

**CLAY COUNTY DEVELOPMENT AUTHORITY
REGULAR SCHEDULED PUBLIC MEETING
1845 TOWN CENTER BLVD, STE 410, FLEMING ISLAND, FLORIDA
April 20, 2022**

AGENDA

**CHAIR
VICE-CHAIR
TREASURER
SECRETARY**

**KEITH WARD
DANIEL VALLENCOURT
TINA CLARY
CHERESE STEWART**

- | | |
|-------------------------------------------------------------------------------|-------------------------|
| 1) Welcome/Call to Order 4:00 pm | Keith Ward |
| 2) Roll Call | Josh Cockrell |
| 3) Invocation & Pledge | Bruce Butler |
| 4) Comments from the Public | Keith Ward |
| 5) Secretary's Report
Approval of March 16, 2022 Minutes | Chereese Stewart |
| 6) Treasurer's Report
March 2022 Financials | Tina Clary |
| 7) Clay EDC Report | Crawford Powell |
| 8) Chair's Report
Clay Chamber | Keith Ward |
| 9) Executive Director's Report
Grants Update | Josh Cockrell |
| 10) Attorney's Report | April Scott |
| 11) Old Business/New Business/Board Comments
College Drive Property | Keith Ward |
| 12) Adjournment | Keith Ward |

Dates of Upcoming CCDA Meetings:

May 18, 2022
June 15, 2022
July 20, 2022
August 17, 2022
September 21, 2022

TIME: 4:00 PM

**LOCATION: Clay County Chamber of Commerce
Board Room
1845 Town Center Blvd
STE 410
Fleming Island, FL 32003**

NOTE: Items 5 through 11 above, are subject to discussion, consideration, and action by the Board of the Clay County Development Authority.

PUBLIC COMMENTS: Pursuant to F.S. s. 286.0114 (2021) [, and Clay County Development Authority policy], speakers intending to offer public comment must complete a provided speaker's card, turn in the same to the recording secretary for the public meeting, and may address the Board when recognized by the Chair of the meeting with their public comments for a period of not more than three (3) minutes. The Chair of the meeting has the authority and discretion to make special provisions for a group or faction spokesperson. The Chair of the meeting has all requisite authority and discretion to maintain orderly conduct or proper decorum of the public meeting.

**CLAY COUNTY DEVELOPMENT AUTHORITY
REGULAR SCHEDULED PUBLIC MEETING
MINUTES**

March 16, 2022

Present: Keith Ward, Daniel Vallencourt, Jim Horne, Chereese Stewart, Tina Clary, and Jim Horne.

Absent: Joelle Marquis, Amy Pope Wells, and Bruce Butler.

Staff: Josh Cockrell and Ashton Scott (Legal Counsel)

Guests: Stephen Nebrat and Anthony Walsh

Call to Order: **Keith Ward** called the Clay County Development Authority (“CCDA”) Public Meeting to order at 4:15 PM.

Invocation: **Keith Ward** provided the invocation and Pledge of Allegiance.

Comments from the Public: None.

Secretary’s Report

Josh Cockrell presented the meeting minutes from the February meeting. Adjustments to be made in previous minutes since Chereese Stewart was absent due to Clay Day. **Daniel Vallencourt** approved. **Jim Horne** seconded the motion. Motion approved.

Treasurer’s Report

Tina Clary provided the Treasurer’s report. **Daniel Vallencourt** motioned to approve. **Jim Horne** seconded the motion.

Executive Director’s Report

Josh Cockrell reported the grant reimbursements have been received and that an additional new grant is upcoming in May. **Josh Cockrell** plans to start working on May grant next week.

Chair’s Report

Keith Ward did not have anything to report.

New/Old Business

Stephen Nebrat presented the two offers that were received for the purchase of the College Drive properties. **Stephen Nebrat** suggested the price of the property will most likely not be an issue, however timing may be. **Keith Ward** added this is the first CCDA project like its kind in years, which is a step in the right direction for the organization. Group discussion over the timeline of potential offers and what to expect if the buyer tries

to back out. **Stephen Nebrat** suggested CCDA should structure the property that after 120 days the escrow account that anything the buyer purchases, automatically gets added on.

Stephen Nebrat presented the second offer. Group discussion favored the first. **Daniel Vallencourt** questioned what would CCDA's next steps be pursuing an offer? **April Scott** added CCDA will have to vote on the offers to proceed. **Keith Ward** motioned to offer the first option **Stephen Nebrat** presented. **Jim Horne** approved, **Tina Clary** seconded the motion. Motion approved.

Daniel Vallencourt suggested for the next meeting to gear where CCDA's goals will be for the future, working towards **Jim Horne's** previous comments to maximize project size and impact. **Daniel Vallencourt** suggested pursuing an airport project, which included group discussion on positive impacts it could potentially bring to the community.

Audit Report

Anthony Walsh presented the CCDA audit. **Anthony Walsh** summarized the report that there were no significant findings or issues to bring to the board's attention for internal control and compliance, as well as the management letter. **Anthony Walsh** presented the independent account examination report which also had no significant findings. **Keith Ward** motion for approval. **Jim Horne** approved, **Daniel Vallencourt** seconded the motion. Motion approved.

Attorney's Report

Ashton Scott had nothing to report.

Adjourned: 5:17 PM



COLEMAN & ASSOCIATES
Certified Public Accounting Firm

ACCOUNTANTS' COMPILATION REPORT

To the Board of Directors of
Clay County Development Authority
Fleming Island, FL

Management is responsible for the accompanying government-wide balance sheets of Clay County Development Authority (a governmental organization) as of March 31, 2022 and 2021, and the related statements of revenues and expenses for the one month and six months then ended which collectively comprise the Authority's financial statements in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit the management discussion and analysis, the governmental fund financial statements and substantially all the disclosures required by accounting principles generally accepted in the United States of America. If the management discussion and analysis and governmental fund financial statements and omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Authority's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Accounting principles generally accepted in the United States of America require that budget to actual statements for the one month and six months ending March 31, 2022 be presented to supplement the financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. This information is the representation of management. This information was subject to our compilation engagement; however, we have not audited or reviewed the required supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on such information.

We are not independent with respect to the Clay County Development Authority.

Coleman & Associates Cpa firm

April 19, 2022

Clay County Development Authority

Governmentwide Balance Sheet

As of March 31, 2022

	TOTAL	
	AS OF MAR 31, 2022	AS OF MAR 31, 2021 (PY)
ASSETS		
Current Assets		
Bank Accounts		
100002 SouthState Bank Checking - 1484	42,089	35,728
100007 Investment - Florida Prime - A	163,268	163,046
100018 SouthState Bank MMKT -1493	434,634	1,762,402
Total Bank Accounts	\$639,991	\$1,961,176
Other Current Assets		
120001 Investments - Real property	1,198,195	
Total Other Current Assets	\$1,198,195	\$0
Total Current Assets	\$1,838,186	\$1,961,176
Fixed Assets		
167900 Accum Depreciation	0	0
Total Fixed Assets	\$0	\$0
TOTAL ASSETS	\$1,838,186	\$1,961,176
LIABILITIES AND EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
200000 Accounts Payable	1,600	208
Total Accounts Payable	\$1,600	\$208
Other Current Liabilities		
Dept of Revenue Payable	0	0
Total Other Current Liabilities	\$0	\$0
Total Current Liabilities	\$1,600	\$208
Total Liabilities	\$1,600	\$208
Equity		
272000 Net Asset Balance	1,967,096	2,077,913
320000 Retained Earnings	0	0
Net Income	(130,510)	(116,945)
Total Equity	\$1,836,586	\$1,960,968
TOTAL LIABILITIES AND EQUITY	\$1,838,186	\$1,961,176

Clay County Development Authority

Statement of Revenues and Expenses

March 2022

	TOTAL	
	MAR 2022	OCT 2021 - MAR 2022 (YTD)
Income		
331000 Grant Revenues		400,000
369000 Miscellaneous Revenues	55	1,025
Total Income	\$55	\$401,025
GROSS PROFIT	\$55	\$401,025
Expenses		
512200 Sponsorships		15,500
513300 Professional Fees	17,925	59,925
513440 Insurance		945
513463 Property expenses and fees		64,911
513510 Office and Operating Expenses	194	5,254
559000 Grant Expense		385,000
Total Expenses	\$18,119	\$531,535
NET OPERATING INCOME	\$ (18,064)	\$ (130,510)
NET INCOME	\$ (18,064)	\$ (130,510)

Clay County Development Authority

Statement of Revenues and Expenses

October 2021 - March 2022

	TOTAL		
	OCT 2021 - MAR 2022	OCT 2020 - MAR 2021 (PY)	CHANGE
Income			
331000 Grant Revenues	400,000		400,000
369000 Miscellaneous Revenues	1,025	1,590	(565)
Total Income	\$401,025	\$1,590	\$399,435
GROSS PROFIT	\$401,025	\$1,590	\$399,435
Expenses			
512200 Sponsorships	15,500	15,000	500
513300 Professional Fees	59,925	48,840	11,085
513440 Insurance	945		945
513460 Property binders / purchase deposits		50,000	(50,000)
513463 Property expenses and fees	64,911		64,911
513510 Office and Operating Expenses	5,254	4,696	559
559000 Grant Expense	385,000		385,000
Total Expenses	\$531,535	\$118,536	\$413,000
NET OPERATING INCOME	\$ (130,510)	\$ (116,945)	\$ (13,565)
NET INCOME	\$ (130,510)	\$ (116,945)	\$ (13,565)

Clay County Development Authority

Budget vs. Actuals: FY 21-22 Budget - FY22 P&L

March 2022

			TOTAL	
	ACTUAL	BUDGET	OVER BUDGET	% OF BUDGET
Income				
242000 Fund Balance - PY Carryforward		9,445	(9,445)	
369000 Miscellaneous Revenues				
361000 Investment Earnings	55	500	(445)	11.00 %
Total 369000 Miscellaneous Revenues	55	500	(445)	11.00 %
Total Income	\$55	\$9,945	\$ (9,890)	1.00 %
GROSS PROFIT	\$55	\$9,945	\$ (9,890)	1.00 %
Expenses				
513300 Professional Fees				
513306 Admin Contract StellaRea Group	6,500	6,500	0	100.00 %
513310 Attorney Contract Tolson & Associates	1,400	1,400	0	100.00 %
513320 Auditor Contract James Moore CPAs	9,000	0	9,000	
513321 Accounting Coleman & Associates	500	500	0	100.00 %
513335 Accounting Ancillary Charges	525	0	525	
513340 Attorney Ancillary Charges		285	(285)	
Total 513300 Professional Fees	17,925	8,685	9,240	206.00 %
513463 Property expenses and fees				
513463b Maintenance		1,000	(1,000)	
Total 513463 Property expenses and fees		1,000	(1,000)	
513510 Office and Operating Expenses				
513490 Business Meeting		25	(25)	
513512 Office Supplies		25	(25)	
513516 Telephone	70	80	(10)	87.00 %
513519 Travel	124	100	24	124.00 %
513521 Advertising & Marketing		30	(30)	
Total 513510 Office and Operating Expenses	194	260	(66)	75.00 %
Total Expenses	\$18,119	\$9,945	\$8,174	182.00 %
NET OPERATING INCOME	\$ (18,064)	\$0	\$ (18,064)	0%
NET INCOME	\$ (18,064)	\$0	\$ (18,064)	0%

Clay County Development Authority

Budget vs. Actuals: FY 21-22 Budget - FY22 P&L

October 2021 - March 2022

			TOTAL	
	ACTUAL	BUDGET	OVER BUDGET	% OF BUDGET
Income				
242000 Fund Balance - PY Carryforward		142,490	(142,490)	
331000 Grant Revenues				
330118 CON 20-101 Buffer Land Purchase	385,000	385,000	0	100.00 %
330119 CON 20-101 Buffer Land Purchase Admin Fees	15,000	15,000	0	100.00 %
Total 331000 Grant Revenues	400,000	400,000	0	100.00 %
369000 Miscellaneous Revenues				
361000 Investment Earnings	1,025	3,000	(1,975)	34.00 %
Total 369000 Miscellaneous Revenues	1,025	3,000	(1,975)	34.00 %
Total Income	\$401,025	\$545,490	\$ (144,465)	74.00 %
GROSS PROFIT	\$401,025	\$545,490	\$ (144,465)	74.00 %
Expenses				
512200 Sponsorships				
512500 Funding to CEDC	15,000	15,000	0	100.00 %
512600 Clay Day Event Sponsor	500	500	0	100.00 %
Total 512200 Sponsorships	15,500	15,500	0	100.00 %
513300 Professional Fees				
513306 Admin Contract StellaRea Group	39,000	39,000	0	100.00 %
513310 Attorney Contract Tolson & Associates	8,400	8,400	0	100.00 %
513320 Auditor Contract James Moore CPAs	9,000	10,500	(1,500)	86.00 %
513321 Accounting Coleman & Associates	3,000	3,000	0	100.00 %
513335 Accounting Ancillary Charges	525	700	(175)	75.00 %
513340 Attorney Ancillary Charges		1,710	(1,710)	
Total 513300 Professional Fees	59,925	63,310	(3,385)	95.00 %
513440 Insurance				
513443 General Liability Coverage	945	945	0	100.00 %
Total 513440 Insurance	945	945	0	100.00 %
513463 Property expenses and fees				
513463a Demolition	56,750	60,000	(3,250)	95.00 %
513463b Maintenance	584	6,000	(5,416)	10.00 %
513463c Rezoning	2,798	7,000	(4,202)	40.00 %
513463d Ad Valorem Taxes	4,779	2,500	2,279	191.00 %
Total 513463 Property expenses and fees	64,911	75,500	(10,589)	86.00 %
513510 Office and Operating Expenses				
513490 Business Meeting		150	(150)	
513494 Dues & Subscriptions	3,070	2,500	570	123.00 %
513512 Office Supplies		150	(150)	
513514 Misc Office Expense		100	(100)	
513516 Telephone	412	480	(68)	86.00 %
513517 Licenses & Fees	225	175	50	129.00 %
513518 Website & IT expenses	433	900	(467)	48.00 %

Clay County Development Authority

Budget vs. Actuals: FY 21-22 Budget - FY22 P&L

October 2021 - March 2022

			TOTAL	
	ACTUAL	BUDGET	OVER BUDGET	% OF BUDGET
513519 Travel	1,078	600	478	180.00 %
513521 Advertising & Marketing		180	(180)	
513522 Bank Service Charges	36		36	
Total 513510 Office and Operating Expenses	5,254	5,235	19	100.00 %
559000 Grant Expense				
559012 DIG# S0086 Force Security Structure	385,000		385,000	
559015 CON 20-01 Buffer Land Purchase		385,000	(385,000)	
Total 559000 Grant Expense	385,000	385,000	0	100.00 %
Total Expenses	\$531,535	\$545,490	\$ (13,955)	97.00 %
NET OPERATING INCOME	\$ (130,510)	\$0	\$ (130,510)	0%
NET INCOME	\$ (130,510)	\$0	\$ (130,510)	0%

AGREEMENT FOR PURCHASE AND SALE

THIS AGREEMENT is entered into on the 6 day of April, 2022 (the "Effective Date") by and between **CLAY COUNTY DEVELOPMENT AUTHORITY**, a public body corporate and politic of the State of Florida ("Seller") and **PALM ACQUISITIONS, LLC**, a New Jersey limited liability company ("Buyer").

BACKGROUND:

Seller is the owner of several parcels of land bearing parcel numbers ~~35-04-25-008218-003-00,~~ ~~35-04-25-008220-003-00,~~ 35-04-25-008219-000-00, 35-04-25-008220-000-00, 35-04-25-008220-001-00, 35-04-25-008220-002-00, 35-04-25-008220-004-00, and 35-04-25-008220-005-00, which together contain approximately 4.68 acres, and are situated in the Southeast ¼ of the Northwest ¼ of Section 35, Township 4 South, Range 25 East, Clay County, Florida, as depicted in the Map prepared by ~~Elland~~ Elland & Associates, Inc. dated July 24, 2021, attached hereto as **Exhibit A**, and as described in metes and bounds on **Exhibit B** (the "Property"). The parties to this Agreement agree to the sale and purchase of the Property on the terms and conditions which are set forth herein.

In consideration of the mutual covenants and agreements set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby covenant and agree as follows.

AGREEMENT:

1. **Purchase and Sale.**

Subject to all of the terms and conditions of this Agreement, the Seller will sell to the Buyer and the Buyer will purchase from the Seller the Property, together with all appurtenances, rights, easements, rights of way, permits, licenses and approvals incident or appurtenant thereto.

2. **Purchase Price and Payment.**

(a) The purchase price to be paid by the Buyer to the Seller for the Property shall be **ONE MILLION FIVE HUNDRED TWENTY FIVE THOUSAND DOLLARS (\$1,525,000.00)** (the "Purchase Price"), subject to adjustments and prorations as set forth in this Agreement.

(b) Within five (5) business days after the Effective Date of this Agreement, Buyer shall deliver **FIFTEEN THOUSAND (\$15,000.00)** (the "Deposit") to a title insurance agency selected by ~~Buyer-Seller~~ ("Escrow Agent"). The Deposit will be held in escrow by Escrow Agent until Closing or sooner termination of this Agreement in an interest-bearing account in a financial institution whose deposits are insured by the Federal Deposit Insurance Corporation. All interest earned thereon shall be deemed to constitute additional deposits hereunder and become part of the Deposit. Provided that Seller is not then in default under this Agreement, the Deposit (including any additional deposit under the terms of this Agreement) shall be non-refundable to Buyer upon the expiration of the Due Diligence Period (as defined in Section 3) ~~the Deposit, including any additional deposit, shall be non-refundable~~ and shall be applied against the Purchase Price at Closing; provided

however, that Buyer shall have the right to a return of the Deposit upon termination or cancellation pursuant to the terms of this Agreement.

(c) At the time of Closing, the Buyer will pay to Escrow Agent, by cashier's check or wire transfer, the Purchase Price, less the Deposit, as adjusted for prorations and adjustments as set forth in this Agreement, together with Buyer's closing costs as described herein and Escrow Agent shall deliver the Purchase Price to the Seller and shall pay the closing costs to the applicable payee thereof.

3. **Due Diligence Period.**

(a) Commencing on the Effective Date, Buyer shall have one hundred twenty (120) days (the "Due Diligence Period") to enter upon the Property and conduct any and all investigations, evaluations, inspections, tests and appraisals of the Property, and all other due diligence, desired by Buyer to satisfy itself with respect to the condition of the Property and the feasibility of purchasing the Property. During the Due Diligence Period, Buyer may elect to obtain a Phase I Environmental Assessment and Phase II Environmental Assessment, which Buyer shall provide to Seller. In the event the Phase I Environmental Assessment discloses any adverse conditions not acceptable to Buyer, Seller shall promptly reimburse Buyer for all costs incurred to perform the Phase I Environmental Assessment.

(b) Seller hereby gives Buyer and Buyer's agents the right to enter upon the Property and agrees to cooperate with Buyer in Buyer's review and inspection of the Property. Buyer hereby indemnifies and holds the Seller harmless from any loss, cost or expense, incurred by the Seller as a direct result of the actions of Buyer or any of Buyer's agents who enter upon the Property during the Due Diligence Period. Buyer shall make prompt reasonable repair of all damages caused by Buyer's inspections.

~~(c) If, at the expiration of the Due Diligence Period, Buyer has not obtained final and unappealable conditional use permits, special exceptions, and/or conditional use approvals, as set forth in Section 5 of this Agreement, Buyer may extend the Due Diligence Period for up to two (2) periods of one hundred twenty (120) days each by providing written notice to Seller.~~

~~(d) Buyer may extend the Due Diligence Period, for a reason other than that set forth in Section 3(c) above, for a period sixty (60) days by providing written notice to Seller, on or before the expiration of the Due Diligence Period, of Buyer's intention to extend the Due Diligence Period and delivering to Escrow Agent an additional deposit of **TEN THOUSAND DOLLARS (\$10,000)**.~~

(e) Buyer shall have the right to elect, in its sole and absolute discretion, not to proceed with the transaction contemplated by this Agreement for any reason or for no reason whatsoever on or before the expiration of the Due Diligence Period, as the same may be extended. This Agreement shall automatically terminate, without the need for any further action, unless Buyer provides written notice to Seller before the end of the Due Diligence Period, of Buyer's election to proceed with the Agreement. If Buyer does not notify Seller in writing of Buyer's election to proceed with the Agreement on or before the last day of the Due Diligence Period, then (1) Buyer will be deemed to have elected to terminate this Agreement pursuant to this Section 3, (2) Escrow Agent shall

promptly return the Deposit to Buyer, and (3) the parties will have no further rights or obligations under this Agreement, except for any obligations that expressly survive termination.

4. **Title and Title Insurance.**

Following the Effective Date, Seller will order a title search to be performed with regard to the Property, and will cause a title insurance commitment ("Title Commitment") to be issued and delivered to Buyer with regard to the Property, at Seller's expense. ~~In addition, Seller~~ Buyer shall obtain ~~and deliver to Buyer~~, at Seller's ~~Buyer's~~ expense, a current ALTA/ACSM survey of the Property (the "Survey"). The Title Commitment ~~and the Survey~~ shall be delivered to Buyer no later than twenty (20) days after the Effective Date. Subject to Seller's timely delivery of the Title Commitment ~~and Survey~~ to Buyer, then on or before the expiration of the Due Diligence Period (the "Title Objection Date"), Buyer will give notice to Seller of (i) the existence of any title defect, lien, or encumbrance which Buyer finds objectionable and (ii) any matter disclosed by the Survey which Buyer finds objectionable (such matters being "Defects" and each being a "Defect"). If, by the Title Objection Date, Buyer does not give notice to Seller of any Defects, at the time of Closing Buyer agrees to accept title to the Property subject to the matters disclosed in the Title Commitment and Survey. If, by the Title Objection Date, Buyer gives notice to Seller of one or more Defects ("Buyer's Title Notice"), Seller shall eliminate or modify the Defect(s) objected to by Buyer. In the event Seller does not modify and/or eliminate any such Defect(s) to Buyer's reasonable satisfaction on or before the thirtieth (30) day after receipt of Buyer's Title Notice, Buyer shall be entitled to either (a) terminate this Agreement, in which event Buyer shall receive a full refund of the Deposit (and any additional deposit), whereupon both parties shall be released from all further obligations under this Agreement, or (b) proceed under this Agreement and accept title to the Property subject to such unacceptable exceptions or survey matters without offset or deduction from the Purchase Price. All exceptions appearing in the Commitment and all matters shown on the Survey to which, in each case, Buyer does not object are hereinafter referred to as the "Permitted Exceptions". Notwithstanding the foregoing, Seller shall be obligated: (i) to eliminate at or prior to Closing, at Seller's sole cost and expense, all mortgage, tax, judgment and mechanics' liens encumbering the Property, regardless of amount, together with any title defects voluntarily suffered, consented or created by Seller following the date of this Agreement; and (ii) to terminate, at Seller's sole cost and expense, any leases or tenancies at the Property, so that vacant possession of the Property shall be delivered to Buyer at Closing as required herein.

5. **Approvals.**

(a) Buyer's obligation to purchase the Property is contingent upon Buyer's receipt of final and unappealable conditional use permits, special exceptions, and/or conditional use approvals which may be necessary for Buyer to develop and operate a material laydown area on the Property ("Intended Use") during the Due Diligence period. Buyer shall have the right to terminate this Agreement in the event such permits or approvals are denied or Buyer determines, in its sole discretion, not to pursue such permits and approvals during the Due Diligence period.

(b) Seller agrees to cooperate, without cost or expense to Buyer, in Buyer's efforts to obtain any and all permits and approvals that are necessary for Buyer's Intended Use, including, without limitation, site plan approval, zoning and rezoning approvals, all environmental permits and approvals, variances, subdivision approvals, special exceptions, exterior elevation approval and

building permit approval ("Approvals"). Seller shall not delay Buyer in obtaining any of the Approvals. Seller's cooperation shall include, but shall not be limited to, providing Buyer with all existing design documents, site plans, elevations, and other such documents that are in Seller's possession or control; joining in, or consenting in writing to, an applications submitted by Buyer in connection with obtaining any Approvals; and on the request of Buyer, attending and/or participating in any meetings with, or hearings before, any applicable government authorities or utility providers having jurisdiction.

6. **Seller's Obligations Prior to Closing.**

Seller covenants and agrees that it has or will, within seven (7) days following the Effective Date, deliver to Buyer true and correct copies of the following, to the extent existing and in Seller's possession or control: Seller's owner's title policy, survey, development approvals, economic studies, traffic studies, feasibility studies, all title related documents, copies of all ad valorem tax statements and assessments, engineering reports, geotechnical subsurface analysis reports, environmental reports and related environmental studies and all similar reports and studies available to or currently in Seller's possession or control.

7. **Seller's Representations and Warranties.**

Seller hereby represents and warrants to Buyer as follows:

(a) To the best of Seller's knowledge, (i) no hazardous materials, asbestos, perchlorethylene or similar dry cleaning solvents or materials, toxic substances, contaminants, pollutants or other substances whose release into the environment in any quantity are regulated by applicable laws, statutes, regulations or otherwise including, without limitation, all substances which are (x) gasoline, petroleum products, explosives, radioactive materials, polychlorinated biphenyls, or (y) defined, designated or listed as a "hazardous substance", "hazardous material", "hazardous waste" or "industrial waste" under any applicable law, statute, regulation or otherwise ("Hazardous Materials") are now or ever been present on, in, or under the Property; (ii) the Property has not, at any time, been used for the storage, treatment, generation, or manufacture of any Hazardous Materials, nor is Seller aware of the release or discharge of any Hazardous Materials onto or from the Property; (iii) no governmental agency has issued a notice indicating that any present or past condition on or use of the Property may violate any law, rule, or regulation concerning any Hazardous Materials; (iv) Seller has not received any notice from any source, including without limitation, the state Department of Environmental Protection or similar agency, the United States Environmental Protection Agency or any other governmental or quasi governmental entity, indicating that the Property is or has been contaminated by Hazardous Materials or any notice that the Property is subject to any claim or cause of action pursuant to any federal, state or local environmental statute, regulation or ordinance.

(b) Seller has full right and is duly authorized to enter into and consummate this Agreement.

(c) There is no litigation, zoning application, investigation or proceeding pending or, to the knowledge of the Seller, threatened, against Seller or the Property or which would adversely affect the Property or Seller's ability to perform its obligations hereunder.

(d) There has been no petition filed by or against Seller under the Federal Bankruptcy Code or any similar state or federal law.

(e) There are no condemnation or eminent domain proceedings pending or, to the best of Seller's knowledge, contemplated against the Property or any part thereof, and Seller has received no notice of the desire or intention of any public authority to take or use the Property or any part thereof.

(f) Seller has received no notice of and to its knowledge there is no violation of any law, regulation, ordinance, order or judgment affecting the Property regarding any zoning violation, or, in connection with the ownership and operation of the Property and buildings thereon, any violation of any local, county, state or federal environmental, health, safety or sanitary, or building code law, rule or regulation.

(g) Seller has no knowledge of any unrecorded easements, restrictions or encumbrances affecting all or any part of the Property.

(h) The Property has direct vehicular access to and from a dedicated public right of way.

(i) Seller has received no written notice regarding the existence of, any and has no knowledge of the existence of, any underground storage tanks located on the Property. No underground storage tanks have been removed from the Property during the time the Property has been owned by Seller.

(j) There is no leasehold interest affecting the Property.

(k) There are no existing service contracts, franchise agreements, rights of first refusal or option to purchase or other contracts relative to the ownership, operation and maintenance of the Property which shall remain in effect after the date of closing. There shall be no money due on such contracts as of the date of closing.

(l) Seller has received no notice of, and to the best of Seller's knowledge, there is no pending or threatened special assessment which would affect the Property. Seller is not aware of any tax appeal that is pending relating to the Property.

(m) Seller is in compliance with the requirements of Executive Order No. 133224, 66 Fed. Reg. 49079 (Sept. 25, 2001) (the "Executive Order") and other similar requirements contained in the rules and regulations of the Office of Foreign Assets Control, Department of the Treasury ("OFAC") and in any enabling legislation or other Executive Orders or regulations in respect thereof (the Executive Order and any such rules, regulations, legislation, or orders are collectively called, the "Asset Orders"). Further, Seller covenants and agrees to make its policies, procedures and practices regarding compliance with the Asset Orders, if any, available to Buyer for its review and inspection during normal business hours and upon reasonable prior notice. Further, neither Seller, nor any beneficial owner of Seller:

(i) is listed on the Specially Designated Nationals and Blocked Person list maintained by the OFAC pursuant to the Executive Order and/or on any other list of terrorists or

terrorist organizations maintained pursuant to any rules and regulations of OFAC or pursuant to any other applicable Asset Orders (such lists are collectively referred to as the “Lists”);

(ii) is a person or entity who has been determined by competent authority to be subject to the prohibitions contained in the Asset Orders; or

(iii) is owned or controlled by, or acts for or on behalf of, any person or entity on the Lists or any other person or entity who has been determined by competent authority to be subject to the prohibitions contained in the Asset Orders.

The provisions of this Section 7 shall survive the Closing or termination of this Agreement. Seller hereby indemnifies and holds Buyer harmless from any and all loss, cost, damage, and expense, including reasonable attorneys’ fees, paralegal fees, litigation expenses and court costs, in and through all appellate levels, arising or incurred by Buyer by virtue of any misrepresentation or inaccuracy in the representations and warranties set forth herein. ~~Seller shall indemnify and hold Buyer harmless from and against all costs, expenses, claims, and credits asserted against, or incurred by, Buyer, by reason of any third party tort claim or other claim regarding bodily injury or property damage arising or accruing prior to the Closing.~~

8. **Conditions to Buyer’s Obligations.**

It shall be a condition precedent to closing of this Agreement by Buyer that the following conditions be satisfied or waived by Buyer:

(a) All representations and warranties set forth in Section 7 are true and correct and Seller has delivered a certificate to Buyer reaffirming such representations and warranties.

(b) Seller has performed each and every obligation of Seller under the terms and provisions of this Agreement.

(c) There shall be no building moratorium, prohibition, timing restriction or similar restriction, however denominated, in effect so as to prevent, delay or restrict the Intended Use.

(d) The Property must appraise for a minimum of One Million Five Hundred Thousand Dollars (\$1,500,000) prior to Closing

9. **Closing.**

Subject to the provisions of this Agreement and provided that Buyer has elected to proceed with this transaction following the expiration of the Due Diligence Period, the purchase and sale contemplated by this Agreement (“Closing”) shall be closed thirty (30) days following the expiration of the Due Diligence Period, as same may be extended (“Closing Date”). The Closing shall take place by Escrow deliveries.

10. **Seller’s Deliveries.**

Seller shall deliver to the Buyer, at Closing, the following documents dated as of the Closing Date, the delivery and accuracy of which shall be a condition to the Buyer's obligation to consummate the purchase and sale:

(a) Deed. A bargain and sale deed with covenants against grantors' acts deed, in recordable form, duly executed by the Seller, conveying to the Buyer good, marketable fee simple title to the Property, insurable at regular rates, subject only to the Permitted Exceptions as set forth in Section 4, with the legal description provided in the Survey.

(b) Affidavit. An owner's and contractor's affidavit adequate for title insurance to be issued by the Title Company without exception for parties in possession, mechanics' or materialmen's liens and to permit the Title Company to delete the "gap" in the Commitment.

(c) FIRPTA Affidavit. In order to comply with the requirements of the Foreign Investment Real Property Tax Act of 1980 ("FIRPTA"), Seller will deliver to Buyer at Closing Seller's affidavit under penalty of perjury stating the Seller is not a "foreign person," as defined in Section 1445 of the Internal Revenue Code of 1986 and the U.S. Treasury Regulations thereunder, setting forth Seller's taxpayer identification number, and that Seller intends to file a United States income tax return with respect to the transfer. Seller represents and warrants to Buyer that it has not made nor does Seller have any knowledge of any transfer of the Property or any part thereof that is subject to any provisions of FIRPTA that has not been fully complied with by either transferor or transferee.

As required by law, if Seller fails to comply with the requirement of this paragraph, Buyer shall withhold 10% of the Purchase Price in lieu of payment thereof to Seller and pay it over instead to the Internal Revenue Service in such form and manner as may be required by law.

(d) Assignment. To the extent assignable, An assignment of all of Seller's right, title and interest to all permits, licenses and development approvals with respect to the Property.

(e) Certificate. A Certificate of the Seller that the representations and warranties set forth in Paragraph 7 are true and correct as of the Closing Date.

(f) Other Documents. Any other agreement, document or instrument required by this Agreement to be delivered by Seller or required by Escrow Agent to insure title or otherwise reasonably necessary to carry out the provisions of this Agreement.

Seller shall also deliver to Buyer and Buyer's attorney, copies of all of the foregoing documents at least ten (10) days prior to closing for Buyer's review. In the event Seller does not provide copies of said documents at least ten (10) days prior to closing for Buyer's review, Buyer shall have the right to extend the Closing Date by the number of days delay in delivery of said copies for review.

11. Buyer's Deliveries.

At the Closing, and after the Seller has complied with all of the terms and conditions of this Agreement and simultaneously with Seller's delivery of the final documents required in Paragraph 10, the Buyer shall pay to the Seller (through the Escrow Agent), by cashier's check or wire transfer, the

Purchase Price less the Deposit and any Additional Deposit(s), adjusted for the prorations and adjustments provided for in this Agreement.

12. **Closing and Recording Costs.**

Buyer and Seller shall each pay one-half of all realty transfer fess, transfer taxes, documentary stamp taxes and any surcharge, tax or imposition due upon recordation of the deed. Seller shall pay for the cost to obtain and record any title curative documents. Buyer shall pay for the cost of recording the deed. The parties shall each pay one-half of the title company's closing attendance fees. Except as set forth herein, each party shall pay its respective attorney's fees.

13. **Real Estate Taxes and Prorations.**

At the Closing, the real estate taxes on the Property shall be prorated between the parties on a calendar year basis using the real estate taxes paid for the most recent year that has been assessed and billed at the lowest discounted amount. If the actual taxes for the year of Closing are not determinable at the Closing date, then the parties agree to re-prorate taxes promptly upon issuance of the tax bill for the year of Closing. Special assessment liens certified as of Closing shall be paid by the Seller. Seller shall be responsible for payment in full of any personal property taxes applicable to Seller, Seller's personal property or business assets. This covenant shall survive Closing.

14. **Possession.**

The Buyer shall be granted full and exclusive possession of the Property as of the Closing.

15. **Covenants and Agreements of Seller.**

Seller hereby covenants and agrees that between the Effective Date of this Agreement and the Closing:

(a) Seller will not, without the Buyer's prior written consent, create by its consent any encumbrances on the Property. For purposes of this provision the term "encumbrances" shall include, but not be limited to, any liens, claims, options, or other encumbrances, encroachments, rights-of-way, leases, easements, covenants, conditions or restrictions. At or prior to Closing, Seller shall terminate, and pay in full, all outstanding amounts due and payable and any termination fees required to terminate any and all leases, service contracts, maintenance contracts, franchise agreements, easements not approved in writing by Buyer, and any other claims to the Property not approved in writing by Buyer.

(b) Except as specifically provided in this Agreement, Seller will not remove any fill or cause any change to be made to the condition of the Property without the prior written consent of the Buyer.

(c) Between the Effective Date and the date of Closing, Seller will not create or consent to the creation of any special taxing districts or associations with the authority to impose taxes, liens or assessments on the Property.

(d) Between the Effective Date and the date of Closing, Seller will continue to conduct its business operations on the Property in the normal course of business.

16. **Real Estate Commissions.**

(a) ~~Seller hereby warrants to the Buyer that Seller has not engaged Stephen Nebrat of Landmark Commercial Realty Group or dealt with any broker or agent with respect to the purchase and sale of the Property as contemplated by this Agreement. Seller shall bear, at Seller's expense, any cost associated with such engagement. Seller further represents that Seller has not engaged with or dealt with any other broker, with the exception of Stephen Nebrat of Landmark Commercial Realty Group, with respect to the purchase and sale of the Property as contemplated by this agreement. Seller shall indemnify and hold the Buyer harmless against any and all liability, cost, damage and expense (including, but not limited to, attorneys' fees and costs of litigation and appeals) which Buyer shall ever suffer or incur because of any claim by any broker or agent claiming to have dealt with Seller with respect to the Property, whether or not meritorious, for any commission or other compensation with respect to this Agreement or to the purchase and sale of the Property in accordance with this Agreement.~~

(b) Buyer hereby warrants to the Seller that Buyer has not dealt with any broker or agent with respect to the purchase and sale of the Property as contemplated by this Agreement. Buyer shall indemnify and hold the Seller harmless against any and all liability, loss, cost, damage and expense (including, but not limited to, attorneys' fees and costs of litigation and appeal) Seller shall ever suffer or incur because of any claim by any broker or agent claiming to have dealt with the Buyer, whether or not meritorious, for any commission or other compensation with respect to this Agreement or to the purchase and sale of the Property in accordance with this Agreement.

17. **Risk of Loss and Condemnation.**

(a) All risk of condemnation shall be on Seller. In the event that the Property or any portion thereof is taken by eminent domain, negotiated for grant in lieu of condemnation or threatened to be taken or made available for use by any governmental entity, prior to Closing or through Buyer's development approval process, Buyer shall have the option of either: (i) canceling this Agreement and receiving a refund of the Deposit, together with all interest accrued thereon, whereupon both parties shall be relieved of all further obligations under this Agreement, except those obligations which survive termination; or (ii) Buyer may proceed with Closing in which case Buyer shall be entitled to all condemnation awards and settlements relating to the Property. In the event Buyer elects the latter option, Buyer shall be entitled to participate in any such negotiations and proceedings, and Seller shall from time to time deliver to Buyer all instruments requested by it to permit such participation. Seller shall, at its expense, diligently pursue any such proceeding, and shall consult with Buyer, its attorneys and experts and cooperate with them in any defense of any such proceedings.

~~(b) All risk of loss by casualty and all other causes of damage shall be on Seller. In the event all or a portion of the Property shall be damaged or destroyed by fire or other casualty after the Effective Date and before Closing, Buyer shall have the option of either: (i) canceling this Agreement and receiving a refund of the Deposit, together with all interest accrued thereon, whereupon both parties shall be relieved of all further obligations under this Agreement, except those obligations which survive termination; or (ii) proceeding with Closing in which case Buyer shall be entitled to all insurance awards and settlements relating to the Property.~~

18. **Default.**

(a) In the event of a material default by the Buyer under this Agreement, which is not cured within fifteen (15) days after written notice to Buyer, then the Deposit (or any portion thereof actually delivered to Escrow Agent), together with all interest accruing thereon (if any), shall be delivered by the Escrow Agent to the Seller as liquidated and agreed upon damages. This shall be Seller's sole remedy in the event of any breach of this Agreement by Buyer. Seller shall have no further claim against the Buyer for specific performance or for damages by reason of the failure of the Buyer to close this transaction or for any other claim of Seller. The parties agree that the amount of actual damages which Seller would suffer as a result of Buyer's default would be extremely difficult to determine and have agreed that the amount of the Deposit and any interest thereon is a reasonable estimate of Seller's damages and is intended to constitute a fixed amount of liquidated damages in lieu of other remedies available to Seller and is not intended to constitute a penalty.

(b) In the event of a material default by the Seller hereunder, which is not cured within fifteen (15) days after written notice to Seller, then at the option of the Buyer the Deposit, together with all interest accruing thereon (if any), shall be returned by the Escrow Agent to the Buyer or Buyer shall have the right to proceed against Seller in an action for specific performance of this Agreement and for damages based upon such default.

19. **Escrow.**

The Escrow Agent is receiving funds and is authorized and agrees by acceptance thereof to promptly deposit and to hold same in escrow and to disburse same subject to clearance thereof in accordance with terms and conditions of this Agreement. In the event of doubt as to its duties or liabilities under the provisions of this Agreement, the Escrow Agent may, in its sole discretion, continue to hold the monies which are the subject of this escrow until the parties mutually agree to the disbursement thereof, or until a judgment of a court of competent jurisdiction shall determine the rights of the parties thereto, or it may deposit all the monies then held pursuant to this Agreement with the clerk of the state court of the county in which the Property is located and upon notifying all parties concerned of such action, all liability on the part of the Escrow Agent, shall fully terminate, except to the extent of accounting for any monies theretofore delivered out of escrow. All parties agree that the Escrow Agent shall not be liable to any party or person whomsoever for mistaken delivery to Buyer or Seller of money subject to this escrow, unless such mistaken delivery shall be due to willful breach of this Agreement or gross negligence on the part of the Escrow Agent.

20. **Entire Agreement.**

This Agreement constitutes the entire agreement between the parties with respect to the transaction contemplated herein, and it supersedes all prior written and oral understandings or agreements between the parties.

21. **Binding Effect.**

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, devisees, personal representatives, successors and permitted assigns.

22. **Survival of Provisions.**

All representations, warranties and agreements contained herein shall survive the closing and delivery of the deed of conveyance contemplated by this Agreement.

23. **Waiver; Modification.**

The failure by the Buyer or Seller to insist upon or enforce any of their rights shall not constitute a waiver thereof, and except to the extent conditions are waived by the express terms of this Agreement, nothing shall constitute a waiver of the Buyer's or Seller's right to insist upon strict compliance with the terms of this Agreement. Either party may waive the benefit of any provision or condition for its benefit which is contained in this Agreement. No oral modification of this Agreement shall be binding upon the parties and any modification must be in writing and signed by the parties.

24. **Governing Law; Venue.**

This Agreement shall be governed by and construed under the laws of the State of Florida.

25. **Headings.**

The paragraph headings as set forth in this Agreement are for convenience or reference only and shall not be deemed to vary the content of this Agreement or limit the provisions or scope of any paragraph herein.

26. **Notices.**

Any notice, request, demand, instruction or other communication to be given to either party, except where required by the terms of this Agreement to be delivered at the Closing, shall be in writing and shall be sent by registered or certified mail, return receipt requested, hand-delivery or by express overnight courier as follows:

If to Seller: Clay County Development Authority
1845 Town Center Blvd
Suite 410
Fleming Island, FL 32003

With a copy to: Tolson & Associates, P.A
462 Kingsley Avenue, Suite 101
Orange Park, Florida 32073
April R. Scott, Esquire

If to Buyer: Palm Acquisitions, LLC
75 N. Haddon Ave
Haddonfield, NJ 08033
Attn: Brian Brogan

With a copy to: Del Duca Lewis Law Firm
21 E. Euclid Avenue, Suite 100

Haddonfield, New Jersey 08049
Damien O. Del Duca, Esquire
Kristopher J. Berr, Esq.

If to the Escrow Agent: Insert Tolson & Associates, P.A.
462 Kingsley Avenue, Suite 101
Orange Park, Florida 32073
April R. Scott, Esquire

Notice shall be deemed valid if given by certified mail or national express overnight courier or personal delivery. Notice shall be deemed given if sent by certified mail through the facilities of the United States Postal Office on the third day following the date that the notice in question is deposited in the facilities of the U.S. Postal Service postage prepaid. If notice is sent by express overnight courier, it shall be deemed given on the day that the notice in question is deposited in the facilities of an express overnight courier. If notice is sent by hand delivery, it should be deemed given on the day of such hand delivery. Any party hereto shall have the right to change its address for notice if written notice is given to all other parties in accordance with the notice provisions hereof.

27. **Assignment.**

Buyer shall have the right to assign this Agreement to any third party assignee without Seller's prior written consent.

28. **Attorneys' Fees.**

In the event that it becomes necessary for either party to bring suit to enforce the terms of this Agreement, then the prevailing party shall be entitled to recover all costs, including attorneys' fees and paralegal charges incurred in connection with such litigation (including appellate proceedings) against the non prevailing party.

29. **Weekends and Holidays.**

If the date for performance is on a Saturday, Sunday or federal holiday, the date for performance shall be extended to the next business day.

30. **Construction.**

Each party hereto hereby acknowledges that all parties hereto participated equally in the drafting of this Agreement and that, accordingly, no court construing this Agreement shall construe it more stringently against one party than the other.

31. **Counterparts.**

To facilitate execution, this Agreement may be executed in as many counterparts as may be required; and it shall not be necessary that the signature of, or on behalf of, each party, or that the signatures of all persons required to bind any party, appear on each counterpart; but it shall be sufficient that the signature of, or on behalf of, each party, or that the signature of the persons required to bind the

party appear on one or more of such counterparts. All counterparts shall collectively constitute a single agreement. In order to expedite the transaction contemplated herein, telecopied or .pdf signatures may be used in place of an original signature on this Contract. Each of the parties to this Contract intend to be bound by the signatures on the telecopied or .pdf document aware that the other party will rely on the telecopied and .pdf signatures, and hereby waive any defenses to the enforcement of the terms of this Contract based on the form of signature.

32. **Waiver of Jury Trial.**

Each party to this Agreement hereby waives any right to a jury trial in connection with any dispute between the parties arising from this Agreement, from any claim arising hereunder, or any course of conduct related hereto.

35. **Municipal Certificates.**



If any certificate of occupancy, resale certificate or similar certificate, permit or document (each such certificate of occupancy, resale certificate or similar certificate, permit or document, a "Municipal Certificate") is required by law to be issued by any governmental authority as a condition to the sale of the Property to Buyer, Seller shall promptly apply for the same after the Effective Date and any costs required to obtain such Municipal Certificate shall be paid by Seller. Seller hereby agrees to pay the cost of all repairs required as a condition to the issuance of any Municipal Certificate.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year last below written.

SELLER:


**CLAY COUNTY DEVELOPMENT
AUTHORITY**

By: 
Name: Keith R. Ward Keith
Title: Chair Chair
By: 
Name: Chereese Stewart
Title: Secretary

Ward

BUYER:

PALM ACQUISITIONS, LLC

By: 
Name: Brian R. Brogan, Jr.
Title: COO, Partner