

**AGREEMENT BETWEEN CITY OF DANIA BEACH AND MUNB
LOAN HOLDINGS REGARDING DANIA BEACH HOTEL PROPERTY**

This Settlement Agreement regarding the property formally known as the Dania Beach Hotel property (hereafter "Agreement") dated _____, 2011 is made and entered into by and between the **CITY OF DANIA BEACH**, a Florida municipal corporation (hereafter "City") with its principal address at 100 West Dania Beach Boulevard, Dania Beach, Florida 33004 and **MUNB LOAN HOLDINGS, LLC**, a Delaware Limited Liability Company, (hereafter "Lender") with its principal place of business at One Wall Street, New York, NY 10286 and its local office at 1221 Brickell Avenue, Suite 1140, Miami, Florida.

WHEREAS, the City filed a Certified Code Enforcement Order recorded in Official Records Book 45772, Page 440, Notice of Violation recorded in Official Records Book 39783, Page 865, Final Order recorded in Official Records Book 39895, Page 1811, and a Notice of Compliance recorded in Official Records Book 45044, Page 1444, (together with all interest, fees, costs and penalties accruing thereon is collectively referred to herein as the "Code Lien"); and

WHEREAS, the City instituted a foreclosure action proceedings in Case No. CACE 09-034479(08) for the Code Lien filed in the 17th Judicial Circuit Court of Broward County, Florida styled City of Dania Beach v. Dania Beach Hotel, LLP evidenced by the Lis Pendens recorded July 7, 2009 in Official Records Book 46357, Page 1905, (collectively, the "Foreclosure Action"); and

WHEREAS, City acquired title to the Property through the Code Lien Foreclosure Action by a Certificate of Title in favor of City issued on February 1, 2011 for the Property located at 180 East Dania Beach Boulevard, Dania Beach, Florida, and is legally described as follows:

All of Block 1 of DANIA BEACH SUBDIVISION, according to the Plat thereof, as recorded in Plat Book 8, at Page 1, of the Public Records of Broward County, Florida. Property ID # 5042 34 10 0010 (herein referred to as “Property”); and

WHEREAS, that the Lender alleges the Property is subject to a first mortgage lien held by Lender as evidenced by that certain Mortgage, Assignment of Leases & Rents, Security Agreement and Fixture Filings from Dania Beach Hotel, LLP dated February 20, 2008 in the original principal sum of \$2,275,000.00 and the terms and conditions thereof recorded on March 13, 2008 in Official Records Book 45181, at Pages 1865-1890, along with that Assignment of Leases, Rents and Profits dated February 2, 2008 between the same parties and recorded March 13, 2008 in Official Records Book 45181, at Pages 1886-1890, and along with that certain State of Florida Uniform Commercial Code Financing recorded March 13, 2008 in Official Records Book 45181, at Pages 1891-1893, as assigned by Assignment of Mortgage from Mellon United National Bank to MUNB Loan Holdings, LLC filed January 28, 2010 in Official Records Book 6103, at Page 2951, together with all documentation executed and delivered in connection therewith and all interest, fees, costs, protective advances and penalties accruing thereon is (collectively the “Loan Documents”); and

WHEREAS, Lender has made protective advance which is secured by the Loan Documents for 2008 real estate taxes in the amount of \$58,993.47 and 2009 real estate taxes in the amount of \$54,204.83, and Bank reserves its rights to make additional protective advances to pay for 2010 and any future real estate taxes; and

WHEREAS, the City alleges the buildings on the subject property are unsafe structures as defined in the Florida Building Code and must be demolished.

NOW THEREFORE, Both parties hereto agree that good and valuable consideration has been given and received by each party as consideration for entering into this Agreement, the adequacy and sufficiency of which the parties hereby acknowledge, and further in consideration of the mutual terms, conditions, promises and covenants hereinafter set forth, City and Lender agree as follows:

1. Recitals. The above recitals are true and correct.

2. City's Fees. The Lender shall pay the City the amount of Fifteen Thousand Dollars (\$15,000), within thirty (30) days after the City Commission approves this Agreement as partial reimbursement for the City's legal fees in the amount of Eight Thousand Four Hundred Eighty Four Dollars (\$8,484), costs in the amount of One Thousand Five Hundred Sixteen Dollars (\$1,516) and administrative expense of Five Thousand Dollars (\$5,000) in the Code Lien enforcement action and the Foreclosure Action.

3. Demolition and Remediation Contractors. Within ten (10) days after the City Commission approves this Agreement, the Lender will advise the City of the name(s) of two (2) acceptable licensed and insured demolition contractors and two (2) acceptable licensed and insured remediation contractors, with one contractor being indicated as the preferred contractor and one being indicated as a back-up contractor (collectively the "Proposed Contractors") and forward to the Proposed Contractors the City's Contractor's contract form attached hereto and made a part hereof as Exhibit "C" (the "City's Contractor's Agreement Form") for the for the demolition of all structures located on the Property (the "Demolition") and for any required asbestos remediation of the Property (the "Remediation") (the Demolition and the Remediation are collectively referred to herein as the "Demolition and Remediation").

4. Contactors' and Consulting Agreements.

a. The City agrees to use good faith efforts to negotiate the City's Contractor's Agreement Form with each of the Proposed Contractor's (giving priority to the preferred contractors and secondary priority to the back-up contractors). Any changes to the City's Contractor's Agreement Form must be approved in writing by Lender prior to the City entering into such agreements with any Proposed Contractor.

b. The executed contract for the Demolition shall herein be referred to as the "Demolition Contract" and the executed contract for the Remediation shall be referred to herein as the "Remediation Contract". The Demolition Contract and the Remediation Contract shall be collectively referred to as the "Contractors' Agreements". The Proposed Contractor selected for the Demolition shall be referred to herein as the "Demolition Contractor" and the Proposed Contractor selected for the Remediation shall be referred to herein as the "Remediation Contractor". The Demolition Contractor and the Remediation Contractor shall be collectively referred to herein as the "Contractors".

c. The City acknowledges that Lender shall enter into a consulting agreement with a third party consultant selected by Lender (the "Consultant") to independently confirm that the Remediation has been accomplished in accordance with all applicable governmental and quasi-governmental rules, laws and regulations (the "Consulting Agreement"). The City agrees to cause the Contractors to comply with the findings and to satisfy the recommendations of the Consultant.

d. In the event that, after good faith efforts, the City is unable to enter into the Contractors' Agreements with the Proposed Contractors proposed by Lender, Lender shall have the right to propose alternative contractors until such time as the City is able to enter into the Contractors' Agreements (in form and with content acceptable to Lender, in its sole discretion).

e. The City acknowledges and agrees that the Contractors' Agreements will each be a Guaranteed Maximum Price (GMP) contract and that the total GMP of the Contractors' Agreements and the Lender's Consulting Agreement shall not exceed Two Hundred Thousand Dollars (\$200,000.00) collectively (including, but not limited to, a contingency and the cost for the payment and performance bond for the Contractors' Agreements). The City acknowledges and agrees that Lender will require a contingency (in such amount as determined by Lender) and a payment and performance bond be issued for the Contractors' Agreement (in form and content and from a surety satisfactory to Lender, in Lender's sole determination). The City agrees that all time frames set forth in the Contractors' Agreement will be consistent with the time frames set forth in this Agreement. Notwithstanding that the City shall be the party entering into the Contractors' Agreement, the Lender agrees to be responsible for payment of the guaranteed maximum price there under including the contingency and the cost for the payment and performance bond. City acknowledges and agrees that all payments made by Lender pursuant to this Agreement including, but not limited to, payments for the Contractors' Agreements, the Consulting Agreement, maintenance of the Property and the City's insurance shall be considered protective advances under the Loan Documents.

f. The Demolition Agreement shall provide that the Demolition Contractor will: (i) assume all the City's rights and responsibilities regarding the existing temporary fence agreement between the City and National Construction Rentals a/k/a National Fence, (ii) will pay for the monthly expense of approximately \$118.00 for the fence rental on the Property, (iii) will be responsible for all expenses for fence replacement or fence damage and (iv) will indemnify

and hold harmless the City against all claims by National Fence regarding the fencing on the Property.

g. The City further agrees to:

i. immediately provide Lender with copies of all notices or documentation sent or received under the Contractors' Agreements or with respect to the Property.

ii. hold any and all insurance proceeds received for the Property in escrow and shall not disburse same without the prior written approval of Lender, which may be withheld in its sole and absolute determination.

iii. not approve or authorize any settlement or action related to an insurance or surety claim for the Property without the prior written approval of Lender, which may be withheld in its sole and absolute determination.

iv. not exercise any of its rights or remedies under the Contractors' Contract or the Consultant's Contract without the prior written approval of Lender, which may be withheld in its sole and absolute determination.

v. not modify, cause the City to incur or become liable for additional obligations, or release or waive any rights of the City under the Contractors' Contract or the Consultant's Contract, without the prior written approval of the Lender, which may be withheld in its sole and absolute determination.

vi. not release Contractors or the Consultant from any obligation or agree to an assignment of Contractors', Consultant's or the City's rights or obligations under the Contractors' Contract or the Consultant's Contract without the prior written approval of Lender, which may be withheld in its sole and absolute determination.

vii. not encumber the City's right, title or interest in or to Contractors' Contract or the Consultant's Contract without the prior written approval of Lender, which may be withheld in its sole and absolute determination.

5. Demolition and Remediation Payments. The Lender agrees to pay the cost for the Demolition and Remediation as a protective advance under the existing Mortgage and Promissory Note pursuant to the payment schedule set forth on the Contractors' Agreement, as and when same become due and payable thereunder. Notwithstanding the foregoing, Lender payments to City for the Demolition and Remediation shall be due and payable by Lender within thirty (30) days after the City provides Lender written notice that the payment is due and payable under the Contractors' Agreements, together with the City's written acknowledgement that the City has no offsets, claims or known defects in the work performed by the Contractor for which such payment is requested. Lender shall have the right, but not the obligation to inspect the Contractors' work and shall have the right to withhold payment in the event that same is defective or not in accordance with the terms of the Contractors' Agreements, in Lender's sole and absolute opinion, whereupon such payment shall not be due and payable until thirty (30) days after same has been corrected, in Lender's sole determination. Notwithstanding Lender's right of inspection, the City shall be solely responsible to administer and enforce the Contractors' Agreements to insure Contractor's timely and satisfactory completion and performance of same. The City acknowledges and agrees that Lender shall not be a party (or a third party beneficiary) to the Contractors' Agreements. Lender agrees to reimburse the City for additional charges due to the Contractors pursuant to the terms of the Contractors' Agreement, if any, that are incurred by the City as a direct result of Lender withholding payment due to Lender's determination that the Contractors' work was defective or not in accordance with the terms of the Contractors'

Agreements. Notwithstanding the foregoing, prior to Lender being required to reimburse the City for such additional charges, Lender shall have the right, but not the obligation to require the City, at Lender's expense and by Lender's choice of counsel, to pursue all rights and remedies under the terms of the Contractors' Agreements in order to obtain a final, non-appealable court determination of the City's obligation to pay such additional charges due to the Contractors.

6. Lender's Conditions and Security. As a condition of Lender's obligations hereunder and as security for City's obligations hereunder, the City shall immediately upon execution of this Agreement fully abate the Code Lien and shall simultaneously upon execution of this Agreement deliver to Lender (all in form and content acceptable to Lender and sufficient to release same of public record): (i) a recordable and unconditional and irrevocable satisfaction, waiver and release in favor of Lender of the Code Lien to be held in escrow by Lender's counsel together with instructions and authorization to Lender's counsel shall have the right, without further consent being required, record same in the public record following Lender's final payment for the Demolition and Remediation in the amount required by the Contractor's Agreement either directly to the Contractor or in escrow with Itzler & Itzler PA and a (ii) an unconditional and irrevocable Covenant Not to Sue waiving and releasing any and all rights of the City to initiate a foreclosure action against Lender with respect to the Code Lien and to file, if requested by Lender, a dismissal with prejudice in the Foreclosure Action barring forever any re-foreclosure, (iii) a written acknowledgement that Property is subject to the Loan Documents, that the Code Lien is subordinate to the lien of the Loan Documents and that the City waives any and all claims and defenses against Lender under the Code Lien and (iv) written acknowledgement that no further code violations or fines (or accruing interest) shall be imposed

by the City against the Lender, the Property or the improvements thereon during the City's period of ownership of the Property.

7. Intentionally Deleted.

8. Intentionally Deleted

9. Intentionally Deleted.

10. Intentionally Deleted.

11. Transfer to Lender. Within thirty (30) days following the completion of the Demolition and Remediation, the City will transfer title to the Property to a designated special purpose entity created by Lender for Ten dollars (\$10.00), and Lender's designated special purpose entity shall accept title by Special Warranty Deed, subject to the requirements of this Agreement. As a condition to Lender's acceptance of title, Lender shall obtain an environmental audit subsequent to the Demolition and Remediation, title insurance and an updated survey of the Property in connection with such transfer. Lender shall have the right to object to any matters disclosed in the updated survey which were not set forth in Lender's existing survey of the Property dated 11/17/04, as updated on 2/20/08. The City agrees, at its sole cost and expense, to (i) remediate any and all "Hazardous Waste" (as hereinafter defined) which is indicated in the Phase I Environmental Audit completed subsequent to Demolition and Remediation to the extent same arose or was created during the City's period of ownership, (ii) provide all documentation and take all steps necessary or required in order to convey the Property in accordance with the foregoing and as necessary or required to eliminate all Schedule B-1 requirements (so that the only "Permitted Exceptions" to title are as set forth on Exhibit "A" attached hereto and made a part hereof), the "Gap" title exception, the standard preprinted exceptions set forth in the title insurance commitment and any new lien, survey or title matter, encumbrance and/or "Hazardous

Waste” (as hereinafter defined) affecting the Property that arose or was created during the City’s period of ownership. The City’s transfer of title to the property to Lender, or its designated special purpose entity, shall be free and clear of all City liens and free and clear of all liens and encumbrances acquired during the City’s ownership of the property. The City further agrees, at its expense, to immediately commence and thereafter diligently obtain (but in all events prior to the transfer of title) proof satisfactory to the title company sufficient to allow its deletion as an exception in the title commitment and final policy the matters shown on Exhibit “B” attached hereto and made a part hereof. In the event that the City is unsuccessful, after diligent and continuing best efforts, or at any time, at Lender’s election, the City hereby consents and agrees to Lender taking such action as may be necessary or desired, including but not limited to (i) require the City, at City’s expense, to immediately forward payment and obtain documentation necessary to satisfy same of Public Record and/or (ii) at City’s expense, bring a quiet title or other action necessary to eliminate such lien interests of Public Record and City agrees to fully cooperate and assist at no cost to Lender (including, if necessary, the execution of pleadings or affidavits and attendance at court hearings) with respect to the Lender’s efforts to eliminate same of Public Record. The City hereby agrees to unconditionally indemnify and to defend (by counsel of Lender’s choice) and to hold Lender harmless from and against any and all liability, costs, claim, loss, action, demand, judgment, award, lien, penalties, damages or expense (including but not limited to attorneys’ fees and costs through trial and all appeals and whether a suit is instituted or not), if any, imposed or incurred with respect to the title matters listed on Exhibit “B”. The City agrees that Itzler & Itzler PA shall act as the closing agent and the title agent for the transfer. Lender shall be entitled to approve, in its sole and absolute determination, all closing expenses (which shall be allocated between the parties in accordance with customary

practice for Broward County, Florida) and closing documentation including, but not limited to, the closing statement. The City will pay, at time of transfer, minimal state documentary stamp tax on the deed of conveyance for the Property from the City to Lender and will use diligent and continuing best efforts to obtain a written opinion from the Florida Department of Revenue stating that, based on the specific facts involved, no additional documentary stamp tax are due or payable on the deed of conveyance for the Property from the City to Lender. In addition, the City hereby agrees to unconditionally to indemnify and to defend (by counsel of Lender's choice) and to hold Lender harmless from and against any and all liability, costs, claim, loss, action, demand, judgment, award, lien, penalties, damages or expense (including but not limited to attorneys' fees and costs through trial and all appeals and whether a suit is instituted or not), if any, imposed or incurred with respect to any documentary stamp tax due or payable on the deed of conveyance for the Property from the City to Lender. In the event that the City has failed to obtain and deliver to Lender the written opinion from the Florida Department of Revenue stating that, based on the specific facts involved, no additional documentary stamp tax are due or payable on the deed of conveyance for the Property from the City to Lender prior to the transfer of title of the Property from the City to Lender, Lender shall have the right to require the City pay the amount of Twenty Thousand Dollars (\$20,000.00) to be paid to Ryan & Ryan LLC, who shall hold same in a non-interest bearing escrow account pursuant to written escrow agreement to be entered into between the parties at time of transfer of the Property, until the later of (i) such written opinion is obtained and delivered to Lender or (ii) the date that all applicable statutes of limitation have expired regarding the obligation for payment of documentary stamp tax related to the transfer of Property from the City to Lender so that the Florida Department of Revenue would have no further legal right or remedy to collect same. In the event the Florida Department of Revenue, at

any time, determines that additional documentary stamp tax are due or payable on the deed of conveyance for the Property from the City to Lender, the City agrees to pay the full amount of documentary stamps due within thirty (30) days of request therefore, but in no event beyond the date that liens, penalties or interest shall begin to accrue or, in the alternative, in the event that such determination is received post-transfer of the Property, Ryan & Ryan, as escrow agent shall be authorized and directed to pay same to the Florida Department of Revenue from the funds held in escrow, with the deficiency if any, being immediately paid by the City. If after payment of all documentary stamps due and payable, if any, there remain any funds in escrow, Ryan & Ryan, as escrow agent, shall be authorized and directed to return same to the City. This section shall survive the transfer of title of the Property from City to Lender.

12. Maintenance of Property. The City agrees to maintain the Property (including but not limited to lot mowing and debris removal) at all times during City's period of ownership, at its expense, in good condition and repair (subject to existing buildings on property), and during the City's ownership of the property, shall be kept in compliance with all laws, permits, approvals, codes, ordinances, rules and regulations of the City, Broward County and the State of Florida. The Lender shall reimburse the City for all expenses the City incurred subsequent to the date hereto for the perimeter fencing of the property in an amount not to exceed \$125 per month, which Lender shall pay at closing or at the time the City transfers title of the property to Lender. At all time during City's ownership of the Property, City shall not permit any parties in possession of the Property and will neither further encumber nor permit any liens or encumbrances to be filed against the Property. At all time during City's ownership of the property, City shall not permit any "Hazardous Waste" to be deposited in, on or around the Property. As defined herein the term "Hazardous Waste" shall include but not be limited to;

polychlorinated biphenyls (PCB's"); natural radon gas, asbestos, Chinese dry wall, petroleum or wastes or material which would qualify as hazardous wastes under the Resource Conservation Recovery Act, Federal Water Pollution Control Act, National Environmental Policy Act or under any statute, law ordinance or code of the federal, state, county, city or other governmental or quasi-governmental subdivision having jurisdiction of the Property or any rules, regulations or directives thereof; or hazardous substances as defined in the Comprehensive Environmental Response Compensation and Liability Act or rules, regulations or directive adopted thereunder. Any damage occurring to the Property during City's period of ownership shall be timely repaired and restored, at the City's sole cost and expense, to its preexisting condition. The Lender shall obtain both pre and post Demolition and Remediation, at its expense, either a recertification of the Lender's Phase I Audit to the 3rd Party Engineering Firm which performed such Phase I or, if required, a new Phase I Audit of the Property from a 3rd party engineering firm in the event that the recertification is insufficient for the sole and limited purpose of allowing the City to obtain the permit and final completion certification for the Demolition and Remediation from all appropriate governmental and quasi-governmental agency(ies) (evidencing satisfactory completion of the Contractors' Agreements and removal of all Hazardous Waste of the Property), provided that City acknowledges and agrees that Lender has no obligation for any representation, recourse, warranty or liability to City in connection therewith. Lender shall have the right to have such environmental audits, both pre and post Demolition and Remediation, certified to Lender (in addition to the City), at Lender's option. . All other reports, environmental audits or documentation necessary or required for the Demolition and Remediation, if any, shall be at the City's sole cost and expense.

13. Insurance. The Lender shall reimburse, on a prorated basis, the City's \$745 annual insurance expense and City agrees, at its expense, to add (and maintain in full force and effect until the City transfers title to the Property to Lender's designated special purpose entity) the Property and Lender (i.e. MUNB Loan Holdings, LLC, as mortgagee) to the City's umbrella property and liability insurance policy and to keep it insured at all times against claims for personal injury, death or property damage occurring upon, in or about the Property and shall deliver same to Lender within ten (10) days of the execution date of this Agreement. The Lender shall reimburse the City for no more than \$745 annual cost to insure the Property, which prorated amount shall be paid at closing or at the time the City transfers title to the Lender. Prior to execution of this Agreement, the City shall name Lender as an additional insured on the City's liability insurance policy for the Property (and not less than 30 days advanced notice of any termination or expiration thereof).and provide Lender written evidence of the foregoing.

14. Forbearance. If Lender complies with the terms of this agreement, the City hereby agrees to forebear and shall not file any suit or otherwise pursue any rights it may have including but not limited to a new foreclosure action or a re-foreclosure action of the Code Lien against Lender provided that there is no outstanding default by Lender of its obligations under the terms of this Agreement. The City acknowledges and agrees that Lender shall not be deemed in default of its obligations under this Agreement unless and until Lender has failed to cure a default within thirty (30) days after written notice is received from the City specifying the nature of the default (provided that if such default cannot be reasonably cured within thirty (30) days, then Lender shall not be deemed in default hereunder provided Lender commences to cure within such thirty (30) days and thereafter diligently proceeds to cure). The City shall have no right to continue to pursue a foreclosure or re-foreclosure once any default by Lender is cured,

whereupon the City agrees to immediately dismiss same (and any Lis Pendens filed in connection therewith) of record. The Lender acknowledges and agrees that City shall not be deemed in default of its obligations under this Agreement unless and until City has failed to cure a default within thirty (30) days after written notice is received from the Lender specifying the nature of the default (provided that is such default cannot be reasonably cured within thirty (30) days, then City shall not be deemed in default hereunder provided City commences to cure within such thirty (30) days and thereafter diligently proceeds to cure).

15. Attorney's Fees. Subject to the terms of Paragraph 2, the parties shall each be responsible for their own attorney's fees and costs without any claim or demand by one party against the other party.

16. Cooperation. Each party agrees, in the future, at no cost or expense to the other, to execute any and all documents and exchange information timely as may be reasonably required to effectuate this Agreement and the transfer of the Property. The party requesting such papers must prepare the documents and the party executing same has the right to approve same, in their sole, but reasonable determination.

17. Sovereign Immunity. Nothing herein is intended to serve as a waiver of sovereign immunity by the City, nor shall anything included herein be construed as consent by the City to be sued by third parties for any matter arising out of this Agreement.

18. Governing Law; Venue. This Agreement shall be interpreted and construed in accordance with and governed by the laws of the State of Florida, without regard to conflict of laws principles. The parties agree that jurisdiction of any controversy arising out of this Agreement, and any action involving the enforcement or interpretation of any rights hereunder, shall be in the State Courts of the 17th Judicial Circuit in Broward County, Florida, and venue for

litigation arising out of this Agreement shall be in a State Court located in Broward County, Florida, forsaking any other jurisdiction which either party may claim by virtue of its residency or other jurisdictional device.

19. Waiver of Trial by Jury. By entering into this Agreement, the City and the Lender expressly waive any right either party may have to a trial by jury of any civil litigation related to this Agreement.

20. Prevailing Party. In the event any dispute is brought concerning this Agreement, the prevailing party shall be entitled to recover from the non-prevailing party its attorney's fees and costs (through trial and all appellate levels).

21. Notice. Whenever either party gives notice to the other, such notice must be in writing, sent by certified United States mail, postage prepaid, return receipt requested, or by hand delivery with a request for a written receipt of acknowledgment of delivery, addressed to the party for whom it is intended at the place last specified. The place for giving notice shall remain the same as set forth herein until changed in writing in the manner provided in this section. For the present, the parties designate the following:

For City –

Timothy M. Ryan, Esq.
Ryan & Ryan LLC
700 East Dania Beach Blvd, Third Floor
Dania Beach, Florida 33004

With a copy to

Tom Ansbro, Esq.
City Attorney
City of Dania Beach
100 West Dania Beach Boulevard

Dania Beach, Florida 33004.

For Lender –

Ellen Itzler, Esq.
Itzler & Itzler, PA
1421 Southeast 4 Avenue, Suite A
Fort Lauderdale, Florida 33316

With a copy to:

Gregory M. Santin
Vice President
Bank of New York Mellon
C/o MUNB Loan Holdings LLC
1221 Brickell Avenue, Suite 1140
Miami, Florida 33131

With a copy to:

Alvin A. Narin Esq
Managing Director and Managing Counsel
Bank of New York Mellon
One Wall Street, 11th Floor
New York, New York 10286

Either party may change the place of notice upon giving notice thereof in accordance with the foregoing provision. The attorneys for the City and Lender are authorized to send notices and demands on behalf of their respective clients.

22. Severability. If any provision of this Agreement is held to be invalid or unenforceable, all other provisions shall continue in full force and effect.

23. Waiver and Discharge. Subject to the terms of the Agreement, the parties waive and discharge any claim or demand it may have against one another relating to the Property, its agents, attorneys, successors and assigns.

24. Plain Meaning. This Agreement shall be interpreted in accordance with the plain meaning of its terms and not for or against the drafter of this Agreement.

25. Advice of Counsel. In signing this Agreement, the parties expressly warrant that they have read and fully understand it. The parties acknowledge that they have had a reasonable opportunity to review this Agreement with legal counsel. The parties acknowledge that this Agreement is voluntary and no one is making or forcing either party to enter into it.

26. Entire Agreement. This Agreement contains the entire agreement between the parties and the terms of this agreement are contractual and not a mere recital. Headings and similar structural elements set forth in this Agreement are intended for ease of reference only, and are not intended, and will not be construed, to reflect the intention of the parties or to affect the substance of this Agreement.

27. City Commission Approval. This Agreement is subject to approval by the City Commission of the City of Dania Beach within thirty (30) days following the execution by Lender. If the City Commission does not approve this Agreement within thirty (30) days following the execution hereof, then it shall be deemed null and void.

28. Reservation of Rights. Except as expressly set forth herein, Lender hereby expressly reserves each and every right and remedy which is may not have or hereafter be entitled to have in connection with the Loan Documents and all defaults thereunder, at law, in equity, or otherwise (such all-inclusive rights and remedies collectively referred to as "Rights"). This Agreement shall in no way be deemed or construed as a waiver or a consent to the noncompliance with the terms of the Loan Documents by the "Borrower" and "Guarantors" thereunder, nor shall it be deemed to extend or affect compliance by the Borrower and Guarantors with the terms thereof or to in any manner affect or diminish the rights of the Lender

to fully exercise its Rights set forth in the Loan Documents to enforce and collect payment of the entire indebtedness due under the Loan Documents. Except as expressly set forth in this Agreement, all other terms and provisions of the Loan Documents remain in full force and effect. Consequently, this Agreement expressly does not limit or preclude Lender in any way whatsoever from pursuing judgment(s) on the Notes or Guaranties or deficiency judgment(s) against the Borrower, Guarantors, or any other obligated party, expressly excluding the City, its agents, employees and representatives with regard to any claim arising from the Loan Documents (excepting only the Lender's right to a foreclosure action against the City's interest in the property or bring any action or remedy against the City in connection with this Agreement).

29. Independent Parties. City and Lender each stipulate and agree that the City and Lender are independent and unrelated entities and this Agreement is neither intended nor does it create and should not be interpreted to create a partnership, joint-venture partnership or participant arrangement or render either of them liable for the debts or obligations of the other. City further acknowledges and stipulates that Lender has not heretofore and this Agreement shall not create the exercise of any degree of control over the day-to-day operations of the Property.

30. Time Periods. In the event the date for any action or notice hereunder shall be a Saturday, Sunday or local or national holiday, the date shall be deemed extended to the next business day thereafter occurring.

31. Counterparts. This Contract may be executed in one or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same Contract.

32. Authority and Capacity. Each party represents to the other that it has the full right, power and authority to consummate this Agreement and, except as expressly indicated herein, no

further consent, joinder or authorization is required. The party and/or persons executing this Agreement is duly authorized to execute this Agreement and bind its respective entity. The execution and performance of this Agreement shall not violate, to the extent applicable, any contract, agreement, understanding or instrument, operating agreement, charter, writ order, judgment which either party may be bound.

33. Lender's Remedies. In addition to, and not in limitation of the rights granted herein, in the event of City's default under this Agreement, Lender shall have: (i) the self-help right (but not the obligation) to perform such obligation on behalf of the City (in which event Lender shall be promptly reimbursed by the City for the reasonable cost thereof, together with interest at the default interest rate from the date of outlay of expense until payment), (ii) may seek specific performance or injunctive relief against the City; the City hereby acknowledging the inadequacy of legal remedies and the irreparable harm which would be caused by any such breach, and/or to relief by other available legal and equitable remedies from the consequences of such breach; and/or (iii) may seek any and all other remedies available to it at law or in equity. Any claim for reimbursement by or against the City (together with interest thereon at the highest rate allowed by law) shall be secured by a lien against the Property, which lien shall be effective upon the recording of a notice thereof in the office of the clerk or registry of Broward County, Florida.

34. City's Remedies. In addition to, and not in limitation of the rights granted herein, in the event of Lender's default under this Agreement, City shall have: (i) the self-help right (but not the obligation) to perform such obligation on behalf of the Lender (in which event City shall be promptly reimbursed by the Lender for the reasonable cost thereof, together with interest at the default interest rate from the date of outlay of expense until payment), (ii) may seek specific

performance or injunctive relief against the Lender; the Lender hereby acknowledging the inadequacy of legal remedies and the irreparable harm which would be caused by any such breach, and/or to relief by other available legal and equitable remedies from the consequences of such breach; and/or (iii) may seek any and all other remedies available to City at law or in equity.

35. Lender's Termination Right. Lender shall have the right to terminate this Agreement in the event of the occurrence of any of the following (subject to the City's right to cure such default within thirty (30) days after written notice is received from the Lender specifying the nature of the default and provided further that is such default cannot be reasonably cured within thirty (30) days, then the City shall not be deemed in default hereunder provided the City commences to cure within such thirty (30) days and thereafter diligently proceeds to cure): (i) failure of the City to timely pay taxes, insurance premiums, assessments, charges for labor or materials or other charges that can create liens on any portion of the Property; (ii) any misapplication of: (a) proceeds of insurance covering any portion of the Property, (b) proceeds of the sale or condemnation of any portion of the Property, or (c) any rentals, income, profits, issues and products received by or on behalf of the City subsequent to the date of this Agreement which is not promptly delivered to Lender; (iii) any failure to maintain, repair or restore the Property in accordance with the terms of this Agreement; or (iv) any Hazardous Substances deposited on, under or about the Property during the City's ownership of the Property; or (v) a breach or default by the City of its obligations under this Agreement not cured within the applicable cure period provided for herein.

36. City's Termination Right. City shall have the right to terminate this Agreement in the event of the occurrence of any of the following (subject to the Lender right to cure such

default within thirty (30) days after written notice is received from the City specifying the nature of the default and provided further that if such default cannot be reasonably cured within thirty (30) days, then Lender shall not be deemed in default hereunder provided Lender commences to cure within such thirty (30) days and thereafter diligently proceeds to cure): (i) failure of the Lender to reimburse the City for the Contractors' Agreements (subject to Lender's right to object to defective work or work not done in accordance with the Contractors' Agreements as provided herein); (ii) any misapplication of: (a) proceeds of insurance covering any portion of the Property, (b) proceeds of the sale or condemnation of any portion of the Property or (c) a breach or default by the Lender of its obligations under this Agreement not cured within the applicable cure period provided for herein.

37. Lender's Right to Assign. Lender shall have the right to assign this Agreement to a purchaser of either the Loan Documents or the Property, whereupon Lender shall be automatically released of all further obligation and liability to the City under this Agreement, provided that such purchaser shall expressly assume all the obligation and liability under this Agreement.

REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK.

IN WITNESS WHEREOF, the parties have made and executed this Agreement on the respective date noted for each party.

WITNESSES:

Witness: [Signature]
Printed Name: GREGORY SANTIN

MUNB Loan Holdings, LLC
By: [Signature]
Title: President
Print Name: David Applebaum

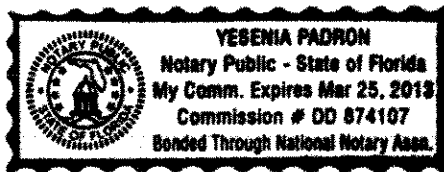
Witness: [Signature]
Printed Name: David A Fry

STATE OF _____)
COUNTY OF _____)

The forgoing instrument was acknowledged before me this 27 day of October, 2011, by David Applebaum, the President of MUNB Loan Holdings, LLC, who provided as identification and who did not take an oath.

[Signature]
Notary Public, State of Florida

My Commission Expires:



WITNESSES:

CITY OF DANIA BEACH, a Florida
municipal corporation

Witness: _____

By: _____

Printed Name: _____

Patricia A. Flury, Mayor

Witness: _____

Printed Name: _____

STATE OF FLORIDA)

)

COUNTY OF BROWARD)

The forgoing instrument was acknowledged before me this ____ day of _____, 2011, by Patricia A. Flury, Mayor of the CITY OF DANIA BEACH, who is personally known to me and who did not take an oath.

Notary Public, State of Florida

My Commission Expires:

SCHEDULE OF EXHIBITS

Exhibit A- Permitted Title Exceptions

Exhibit B – Unacceptable Title Matters

Exhibit C – City’s Contractor’s Agreement Form

EXHIBIT A
PERMITTED EXCEPTIONS

1 The Loan Documents.

2. Easement recorded in Official Records Book 39541 Page 744, of the Public Records of Broward County, Florida

3. Area shown as private drive and Hotel Park lying east and adjacent to Block 1 of Dania Beach Subdivision, as recorded in Plat Book 8, page 1 of the Public Records of Broward County, Florida (are part of Block 1)

EXHIBIT B

- 1.** Any lien provided by County Ordinance or by Chapter 159, Florida Statutes, in favor of any city, town, village or port authority for unpaid service charges for service by any water, sewer or gas system supplying the insured land.
- 2.** The rights of tenants in possession under bona fide leases pursuant to the provisions of the Protecting Tenants at Foreclosure Act, 12 U.S.C. 5220 (2009). (NOTE: Applies to one-to-four family residential properties only.)
- 3.** Laundry lease between Dania Beach Hotel as Lessor and Macke Laundry Service Limited Partnership, as Lessee, Lessee's interest having been acquired by Amerivend Corporation, dated August 10, 1990 referred to in Entry No. 409 on Exhibit A to the Leasehold Mortgage and Security Agreement recorded in Official Records Book 18898, Page 1.
- 4.** Final Assessment Resolution attached as Exhibit A to the Collateral Assignment recorded in Official Records Book 26118, Page 737.
- 5.** Terms, covenants, conditions and other matters contained in any unrecorded Lease(s) or hotel rental agreement and all rights thereunder of the Lessee(s) or hotel guest(s) and of any person claiming by, through or under the Lessee(s) or hotel guest(s).
- 6.** Ordinance No. 2000-038 designating the insured property as a historic landmark recorded in Official Records Book 47836, Page 112.

EXHIBIT C
CONTRACTOR'S AGREEMENT FORM