

THIRD LAKE
PARTNERS 

April 17, 2023

RE: *Non-binding Letter of Intent (“Letter”) for the acquisition of a vacant parcel on the southwest corner of 9th Street South and 3rd Avenue South – Block 49 partial replat Parcel IV (the “Property”) by a Special Purpose Entity of Third Lake Partners, LLC (“Buyer”), to City of St. Petersburg (“Seller”).*

This Letter will serve as an expression of interest by Buyer to purchase from Seller the Property for the corresponding amount set forth thereon (“Purchase Price”). This Letter is not a binding commitment or a purchase and sale agreement but rather is a good faith expression of interest outlining the general terms and conditions under which the Buyer would be willing to enter into a purchase and sale agreement for the Property. Assuming we are able to execute a mutually acceptable purchase and sale agreement (“Purchase and Sale Agreement”), we would then proceed to consummate the sale according to Purchase and Sale Agreement terms. If the terms and conditions set forth in this Letter are acceptable, please execute and date in the space provided below and return to me.

The outline of the general terms and conditions of this Letter are as follows:

SELLER: City of St. Petersburg

BUYER: Third Lake Partners, LLC
(or its assignment to a Third Lake affiliate)
1600 E. 8th Avenue, Suite A132-A
Tampa, FL 33605

PROPERTY: Above

PURCHASE PRICE: \$6,000,000.00

PURCHASE PRICE
CALCULATION:

TLP paid \$10,500,00.00 for the former United Insurance Holdings Corp. property at 800 2nd Avenue South, St. Petersburg (“TLP Property”) which includes significant FF&E, and a lease of the Property (“Lease”). As noted below in Item C, TLP will terminate the Lease and thus eliminate the 2nd Avenue vacation provisions. Using the TLP purchase price as a starting point for Property market value:

<i>Item</i>	<i>Value</i>
A. Purchase price TLP Property (adjacent to the Property)	\$10,500,000.00
B. Less capital investment required for parking garage construction	3,500,000.00
C. TLP waiver of 2 nd Avenue vacation obligation otherwise required under Lease 20.8 or 20.9	1,000,000.00
Purchase Price Offer	6,000,000.00

DEPOSITS:

Within five (5) business days after the Seller's and Buyer's execution and delivery of the Purchase and Sale Agreement, Buyer will deposit One Hundred Thousand and no/100 (\$100,000.00) (the "Deposit") in escrow with a national title company selected by Buyer (the "Escrow Agent"). The Deposit shall be fully refundable during the Due Diligence Period, as fully defined in the Purchase and Sale Agreement. All interest on the Deposits shall belong to Buyer.

DUE DILIGENCE PERIOD:

The due diligence period (the "Due Diligence Period") shall be three (3) months and shall commence upon the Seller's and Buyer's execution and delivery of the Purchase and Sale Agreement. During the Due Diligence Period Buyer, and its agents (consultants and representatives) shall have the right to enter the Property for the purpose of performing inspections and tests of the Property, including the right to review instruments and documents as Buyer may reasonably request. Seller shall deliver copies of title, property tax information, boundary surveys, engineering and environmental studies, building plans, and all other surveys, plats and studies with regard to the Property in Seller's possession or within its control.

If Buyer determines the Property is not suitable to Buyer in Buyer's sole and absolute discretion ("Buyer's Intended Use") then Buyer may at any time during the Due Diligence Period deliver to Seller and Escrow Agent, a written notice terminating this Agreement (the "Termination Notice").

At the expiration of the Due Diligence Period, this Agreement shall terminate and be of no further force and effect and the Deposit shall be promptly returned to Buyer unless Buyer shall have notified Seller, in writing, on or before the end of the Due Diligence Period that it elects to continue this Agreement (the "Continuation Notice").

In the event this Agreement is terminated during or upon expiration of the Due Diligence Period, the Deposit shall promptly be returned to Buyer and the parties hereto shall be released of any further obligation or liability, each to the other, under the terms of this Agreement, except for those obligations intended to survive termination.

CLOSING CONDITIONS:

Buyer has received confirmation of i) satisfactory results of due diligence investigations, including but not limited to Property development rights (including the rights associated with the 2nd Avenue vacation), environmental, and geotechnical and ii) other traditional conditions such as title.

CONDITION SUBSEQUENT:

Buyer agrees to begin construction of the development on the Property within five years. A breach of this condition subsequent will carry liquidated damages of \$50,000 for each year of delay.

CLOSING: Thirty (30) days after the end of the Due Diligence Period.

BROKER'S COMMISSION: No brokers are engaged.

PURCHASE AND SALE AGREEMENT: Following Seller's acceptance of this Letter by its signature in the space provided below, the parties shall exclusively negotiate diligently and in good faith the terms of a written Purchase and Sale Agreement reflecting the terms of this Letter and otherwise in form and substance acceptable to Buyer and Seller unless and/until this Letter is terminated by either party.

Seller and Buyer expressly acknowledge and agree that this Letter is an expression of interest and shall not be relied upon, and no contract or agreement shall exist between Seller and Buyer with respect to the Property unless and until a Purchase and Sale Agreement containing all of the terms of this transaction is approved and executed by authorized representatives of both parties, however, the Exclusivity clause noted above is binding on the Seller as of the execution of this Letter.

If the foregoing is satisfactory to you, indicate your acceptance thereof by signing and returning this Letter to me prior to 5:00 PM EST May 22, 2023, otherwise this Letter will, at the option of the Buyer and without notice, be withdrawn and be of no further force and effect.

Respectfully,

Robert S. Forsythe
Managing Partner
Third Lake Partners

Accepted and agreed to this ____
day of _____ 2023.

_____ [sign]

By: _____

Print Name: _____

Title: _____