

PROPERTY EXCHANGE AGREEMENT

THIS PROPERTY EXCHANGE AGREEMENT (hereinafter the "Agreement") is made on this 19 day of September, 2023 and entered into by and between the **CITY OF LAKE WORTH BEACH**, a Florida municipal corporation, or its successors and assigns (the "CITY") and **DIXIE CAPITAL PARTNERS, LLC**, a Florida limited liability company, its successors and assigns (the "DIXIE"). The CITY and DIXIE shall collectively be referred to as the "Parties."

WHEREAS, the CITY desires to decommission the existing substation on the City Property (as herein defined) and build a new substation on the Dixie Property (as herein defined); and

WHEREAS, DIXIE desires to join its current properties with the City Property in order to develop the combined lots.

NOW THEREFORE, in consideration of the mutual agreements and upon and subject to the terms and conditions herein contained, the parties hereto agree as follows:

1. DEFINITIONS. The following terms when used in this Agreement shall have the following meanings:

1.1. City means the City of Lake Worth Beach, a Florida municipal corporation.

1.2. City Property means that certain property belonging to the CITY and described in **Exhibit "A"**, which is attached hereto.

1.3. Closing for Dixie Property means the consummation of the transaction related to the Dixie Property as contemplated by this Agreement which shall be no more than sixty (60) calendar days after the Effective Date, or such earlier date, if any, as is specified by written notice furnished by CITY to DIXIE provided that such notice shall be furnished, if at all, not fewer than ten (10) days prior to the earlier date selected by CITY in such notice.

1.4. Closing for City Property means the consummation of the transaction related to the City Property as contemplated by this Agreement which shall be no more than sixty (60) calendar days after the end of the Decommission Period, or such earlier date, if any, as is specified by written notice furnished by DIXIE to CITY provided that such notice shall be furnished, if at all, not fewer than ten (10) days prior to the earlier date selected by DIXIE in such notice. Under no circumstances shall the Closing for City Property be prior to the beginning of the Inspection Period for City Property.

1.5. Decommission Period means the time period during which CITY shall complete the decommission and removal of the electric substation and any necessary remediation on the City Property; which shall commence no later than five (5) calendar days after

the Closing for Dixie Property and end on September 30, 2024 or when CITY provides DIXIE with a notice of such completion and a clean environmental report, whichever is earlier.

1.6. Deed means the quit claim deed which shall convey the City Property from CITY to DIXIE, and the warranty deed which shall convey the Dixie Property from DIXIE to CITY.

1.7. Dixie Property means that certain property belonging to DIXIE and described in **Exhibit "A"**, which is attached hereto.

1.8. Effective Date means the date that this Agreement is signed by the City Commission.

1.9. Escrow Agent means Goren, Cherof, Doody, & Ezrol, P.A., with offices at 3099 East Commercial Boulevard, Fort Lauderdale, Florida 33308.

1.10. Inspection Period for Dixie Property means the time period which shall commence five (5) calendar days and end no later than thirty (30) calendar days after the Effective Date, unless such date falls on a Saturday, Sunday or legal holiday, in which case such date shall be extended until the end of the next business day, or such earlier date, if any, as is specified by written notice furnished by CITY to DIXIE.

1.11. Inspection Period for City Property means the time period which shall commence five (5) calendar days and end no later than thirty (30) calendar days after the termination or expiration of the Decommission Period, unless such date falls on a Saturday, Sunday or legal holiday, in which case such date shall be extended until the end of the next business day, or such earlier date, if any, as is specified by written notice furnished by DIXIE to CITY.

1.12. Property is a collective term which includes the City Property and the Dixie Property, consisting of real property situated, lying and being in Palm Beach County, Florida, more particularly described in **Exhibit "A"** attached hereto and made a part hereof, all of which will be vacant land prior to the respective Inspection Period and relevant Closing Date, together with all of the right, title and interest of the CITY and DIXIE, respectively, in and to any site plans, site plan approvals, development plans, specifications, engineering drawings, impact fee credits, if any, and all other related matters and things owned by the CITY and DIXIE which relate to their respective Property; it being the intent of the CITY and DIXIE to sell, transfer, set over unto and convey to the other party all interests of the CITY and DIXIE, as applicable, of whatsoever kind, type, nature, description or characterization in and to the City Property and the Dixie Property, respectively, free and clear of all liens, claims, interests, and encumbrances or possible liens, claims, interests, or encumbrances of whatsoever kind, type, nature, description or

characterization, including, without limitation, the following, to-wit:

1.12.1. All rights-of-way, alleys, privileges, easements and appurtenances which are on or benefit all the City Property and the Dixie Property;

1.12.2. All right, title and interest, if any, of DIXIE in any property lying in the bed of any public or private street or highway, opened or proposed, in front any of the adjoining property to the center line thereof;

1.12.3. To the extent transferable, all licenses, permits, approvals, and other governmental authorizations relating to the operation use or occupancy of the City Property and the Dixie Property (including those licenses, permits, approvals, and other governmental authorizations obtained by CITY and DIXIE hereunder, as applicable, if any), excluding those licenses, permits, approvals, and other governmental authorizations related to the use and operation of an electrical substation which shall at all times remain with CITY, and in effect as of the Closing Date for the applicable Property and all contracts and leases, if applicable, with respect to the City Property and the Dixie Property;

1.12.4. The conveyance also includes any right to any unpaid award relative to the City Property and the Dixie Property to which the CITY or DIXIE, as applicable may be entitled: (1) due to taking by condemnation of any right, title or interest of the CITY or DIXIE and, (2) for any damage to the City Property or the Dixie Property due to change of grade of any street or highway. As applicable, if any, the CITY and/or DIXIE shall deliver to the other at Closing for their respective Property, or thereafter on demand, proper instruments for the conveyance of title and the assignment and collection of any award and damages;

1.12.5. All development rights, if any, including but not limited to entitlements, water and sewer connection rights, air rights, mineral rights (subject to the limited reservation on the City Property pursuant to Section 270.011, Florida Statutes), any impact fee credits previously paid, concurrency rights, zoning rights, guaranties and warranties, if any, and any other intangible rights, if any, associated with the City Property or the Dixie Property, and all of CITY's and DIXIE's respective rights, title and interest in any and all consents, authorizations, variances and waivers, licenses, permits and approvals (including vested rights) from any governmental or quasi-governmental authorities relating to the City Property or the Dixie Property (and the development of same);

1.12.6. All of the CITY's and DIXIE's respective rights, title and interest in

and to the City Property or the Dixie Property (and the development of same), which shall be identified as all water and sewer connections, water wells and other sources of water, water permits, irrigation systems, pumping facilities and pipelines related thereto.

1.13. Other Definitions. The terms defined in this Agreement shall have the defined meaning wherever capitalized herein. Wherever appropriate in this Agreement, the singular shall be deemed to refer to the plural and the plural to the singular, and pronouns of each gender shall be deemed to comprehend either or both of the other genders. As used in this Agreement, the terms "herein", "hereof" and the like refer to this Agreement in its entirety and not to any specific section or subsection.

2. PROPERTY EXCHANGE.

2.1. Property Exchange. The Parties hereby agree to an exchange of property whereby CITY will transfer the City Property to DIXIE and DIXIE will transfer the Dixie Property to CITY pursuant to the terms and conditions of this Agreement.

2.2. Property Value. The Parties agree that based on concurrent appraisals for purposes of this exchange there is no difference in value between the City Property and the Dixie Property.

3. INSPECTION OF DIXIE PROPERTY.

3.1. CITY shall, during the Inspection Period for Dixie Property, determine (a) whether or not the Dixie Property is satisfactory for CITY's purposes in CITY's sole and absolute discretion, and (b) whether or not the Dixie Property has adequate services available and that all federal, state, county and local laws, rules and regulations have been and are currently being complied with relative to the Dixie Property. At all times during the Inspection Period for Dixie Property, CITY and its agents shall be provided with reasonable access during normal business hours to the Dixie Property for purposes of on-site inspections. The scope of the inspections shall be determined by CITY as deemed appropriate under the circumstances. Subject to the limitations of Section 768.28, Fla.Stat., CITY agrees it is responsible for any and all damages, losses and liabilities caused by the negligent acts and omissions of CITY, its agents or employees during inspections conducted on the Dixie Property by CITY. Nothing herein shall be construed as a waiver of CITY's entitlement to sovereign immunity nor as CITY's consent to be sued by third parties.

3.2. During the Inspection Period for Dixie Property, DIXIE shall provide to CITY

reasonable access to any appraisals, environmental reports (Phase I and Phase II, if any), surveys, abstracts and title policies and all other studies, reports, plans or other documents relating to the Dixie Property that DIXIE may have in its possession or is subject to its control relating to the Dixie Property. Furthermore, CITY shall have the right, at its sole expense, to perform Phase I and II assessments with respect to the Dixie Property if CITY elects to do so.

3.3. CITY's right to inspect and enter onto the Dixie Property is expressly conditioned upon CITY's covenant to protect DIXIE from the filing of any liens against the Dixie Property as the result of work performed by or requested by CITY. In the event that any claims of lien are filed against the Dixie Property as a result of work performed or requested by CITY, the CITY shall either pay the sum claimed by the lienor or bond such claim of lien in the manner permitted by law within five (5) business days after CITY receives written notice of the existence of the lien. CITY may continue to have access to the Dixie Property after the expiration of the Inspection Period for Dixie Property upon reasonable notice to DIXIE for all purposes CITY may desire or deem necessary.

4. DECOMMISSION PERIOD

4.1. Decommission Period and Fee Schedule. During the Decommission Period, CITY shall complete the decommission, demolition and remediation on the City Property and shall provide DIXIE with a notice of such completion, with a clean environmental report, reflecting Environmental Site Assessment Phase I and Phase II. In the event CITY fails to provide DIXIE with notice of the completion of the Decommission Period and a clean environmental report by September 30, 2024, CITY shall pay DIXIE in accordance with the following fee schedule:

October 1, 2024 – June 30, 2025	\$2,500.00	Per month
July 1, 2025 – December 31, 2025	\$3,000.00	Per month
January 1, 2026 – June 30, 2026	\$3,500.00	Per month
July 1, 2026 – December 31, 2026	\$4,000.00	Per month
January 1, 2027 – June 30, 2027	\$7,000.00	Per month

Thereafter, the monthly fee increases by 7% annually until the City provides DIXIE with a notice of the completion of the Decommission Period and a clean environmental report for the City Property.

4.2. Temporary Use of 702 S H Street by CITY. In an effort to shorten the

Decommission Period, DIXIE hereby grants to CITY a limited, temporary right to utilize and construct improvements upon a portion of its property located at 702 S H Street, as more particularly depicted in Exhibit “B”, attached hereto and incorporated herein. CITY’s improvements may include a cement pad, a pad-mounted transformer, underground conduit and chain link fencing. The CITY shall pay DIXIE a monthly fee of One Thousand Five Hundred Dollars (\$1,500) for this use, prorated to commence September 19, 2023. Within thirty (30) days of CITY’s electric substation to be constructed on the Dixie Property becoming fully operational or June 30, 2025, whichever occurs sooner, CITY shall remove all CITY improvements from the property located at 702 S H Street and return the property to the same or better condition as prior to the installation of such improvements.

4.3. Design and Application for Development of City Property. At any time immediately following the Effective Date, DIXIE or an Affiliate may, at its sole expense, submit an application(s) to the appropriate governing bodies for entitlement review and ultimate issuance of the necessary approvals and permits to begin the development of other property owned by DIXIE, which may include any or all property located at 615, 617, 621, 622, and 625, 626, 629, 630 S H Street along with the City Property as a single project with multiple phases (“Development Project”). The City Manager may execute any and all documents required for City Property to be made part of such application(s). DIXIE’s applications may provide for commencement of construction for phases of the Development Project prior to Closing for City Property so long as the City Property is not included any such phases. Once approved and following the issuance of permits, construction of the Development Project may begin (excluding any construction on the City Property) prior to the Closing for City Property. Nothing herein shall alter CITY’s role as a governmental jurisdiction with regulatory authority over such applications.

4.4. Payments. Payments to be made by CITY to DIXIE pursuant to Sections 4.1 and 4.2 shall be due monthly, in arrears, upon invoice by DIXIE to CITY and paid by CITY to DIXIE in accordance with the Local Government Prompt Payment Act (Sec. 218.70, et.seq., Florida Statutes). Invoices shall be sent to payable@lakeworthbeachfl.gov. Payments under Section 4.1 shall not be prorated.

5. INSPECTION OF CITY PROPERTY.

5.1. DIXIE shall, during the Inspection Period for City Property, determine (a) whether or not the City Property is satisfactory for DIXIE’s purposes in DIXIE’s sole and absolute discretion, and (b) whether or not the City Property has adequate services available and that all

federal, state, county and local laws, rules and regulations have been and are currently being complied with relative to the City Property. At all times during the Inspection Period for City Property, DIXIE and its agents shall be provided with reasonable access during normal business hours to the City Property for purposes of on-site inspections. The scope of the inspections shall be determined by DIXIE as deemed appropriate under the circumstances. DIXIE agrees it is responsible for any and all damages, losses and liabilities caused by DIXIE, its agents or employees, during inspections conducted on the City Property by DIXIE. DIXIE shall not be responsible for the acts or omissions of CITY. Nothing herein shall be construed as a waiver of CITY's entitlement to sovereign immunity, the application or limitations of Section 768.28, Florida Statutes, nor as CITY's consent to be sued by third parties.

5.2. During the Inspection Period for City Property, CITY shall provide to DIXIE reasonable access to any appraisals, environmental reports (Phase I and Phase II, if any), surveys, abstracts and title policies and all other studies, reports, plans or other documents relating to the City Property that CITY may have in its possession or is subject to its control relating to the City Property. Furthermore, DIXIE shall have the right, at its sole expense, to perform Phase I and II assessments with respect to the City Property if DIXIE elects to do so.

5.3. DIXIE's right to inspect and enter onto the City Property is expressly conditioned upon DIXIE's covenant to protect CITY from the filing of any liens against the City Property as a result of work performed or requested by DIXIE. In the event that any claims of lien are filed against the City Property as a result of work performed or requested by DIXIE, DIXIE shall either pay the sum claimed by the lienor or bond such claim of lien in the manner permitted by law within five (5) business days after DIXIE receives written notice of the existence of the lien. DIXIE may continue to have access to the City Property after the expiration of the Inspection Period for City Property upon reasonable notice to CITY for all purposes requested by DIXIE upon prior written approval by CITY, which shall be granted in CITY's sole discretion.

6. CITY'S AND DIXIE'S REPRESENTATIONS AND COVENANTS. To induce the other party to enter into this Agreement, CITY and DIXIE make the following representations and covenants, all of which, in all material respects and except as otherwise provided in this Agreement (i) are now true, and (ii) shall be true on the Closing Date for both the City Property and the Dixie Property, as applicable:

6.1. At all times prior to Closing for their respective Property, DIXIE and CITY shall keep their respective Property free and clear of any and all third party liens for work or

materials furnished to or contracted for, by or on behalf of CITY or DIXIE, as applicable, prior to the Closing for that Property.

6.2. There are no pending, or to CITY's or DIXIE's knowledge, contemplated condemnation proceedings affecting their respective Property or any part thereof.

6.3. No individual, general or limited partnership, limited liability partnership or company, corporation, trust, estate, real estate investment trust, association or any other entity has or is entitled to possession of any part of their respective Property.

6.4. The City Property is not vacant at the time of execution of this Agreement, however, CITY will ensure that prior to the Inspection Period for the City Property, the City Property is vacant and all current improvements have been demolished in accordance with the terms of this Agreement. DIXIE has the exclusive right to purchase the City Property and CITY shall not engage in any negotiations with or solicit offers from any other party relating to the lease or sale of the City Property unless DIXIE fails to close on the City Property in accordance with this Agreement.

6.5. The Dixie Property is vacant at the time of execution of this Agreement. DIXIE will ensure that prior to the Inspection Period for the Dixie Property, the Dixie Property remains vacant and that no tenant or other occupant, no licensor or franchisor and no other person, firm, corporation, or other entity has any right of possession or to lease or acquire the Dixie Property or any portion thereof as of the Closing Date for Dixie Property. CITY has the exclusive right to purchase the Dixie Property and DIXIE shall not engage in any negotiations with or solicit offers from any other party relating to the lease or sale of the Dixie Property unless CITY fails to close on the DIXIE Property in accordance with this Agreement.

6.6. In demolishing the existing improvements on the City Property, CITY agrees that demolition activities shall include the demolition of all improvements, including structures, foundations, concrete driveways, driveway aprons, walkways, excavation and removal of all the trees and landscaping. Upon completion of the demolition of the City Property, the City Property shall be left rough graded and free of all debris and vegetation. For purposes of this Agreement, rough grade is identified as plus or minus one-tenth of a foot (0.1'), or as suitable for seed and sod, it being understood that neither party will be required to seed or sod their respective Property prior to closing. CITY shall obtain all necessary local, state and federal permits required for the removal, transport and disposal of all materials related to the demolition of the City Property and arrange for any inspections as required by city, county, state and federal laws. In addition, CITY shall remove the debris from the City Property and dispose of the debris in such a manner

that is consistent with standards generally recognized by the demolition trade, and is in compliance with all applicable federal, state, county, and city laws, codes, and regulations.

6.7. CITY is not a party to any written or oral contracts, restrictions, easements, leases, option contracts, rights of first refusal or contracts with respect to the City Property or any portion thereof, nor shall CITY enter into any of the foregoing from and after the date of execution of this Agreement without the written consent of DIXIE.

6.8. DIXIE is not a party to any written or oral contracts, restrictions, easements, leases, option contracts, rights of first refusal or contracts with respect to the Dixie Property or any portion thereof, nor shall DIXIE enter into any of the foregoing from and after the execution of this Agreement without the written consent of CITY.

6.9. Other than the known environmental contamination on the City Property that has been identified by the CITY, CITY and DIXIE have not received any written notice claiming that their respective Property or any method of operation of their respective Property is in violation ("Violation") of any applicable law, ordinance, code, rule, order, regulation or requirement of any governmental authority, including environmental laws, the requirements of any local board of fire underwriters (or other body exercising similar functions) and CITY and DIXIE further represent that their respective Property shall be delivered free of any Violation at Closing for that Property.

6.10. CITY and DIXIE shall not encumber their respective Property, file any application to change the current zoning or land use of their respective Property unless requested by the other party, or enter into any contracts relating to their respective Property unless subject to thirty (30) day termination provisions. The parties agree that this Section does not impact City's agreement to execute documents for the City Property to be part of DIXIE's entitlement applications, as set forth in Section 4.3, herein.

6.11. CITY and DIXIE, as applicable, shall each comply with all of their obligations under all leases, service agreements and all other agreements and contractual arrangements related to their respective Property, by which either party and/or the Property are bound. CITY and DIXIE, respectively, shall maintain all existing insurance coverage in full force and effect through Closing for their respective Property and shall pay all required premiums and other charges. CITY and DIXIE shall deliver their respective Property to the other party, at Closing for their Property free and clear of any and all mortgages and security interests, licenses, claims, options, options to purchase or lease, liens, covenants, conditions, restrictions, rights-of-way, easements, judgements and other matters relating to the Property, and no leases, service

agreements or other agreements or contractual arrangements shall exist with respect to the Property as of the Closing Date for that Property.

6.12. Except for the City of Lake Worth Beach code enforcement cases and liens previously recorded and released against the Dixie Property, , during such time as DIXIE or CITY have owned their respective Property, all activities at the Property have been conducted in compliance with all statutes, ordinances, regulations, orders, and requirements of common law concerning (A) those activities; (B) repairs or construction of any improvements; (C) handling of any materials; (D) discharges to the air, soil, surface water, or groundwater; and (E) storage, treatment, or disposal of any waste at or connected with any activity at the Property.

6.13. REAL PROPERTY SOLD AS IS, WHERE IS, RELEASE: Except as otherwise provided herein, CITY and DIXIE make, and shall make, no warranty regarding the title to their respective Property except as to any warranties which will be contained in the Deeds, and in the other instruments to be delivered by CITY and DIXIE at Closing for each Property in accordance with this Agreement, and CITY and DIXIE make, and shall make, no representation or warranty either expressed or implied (except as specifically set forth in this Agreement) regarding condition, operability, safety, fitness for intended purpose, use, governmental requirements, development potential, utility availability, legal access, economic feasibility or any other matters whatsoever with respect to their respective Property. DIXIE and CITY specifically acknowledge and agree that CITY shall sell and DIXIE shall purchase, and DIXIE shall sell and CITY shall purchase the City Property and the Dixie Property, respectively, on an "AS IS, WHERE IS, AND WITH ALL FAULTS" basis and that, except for the CITY's and DIXIE's respective representations and warranties set forth in this Agreement, DIXIE and CITY are not relying on any representations or warranties of any kind whatsoever, express or implied, from the other party, its agents, officers, or employees, as to any matter concerning the City Property and Dixie Property including, without limitation, any matter relating to (i) the quality, nature, adequacy, or physical condition of the Property; (ii) the quality, nature, adequacy or physical condition of soils, fill, geology, or any groundwater; (iii) the existence, quality, nature, adequacy or physical condition of utilities serving the Property; (iv) the development potential, income potential, or expenses of the Property; (v) the Property's value, use, habitability, or merchantability; (vi) the fitness, suitability, or adequacy of the Property for any particular use or purpose; (vii) the zoning or other legal status of the Property; (viii) the compliance of the Property or its operation with any applicable codes, laws, rules, regulations, statutes, ordinances, covenants, judgments, orders, directives, decisions, guidelines, conditions, or restrictions of any governmental or quasi-

governmental entity or of any other person or entity, including without limitation, environmental person or entity, or environmental laws; (ix) the presence of Hazardous Materials, as defined herein, or any other hazardous or toxic matter on, under or about the Property or adjoining or neighboring property; (x) the freedom of the Property from latent or apparent defects; (xi) peaceable possession of the Property; (xii) environmental matters of any kind or nature whatsoever relating to the Property; (xiii) any development order or agreement, or (xiv) any other matter or matters of any nature or kind whatsoever relating to the Property.

6.14. Other than the environmental Violation on the City Property that has been or will be remediated by CITY at its sole cost and expense prior to Closing on City Property, as previously disclosed to DIXIE, to the best of CITY's and DIXIE's knowledge, respectively, no Hazardous Materials are present on, over or under their respective Property, or are migrating from any premises adjacent to the Property, nor have they been generated, stored, reacted, disposed of, discharged, released, emitted or otherwise handled on, over, under, from or any manner affecting the Property or any premises adjacent to the Property. As used herein, the term "Hazardous Materials" means (i) those substances included within the definitions of "hazardous substances," "hazardous materials," "toxic substances" or "solid waste" in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. §960 et seq., the Resource Conservation and Recovery Act of 1976, 42 U.S.C. § 6901 et seq., the Hazardous Materials Transportation Act, 49 U.S. C. §1801 et seq., or the Clean Water Act, 33 U.S.C. §1321 et seq., as amended, and in the regulations promulgated pursuant thereto; (ii) those substances listed in the United States Department of Transportation Table (49 CFR §172.101) or by the Environmental Protection Agency as "hazardous substances," "hazardous materials," "toxic substances" or "solid waste", (iii) such other substances, materials and wastes which are regulated, or classified as hazardous or toxic, under applicable local, state or federal laws, ordinances or regulations; and any material, waste or substance which is petroleum, asbestos, polychlorinated, biphenyls, flammable explosives or radioactive materials. In the event any Hazardous Materials related to the existing environmental Violation on the City Property are discovered on City Property following Closing on City Property, CITY shall remediate such additional Violation at its sole cost and expense immediately following notice from DIXIE.

6.15. From and after the Effective Date, CITY and DIXIE shall maintain their respective Property and shall cause their respective Property to be maintained in a manner consistent with past practices and in a manner fully compliant with applicable law and the terms of this Agreement, and DIXIE and CITY shall reasonably endeavor to prevent the introduction of

any Hazardous Materials onto their respective Property and DIXIE and CITY shall reasonably endeavor to prevent the release of any Hazardous Materials onto their respective Property, and CITY and DIXIE shall each have and is hereby granted the right to enter upon the Property of the other party to confirm the compliance of the other party with the foregoing duties and obligations. Any notices received by DIXIE or CITY concerning an environmental condition, condemnation, code violation or other matter concerning the Property shall promptly be sent to the other party. CITY and DIXIE shall not (i) mortgage or subject any of their respective Property to a lien or other encumbrance that is not discharged on or prior to Closing of that Property, (ii) permit any construction lien for work performed or materials supplied to attach against any other property, (iii) execute or cause or permit to be placed of record any document affecting title to any portion of their respective Property, nor shall DIXIE or CITY execute, record or acquiesce to any new encumbrance affecting their respective Property or any amendment/supplement to any existing agreement or instrument which encumbers their respective Property, except any such agreement that is between the parties, or (iv) enter into or subject any portion of their respective Property to any option contract, sales contract, or any other agreement pursuant to which any party shall have any right to occupy any portion of their respective Property that would be binding on CITY or DIXIE or their respective Property upon consummation of the transaction contemplated herein.

6.16. CITY warrants that it will not, between the Effective Date and the Closing, without DIXIE's prior written consent, create by its consent any encumbrances on the Property. For purposes of this provision, the term "encumbrances" shall mean any liens, claims, options, or other encumbrances, encroachments, rights-of-way or leases.

6.17. DIXIE warrants that it will not, between the Effective Date and the Closing, without CITY's prior written consent, create by its consent any encumbrances on the Property. For purposes of this provision, the term "encumbrances" shall mean any liens, claims, options, or other encumbrances, encroachments, rights-of-way or leases.

6.18. There is no action, suit or proceeding pending or to DIXIE's or CITY's knowledge threatened against or affecting their respective Property or any portion thereof or relating to or arising out of the ownership or operation of their respective Property, in any court or before any federal, state, county or municipal department, commission, board, bureau or agency or other governmental authority.

6.19. DIXIE and CITY have no knowledge of and have received no notice of any special assessment pending or threatened in respect to their respective Property, whether or not a lien thereon. There are no unpaid tap fees, hook-up fees, impact fees or similar charges or

assessments that will not be paid in full as of the Closing Date for the Property to which the fees, charges or assessments apply.

6.20. DIXIE and CITY have no knowledge of and have received no notice that there is any proceeding pending or threatened for the increase or reduction of the assessed valuation of any portion of their respective Property.

7. EVIDENCE OF TITLE.

7.1. Title to the Dixie Property. DIXIE shall convey title to the Dixie Property, including all easements and restrictions of record with the exception of the encroachment(s), if any, to CITY at Closing for Dixie Property by delivery of the Deed, and such title shall be good and marketable and free and clear of all liens, assessments, restrictions, encumbrances, easements, leases, tenancies, claims or rights of use or possession and other title objects, except as otherwise set forth herein. CITY shall, during the Inspection Period for Dixie Property, secure a title insurance commitment issued by a title insurance underwriter committing to insure CITY's title to the Dixie Property. The costs and expenses relative to the issuance of a title commitment and an owner's title policy shall be borne by DIXIE.

CITY shall have twenty (20) calendar days from the date of receiving the title commitment to examine said commitment. If CITY objects to any exception to title as shown in the title commitment, CITY shall, within ten (10) days of receipt of said commitment, notify DIXIE in writing specifying the specific exception(s) to which it objects. Any objection(s) of which CITY has so notified DIXIE, shall (a) automatically extend the Inspection Period and the Closing Date to allow the objection to be cured by DIXIE as provided in this Section; and (b) be cured by DIXIE so as to enable the removal of said objection(s) from the title commitment within fifteen (15) days after CITY has provided notice to DIXIE. Within five (5) days after the expiration of DIXIE's time to cure any objection, DIXIE shall send to CITY a notice in writing (the "Dixie Cure Notice") stating either (i) that the objection has been cured and, in such case, enclosing evidence of such cure to CITY's satisfaction, or (ii) that DIXIE is unable to cure such objection despite the good faith efforts of DIXIE to effectuate the cure. If DIXIE is unable to cure all objections within the time period set forth herein despite the good faith efforts of DIXIE, then CITY may (a) terminate this Agreement by written notice to DIXIE within ten (10) days after receipt of a Dixie Cure Notice specifying an uncured objection; or (b) subject to the provisions set forth below, proceed to close the transaction contemplated herein despite the uncured objection.

7.2. Survey and Legal Description for Dixie Property. During the Inspection Period for Dixie Property, CITY shall order: (i) a current survey ("current" is defined to be certified

within twenty (20) days of the start of the Inspection Period for Dixie Property), prepared by a registered land surveyor or engineer licensed in the State of Florida showing the boundaries of the Dixie Property, and the location of any easements and other matters as reflected on Schedule B II of the title commitment thereon and certifying the number of acres (to the nearest one thousandth acre) of land contained in the Property, all buildings, improvements and encroachments; and (ii) a correct legal description of the Dixie Property which, upon approval thereof by CITY and DIXIE (not to be unreasonably withheld, conditioned or delayed), shall be the legal description used in the Deed. The survey shall be certified to CITY, DIXIE and the title insurance company issuing the title insurance. The costs and expenses relative to the survey shall be borne by DIXIE.

In the event the survey shows any material encroachments, strips, slivers, gores, or any portion of the land non-contiguous to any other portion of the Dixie Property or any other matter materially affecting the marketability of title to the Dixie Property (any such matter is herein called a "Survey Objection" and treated as a title defect), CITY shall have a period of ten (10) days after receipt of the survey by CITY within which to approve or disapprove any survey objection and to give written notice to DIXIE of any disapproval thereof indicating in reasonable detail the nature and reasons for CITY's objection. In the event CITY provides a notice of disapproval of a survey objection to DIXIE, the rights and obligations of the parties respecting such objections shall be governed by Section 7.1 hereof such that the parties shall have the same rights and objections as though such survey objection objected to was a new exception to title which was discovered and objected to within the contemplation of Section 7.1.

7.3. Title to the City Property. CITY shall convey title to the City Property, including all easements and restrictions of record with the exception of the encroachment(s), if any, to DIXIE at Closing for City Property by delivery of the Deed, and such title shall be good and marketable and free and clear of all liens, assessments, restrictions, encumbrances, easements, leases, tenancies, claims or rights of use or possession and other title objects, except as otherwise set forth herein. DIXIE shall, during the Inspection Period for City Property, secure a title insurance commitment issued by a title insurance underwriter committing to insure DIXIE's title to the City Property. The costs and expenses relative to the issuance of a title commitment and an owner's title policy shall be borne by DIXIE.

DIXIE shall have twenty (20) calendar days from the date of receiving the title commitment to examine said commitment. If DIXIE objects to any exception to title as shown in the title commitment, DIXIE shall, within ten (10) days of receipt of said commitment, notify CITY

in writing specifying the specific exception(s) to which it objects. Any objection(s) of which DIXIE has so notified CITY, shall (a) automatically extend the Inspection Period and the Closing Date to allow the objection to be cured by CITY as provided in this Section; and (b) be cured by CITY so as to enable the removal of said objection(s) from the title commitment within fifteen (15) days after DIXIE has provided notice to CITY. Within five (5) days after the expiration of CITY'S time to cure any objection, CITY shall send to DIXIE a notice in writing (the "City Cure Notice") stating either (i) that the objection has been cured and, in such case, enclosing evidence of such cure to DIXIE's satisfaction, or (ii) that CITY is unable to cure such objection despite the good faith efforts of the CITY to effectuate the cure. If CITY is unable to cure all objections within the time period set forth herein despite the good faith efforts of the CITY, then DIXIE may subject to the provisions set forth below, proceed to close the transaction contemplated herein despite the uncured objection.

7.4. Survey and Legal Description for City Property. During the Inspection Period for City Property, DIXIE shall order: (i) a current survey ("current" is defined to be certified within twenty (20) days of the start of the Inspection Period for City Property), prepared by a registered land surveyor or engineer licensed in the State of Florida showing the boundaries of the City Property, and the location of any easements and other matters as reflected on Schedule B II of the title commitment thereon and certifying the number of acres (to the nearest one thousandth acre) of land contained in the City Property, all buildings, improvements and encroachments; and (ii) a correct legal description of the City Property which, upon approval thereof by DIXIE and CITY (not to be unreasonably withheld, conditioned or delayed), shall be the legal description used in the Deed. The survey shall be certified to CITY, DIXIE and the title insurance company issuing the title insurance. The costs and expenses relative to the survey shall be borne by DIXIE.

In the event the survey shows any material encroachments, strips, slivers, gores, or any portion of the land non-contiguous to any other portion of the City Property or any other matter materially affecting the marketability of title to the City Property (any such matter is herein called a "Survey Objection" and treated as a title defect), DIXIE shall have a period of ten (10) days after receipt of the survey by DIXIE within which to approve or disapprove any survey objection and to give written notice to CITY of any disapproval thereof indicating in reasonable detail the nature and reasons for DIXIE's objection. In the event DIXIE provides a notice of disapproval of a survey objection to CITY, the rights and obligations of the parties respecting such objections shall be governed by Section 7.3 hereof such that the parties shall have the same

rights and objections as though such survey objection objected to was a new exception to title which was discovered and objected to within the contemplation of Section 7.3.

8. RISK OF LOSS.

8.1. Dixie Property: Risk of loss or damage from fire, other casualty, or both, to the Dixie Property is assumed by DIXIE until the Deed is delivered by DIXIE to CITY. In the event any portion of the Dixie Property is destroyed by fire or other casualty then the CITY may elect to proceed to close the transaction contemplated herein. In the event the damage results in increased costs to CITY relating to Hazardous Material abatement costs, as determined during the Inspection Period for Dixie Property, or prior to the Closing Date for Dixie Property the insurance proceeds equal to the amount of said increase in costs shall be paid to the CITY and CITY shall be entitled to a credit against the Purchase Price for any such costs not paid to CITY.

8.2. City Property: Risk of loss or damage from fire, other casualty, or both, to the City Property is assumed by CITY until the Deed is delivered by CITY to DIXIE. In the event any portion of the City Property is destroyed by fire or other casualty then DIXIE may elect to proceed to close the transaction contemplated herein. In the event the damage results in increased costs to DIXIE relating to Hazardous Material abatement costs, as determined during the Inspection Period for City Property, or prior to the Closing Date for City Property the insurance proceeds equal to the amount of said increase in costs shall be paid to DIXIE, and DIXIE shall be entitled to a credit against the Purchase Price for any such costs not paid to DIXIE.

9. TRANSFER OF TITLE SUBJECT TO. Except as otherwise set forth, the Property shall be conveyed subject only to right-of-way, water lines, sanitary sewer, drainage, gas distribution, electrical and telephone easements of record. It shall be the sole and exclusive responsibility of the CITY and DIXIE to coordinate with the City of Lake Worth Beach to relocate any utilities, and any such relocation responsibility, including costs and expenses, shall be borne by the CITY for the Dixie Property, and by DIXIE for the City Property.

10. ADJUSTMENTS AT CLOSING. The following are to be apportioned pro-rata to the Closing Date for and based on each party's respective Property: All utilities, security deposits, rental payments, electric, taxes, and assessments (real property and personal property), and water and sewer charges. Real estate and personal property taxes and special assessments assessed against the Property, if any, whether payable in installments or not, including without limitation all supplemental taxes attributable to the tax period before the Closing Date for the calendar year in which the Closing Date occurs shall be prorated on a per diem basis as of the

date preceding the Closing Date, based on the latest available tax rate and assessed valuation. If the Closing occurs before the bill for taxes for the calendar year in which the Closing Date occurs is available, then the parties shall apportion said taxes based on the gross amount of taxes assessed for the immediately preceding year. Subsequent to the Closing Date, and when the bill for taxes is available for the calendar year in which the Closing Date occurs, the parties shall adjust the proration of taxes and, if necessary, refund or pay the other party such sums as shall be necessary to effect such adjustment. If on the Closing Date the Property or any part thereof shall have been affected by or shall be subject to any special tax, impact fee or assessment, then whether or not any such tax, impact fee or assessment is then a lien on the Property or any portion thereof or is payable to or on the Closing Date, all unpaid installments of any such tax, impact fee or assessment (including those which are to become due and payable after the Closing) shall be deemed to be due and payable prior to Closing and shall be apportioned between CITY and DIXIE. In the event the Property is classified as tax exempt at Closing, then in that event DIXIE and CITY shall comply with Section 196.295, Florida Statutes, with respect to the payment of prorated ad valorem taxes for the year of closing into escrow with the Palm Beach County Tax Collector's Office. In the event that, following the Closing, the actual amount of assessed real property tax on the Property for the current year is higher or lower than any estimate of such tax used for purposes of the Closing, the parties shall re-prorate any amounts paid or credited based on such estimate as if paid in November. This provision shall survive the Closing.

11. CLOSING DATE AND PLACE.

11.1. Dixie Property. The Closing for Dixie Property shall occur on the date noticed by CITY to DIXIE, but in no event later than that date which is sixty (60) calendar days from and after the Effective Date, and the Closing for Dixie Property shall be held in the offices of the CITY's attorney. In the alternative, the parties agree to provide for a closing by courier and wire transfer of funds necessary for Closing for Dixie Property. Closing shall be performed by the Escrow Agent.

11.2. City Property. The Closing for City Property shall occur on the date noticed by DIXIE to CITY, but in no event later than that date which is sixty (60) calendar days from and after the conclusion of the Decommission Period, and the Closing for City Property shall be held in the offices of the CITY's attorney. In the alternative, the parties agree to provide for a closing by courier and wire transfer of funds necessary for Closing for City Property. Closing shall be performed by the Escrow Agent.

12. DEFAULT.

12.1. Default by City. If the CITY shall fail or refuse to consummate the transaction in accordance with the terms and provisions of this Agreement, DIXIE shall have the right to enforce specific performance of this Agreement, and recover from CITY the costs it incurs in doing so.

12.2. Default by Dixie. If DIXIE shall fail or refuse to consummate the transaction in accordance with the terms and provisions of this Agreement, CITY shall have the right to enforce specific performance of this Agreement and recover from DIXIE the costs it incurs in doing so.

13. BROKER. Each party represents and warrants to the other that it has not dealt with any real estate brokers who may claim a fee or commission in connection with the transactions contemplated hereby as a result of such party's acts.

14. CLOSING DOCUMENTS.

14.1. At Closing for Dixie Property, DIXIE shall deliver to CITY a Warranty Deed, Bill of Sale, if applicable, No Lien/Gap Affidavit, Non-Foreign Certification in accordance with Section 1445 of the Internal Revenue Code, 1099 Form and any other documents as listed as title requirements in Schedule B-I of the Title Commitment to assure the conveyance of good and marketable fee simple title of the Dixie Property to the CITY.

14.2. At Closing for City Property, CITY shall deliver to DIXIE a Quit Claim Deed, Bill of Sale, if applicable, No Lien/Gap Affidavit, Non-Foreign Certification in accordance with Section 1445 of the Internal Revenue Code, 1099 Form and any other documents as listed as title requirements in Schedule B-I of the Title Commitment to assure the conveyance of good and marketable fee simple title of the City Property to DIXIE.

15. CLOSING COSTS.

15.1. At Closing for the Dixie Property, DIXIE shall be responsible for the costs and expenses related to closing, including, but not limited to, costs of survey(s), abstracting, title insurance, appraisals, brokers fees, real estate commissions, and any documentary taxes required to be paid in association with the transaction, expressly excluding attorney's fees. CITY shall be responsible for the recording of the Deed for the Dixie Property and, at its own expense, may conduct and obtain an Environmental Site Assessment Phase I and Phase II (if so mandated by the Phase I) of the Dixie Property. All costs and expenses related to the development of the

Dixie Property shall be borne by CITY.

15.2. At Closing for the City Property, DIXIE shall be responsible for the costs and expenses related to closing, including, but not limited to, costs of survey(s), abstracting, title insurance, appraisals, brokers fees, real estate commissions, and any documentary taxes, and recording of the Deed for the City Property required to be paid in association with the transaction. DIXIE, at its own expense, may conduct and obtain an Environmental Site Assessment Phase I and Phase II (if so mandated by the Phase I) of the City Property, in addition to the Environmental Site Assessment Phase I and Phase II obtained by the CITY on the City Property, at the CITY's expense. All costs and expenses related to the development of the City Property shall be borne by DIXIE, excluding those costs related to demolition of the existing substation on the City Property, which shall be borne by CITY.

16. WARRANTIES and INDEMNIFICATION.

16.1. Dixie's Warranties. DIXIE hereby acknowledges and warrants to the best of its knowledge that all of the following are true and correct as of the date of this Agreement:

16.1.1. DIXIE has full power and authority to enter into this Agreement and to assume and perform all of its obligations hereunder.

16.1.2. The execution and delivery of this Agreement and the performance by DIXIE of the obligations hereunder have been duly authorized by DIXIE as may be required, and no further action or approval is required in order to constitute this Agreement as a binding obligation of DIXIE.

16.1.3. The execution and delivery of this Agreement and the consummation of the transaction contemplated hereunder on the part of DIXIE do not and will not violate the organizational documents of DIXIE and do not and will not conflict with or result in the breach of any condition or provision, or constitute a default under, or result in the creation or imposition of any lien, charge or encumbrance upon any of the terms of any contract, mortgage, lien, lease, agreement, indenture, instrument or judgment to which DIXIE is a party.

16.1.4. All of the representations, warranties and covenants of DIXIE contained in this Agreement are and shall be true and correct in all material respects and not in default at the time of Closing, just as though they were made on the Closing Date for Dixie Property.

16.1.5. DIXIE shall hold CITY harmless against all claims, demands, losses, liabilities, costs and expenses, imposed upon or accruing against CITY as a result of the representations contained in this Section 17.1 not being true and correct in all material respects.

16.2. City's Warranties. CITY hereby acknowledges and warrants to the best of its knowledge that all of the following are true and correct as of the date of this Agreement:

16.2.1. CITY has full power and authority to enter into this Agreement and to assume and perform all of its obligations hereunder.

16.2.2. Upon approval by the City Commission, the execution and delivery of this Agreement and the performance by CITY of the obligations hereunder have been duly authorized by the CITY as may be required, and no further action or approval is required in order to constitute this Agreement as a binding obligation of the CITY.

16.2.3. Upon approval by the City Commission, the execution and delivery of this Agreement and the consummation of the transaction contemplated hereunder on the part of the CITY do not and will not violate the organizational documents of CITY and do not and will not conflict with or result in the breach of any condition or provision, or constitute a default under, or result in the creation or imposition of any lien, charge or encumbrance upon any of the terms of any contract, mortgage, lien, lease, agreement, indenture, instrument or judgment to which CITY is a party.

16.2.4. All of the representations, warranties and covenants of CITY contained in this Agreement are and shall be true and correct in all material respects and not in default at the time of Closing, just as though they were made on the Closing Date.

16.2.5. To the extent permitted by law, and subject to the limitations contained in Section 768.28, Fla.Stat., as may be amended from time to time, CITY shall hold DIXIE harmless against all claims, demands, losses, liabilities, costs and expenses, imposed upon or accruing against DIXIE as a result of the representations contained in this Section 16.2 not being true and correct in all material respects. Nothing herein shall constitute a waiver of the CITY's entitlement to sovereign immunity nor as CITY's consent to be sued by third parties.

16.3. Nothing contained in this Agreement shall entitle either party to consequential, punitive, special or indirect damages or lost profits. The indemnified party hereunder shall (i) give the indemnifying party prompt written notice of any claim or occurrence that it becomes aware of and that might trigger the indemnifying parties' obligations, and (ii) reasonably cooperate with the indemnifying party in connection with the indemnifying party's obligations hereunder. The parties' indemnification and hold harmless obligations under this Section 16 and under any other section in this Agreement shall survive the expiration or earlier termination of this Agreement.

17. ENFORCEABILITY. If any term, covenant or condition of this Agreement, or the

application thereof to any person or circumstance, shall be determined to be unenforceable by a court of competent jurisdiction (the "Offending Provision"), then the remainder of this Agreement, or the application of such term, covenant or condition to persons, entities or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby and each term, covenant and condition of this Agreement shall be valid and enforced to the fullest extent permitted by law; provided however, that the parties affected by the Offending Provision shall endeavor in good faith, within fifteen (15) days after the date such determination is made, to agree upon alternative provisions which shall have the same practical effect as the Offending Provision and upon any agreement being reached, the new provision shall be incorporated into and form a part of this Agreement.

18. **NO MERGER.** All warranties, representations, covenants, terms and conditions herein contained shall survive Closing and shall not merge into the Deed.

19. **NOTICE.** Except as otherwise provided herein, all written notices shall be effective upon the actual receipt or first refusal of the addressee to accept delivery after having been sent by reputable overnight delivery service or by certified mail, postage prepaid, return receipt requested, to the following addresses:

CITY: City of Lake Worth Beach
7 N. Dixie Highway
Lake Worth, Florida 33460
Attn: Carmen Davis, City Manager

With Copy to: City Attorney, City of Lake Worth Beach
TORCIVIA, DONLON, GODDEAU & RUBIN, P.A.
Northpoint Corporate Center
701 Northpoint Parkway, Suite 209
West Palm Beach, FL 33407
Tel: (561) 686-8700
Fax: (561) 686-8764

DIXIE: Dixie Capital Partners, LLC
6982 Houlton Circle
Lake Worth, FL 33467
Attn: Francesco Ficarra

With a Copy to: Dixie Capital Partners, LLC
28-21 Astoria Boulevard, Suite PH3
Astoria, NY 11102
Attn: Vito Giannola

ESCROW AGENT: GOREN, CHEROF, DOODY & EZROL, P.A.
3099 East Commercial Boulevard, Suite 200

Fort Lauderdale, Florida 33308
Telephone: (954) 771-4500
Fax: (954) 771-4923

20. GOVERNING LAW. This Agreement shall be governed by the laws of the State of Florida.

21. ENTIRE AGREEMENT. All prior understandings and agreements between CITY and DIXIE are merged in this Agreement. This Agreement completely expresses their full agreement.

22. NO ORAL CHANGE. This Agreement may not be changed or amended orally.

23. SUCCESSORS AND ASSIGNS. This Agreement shall apply to and bind the successors and assigns of CITY and DIXIE. DIXIE shall not assign this Agreement without first obtaining the written approval of the CITY, which approval shall not be unreasonably withheld. Assignment to a related party or affiliate of DIXIE shall not require approval.

24. COUNTERPARTS. This Agreement may be executed in two or more counterparts, each of which shall be and shall be taken to be an original and all collectively deemed one instrument. The parties hereto agree that a facsimile copy hereof and any signatures thereon shall be considered for all purposes as originals.

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

26. ATTORNEYS' FEES. If for any reason a party initiates any legal or equitable action to secure, protect or enforce its rights under this Agreement, each party shall be responsible for its own costs and expenses including, without limitation, arbitration, paralegals', attorneys' and experts' fees and expenses, whether incurred without the commencement of a suit, in any suit, arbitration, or administrative proceeding, or in any appellate or bankruptcy proceeding.

27. WAIVER OF JURY TRIAL. As an inducement to DIXIE agreeing to enter into this Agreement, DIXIE and CITY hereby waive trial by jury in any action or proceeding brought by either Party against the other Party pertaining to any matter whatsoever arising out of or in any way connected with this Agreement.

28. COOPERATION. CITY and DIXIE shall each reasonably cooperate with the other party, its agents, employees and professional advisors, in connection with the filing of applications and the obtaining of all required permits and approvals (including but not limited to demolition permits, site development permits, utility permits, landscaping, mechanical, plumbing, electrical and all necessary permits, authorizations and approvals to commence immediate improvements for the Property) and any necessary utility access agreements, and shall sign any application reasonably made that is required in order to obtain such permits and approvals and utility access agreements and shall provide the other with any information and/or documentation not otherwise reasonably available (if available to the other) which is necessary to procure such permits and approvals and utility access agreements. Any such accommodation by CITY shall be without prejudice to, and shall not constitute a limit on, impairment or waiver of, or otherwise affect CITY's rights to exercise its discretion in connection with its governmental or quasi-governmental functions.

29. TIME OF THE ESSENCE. All times provided for herein are and shall be of the essence of this Agreement, and each extension of any such time or times shall continue to be of the essence of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the dates indicated below:

City of Lake Worth Beach, a Florida municipal corporation

By: Betty Resch, Mayor

Approved on: _____

Melissa Ann Coyne, City Clerk

Approved as to Legal Form:

Glen Torcivia, City Attorney

DIXIE CAPITAL PARTNERS, LLC, a Florida limited liability company:

By: Vito Giannola, Manager

Signed on : _____

EXHIBIT A
LEGAL DESCRIPTIONS

City Property:

Folio No.: 38-43-44-21-15-205-0040

Street Address: 610 South H Street, Lake Worth, Florida

Dixie Property:

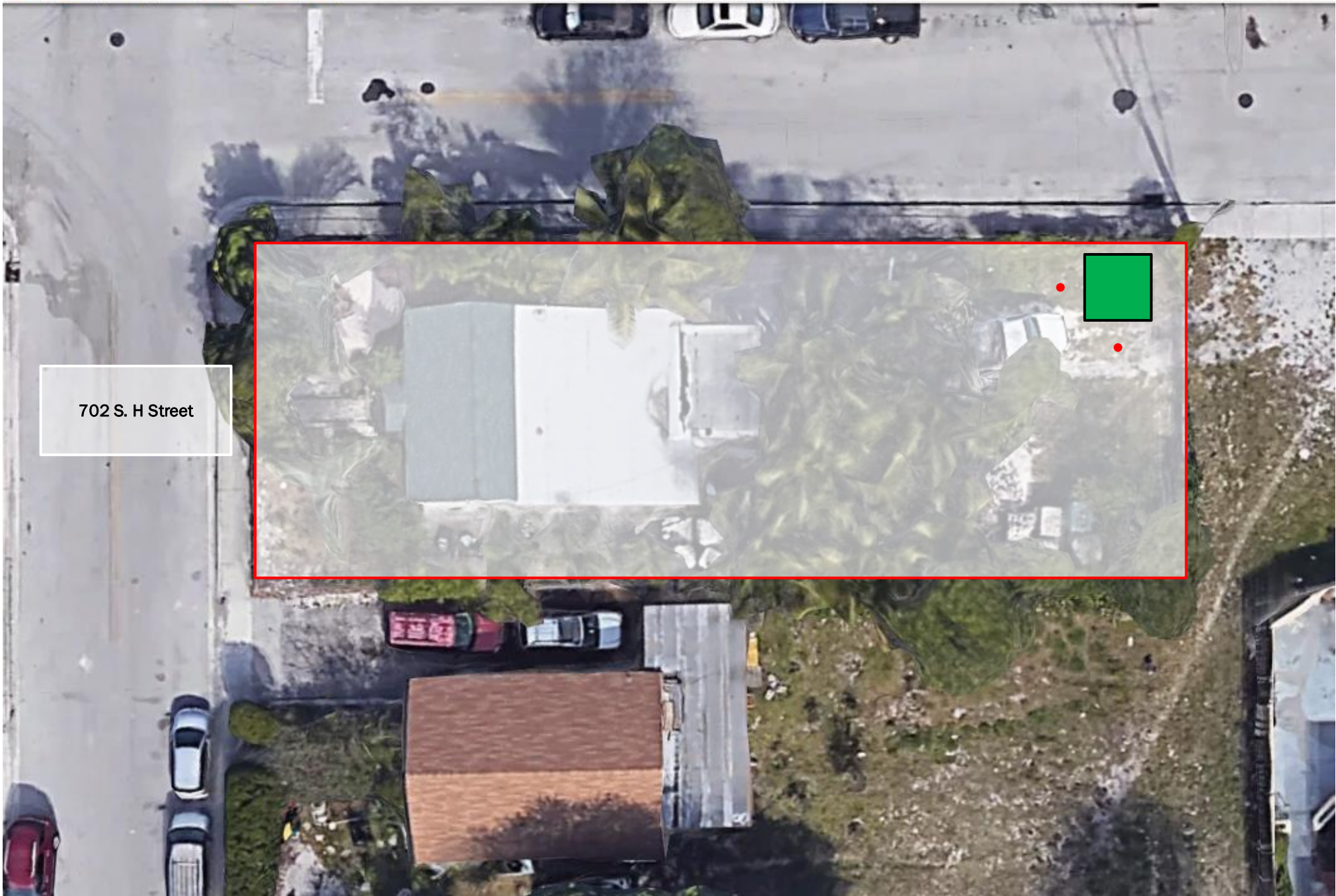
Folio No.:

Street Address: 706 South H. Street, Lake Worth, Florida

Folio No.:

Street Address: 710 South H. Street, Lake Worth, Florida

EXHIBIT A
702 S H STREET
TEMPORARY USE AREA



702 S. H Street



Bollard



Transformer Concrete slab location