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June 8, 2018

OFFER LETTER
Re: Acquisition of the entire 600, 700, 800 and 900 Blocks in Delray Beach, Florida ("**600-900 Blocks**")

This Letter of Intent is proposed by BH3 Management LLC and Levy Land Trust or their designee joint venture entity to be formed (collectively, "**BH3**"), as purchasers, and sets forth the general terms by which BH3 proposes to enter into an Acquisition and Project Agreement for the acquisition and redevelopment of the 600-900 Blocks owned by the Delray Beach Community Redevelopment Agency ("**CRA**") (collectively, the "**Agreements**").

BH3's company history, profile, and sample transactions are attached hereto.

BH3 presents the following offer to the CRA relating to the acquisition and redevelopment of the 600-900 Blocks:

600-900 Blocks Redevelopment Project

1. *Redevelopment that focuses on the history and culture of Delray Beach.* BH3 will be obligated to redevelop the 600-900 Blocks with a program designed to promote and encourage Delray Beach's remarkably diverse and rich history and culture.

2. *Construction Project.* The redevelopment program is contemplating the construction of a mixed-use development that blends residential housing, retail, and office space. BH3 plans to construct a 30,000 to 40,000 sq. ft. facility to house a well-established, reputable supermarket[1] that supports a healthy, cohesive, and strong Delray Beach community. The redevelopment program may incorporate affordable housing, goods, and services to the Delray Beach community as well as ultimately provide diversified, higher-wage job opportunities for the neighborhood.

3. *Timetable.* As BH3 is comprised of local Delray Beach residents who are concerned with understanding the pulse and beat of the City, we believe that the CRA's goal and focus is on redeveloping the 600-900 Blocks

[1] By way of example, potential supermarkets that may compliment the Delray Beach community include:

(1) Publix
(2) Wegmans
(3) Food Bazaar Supermarket
(4) MOM's Organic Market
(9) Uncle Giuseppe's Marketplace
(11) 4th Generation Organic Market
(5) Sprouts Farmers Market
(6) Food Lion
(7) Safeway
(8) Joseph's Classic Market
(10) Harris Teeter
(12) Hannaford Supermarkets

as quickly as possible and in a manner that effectively supports the local Delray Beach community. In that regard, BH3 will endeavor to break ground on the redevelopment and construction project within two (2) years but no later than three (3) years from the date of acquisition of the 600-900 Blocks. BH3 will also endeavor to use and source local Delray Beach tradesman and contractors to perform the construction of the supermarket facility. Further, BH3 has already begun talking to Delray community leaders about their goals for the future so that such goals may be considered in our redevelopment plans.

In addition, our plan is to encourage and promote excitement about the coming redevelopment of the 600-900 Blocks by establishing a temporary walking path and/or community appropriate, dynamic art installation in the 600-900 Blocks within 6 months of entering into the Agreements.

Acquisition Business Terms

1.	Price:	$6,000,000
2.	Initial Deposit:	$250,000
3.	Due Diligence	45 days - Concurrent with contract review and signing
4.	Closing Date:	Six (6) months prior to breaking ground on construction of the 600-900 Blocks
5.	Buyer's Attorney:	Stearns Weaver Miller Weissler Alhadeff & Sitterson Peter Desiderio, Esq. New River Center 200 East Las Olas Boulevard 21st Floor (Penthouse A) Fort Lauderdale, Florida 33301 Phone: 954-462-9500 E-mail: pdesiderio@stearnsweaver.com

The acquisition business terms were prepared contemplating BH3's understanding that the CRA's focus and goal is to find a developer committed to expeditiously redeveloping the 600-900 Blocks without allowing a prolonged pre-development period to further delay the evolution of West Atlantic Avenue.

About the BH3 Joint Venture Parties

Taylor Levy and Daniel Lebensohn are long-time residents of Delray Beach, both with vast experience in real estate investment and development. Taylor and Daniel have vested interests in seeing W. Atlantic Avenue emerge and develop in a positive way that will benefit the entire Delray Beach community. Evidencing their enormous passion for Delray's wellbeing and organic evolution, in 2015, Taylor and Daniel, along with one other neighbor, donated 100% of the $100,000 Dollars purchase price, and spearheaded the effort to acquire an approximately 4.8 acre peninsula with riparian rights running contiguous to Lake Ida (next to the Grimes property at the Northwest corner of Lake Ida) from Palm Beach County, permanently deeded to Delray Beach. The purpose of this effort was to assist Delray in purchasing this special property to preserve one of Delray's crown jewels, namely Lake Ida, its neighboring landscape, open space and parks, and its unique and irreplaceable mark on the City. This nearly 5 acres of land was targeted for the development of waterfront homes but instead is now deed restricted conservation land to be enjoyed by the Delray Beach community in perpetuity.

This offer is made with the understanding that neither this letter nor any other communication between the parties, oral or written shall be binding unless and until a written formal contract on mutually acceptable terms and conditions is unconditionally signed and delivered by Seller and BH3.

Sincerely,

BH3 MANAGEMENT LLC

D P Lebensohn 6/8/18

Daniel Lebensohn Date

LEVY LAND TRUST

Taylor Levy 6/8/18

Taylor Levy Date

BH3

About BH3

BH3 is an opportunistic real estate firm with a focus on developing high-end, innovative, luxury condominium and multifamily product offering unrivaled amenities and the finest in architecture and design. In addition, BH3 acquires fee simple interests and debt in South Florida and New York City across various asset classes including multifamily, high-density residential, retail, office, and mixed-use properties. The company has core competencies in complex deal structuring workouts, litigation and capitalization. Our winning and proven investment strategy is to secure underperforming and underutilized assets for repositioning through entrepreneurial sourcing combined with institutional underwriting and execution. We target inherently sound properties and transform them into efficient, maximum usage, highly marketable assets through intensive hands-on operation, repositioning, oversight and execution. We specialize in value creation through meticulous attention to detail. Above all, we are committed to integrity in our business transactions and are highly selective in our business partnerships.

Since its inception in October, 2009, BH3 has facilitated multiple transactions in both New York and South Florida, which in the aggregate have a value in excess of One Billion Dollars. The company's real estate and debt transactions include multifamily apartment housing, luxury residential condominium properties and commercial mixed-use properties in New York City and South Florida. Key transactions include the following:

- **Privé at Island Estates:** Condominium development of 1,200,000 SF on an 8-acre island in Aventura: $500M sell-out
- **Trump Hollywood:** Debt & Mezzanine purchase, takeover and sales exit of 1,000,000 sellable SF with $300M sell-out
- **Terra Beachside 6000 Collins:** Stalled/unfinished condo project, purchased debt and finished construction with $50M sell-out
- **Fontainebleau Sorrento:** REO purchase from incumbent sponsor of 28 luxury units with $12M sell-out
- **Bronx VIII:** Debt purchase and foreclosure of 8 buildings, 304 apartment units plus 4 retail stores: $25M
- **BNH Rivington:** Debt purchase of 16 apartments plus ground-floor retail in Lower East Side Manhattan: $10M
- **BNH XV:** Debt purchase of commercial mixed-use loan portfolio of 15 non-performing loans in NYC: $12M
- **1805 Ponce:** Purchase of 75,000 SF of residential condos plus 42,000 SF of commercial in Coral Gables: $32M
- **4000 Alton Road:** Debt purchase and deed for residential development of 160,000 SF in Miami Beach: $18M
- **Abacus Portfolio:** Aggregation of Manhattan multifamily buildings collectively valued at $75M and growing[1]
- **The Hendrik** Retail and residential condominium development of 68,000 SF in Brooklyn, NY: $105M anticipated sell-out
- **3801 & 3819 N Miami Ave:** 12,500 SF development site for 100,000 SF of mixed use office and showroom space in the Miami Design District: $90M anticipated value
- **1159 Hillsboro Mile:** Purchase of a 100-unit oceanfront hotel in Hillsboro Beach, FL: $42M stabilized value
- **524 W Atlantic Ave:** Purchase of a free-standing bar-nightclub on a 5,600 SF lot in Delray Beach, FL: $1M[2]
- **116 S Riverside Dr:** Purchase of a 22-unit apartment building in Pompano Beach, FL: $3.6M

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[1] 83 Henry St: Purchase of 22 apartments and 2 retail stores in Lower East Side Manhattan: $7.9M
51-53 Monroe St: Purchase of 35 apartments and cellular towers in the Lower East Side of Manhattan: $9M
28 Forsyth St: Purchase of 22 apartments and 2 retail stores in Chinatown, Manhattan: $7.6M
544 West 49th St: Purchase of 20 apartments located in Hell's Kitchen, Manhattan: $3.6M
223 Madison St: Purchase of 20 apartments and 2 commercial spaces in the Lower East Side of Manhattan: $5.06M
77-79 Madison St: Purchase of 28 apartments and 2 commercial spaces in the Lower East Side of Manhattan: $12M

[2] This property is part of an assemblage.

- **80 Adams St:** JV participation in a ground-up condominium development project which will feature 147,000 SF of sellable retail space and 6,000 SF of parking in Dumbo, Brooklyn: $230M anticipated sell-out
- **539 Vanderbilt/550 Clinton:** Ground lease assemblage and upzoning for future 300,000 SF rental: $20M

BH3 is led by principals Daniel Lebensohn and Greg Freedman. The company remains an active and ongoing participant in the distressed and opportunistic real estate market and has transacted with institutional capital partners such as MSD Capital (Michael Dell's family office with $14 Billion in assets), King Street Capital ($20 Billion in assets), and Archer Capital. Additionally, the company has transacted on the buy-side and/or borrowing side with banks such as HSBC, Regions, Bank of America, Doral Bank, TD Bank, Lehman Brothers, New York Community Bank, Signature Bank, and Ocean Bank.

To learn more about our company, please feel free to review our website at http://www.BH-3.com. For specific information requests, please contact Daniel Lebensohn at 954-416-3140, x221 or via email at Daniel@bh3llc.com or Gregory Freedman at 954-416-3140, x226 or via email at Greg@bh3llc.com.