

October 19, 2020

Michael I. Goldberg
Court Appointed Receiver of USI Real Estate Development, LLC
Akerman, LLP
350 East Las Olas Boulevard
Suite 1600
Ft. Lauderdale, FL 33301



**Re: Letter of intent for City of Port St. Lucie to Acquire
City Center Land, Port St. Lucie, FL
± 21 Acres of Land including All Improvements**

Case No. 15-cv-62323-JAL

Securities and Exchange Commission v. EBS Asset Manager, LLC and Lin Zhong A/K/A Lily Zhong, et al.

Dear Mr. Goldberg:

Following our discussions, The City of Port St. Lucie, has authorized us to provide you this Letter of Intent for the potential acquisition of the above referenced property. The following is designed to outline the general terms and conditions under which the City would purchase the Property including all existing improvements. The intention of the Buyer and Seller is that no contract shall exist until a formal and definitive Purchase and Sale Agreement containing all terms of any contemplated transaction has been negotiated, executed and delivered. Upon the Seller's acknowledgment of this Letter of Intent (by Seller's signature below), the Buyer and Seller will commence the process outlined in this Letter of Intent.

1. Property: A 100% fee simple interest in the Property located at: Walton Road & US 1, St. Lucie County, FL. Property IDs Exhibit A
2. Purchase Price: **\$400,000.00** Cash at Closing. Buyer and Seller agree to evenly split the closing costs with each party paying 50%; provided, however, that each party shall be responsible for their own attorneys' fees and the Buyer shall be solely responsible for its due diligence costs. Additionally, a portion of the Property is leased by Beall's Outlet Stores, Inc. pursuant to that certain Lease dated November 15, 1979, as amended from time to time (collectively, the "Lease"). ~~Following~~At or following Closing, Seller shall remain entitled to all rent ~~paid by~~due and owing from the tenant ~~under the Lease~~ for the ~~remainder of the term of the Lease~~time period preceding closing, and at Closing Seller shall ~~also remain responsible for~~assign the Lease along with all of ~~the landlord~~Seller's obligations ~~under thereunder to~~ the Lease. ~~Following Closing, neither Buyer nor Seller shall amend the Lease without the written consent of the other party to this Letter of Intent, which consent may be withheld in the other party's sole discretion~~Buyer.

3. **Earnest Money Deposit:** Buyer shall deposit \$5,000 (the "Deposit") in an escrow account subject to the bilateral execution of a Purchase and Sales Agreement. The Deposit shall be refundable if the Purchase and Sale Agreement is terminated prior to the expiration of the Inspection Period. Upon the expiration of the Inspection Period the Deposit shall be increased to a total of \$20,000, the entire Deposit will be non-refundable to Buyer except in case of Seller default and will be applied to the Purchase Price at closing.
4. **Purchase and Sale Agreement:** Buyer shall provide a formal Purchase and Sale Agreement within Twenty {20} days of the return to Buyer of a signed copy of this Letter of Intent. Both Seller and the Buyer will attempt to finalize a Purchase and Sale Agreement within Sixty (60) days of the execution of this Letter of Intent.
5. **Inspection Period:** The Inspection Period shall be Ninety {90} days and commence upon the execution of the Purchase and Sale Agreement by all parties. Upon commencement of the Inspection Period but subject to the terms of the Purchase and Sale Agreement, Buyer may: (a) conduct inspections of the Property; (b) obtain a survey; (c) obtain a title commitment; and {d) provide Seller notice of any survey and/or title objections, of which Seller shall provide notice to Buyer of its intent to cure any such survey and/or title objections. Prior to the expiration of the Inspection Period, Buyer shall provide Seller with affirmative notice of its satisfaction with the Property or terminate the Purchase and Sale Agreement. In the event the Purchase and Sale Agreement is terminated prior to expiration of the Inspection Period, the Deposit shall be refunded to Buyer. Notwithstanding the foregoing, any investigations or testing involving the ground and any physically intrusive, invasive or destructive testing of, on or under the Property, including, without limitation, any Phase II environmental site assessment, shall require Seller's prior written consent, which consent may be withheld at Seller's sole and absolute discretion.
6. **Conditions Precedent:** City of Port St. Lucie {Buyer} shall obtain formal City Council approval. The Seller's obligations under the Purchase and Sale Agreement are subject to the approval of the US District Court of the Southern District of Florida, and Seller shall obtain said court approval prior to the expiration of the Inspection Period.
7. **Closing:** The Closing shall take place no later than Thirty {30} days following the successful Conditions having been met (Paragraph 6) or Thirty (30) days following the expiration of the Inspection Period, whichever occurs later.
8. **Representations:** Seller and Buyer shall each give to the other such representations and warranties as are generally accorded in a commercial transaction of this nature, and as may be agreed upon by the attorneys for Seller and Buyer.
9. **Brokerage:** Buyer and Seller each represent and warrant to the other that neither has dealt with or employed the services of any real estate brokerage firm in connection with this transaction other than Avison Young Florida, who shall be compensated by Seller, pursuant to a separate agreement.

10. Letter of Intent Expiration: In the event this Letter of Intent is not executed by Buyer and Seller by November 16, 2020, and within Sixty (60) days after the date of the execution of this Letter of Intent, a binding Purchase and Sale Agreement is not executed by Buyer and Seller, and then in either event this Letter of Intent shall be null and void.

11. Effect of Letter of Intent: Although this Letter of Intent contains many of the essential points regarding the proposed transaction between Buyer and Seller, this Letter of Intent is not intended to be a legally enforceable agreement, and no cause of action shall arise in respect of the signing hereof. The parties shall not be contractually bound unless and until each party executes and delivers to the other a Purchase and Sale Agreement, which must be in form and content satisfactory to each party and its counsel in their sole discretion.

The scope of this Letter of Intent is to set forth the basic intent as of this date and does not constitute an offer to enter into a Purchase and Sale Agreement or any other type of agreement. The purpose of this Letter of Intent is merely to indicate the intent which existed as of this date and to set forth the basic framework upon which a Purchase and Sale Agreement could be structured.

(signatures on next page)

If you believe that the general procedures and terms outlined above are sufficient to merit proceeding, please acknowledge that fact by having the Seller signing this Letter of Intent in the space provided below and returning an executed copy to me.

Sincerely,
Avison Young Florida



Jay Ziv, CCIM, SIOR, ALC
Principal



Michael T. Fay
Principal, Managing Director

Seller: **Michael I. Goldberg, Court Appointed Receiver**
of US1 Real Estate Development, LLC

By:  _____

/ of Port St. Lucie

Title: Receiver _____

Date: 10/13/ _____