

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA**

**CASE NO.: 15-cv-62323-JAL**

**SECURITIES AND EXCHANGE COMMISSION,**

**Plaintiff,**

**v.**

**EB5 ASSET MANAGER, LLC and  
LIN ZHONG a/k/a LILY ZHONG,**

**Defendants,**

**and**

**U.S. EB-5 INVESTMENTS, LLC,  
OAKLAND OFFICE HOLDINGS, LLC,  
B.X WOK CONSTRUCTION LLC,  
US INVESTMENT LLC D/B/A US INVESTMENT FL LLC  
TOP SUN ENERGY LLC,  
OCEAN BLVD. FAMILY LIMITED PARTNERSHIP, LTD.,  
B.X PROPERTY MANAGEMENT LLC, and  
US1 REAL ESTATE DEVELOPMENTS, LLC**

**Relief Defendants.**

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**RECEIVER'S AMENDED<sup>1</sup> THIRD MOTION FOR AUTHORITY TO SELL US1 REAL  
ESTATE DEVELOPMENTS, LLC'S INTEREST IN THE PORT ST. LUCIE CITY  
CENTER AND INCORPORATED MEMORANDUM OF LAW**

Michael I. Goldberg (the "Receiver"), in his capacity as the court-appointed Receiver for Defendant, EB5 Asset Manager, LLC ("EB5") and Relief Defendants, U.S. EB-5 Investments LLC, Oakland Office Holdings LLC, B.X Wok Construction LLC, US Investment LLC d/b/a US Investment FL LLC, Top Sun Energy LLC, Ocean Blvd. Family Limited Partnership, Ltd., B.X Property Management LLC, US1 Real Estate Developments, LLC and Investor Asset Protection LLC (collectively, the "Relief Defendants" and with EB5, the "Receivership Defendants"), files

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<sup>1</sup> Amended to include a true and correct copy of the Purchase Agreement (with all exhibits thereto) together with copies of all of the City's attendant settlement agreements as **Composite Exhibit A.**

this *Third Motion to Sell US1 Real Estate Developments, LLC's Interest in the Port St. Lucie City Center* (the "Motion"). In support of the Motion, the Receiver states as follows:

**Preliminary Statement**

Since his appointment in 2015, the Receiver has been in constant contact with the City of Port St. Lucie concerning the future of the City Center, property of the receivership estate comprised of parcels of largely undeveloped real property subject to significant tax liability and burdensome zoning restrictions. Commencing in 2017, the Receiver employed the services of a broker to market the City Center Parcels for sale. The broker was able to procure two would-be purchasers over a period of three years. The Receiver thus executed two Purchase and Sale Agreements, and twice sought and received approval of the Court to sell US1 Real Estate Developments, LLC's interest in the Port St. Lucie City Center. *See* ECF Nos. 165-166, 170-171. Both sales were terminated by the purchasers after extended due diligence periods.

After the failure of the second sale, it became evident to all parties involved that the entity best situated to purchase the City Center was, in fact, the City itself. The City provided the Receiver with a letter of intent to that effect, outlining that it would purchase the City Center for \$400,000, and that it would be solely responsible for negotiating with, and subsequently satisfying all outstanding debt owed to taxing authorities and tax certificate holders. To date, agreements have been executed between the City and all applicable taxing authorities, and the City has successfully resolved any outstanding issues with all tax certificate holders. Accordingly, on December 14, 2021, the Receiver entered into a Purchase and Sale Agreement with the City to purchase the City Center Parcels for \$400,000, subject to this Court's approval. The sale is "As Is, Where Is – With All Faults" and subject to the outstanding encumbrances, including, but not limited to real property taxes, bonds, and certain zoning restrictions. The

Receiver believes the sale of the City Center to the City of Port St. Lucie City Center to be in the best interests of the receivership estate.

**A. Background**

1. On November 3, 2015, the Securities and Exchange Commission (“SEC”) filed a complaint [ECF No. 1] (“Complaint”) in the United States District Court for the Southern District of Florida (the “Court”) against the Receivership Defendants and Lin Zhong (“Zhong” and with the Receivership Defendants, the “Defendants”), the principal of the Receivership Defendants, alleging that the Defendants violated the Securities Act of 1933 and the Securities Exchange Act of 1934 by making false or materially misleading representations to investors.

2. On November 4, 2015, the SEC filed an *Emergency Motion for Appointment of a Receiver* [ECF No. 5] and an *Emergency Motion for Asset Freeze and Other Relief* [ECF No. 6]. On November 12, 2015, without admitting or denying the allegations in the Complaint, the Defendants stipulated to the appointment of Michael Goldberg as the Receiver and to an order freezing their assets for a period of thirty days [ECF No. 18]. The Court entered a *Stipulated Order Appointing Receiver* on November 18, 2015 [ECF No. 21] and extended the asset freeze.

3. Pursuant to the *Order Appointing Receiver*, the Receiver has taken possession of all property, assets and estates of the Defendants, including but not limited to the portion of the Port St Lucie City Center (the “City Center”) owned by Relief Defendant US1 Real Estate Developments, LLC (“US1”).

**B. The City Center**

4. In 2001, the City of Port St Lucie (the “City”) designated a Community Redevelopment Area (the “CRA”) along U.S. 1 in eastern Port St. Lucie and on June 11, 2001, formally adopted a community redevelopment plan. The redevelopment strategy was to create a

central business district or commercial town center along U.S. 1 and a series of mixed use pedestrian and transit friendly districts which would include a town center of retail, restaurant, and residential use. The CRA identified a former shopping center at the corner of U.S. 1 and Walton Road as the location of the City Center.

5. PSL Center, LLC (“PSL”), an entity owned by de Guardiola Properties, Inc. (“DGP”), purchased the shopping center and proposed the development of the City Center as a public-private partnership. The City of Port St. Lucie, the CRA, PSL, and DGP signed a Redevelopment Agreement to build the project in 4 phases and include a civic component, public parking structures, and private mixed-use development.

6. Bonds were issued in 2006 to provide \$46.4 million to finance property acquisition, construction of parking garages, a civic center and plaza, and the reconstruction of certain roadways within redevelopment area. Additional bonds in the form of Special Assessment Refunding Bonds were issued in 2008 to provide \$31.3 million to fund and construct a master storm water system, roads, to complete construction of a Civic Center, Village Square public plaza and interactive fountain, City Center parking garage, and four surface parking lots. (The 2006 and 2008 bonds are collectively referred to as the “Non-Ad Valorem Bonds”).

7. PSL originally purchased 40 acres. Since the sale, approximately 19.78 acres were set aside for development of roadways, parking structures, a civic center, police station and greenways.

8. DGP failed to fulfill its obligations under the Redevelopment Agreement. Its affiliate, PSL, failed to pay the real property taxes on the City Center parcels, resulting in the issuance of tax certificates on the parcels. PSL also failed to pay the Non-Ad Valorem Bonds.

9. The secured lender for DGP instituted foreclosure proceedings against PSL. However, prior to the entry of a final judgement of foreclosure, in 2013, PSL sold the remaining City Center parcels (the “City Center Parcels”) to Relief Defendant US1 for a purchase price of \$500,000, subject to \$15 million in real property taxes and Non-Ad Valorem Bonds.

10. Representatives from the City and the CRA met with Lily Zhong, who suggested developing the City Center as an International Trade Center to be funded through the EB-5 Immigrant Investment Program, but she never submitted any applications to the City. Nor did Zhong pay the current and delinquent real property taxes and Non-Ad Valorem Bonds due on the City Center Parcels.

11. By the time the Receiver was appointed, the sum of \$18 million in real property taxes and Non-Ad Valorem Bond had accrued against the City Center Parcels. Moreover, all but one of the City Center Parcels remains undeveloped. Bealls Outlet Stores, Inc. is a tenant in the developed parcel, and pays rent to the Receiver in the approximate sum of \$9,600 each month.

12. In 2016, the Receiver commissioned an appraisal of the City Center Parcels owned by US1. Based on the market conditions and with no consideration for the real property taxes and Non-Ad Valorem Bonds, the appraised value was \$5.3 million. However, the total tax and assessment liability on the City Center Parcels is currently more than \$26 million. Moreover, the current zoning restrictions limit the type of development possible at the City Center.

### **C. Marketing the City Center Parcels for Sale**

13. Since his appointment, the Receiver has been in constant contact with the City to discuss the outstanding tax liability and attempt to reach agreement concerning the future of the City Center.

14. The Receiver engaged in discussions with a developer who explored purchasing the City Center Parcels and with several parties interested in potentially purchasing individual parcels. However, the significant outstanding tax liability and the zoning restrictions remained a detriment to the sale of the City Center Parcels.

15. Moreover, due to the significant tax liability and the zoning restrictions, the Receiver did not believe that a public sale of the City Center Parcels, as contemplated 28 U.S.C. § 2001 would be the appropriate method to sell the property. Counsel for the SEC and Zhong's previous counsel agreed to a Stipulation of Waiver of 28 U.S.C. § 2001. A copy of the Stipulation was filed with the Court on August 22, 2018 [ECF No. 164].

16. Without a potential purchaser, the Receiver and the City Manager reached an agreement whereby the Receiver would retain a broker to market the City Center Parcels for sale. On July 13, 2017, the Court entered an Order [ECF No. 139] authorizing the Receiver to retain Avison Young – Florida, LLC (the “Broker”) to market the City Center Parcels for sale, subject to approval of the Court.

17. The Broker has worked diligently, reaching out to potential purchases and responding to inquiries. Originally, the parties who responded to the listing only wanted to purchase individual lots to construct a single retail store or business. A suitable purchaser of the entire 22 parcels was difficult to locate due to the restrictions on development and the outstanding tax liability, which discouraged many potential purchasers.

#### **D. The Sale of the City Center Parcels**

18. On August 2, 2018, the Receiver executed a Purchase and Sale Agreement with BA City Center LLC, for the sale of the City Center Parcels for \$750,000, subject to approval by the Court. The Court entered an Order, dated August 23, 2018 [ECF No. 166] granting the

*Receiver's Motion to Sell US1 Real Estate Developments, LLC's Interest in the Port St. Lucie City Center* [ECF No. 165]. However, after an extended due diligence period, BA City Center LLC terminated the agreement.

19. The Receiver, with the assistance of his Broker, continued to market the property for sale. The Broker received further inquiries about development of individual parcels, none of which was appropriate for the City Center. The Broker reached out to developers qualified to oversee the development of the City Center Parcels in their entirety and skilled in addressing the land-use restrictions and in doing so located Leonardi Capital Group, LLC and Renaissance Realty Associates (collectively, the "Developer"). The Developer is a Stuart-based development company with thirty years of experience working with City officials and dealing with zoning restrictions.

20. On August 26, 2019, the Receiver executed a Purchase and Sale Agreement with Developer, for the sale of the City Center Parcels for \$760,000, subject to approval by the Court. The Court entered an Order, dated November 5, 2019 [ECF No. 171] granting the *Receiver's Second Motion to Sell US1 Real Estate Developments, LLC's Interest in the Port St. Lucie City Center* [ECF No. 170]. However, after an extended due diligence period, the Developer terminated the agreement due to the outstanding tax liabilities and the City's zoning restrictions.

21. After the failure of the second sale, it became evident to all parties involved that the entity best situated to purchase the City Center was, in fact, the City itself. The City provided the Receiver with a letter of intent to that effect (the "LOI"). The LOI provided that the City would purchase the City Center for \$400,000, subject to the City's successful negotiation and entry into settlement agreements satisfying all outstanding debt owed to taxing authorities and tax certificate holders, which would be the City's sole responsibility. To date, agreements have been executed between it and all applicable taxing authorities, and the City has

successfully resolved the outstanding issues with all tax certificate holders.

22. Accordingly, on December 14, 2021, the Receiver entered into a Purchase and Sale Agreement (the “Purchase Agreement”) with the City to purchase the City Center Parcels for \$400,000 (the “Sale”), subject to this Court's approval. A copy of the Purchase Agreement together with the City’s settlement agreements are attached hereto as **Composite Exhibit A**. The Sale of the City Center Parcels is “As Is, Where Is – With All Faults” and subject to the outstanding encumbrances, including, but not limited to real property taxes, Non-Ad Valorem Bonds and certain zoning restrictions.

### **INCORPORATED MEMORANDUM OF LAW**

The district court has broad powers and wide discretion to determine relief in an equity receivership. *SEC v. Elliott*, 953 F.2d 1560, 1566 (11<sup>th</sup> Cir. 1992). These powers include the authority to approve the sale of property of the Receivership Defendants. Clark on Receivers § 482 (3<sup>rd</sup> ed. 1992) citing *First National Bank v. Shedd*, 121 U.S. 74, 87, 7 S.Ct. 807, 814, 30 L.Ed. 877 (1887) (A court of equity having custody and control of property has power to order a sale of the property in its discretion). Moreover, 28 U.S.C. § 2001 provides procedures for the sale of realty under any order or decree of any court of the United States, which contemplates a court-ordered sale of real property by public auction, upon such terms and conditions as the court directs. *See* 28 U.S.C. § 2001(a). However, after notice to all interested parties and hearing, the court may order a private sale of realty under the conditions set forth in 28 U.S.C. § 2001(b). Here, the Receiver seeks to sell the City Center by private sale.

This Court has previously ruled that a court cannot waive the mandatory requirements of § 2001(b), which include the appointment of three appraisers; a sale price of no less than two-thirds of the appraised value; publishing notice of the sale at least ten days prior to confirmation

of the sale; and denial of confirmation if a bona fide offer is made for at least a ten percent above the sale price. However, the Court has acknowledged that the parties may waive the formalities set forth in § 2001(b) through a stipulated receivership order. *See Order Denying Without Prejudice Receiver's Motion to Sell Residential Property* [ECF No. 80, at \* 3], *citing Huntington Nat'l Bank v. Big Sky Dev. Flint*, No. 10–10346, 2010 WL 3702361, at \*2 (E.D. Mich. Sept. 16, 2010). Prior to the original sale of the City Center Parcels, the Receiver conferred with counsel for the SEC and Zhong, who consented to waive the mandatory requirements of § 2001(b) for the sale and entered into a Stipulation of Waiver of 28 U.S.C. § 2001, a copy of which was filed with the Court [ECF No. 164].

Each receivership case presents its own distinct circumstance that require the presiding court to employ case-specific procedures. *See SEC v. Hardy*, 803 F.2d 1034, 1038 (9<sup>th</sup> Cir. 1986). The best interests of the receivership estate and all interested parties are served by a private sale of the City Center Parcels under the terms set forth herein and in the Purchase and Sale Agreement. The City Center Parcels are zoned as a Planned Unit Development for a specific mix of residential housing, office and retail use (with 1,086 residential units, 247,000 square feet of office space, and 252,820 square feet of retail space). Any redevelopment plan requires approval of the City and the CRA. The City Center Parcels are part of a special assessment district which was funded to pay for the roads and infrastructure. This funding is attached to the City Center Parcels, and the payoff is greater than \$20 million and continues to increase by about \$2 million each year. This amount does not include the delinquent real property taxes. Considering the multi-million dollar tax liability and the restrictions on the use of the City Center, the Receiver believes the terms of the private sale are appropriate and warrant

waiver of 28 U.S.C. § 2001. Based on the foregoing, the Receiver respectfully requests the authority to sell the property under the terms set forth herein.

The primary goal of a receivership is to provide a conduit through which assets can be held, liquidated and distributed to the particular beneficiaries of the receivership, in this case the investors. *SEC v. Wencke (Wencke II)*, 783 F.2d 829, 837 n. 9 (9<sup>th</sup> Cir. 1986). Allowing the Receiver to sell the City Center Parcels to the City through a private sale will most expeditiously further the goals of the receivership.

**WHEREFORE**, the Receiver respectfully requests this Court enter an Order, in the form attached hereto as **Exhibit B**, authorizing the Receiver to sell the property pursuant to the terms described in this Motion and granting such other and further relief as the Court deems just and proper.

## **LOCAL RULE 7.1 CERTIFICATION OF COUNSEL**

Pursuant to Local Rule 7.1, undersigned counsel hereby certifies that she conferred with counsel for the SEC who has no objection to the relief requested herein. A hearing is requested only in the event that someone files an objection hereto.

Dated: December 20, 2021

Respectfully submitted,

**AKERMAN LLP**

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Ft. Lauderdale, FL 33301

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By: /s/ Catherine D. Kretzschmar

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Email: [catherine.kretzschmar@akerman.com](mailto:catherine.kretzschmar@akerman.com)

*Counsel for Court-Appointed Receiver*

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy of the foregoing was served on December 20, 2021, via the Court's notice of electronic filing on all CM/ECF registered users entitled to notice in this case and/or U.S. Mail as indicated on the attached Service List.

By: /s/ Catherine D. Kretzschmar, Esq.

Catherine D. Kretzschmar, Esq.

**SERVICE LIST**

**15-cv-62323-JAL Notice will be electronically mailed via CM/ECF to the following:**

Amie R. Berlin, Esq.  
BerlinA@sec.gov, landaul@sec.gov  
*Counsel for Securities & Exchange Commission*

**15-cv-62323-JAL Notice will be sent by U.S. mail to the following:**

Lin Zhong  
2250 NW 8<sup>th</sup> Street  
Boca Raton, Florida 33486

# **COMPOSITE EXHIBIT “A”**

## **PURCHASE AND SALE AGREEMENT**

**PURCHASE AND SALE AGREEMENT**

**between**

**Michael I. Goldberg, as court appointed receiver of US1 Real Estate Developments, LLC**

**("Seller")**

**and**

**City of Port St. Lucie**

**("Buyer")**

**See Exhibit "A"**

**("Land")**

**Port St. Lucie, Florida**

<b>1. Exhibits .....</b>	<b>1</b>
<b>2. Defined Terms .....</b>	<b>1</b>
2.1 Business Day .....	1
2.3 City .....	1
2.4 Effective Date .....	1
2.6 Governmental Approval .....	1
2.7 Governmental Authority.....	1
2.8 Governmental Requirement.....	1
<b>3. Sale of Land .....</b>	<b>2</b>
<b>4. Purchase Price .....</b>	<b>2</b>
4.1 First Deposit .....	2
4.2 Second Deposit .....	2
4.3 Cash at Closing .....	2
<b>5. Inspection Period ..</b>	<b>2</b>
5.1 Delivery of Due Diligence Items .....	2
5.2 Inspections Permitted.....	2
5.3 Satisfaction Notice.....	3
5.4 Termination of Agreement.. .....	3
5.5 Condition of the Land.....	3
5.6 Approval Orders.....	3
5.7 Tax Liabilities.....	3
5.8 Lease.....	4
5.8 Service Contracts.....	4
<b>6. Title and Survey.....</b>	<b>4</b>
6.1 Title Commitment.....	4
6.2 Survey . .....	4
6.3 Title or Survey Objections.....	4
6.4 Permitted Exceptions .....	5
<b>7. Closing .....</b>	<b>5</b>
7.1 Closing Date .....	5
7.2 Closing Procedure.....	5
7.3 Seller's Closing Documents.....	5
7.4 Buyer's Closing Documents .....	6
7.5 Buyer's Closing Costs .....	6
7.6 Seller's Closing Costs .....	6
7.7 Possession.....	7

<b>8. Adjustments and Prorations .....</b>	<b>7</b>
8.1 Ad Valorem Real Estate Taxes .....	7
8.2 Non-Ad Valorem Assessments .....	7
8.3 Lease Prorations.....	8
8.3 Survival.....	8
<b>9. Condemnation and Casualty .....</b>	<b>8</b>
<b>10. Default and Remedies.....</b>	<b>8</b>
10.1 Seller Event of Default .....	8
10.2 Buyer Event of Default.....	8
10.3 Failure to Close .....	8
10.4 Deposit as Liquidated Damages .....	8
<b>11. Seller's Representations. ....</b>	<b>9</b>
<b>12. Buyer's Representations .....</b>	<b>9</b>
<b>13. Notices .....</b>	<b>10</b>
<b>14. Miscellaneous Provisions.....</b>	<b>10</b>
14.1 Assignment.....	11
14.2 Amendment.....	11
14.3 Brokerage.....	11
14.4 Computation of Time.....	11
14.5 Counterparts and Scanned Copies.....	11
14.6 Entire Agreement.....	11
14.7 Governing Law.....	11
14.8 Radon Disclosure.....	11
14.9 Severability.....	11
14.10 Sovereign Immunity.....	12
14.11 Successors and Assigns.....	12
14.12 Time is of the Essence.....	12
14.13 Cooperation.....	12
14.14 Waiver of Jury Trial.....	12
14.15 Force Majorie.....	12

## **PURCHASE AND SALE AGREEMENT**

**THIS PURCHASE AND SALE AGREEMENT ("Agreement") is made on this 14 day of December, 2021 ("Effective Date"), between Michael I. Goldberg, as court appointed receiver of US1 Real Estate Developments, LLC, a Florida limited liability company ("Seller"), and the City of Port St. Lucie, a Florida municipal corporation ("Buyer").**

**1. Exhibits. The following Exhibits are attached to this Agreement and are hereby made a part of this Agreement:**

**Exhibit A - Legal Description  
Exhibit B –Receiver’s Deed  
Exhibit C – Escrow Agreement  
Exhibit D – Assignment and Assumption of Lease and Contracts  
Appendix A – Delinquent Tax Certificates**

**2. Defined Terms. Terms used in this Agreement are defined in the section or subsection where the term first appears. For convenience, the following are additional defined terms which are used throughout this Agreement.**

**2.1 “Business Day”. Any day other than a Saturday, Sunday or other day on which banking institutions in the State of Florida are authorized by law or executive action to close.**

**2.2 “City”. The City of Port St. Lucie, Florida, a Florida municipal corporation**

**2.3 Intentionally omitted.**

**2.4 “Governmental Approval”. Any land use or other consent, authorization, variance, waiver, license, permit, approval, development order, or entitlement issued or granted by or from any Governmental Authority and applicable to the Land.**

**2.5 “Governmental Authority”. Any federal, state, county, municipal, or other governmental department, entity, authority, commission, board, bureau, court, or agency; any insurance underwriting board or insurance inspection bureau; and any other body exercising similar functions.**

**2.6 “Governmental Requirement”. Any law, enactment, statute, code, ordinance, rule, regulation, judgment, decree, writ, injunction, order, permit, certificate, license, authorization, agreement, or other direction or requirement of any Governmental Authority now existing or hereafter enacted, adopted, promulgated, entered, or issued, applicable to the Land or this Agreement.**

3. **Sale of Land.** Subject to the approval of the District Court (defined below) Seller agrees to sell, and Buyer agrees to purchase, on the terms and conditions set forth in this Agreement, all the right, title, and interest of Seller in and to those certain parcels of real property in Port St. Lucie, Florida, as described on Exhibit A, and all improvements thereon (the "Land").

4. **Purchase Price.** Subject to the adjustments and prorations hereafter described, the total purchase price of the Land shall be \$400,000.00 ("Purchase Price"). The Purchase Price shall be paid by Buyer to Seller in the following manner:

4.1 **First Deposit.** Buyer shall deliver the sum of \$5,000.00 in immediately available funds ("First Deposit") to Weiss Serota Helfman Cole & Bierman, P.L. ("Escrow Agent") within five (5) Business Days of the Effective Date. Escrow Agent will hold and disburse the First Deposit in accordance with the terms of the Escrow Agreement attached as Exhibit C.

4.2 **Second Deposit.** If Buyer does not terminate this Agreement prior to the end of the Inspection Period (as hereinafter defined), then within five (5) Business Days after expiration of the Inspection Period, Buyer shall deliver the additional sum of \$15,000.00 in immediately available funds ("Second Deposit") to the Escrow Agent. The Second Deposit shall be non-refundable, except in the event of a Seller default. The First Deposit and Second Deposit (if made) are collectively referred to as the "Deposit".

4.3 **Cash at Closing.** On the Closing Date (as hereinafter defined), Buyer shall deliver to the Escrow Agent by bank wire transfer of immediately available U.S. dollars, for disbursement in accordance with the terms hereof, the Purchase Price, less credits to Buyer for (i) the Deposit, and (ii) any other adjustments and prorations to which Buyer may be entitled to under this Agreement.

5. **Inspection Period.** Buyer will be permitted to inspect the Land at Buyer's sole cost and expense for a period beginning on the Effective Date and ending on the 60th day after the Effective Date as the same may be extended as set forth herein (not including the Effective Date; said period of time the "Inspection Period").

5.1 **Delivery of Due Diligence Items.** Within five (5) Business Days after the Effective Date, Seller shall provide Buyer access to any information and documents in Seller's immediate possession pertaining to the Land, including without limitation any environmental reports, title reports, title insurance policies, surveys, and soil studies, if any (the "Due Diligence Items") that Seller may have in Seller's immediate possession. Buyer has the right to review the Due Diligence Items at any time during the Inspection Period and, in the event this Agreement remains in effect after expiration of the Inspection Period, at any time prior to Closing.

5.2 **Inspections Permitted.** During the Inspection Period, Buyer and its partners, members, agents, officers, employees and contractors (collectively, the "Buyer Parties") will have the right to enter upon the Land for the purpose of making such tests, analyses and investigations as Buyer may deem necessary or desirable, including but not limited to

soil/groundwater tests and environmental assessments and audits. Buyer understands and agrees that any on-site inspections of the Land shall occur only (i) at reasonable times during normal business hours agreed upon by Seller and Buyer after at least one (1) Business Day's prior written notice to Seller (which may be via email) and (ii) after delivery of evidence satisfactory to Seller that the insurance coverages described below are procured and maintained. Notwithstanding the foregoing, any investigations or testing involving the Land that is physically intrusive, invasive or destructive, including without limitation, any Phase II environmental site assessment, shall require Seller's prior written consent, which may be withheld at Seller's sole discretion. After completing any inspections, Buyer shall restore and repair any damage caused by Buyer's inspections, including the filling in of any excavations or holes, and the removal of all tools and equipment. For purposes of this section, the inspections will also include a financial analysis of the Land and all outstanding tax certificates, code violations and other encumbrances that may impact Buyer's fee simple ownership of the Land. Buyer shall indemnify, defend and hold Seller and Seller's, employees, agents, representatives, mortgagees, tenants, licensees, guests and invitees (collectively or separately, an "Indemnified Party") harmless from and against any and all actual costs, damages, liabilities, losses, expenses, liens or claims (including, without limitation, reasonable attorneys' fees and costs) arising out of or relating to the inspections or any entry on the Land by Buyer or any of Buyer's employees, agents and other parties acting through Buyer, including, without limitation, mechanics' liens, damage to the Land, or injury to persons or property resulting from such activities in connection therewith. The foregoing indemnification shall survive termination of this Agreement. Buyer shall cause Buyer Parties who enter upon the Land to maintain the following insurance coverages from companies reasonably satisfactory to Seller: workers' compensation insurance, in statutorily required amounts; general liability insurance naming Seller as an additional insured providing limits of not less than One Million 00/100 Dollars (\$1,000,000.00) against any and all personal injury, death, loss, damage, expense, liability or responsibility whatsoever which may be occasioned, directly or indirectly, by reason of the exercise of this right of entry upon the Land by Buyer, or any Buyer Parties; auto liability insurance with limits of not less than One Million 00/100 Dollars (\$1,000,000.00) covering all owned, non-owned and hired autos; and professional errors & omissions insurance with limits of not less than One Million 00/100 Dollars (\$1,000,000.00) per occurrence. It is the intent of the parties that Buyer shall not be liable pursuant to this indemnification provision to pay a claim or judgment by any one person or entity for loss, cost, or expense, including attorneys' and paralegals' fees and court costs at all trial and appellate levels, or any claim or judgment, which when totaled with all other claims or judgments arising out of the same incident or occurrence, exceeds the limits set forth in Florida Statutes, Section 768.28, and this paragraph shall not constitute a waiver of sovereign immunity.

**5.3 Satisfaction Notice.** Buyer shall provide Seller affirmative written notice that it is either satisfied (with no exceptions) or not satisfied with its inspections of the Land (including but not limited to survey and title review) to Seller prior to the expiration of the Inspection Period ("Satisfaction Notice").

**5.4 Termination of Agreement.** If Buyer does not provide Seller with a Satisfaction Notice, or if the Satisfaction Notice indicates that Buyer is not satisfied with its inspections or contains any exceptions to Buyer's satisfaction with its inspections, this Agreement

shall be deemed terminated. Thereafter, the Deposit shall be returned to Buyer, and Seller and Buyer will be relieved of all further liabilities hereunder.

**5.5 Condition of the Land.** From the Effective Date and until Closing, Seller shall continue to maintain the Land in substantially the same condition as it is as of the Effective Date, subject to normal wear and tear. Seller shall keep in force all existing hazard and liability insurance maintained in connection with the Land. After the Effective Date, unless Buyer provides written consent, Seller shall not dispose of, or encumber, any interest in the Land, or any portion thereof unless such encumbrance or interest shall not survive Closing. Seller shall promptly provide Buyer with copies of any written notices, litigation, claims, or actions pertaining to the Land, or any portion thereof that will not be resolved prior to Closing. Following the Effective Date, Seller shall not amend or modify the Lease (as defined herein) or enter into any contracts or other documents affecting the Land, or any portion thereof, and that will survive Closing, without the Buyer's written consent.

**5.6 Approval Orders.** Buyer and Seller acknowledge and agree that this Agreement and the sale of the Land are subject to approval by the United States District Court, Southern District of Florida (the "District Court") in the matter of Securities and Exchange Commission v. EB5 Asset Manager, LLV, and Lin Zhong a/k/a Lily Zhong, et al., Case No.: 15-CV-62323-JAL. Prior to the expiration of the Inspection Period, Seller shall endeavor to obtain all appropriate orders from the District Court authorizing the sale of the Land to Buyer ("Approval Orders"). If Seller fails to obtain the Approval Orders prior to the expiration of the Inspection Period, then either Seller or Buyer may extend the Inspection Period for an additional thirty (30) days to allow Seller to continue to pursue the Approval Orders ("Approval Orders Period"), or if neither party extends the Inspection Period, this Agreement shall terminate and be of no further force or effect, and the Deposit shall be returned to Buyer. If the Approval Orders are not obtained within the Approval Orders Period, this Agreement shall terminate, the Deposit shall be returned to Buyer, and Buyer and Seller shall be relieved of all further liabilities hereunder (except provisions that specifically survive termination of this Agreement).

**5.7 Tax Liabilities.** In an effort to avoid further litigation and settle outstanding tax liability associated with the Land, the St. Lucie County Tax Collector facilitated settlement discussions between the City and: (a) St. Lucie County, (b) the School Board of St. Lucie County, (c) the St. Lucie County Fire District, and (d) the Children's Services Council of St. Lucie County, (all hereinafter referred to as the "Taxing Authorities") and the tax certificate holder holding all of the tax certificate liens associated with the Land, ST Wealth Partners ("Certificate Holder"). The settlement discussions resulted in settlement agreements being entered into between the City and the Taxing Authorities, as well as the St. Lucie County Tax Collector, to resolve the outstanding tax liability associated with Land. The settlement discussions also resulted in a settlement agreement being entered between the City and the Certificate Holder wherein the Certificate Holder agreed to divest itself of any interest in the Land ("Certificate Holder Settlement"). The Certificate Holder Settlement requires the City to convey certain City-owned properties ("Settlement Properties") to the Certificate Holder as an express condition of this Closing. An executed deed conveying the Settlement Properties to the Certificate Holder shall be placed in escrow with the Escrow Agent, with instructions advising the Escrow Agent to record

the deed conveying the Settlement Properties at Closing. All of the settlement agreements referred to in this section shall be submitted to the District Court upon the Seller seeking the Approval Orders. At Closing, Buyer shall pay any other delinquent taxes owed on the Land.

5.8 Lease. A portion of the Land is currently subject to a lease with Bealls Outlet Stores, Inc. ("Tenant"), and all amendments thereto ("Lease"). The Lease and any Tenant security deposit held by Seller shall be assigned to Buyer at Closing. Buyer shall be entitled to collect all Lease payments from the day of Closing, pursuant to Section 8.3 of this Agreement. Buyer will have the right to request a tenant estoppel certificate from the Tenant during the Inspection Period, provided, however, that receipt of such estoppel certificate shall not be a condition to Closing. Seller shall reasonably cooperate with Buyer in obtaining the foregoing.

5.9 Service Contracts. At Closing, Seller shall assign and Buyer shall assume any maintenance, service or utility contracts, if any, that Seller has any right, title or interest in connection with all or any portion with the Land.

5.10 As – Is Where Is. IT IS EXPRESSLY UNDERSTOOD AND AGREED THAT BUYER ACCEPTS THE CONDITION OF THE PROPERTY "AS IS, WHERE IS--WITH ALL FAULTS" WITHOUT ANY IMPLIED REPRESENTATION, WARRANTY OR GUARANTEE AS TO MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR OTHERWISE AS TO THE CONDITION, SIZE OR VALUE OF THE PROPERTY, EXCEPT ONLY AS MAY BE OTHERWISE EXPRESSLY PROVIDED IN THIS AGREEMENT, AND SELLER HEREBY DISCLAIMS ANY AND ALL SUCH IMPLIED REPRESENTATIONS, WARRANTIES OR GUARANTEES. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, SELLER MAKES NO REPRESENTATIONS OR WARRANTIES WITH RESPECT TO (A) THE VALUE, NATURE, QUALITY, OR CONDITION OF THE PROPERTY BEING SOLD, (B) THE SUITABILITY OF THE PROPERTY FOR ANY ACTIVITIES THAT BUYER MAY CONDUCT THEREON, (C) THE COMPLIANCE OF THE PROPERTY WITH ANY LAWS, ORDINANCES, OR REGULATIONS OF ANY APPLICABLE GOVERNMENTAL ENTITY, (D) COMPLIANCE OF THE PROPERTY WITH ANY ENVIRONMENTAL PROTECTION, POLLUTION, OR LAND USE LAWS, RULES, REGULATIONS, ORDERS, OR REQUIREMENTS, INCLUDING THE EXISTENCE IN OR ON THE PROPERTY OF HAZARDOUS MATERIALS, OR (E) ANY OTHER MATTER WITH RESPECT TO THE PROPERTY, EXCEPT AS OTHERWISE EXPRESSLY SET FORTH IN THIS AGREEMENT.

## 6. Title and Survey.

6.1 Title Commitment. Within thirty (30) days of the Effective Date, Buyer may obtain at its expense a commitment for an owner's title insurance policy ("Commitment") issued by a title insurance company ("Title Company"). The Commitment will describe the Land, specify the Buyer, show the Purchase Price as the prospective policy amount, and show the status of title of the Land and all exceptions to title, including but not limited to easements, restrictions, rights-of-way, covenants, reservations, encumbrances, liens and other conditions, if any, affecting the Land.

**6.2 Survey.** Within thirty (30) days of the Effective Date, Buyer may obtain at its expense a current survey of the Land ("Survey") prepared by a land surveyor or engineer licensed in the State of Florida.

**6.3 Title or Survey Objections.** Buyer will have a period of twenty (20) days after receipt of the Commitment and Survey (whichever is received later) to review the same ("Title/Survey Review Period"). If Buyer objects to any matter contained in the Commitment or the Survey, Buyer shall send Seller written notice of its objections (the "Objection Notice") prior to the expiration of the Title/Survey Review Period. Notwithstanding, the Parties acknowledge that the resolution of Seller's delinquent real estate tax obligations shall not be subject to the Title/Survey Review Period, or Buyer's Objection Notice, but instead will be specifically subject to the Approval Orders Period set forth in Section 5.6 herein.

**6.3.1 Seller's Election to Cure.** Seller will have a period of fifteen (15) days after receiving an Objection Notice ("Election Period") within which to notify Buyer that Seller elects to cure or not cure the matters set forth in the Objection Notice. Seller's failure to notify Buyer within the Election Period that it elects to cure the matters set forth in Buyer's Objection Notice shall constitute an election to not cure such matters. If Seller does not affirmatively elect to cure any matter set forth in the Objection Notice within the Election Period, then Buyer may, by notice given to Seller and Escrow Agent within five (5) Business Days after receipt of Seller's response to Buyer's Objection Notice, terminate this Agreement, in which event Escrow Agent will deliver the Deposit to the Buyer, and Seller and Buyer shall have no further obligations hereunder, except for provisions that specifically survive termination of this Agreement. If Buyer does not terminate within such ten (10) day period, then any such items that Seller did not affirmatively elect to cure shall be deemed approved by Buyer.

**6.3.2 Seller's Cure Period.** If Seller elects to cure matters referenced in any Objection Notice, Seller shall have until Closing to do so, and upon Seller's failure to so cure, Buyer shall have the option to proceed to Closing or, upon written notice to Seller, terminate this Agreement in which case the Deposit shall be returned to Buyer and this Agreement shall thereupon terminate.

**6.3.3 Title and Survey Review to Occur During Inspection Period.** It is the intention of the parties to have the Buyer complete its review of the Commitment and Survey, notify Seller of objections, and for the Seller to provide a response to Buyer's Objection Notice, within the Inspection Period.

**6.4 Permitted Exceptions.** The term "Permitted Exceptions" means: (i) the exceptions to title shown on the Commitment that are approved by Buyer or deemed approved by Buyer pursuant to Section 6.3.1 above, (ii) any matter affecting title to the Land caused by any Buyer Party; and (iii) all matters shown on the Survey that are approved by Buyer or deemed approved by Buyer pursuant to Section 6.3.1 above. If any material adverse title or survey matter not caused by Buyer or a Buyer Party arises after the expiration of the Inspection Period but prior to Closing, Buyer may object by providing notice thereof to Seller, which notice shall be deemed an Objection Notice entitling Buyer to the rights set forth above.

**7. Closing.** The closing of the sale and conveyance of the Land to Buyer ("Closing") will be consummated as follows:

**7.1 Closing Date.** The Closing will take place thirty (30) days after the expiration of the Inspection Period.

**7.2 Closing Procedure.** The Closing will take place by Buyer and Seller delivering to the Escrow Agent the signed documents listed below (originals of documents to be recorded, and copies of others) and the balance of the Purchase Price due from Buyer. The parties will direct the Escrow Agent to mark up the Commitment to show title in the Buyer as of the date of the Closing and to record in the Public Records of St. Lucie County the closing documents required to be recorded. The Escrow Agent will be instructed to deliver the signed documents and the original recorded documents (when they become available) to the parties entitled to receive them.

**7.3 Seller's Closing Documents.** On the Closing Date, Seller shall deliver to the Escrow Agent the following documents pertaining to the Land, which shall be in a form reasonably acceptable to both Seller and Buyer and properly executed, witnessed, and acknowledged where required:

**7.3.1 Receiver's Deed.** A receiver's deed conveying the Land to Buyer ("Deed") in the form attached hereto.

**7.3.2 Evidence of Seller's Authority.** Such resolutions, order(s) appointing the Receiver, Approval Order(s), certificates of existence or good standing, incumbency certificates or other evidence of authority with respect to Seller if and to the extent reasonably required by the Escrow Agent.

**7.3.3 Closing Affidavit.** An affidavit signed by an authorized representative of Seller containing the information required by the Escrow Agent to "insure the gap" and to show title in the Buyer free and clear of liens, encumbrances, and rights of tenants in possession (except as set forth in this Agreement). The Closing Affidavit will include the information required by Treasury Regulation 1.1445-2 and will state Seller's taxpayer identification number and confirm that Seller is not a foreign person within the purview of 26 U.S.C. Section 1445 and the regulations issued thereunder.

**7.3.4 Closing Statement and Disbursement Summary.** A closing statement and disbursement summary prepared in accordance with the terms of this Agreement.

**7.3.5 Assignment and Assumption of the Lease.**

**7.3.6 Assignment and Assumption of the contracts (if any).**

**7.3.7 Miscellaneous.** Such other items as may be reasonably required of Seller by Escrow Agent in order to close under this Agreement.

**7.4 Buyer's Closing Documents.** On the Closing Date, Buyer shall deliver to the Escrow Agent the following items:

**7.4.1 Payment.** The payment of the Purchase Price (net of the Deposit) and any expenses and other sums required by this Agreement.

**7.4.2 Evidence of Authority.** Such corporate resolutions, certificates of good standing, incumbency certificates, affidavits, or other evidence of authority with respect to Buyer as may be reasonably requested by Seller or the Escrow Agent, in a form reasonably acceptable to Seller and the Title Company, if applicable.

**7.4.3 Closing Statement and Disbursement Summary.** A closing statement and disbursement summary prepared in accordance with the terms of this Agreement.

**7.4.4 Assignment and Assumption of the Lease.**

**7.4.5 Assignment and Assumption of the contracts (if any).**

**7.4.6 Miscellaneous.** Such other items as may be reasonably required of Buyer in order to close under this Agreement.

**7.5 Buyer's Closing Costs.** At Closing, Buyer will be responsible for paying:

**7.5.1 All of the costs and expenses of Buyer's inspection of the Land;**

**7.5.2 One-half of the cost of any documentary stamps or other transfer tax on the Deed;**

**7.5.3 One-half of the cost of recording the Deed;**

**7.5.4 One-half of the cost of title search fees, and the premium for the issuance of an owner's policy of title insurance to Buyer;**

**7.5.5 One-half of the closing or escrow fees of the Escrow Agent;**

**7.5.6 The cost of the Commitment;**

**7.5.7 The cost of a Survey;**

**7.5.8 Buyer's attorneys' fees;**

**7.5.9 Buyer's lien search, if any.**

**7.6 Seller's Closing Costs.** At Closing, Seller will be responsible for paying:

**7.6.1 Any and all Brokerage Fees to Broker.**

7.6.2 One-half of the cost of any documentary stamps or other transfer tax on the Deed;

7.6.3 One-half of the cost of recording the Deed;

7.6.4 One-half of the costs of title search fees, and the premium for the issuance of an owner's policy of title insurance to Buyer;

7.6.5 One-half of the closing or escrow fees of the Escrow Agent; and

7.6.6 Seller's attorneys' fees.

7.7 Possession. Seller shall deliver possession of the Land to Buyer on the Closing Date in "As-Is" condition but free and clear of all tenancies and rights of occupancy, except for the Lease and as otherwise provided for herein.

8. Adjustments and Prorations. The items set forth below shall be apportioned and prorated between Seller and Buyer as of the Closing Date so that credits and charges for the period preceding the Closing Date shall be allocated to Seller, and credits and charges for all periods on and after the Closing Date shall be allocated to Buyer:

8.1 Ad Valorem Real Estate Taxes/Non-Ad Valorem Assessments/Resolution of Delinquent Taxes. Seller acknowledges and agrees that the Land is encumbered by and subject to numerous delinquent tax certificates, as identified on the attached Appendix A, and back taxes owed to the Taxing Authorities. Buyer's obligation to purchase the Land is expressly conditioned upon the execution of settlement agreements by Buyer, the Taxing Authorities, and the Certificate Holder (and, as necessary, an Approval Order from the District Court approving the terms of said agreements) which settles and resolves the delinquent tax liabilities to the satisfaction of the Buyer, the Taxing Authorities, and the Certificate Holder. To the extent not covered by the settlement agreements, real estate taxes for the year of Closing shall be prorated as of Closing based on the most recent tax information available for the Land at the maximum discounted rate, and if such proration is based on the prior year's taxes, shall be reprorated between the parties following the issuance of the tax bill for the year in which Closing occurs.

8.2 Intentionally omitted.

8.3 Lease Prorations. At Closing, Seller shall be entitled to all rents for the period through the day prior to the Closing Date, while Buyer shall be entitled to all rents for the period from and including the Closing Date. Collected rents shall be prorated through the Closing Date. The Lease also calls for an annual payment of "percentage rent". Following Closing, the parties shall prorate any percentage rent collected from the Tenant, so that the Seller shall receive the portion applicable to periods prior to Closing. In the event that there are any past due rentals for the month of Closing or any months preceding the month in which Closing takes place, owing by tenants at the time of Closing, the parties agree that monies received by Buyer from such tenants shall be distributed as follows, and the Buyer agrees to remit forthwith to Seller, within ten (10) days of receipt: (i) first, to Seller and Buyer, in an amount equal to the

rentals for the month of Closing, apportioned as of the date of Closing; (ii) second, to Buyer, in an amount equal to all rentals then owing by such tenant to Buyer for the calendar months following the month in which the Closing occurred; and (iii) next, to Seller, in an amount equal to all rentals then owing by such tenant to Seller for the calendar months preceding the month in which the Closing occurred.

8.4 Survival. Each of the obligations set forth in this Section 8 shall survive Closing.

9. Risk of Loss.

9.1 Minor Damage. In the event of loss or damage to the Land or any portion thereof which is not "Major" (as hereinafter defined), this Agreement shall remain in full force and effect provided that Seller shall, at Seller's option, either (a) perform any necessary repairs and not assign any of Seller's right, title and interest in and to any claims and proceeds Seller may have with respect to any casualty insurance policies or condemnation awards relating to the premises in question (a "Casualty Claim"), to Buyer, (b) perform any necessary repairs and assign to Buyer any of Seller's right, title and interest in and to the Casualty Claim, or (c) not perform any necessary repairs and assign to Buyer all of Seller's right, title and interest in and to the Casualty Claim. In the event that Seller elects to perform repairs upon the Land, Seller shall use reasonable efforts to complete such repairs promptly and the date of Closing shall be extended a reasonable time (not to exceed thirty (30) days) in order to allow for the completion of such repairs. If Seller elects option (b) above, the Seller shall receive a credit at Closing equal to the cost of such repairs as determined in accordance with Section 9.3 hereof plus the actual costs incurred by Seller in enforcing the Casualty Claim, but not, in the aggregate, in excess of the insurance proceeds recoverable by Buyer. If Seller elects option (c) above, the Purchase Price shall be reduced by an amount equal to the lesser of (i) the deductible amount under Seller's insurance policy, and (ii) the cost of such repairs as determined in accordance with Section 9.3 hereof. Upon Closing, full risk of loss with respect to the Land shall pass to Buyer.

9.2 Major Damage. In the event of a "Major" loss or damage, Buyer may terminate this Agreement by written notice to Seller, in which event the Deposit shall be returned to Buyer and neither party shall have any further liability hereunder, except for the surviving obligations. If Buyer elects not to terminate this Agreement within ten (10) days after Seller sends Buyer written notice of the occurrence of such Major loss or damage (which notice shall state the cost of repair or restoration thereof as determined in accordance with Section 9.3 hereof), then Buyer shall be deemed to have elected to proceed with Closing, in which event Seller shall assign to Buyer all of Seller's right, title and interest in and to any claims and proceeds Seller may have with respect to any casualty insurance policies or condemnation awards relating to the premises in question and the Purchase Price shall be reduced by an amount equal to the lesser of (i) the deductible amount under Seller's insurance policy or (ii) the cost of such repairs as determined in accordance with Section 9.3 hereof. Upon Closing, full risk of loss with respect to the Land shall pass to Buyer.

**9.3 Definition of "Major" Loss or Damage.** For purposes of Sections 9.1 and 9.2, "Major" loss or damage refers to the following: (a) loss or damage to the Land such that (x) the cost of repairing or restoring the premises in question to substantially the same condition which existed prior to the event of damage would be, in the opinion of a contractor selected by Seller and reasonably approved by Buyer, equal to or greater than One Million and No/100 Dollars (\$1,000,000.00), and (b) any loss due to a condemnation which permanently and materially impairs the current use or operation of the Land. If Buyer does not give written notice to Seller of Buyer's reasons for disapproving a contractor within five (5) business days after receipt of notice of the proposed contractor, Buyer shall be deemed to have approved the contractor selected by Seller

**10. Default and Remedies.**

**10.1 Seller Event of Default.** If Seller fails to perform any obligation required to be performed pursuant to this Agreement, then Buyer shall provide Seller with notice thereof ("Notice of Seller Default"). If Seller's default is not cured within ten (10) days from the date of receipt of the Notice of Seller Default, the default shall constitute a "Seller Event of Default." Upon occurrence of a Seller Event of Default, Buyer may, as its sole and exclusive remedies, either (i) elect to terminate this Agreement, whereupon Escrow Agent will return the Deposit to Buyer and the parties shall be released of all further obligations under this Agreement; or (ii) apply to the District Court seeking specific performance of this Agreement. Buyer expressly waives any right to monetary damages for a Seller Event of Default under this Agreement.

**10.2 Buyer Event of Default.** If Buyer fails to perform any obligation required to be performed pursuant to this Agreement, then Seller shall provide Buyer with notice thereof ("Notice of Buyer Default"). If Buyer's default is not cured within ten (10) days from the date of receipt of said Notice of Buyer Default, the default shall constitute a "Buyer Event of Default." Upon occurrence of a Buyer Event of Default, Seller may, as its sole and exclusive remedies, either (i) elect to terminate this Agreement, whereupon Seller shall receive the Deposit and the parties shall be released of all further obligations under this Agreement; or (ii) waive the Buyer Event of Default and proceed to Closing, subject to the other terms and provisions hereof.

**10.3 Failure to Close.** The failure of a party to close when required by this Agreement shall constitute an event of default without any requirement for notice or an opportunity to cure.

**11. Seller's Representations.**

**11.1 Seller's Representations.** Seller hereby represents the following to Buyer:

**11.1.1** Seller has the requisite authority to execute and deliver this Agreement and any documents required to consummate the transactions contemplated by this Agreement. Upon entry of the Approval Orders, this Agreement shall be a valid and binding obligation of Seller, enforceable against it in accordance with its terms.

**11.1.2 Leases.** Other than as disclosed herein, there are no leases between Seller, as landlord, licensor, or grantor, and tenants or other occupants or users of the Land in effect as of the Effective Date.

**12. Buyer's Representations.** Buyer hereby represents the following to Seller:

**12.1.1 Good Standing.** Buyer is a municipal corporation validly existing and in good standing under the laws of the State of Florida. Buyer now has, and at Closing, Buyer will have the requisite power and authority to enter into and perform the terms of this Agreement. Buyer now has, and at Closing, Buyer will have the power and authority to acquire, own, and develop the Land.

**12.1.2 Due Authorization.** The execution and delivery of this Agreement by Buyer and the consummation of the transaction contemplated by this Agreement have been duly authorized by all necessary parties, and no other proceedings on the part of Buyer are or at Closing will be necessary to permit it to consummate the contemplated transaction. This Agreement has been duly executed and delivered by Buyer and is a legal, valid and binding obligation of Buyer enforceable against Buyer in accordance with its terms.

**13. Notices.** All notices required to be given in connection with this Agreement shall be in writing and delivered by either (i) certified mail, return receipt requested; (ii) nationally-recognized overnight delivery service; or (iii) Portable Document Format ("PDF") sent via e-mail with delivery confirmation requested. Notice shall be deemed to have been given on the date it is received or refused by the party to receive notice. Notices shall be given to the parties at the following addresses:

**Notices to Seller:** MICHAEL I. GOLDBERG, RECEIVER  
C/O AKERMAN LLP  
201 EAST LAS OLAS BLVD., SUITE 1800  
FORT LAUDERDALE, FL 33301  
Email: michael.goldberg@akerman.com

**With copies to:** ANDREW WAMSLEY, ESQ.  
C/O AKERMAN LLP  
201 EAST LAS OLAS BLVD., SUITE 1800  
FORT LAUDERDALE, FL 33301  
Email: andrew.wamsley@akerman.com

**Notices to Buyer:** City of Port St. Lucie, Florida  
121 SW Port St. Lucie Boulevard  
Port St. Lucie, FL 34984  
Attention: City Manager  
Telephone: 772-871-5163  
Email: [rblackburn@cityofpsl.com](mailto:rblackburn@cityofpsl.com)

With a copy to: City of Port St. Lucie, Florida  
121 SW Port St. Lucie Boulevard  
Port St. Lucie, FL 34984  
Attention: City Attorney  
Telephone: 772-871-5294  
Email: [jstokes@cityofpsl.com](mailto:jstokes@cityofpsl.com)

and

Weiss Serota Helfman Cole & Bierman, P.L.  
1200 N. Federal Hwy Suite 312  
Boca Raton, Florida 33432  
Attention: Andrew Demers, Esq.  
Telephone: 561-835-2111  
Email: [ademers@wsh-law.com](mailto:ademers@wsh-law.com)

**14. Miscellaneous Provisions:**

**14.1 Assignment.** The rights of Buyer under this Agreement may not be assigned in whole or in part without the prior written consent of Seller, which consent shall not be unreasonably withheld, delayed or conditioned. Seller's consent will not be required for an assignment to an Affiliate of Buyer (i.e. controlling, controlled by or under common control with Buyer), as long as Seller is provided with (i) a copy of the assignment document signed by both parties to the assignment, and (ii) evidence that the assignee is an Affiliate of the Buyer. No assignment of this Agreement shall release Buyer from its obligations under this Agreement.

**14.2 Amendment.** This Agreement may only be modified or amended by an instrument in writing signed by both parties.

**14.3 Brokerage.** Avison Young is the sole broker who shall be acting as a transaction broker ("Broker"). Buyer and Seller each represent to the other that no other broker or finder is entitled to a commission or other compensation in connection with this transaction. Seller, at its sole cost and expense, shall be responsible for any commission due to the Broker. Buyer and Seller hereby agree to indemnify and hold the other harmless from all costs and expenses incurred by the indemnified party, including reasonable attorneys' fees, because of the claim of any other broker based on dealings with the indemnifying party. Nothing in this paragraph shall be considered to increase or waive any limits of liability or waive any immunity afforded to Seller or Buyer by the Florida Statutes, case law, or any other Governmental Requirement. This provision shall survive Closing or any termination of this Agreement.

**14.4 Computation of Time.** Unless otherwise specified, the term "days" when used in this Agreement means calendar days. If any time period ends on a Saturday, Sunday or holiday officially recognized by the City or the federal government, the time period will end on the next succeeding Business Day.

**14.5 Counterparts, Scanned Copies and Electronic Signatures.** This Agreement may be executed in counterparts, each of which shall be deemed an original document, and all of which shall together constitute a single agreement. Scanned copies, .PDF, e-mailed copies, or other electronic signature of the signed Agreement shall be treated as originals.

**14.6 Entire Agreement.** This document constitutes the entire agreement between Seller and Buyer relating to the sale and purchase of the Land. There are no other agreements, understandings, warranties, or representations between Seller and Buyer.

**14.7 Governing Law.** This Agreement will be construed by, controlled, and enforced under the laws of the State of Florida. Venue for any dispute arising under this Agreement shall lie exclusively in the District Court. The provisions of this section shall survive the Closing or any earlier termination of this Agreement.

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

**14.9 Severability.** If any clause or provision of this Agreement is found to be illegal, invalid, or unenforceable under any present or future law, the remainder of this Agreement shall not be affected thereby. It is the intention of the parties that, if any such provision is held to be illegal, invalid or unenforceable, there will be added in lieu thereof a provision as similar in terms to such provision as is legal, valid and enforceable.

**14.10 Sovereign Immunity.** Nothing in this Agreement shall be considered to increase or waive any limits of liability or waive any immunity afforded to either the Seller or the Buyer by the Florida Statutes, case law, or any other source of Governmental Requirements.

**14.11 Successors and Assigns.** This Agreement shall inure to the benefit of and bind the respective successors and permitted assigns of the parties hereto.

**14.12 Time is of the Essence.** Time is of the essence of each provision of this Agreement.

**14.13 Cooperation.** From and after Closing, upon the reasonable request of either party, at no cost or expense, Buyer and Seller agree to execute and deliver such further acts, deeds, documents and assurances as may be reasonably required to further evidence and confirm the transaction as provided for in this Agreement, or as otherwise may be reasonably required or appropriate to carry out the transaction contemplated herein.

**14.14 Waiver of Jury Trial.** Buyer and Seller each knowingly, voluntarily and intentionally waives any right which either of them may have to a trial by jury with respect to any litigation or legal proceeding based upon or arising directly, indirectly or otherwise in connection with, out of, related to, or from this Agreement or the Closing Documents, including, by way of

example but not limitation, any course of conduct, course of dealings, verbal or written statements, or acts or omissions of either party which in any way relate to this Agreement. Buyer and Seller have specifically discussed and negotiated for this waiver and understand the legal consequences of it. The provisions of this section shall survive the Closing or any earlier termination of this Agreement.

**14.15 Force Majeure.** Neither party shall be liable for any delays resulting from an event beyond such party's control that by its nature could not have been foreseen by such party, or, if it could have been foreseen, was unavoidable, provided that such events shall be the actual cause of the delay and specific to the non-performing party's obligations without its fault or negligence (as opposed to a general application of such foregoing event to a broader geographic area or group which does not in and of itself create a proximate impact upon such non-performing party's obligations) and may include acts of God, riots, acts of war, epidemics, governmental regulations or other causes beyond its reasonable control ("Force Majeure Event"). Upon the occurrence of a Force Majeure Event, the non-performing party shall (i) make diligent efforts to expeditiously mitigate and remedy the problem causing such nonperformance, and (ii) provide prompt written notice to the other party after learning of a Force Majeure Event stating the nature and cause of the event, the anticipated length of the delay, the measures proposed or taken by the non-performing party to minimize the delay and approach to resume full performance under this Agreement, and the timetable for implementation of such measures.

**14.16 RELEASE.** EFFECTIVE UPON CLOSING, EXCEPT FOR INTENTIONAL FRAUDULENT ACTS, OR GROSS NEGLIGENCE, BUYER RELEASES SELLER AND ANY PARTY RELATED TO OR AFFILIATED WITH SELLER, AND THEIR RESPECTIVE REPRESENTATIVES, TRUSTEES, SUCCESSORS AND ASSIGNS (THE "SELLER RELATED PARTIES") FROM AND AGAINST ANY AND ALL DEMANDS AND CLAIMS AT LAW OR EQUITY, WHICH BUYER OR ANY PARTY RELATED TO OR AFFILIATED WITH BUYER AND THEIR RESPECTIVE REPRESENTATIVES, SUCCESSORS AND ASSIGNS (EACH A "BUYER RELATED PARTY"), OR ANY THIRD PARTY HAS OR MAY HAVE ARISING FROM OR RELATED TO ANY MATTER OR THING RELATING TO OR IN CONNECTION WITH THE LAND, INCLUDING BUT NOT LIMITED TO, THE DOCUMENTS AND INFORMATION REFERRED TO IN THIS AGREEMENT EXCEPT AS SPECIFICALLY SET FORTH IN SUCH DOCUMENTS OR IN THIS AGREEMENT, ANY CONSTRUCTION DEFECTS, ERRORS OR OMISSIONS IN THE DESIGN OR CONSTRUCTION AND ANY ENVIRONMENTAL CONDITIONS, INCLUDING THE PRESENCE OF ASBESTOS CONTAINING MATERIALS AND OTHER HAZARDOUS MATERIALS. EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT TO THE CONTRARY, NO BUYER RELATED PARTY MAY LOOK TO ANY OF SELLER RELATED PARTIES FOR ANY REDRESS OR RELIEF. THIS RELEASE SHALL BE GIVEN FULL FORCE AND EFFECT, INCLUDING WITH REGARD TO UNKNOWN AND UNSUSPECTED CLAIMS, DAMAGES AND CAUSES OF ACTION. THIS SECTION 14.16 WILL SURVIVE THE TERMINATION OF THIS AGREEMENT OR THE CLOSING.


[SIGNATURES ON FOLLOWING PAGES]

Signature Page  
for  
The City of Port St. Lucie

This Signature Page is attached to and made a part of that certain Purchase and Sale Agreement between Michael I. Goldberg, as court appointed receiver of US1 Real Estate Developments, LLC, a Florida limited liability company, and the City of Port St. Lucie, a Florida municipal corporation.

The undersigned hereby approves and agrees to be bound legally by the terms and provisions of said Agreement.

City of Port St. Lucie, a Florida municipal  
corporation

By:   
Russ Blackburn, City Manager

Date: November 22, 2021

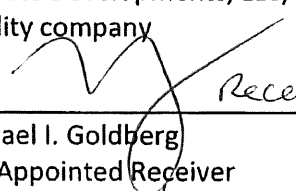
Signature Page  
for

Michael I. Goldberg, as court appointed receiver of US1 Real Estate Developments, LLC

This Signature Page is attached to and made a part of that certain Purchase and Sale Agreement Michael I. Goldberg, as court appointed receiver of US1 Real Estate Developments, LLC, a Florida limited liability company, and the City of Port St. Lucie, a Florida municipal corporation.

The undersigned hereby approves and agrees to be bound legally by the terms and provisions of said Agreement.

Michael I. Goldberg, as court appointed receiver of  
US1 Real Estate Developments, LLC, a Florida  
limited liability company

By:  Receiver

Name: Michael I. Goldberg

Title: Court Appointed Receiver

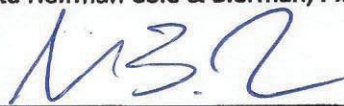
Date: 12/14/21

Signature Page  
for  
Weiss Serota Helfman Cole & Bierman, P.L.

This Signature Page is attached to and made a part of that certain Purchase and Sale Agreement Michael I. Goldberg, as court appointed receiver of US1 Real Estate Developments, LLC, a Florida limited liability company, and the City of Port St. Lucie, a Florida municipal corporation.

Escrow Agent acknowledges receipt of the First Deposit (subject to clearance) and agrees to hold the Earnest Money pursuant to the Purchase and Sale Agreement.

Weiss Serota Helfman Cole & Bierman, P.L.

By:   
Name: ANDREW DEMERS  
Title: PARTNER

**Exhibit A**

**Tax Parcel IDs and Lot Numbers:**

Lot 2:	3435-803-0009-0003	1.31 Acres
Lot 3:	3435-803-0010-0003	1.41 Acres
Lot 6:	3435-803-0013-0004	.14 Acres
Lot 7:	3435-803-0014-0001	1.32 Acres
Lot 9:	3435-803-0016-0005	.12 Acres
Lot 10:	3435-803-0017-0002	.04 Acres
Lot 11:	3435-803-0018-0009	.18 Acres
Lot 12:	3435-803-0019-0006	.22 Acres
Lot 13:	3435-803-0020-0006	.41 Acres
Lot 14:	3435-803-0021-0003	.24 Acres
Lot 16:	3435-803-0023-0007	.26 Acres
Lot 17:	3435-803-0024-0004	.47 Acres
Lot 18:	3435-803-0025-0001	.26 Acres
Lot 20:	3435-803-0027-0005	.74 Acres
Lot 21:	3435-803-0028-0002	1.64 Acres
Lot 25:	3435-803-0032-0003	2.53 Acres
Lot 28:	3435-803-0035-0004	1.84 Acres
Lot 30:	3435-803-0037-0008	.78 Acres
Lot 31:	3435-803-0038-0005	1.34 Acres
Lot 32:	3435-803-0039-0002	2.31 Acres
Lot 33:	3435-803-0040-000 2	.91 Acres
Lot 36:	3435-803-0043-0003	2.55 Acres
Total Acres		20.99 Acres

Exhibit B

Receiver's Deed

This Instrument prepared by:

Record and return to:

**RECEIVER'S DEED**

THIS SPECIAL WARRANTY DEED is made and delivered on this \_\_\_\_ day of \_\_\_\_\_, 2021, by **Michael I. Goldberg, as court appointed receiver of US1 Real Estate Developments, LLC**, a Florida limited liability company, whose mailing address is \_\_\_\_\_ (the "Grantor"), to the **City of Port St. Lucie**, a Florida municipal corporation, whose mailing address is 121 SW Port St. Lucie Boulevard, Port St. Lucie, Florida 34952 (the "Grantee"). "Grantor" and "Grantee" in this instrument include the perspective successors and assigns of said parties.

WITNESSETH: This Receiver's Deed is being given pursuant to the authority granted to Grantor, as the Court Appointed Receiver in the matter of Securities and Exchange Commission v. EBS Asset Manager, LLC, and Lin Zhong a/k/a Lily Zhong, et al., Case No.: 15-cv-62323-JAL, United States District Court, Southern District of Florida (the "**District Court**") and as specifically derived from the entry of that certain Order of the District Court dated the \_\_\_\_ day of \_\_\_\_\_, 2021 (the "**Order**"), a true and correct copy of the Order is recorded simultaneously with this Receiver's Deed.

That Grantor, for and in consideration of the sum of \$10.00 and other good and valuable consideration, the receipt whereof is hereby acknowledged, hereby grants, bargains, conveys and confirms unto Grantee, and its heirs, personal representatives, successors and assigns, in fee simple forever, all that certain portion of a real property situate in St. Lucie County, Florida, and more particularly described on **Exhibit A**, attached hereto and incorporated herein (the "**Property**").

Grantee's acceptance of title to the Property subject to any condition, restriction, limitation or other matter of record, however, shall not be construed as a waiver by Grantee of its claim of exemption, as a government purchaser, to the enforcement of any such condition, restriction, limitation or other matter of record against Grantee pursuant to *Ryan v Manalapan*, 414 So. 2d 193 (Fla. 1982).

SUBJECT TO:

1. Taxes and assessments for the year 2021 and subsequent years.
2. All conditions, restrictions, limitations and easements of record, and all zoning and other governmental regulations, without reimposing same.

TOGETHER WITH all the tenements, hereditaments and appurtenances thereto belonging or in anywise appertaining.

TO HAVE AND TO HOLD the same in fee simple forever, without covenant, representation, or warranty whatsoever.

Except for intentional fraudulent acts or gross negligence, Grantee or anyone claiming by, through, or under Grantee, hereby fully releases Grantor, its employees, officers, directors, representatives, and agents from any and all claims, costs, losses, liabilities, damages, expenses, demands, actions, or causes of action that it may now have or hereafter acquire, whether direct or indirect, known or unknown, suspected or unsuspected, liquidated or contingent, arising from or related to the Property in any manner whatsoever. This covenant releasing Grantor shall be a covenant running with the Property and shall be binding upon Grantee, its successors and assigns.

IN WITNESS WHEREOF, Grantor has signed and delivered this Receiver's Deed on the date set forth above.

[SIGNATURE BLOCK ON FOLLOWING PAGE]

Witnesses:

GRANTOR:

Signature: \_\_\_\_\_

**Michael I. Goldberg, as court appointed  
receiver of US1 Real Estate Developments,  
LLC, a Florida limited liability company**

Print name: \_\_\_\_\_

Signature: \_\_\_\_\_

By: \_\_\_\_\_

Michael I. Goldberg, Receiver

Print name: \_\_\_\_\_

STATE OF FLORIDA

COUNTY OF \_\_\_\_\_

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization on this \_\_\_\_ day of \_\_\_\_\_ 2021, Michael I. Goldberg, as court appointed receiver of US1 Real Estate Developments, LLC, a Florida limited liability company, on behalf of the company, who is [ ] personally known to me, or who has [ ] produced the following identification \_\_\_\_\_.

\_\_\_\_\_  
Notary Public, State of Florida

SEAL

**EXHIBIT G**

**ESCROW AGREEMENT**

This Escrow Agreement ("Escrow Agreement") is entered into effective December 16, 2021 among Michael I. Goldberg, as court appointed receiver of US1 Real Estate Developments, LLC, a Florida limited liability company ("Seller"), and the City of Port St. Lucie, a Florida municipal corporation ("Buyer"), and WEISS SEROTA HELFMAN COLE & BIERMAN, P.L., a Florida professional limited liability company ("Escrow Agent").

**RECITALS**

Seller and Buyer have entered into a Purchase and Sale Agreement dated December 14, 2021 ("Purchase Agreement"), pertaining to real estate located in St. Lucie County, Florida.

The Purchase Agreement provides that Buyer shall deposit with Escrow Agent a "First Deposit" of \$5,000.00 and a "Second Deposit" of \$15,000.00 which deposits will be held by Escrow Agent in accordance with the terms of this Escrow Agreement. The First Deposit and Second Deposit, together with any interest accruing thereon, are referred to collectively as the "Deposit."

Escrow Agent may receive additional funds and documents incidental to the closing of the transaction, which additional funds and documents shall also be subject to the terms of this Escrow Agreement.

In consideration of the obligations set forth herein and in the Purchase Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **Recitals, Definitions and Conflicts.** Seller and Buyer each confirm that the recitals set forth above are correct. Capitalized terms not defined herein shall have the meanings set forth in the Purchase Agreement. To the extent of any conflict between the terms of the Purchase Agreement and this Escrow Agreement, this Escrow Agreement shall prevail.
2. **General Terms of Escrow.**
  - 2.1. **Receipt of First Deposit.** Escrow Agent agrees to act as escrow agent in accordance with this Escrow Agreement. Simultaneously with execution of this Escrow Agreement, Buyer shall provide Escrow Agent with a completed and signed Form W-9, including Buyer's federal taxpayer identification number. The Deposit shall be paid to Escrow Agent in the form of a check or by wire transfer. If the Deposit is paid by check: (a) Escrow Agent agrees to deposit the check promptly upon receipt; (b) if the check is not honored upon presentment, Escrow Agent shall provide Seller and Buyer with notice thereof; and (c) the Deposit shall not be deemed made if the check is not honored upon presentment. If the Deposit is paid to Escrow Agent by wire transfer, it shall be wired to the following account:

<b>Name of Bank:</b>	<u>BANK LEUMI, USA</u>
<b>Address of Bank</b>	<u>One Turnberry P. 5th Floor 19495 Biscayne Blvd Aventura FL 33180</u>
<b>ABA Number:</b>	<u>026002794</u>
<b>Name of Account:</b>	<u>Weiss Serota Helfman Cole &amp; Bierman P.L.</u>
<b>Account Number:</b>	<u>6826083000</u>
<b>Instructions:</b>	<u>Initial Deposit (2462.022)</u>

- 2.2. **Deposit of Funds.** Escrow Agent will notify Buyer and Seller by email upon Escrow Agent's receipt of the First Deposit.
- 2.3. **Location of Account.** Escrow Agent shall deposit the funds in an account located at City National Bank of Florida in the name of Weiss Serota Helfman Cole & Bierman, P.L., as Escrow Agent for the Buyer and Seller.
- 2.4. **Interest.** Any interest earned on the funds deposited shall be reported by Escrow Agent as accruing to the benefit of the Buyer. Buyer and Seller each hereby certifies that it is not subject to backup withholding due to Notified Payee Underreporting as defined in Section 3406(c) of the Internal Revenue Code. Any accrued interest shall accumulate and constitute a part of the Deposit. Escrow Agent shall not be responsible for: (a) the rate of interest and any fluctuation in the rate of interest accruing on the funds deposited; (b) any failures on the part of the financial institution at which the account is maintained; (c) the unavailability of FDIC insurance on all or any portion of the Deposit or (d) any other matters beyond the direct and exclusive control of Escrow Agent.
- 2.5. **Disbursement of First Deposit.** If Escrow Agent receives written notice from Buyer electing to terminate the Purchase Agreement ("Buyer's Notice") prior to the expiration of the Inspection Period described in the Purchase Agreement as extended as set forth therein, Escrow Agent shall deliver the First Deposit (including any accrued interest) to Buyer.
- 2.6. **Second Deposit.** If Buyer does not terminate the Purchase Agreement prior to the end of the Inspection Period as may be extended, Escrow Agent will notify the Seller and Buyer upon Escrow Agent's receipt of the Second Deposit from the Buyer. The Second Deposit will be added to the First Deposit.
- 2.7. **Seller Demand for Deposit.** If at any time Escrow Agent receives written notice from Seller demanding delivery of the Deposit ("Seller's Notice"), Escrow Agent shall promptly deliver a copy of the Seller's Notice to Buyer. If on or before 5:00p.m. on the date which is ten (10) Business Days following Escrow Agent's delivery of the Seller's Notice to Buyer, Escrow Agent receives written notice of Buyer's objection to the delivery of the Deposit to Seller ("Buyer's Objection Notice"), Escrow Agent shall not disburse the Deposit to Seller until the dispute is resolved. If, however, Buyer does not deliver a Buyer's Objection Notice to Escrow Agent on or before 5:00 p.m. on the date which is ten (10) Business Days following

Buyer's receipt from Escrow Agent of the Seller's Notice, then Escrow Agent may disburse the Deposit to Seller.

3. **Disbursement of Deposit at Closing.** At the closing of the transaction, Escrow Agent shall disburse the Deposit and any additional funds and documents received by Escrow Agent incidental thereto as directed in writing signed by Seller and Buyer in the form of the closing statement or other written instructions.
4. **Buyer Settlement with 5T Wealth.** Pursuant to Section 5.7 of the Purchase Agreement, in an effort to avoid litigation and settle outstanding tax liability associated with the Land, the St. Lucie County Tax Collector brokered settlement discussions between the City and the tax certificate holder holding all of the tax certificate liens associated with the Land, 5T Wealth Partners ("Certificate Holder"). The settlement discussions resulted in a settlement agreement being entered between the City and the Certificate Holder wherein the Certificate Holder agreed to divest itself of any interest in the Land ("Certificate Holder Settlement"). The Certificate Holder Settlement requires the City to convey certain City-owned properties ("Settlement Properties") to the Certificate Holder as an express condition of this Closing. An executed deed conveying the Settlement Properties to the Certificate Holder shall be placed in escrow with the Escrow Agent and the Escrow Agent is hereby instructed to record the deed conveying the Settlement Properties to the Certificate Holder at Closing.
5. **Resolution of Disputes.** In the event of any dispute between Seller and Buyer regarding the Deposit or any other funds or documents held by Escrow Agent, or in the event Escrow Agent shall receive conflicting demands or instructions with respect thereto, Escrow Agent may withhold disbursement or delivery of the funds and documents to either party until Escrow Agent receives either: (a) joint written instructions from Seller and Buyer with respect to the disbursement or delivery of the funds and documents held by Escrow Agent; or (b) an order from a court of competent jurisdiction which is binding upon Escrow Agent regarding the disbursement or delivery of the same.
6. **Interpleader.** In the event of any dispute or conflicting demands or instructions, or disagreement regarding the interpretation of this Escrow Agreement, or regarding the rights and obligations of, or the propriety of any action contemplated by, Escrow Agent hereunder, Escrow Agent may, at its sole discretion, file an action in interpleader in the Circuit Court of St. Lucie County, Florida.
7. **Release of Liability.** Escrow Agent shall not be liable for any mistakes of fact or errors in judgment, or any acts or omissions of any kind, unless caused by its willful misconduct or negligence. Seller and Buyer jointly and severally agree to release Escrow Agent from any and all claims, demands, causes of action, liability, damages, judgments, in connection with Escrow Agent's undertaking pursuant to this Escrow Agreement, unless such act or omission is a result solely of the willful misconduct or negligence of Escrow Agent.

8. **Reliance on Documents.** Escrow Agent may act in reliance upon any writing, instrument or signature which it, in good faith, believes to be genuine; may assume the validity and accuracy of any statements or assertions contained in such writing or instrument; and may assume that persons purporting to give any writing, notice or instruction in connection with the provisions hereof has been duly authorized to do so. Escrow Agent shall not be liable for the sufficiency or correctness as to form, manner of execution, or validity of any written statements or instructions delivered to it. Escrow Agent shall not be liable for confirming the identity, authority, or rights of any party hereunder. Escrow Agent undertakes to perform only such duties as are expressly set forth herein, and there are no implied duties or obligations of Escrow Agent.
9. **Discharge of Escrow Agent.** Escrow Agent shall be discharged of its obligations under this Escrow Agreement upon the disbursement or delivery of the Deposit and any other funds or documents held by it in accordance with the terms of this Escrow Agreement, including any delivery or disbursement pursuant to an interpleader action.
10. **Notices.** All notices, demands, or other communications hereunder shall be in writing and given to the persons to whom the notice is directed, either by: (a) delivery by national overnight delivery service; (b) certified mail, return receipt requested, addressed as stated below, posted and deposited with the U.S. Postal Service; or (c) Portable Document Format ("PDF") sent via e-mail with delivery confirmation requested, provided that there is contemporaneous deposit of such notice with a national overnight delivery service addressed as stated below, which notice shall be deemed effective upon the earlier to occur of: (i) completion of the email transmission; or (ii) actual delivery by the overnight delivery service addressed as stated below. All notices, demands, or other communications hereunder shall be addressed as follows:

**Notices to Seller:** Michael I. Goldberg, Receiver of US1  
Real Estate Developments, LLC  
c/o Akerman LLP  
201 East Las Olas Boulevard, Suite 1800  
Fort Lauderdale, Florida 33301  
Email: [michael.goldberg@akerman.com](mailto:michael.goldberg@akerman.com)

**With a copy to:** Akerman LLP  
201 East Las Olas Boulevard, Suite 1800  
Fort Lauderdale, Florida 33301  
Attention: Andrew Wamsley  
Email: [andrew.wamsley@akerman.com](mailto:andrew.wamsley@akerman.com)

**Notices to Buyer:** City of Port St. Lucie, Florida  
121 SW Port St. Lucie Boulevard  
Port St. Lucie, FL 34984  
Attention: City Manager

Telephone: 772 871 5163  
Email: [rblackburn@cityofpsl.com](mailto:rblackburn@cityofpsl.com)

With a copy to: City of Port St. Lucie, Florida  
121 SW Port St. Lucie Boulevard  
Port St. Lucie, FL 34984  
Attention: City Manager  
Telephone: 772 871 5294  
Email: [jstokes@cityofpsl.com](mailto:jstokes@cityofpsl.com)

Notices to Escrow Agent: Weiss Serota Helfman Cole & Bierman, P.L.  
1200 N. Federal Hwy Suite 312  
Boca Raton, Florida 33432  
Attention: Andrew Demers  
Telephone: 561-835-2111  
Email: [ademers@wsh-law.com](mailto:ademers@wsh-law.com)

With a copy to: Weiss Serota Helfman Cole & Bierman, P.L.  
200 East Broward Boulevard, 19<sup>th</sup> Floor  
Fort Lauderdale, Florida 33301  
Attention: Mitchell Burnstein, Esq.  
Telephone: 954-763-4242  
Email: [mburnstein@wsh-law.com](mailto:mburnstein@wsh-law.com)

Where two recipients for a party to this Escrow Agreement are shown above, any notice, demand, or other communication hereunder shall be effective when first given to either recipient, provided that both recipients are given such notice, demand, or other communication.

11. **Reimbursement of Expenses.** Escrow Agent shall not charge an independent fee for its services provided under this Escrow Agreement. Notwithstanding, Seller and Buyer jointly and severally agree that Escrow Agent shall be reimbursed for its customary out-of-pocket expenses incurred in the performance of this Agreement (including but not limited to wire transfer fees and postage).
12. **Escrow Agent Counsel for Party.** The parties acknowledge that Escrow Agent serves as counsel to and represents Buyer in connection with the Purchase Agreement. Seller agrees that it shall not raise any objection to such representation in the event of any dispute between Seller and Buyer relating to this Escrow Agreement or the Purchase Agreement.
13. **Miscellaneous.** This Escrow Agreement may be executed in counterparts, and the counterparts together shall constitute the single agreement of the parties. Facsimile or email transmission of a counterpart signed by a party shall be sufficient to establish signature by that party. References to a specific time of day (e.g. 5:00 p.m.) shall be

determined by reference to Eastern time then in effect. This Escrow Agreement shall be: (a) governed in accordance with the laws of Florida; (b) amended only by a written instrument signed by Seller, Buyer and Escrow Agent; and (c) binding upon and enforceable by the parties and their respective successors and assigns. Any legal proceeding relating hereto shall be maintained only in St. Lucie County, Florida.

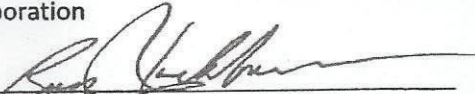
The parties have caused this Escrow Agreement to be executed effective the date first stated above.

[SIGNATURE BLOCKS ON FOLLOWING PAGES]

Signature Page  
for  
City of Port St. Lucie

This Signature Page is attached to and made a part of that certain Escrow Agreement among CITY OF PORT ST. LUCIE, a Florida municipal corporation; among Michael I. Goldberg, as court appointed receiver of US1 Real Estate Developments, LLC, a Florida limited liability company; and WEISS SEROTA HELFMAN COLE & BIERMAN, P.L., a Florida professional liability company. The undersigned hereby approves and agrees to be legally bound legally by the terms and provisions of the Escrow Agreement.

CITY OF PORT ST. LUCIE, a Florida municipal  
corporation

By:   
Russ Blackburn, City Manager

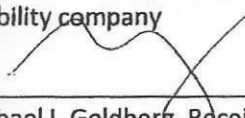
Date: November 22, 2021

Signature Page  
for

Michael I. Goldberg, as court appointed receiver of  
US1 Real Estate Developments, LLC, a Florida limited liability company

This Signature Page is attached to and made a part of that certain Escrow Agreement among CITY OF PORT ST. LUCIE, a Florida municipal corporation; among Michael I. Goldberg, as court appointed receiver of US1 Real Estate Developments, LLC, a Florida limited liability company; and WEISS SEROTA HELFMAN COLE & BIERMAN, P.L., a Florida professional liability company. The undersigned hereby approves and agrees to be legally bound legally by the terms and provisions of the Escrow Agreement.

Michael I. Goldberg, as court appointed receiver of  
US1 Real Estate Developments, LLC, a Florida  
limited liability company

By:   
Michael I. Goldberg, Receiver

Date: 12/14/21

Signature Page  
for  
Weiss Serota Helfman Cole & Bierman, P.L.

This Signature Page is attached to and made a part of that certain Escrow Agreement among CITY OF PORT ST. LUCIE, a Florida municipal corporation; among Michael I. Goldberg, as court appointed receiver of US1 Real Estate Developments, LLC, a Florida limited liability company; and WEISS SEROTA HELFMAN COLE & BIERMAN, P.L., a Florida professional liability company. The undersigned hereby approves and agrees to be legally bound legally by the terms and provisions of the Escrow Agreement.

WEISS SEROTA HELFMAN COLE & BIERMAN, P.L., a  
Florida professional liability company

By: 

Title: ANDREW DEMERS, PARTNER

Date: 12/16/2021

**EXHIBIT D**

**FORM OF ASSIGNMENT AND ASSUMPTION OF LEASE AND CONTRACTS**

This instrument was prepared and recorded by:

**ASSIGNMENT AND ASSUMPTION OF LEASE AND CONTRACTS**

THIS ASSIGNMENT AND ASSUMPTION OF LEASE AND CONTRACTS (this "Assignment") is made and entered into as of this \_\_\_\_ day of \_\_\_\_\_, 202\_\_ (the "Effective Date") by and between the CITY OF PORT ST. LUCIE, a Florida municipal corporation (hereinafter referred to as "Assignee") and MICHAEL I. GOLDBERG, AS COURT APPOINTED RECEIVER OF US1 REAL ESTATE DEVELOPMENTS, LLC (hereinafter referred to as "Assignor") (Assignee and Assignor are collectively referred to herein as the "Parties").

**WITNESSETH:**

WHEREAS, this Assignment is entered into pursuant to that certain Purchase and Sale Agreement dated \_\_\_\_\_, 2021, by and between the Parties regarding the real property described in **Exhibit A**, attached hereto and incorporated herein.

NOW THEREFORE, for and in consideration of the premises hereof, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. Recitals. The recitals above are true and correct and are incorporated into this Assignment by this reference.
2. Assignment of Lease and Service Contracts. Assignor hereby absolutely and irrevocably assigns, transfers, gives, conveys and delivers upon Assignee all of Assignor's right, title and interest in and to that certain lease dated November 15, 1979, and all subsequent amendments and/or assignments thereto, originally by and between General Development Corporation, as landlord, and Beall's Department Stores, Inc., as tenant (the "Lease"). Additionally, Assignor hereby absolutely and irrevocably assigns, transfers, gives, conveys and delivers upon Assignee all of Assignor's right, title and interest in and to the service contracts listed in **Exhibit B**, attached hereto and incorporated herein ("Service Contracts").
3. Assumption of Lease and Service Contracts. Assignee hereby assumes all of the obligations of the landlord under the Lease from and after the Effective Date. Assignee hereby assumes all of the obligations of Assignor under the Service Contracts from and after the Effective Date.

4. Time. Time is of the essence with respect to all provisions of this Assignment.

5. Counterparts; Electronic Signatures. This Assignment may be executed in multiple counterparts, each of which shall be deemed an original, but all of which, together, shall constitute but one and the same instrument. A facsimile or electronically transmitted signature shall be deemed to constitute an original signature for the purposes of this Assignment. Scanned copies, .PDF, e-mailed copies, or other electronic signature of the signed Agreement shall be treated as originals.

6. Negotiations of Assignment. The drafting and negotiation of this Assignment has been participated in by each of the Parties, and for all purposes, therefore, this Assignment shall be deemed to have been drafted jointly by each of the Parties.

7. Severability. If any clause or provision of this Assignment is illegal, invalid or unenforceable under present or future laws, it is the intention of the Parties that the remainder of this Assignment shall not be affected thereby.

[SIGNATURE PAGES FOLLOWS]

ASSIGNOR:

**Michael I. Goldberg, as court appointed receiver of US1 Real Estate Developments, LLC**, a Florida limited liability company

By: \_\_\_\_\_  
Michael I. Goldberg, Receiver

My Commission expires \_\_\_\_\_

ASSIGNEE:

**City of Port St. Lucie**, a Florida municipal corporation

By: \_\_\_\_\_  
Shannon M. Martin, Mayor

EXHIBIT "A"  
LEGAL DESCRIPTION

EXHIBIT "B"  
SERVICE CONTRACTS

Tax Yr	Cert #	Account Number	Lot #	Cert Buyer
2009	10648	3435-803-0009-000/3	2	5T WEALTH PARTNERS LP
2010	9304	3435-803-0009-000/3	2	5T WEALTH PARTNERS LP
2011	9882	3435-803-0009-000/3	2	5T WEALTH PARTNERS LP
2012	8940	3435-803-0009-000/3	2	5T WEALTH PARTNERS LP
2013	8373	3435-803-0009-000/3	2	5T WEALTH PARTNERS LP
2009	10649	3435-803-0010-000/3	3	5T WEALTH PARTNERS LP
2010	9305	3435-803-0010-000/3	3	5T WEALTH PARTNERS LP
2011	9883	3435-803-0010-000/3	3	5T WEALTH PARTNERS LP
2012	8941	3435-803-0010-000/3	3	5T WEALTH PARTNERS LP
2013	8374	3435-803-0010-000/3	3	5T WEALTH PARTNERS LP
2009	10650	3435-803-0013-000/4	6	5T WEALTH PARTNERS LP
2010	9306	3435-803-0013-000/4	6	5T WEALTH PARTNERS LP
2009	10651	3435-803-0014-000/1	7	5T WEALTH PARTNERS LP
2010	9307	3435-803-0014-000/1	7	COMIAN XI TAX LIEN FUND, LLC
2009	10652	3435-803-0016-000/5	9	5T WEALTH PARTNERS LP
2010	9308	3435-803-0016-000/5	9	5T WEALTH PARTNERS LP
2009	10653	3435-803-0017-000/2	10	5T WEALTH PARTNERS LP
2010	9309	3435-803-0017-000/2	10	5T WEALTH PARTNERS LP
2013	8378	3435-803-0017-000/2	10	JAMES BRINKLEY BRINKLEY MORTGAGE AND TRUST, LLC
2009	10654	3435-803-0018-000/9	11	5T WEALTH PARTNERS LP
2010	9310	3435-803-0018-000/9	11	5T WEALTH PARTNERS LP
2009	10655	3435-803-0019-000/6	12	5T WEALTH PARTNERS LP
2010	9311	3435-803-0019-000/6	12	COMIAN X2 TAX LIEN FUND, LLC
2009	10656	3435-803-0020-000/6	13	5T WEALTH PARTNERS LP
2009	10657	3435-803-0021-000/3	14	5T WEALTH PARTNERS LP
2009	10658	3435-803-0023-000/7	16	5T WEALTH PARTNERS LP
2010	9314	3435-803-0023-000/7	16	5T WEALTH PARTNERS LP
2011	9892	3435-803-0023-000/7	16	5T WEALTH PARTNERS LP
2012	8950	3435-803-0023-000/7	16	5T WEALTH PARTNERS LP
2013	8383	3435-803-0023-000/7	16	5T WEALTH PARTNERS LP
2009	10659	3435-803-0024-000/4	17	5T WEALTH PARTNERS LP
2009	10660	3435-803-0025-000/1	18	5T WEALTH PARTNERS LP
2010	9316	3435-803-0025-000/1	18	5T WEALTH PARTNERS LP
2011	9894	3435-803-0025-000/1	18	5T WEALTH PARTNERS LP
2012	8952	3435-803-0025-000/1	18	5T WEALTH PARTNERS LP
2013	8385	3435-803-0025-000/1	18	5T WEALTH PARTNERS LP
2009	10661	3435-803-0027-000/5	20	5T WEALTH PARTNERS LP
2010	9317	3435-803-0027-000/5	20	5T WEALTH PARTNERS LP
2011	9895	3435-803-0027-000/5	20	5T WEALTH PARTNERS LP
2012	8953	3435-803-0027-000/5	20	5T WEALTH PARTNERS LP
2013	8386	3435-803-0027-000/5	20	5T WEALTH PARTNERS LP
2009	10662	3435-803-0028-000/2	21	5T WEALTH PARTNERS LP
2009	10663	3435-803-0032-000/3	25	5T WEALTH PARTNERS LP
2009	10666	3435-803-0035-000/4	28	5T WEALTH PARTNERS LP
2009	10667	3435-803-0037-000/8	30	5T WEALTH PARTNERS LP
2009	10668	3435-803-0038-000/5	31	5T WEALTH PARTNERS LP
2010	9324	3435-803-0038-000/5	31	5T WEALTH PARTNERS LP
2011	9900	3435-803-0038-000/5	31	5T WEALTH PARTNERS LP
2012	8958	3435-803-0038-000/5	31	5T WEALTH PARTNERS LP
2013	8391	3435-803-0038-000/5	31	5T WEALTH PARTNERS LP
2009	10669	3435-803-0039-000/2	32	CB INTERNATIONAL INVESTMENTS, LLC
2009	10670	3435-803-0040-000/2	33	5T WEALTH PARTNERS LP
2009	10671	3435-803-0043-000/3	36	5T WEALTH PARTNERS LP

# **CITY SETTLEMENT AGREEMENTS**

## SETTLEMENT AGREEMENT

THIS SETTLEMENT AGREEMENT is made and entered into this 30 day of August, 2021, by and between **5T Wealth Partners**, holders of tax certificates on property the City wishes to buy ( "certificate holders") and the **City of Port St. Lucie**, a Florida municipal corporation of the ("City").

### WITNESSETH:

WHEREAS, on November 3, 2015, the United States Securities and Exchange Commission ("SEC") filed a complaint in the United States District Court for the Southern District of Florida ("Court") against the Receivership Defendants and Lin Zhong a/k/a Lily Zhong (collectively "Defendants") alleging that the Defendants violated the Securities Act of 1933 and the Securities Exchange Act of 1934 by making false or materially misleading representations to investors; and

WHEREAS, on November 4, 2015, the SEC filed an Emergency Motion for Appointment of a Receiver and an Emergency Motion for Asset Freeze and Other Relief. On November 12, 2015, without admitting or denying the allegations in the Complaint, the Defendants stipulated to the appointment of Michael Goldberg as the Receiver ("Receiver") and to an order freezing their assets for a period of thirty days. The Court entered a Stipulated Order Appointing Receiver on November 18, 2015, and extended the asset freeze; and

WHEREAS, pursuant to the Order Appointing Receiver, the Receiver has taken possession of all property, assets and estates of the Defendants, including but not limited to the portion of the Port St. Lucie City Center ("City Center") owned by Relief Defendant US1 Real Estate Developments, LLC ("US1"); and

WHEREAS, in 2001, the City created a Community Redevelopment Area ("CRA") along U.S. 1 in eastern Port St. Lucie and on June 11, 2001, formally adopted a community redevelopment plan. The redevelopment strategy was to create a central business district or commercial town center along U.S. 1 which would include a town center of retail, restaurant, and residential use and was to be known as City Center. The City identified a former shopping center at the corner of U.S. 1 and Walton Road as the location for City Center; and

WHEREAS, PSL Center, LLC ("PSL Center"), an entity owned by de Guardiola Properties, Inc. ("DGP"), purchased the shopping center and proposed the development of City Center as a public-private partnership with the City. The City, the CRA, PSL Center and DGP entered into a Redevelopment Agreement to build the project in 4 phases which would include a civic component, public parking structures, and private mixed-use development (the "Project"); and

WHEREAS, the City issued bonds in 2006 to provide \$46.4 million to finance the Project. The City issued additional bonds in the form of Special Assessment Refunding Bonds in 2008 to provide \$31.3 million to fund the construction of a master storm water system, roads, complete construction of the civic center, village square public plaza and interactive fountain, City Center

parking garage, and four surface parking lots (the 2006 and 2008 bonds are collectively referred to as the "Non-Ad Valorem Bonds"); and

WHEREAS, PSL Center originally purchased 40 acres. Approximately 19.78 acres were set aside for development of roadways, parking structures, the civic center, police station and greenways; and

WHEREAS, PSL Center and DGP failed to fulfill its obligations under the Redevelopment Agreement. In addition, PSL Center failed to pay the real property taxes on the 22 City Center parcels that it owned ("City Center Parcels"), resulting in the issuance of tax certificates on the City Center Parcels. The property taxes also included non-ad valorem assessments which equaled the annual principal and interest payment on the Non-Ad Valorem Bonds; and

WHEREAS, the secured lender instituted foreclosure proceedings against PSL Center to foreclose on the City Center Parcels. However, in 2013, prior to the entry of a final judgement of foreclosure, PSL Center sold the City Center Parcels to US1 for \$500,000, subject to \$15 million in real property taxes and non-ad valorem assessments; and

WHEREAS, the City and the CRA met with US1, who suggested developing the City Center Parcels as an International Trade Center to be funded through the EB-5 Immigrant Investment Program, but US1 never submitted any development applications to the City. Nor did US1 pay the current and delinquent real property taxes and non-ad valorem assessments due on the City Center Parcels; and

WHEREAS, when the Receiver was appointed, \$18 million in real property taxes and non-ad valorem assessments had accrued against the City Center Parcels. Moreover, all but one of the City Center Parcels remains undeveloped; and

WHEREAS, in 2016, the Receiver commissioned an appraisal of the City Center Parcels which found the market value to be \$5.3 million with no consideration for the unpaid taxes or non-ad valorem assessments; and

WHEREAS, the total tax and assessment liability on the City Center Parcels is currently more than \$46 million; and

WHEREAS, since the Receiver's appointment, the Receiver has been in constant contact with the City to discuss the outstanding tax liability and attempt to reach an agreement concerning the future of the City Center Parcels; and

WHEREAS, the Receiver has explored selling the City Center Parcels, however, the significant outstanding tax and non-ad valorem assessment liability and other development constraints pose a detriment to the sale of the City Center Parcels to a private third party; and

WHEREAS, due to the tax and development constraints, the Receiver did not believe that a public sale of the City Center Parcels, as contemplated by 28 U.S.C. § 2001, would be the appropriate method to sell the property. Counsel for the SEC and US1's previous counsel agreed

to a Stipulation of Waiver of 28 U.S.C. § 2001. A copy of the Stipulation was filed with the Court on August 22, 2018; and

WHEREAS, the Receiver retained a broker to market the City Center Parcels for sale (the "Broker"). The Broker worked diligently reaching out to potential purchasers and responding to inquiries. Most parties who responded to the listing only wanted to purchase individual lots to construct a single retail store or business; and

WHEREAS, on August 2, 2018, the Receiver executed a Purchase and Sale Agreement with BA City Center LLC, for the sale of the City Center Parcels for \$750,000, subject to approval by the Court. The Court entered an Order, dated August 23, 2018, granting the Receiver's Motion to Sell US1 Real Estate Developments, LLC's Interest in the Port St. Lucie City Center. However, after an extended due diligence period, BA City Center LLC terminated the agreement. The Broker continued to market the City Center Parcels to no avail; and

WHEREAS, on November 9, 2020, the Port St. Lucie City Council approved the City Manager and City Attorney to enter into a Purchase and Sale Agreement with the Receiver for the City's purchase of the City Center Parcels for \$400,000 ("City Agreement"). The price was established at the amount necessary to cover the Receiver's costs associated with the City Center Parcels for the previous 5 years; and

WHEREAS, on December 3, 2020, the St. Lucie County Tax Collector ("Tax Collector") engaged Jonathan Perlman of Genovese, Joblove and Battista to file a Notice of Appearance in the receivership case so that the Tax Collector could file, if necessary, an objection to the Receiver's proposed City Agreement, in the event the City Agreement did not subject the sale to the full payment of all past due taxes and interest; and

WHEREAS, in an effort to avoid litigation and settle all outstanding tax liability associated with the City Center Parcels, the Tax Collector brokered settlement discussions between the City, the taxing authorities and the tax certificate holder with the largest liens; and

WHEREAS, based on information supplied by the Tax Collector, the Certificate Holders are owed past due property tax liens for the City Center Parcels in excess of one million dollars, not including interest; and

WHEREAS, the Certificate Holders recognize that it is difficult to estimate the probability that the it will receive all or a portion of the past due property tax liens because of the unique nature of the circumstances associated with the City Center Parcels; and

WHEREAS, the City and the Certificate Holders have reached an agreement to fully resolve the outstanding tax liability associated with the City Center Parcels and desire to enter into a settlement agreement pursuant to the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, the sufficiency of which is acknowledged by each party, the parties hereby agree as follows:

1. RECITALS. The above recitals are true and correct and incorporated herein by this reference.
2. TERMS AND CONDITIONS.
  - a. The Certificate Holders agree to withhold filing or joining an objection to the Receiver selling the City Center Parcels to the City if the transfer of the Properties (as defined below) to the Certificate Holders is an express condition of the closing of such sale to the City.
  - b. The Certificate Holders and City agree that \$1.3 million constitutes the approximate principal amount owed to the Certificate Holders for past due property tax liens for the City Center Parcels, which does not include interest (the "Principal Balance").
  - c. The Certificate Holders agree to forgo payment of the Principal Balance at closing with the understanding that the City will convey in, fee simple title via Quit Claim Deeds, the parcels identified in Exhibit A (attached and incorporated herein) (the "Properties") to 5T Wealth Partners with such closing on the Properties to be within one hundred and twenty (120) days of the Court approving the sale of the City Center Parcels to the City. The Certificate Holders further agree that upon the timely conveyance and closing, all outstanding tax lien liability associated with the City Center Parcels shall be deemed satisfied and resolved and the tax collector shall cancel the certificates.
  - d. Within thirty (30) days of the parties executing this Settlement Agreement, the City will present the Quit Claim Deeds conveying the Properties identified in Exhibit A to 5T Wealth Partners to the City Council via an Ordinance, which shall require two readings by the City Council. The City agrees to support and otherwise recommend the approval of the terms of this Agreement to the City Council. Upon approval by the City Council, the Quit Claim Deeds will be executed and held in escrow until the City closes on the City Center Parcels. Simultaneously with the City closing on the City Center Parcels, the City shall deliver the Quit Claim Deeds to 5T Wealth Partners for recording in the public records of St. Lucie County, Florida. The City's obligation to convey the parcels identified in Exhibit A to 5T Wealth Partners is strictly contingent on the City closing and acquiring the City Center Parcels. 5T Wealth Partners' obligation and consent to release its lien on the City Center Parcels is strictly contingent on the Properties being conveyed to 5T Wealth Partners.
  - e. This Settlement Agreement shall be attached to and made a part of, and an express condition of, the Receiver's Motion For An Order Approving The Sale of Property to the City and notice of the Motion and any hearing on the Motion shall be provided to 5T Wealth Partners and its counsel of record, which has standing to be heard at any such Hearing.

- f. This Settlement Agreement shall be attached to and made a part of the Receiver's proposed ORDER APPROVING AND AUTHORIZING THE SALE OF REAL PROPERTY TO THE CITY OF PORT ST. LUCIE.
  - g. The Court shall retain jurisdiction for purposes of enforcing the terms of this Settlement Agreement.
- 3. GOVERNING LAW. This Settlement Agreement shall be governed and construed in accordance with Florida law.
  - 4. ASSIGNMENT. This Settlement Agreement may not be assigned by either party without the other party's prior written consent which consent may be withheld for any reason or no reason.
  - 5. INDULGENCE NO WAIVER. The indulgence of either party with regard to any breach or failure to perform any provision of this Settlement Agreement shall not be deemed to constitute a waiver of the provision or any portion of this Agreement, either at the time of the breach or failure occurs, or at any time throughout the term of this Settlement Agreement.
  - 6. SEVERABILITY. In the event any of the provisions of this Settlement Agreement are deemed to be invalid or unenforceable, the validity and enforceability of the remaining provisions of this Settlement Agreement shall not be affected.
  - 7. NO THIRD-PARTY BENEFICIARY. This Settlement Agreement does not confer any right or obligation enforceable by a third party.
  - 8. NOTICE. Any notice, consent or other communication in connection with this Settlement Agreement shall be in writing and may be delivered in person, by mail or by email. If hand-delivered, the notice shall be effective upon delivery. If by email, the notice shall be effective when sent. If served by mail, the notice shall be effective three (3) business days after being deposited in the United States Postal Service by certified mail, return receipt requested, addressed appropriately to the intended recipient as follows:

5T Wealth Partners  
P.O. Box 162121  
Altamonte Springs, FL 32716

[KiteCapital@5TWealth.com](mailto:KiteCapital@5TWealth.com)

City of Port St. Lucie  
Russ Blackburn, City Manager  
121 SW Port St. Lucie Boulevard  
Port St. Lucie, FL 34984  
[RBlackburn@cityofpsl.com](mailto:RBlackburn@cityofpsl.com)

Copy to :  
Justin M. Luna, Esq.  
Latham Luna Eden & Beaudine, LLP  
Counsel for 5T Wealth Partners  
[JLuna@LathamLuna.com](mailto:JLuna@LathamLuna.com)

9. ENTIRE AGREEMENT; CONSTRUCTION OF AGREEMENT. This writing represents the entire agreement of the parties with respect to its subject matter, and no representation, promise, or undertaking by either party shall be binding unless included in this document. Both parties have been represented by counsel and shall be deemed to have participated in the drafting of this Settlement Agreement, and in the event of any ambiguity, the terms and conditions of this Settlement Agreement shall be construed without regard to the identity of the party that drafted the provision in question. This Settlement Agreement is entered into by the parties to resolve disputed matters, the outcome of which is in doubt, and neither party, by entering into this Settlement Agreement, shall be deemed to have admitted any claim or contention of the other party.

**IN WITNESS WHEREOF**, the parties to this Settlement Agreement have set their hands and seals on the date first above-written.

**5T WEALTH PARTNERS**

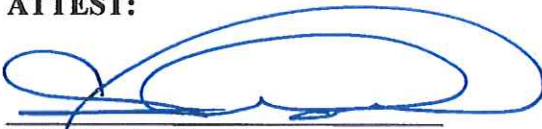
ATTEST:

  
Name: Cole Coss, Kite Capital Partners

DocuSigned by:  
Hien Scozzafava  
BY: Hien Scozzafava, Manager and CCO for 5T Wealth, LLC, as General Partner of 5T Wealth Partners, LP

**CITY OF PORT ST. LUCIE, FLORIDA**

ATTEST:

  
Sally Walsh, City Clerk

BY:   
Russ Blackburn, City Manager

APPROVED AS TO FORM AND  
CORRECTNESS:

  
James Stokes, City Attorney

EXHIBIT A

Parcels the City of Port St. Lucie will deed to 5T Wealth Partners at Closing

- a. 4415 500 0036 000/2 155 SE Via Lago Garda
- b. 4304 502 0022 000/6 SW Village Pkwy (Tradition @ Fairgreen)
- c. 4401 504 0063 000/9 2326 SE Tavares Dr.
- d. 4401 803 0005000/3 2160 SE Hillmoor Dr.
- e. 4401 803 0001 000/5 2161 SE Hillmoor Dr.
- f. 4401 803 0002 000/2 2171 SE Hillmoor Dr.
- g. 4401 803 0007 000/7 2190 SE Hillmoor Dr.
- h. 4401 803 0003 000/9 2191 SE Hillmoor Dr.
- i. 4401 803 0006 000/0 2170 SE Hillmoor Dr.
- j. 3420 660 0270 000/0 1550 SW Hackensack Ave.
- k. 3420 660 0500 000/2 1685 SW Edinburgh Dr.
- l. 3420 670 1406 000/1 1823 SW Darwin St.
- m. 3420 670 0108 000/5 2530 SW Hallssee St.
- n. 3420 670 0109 000/2 2540 SW Hallssee St.
- o. 3420 670 0110 000/2 2550 SW Hallssee St.
- p. 3420 590 0218 000/4 4198 SW Bamberg St.
- q. 3420 660 0473 000/3 4501 SW Rosser Blvd.
- r. 3420 660 2433 000/5 4641 SW Rolfe St.
- s. 3420 741 0256 000/4 6225 NW Odate Ct.
- t. 3420 741 0255 000/7 6235 NW Odate Ct.
- u. 3335 601 0018 000/2 1498 SW Empire St.

## SETTLEMENT AGREEMENT

**THIS SETTLEMENT AGREEMENT** is made and entered into this 29 day of June, 2021, by and between the **St. Lucie County Tax Collector**, a constitutional officer of St. Lucie County, Florida (the "Tax Collector") and the **City of Port St. Lucie**, a Florida municipal corporation of the ("City").

### WITNESSETH:

WHEREAS, on November 3, 2015, the United States Securities and Exchange Commission ("SEC") filed a complaint in the United States District Court for the Southern District of Florida ("Court") against the Receivership Defendants and Lin Zhong a/k/a Lily Zhong (collectively "Defendants") alleging that the Defendants violated the Securities Act of 1933 and the Securities Exchange Act of 1934 by making false or materially misleading representations to investors; and

WHEREAS, on November 4, 2015, the SEC filed an Emergency Motion for Appointment of a Receiver and an Emergency Motion for Asset Freeze and Other Relief. On November 12, 2015, without admitting or denying the allegations in the Complaint, the Defendants stipulated to the appointment of Michael Goldberg as the Receiver ("Receiver") and to an order freezing their assets for a period of thirty days. The Court entered a Stipulated Order Appointing Receiver on November 18, 2015, and extended the asset freeze; and

WHEREAS, pursuant to the Order Appointing Receiver, the Receiver has taken possession of all property, assets and estates of the Defendants, including but not limited to the portion of the Port St. Lucie City Center ("City Center") owned by Relief Defendant US1 Real Estate Developments, LLC ("US1"); and

WHEREAS, in 2001, the City created a Community Redevelopment Area ("CRA") along U.S. 1 in eastern Port St. Lucie and on June 11, 2001, formally adopted a community redevelopment plan. The redevelopment strategy was to create a central business district or commercial town center along U.S. 1 which would include a town center of retail, restaurant, and residential use and was to be known as City Center. The City identified a former shopping center at the corner of U.S. 1 and Walton Road as the location for City Center; and

WHEREAS, PSL Center, LLC ("PSL Center"), an entity owned by de Guardiola Properties, Inc. ("DGP"), purchased the shopping center and proposed the development of City Center as a public-private partnership with the City. The City, the CRA, PSL Center and DGP entered into a Redevelopment Agreement to build the project in 4 phases which would include a civic component, public parking structures, and private mixed-use development (the "Project"); and

WHEREAS, the City issued bonds in 2006 to provide \$46.4 million to finance the Project. The City issued additional bonds in the form of Special Assessment Refunding Bonds in 2008 to provide \$31.3 million to fund the construction of a master storm water system, roads, complete construction of the civic center, village square public plaza and interactive fountain, City Center

parking garage, and four surface parking lots (the 2006 and 2008 bonds are collectively referred to as the "Non-Ad Valorem Bonds"); and

WHEREAS, PSL Center originally purchased 40 acres. Approximately 19.78 acres were set aside for development of roadways, parking structures, the civic center, police station and greenways; and

WHEREAS, PSL Center and DGP failed to fulfill its obligations under the Redevelopment Agreement. In addition, PSL Center failed to pay the real property taxes on the 22 City Center parcels that it owned ("City Center Parcels"), resulting in the issuance of tax certificates on the City Center Parcels. The property taxes also included non-ad valorem assessments which equaled the annual principal and interest payment on the Non-Ad Valorem Bonds; and

WHEREAS, the secured lender instituted foreclosure proceedings against PSL Center to foreclose on the City Center Parcels. However, in 2013, prior to the entry of a final judgement of foreclosure, PSL Center sold the City Center Parcels to US1 for \$500,000, subject to \$15 million in real property taxes and non-ad valorem assessments; and

WHEREAS, the City and the CRA met with US1, who suggested developing the City Center Parcels as an International Trade Center to be funded through the EB-5 Immigrant Investment Program, but US1 never submitted any development applications to the City. Nor did US1 pay the current and delinquent real property taxes and non-ad valorem assessments due on the City Center Parcels; and

WHEREAS, when the Receiver was appointed, \$18 million in real property taxes and non-ad valorem assessments had accrued against the City Center Parcels. Moreover, all but one of the City Center Parcels remains undeveloped; and

WHEREAS, in 2016, the Receiver commissioned an appraisal of the City Center Parcels which found the market value to be \$5.3 million with no consideration for the unpaid taxes or non-ad valorem assessments; and

WHEREAS, the total tax and assessment liability on the City Center Parcels is currently more than \$46 million; and

WHEREAS, since the Receiver's appointment, the Receiver has been in constant contact with the City to discuss the outstanding tax liability and attempt to reach an agreement concerning the future of the City Center Parcels; and

WHEREAS, the Receiver has explored selling the City Center Parcels, however, the significant outstanding tax and non-ad valorem assessment liability and other development constraints pose a detriment to the sale of the City Center Parcels to a private third party; and

WHEREAS, due to the tax and development constraints, the Receiver did not believe that a public sale of the City Center Parcels, as contemplated by 28 U.S.C. § 2001, would be the appropriate method to sell the property. Counsel for the SEC and US1's previous counsel agreed

to a Stipulation of Waiver of 28 U.S.C. § 2001. A copy of the Stipulation was filed with the Court on August 22, 2018; and

WHEREAS, the Receiver retained a broker to market the City Center Parcels for sale (the "Broker"). The Broker worked diligently reaching out to potential purchasers and responding to inquiries. Most parties who responded to the listing only wanted to purchase individual lots to construct a single retail store or business; and

WHEREAS, on August 2, 2018, the Receiver executed a Purchase and Sale Agreement with BA City Center LLC, for the sale of the City Center Parcels for \$750,000, subject to approval by the Court. The Court entered an Order, dated August 23, 2018, granting the Receiver's Motion to Sell US1 Real Estate Developments, LLC's Interest in the Port St. Lucie City Center. However, after an extended due diligence period, BA City Center LLC terminated the agreement. The Broker continued to market the City Center Parcels to no avail; and

WHEREAS, on November 9, 2020, the Port St. Lucie City Council approved the City Manager and City Attorney to enter into a Purchase and Sale Agreement with the Receiver for the City's purchase of the City Center Parcels for \$400,000 ("City Agreement"). The price was established at the amount necessary to cover the Receiver's costs associated with the City Center Parcels for the previous 5 years; and

WHEREAS, on December 3, 2020, the Tax Collector engaged Jonathan Perlman of Genovese, Joblove and Battista to file a Notice of Appearance in the receivership case so that the Tax Collector could file, if necessary, an objection to the Receiver's proposed City Agreement, in the event the City Agreement did not subject the sale to the full payment of all past due taxes and interest; and

WHEREAS, in an effort to avoid litigation and settle all outstanding tax liability associated with the City Center Parcels, the Tax Collector brokered settlement discussions between the City, the largest taxing authorities and the tax certificate holder with the largest liens; and

WHEREAS, there are other taxing authorities owed small enough amounts that the City has the means to pay their portion of the outstanding taxes at closing; and

WHEREAS, the City and the Tax Collector have reached an agreement that the Tax Collector will not object to the sale of the City Center Parcels to the City on the condition that all taxing authorities either enter into agreements with the City to settle tax liabilities in lieu of litigation or are made whole by having their outstanding tax liabilities paid at closing; and

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, the sufficiency of which is acknowledged by each party, the parties hereby agree as follows:

1. RECITALS. The above recitals are true and correct and incorporated herein by this reference.
2. TERMS AND CONDITIONS.

- a. The Tax Collector agrees to withhold filing or joining an objection to the Receiver selling the City Center Parcels to the City.
  - b. The City agrees that all taxing authorities will either be paid at closing for their portion of the tax liability associated with the City Center Parcels or will enter into agreements with the taxing authorities such that the taxing authorities will forgo payment of their portion of taxes at closing, in return for the terms and conditions laid out in agreements executed by the City and taxing authorities.
  - c. This Settlement Agreement shall be attached to and made a part of the Receiver's Motion For An Order Approving The Sale of Property to the City.
  - d. This Settlement Agreement shall be attached to and made a part of the Receiver's proposed ORDER APPROVING AND AUTHORIZING THE SALE OF REAL PROPERTY TO THE CITY OF PORT ST. LUCIE.
  - e. The Court shall retain jurisdiction for purposes of enforcing the terms of this Settlement Agreement.
3. GOVERNING LAW. This Settlement Agreement shall be governed and construed in accordance with Florida law.
4. ASSIGNMENT. This Settlement Agreement may not be assigned by either party without the other party's prior written consent which consent may be withheld for any reason or no reason.
5. INDULGENCE NO WAIVER. The indulgence of either party with regard to any breach or failure to perform any provision of this Settlement Agreement shall not be deemed to constitute a waiver of the provision or any portion of this Agreement, either at the time of the breach or failure occurs, or at any time throughout the term of this Settlement Agreement.
6. SEVERABILITY. In the event any of the provisions of this Settlement Agreement are deemed to be invalid or unenforceable, the validity and enforceability of the remaining provisions of this Settlement Agreement shall not be affected.
7. NO THIRD-PARTY BENEFICIARY. This Settlement Agreement does not confer any right or obligation enforceable by a third party.
8. NOTICE. Any notice, consent or other communication in connection with this Settlement Agreement shall be in writing and may be delivered in person, by mail or by email. If hand-delivered, the notice shall be effective upon delivery. If by email, the notice shall be effective when sent. If served by mail, the notice shall be effective three (3) business days after being deposited in the United States Postal Service by certified mail, return receipt requested, addressed appropriately to the intended recipient as follows:

Chris Craft  
St. Lucie County Tax Collector  
2300 Virginia Ave.  
Fort Pierce, Florida 34954

City of Port St. Lucie  
Russ Blackburn, City Manager  
121 SW Port St. Lucie Boulevard  
Port St. Lucie, FL 34984

With Copy To:  
Edward Becht  
St. Lucie County Tax Collector Attorney  
2300 Virginia Ave.  
Fort Pierce, Florida 34954

9. ENTIRE AGREEMENT; CONSTRUCTION OF AGREEMENT. This writing represents the entire agreement of the parties with respect to its subject matter, and no representation, promise, or undertaking by either party shall be binding unless included in this document. Both parties have been represented by counsel and shall be deemed to have participated in the drafting of this Settlement Agreement, and in the event of any ambiguity, the terms and conditions of this Settlement Agreement shall be construed without regard to the identity of the party that drafted the provision in question. This Settlement Agreement is entered into by the parties to resolve disputed matters, the outcome of which is in doubt, and neither party, by entering into this Settlement Agreement, shall be deemed to have admitted any claim or contention of the other party.

IN WITNESS WHEREOF, THE PARTIES TO THIS Agreement have set their hands and seals on the date first above-written.

Witnesses:

Carin Smith  
Printed Name: Carin Smith

Charles Tobin  
Printed Name: Charles Tobin

TAX COLLECTOR:

By: Chris Craft  
Chris Craft, Tax Collector

STATE OF FLORIDA       )  
  ) ss  
COUNTY OF ST. LUCIE    )

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization this 28 day of June, 2021, by Chris Craft, as Tax Collector of St. Lucie County who is [☒] personally known to me, or who has [ ] produced the following identification \_\_\_\_\_.



Cynthia Denise Wood  
Signature of Notary Public

Name: Cynthia Denise Wood

Notary Public, State of Florida  
My Commission expires Aug 11, 2024

CITY OF PORT ST. LUCIE, FLORIDA

ATTEST:

Sally Walsh  
Sally Walsh, City Clerk

BY: Russ Blackburn  
Russ Blackburn, City Manager 6/29/21



APPROVED AS TO FORM AND  
CORRECTNESS:

James Stokes  
James Stokes, City Attorney

## SETTLEMENT AGREEMENT

**THIS SETTLEMENT AGREEMENT** is made and entered into this 11 day of June, 2021, by and between **St. Lucie County**, a political subdivision of the State of Florida (the "County") and the **City of Port St. Lucie**, a Florida municipal corporation of the ("City").

### WITNESSETH:

WHEREAS, on November 3, 2015, the United States Securities and Exchange Commission ("SEC") filed a complaint in the United States District Court for the Southern District of Florida ("Court") against the Receivership Defendants and Lin Zhong a/k/a Lily Zhong (collectively "Defendants") alleging that the Defendants violated the Securities Act of 1933 and the Securities Exchange Act of 1934 by making false or materially misleading representations to investors; and

WHEREAS, on November 4, 2015, the SEC filed an Emergency Motion for Appointment of a Receiver and an Emergency Motion for Asset Freeze and Other Relief. On November 12, 2015, without admitting or denying the allegations in the Complaint, the Defendants stipulated to the appointment of Michael Goldberg as the Receiver ("Receiver") and to an order freezing their assets for a period of thirty days. The Court entered a Stipulated Order Appointing Receiver on November 18, 2015, and extended the asset freeze; and

WHEREAS, pursuant to the Order Appointing Receiver, the Receiver has taken possession of all property, assets and estates of the Defendants, including but not limited to the portion of the Port St. Lucie City Center ("City Center") owned by Relief Defendant US1 Real Estate Developments, LLC ("US1"); and

WHEREAS, in 2001, the City created a Community Redevelopment Area ("CRA") along U.S. 1 in eastern Port St. Lucie and on June 11, 2001, formally adopted a community redevelopment plan. The redevelopment strategy was to create a central business district or commercial town center along U.S. 1 which would include a town center of retail, restaurant, and residential use and was to be known as City Center. The City identified a former shopping center at the corner of U.S. 1 and Walton Road as the location for City Center; and

WHEREAS, PSL Center, LLC ("PSL Center"), an entity owned by de Guardiola Properties, Inc. ("DGP"), purchased the shopping center and proposed the development of City Center as a public-private partnership with the City. The City, the CRA, PSL Center and DGP entered into a Redevelopment Agreement to build the project in 4 phases which would include a civic component, public parking structures, and private mixed-use development (the "Project"); and

WHEREAS, the City issued bonds in 2006 to provide \$46.4 million to finance the Project. The City issued additional bonds in the form of Special Assessment Refunding Bonds in 2008 to provide \$31.3 million to fund the construction of a master storm water system, roads, complete construction of the civic center, village square public plaza and interactive fountain, City Center

parking garage, and four surface parking lots (the 2006 and 2008 bonds are collectively referred to as the “Non-Ad Valorem Bonds”); and

WHEREAS, PSL Center originally purchased 40 acres. Approximately 19.78 acres were set aside for development of roadways, parking structures, the civic center, police station and greenways; and

WHEREAS, PSL Center and DGP failed to fulfill its obligations under the Redevelopment Agreement. In addition, PSL Center failed to pay the real property taxes on the 22 City Center parcels that it owned (“City Center Parcels”), resulting in the issuance of tax certificates on the City Center Parcels. The property taxes also included non-ad valorem assessments which equaled the annual principal and interest payment on the Non-Ad Valorem Bonds; and

WHEREAS, the secured lender instituted foreclosure proceedings against PSL Center to foreclose on the City Center Parcels. However, in 2013, prior to the entry of a final judgement of foreclosure, PSL Center sold the City Center Parcels to US1 for \$500,000, subject to \$15 million in real property taxes and non-ad valorem assessments; and

WHEREAS, the City and the CRA met with US1, who suggested developing the City Center Parcels as an International Trade Center to be funded through the EB-5 Immigrant Investment Program, but US1 never submitted any development applications to the City. Nor did US1 pay the current and delinquent real property taxes and non-ad valorem assessments due on the City Center Parcels; and

WHEREAS, when the Receiver was appointed, \$18 million in real property taxes and non-ad valorem assessments had accrued against the City Center Parcels. Moreover, all but one of the City Center Parcels remains undeveloped; and

WHEREAS, in 2016, the Receiver commissioned an appraisal of the City Center Parcels which found the market value to be \$5.3 million with no consideration for the unpaid taxes or non-ad valorem assessments; and

WHEREAS, the total tax and assessment liability on the City Center Parcels is currently more than \$46 million; and

WHEREAS, since the Receiver’s appointment, the Receiver has been in constant contact with the City to discuss the outstanding tax liability and attempt to reach an agreement concerning the future of the City Center Parcels; and

WHEREAS, the Receiver has explored selling the City Center Parcels, however, the significant outstanding tax and non-ad valorem assessment liability and other development constraints pose a detriment to the sale of the City Center Parcels to a private third party; and

WHEREAS, due to the tax and development constraints, the Receiver did not believe that a public sale of the City Center Parcels, as contemplated by 28 U.S.C. § 2001, would be the appropriate method to sell the property. Counsel for the SEC and US1’s previous counsel agreed

to a Stipulation of Waiver of 28 U.S.C. § 2001. A copy of the Stipulation was filed with the Court on August 22, 2018; and

WHEREAS, the Receiver retained a broker to market the City Center Parcels for sale (the "Broker"). The Broker worked diligently reaching out to potential purchasers and responding to inquiries. Most parties who responded to the listing only wanted to purchase individual lots to construct a single retail store or business; and

WHEREAS, on August 2, 2018, the Receiver executed a Purchase and Sale Agreement with BA City Center LLC, for the sale of the City Center Parcels for \$750,000, subject to approval by the Court. The Court entered an Order, dated August 23, 2018, granting the Receiver's Motion to Sell US1 Real Estate Developments, LLC's Interest in the Port St. Lucie City Center. However, after an extended due diligence period, BA City Center LLC terminated the agreement. The Broker continued to market the City Center Parcels to no avail; and

WHEREAS, on November 9, 2020, the Port St. Lucie City Council approved the City Manager and City Attorney to enter into a Purchase and Sale Agreement with the Receiver for the City's purchase of the City Center Parcels for \$400,000 ("City Agreement"). The price was established at the amount necessary to cover the Receiver's costs associated with the City Center Parcels for the previous 5 years; and

WHEREAS, on December 3, 2020, the St. Lucie County Tax Collector ("Tax Collector") engaged Jonathan Perlman of Genovese, Joblove and Battista to file a Notice of Appearance in the receivership case so that the Tax Collector could file, if necessary, an objection to the Receiver's proposed City Agreement, in the event the City Agreement did not subject the sale to the full payment of all past due taxes and interest; and

WHEREAS, in an effort to avoid litigation and settle all outstanding tax liability associated with the City Center Parcels, the Tax Collector brokered settlement discussions between the City, the taxing authorities and the tax certificate holder with the largest liens; and

WHEREAS, based on information supplied by the Tax Collector, the County is owed past due property taxes for the City Center Parcels in the amount of \$427,304.80, not including interest; and

WHEREAS, the County recognizes that it is difficult to estimate the probability that the it will receive all or a portion of the past due property taxes because of the unique nature of the circumstances associated with the City Center Parcels; and

WHEREAS, the City and the County have reached an agreement to fully resolve the outstanding tax liability associated with the City Center Parcels and desire to enter into a settlement agreement pursuant to the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, the sufficiency of which is acknowledged by each party, the parties hereby agree as follows:

1. RECITALS. The above recitals are true and correct and incorporated herein by this reference.
2. TERMS AND CONDITIONS.
  - a. The County agrees to withhold filing or joining an objection to the Receiver selling the City Center Parcels to the City.
  - b. The County and City agree that \$427,304.80 constitutes the principal amount owed to the County for past due property taxes for the City Center Parcels, which does not include interest (the "Principal Balance").
  - c. The County agrees to forgo payment of the Principal Balance at closing with the understanding that the City will pay the Principal Balance to the County within 10 years from the date of this Settlement Agreement, which may be paid by the City using proceeds from future sales of the City Center Parcels. The County further agrees that upon the execution of this Settlement Agreement, all outstanding tax liability associated with the City Center Parcels shall be deemed satisfied and resolved.
  - d. Upon receipt of the Principal Balance, or any portion thereof, from the City, the County agrees to designate such funds to the Midway Road widening project, the Midway Road Turnpike Interchange project (collectively referred to herein as the "Midway Projects") or any other project improving a County road located within the City limits (hereinafter a "County Road Project"). The County may utilize such funds as funding for a local match requirement, if a grant application or agreement requires a local match. Notwithstanding anything to the contrary herein provided, the County shall have the sole discretion to determine how these funds are allocated for County use.
  - e. If the County allocates the Principal Balance, or any portion thereof, to the Midway Projects or to a County Road Project, the County agrees to request these funds from the City through an approved capital improvement project or through a grant application/agreement for the Midway Road Projects or for a County Road Project.
  - f. If the County does not first request payment of the Principal Balance through an approved capital improvement project or grant application/agreement for the Midway Projects or for a County Road Project, or otherwise receive payment of the Principal Balance from the City, the City shall pay the Principal Balance to the County no later than 10 years from the date of this Settlement Agreement regardless of whether the City has sold the City Center Parcels.
  - g. This Settlement Agreement shall be attached to and made a part of the Receiver's Motion For An Order Approving The Sale of Property to the City.

- h. This Settlement Agreement shall be attached to and made a part of the Receiver's proposed ORDER APPROVING AND AUTHORIZING THE SALE OF REAL PROPERTY TO THE CITY OF PORT ST. LUCIE.
  - i. The Court shall retain jurisdiction for purposes of enforcing the terms of this Settlement Agreement.
3. GOVERNING LAW. This Settlement Agreement shall be governed and construed in accordance with Florida law.
4. ASSIGNMENT. This Settlement Agreement may not be assigned by either party without the other party's prior written consent which consent may be withheld for any reason or no reason.
5. INDULGENCE NO WAIVER. The indulgence of either party with regard to any breach or failure to perform any provision of this Settlement Agreement shall not be deemed to constitute a waiver of the provision or any portion of this Agreement, either at the time of the breach or failure occurs, or at any time throughout the term of this Settlement Agreement.
6. SEVERABILITY. In the event any of the provisions of this Settlement Agreement are deemed to be invalid or unenforceable, the validity and enforceability of the remaining provisions of this Settlement Agreement shall not be affected.
7. NO THIRD-PARTY BENEFICIARY. This Settlement Agreement does not confer any right or obligation enforceable by a third party.
8. NOTICE. Any notice, consent or other communication in connection with this Settlement Agreement shall be in writing and may be delivered in person, by mail or by email. If hand-delivered, the notice shall be effective upon delivery. If by email, the notice shall be effective when sent. If served by mail, the notice shall be effective three (3) business days after being deposited in the United States Postal Service by certified mail, return receipt requested, addressed appropriately to the intended recipient as follows:

St. Lucie County Administrator  
Administration Building Annex  
2300 Virginia Avenue, 34d Floor  
Fort Pierce, Florida 34982  
[TiptonH@stlucieco.org](mailto:TiptonH@stlucieco.org)

City of Port St. Lucie  
Russ Blackburn, City Manager  
121 SW Port St. Lucie Boulevard  
Port St. Lucie, FL 34984  
[RBlackburn@cityofpsl.com](mailto:RBlackburn@cityofpsl.com)

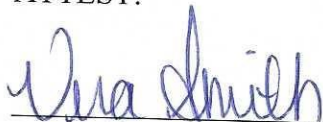
With Copy To :

St. Lucie County Attorney  
Administration Building Annex  
2300 Virginia Avenue, 3rd Floor  
Fort Pierce, Florida 34982

9. ENTIRE AGREEMENT; CONSTRUCTION OF AGREEMENT. This writing represents the entire agreement of the parties with respect to its subject matter, and no representation, promise, or undertaking by either party shall be binding unless included in this document. Both parties have been represented by counsel and shall be deemed to have participated in the drafting of this Settlement Agreement, and in the event of any ambiguity, the terms and conditions of this Settlement Agreement shall be construed without regard to the identity of the party that drafted the provision in question. This Settlement Agreement is entered into by the parties to resolve disputed matters, the outcome of which is in doubt, and neither party, by entering into this Settlement Agreement, shall be deemed to have admitted any claim or contention of the other party.

**IN WITNESS WHEREOF**, the parties to this Settlement Agreement have set their hands and seals on the date first above-written.


ATTEST:

  
Deputy Clerk



**BOARD OF COUNTY COMMISSIONERS  
ST. LUCIE COUNTY, FLORIDA**

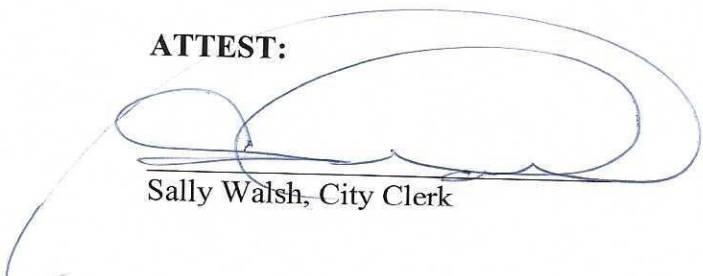
BY:

  
Chris Dzadevsky, Chair 6/1/21

APPROVED AS TO FORM AND  
CORRECTNESS:

  
Daniel McIntyre, County Attorney

ATTEST:


  
Sally Walsh, City Clerk

**CITY OF PORT ST. LUCIE, FLORIDA**

BY:

  
Russ Blackburn, City Manager 6/11/21

APPROVED AS TO FORM AND  
CORRECTNESS:

  
James Stokes, City Attorney

## SETTLEMENT AGREEMENT

THIS SETTLEMENT AGREEMENT is made and entered into this 20 day of July, 2021, by and between **St. Lucie County Fire District**, an Independent Special Taxing District of the State of Florida (the "District") and the **City of Port St. Lucie**, a Florida municipal corporation of the ("City").

### WITNESSETH:

WHEREAS, on November 3, 2015, the United States Securities and Exchange Commission ("SEC") filed a complaint in the United States District Court for the Southern District of Florida ("Court") against the Receivership Defendants and Lin Zhong a/k/a Lily Zhong (collectively "Defendants") alleging that the Defendants violated the Securities Act of 1933 and the Securities Exchange Act of 1934 by making false or materially misleading representations to investors; and

WHEREAS, on November 4, 2015, the SEC filed an Emergency Motion for Appointment of a Receiver and an Emergency Motion for Asset Freeze and Other Relief. On November 12, 2015, without admitting or denying the allegations in the Complaint, the Defendants stipulated to the appointment of Michael Goldberg as the Receiver ("Receiver") and to an order freezing their assets for a period of thirty days. The Court entered a Stipulated Order Appointing Receiver on November 18, 2015, and extended the asset freeze; and

WHEREAS, pursuant to the Order Appointing Receiver, the Receiver has taken possession of all property, assets and estates of the Defendants, including but not limited to the portion of the Port St. Lucie City Center ("City Center") owned by Relief Defendant US1 Real Estate Developments, LLC ("US1"); and

WHEREAS, in 2001, the City created a Community Redevelopment Area ("CRA") along U.S. 1 in eastern Port St. Lucie and on June 11, 2001, formally adopted a community redevelopment plan. The redevelopment strategy was to create a central business district or commercial town center along U.S. 1 which would include a town center of retail, restaurant, and residential use and was to be known as City Center. The City identified a former shopping center at the corner of U.S. 1 and Walton Road as the location for City Center; and

WHEREAS, PSL Center, LLC ("PSL Center"), an entity owned by de Guardiola Properties, Inc. ("DGP"), purchased the shopping center and proposed the development of City Center as a public-private partnership with the City. The City, the CRA, PSL Center and DGP entered into a Redevelopment Agreement to build the project in 4 phases which would include a civic component, public parking structures, and private mixed-use development (the "Project"); and

WHEREAS, the City issued bonds in 2006 to provide \$46.4 million to finance the Project. The City issued additional bonds in the form of Special Assessment Refunding Bonds in 2008 to provide \$31.3 million to fund the construction of a master storm water system, roads, complete construction of the civic center, village square public plaza and interactive fountain, City Center

to a Stipulation of Waiver of 28 U.S.C. § 2001. A copy of the Stipulation was filed with the Court on August 22, 2018; and

WHEREAS, the Receiver retained a broker to market the City Center Parcels for sale (the "Broker"). The Broker worked diligently reaching out to potential purchasers and responding to inquiries. Most parties who responded to the listing only wanted to purchase individual lots to construct a single retail store or business; and

WHEREAS, on August 2, 2018, the Receiver executed a Purchase and Sale Agreement with BA City Center LLC, for the sale of the City Center Parcels for \$750,000, subject to approval by the Court. The Court entered an Order, dated August 23, 2018, granting the Receiver's Motion to Sell US1 Real Estate Developments, LLC's Interest in the Port St. Lucie City Center. However, after an extended due diligence period, BA City Center LLC terminated the agreement. The Broker continued to market the City Center Parcels to no avail; and

WHEREAS, on November 9, 2020, the Port St. Lucie City Council approved the City Manager and City Attorney to enter into a Purchase and Sale Agreement with the Receiver for the City's purchase of the City Center Parcels for \$400,000 ("City Agreement"). The price was established at the amount necessary to cover the Receiver's costs associated with the City Center Parcels for the previous 5 years; and

WHEREAS, on December 3, 2020, the St. Lucie County Tax Collector ("Tax Collector") engaged Jonathan Perlman of Genovese, Joblove and Battista to file a Notice of Appearance in the receivership case so that the Tax Collector could file, if necessary, an objection to the Receiver's proposed City Agreement, in the event the City Agreement did not subject the sale to the full payment of all past due taxes and interest; and

WHEREAS, in an effort to avoid litigation and settle all outstanding tax liability associated with the City Center Parcels, the Tax Collector brokered settlement discussions between the City, the taxing authorities and the tax certificate holder with the largest liens; and

WHEREAS, based on information supplied by the Tax Collector, the District is owed past due property taxes for the City Center Parcels in the amount of \$163,010.44, not including interest; and

WHEREAS, the District recognizes that it is difficult to estimate the probability that the it will receive all or a portion of the past due property taxes because of the unique nature of the circumstances associated with the City Center Parcels; and

WHEREAS, the City and the District have reached an agreement to fully resolve the outstanding tax liability associated with the City Center Parcels and desire to enter into a settlement agreement pursuant to the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, the sufficiency of which is acknowledged by each party, the parties hereby agree as follows:

1. RECITALS. The above recitals are true and correct and incorporated herein by this reference.
2. TERMS AND CONDITIONS.
  - a. The District agrees to withhold filing or joining an objection to the Receiver selling the City Center Parcels to the City.
  - b. The District and City agree that \$163,010.44 constitutes the principal amount owed to the District for past due property taxes for the City Center Parcels, which does not include interest (the "Principal Balance").
  - c. The District agrees to forgo payment of the Principal Balance at closing with the understanding that the City will convey fee simple ownership of 2.95 acres of the 13 +/- acre tract currently leased to the District, located off NW Milner Drive, under the condition it be used for construction of a new fire station. A copy of the survey with the legal description of the property to be conveyed to the District is attached hereto and incorporated herein as Exhibit A
  - d. The District further agrees that upon the execution of this Settlement Agreement, all outstanding tax liability associated with the City Center Parcels shall be deemed satisfied and resolved.
  - e. This Settlement Agreement shall be attached to and made a part of the Receiver's Motion For An Order Approving The Sale of Property to the City.
  - f. This Settlement Agreement shall be attached to and made a part of the Receiver's proposed ORDER APPROVING AND AUTHORIZING THE SALE OF REAL PROPERTY TO THE CITY OF PORT ST. LUCIE.
  - g. The Court shall retain jurisdiction for purposes of enforcing the terms of this Settlement Agreement.
3. GOVERNING LAW. This Settlement Agreement shall be governed and construed in accordance with Florida law.
4. ASSIGNMENT. This Settlement Agreement may not be assigned by either party without the other party's prior written consent which consent may be withheld for any reason or no reason.
5. INDULGENCE NO WAIVER. The indulgence of either party with regard to any breach or failure to perform any provision of this Settlement Agreement shall not be deemed to constitute a waiver of the provision or any portion of this Agreement, either at the time of the breach or failure occurs, or at any time throughout the term of this Settlement Agreement.

6. **SEVERABILITY.** In the event any of the provisions of this Settlement Agreement are deemed to be invalid or unenforceable, the validity and enforceability of the remaining provisions of this Settlement Agreement shall not be affected.
7. **NO THIRD-PARTY BENEFICIARY.** This Settlement Agreement does not confer any right or obligation enforceable by a third party.
8. **NOTICE.** Any notice, consent or other communication in connection with this Settlement Agreement shall be in writing and may be delivered in person, by mail or by email. If hand-delivered, the notice shall be effective upon delivery. If by email, the notice shall be effective when sent. If served by mail, the notice shall be effective three (3) business days after being deposited in the United States Postal Service by certified mail, return receipt requested, addressed appropriately to the intended recipient as follows:

Nate Spera, Chief  
St. Lucie County Fire District  
5160 NW Milner Dr.  
Port St. Lucie, Florida 34983  
[nspera@slcfd.org](mailto:nspera@slcfd.org)


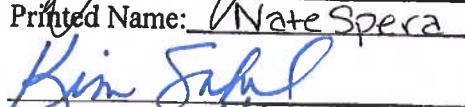
City of Port St. Lucie  
Russ Blackburn, City Manager  
121 SW Port St. Lucie Boulevard  
Port St. Lucie, FL 34984  
[RBlackburn@cityofpsl.com](mailto:RBlackburn@cityofpsl.com)

With Copy To:  
Kim Sabol  
St. Lucie County Fire District Attorney  
5160 NW Milner Dr.  
Port St. Lucie, Florida 34983  
[KSabol@slcfd.org](mailto:KSabol@slcfd.org)

9. **ENTIRE AGREEMENT; CONSTRUCTION OF AGREEMENT.** This writing represents the entire agreement of the parties with respect to its subject matter, and no representation, promise, or undertaking by either party shall be binding unless included in this document. Both parties have been represented by counsel and shall be deemed to have participated in the drafting of this Settlement Agreement, and in the event of any ambiguity, the terms and conditions of this Settlement Agreement shall be construed without regard to the identity of the party that drafted the provision in question. This Settlement Agreement is entered into by the parties to resolve disputed matters, the outcome of which is in doubt, and neither party, by entering into this Settlement Agreement, shall be deemed to have admitted any claim or contention of the other party.

**IN WITNESS WHEREOF,** THE PARTIES TO THIS Agreement have set their hands and seals on the date first above-written.

Witnesses:

  
Printed Name: Nate Spera  
  
Printed Name: Kim Sabol

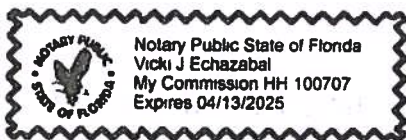
**FIRE DISTRICT:**

SAINT LUCIE COUNTY FIRE DISTRICT,  
an Independent Special Taxing District  
of the State of Florida

By:   
Printed Name: Linda Bartz  
Title: Board Chair

STATE OF FLORIDA       )  
                                      ) ss  
COUNTY OF ST. LUCIE    )

The foregoing instrument was acknowledged before me by means of ☒ physical presence or ☐ online notarization this 14 day of JULY, 2021, by Linda Bartz, as Chair of the St. Lucie County Fire District Board of Fire Commissioners, and on behalf of the St. Lucie County Fire District, who is ☒ personally known to me, or who has [ ] produced the following identification \_\_\_\_\_.



  
Signature of Notary Public

Name: Vicki Echazabal

Notary Public, State of Florida  
My Commission expires 4-13-2025

Witnesses:

CITY:

CITY OF PORT ST. LUCIE  
a Florida municipal corporation

Margaret Carland  
Printed Name: Margaret Carland  
J Padova  
Printed Name: Jasmin Padova

By: [Signature]  
Printed Name: Russ Blackburn  
Title: City Manager

STATE OF FLORIDA       )  
  ) ss  
COUNTY OF ST. LUCIE   )

The foregoing instrument was acknowledged before me by means of ☒ physical presence or ☐ online notarization this 20 day of July, 2021, by Russ Blackburn, as City Manager of the City of Port St. Lucie, and on behalf of the City of Port St. Lucie, who is [X] personally known to me, or who has [ ] produced the following identification



JASMIN PADOVA  
Commission # GG 164245  
Expires January 25, 2022  
Bonded Thru Budget Notary Services

J Padova  
Signature of Notary Public  
Name: Jasmin Padova  
Notary Public, State of Florida  
My Commission expires 1/25/2022



## SETTLEMENT AGREEMENT

THIS SETTLEMENT AGREEMENT is made and entered into this 8<sup>th</sup> day of July, 2021, by and between **Children's Services Council of St. Lucie County** ("CSC") and the **City of Port St. Lucie**, a Florida municipal corporation of the ("City").

### WITNESSETH:

WHEREAS, on November 3, 2015, the United States Securities and Exchange Commission ("SEC") filed a complaint in the United States District Court for the Southern District of Florida ("Court") against the Receivership Defendants and Lin Zhong a/k/a Lily Zhong (collectively "Defendants") alleging that the Defendants violated the Securities Act of 1933 and the Securities Exchange Act of 1934 by making false or materially misleading representations to investors; and

WHEREAS, on November 4, 2015, the SEC filed an Emergency Motion for Appointment of a Receiver and an Emergency Motion for Asset Freeze and Other Relief. On November 12, 2015, without admitting or denying the allegations in the Complaint, the Defendants stipulated to the appointment of Michael Goldberg as the Receiver ("Receiver") and to an order freezing their assets for a period of thirty days. The Court entered a Stipulated Order Appointing Receiver on November 18, 2015, and extended the asset freeze; and

WHEREAS, pursuant to the Order Appointing Receiver, the Receiver has taken possession of all property, assets and estates of the Defendants, including but not limited to the portion of the Port St. Lucie City Center ("City Center") owned by Relief Defendant US1 Real Estate Developments, LLC ("US1"); and

WHEREAS, in 2001, the City created a Community Redevelopment Area ("CRA") along U.S. 1 in eastern Port St. Lucie and on June 11, 2001, formally adopted a community redevelopment plan. The redevelopment strategy was to create a central business district or commercial town center along U.S. 1 which would include a town center of retail, restaurant, and residential use and was to be known as City Center. The City identified a former shopping center at the corner of U.S. 1 and Walton Road as the location for City Center; and

WHEREAS, PSL Center, LLC ("PSL Center"), an entity owned by dc Guardiola Properties, Inc. ("DGP"), purchased the shopping center and proposed the development of City Center as a public-private partnership with the City. The City, the CRA, PSL Center and DGP entered into a Redevelopment Agreement to build the project in 4 phases which would include a civic component, public parking structures, and private mixed-use development (the "Project"); and

WHEREAS, the City issued bonds in 2006 to provide \$46.4 million to finance the Project. The City issued additional bonds in the form of Special Assessment Refunding Bonds in 2008 to provide \$31.3 million to fund the construction of a master storm water system, roads, complete construction of the civic center, village square public plaza and interactive fountain,

City Center parking garage, and four surface parking lots (the 2006 and 2008 bonds are collectively referred to as the "Non-Ad Valorem Bonds"); and

WHEREAS, PSL Center originally purchased 40 acres. Approximately 19.78 acres were set aside for development of roadways, parking structures, the civic center, police station and greenways; and

WHEREAS, PSL Center and DGP failed to fulfill its obligations under the Redevelopment Agreement. In addition, PSL Center failed to pay the real property taxes on the 22 City Center parcels that it owned ("City Center Parcels"), resulting in the issuance of tax certificates on the City Center Parcels. The property taxes also included non-ad valorem assessments which equaled the annual principal and interest payment on the Non-Ad Valorem Bonds; and

WHEREAS, the secured lender instituted foreclosure proceedings against PSL Center to foreclose on the City Center Parcels. However, in 2013, prior to the entry of a final judgement of foreclosure, PSL Center sold the City Center Parcels to US1 for \$500,000, subject to \$15 million in real property taxes and non-ad valorem assessments; and

WHEREAS, the City and the CRA met with US1, who suggested developing the City Center Parcels as an International Trade Center to be funded through the EB-5 Immigrant Investment Program, but US1 never submitted any development applications to the City. Nor did US1 pay the current and delinquent real property taxes and non-ad valorem assessments due on the City Center Parcels; and

WHEREAS, when the Receiver was appointed, \$18 million in real property taxes and non-ad valorem assessments had accrued against the City Center Parcels. Moreover, all but one of the City Center Parcels remains undeveloped; and

WHEREAS, in 2016, the Receiver commissioned an appraisal of the City Center Parcels which found the market value to be \$5.3 million with no consideration for the unpaid taxes or non-ad valorem assessments; and

WHEREAS, the total tax and assessment liability on the City Center Parcels is currently more than \$46 million; and

WHEREAS, since the Receiver's appointment, the Receiver has been in constant contact with the City to discuss the outstanding tax liability and attempt to reach an agreement concerning the future of the City Center Parcels; and

WHEREAS, the Receiver has explored selling the City Center Parcels, however, the significant outstanding tax and non-ad valorem assessment liability and other development constraints pose a detriment to the sale of the City Center Parcels to a private third party; and

WHEREAS, due to the tax and development constraints, the Receiver did not believe that a public sale of the City Center Parcels, as contemplated by 28 U.S.C. § 2001, would be the

appropriate method to sell the property. Counsel for the SEC and US1's previous counsel agreed to a Stipulation of Waiver of 28 U.S.C. § 2001. A copy of the Stipulation was filed with the Court on August 22, 2018; and

WHEREAS, the Receiver retained a broker to market the City Center Parcels for sale (the "Broker"). The Broker worked diligently reaching out to potential purchasers and responding to inquiries. Most parties who responded to the listing only wanted to purchase individual lots to construct a single retail store or business; and

WHEREAS, on August 2, 2018, the Receiver executed a Purchase and Sale Agreement with BA City Center LLC, for the sale of the City Center Parcels for \$750,000, subject to approval by the Court. The Court entered an Order, dated August 23, 2018, granting the Receiver's Motion to Sell US1 Real Estate Developments, LLC's Interest in the Port St. Lucie City Center. However, after an extended due diligence period, BA City Center LLC terminated the agreement. The Broker continued to market the City Center Parcels to no avail; and

WHEREAS, on November 9, 2020, the Port St. Lucie City Council approved the City Manager and City Attorney to enter into a Purchase and Sale Agreement with the Receiver for the City's purchase of the City Center Parcels for \$400,000 ("City Agreement"). The price was established at the amount necessary to cover the Receiver's costs associated with the City Center Parcels for the previous 5 years; and

WHEREAS, on December 3, 2020, the St. Lucie County Tax Collector ("Tax Collector") engaged Jonathan Perlman of Genovese, Joblove and Battista to file a Notice of Appearance in the receivership case so that the Tax Collector could file, if necessary, an objection to the Receiver's proposed City Agreement, in the event the City Agreement did not subject the sale to the full payment of all past due taxes and interest; and

WHEREAS, in an effort to avoid litigation and settle all outstanding tax liability associated with the City Center Parcels, the Tax Collector brokered settlement discussions between the City, the taxing authorities and the tax certificate holder with the largest liens; and

WHEREAS, based on information supplied by the Tax Collector, the CSC is owed past due property taxes for the City Center Parcels in the amount of \$32,494.98, not including interest; and

WHEREAS, the CSC recognizes that it is difficult to estimate the probability that the it will receive all or a portion of the past due property taxes because of the unique nature of the circumstances associated with the City Center Parcels; and

WHEREAS, the City and the CSC have reached an agreement to fully resolve the outstanding tax liability associated with the City Center Parcels and desire to enter into a settlement agreement pursuant to the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, the sufficiency of which is acknowledged by each party, the parties hereby agree as follows:

1. RECITALS. The above recitals are true and correct and incorporated herein by this reference.
2. TERMS AND CONDITIONS.
  - a. The CSC agrees to withhold filing or joining an objection to the Receiver selling the City Center Parcels to the City.
  - b. The City will support the work of the CSC and is pleased to share promotional information about the CSC's important mission and programs.
  - c. The City will develop and maintain a webpage dedicated to sharing the CSC's promotional information. The CSC shall provide the content to be shared on the webpage to the City's Communications Team. The webpage shall be maintained by the City indefinitely.
  - d. The City will broadcast, on PSLTV, the CSC promotional information for a period of five years. Information to be broadcasted shall be prepared and presented by the CSC to the City's Communication Team.
  - e. Any video(s) provided by the CSC to be broadcasted on PSLTV shall be between 30 seconds to 3 minutes in length. Broadcast days and times will be determined by the City but will occur on a regular basis or timeslot on PSLTV.
  - f. City staff will work with the CSC for its inclusion in the City's City University syllabus for future agendas and presentations, and otherwise be part of the City University rotation. The inclusion in the City University shall be indefinite.
  - g. The CSC agrees that upon the execution of this Agreement, all outstanding tax liability associated with the City Center Parcels shall be deemed satisfied and resolved.
  - h. This Settlement Agreement shall be attached to and made a part of the Receiver's Motion For An Order Approving The Sale of Property to the City.
  - i. This Settlement Agreement shall be attached to and made a part of the Receiver's proposed ORDER APPROVING AND AUTHORIZING THE SALE OF REAL PROPERTY TO THE CITY OF PORT ST. LUCIE.
  - j. The Court shall retain jurisdiction for purposes of enforcing the terms of this Settlement Agreement.

3. GOVERNING LAW. This Settlement Agreement shall be governed and construed in accordance with Florida law.
4. ASSIGNMENT. This Settlement Agreement may not be assigned by either party without the other party's prior written consent which consent may be withheld for any reason or no reason.
5. INDULGENCE NO WAIVER. The indulgence of either party with regard to any breach or failure to perform any provision of this Settlement Agreement shall not be deemed to constitute a waiver of the provision or any portion of this Agreement, either at the time of the breach or failure occurs, or at any time throughout the term of this Settlement Agreement.
6. SEVERABILITY. In the event any of the provisions of this Settlement Agreement are deemed to be invalid or unenforceable, the validity and enforceability of the remaining provisions of this Settlement Agreement shall not be affected.
7. NO THIRD-PARTY BENEFICIARY. This Settlement Agreement does not confer any right or obligation enforceable by a third party.
8. NOTICE. Any notice, consent or other communication in connection with this Settlement Agreement shall be in writing and may be delivered in person, by mail or by email. If hand-delivered, the notice shall be effective upon delivery. If by email, the notice shall be effective when sent. If served by mail, the notice shall be effective three (3) business days after being deposited in the United States Postal Service by certified mail, return receipt requested, addressed appropriately to the intended recipient as follows:

Children's Services Council of St. Lucie County  
Sean Boyle, Chief Executive Officer  
546 NW University Blvd., Suite 201  
Port St. Lucie, FL 34986  
[sboyle@cscslc.org](mailto:sboyle@cscslc.org)

City of Port St. Lucie  
Russ Blackburn, City Manager  
121 SW Port St. Lucie Boulevard  
Port St. Lucie, FL 34984  
[RBlackburn@cityofpsl.com](mailto:RBlackburn@cityofpsl.com)


With Copy To:  
Glen Torcivia  
Torcivia, Donlon, Goddeau & Rubin, P.A.  
701 Northpoint Pkway Ste 209  
West Palm Beach, FL 33407-1956  
[glen@torcivialaw.com](mailto:glen@torcivialaw.com)

9. ENTIRE AGREEMENT; CONSTRUCTION OF AGREEMENT. This writing represents the entire agreement of the parties with respect to its subject matter, and no representation, promise, or undertaking by either party shall be binding unless included in this document. Both parties have been represented by counsel and shall be deemed to

have participated in the drafting of this Settlement Agreement, and in the event of any ambiguity, the terms and conditions of this Settlement Agreement shall be construed without regard to the identity of the party that drafted the provision in question. This Settlement Agreement is entered into by the parties to resolve disputed matters, the outcome of which is in doubt, and neither party, by entering into this Settlement Agreement, shall be deemed to have admitted any claim or contention of the other party.

IN WITNESS WHEREOF, the parties have caused this agreement to be executed by their duly authorized officials.

**CHILDREN'S SERVICES COUNCIL OF ST.  
LUCIE COUNTY**

BY:   
Sean Boyle, CEO

APPROVED AS TO FORM AND  
LEGAL SUFFICIENCY

BY:   
Glen J. Torcivia, Attorney

**CITY OF PORT ST. LUCIE, FLORIDA**

BY:   
Russ Blackburn, City Manager

APPROVED AS TO FORM AND  
LEGAL SUFFICIENCY

BY:   
James Stokes, City Attorney

SETTLEMENT AND  
FACILITY USE AGREEMENT

THIS AGREEMENT is made and entered into this 11 day of June, 2021, by and between the School Board of St. Lucie County, Florida, a district school board constituted as provided in Article IX, Section 4, of the Florida Constitution ("School District") and the City of Port St. Lucie, Florida, a municipal corporation of the State of Florida ("City").

WITNESSETH:

WHEREAS, on November 3, 2015, the United States Securities and Exchange Commission ("SEC") filed a complaint in the United States District Court for the Southern District of Florida ("Court") against the Receivership Defendants and Lin Zhong a/k/a Lily Zhong (collectively "Defendants") alleging that the Defendants violated the Securities Act of 1933 and the Securities Exchange Act of 1934 by making false or materially misleading representations to investors; and

WHEREAS, on November 4, 2015, the SEC filed an Emergency Motion for Appointment of a Receiver and an Emergency Motion for Asset Freeze and Other Relief. On November 12, 2015, without admitting or denying the allegations in the Complaint, the Defendants stipulated to the appointment of Michael Goldberg as the Receiver ("Receiver") and to an order freezing their assets for a period of thirty days. The Court entered a Stipulated Order Appointing Receiver on November 18, 2015, and extended the asset freeze; and

WHEREAS, pursuant to the Order Appointing Receiver, the Receiver has taken possession of all property, assets and estates of the Defendants, including but not limited to the portion of the Port St. Lucie City Center ("City Center") owned by Relief Defendant US1 Real Estate Developments, LLC ("US1"); and

WHEREAS, in 2001, the City created a Community Redevelopment Area ("CRA") along U.S. 1 in eastern Port St. Lucie and on June 11, 2001, formally adopted a community redevelopment plan. The redevelopment strategy was to create a central business district or commercial town center along U.S. 1 which would include a town center of retail, restaurant, and residential use and was to be known as City Center. The City identified a former shopping center at the corner of U.S. 1 and Walton Road as the location for City Center; and

WHEREAS, PSL Center, LLC ("PSL Center"), an entity owned by de Guardiola Properties, Inc. ("DGP"), purchased the shopping center and proposed the development of City Center as a public-private partnership with the City. The City, the CRA, PSL Center and DGP entered into a Redevelopment Agreement to build the project in 4 phases which would include a civic component, public parking structures, and private mixed-use development (the "Project"); and

WHEREAS, the City issued bonds in 2006 to provide \$46.4 million to finance the Project. The City issued additional bonds in the form of Special Assessment Refunding Bonds in 2008 to provide \$31.3 million to fund the construction of a master storm water system, roads, complete construction of the civic center, village square public plaza and interactive fountain, City Center parking garage, and four surface parking lots (the 2006 and 2008 bonds are collectively referred to as the "Non-Ad Valorem Bonds"); and

WHEREAS, PSL Center originally purchased 40 acres. Approximately 19.78 acres were set aside for development of roadways, parking structures, the civic center, police station and greenways; and

WHEREAS, PSL Center and DGP failed to fulfill its obligations under the Redevelopment Agreement. In addition, PSL Center failed to pay the real property taxes on the 22 City Center parcels that it owned ("City Center Parcels"), resulting in the issuance of tax certificates on the City Center Parcels. The property taxes also included non-ad valorem assessments which equaled the annual principal and interest payment on the Non-Ad Valorem Bonds; and

WHEREAS, the secured lender instituted foreclosure proceedings against PSL Center to foreclose on the City Center Parcels. However, in 2013, prior to the entry of a final judgement of foreclosure, PSL Center sold the City Center Parcels to US1 for \$500,000, subject to \$15 million in real property taxes and non-ad valorem assessments; and

WHEREAS, the City and the CRA met with US1, who suggested developing the City Center Parcels as an International Trade Center to be funded through the EB-5 Immigrant Investment Program, but US1 never submitted any development applications to the City. Nor did US1 pay the current and delinquent real property taxes and non-ad valorem assessments due on the City Center Parcels; and

WHEREAS, when the Receiver was appointed, \$18 million in real property taxes and non-ad valorem assessments had accrued against the City Center Parcels. Moreover, all but one of the City Center Parcels remains undeveloped; and

WHEREAS, in 2016, the Receiver commissioned an appraisal of the City Center Parcels which found the market value to be \$5.3 million with no consideration for the unpaid taxes or non-ad valorem assessments; and

WHEREAS, the total tax and assessment liability on the City Center Parcels is currently more than \$46 million; and

WHEREAS, since the Receiver's appointment, the Receiver has been in constant contact with the City to discuss the outstanding tax liability and attempt to reach an agreement concerning the future of the City Center Parcels; and

WHEREAS, the Receiver has explored selling the City Center Parcels, however, the significant outstanding tax and non-ad valorem assessment liability and other development constraints pose a detriment to the sale of the City Center Parcels to a private third party; and

WHEREAS, due to the tax and development constraints, the Receiver did not believe that a public sale of the City Center Parcels, as contemplated by 28 U.S.C. § 2001, would be the appropriate method to sell the property. Counsel for the SEC and US1's previous counsel agreed to a Stipulation of Waiver of 28 U.S.C. § 2001. A copy of the Stipulation was filed with the Court on August 22, 2018; and

WHEREAS, the Receiver retained a broker to market the City Center Parcels for sale (the "Broker"). The Broker worked diligently reaching out to potential purchasers and responding to inquiries. Most parties who responded to the listing only wanted to purchase individual lots to construct a single retail store or business; and

WHEREAS, on August 2, 2018, the Receiver executed a Purchase and Sale Agreement with BA City Center LLC, for the sale of the City Center Parcels for \$750,000, subject to approval by the Court. The Court entered an Order, dated August 23, 2018, granting the Receiver's Motion to Sell US1 Real Estate Developments, LLC's Interest in the Port St. Lucie City Center. However, after an extended due diligence period, BA City Center LLC terminated the agreement. The Broker continued to market the City Center Parcels to no avail; and

WHEREAS, on November 9, 2020, the Port St. Lucie City Council approved the City Manager and City Attorney to enter into a Purchase and Sale Agreement with the Receiver for the City's purchase of the City Center Parcels for \$400,000 ("City Agreement"). The price was established at the amount necessary to cover the Receiver's costs associated with the City Center Parcels for the previous 5 years; and

WHEREAS, on December 3, 2020, the St. Lucie County Tax Collector ("Tax Collector") engaged Jonathan Perlman of Genovese, Joblove and Battista to file a Notice of Appearance in the receivership case so that the Tax Collector could file, if necessary, an objection to the Receiver's proposed City Agreement, in the event the City Agreement did not subject the sale to the full payment of all past due taxes and interest; and

WHEREAS, in an effort to avoid litigation and settle all outstanding tax liability associated with the City Center Parcels, the Tax Collector brokered settlement discussions between the City, the taxing authorities and the tax certificate holder with the largest liens; and

WHEREAS, based on information supplied by the Tax Collector, the School District is owed past due property taxes for the City Center Parcels in the amount of \$387,000, not including interest; and

WHEREAS, the School District recognizes that it is difficult to estimate the probability that the School District will receive all or a portion of the past due property taxes because of the unique nature of the circumstances associated with the City Center Parcels; and

WHEREAS, the City and the School District have reached a settlement agreement to fully resolve the outstanding tax liability associated with the City Center Parcels and desire to enter into a settlement agreement pursuant to the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, the sufficiency of which is acknowledged by each party, the parties agree as follows:

1. RECITALS. The above recitals are true and correct and incorporated herein by this reference.
2. TERM. This Agreement shall be in effect for ten (10) years beginning on January 1, 2022 and ending on December 31, 2031.
3. TERMS AND CONDITIONS.
  - A. The School District will not file or join in with any filing which objects to the Receiver selling the City Center Parcels to the City.
  - B. In recognition of the School District's waiver of its right to receive past due property taxes owed on the City Center Parcels, the City agrees to allow the School District to use the Mid-Florida Event Center ("Event Center") for the Term of this Agreement subject to the following terms and conditions:
    - 1) The City will not require the School District to pay the daily Event Center use fee (room rental fee).
    - 2) The School District may schedule the use of the Event Center for a total of six (6) event days per calendar year subject to the following limitations:
      - i. Events may be scheduled during January through December except that no events may be scheduled in May or July and only one event may be scheduled in June.
      - ii. Events may only be scheduled for Monday, Tuesday, or Wednesday during the second, third or fourth week of the month. Events may be scheduled for Thursdays at the City's sole discretion.
      - iii. The School District shall pay the standard rates for food and beverage services and for special equipment fees and audio-visual fees and any other services provided by the Event Center. However, the School District shall be allowed to provide its own food service and audio-visual equipment at no charge.
      - iv. The School District shall not be allowed to use the Event Center main kitchen, but the School District may use the warming kitchen at no charge.
      - v. There shall be no fee for the School District to use the Event Center's tables and chairs and the School District shall be allowed to use School District staff to set up for an event. However, if Event Center staff are used for event set up, then the School District shall pay the standard rates for the Event Center's staff's time.

vi. The City and the School District shall develop a mutually agreeable standard facility use agreement to be used for each event.

vii. The School District agrees to work with the City to schedule School District events to avoid conflicts with paying events.

viii. The School District shall provide proof of insurance as part of the facility use agreement. In addition and in recognition of the parties sovereign immunity status, the parties agree to substitute the standard facility use agreement indemnity provision with the following language:

“Nothing herein shall be construed nor is it intended to serve as a waiver of the Authorized User’s or City’s sovereign immunity, any limitation of liability offered by Florida law, or as a waiver of Section 768.28, F.S. In addition, nothing herein shall be used as consent by the District or City to be sued.”

In addition, the parties shall also use the following language in the facility use agreement:

“The Authorized user assumes the risk in using the Event Center premises. The City shall not be liable for any damages to property or for personal injuries sustained by the Authorized user or any of Authorized User’s staff, agents, patrons, performers or guests negligent use of the Event Center building, parking area, grounds and walkways.”

- C. The School District agrees that upon the execution of this Agreement, all outstanding tax liability associated with the City Center Parcels shall be deemed satisfied and resolved.
- D. The School District and the City agree that this Agreement shall be attached to and made a part of the Receiver’s Motion For An Order Approving The Sale of Property to the City.
- E. The School District and the City agree and consent to the Court retaining jurisdiction for purposes of enforcing the terms of this Agreement.
- 4. GOVERNING LAW AND ATTORNEY’S FEES. This Agreement shall be governed and construed in accordance with Florida law. In the event litigation is necessary to enforce the terms of this Agreement, the parties shall be responsible for their own attorney’s fees.
- 5. ASSIGNMENT. This Agreement may not be assigned by either party without the other party’s prior written consent which consent may be withheld for any reason or no reason.
- 6. INDULGENCE NO WAIVER. The indulgence of either party with regard to any breach or failure to perform any provision of this Agreement shall not be deemed to constitute a waiver of the provision or any portion of this Agreement, either at the time of the breach or failure occurs, or at any time throughout the term of this Agreement.

7. SEVERABILITY. In the event any of the provisions of this Agreement are deemed to be invalid or unenforceable, the validity and enforceability of the remaining provisions of this Agreement shall not be affected.
8. NONDISCRIMINATION. Neither party shall deny benefits to or discriminate against any person on the basis of the person's age, ancestry, citizenship status, color, disability, ethnicity, genetic information, gender, gender expression, gender identity, marital status, medical condition, national origin, political beliefs, pregnancy, race, religion, religious beliefs, sex, sexual orientation, or veteran status.
9. NO THIRD-PARTY BENEFICIARY. This Agreement does not confer any right or obligation enforceable by a third party.
10. TERMINATION. This Agreement may not be terminated by either party without cause. This Agreement may be terminated upon the mutual agreement of the parties.
11. NOTICE. Any notice, consent or other communication in connection with this Agreement shall be in writing and may be delivered in person, by mail or by email. If hand-delivered, the notice shall be effective upon delivery. If by email, the notice shall be effective when sent. If served by mail, the notice shall be effective three (3) business days after being deposited in the United States Postal Service by certified mail, return receipt requested, addressed appropriately to the intended recipient as follows:

School Board of St. Lucie County E Wayne Gent, Superintendent 9461 Brandywine Lane Port St. Lucie, FL 34986	City of Port St. Lucie Russ Blackburn, City Manager 121 SW Port St. Lucie Boulevard Port St. Lucie, FL 34984
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12. ENTIRE AGREEMENT; CONSTRUCTION OF AGREEMENT. This writing represents the entire agreement of the parties with respect to its subject matter, and no representation, promise, or undertaking by either party shall be binding unless included in this document. Both parties have been represented by counsel and shall be deemed to have participated in the drafting of this Agreement, and in the event of any ambiguity, the terms and conditions of this Agreement shall be construed without regard to the identity of the party that drafted the provision in question. This Agreement is entered into by the parties to resolve disputed matters, the outcome of which is in doubt, and neither party, by entering into this Agreement, shall be deemed to have admitted any claim or contention of the other party.

**IN WITNESS WHEREOF**, the parties to this Agreement have set their hands and seals on the date first above-written.

**ATTEST:**



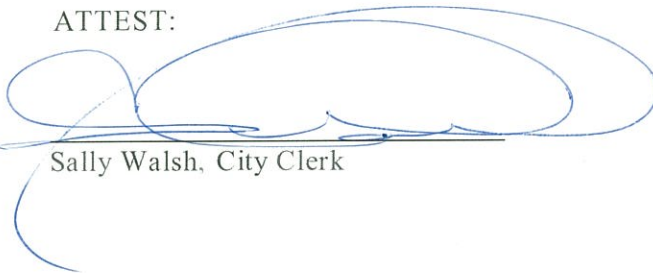
E. WAYNE GENT, Superintendent  
and Ex Officio Secretary

**SCHOOL BOARD OF ST. LUCIE  
COUNTY, FLORIDA**

By:   
Deborah A. Hawley, Chair 6-8-21

**CITY OF PORT ST. LUCIE, FLORIDA**

**ATTEST:**



Sally Walsh, City Clerk

By:   
Russ Blackburn, City Manager 6/11/21

# **EXHIBIT “B”**

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA**

**CASE NO. 15-62323-CIV-LENARD/GOODMAN**

**SECURITIES AND EXCHANGE COMMISSION,**

**Plaintiff,**

**v.**

**EB5 ASSET MANAGER, LLC and  
LIN ZHONG a/k/a LILY ZHONG,**

**Defendants,**

**and**

**U.S. EB-5 INVESTMENTS, LLC ,  
OAKLAND OFFICE HOLDINGS, LLC,  
B.X WOK CONSTRUCTION LLC,  
US INVESTMENT LLC D/B/A US INVESTMENT FL LLC  
TOP SUN ENERGY LLC,  
OCEAN BLVD. FAMILY LIMITED PARTNERSHIP, LTD.,  
B.X PROPERTY MANAGEMENT LLC, and  
US1 REAL ESTATE DEVELOPMENTS, LLC**

**Relief Defendants.**

\_\_\_\_\_ /

**ORDER GRANTING RECEIVER'S AMENDED THIRD MOTION TO  
SELL US1 REAL ESTATE DEVELOPMENTS, LLC'S  
INTEREST IN THE PORT ST. LUCIE CITY CENTER**

Michael I. Goldberg (the "Receiver"), in his capacity as the court-appointed Receiver for Defendant, EB5 Asset Manager, LLC and Relief Defendants, U.S. EB-5 Investments LLC, Oakland Office Holdings LLC, B.X Wok Construction LLC, US Investment LLC d/b/a US Investment FL LLC, Top Sun Energy LLC, Ocean Blvd. Family Limited Partnership, Ltd., B.X Property Management LLC, US1 Real Estate Developments, LLC and Investor Asset Protection LLC (collectively, the "Receivership Defendants"), filed his *Amended Third Motion to Sell US1*

CASE NO.: 15-cv-62323-JAL

*Real Estate Developments, LLC's Interest in the Port St. Lucie City Center* (the "Motion") [ECF No. ---].

The Court, having reviewed the Motion, being advised that the Receiver has conferred with counsel for the Securities and Exchange Commission who has no objection to the relief requested and being further advised that the parties have previously entered into a Stipulation of Waiver of 28 U.S.C. § 2001 [ECF No. 164] for the sale of twenty-two (22) parcels of real property located at corner of U.S. 1 and Walton Road in Port St. Lucie, Florida (the "City Center"), whereby they consent to the private sale of the City Center pursuant to the terms described in the Motion.

Accordingly, the Court **GRANTS** the Motion and **ORDERS** as follows:

1. The Receiver is authorized to sell the City Center, as legally described in Exhibit 1, attached hereto "As Is, Where Is – With All Faults" to the City of Port St. Lucie (for the sum of \$400,000.00 pursuant to that certain Purchase and Sale Agreement (the "Contract")<sup>1</sup> which is hereby approved.

2. The Receiver is authorized to execute a Receiver's Deed, in his capacity as the Court-appointed receiver over US1 Real Estate Developments, LLC and to execute any documents and take any actions reasonably necessary to consummate the transactions contemplated in the Contract. The Court reserves jurisdiction to enforce the terms of the Contract.

**DONE and ORDERED** in Chambers in Miami, Florida on December \_\_, 2021.

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JOAN A. LENARD  
UNITED STATES DISTRICT JUDGE

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<sup>1</sup> A copy of the Contract is attached to the Motion as Composite Exhibit A.

CASE NO.: 15-cv-62323-JAL

**EXHIBIT 1**

3435-803-0019-000/6 Lot 12
3435-803-0043-000/3 Lot 36
3435-803-0017-000/2 Lot 10
3435-803-0014-000/1 Lot 7
3435-803-0040-000/2 Lot 33
3435-803-0039-000/2 Lot 32
3435-803-0038-000/5 Lot 31
3435-803-0037-000/8 Lot 30
3435-803-0013-000/4 Lot 6
3435-803-0020-000/6 Lot 13
3435-803-0021-000/3 Lot 14
3435-803-0035-000/4 Lot 28
3435-803-0009-000/4 Lot 2
3435-803-0023-000/7 Lot 16
3435-803-0032-000/3 Lot 25
3435-803-0018-000/9 Lot 11
3435-803-0028-000/2 Lot 21
3435-803-0027-000/5 Lot 20
3435-803-0010-000/3 Lot 3
3435-803-0025-000/1 Lot 18
3435-803-0024-000/4 Lot 17
3435-803-0016-000/5 Lot 9

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