

TERM SHEET
BROWARD COUNTY SUPERVISOR OF ELECTIONS PROJECT

This term sheet (“**Term Sheet**”) sets forth the material terms between Broward County, Florida, a body politic of the State of Florida (the “**County**”), Core Broward SOE, LLC (“**SPE**”), a Florida limited liability company and wholly owned subsidiary of CORE Construction Services of Florida, LLC, a Florida limited liability company (“**CORE**”), and Spectrum Investors, LLC (“**Spectrum**”) in connection with the acquisition of certain real property and the development of such real property for a project for the Broward County Supervisor of Elections. The parties acknowledge the purpose of this Term Sheet is to memorialize the parties’ understanding with respect to the terms of a purchase and sale agreement of real property and a mutually acceptable Comprehensive Agreement (defined below) by and between County and the SPE to design, develop and finance the Project as described and defined in this Term Sheet.

1. **The Project.** The parties desire to build a campus for use by the County’s Supervisor of Elections (the “**Project**”) on the real property commonly known as 2050 Spectrum Boulevard, Fort Lauderdale, Florida (the “**Property**”). The Property is currently owned by Spectrum, who, on May 19, 2020, was selected to design and build the Project through a competitive solicitation (Solicitation No. PNC2120462F1) pursuant to Section 255.065, Florida Statutes (“**P3 Statute**”). After being selected to develop the Project, Spectrum and the County executed an interim agreement (the “**Interim Agreement**”), and since entered into the negotiation of a Comprehensive Agreement (defined below), all pursuant to the P3 Statute. During the negotiation of the Comprehensive Agreement between Spectrum and County, Spectrum entered into discussions with a consortium of private entities, including CORE, D.Stephenson Construction (“**D.Stephenson**”), PGAL, Inc. (“**PGAL**”), Ice Miller, LLP and Mesirow Financial (collectively, the “**Consortium**”) for design, engineering, construction, legal, financial and other services necessary to undertake and complete the Project. While having these discussions, Spectrum and the Consortium concluded that the Project risks and responsibilities would be better aligned if the SPE assumed Spectrum’s role as “developer” under the Comprehensive Agreement to be negotiated as set forth hereunder. Subject to County’s formal approval of a Comprehensive Agreement, the parties desire to memorialize the terms of the assignment of Spectrum’s “developer” rights, duties and responsibilities to the SPE, and the sale and transfer Spectrum’s ownership interest in the Property to the County through the SPE as set forth herein.
2. **Predevelopment Services.** After Spectrum was selected to develop the Project under the P3 Statute, Spectrum engaged PGAL as its design professional to provide certain design services related to the Project, including program reconciliation, schematic design, design development, cost estimating and site plan approval through the City of Fort Lauderdale. PGAL, along with Spectrum, collectively formed the “Design Team” that through their collaborative efforts created and completed the design development and site plan packages in accordance with the requirements of the Interim Agreement. PGAL, in collaboration with the SPE and D.Stephenson, will continue to provide these design services for the Project in a design build arrangement to be set forth in the final Comprehensive Agreement. Pursuant to the Interim Agreement and the prior arrangement between Spectrum and PGAL, County agreed to pay Spectrum for the costs incurred for these design services.

Upon approval and execution of this Term Sheet, the Consortium in conjunction with the SPE, will continue to work on and complete project plans and budgets for County approval, continue to perform pre-construction and design services, complete diligence with respect to the Property, and undertake any other obligations contemplated by County prior to County's acquisition of the Property. The work performed by the Consortium after the Term Sheet is approved and executed will be "at-risk", without any assurance of being compensated for its efforts should the parties fail to finalize a Comprehensive Agreement or reach closing for the acquisition of the Property.

3. **Comprehensive Agreement.** County and the SPE agree to negotiate a final Comprehensive Agreement ("**Comprehensive Agreement**"). The parties hereby acknowledge that County is a governmental entity within the State of Florida and must approve a final Comprehensive Agreement in accordance with the P3 Statutes, and all other applicable laws of the State of Florida before County can execute or be bound by the Comprehensive Agreement, or any other documentation relating to the Project. County and the SPE will use good faith efforts to negotiate a final Comprehensive Agreement. The Comprehensive Agreement will authorize the SPE to design, develop, and construct the Project, and will include provisions that provide for thirty percent (30%) of the direct construction cost be allocated to "CBE" entities and compliance with County's prevailing wage ordinance, or as otherwise agreed to by the parties. County and the SPE shall execute the agreed upon Comprehensive Agreement prior to acquisition of the Property as set forth in Section 6. The Comprehensive Agreement will contain the required terms referenced in Sections 4, 7, 8, 9 and 10 and 11 herein. Spectrum will not be a party to the Comprehensive Agreement. The Comprehensive Agreement will contain agreed upon "exit ramps" that will condition the parties' obligations upon the following (collectively, the "**Closing Conditions**"): (i) County's approval of the Plans and Specifications (as defined below), Project budget, (ii) County's acquisition of the Property for the agreed upon consideration and on the agreed upon timeline, and (iii) the County's satisfaction that all aspects of the Project and Comprehensive Agreement have been approved in accordance with all applicable laws of the State of Florida.
4. **Project Acquisition and Financing.** The terms required for the acquisition and/or financing of the Project shall be included in the final Comprehensive Agreement, will be determined solely by County and will include the timing of the payment of the Developer Fee as set forth below in Section 5. The SPE agrees that it will cooperate with County's determined acquisition and/or financing plan, and execute any document or agreement reasonably required in connection therewith.
5. **Development Fee.** The County agrees to pay a fee to the SPE in the amount of \$5,000,000.00 ("**Development Fee**") for its development and delivery of the Project. The County agrees that the Development Fee shall be paid to the SPE in monthly installments based upon percentage of Project completion during the term of the Comprehensive Agreement.

- 6. Acquisition of the Property.** Spectrum has agreed to sell the Property to the SPE pursuant to the terms of a separate purchase agreement, which shall be executed prior to the execution of the Comprehensive Agreement (the “**Purchase Agreement**”). The sale and conveyance of the Property shall occur within fourteen (14) days after approval and execution of the final Comprehensive Agreement, pursuant to the terms of the Purchase Agreement. At closing for the acquisition of the Property, the County shall pay the SPE \$19,500,000.00, subject to standard prorations and credits toward the purchase price set forth in the Purchase Agreement (“**Purchase Price**”) then the SPE shall direct Spectrum to deed the Property to County upon closing of the Property in accordance with the Purchase Agreement. Upon the closing of County’s acquisition of the Property and recordation of the deed, Spectrum shall have no further duties or responsibilities to any of the Parties. The County’s acquisition of the Property shall be final regardless of whether the Project is completed. Under the Comprehensive Agreement, all design, development, financing, and construction responsibilities in connection with the Project will be those of the SPE. In the event the County and the SPE are unable to agree to terms with respect to the Comprehensive Agreement on or before June 15, 2022, unless extended by mutual agreement of the County, SPE, CORE, and Spectrum, or the SPE fails to close on the purchase of the Property, Spectrum shall be fully and unconditionally released from any and all further obligations and responsibilities to the County and SPE related to the Project and Interim Agreement.
- 7. Project Costs.** In connection with the design, development, construction and final delivery of the Project, the costs of the Project (being subject to value engineering review and further budgeting) as approved by the County shall be included in the final Comprehensive Agreement, estimates of which are set forth in Exhibit A attached hereto.
- 8. Construction of the Project.** The Consortium shall construct the Project and all other improvements with respect to the Project (the “**Project Improvements**”) conformity with the design development package and the City of Fort Lauderdale site plan (DRC) approval created by the Design Team. The Comprehensive Agreement shall contain provisions for the development of final plans and specifications, budgets and the structure of the acquisition and/or financing of the Project by the County, to include any other terms necessary to effectuate the design, development, and construction of the Project and the Project Improvements (collectively, the “**Plans and Specifications**”).
- 9. Project Ownership and Use Post-Construction.** The Comprehensive Agreement shall require the SPE to deliver legal title to the Property to the County upon receiving the Purchase Price, and to deliver the Project to County upon receipt of all sums due upon substantial completion of the Project. The Comprehensive Agreement shall provide that upon delivery of the Project the County shall have the ability to utilize the Project for the County’s intended use as contemplated in the design development and site plan approvals without any restrictions.
- 10. Project Timelines and Outside Completion Date.** The County and the SPE acknowledge that the Comprehensive Agreement will contain reasonable outside dates for the Project Improvements to be commenced and substantially completed, subject to customary

excused delays. The County and the SPE will agree to all timelines and milestones to be set out in the Comprehensive Agreement to provide for the timely completion of the Project.

- 11. Term and Binding Effect of Term Sheet.** This Term Sheet is not intended as, and does not constitute, a binding agreement by any party, nor an agreement by any party to enter into a binding Comprehensive Agreement but is merely intended to specify some of the proposed terms and conditions of the transaction contemplated herein. Neither party may claim any legal rights against the other by reason of the signing of this Term Sheet or by taking any action in reliance thereon. Each party hereto fully understands that no party shall have any legal obligations to the other, or with respect to the proposed transaction, unless and until all the terms and conditions of the proposed transaction have been negotiated, agreed to by all parties and set forth in the Comprehensive Agreement which has been approved, duly authorized, signed and delivered by the County and the SPE. No party shall have any legal rights or obligations with respect to the other party or shall be responsible for any action or failure to take any action in detrimental reliance until the Comprehensive Agreement is executed by the County and the SPE. The County and SPE shall be obligated to negotiate the Comprehensive Agreement in good faith upon execution of this Term Sheet. This Term Sheet may be terminated upon written notice by the parties, however, so long as this Term Sheet remains in effect, the parties shall be bound by the terms contained herein. Notwithstanding the foregoing, or elsewhere in this Term Sheet, in the event the County and the SPE are unable to agree to terms with respect to the Comprehensive Agreement on or before June 15, 2022, unless extended by mutual agreement of the County, SPE, CORE, and Spectrum, or the SPE fails to close on the purchase of the Property within fourteen (14) days thereof, Spectrum shall be fully and unconditionally released from any and all further obligations and responsibilities to the County and SPE related to the Project and Interim Agreement.
- 12. Assignment of Spectrum's Project Interests.** Pursuant to the terms of the Assignment and Assumption Agreement by and between Spectrum and the SPE (the "Assignment"), Spectrum has or will assign to the SPE and the SPE has or will assume assumed all right, title and interest, in, to and under the Interim Agreement, Project, and approvals with respect to the Plans and Specification (collectively, the "Project Interests"), and from the date thereof Spectrum shall have no further or remaining rights, duties or responsibilities whatsoever in connection with the Project Interests, except with respect to Spectrum's remaining rights, duties or responsibilities under the Purchase Agreement. Spectrum shall have no obligations with respect to the negotiation, execution or performance of the Comprehensive Agreement. Upon (i) the County's payment of the Purchase Price to the SPE, and (ii) Spectrum's conveyance of the Property to the County Nominee in accordance with the terms of the Purchase Agreement, Spectrum will have fully fulfilled all of its obligation to the County in all respects. Any remaining rights, duties or responsibilities of the SPE under the Purchase Agreement shall still be in effect, including any remaining consideration due to Spectrum pursuant to the Purchase Agreement.

13. Authority. The parties executing this Term Sheet agree that he or she is properly authorized as a member, employee, representative, agent or officer of his or her respective party and he or she is duly authorized to execute this Term Sheet. This Term Sheet can be executed via electronic means in one or more counterparts.

[Signatures on following page]

BROWARD COUNTY, FLORIDA

By: _____

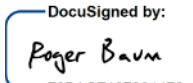
Title: _____

CORE BROWARD SOE, LLC

By:  _____
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Title: _____

CORE CONSTRUCTION SERVICES OF
FLORIDA, LLC

By:  _____
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Title: _____

SPECTRUM INVESTORS, LLC

By:  _____
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Title: _____

EXHIBIT A

ESTIMATED GUARANTEED MAXIMUM PRICE COMPONENTS

Line Item	Current Cost Estimate
Land Purchase	\$19,500,000
A/E fees (including \$1,000,658 from Interim Agreement)	\$4,077,530
Construction Cost	\$55,917,238
General Conditions (5.6%)	\$4,070,000
Bonds & Insurance (3%)	\$2,216,210
Contingencies (construction 4% & escalation 3.8%)	\$5,778,591
CM fee (6%)	<u>\$4,440,569</u>
Construction subtotal	\$72,336,448
Developer's fee (approx. 5% of project cost)	\$5,000,000
Financing Costs (financed by County)	\$0
County DCP Consultant/Misc. Costs	<u>\$2,000,000</u>
Total Estimated Project Costs*	\$103,000,000

***Total Final Guaranteed Maximum Price shall not exceed this amount, components of this EGMP have not been negotiated.**