. If title is found to be defective, CRA shall within said period notify the SELLER in writing, specifying the defects. If the said defects render the title unmarketable, SELLER shall have a period of thirty (30) days from the receipt of such notice to cure or remove such defects, and SELLER agrees to use diligent efforts to cure or remove same. If, at the end of said period, SELLER has been unable to cure or remove the defects, CRA shall deliver written notice to SELLER either:
- (1) accepting the title as it then is; or
 - (2) extending the time for a reasonable period not to exceed 120 days within which SELLER shall use diligent effort to cure or remove the defects; or
 - (3) terminating this Contract, whereupon the CRA and SELLER shall be released of all further obligations under this Contract.
- 3.3.1 If CRA elects to proceed pursuant to Section 3.3(2), then SELLER shall, use diligent effort to correct defect(s) within the extended time provided. If SELLER is unable to timely correct the defect(s), CRA shall, within 5 days after expiration of the extended time provided, deliver written notice to seller either:
- (1) accepting the title as it then is; or
 - (2) terminating this Contract, whereupon the CRA and SELLER shall be released of all further obligations under this Contract.
- 3.4 SELLER shall convey marketable title subject only to liens, encumbrances, exceptions, or qualifications as contained in Section 4.1. Marketable title shall be determined according to applicable Title Standards adopted by authority of the Florida Bar and in accordance with law.

ARTICLE 4
CONVEYANCES

4.1 SELLER shall convey marketable title to the Property by statutory warranty, trustee's, personal representative's or guardian's deed, as appropriate to the status of SELLER, subject only to the following matters ("Acceptable Exceptions") and those otherwise accepted by CRA:

- (1) Comprehensive land use plans, zoning, restrictions, prohibitions and other requirements imposed by governmental authority;
- (2) Restrictions and matters appearing on the plat or otherwise common to the subdivision;
- (3) Outstanding oil, gas and mineral rights of record without right of entry;
- (4) Unplatted public utility easements of record;
- (5) Real property taxes for the year of Closing and subsequent years; and,
- (6) Provided, that there exists at Closing no violation of the foregoing and none prevent use of the Property.

4.2 At closing SELLER shall also deliver to CRA the following documents:

- (1) Mechanic's Lien Affidavit and Foreign Investment in Real Property Tax Act ("FIRPTA") Affidavit;
- (2) Such other documents as shall be reasonably requested by CRA (including, but not limited to, bill of sale, certificate of title, construction lien affidavit, owner's possession affidavit, assignment of leases, tenant and mortgagee estoppel letters, and corrective instruments) in order for SELLER to convey marketable title to CRA and properly transfer all of the rights being sold in accordance with this Contract;
- (3) Evidence of authority to Convey the Property satisfactory to CRA; and,
- (4) The public disclosure certificate required by Section 13.1 hereof.

ARTICLE 5
PRORATION AND ADJUSTMENT

5.1 **PRORATION OF TAXES:**

5.1.1 Real estate and personal property taxes applicable to the Property shall be prorated based on the official tax bill(s) for the current year. If not paid, SELLER shall pay or provide for payment of all real estate and personal property taxes

applicable to the Property for the calendar years preceding the year of closing by or at closing.

5.1.2 In the event the date of closing shall occur between January 1 and November 1, SELLER shall, in accordance with Florida Statute Section 196.295, place in escrow with the Broward County Revenue Collection Division an amount equal to current taxes prorated to the date of transfer of title, based upon the current assessment and millage rates on the Property, taking into account the highest allowable discount.

5.1.3 All governmental assessments certified prior to the closing date, general or special, shall be paid by SELLER prior to or at closing, and CRA shall not be obligated to pay such assessments.

5.2 GENERAL PRORATIONS:

Any rents, revenues, and liens, or other charges to be prorated, shall be prorated as of the date of closing, provided that in the event of an extension of the date of closing, at the request of or through the fault of either party, such date of proration shall be the date upon which the other party indicated its readiness to close.

ARTICLE 6
EXISTING MORTGAGES, LEASES AND CONTRACTS

6.1 MORTGAGES: SELLER shall obtain and furnish at SELLER's expense, not less than fifteen (15) days prior to closing, a statement or letter of estoppel from the holder of any mortgage, lien, or encumbrance affecting the title to the Property. Any estoppel letter or statement shall set forth the amount of principal, interest, and/or penalties necessary to be paid to fully discharge such mortgage, lien, or encumbrance, or to release the Property from the lien of such mortgage.

6.2 LEASES, OPTIONS, CONTRACTS AND OTHER INTERESTS:

6.2.1 SELLER represents and warrants to CRA that there are no party(ies) in possession other than SELLER, leases (written or oral), options to purchase or contracts for sale covering all or any part of the Property, no party(ies) having ownership of any improvements located on the Property and no party(ies) having any interest in the Property or any part hereof except as set forth on Exhibit "B." If there are none, then Exhibit "B" shall state "NONE." SELLER represents and warrants that SELLER has previously furnished to CRA copies of all written leases, options and contracts for sale, estoppel letters from each tenant specifying the nature and duration of said tenant's occupancy, rental rate, advance rents, or security deposits paid by tenant and estoppel letters from each optionee, contract vendors and all others listed on Exhibit "B" (if any) describing in such detail as requested by CRA the nature of their respective interests. In the event SELLER is unable to obtain said estoppel letters, SELLER represents and warrants that SELLER has furnished the same information, true and correct, to CRA in the form of a SELLER's affidavit.

- 6.2.2 From the date of SELLER's execution hereof, SELLER represents and warrants to CRA that SELLER shall not enter into any lease (oral or written), option to purchase, contract for sale or grant to any person(s) (natural or artificial) any interest in the Property or any part thereof or any improvement thereon or encumber or suffer the Property or any part thereof to be encumbered by any mortgage or other lien, without the prior written consent of CRA which consent may be granted or withheld by CRA in its sole discretion.
- 6.2.3 SELLER agrees that it will take all necessary action, including the expenditure of all reasonable sums of money, to terminate any and all leases, rights of occupancy, options to purchase, contracts for sale and interest(s) of any other person(s) (natural or artificial) in and to the Property, so that at closing the SELLER will convey the Property to the CRA free and clear of any such items and furnish to the CRA written evidence of such termination, and provide to CRA at closing an affidavit in the form attached hereto as Exhibit "C." Further, SELLER's obligation hereunder shall be a condition precedent to the closing of this transaction.

ARTICLE 7
TIME AND PLACE OF CLOSING

- 7.1 It is agreed that this transaction shall be closed and the CRA shall pay the purchase price, as adjusted as provided herein, and execute all papers or documents necessary to be executed by CRA, and SELLER shall execute all papers or documents necessary to be executed by SELLER under the terms of this Contract, on or before the 90th day after the Effective Date, at the Pompano Beach City Attorney's Office, located at 100 West Atlantic Blvd., Pompano Beach, Florida, or at such earlier time or other place as CRA may designate. However, nothing contained in this Article shall act or be construed as a limitation of any sort upon CRA's rights under this Contract, including without limitation its rights under paragraph 7.2 hereof, its right to examine the Title Base and computer title search update, Title Commitment, and Survey, or as a limitation of other time established herein for CRA's benefit.
- 7.2 CRA shall have no obligation to close this transaction unless the following conditions hereinafter have been satisfied or have been waived in writing by CRA:
- (1) All representations, warranties and covenants of the SELLER herein shall be true and correct as of the closing date.
 - (2) Between the date of this Contract and the closing date, there shall have been no notice of intention to condemn the Property or any portion thereof.
 - (3) SELLER shall have obtained any consents, special exceptions, variances, etc. that may be required as a matter of law to permit CRA to own and occupy the Property for its intended purposes, and the same shall be final, binding, not subject to appeal, and in all other respects satisfactory to CRA.

- (4) There shall be no environmental hazards on the Property which would require CRA to treat, remove, or otherwise incur any expense relative to meeting current environmental standards as of date of closing.
- (5) The status of title to the Property shall not have changed in a manner which adversely affects the use of the Property for CRA's intended use or renders the title unmarketable from date of approval of same by title agent and/or CRA's counsel in accordance with this Contract.
- (6) All security codes and keys, if any, are turned over to CRA at closing.
- (7) The property shall be free and clear of all written or oral leases, tenants, occupants, furnishings, appliances, motor vehicles or personal property of any kind.
- (8) CRA shall have approved the Survey described in Section 1.9, and 10.1, and the Audits as described in 2.3.2, and 22.1.
- (9) Purchase of Property shall be contingent upon approval of financing by the City Commission of Pompano Beach, Florida and Contract approval by the Pompano Beach Community Redevelopment Agency Board which shall occur no later than January, 2015.
- (10) It is hereby further agreed that the closing may be extended by either party for a period of up to sixty (60) days upon proper written notice to all parties.

7.3 In the event that at the time of closing any of SELLER's representations and warranties hereunder shall not be true or any condition exists which would allow CRA to terminate this Contract, CRA may deliver to SELLER written notice thereof, and SELLER, using reasonable diligence, shall have thirty (30) days from receipt of such notice to cure such defects. The closing shall, if necessary, be adjourned for a period of thirty (30) days to provide SELLER time within which to render such warranties and representations true and/or cure and remove such other matters so affecting the Premises, as the case may be. If such warranties and representations shall not be rendered true and/or such other matters shall not be cured and removed, CRA may, by notice to SELLER, elect to (a) cancel and terminate this Contract, or (b) accept title to the Property as is.

ARTICLE 8
DOCUMENTARY STAMPS, TANGIBLE TAXES AND OTHER COSTS

- 8.1 SELLER shall cause to be placed upon the warranty deed conveying the Property state surtax and documentary stamps as required by law. SELLER shall further pay all tangible personal property taxes and the cost of recording any corrective instruments which CRA deems necessary to assure good and marketable title. CRA shall pay for the cost of recording the warranty deed.
- 8.2 Except as specifically provided in Section 8.1 hereof, all state, county and municipal transfer taxes, documentary stamps taxes, recording charges, taxes, and all other

impositions on the conveyance, shall be paid in full by the SELLER. CRA is in no manner responsible for any state, federal or other income, excise, or sales tax liabilities of SELLER.

- 8.3 Unless otherwise provided by law or rider to this Contract, charges for the following related title services, namely title examination, and closing fee (including preparation of closing statement), shall be paid by the party responsible for furnishing Insurance of Title in accordance with Section 3.2.

ARTICLE 9 **SPECIAL ASSESSMENT LIENS**

- 9.1 Liens for Special Assessment shall be paid by SELLER prior to closing or credited to CRA, as hereinafter provided.

The amount of certified, confirmed, and ratified special assessment liens imposed by public bodies as of Closing shall be discharged by SELLER prior to closing, and SELLER shall exhibit appropriate receipts, satisfactions, or releases proving such payment, or in the alternative SELLER shall cause said lien(s) to be satisfied out of the proceeds of sale received by SELLER at closing.

Pending liens as of Closing shall be assumed by CRA with an appropriate credit given to CRA against the purchase price. At such time as the final amount of said lien is determined or certified and said amount is less than the amount of the pending lien, the difference in amounts shall be refunded to SELLER; if the final amount is greater than the amount of the pending lien, SELLER shall upon demand pay to CRA the difference in amounts.

ARTICLE 10 **SURVEY**

- 10.1 CRA, at CRA's expense, within the time allowed to deliver Title Base and review same, may have the Property surveyed and certified by a registered Florida surveyor. If the survey discloses encroachments on the Property or that improvements located thereon encroach on setback lines, easements, or lands of others, or violate any restrictions, Contract covenants, or applicable governmental regulations, the same shall constitute a title defect.

ARTICLE 11 **MECHANICS' LIENS**

- 11.1 SELLER hereby represents and warrants to CRA that as of the date hereof and as of closing, there are no claims or potential claims for mechanics' liens, either statutory or at common law, and that neither SELLER nor SELLER's agent has caused to be made on the Property within ninety (90) days immediately preceding the date of this Contract any improvement which could give rise to any Mechanics' Lien. In addition, SELLER represents and warrants to CRA that neither SELLER nor SELLER's agent shall cause any improvement to be made on the Property between the date of full execution of this

Contract and closing which could give rise to any Mechanic's Lien for which any bills shall remain unpaid at closing. SELLER shall furnish to CRA at time of closing an affidavit, in the form attached as Exhibit "C," attesting to the absence, unless otherwise provided for herein, of any financing statement, claim of lien, or potential lienors known to seller, and further attesting that there have been no improvements or repairs to the Property for 90 days immediately preceding date of Closing.

- 11.2 If any improvements have been made within said ninety (90) day period, SELLER shall deliver releases or waiver of all mechanics' liens executed by all general contractors, subcontractors, suppliers and material persons in addition to SELLER's mechanic lien affidavit setting forth the names of all such general contractors, subcontractors, suppliers and material persons, further affirming that all charges for improvements or repairs, which could serve as a basis for a construction lien or a claim for damages, have been paid or will be paid at the Closing on this Contract.

ARTICLE 12 **TIME OF THE ESSENCE**

- 12.1 Time is of the essence throughout this Contract. In computing time periods of less than six (6) days, Saturdays, Sundays, and state or national legal holidays shall be excluded. Any time periods provided for herein that end on a Saturday, Sunday, or a legal holiday shall extend to 5 p.m. of the next business day.

ARTICLE 13 **PUBLIC DISCLOSURE**

- 13.1 SELLER hereby represents and warrants the names and addresses of every person or firm having a beneficial interest in the Property is as follows:

Charles W. Hendrix
21715 Cartagena Drive
Boca Raton, FL 33428

SELLER further agrees that at least ten (10) days prior to closing, in accordance with Section 286.23, Florida Statutes, SELLER shall make a public disclosure in writing, under oath and subject to the penalties prescribed for perjury, which shall state the name and address of SELLER and the name and address of every person having any beneficial interest in the Property.

ARTICLE 14 **BROKER'S COMMISSION**

- 14.1 SELLER and CRA hereby represent and warrant that each has dealt with **John D. McQueston, Broker Associate, Campbell & Rosemurgy Commercial Real Estate**, respectively, and SELLER agrees to hold CRA harmless from any claim or demand for commissions made by or on behalf of any broker or agent of SELLER in connection with this sale and purchase. SELLER agrees to pay all real estate commissions in connection with this transaction.

ARTICLE 15
ASSIGNMENT

- 15.1 This Contract, or any interest herein, shall not be assigned, transferred or otherwise encumbered under any circumstances by SELLER or CRA without the prior written consent of the other and only by a document of equal dignity herewith.

ARTICLE 16
DEFAULT

- 16.1 If SELLER refuses to carry out the terms and conditions of this Contract, then this Contract may be terminated at CRA's election, upon written notice, or the CRA shall have the right to seek specific performance against SELLER. In the event the CRA refuses to carry out the terms and conditions of this Contract, SELLER shall have the right to terminate this Contract or to seek specific performance against CRA.

ARTICLE 17
PERSONS BOUND

- 17.1 The benefits and obligations of the covenants herein shall inure to and bind the respective heirs, personal representatives, successors and assigns (where assignment is permitted) of the Parties hereto. Whenever used, the singular number shall include the plural, the plural, the singular, and the use of any gender shall include all genders.

ARTICLE 18
SURVIVAL OF COVENANTS AND SPECIAL COVENANTS

- 18.1 The covenants and representations in this Contract shall survive delivery of deed and possession for a period of 6-months from Closing.

ARTICLE 19
WAIVER, GOVERNING LAW AND VENUE AND ATTORNEY'S FEES

- 19.1 Failure of either party to insist upon strict performance of any covenant or condition of this Contract, or to exercise any right herein contained, shall not be construed as a waiver or relinquishment for the future of any such covenant, condition or right; but the same shall remain in full force and effect. None of the conditions, covenants or provisions of this Contract shall be waived or modified except by the Parties hereto in writing.
- 19.2 This Contract shall be interpreted and construed in accordance with and governed by the laws of the State of Florida. Venue for litigation concerning this Contract shall be in Broward County, Florida. SELLER and CRA hereby waive their right to a trial by jury.
- 19.3 In any litigation, including breach, enforcement, or interpretation, arising out of this Contract, the prevailing party in such litigation, which, for purposes of this Section, shall include SELLER, CRA, and any brokers acting in agency or non-agency relationships authorized by Chapter 475, Florida Statutes, as amended, shall be entitled to recover from

the non-prevailing party reasonable attorney's fees, costs, and expenses. This section shall survive delivery of deed and possession.

ARTICLE 20
MODIFICATION

- 20.1 This Contract incorporates and includes all prior negotiations, correspondence, conversations, agreements or understandings applicable to the matters contained herein, and the Parties agree that there are no commitments, agreements or understandings concerning the subject matter of this Contract that are not contained in this document. Accordingly, it is agreed that no deviation from the terms hereof shall be predicated upon any prior representations or agreements whether oral or written.
- 20.2 It is further agreed that no modification, amendment, or alteration in the terms or conditions contained herein shall be effective unless contained in a written document executed with the same formality and of equal dignity herewith.

ARTICLE 21
CONTRACT EFFECTIVE

- 21.1 This Contract or any modification, amendment or alteration thereto, shall not be effective or binding upon any of the Parties hereto until it is approved by the CRA Commissioners and executed by the Chairman or Secretary of said Board.

ARTICLE 22
ENVIRONMENTAL CONTAMINATION

- 22.1 In the event that the environmental audit provided for in Section 2.3.2 hereof results in a finding that environmental contamination of the Property is present after the completion of a Phase I and II inspection, the CRA, at its sole option, may elect to terminate this Contract without further liability.

ARTICLE 23
RADON GAS

- 23.1 Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risk to persons who are exposed to it over time. Levels of radon that exceed Federal and State Guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your County public health unit.

ARTICLE 24
FURTHER UNDERTAKING

- 24.1 The Parties agree that each shall cooperate with the other in good faith and shall correct any mathematical errors, execute such further documents and perform such further acts as may be reasonably necessary or appropriate to carry out the purpose and intent of this Contract.

ARTICLE 25
NOTICES

- 25.1 Whenever either party desires to give notice unto the other, it must be given by written notice, sent by certified United States mail, with return receipt requested, addressed to the party for whom it is intended, at the place last specified, as the place for giving of notice in compliance with the provisions of this paragraph. The party(ies) may change the addresses at which notice is to be given by notice given as provided in this Article. Notices shall be deemed given when mailed properly addressed with postage prepaid.

FOR CRA Before and After Closing:

Executive Director CRA
City of Pompano Beach
100 West Atlantic Blvd., Room 276
Pompano Beach, Florida 33060

FOR SELLER Before and After Closing:

Charles W. Hendrix III
21715 Cartagena Drive
Boca Raton, FL 33428

ARTICLE 26
EXECUTION

- 26.1 This document, consisting of seventeen (17) pages plus Exhibits "A," "B," "C," shall be executed in at least three (3) counterparts, each of which shall be deemed an original.

Remainder of Page Intentionally Left Blank

IN WITNESS WHEREOF, the Parties have made and executed this Agreement on the respective dates under each signature: Seller is duly authorized to execute same, and CRA, through its Commissioners, signing by and through its Chairman or Secretary, authorized to execute same by Board action on the 17th day of December, 2014.

WITNESSES:

SELLER

Cecilia M. Stanley
Signature Witness 1

Cecilia M. Stanley
Print/Type Name Witness 1

Bryan Johnston
Signature Witness 2

Bryan Johnston
Print/Type Name Witness 2

HBJ Holding, LTD, a Florida limited partnership

By: **HBJ Land, LLC**, General Partner

Charles W. Hendrix, III
By: Charles W. Hendrix, III, Trustee of the Thelma Lee Johnson Family Trust, Managing Member

3rd day of December, 2014.

Remainder of Page Intentionally Left Blank

"CRA"

Signed, sealed and delivered
in the presence of:

**POMPANO BEACH COMMUNITY
REDEVELOPMENT AGENCY**

Lucy J. Frackis
Shelley R. Bartholomew

BY: [Signature]
LAMAR FISHER, CHAIRMAN

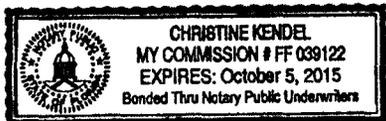
ATTEST: [Signature]
MARGARET GALLAGHER, SECRETARY

DATED: 12/17/2014

STATE OF FLORIDA
COUNTY OF BROWARD

The foregoing instrument was acknowledged before me this 17th day of December, 2014 by LAMAR FISHER, as Chairman of the Pompano Beach Community Redevelopment Agency, who is personally known to me.

NOTARY'S SEAL:



Christine Kendel
NOTARY PUBLIC, STATE OF FLORIDA

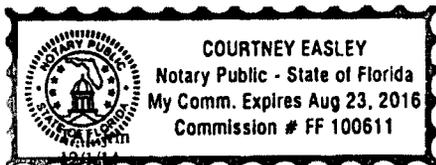
Christine Kendel
(Name of Acknowledger Typed, Printed or Stamped)

FF 039122
Commission Number

STATE OF FLORIDA
COUNTY OF BROWARD

The foregoing instrument was acknowledged before me this 17th day of December, 2014 by MARGARET GALLAGER as Secretary of the Pompano Beach Community Redevelopment Agency, who is personally known to me.

NOTARY'S SEAL:



L:realest/cra/2015-277

Courtney Easley
NOTARY PUBLIC, STATE OF FLORIDA

Courtney Easley
(Name of Acknowledger Typed, Printed or Stamped)

FF 100611
Commission Number

Exhibit A

**Property Folio #: 484235000920
Address: 800 Hammondville Road**

That part of the East ½ of the North ½ of the Northwest ¼ of Lot 13 of the Plat of the Subdivision of Section 35, Township 48 South, Range 42 East, recorded in Plat Book "B", Page 76, of the Public Records of Dade County, Florida;

LESS:

The portion thereof conveyed by Irene Jones to the City of Pompano Beach by that Warranty Deed dated March 20, 1980, recorded in Official Records Book 8803, Page 691, of the Public Records of Broward County, Florida, for roadway purposes.

**Property Folio #: 484235000930
Address: 790 Hammondville Road**

The East Half (E ½) of the Southwest Quarter (SW ¼) of the Southwest Quarter (SW ¼) of the Southwest Quarter (SW ¼) of Section 35, Township 48 South, Range 42 East.

LESS: S 59.06 for Canal & SFFCD & Less Both PTS A & B

EXHIBIT "B"

**LEASES, OPTIONS, CONTRACTS
AND OTHER INTERESTS**

"NONE"

EXHIBIT "C"
(Continued)

NO LIEN AFFIDAVIT AND INDEMNITY

7. That to the best of Affiant's knowledge, no violations of municipal ordinances or other laws, statutes, rules, or regulations pertaining to the Property exist, and no orders or notices concerning any violations have been given to the Affiant or made against the Property.
8. That Affiant alone and no other person(s), firm(s), corporation(s) or individual(s) are in control and possession of the Property.
9. Affiant represents and warrants that between the date of the title commitment dated _____, 20____, at _____, prepared by Attorneys' Title Insurance Fund, Inc., and the date on which the deed to the Property is placed of record, Affiant has not and will not execute any instruments or take any actions that could adversely affect the title or interest to be acquired by CRA and insured by the Title Company. Affiant further represents and warrants that Affiant is not aware of any matter that could adversely affect the title or interest to be acquired by CRA and insured by the Title Company.
10. Affiant represents and warrants the truth and accuracy of all matters hereinabove set forth and agree to and shall defend, indemnify and hold harmless CRA and its heirs, successors and assigns from all causes, claims, demands, actions, losses, liabilities, settlements, judgments, damages, costs, expenses and fees (including without limitation reasonable attorney's and appellate attorney's fees) that arise as a result of or in connection with the falsity or inaccuracy of any statement made in the above Affidavit or the breach of any representation or warranty herein made.

FURTHER AFFIANT SAYETH NAUGHT.

Signed, sealed and delivered
in the presence of:

_____ By _____
WITNESS

_____ day of _____, 20____.
WITNESS