

Cecil Commerce Center
Master Disposition and Development Agreement
As Currently Proposed by Hillwood (Jacksonville/Cecil Commerce Center, LLC)

1.	Optionor / Seller:	City of Jacksonville ("City") Jacksonville Economic Development Commission / JEDC ("Agency") is also a party to the Master Disposition and Development Agreement ("Agreement")	§1.6
2.	Optionee / Purchaser:	Jacksonville/Cecil Commerce Center, LLC ("Developer")	
3.	Property:	Approximately 4,499 acres of the former Naval Air Station Cecil Field, of which approx. 2,715 acres has been identified as "Developable Acres"	Exhibits B, B-1, D
4.	Agreed Uses:	Industrial Use; Mixed Use (see Exhibit D-2 for permitted Primary and Accessory Uses)	§2.4, §4.5, Exhibit D-2
5.	Option Fee:	Developer shall pay no fee to City in return for the exclusive right to acquire and purchase all of the right, title and interest of City in and to the Property, and to develop the Property for a possible 25-year term .	
6.	Development Parcel Purchase Prices:	There are three purchase price "tiers": <ul style="list-style-type: none"> • 506.33 developable acres at \$23,470.38 / dev. acre (approx. 18% of total dev. acres) • 894.69 developable acres at \$ 8,819.00 / dev. acre (approx. 32% of total dev. acres) • 1,404.04 developable acres at \$1,003.52 / dev. acre (approx. 50% of total dev. acres) 	§10.3, Exhibit J
7.	Purchase Price Adjustments	The Development Parcel Purchase Price shall be adjusted annually beginning on the first day of the 5 th Term Year by the lesser of: (1) any increase in the CPI from the CPI for the immediately preceding Term Year; or (2) 3%	§10.3(c)
8.	Third Party Sales:	Developer may sell a Development Parcel(s) to a Third Party for any purchase price; there is no minimum purchase price for third party sales.	
9.	Concurrency Credits:	At no cost to Developer , City and Agency shall convey to Developer/Developer Affiliate the amount of available Reserved Concurrency requested in the Disposition Notice.	§4.7(a) – (f), Exhibit F
10.	Wetland Mitigation Credits:	At no cost to Developer (other than the actual cost of preparing and recording easement documents), City shall transfer both wetlands credits and conservation easements to Developer/Developer Affiliate. The conservation easements will create additional wetlands credits and may cover up to approximately 1,197 acres of City property (both wetlands and uplands).	§4.8 Exhibits G, G-1

11.	Developer Access to Fill Materials:	At no cost to Developer (other than the actual cost of excavation and transportation), Developer shall have the right to excavate and remove dirt and other fill materials from Lake Fretwell and Future Stormwater Ponds.	Exhibit G, Subsection (I)
12.	Initial Term:	10 years (provided the Base Performance Benchmarks are met) The initial term shall commence on the Effective Date.	§11.1(a)
13.	First Extension Term:	5 years (for a total of 15 years) Developer may extend the term for an additional 5 years if Developer has timely met the First Extension Performance Benchmark.	§11.1(b)
14.	Second Extension Term:	5 years (for a total of 20 years) Developer may extend the term for an additional 5 years if Developer has timely met the Second Extension Performance Benchmark.	§11.1(c)
15.	Third Extension Term:	5 years (for a total of 25 years) Developer may extend the term for an additional 5 years if Developer has timely met the Third Extension Performance Benchmark .	§11.1(d)
16.	Phasing of the Property:	<p><i>Unless otherwise agreed to in writing by Agency, Developer is restricted to purchasing, developing, selling or leasing Development Parcels located in the following Phases during the specified terms:</i></p> <ul style="list-style-type: none"> • Initial term (yrs. 1-10) and First Extension Term (yrs. 11-15): Phase I [Phase I subphases include: A, B, C, D, E, F, H, I, P, R, S, T, totaling approximately 843.03 Developable Acres] • Second Extension Term (yrs. 16-20): Phases I and II [Phase II subphases include: G, J, K, L, M, N, O, U, V, W, totaling approximately 1014.21 Developable Acres] • Third Extension Term (yrs. 21-25): Phases I, II, III, and Megasite [Phase III subphases include: Q and the Megasite, totaling approximately 858.49 Developable Acres] 	§11.7(a)–(c), Exhibits D, D-1
17.	Mega Site and PIEDDO Sites:	Until either 70% of the Property located north of Normandy Boulevard is developed or the First Extension Term begins, there shall be no disposition(s) to Developer/Developer Affiliate of any Mega Site property without the prior written consent of City and Agency. However, at any time during the term, Developer/Developer Affiliate has the right to purchase designated PIEDDO parcels for non-PIEDDO End Users.	Article 8
18.	Developer's Right to Configure Development Parcels	Developer shall have the right to configure and identify individual Development Parcels for conveyance, provided Developer uses commercially reasonable standards in the configuration. If the identified Development Parcel is not located within the proper Phase/"MDP Parcel", Developer must obtain Agency's prior written approval of the deviation.	§10.1, Exhibit D-1
19.	Exercising the Option:	To exercise its exclusive option rights, Developer must identify the Development Parcel(s) to be conveyed and deliver to City a Disposition Notice. As long as Developer is not in default and has timely satisfied any applicable Performance Benchmark(s), City shall be required to convey fee title to the parcel. The parties shall enter into a Purchase and Sale Agreement (see Exhibit K). Within 5 days thereafter, Developer/ Developer Affiliate shall deliver to City/Seller a \$1,000.00 non-refundable Deposit.	§10.1, 10.2, Exhibits A, K

20.	Developer's Obligation to Acquire and/or Develop the Property	Developer shall have no obligation to acquire any portion of the Property, or to satisfy any Performance Benchmark. Developer's failure to complete a Performance Benchmark shall not constitute a default under the Agreement or create liability.	§11.10
21.	Base Performance Benchmarks:	<p>Developer, Developer Affiliate or a Third Party's satisfaction of each of the following benchmarks are conditions for the continuation of the initial term:</p> <p>(a) End of 1st Term Year:</p> <ul style="list-style-type: none"> - <u>Permit apps.</u> filed for min. of 400,000 sf - Clearing & Grubbing of sites for the 400,000 sf - Opening and operation of marketing center - \$200,000 spent for monument signage <p>(b) End of 2nd Term Year:</p> <ul style="list-style-type: none"> - <u>Purchase</u> of Dev. Parcels for the 400,000 sf - <u>Subst. Completion of site work</u> for the 400,000 sf ("pad ready") <p>(c) End of 3rd Term Year:</p> <ul style="list-style-type: none"> - Subst. Completion of aggregate of 400,000 sf of new building area <p>(d) End of 4th Term Year:</p> <ul style="list-style-type: none"> - <u>Purchase</u> additional parcels for another 400,000 sf - <u>Subst. Completion of site work</u> for 400,000 sf <p>(e) End of 5th Term Year:</p> <ul style="list-style-type: none"> - Subst. Completion of aggregate of 800,000 sf of new building area <p>(f) End of 7th Term Year:</p> <ul style="list-style-type: none"> - Subst. Completion of aggregate of 1,200,000 sf of new building area <p>(g) End of 10th Term Year:</p> <ul style="list-style-type: none"> - Subst. Completion of aggregate of 2,000,000 sf of new building area 	§11.3, 11.9
22.	First Extension Performance Benchmark:	Developer, Developer Affiliate, or a Third Party's completion of all Base Performance Benchmarks by the end of the 10 th term year (unless extended) shall constitute satisfaction of the First Extension Performance Benchmark.	§11.4, 11.9
23.	Second Extension Performance Benchmark:	Developer, Developer Affiliate, or a Third Party's Substantial Completion of an aggregate of at least 4,000,000 sf of new building area by the end of the 15 th term year (unless extended) shall constitute satisfaction of the Second Extension Performance Benchmark.	§11.5, 11.9
24.	Third Extension Performance Benchmark:	Developer, Developer Affiliate, or a Third Party's Substantial Completion of an aggregate of at least 7,000,000 sf of new building area by the end of the 20 th term year (unless extended) shall constitute satisfaction of the Third Extension Performance Benchmark.	§11.6, 11.9
25.	Performance Benchmarks based on Job Creation:	Developer shall not be required to meet any Performance Benchmarks based on direct or indirect job creation.	
26.	City's Repurchase Right:	City may repurchase a Development Parcel if Developer/Purchaser fails to complete certain site development work on the Parcel within 18 months after the date of purchase, or fails to complete certain demolition work within 90 days after the conveyance date.	Exhibit L to Exhibit K

27.	Developer's Obligation to Construct Infrastructure:	Developer shall have <u>no obligation to construct any infrastructure</u> on the Property. To the extent that any Public Infrastructure is required in connection with the purchase and development of a Development Parcel, either Developer shall pay for all construction costs and expenses, or the applicable utility provider shall pay for all such costs and expenses.	§7.3(a), (b), Exhibits H, H-1, H-2, H-3
28.	Property Taxes on Option Sites:	Developer <u>shall not be required to pay property taxes</u> on any portion of the Property until a Development Parcel is conveyed.	
29.	Environmental Remediation:	<u>Developer shall not be required to perform any environmental remediation on the Property.</u>	§1.4
30.	Developer's Maintenance Obligations:	Developer shall have <u>no maintenance obligations for any of City's remaining Property</u> until the earlier of: (1) the Disposition of a Development Parcel in Phase 2, or (2) the commencement of the First Extension Term (approx. year 11). Developer shall then pay a portion of <u>Limited Common Area Maintenance and Limited Property Grounds Maintenance.</u> Developer shall not be required to pay a portion of the <u>Full Common Area Maintenance Costs and Full Property Grounds Maintenance</u> until the earlier of: (1) the Disposition of a Development Parcel in Phase 3; or (2) the commencement of the Second Extension Term (approx. year 16).	Article 6
31.	Developer's Financial Commitments:	<u>Developer shall not be required to make any financial commitments,</u> nor shall Developer be required to provide any financial statements of its operations with respect to the development of the Property. Additionally, <u>no parent company of Developer shall be required to provide updated financial information</u> for inspection.	
32.	Commissions:	City (including Agency) and Developer shall not be liable for any real estate commissions, brokerage fees or finder's fees arising from or related to the actions and/or efforts of the other party. City (including Agency) and Developer shall each indemnify and hold harmless the other from an against any and all claims for any such commissions or fees.	§18.8