

RESOLUTION NO. 2010-240

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA APPROVING THE ISSUANCE BY THE ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY OF ITS RECOVERY ZONE FACILITY REVENUE BONDS (VILANO TOWN CENTER PARTNERS, LLC PROJECT), SERIES 2010, IN AN AGGREGATE AMOUNT NOT TO EXCEED \$5,515,000, IN ONE OR MORE TAX-EXEMPT OR TAXABLE SERIES, TO PROVIDE FUNDS TO FINANCE ALL OR A PART OF THE COSTS OF A CAPITAL PROJECT TO BE LOCATED WITHIN THE EXISTING VILANO BEACH COMMUNITY REDEVELOPMENT AREA TO BE OWNED AND OPERATED BY VILANO TOWN CENTER PARTNERS, LLC; AUTHORIZING AN ALLOCATION OF NOT EXCEEDING \$5,515,000 TO VILANO TOWN CENTER PARTNERS, LLC FOR THE PROJECT FROM THE COUNTY'S SUBALLOCATION OF THE NATIONAL VOLUME CAP FOR "RECOVERY ZONE FACILITY BONDS" PURSUANT TO THE AMERICAN RECOVERY AND REINVESTMENT ACT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the St. Johns County Industrial Development Authority (the "Authority") has been created to act as the sole industrial development authority for St. Johns County, Florida (the "County") and is a public body corporate and politic, duly organized and existing under the provisions of Chapter 159, Parts II and III, Florida Statutes, as amended and supplemented (the "Act"); and

WHEREAS, Vilano Town Center Partners, LLC, a Florida limited liability company ("Borrower"), has requested the Authority to issue, and the Board of County Commissioners of St. Johns County (the "Board") to approve, for the purposes of Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), the Authority's Recovery Zone Facility Revenue Bonds (Vilano Town Center Partners, LLC Project), Series 2010, for the benefit of the Borrower, in one or more tax-exempt or taxable series in an aggregate principal amount not to exceed \$5,515,000 (the "Bonds"), in order to (i) finance all or a part of the costs of the "Project," as hereinafter described, and (ii) pay all or a part of the costs of issuing the Bonds; and

WHEREAS, the Project consists of the acquisition, construction and installation of a one-story building containing approximately 32,862 square feet to be used as a grocery store, a one-story building containing approximately 8,800 square feet to provide retail space for a surf shop, bicycle store, restaurants and/or other retail functions, surface parking to provide approximately 168 parking spaces and related facilities, fixtures, furnishings and equipment that will provide services and support for the St. Johns County Vilano Beach access ramp and related beach areas, and the acquisition of the site therefor containing approximately 3.67 acres of land

which is bounded on the east by Coastal Highway, on the north and west by Poplar Avenue, and on the south by Vilano Road, in an unincorporated area of St. Johns County, Florida within the existing Vilano Beach Community Redevelopment Area, and to be owned by the Borrower; and

WHEREAS, the Bonds shall not constitute a debt, liability or obligation of the St. Johns County, the State of Florida (the "State") or of any political subdivision thereof, other than a limited obligation of the Authority, or a pledge of the faith and credit of the Authority, the County, the State or of any such political subdivision, and neither the Authority, the County, the State nor any political subdivision thereof will be liable on the Bonds, nor will the Bonds be payable out of any funds other than those pledged and assigned under a Loan Agreement (the "Loan Agreement"), between the Authority and the purchaser thereof, which shall be Branch Banking & Trust Company and/or one or more other commercial banks acceptable to the Authority, and other funds pledged therefore in the financing documents; and

WHEREAS, the County has been designated to receive a suballocation of the national volume cap for Recovery Zone Facility Bonds pursuant to the American Recovery and Reinvestment Act (the "Recovery Zone Facility Bonds Suballocation"); and

WHEREAS, the Authority has requested that the County allocate an amount not to exceed \$5,515,000 of principal amount of Bonds (or such lesser amount of Bonds as shall actually be issued by the Authority) for the Project from the County's Recovery Zone Facility Bonds Suballocation; and

NOW THEREFORE, BE IT RESOLVED by the Board of County Commissioners of St. Johns County Florida, as follows:

SECTION 1. Authority. This Resolution is adopted pursuant to the Constitution of the State of Florida, the Act, and other applicable provisions of law.

SECTION 2. Effect of Recitals. The recitals are incorporated into the body of this Resolution.

SECTION 3. Findings. The Board hereby finds, determines and declares as follows:

A. Notice of a public hearing to be held before the Authority, inviting comments and discussion concerning the nature and location of the Project and the issuance of the Bonds to finance all or a part of the costs of the Project (the "Notice of Hearing"), was published in the The St. Augustine Record, a newspaper of general circulation in the County, at least fourteen (14) days prior to the date of such public hearing. A copy of the affidavit in proof of publication of such Notice of Hearing is attached hereto as Exhibit A and incorporated herein by reference.

B. Following such notice, a public hearing was held by the Authority on October 4, 2010, upon notice during which comments and discussion concerning the nature and

location of the Project and the issuance of the Bonds to finance all or a part of the costs of the Project were requested and allowed.

C. Following such hearing, the Authority adopted a Resolution on October 4, 2010 authorizing the issuance of the Bonds (the "Authorizing Resolution"). A copy of the Authorizing Resolution is attached hereto as Exhibit B and incorporated herein by reference.

D. The Board is the elected legislative body of the County, and has jurisdiction over the entire area in which the Project is located.

E. In the Authorizing Resolution, the Authority found that the Borrower has shown that (i) the Project constitutes a "project" within the meaning of Section 159.29 of Chapter 159, Part II, Florida Statutes, as amended, to wit, a "tourism facility" within the meaning of such section, (ii) the Project constitutes a commercial project located within the existing Vilano Beach Community Redevelopment Area, (iii) the Project will cater to visitors and residents of Vilano Beach and will act as a catalyst for future development and redevelopment of the Vilano Beach area, and will stimulate additional tourism in the area and (iv) the Project will serve a public purpose by promoting and fostering the economic growth and development of the County and the State, will increase purchasing power and opportunities for gainful employment, improve living conditions, advance and improve the economic prosperity and the welfare of the State and its inhabitants, advance the tourism industry and the business development of the County, advance redevelopment of the Vilano Beach Community Redevelopment Area and assist in the alleviation of general distress in such Community Redevelopment Area, and otherwise contribute to the health, safety and welfare of the people of the County and the State.

F. The Bonds shall not be issued unless the Bonds have been validated pursuant to Chapter 75, Florida Statutes, as amended.

SECTION 4. Approvals. For purposes of Section 147(f) of the Code, and the Act, the Board hereby approves the issuance by the Authority of the Bonds to finance all or a part of the cost of the Project, all as described in the Authorizing Resolution and the Notice of Hearing. This approval is given solely for the purposes of satisfying the requirements of the Code and the Act and is final and conclusive for such purposes. The granting of this approval shall not impose any liability upon the County with respect to the Bonds or the Authorizing Resolution.

SECTION 5. Allocation. The Board hereby allocates an amount not to exceed \$5,515,000 to the Borrower for the Project from the County's Recovery Zone Facility Bond Suballocation, in order to enable the Authority to issue the Bonds as Recovery Zone Facility Bonds. Any unused portion of the allocation shall lapse and be available for further re-allocation upon the earlier to occur of the date of issue of the bonds or December 31, 2010.

SECTION 6. Conflicts. All Resolutions or parts thereof in conflict herewith are, to the extent of such conflict, superseded and repealed.

SECTION 7. Scope. The approval given herein shall be solely for the purpose of satisfying the requirements of Section 147(f) of the Code and shall not be construed as

an approval of any necessary rezoning application or any regulatory permits required in connection with the issuance of the Bonds, and this Board shall not be construed by virtue of its adoption of this Resolution to have waived, or be estopped from asserting, any rights or responsibilities it may have in that regard.

SECTION 8. Effect of Typographical and/or Administrative Errors. To the extent that there are typographical and/or administrative errors and/or omissions that do not change the tone, tenor, or context of this Resolution, then this Resolution may be revised without subsequent approval of the Board of County Commissioners.

SECTION 9. Effective Date. This Resolution shall be effective immediately upon adoption by the Board of County Commissioners.

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PASSED and ADOPTED by the Board of County Commissioners of St. Johns
County, Florida this 19th day of October, 2010.

**ST. JOHNS COUNTY BOARD
OF COUNTY COMMISSIONERS**

By: *Ron Sanchez*
Ron Sanchez, Chairman

ATTEST: Cheryl Strickland, Clerk

By: *Pam Halterman*
Deputy Clerk



Rendition Date: 10/19/10

Effective Date: 10/19/10

EXHIBIT A

Proof of Publication of Notice of Hearing

(Attached)

GEOFFREY B DOBSON PA
PO Box 3588
SAINT AUGUSTINE FL 32085

Ref.#: L3432-10
P.O.#: SPCLHG10-4

PUBLISHED EVERY MORNING SUNDAY THRU SATURDAY
ST. AUGUSTINE AND ST. JOHNS COUNTY, FLORIDA

STATE OF FLORIDA,
COUNTY OF ST. JOHNS

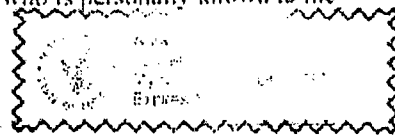
Before the undersigned authority personally appeared **ULINDA E. VERSTRAATE**
who on oath says that he/she is an Employee of the St. Augustine Record,
a daily newspaper published at St. Augustine in St. Johns County, Florida;
that the attached copy of advertisement being a **NOTICE OF HEARING**
In the matter of **SJC IDA SPEC MTG/HIG - SPECIAL MTG/HIG OCT 4, 2010**
was published in said newspaper on **09/20/2010**

Affiant further says that the St. Augustine Record is a newspaper published
at St. Augustine, in said St. Johns County, Florida, and that the said newspaper
heretofore has been continuously published in said St. Johns County, Florida,
each day and has been entered as second class mail matter at the post office in the
City of St. Augustine, in said St. Johns County, for a period of one year preceding
the first publication of the copy of advertisement; and affiant further says that
he/she has neither paid nor promised any person, firm or corporation any discount,
rebate, commission or refund for the purpose of securing the advertisement for
publication in the said newspaper.

Sworn to and subscribed before me this **20th** day of **Sept 2010**
by **Ulinda E Verstraate** who is personally known to me
or who has produced as identification

J. M. Basler

(Signature of Notary Public)



(Seal)

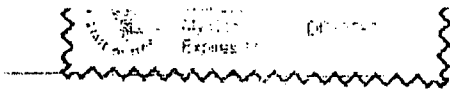
NOTICE OF PUBLIC MEETING AND PUBLIC HEARING OF THE ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

NOTICE is hereby given that a public meeting and hearing of the St. Johns County Industrial Development Authority (the "Authority") will be held on Monday, October 4, 2010, at 3:00 p.m. (local time), in the Board of County Commissioners Conference Room, County Administration Building, Second Floor, 500 South San Sebastian Way, St. Augustine, Florida 32084, for the purposes of:

1. Holding a public hearing regarding the issuance by the Authority of its Recovery Zone Facility Bonds (Vilano Town Center Partners LLC Project), in one or more series, in an aggregate principal amount not to exceed \$5,515,000 (the "Bonds"). The Bonds are to be issued for the purpose of providing funds to the Authority to make a loan or loans to Vilano Town Center Partners LLC, a Florida limited liability company (the "Borrower") for the purpose of:
(1) financing all or part of the costs of a qualified recovery zone project to be located within the existing Vilano Beach Community Redevelopment Area, consisting of the acquisition, construction and installation of a one-story building containing approximately 32,662 square feet to be used as a grocery store, a one-story building containing approximately 8,508 square feet to provide retail space for a surf shop, bicycle store, restaurants and/or other retail functions, surface parking to provide approximately 168 parking spaces, and related facilities, fixtures, furnishings and equipment; and the acquisition of the site therefor containing approximately 1.67 acres of land which is bounded on the east by Capital Highway, on the north and west by Poplar Avenue, and on the south by Vilano Road, in an unincorporated area of St. Johns County, Florida (the "County"), and to be owned by the Borrower (collectively, the "Project"). The Project will provide services and support for the St. Johns County Vilano Beach access ramp and related beach access and;
(2) paying the costs of issuing the Bonds. The Bonds and the interest thereon will be limited obligations of the Authority payable solely from loan payments to be made by the Borrower under a financing agreement and other monies pledged therefor under the financing documentation. The Bonds will not constitute a general indebtedness or a charge against the general credit of the Authority, St. Johns

Janette Busby

(Signature of Notary Public)



(Seal)

limited obligations of the Authority payable solely from loan payments to be made by the Borrower under a financing agreement and other moneys pledged therefor under the financing documentation. The Bonds will not constitute a general indebtedness or a charge against the general credit of the Authority, St. Johns County or the State of Florida. Neither the faith and credit of the Authority, St. Johns County, the State of Florida or any political subdivision thereof, will be pledged for the payment of the principal of and interest on the Bonds.

The public hearing is required by Section 147(f) of the Internal Revenue Code, as amended (the "Code"). Any person interested in the proposed issuance of the Bonds or the location or nature of the Project may appear and be heard subsequent to the public hearing; the Authority and the Board of County Commissioners of the County (the "Commission") will consider whether to approve the Bonds, as required by Section 147(f) of the Code.

The public hearing will be conducted in a manner that provides a reasonable opportunity to be heard for persons with differing views on the issuance of the Bonds and the location and nature of the proposed Project. Any person desiring to be heard on this matter is requested to attend the public hearing or send a representative. Written comments (not exceeding 250 words) to be presented at the hearing may be submitted to the Authority at, and

2. Considering and acting upon the results of the Authority's duties in the issuance and sale of the Bonds.

3. Considering and acting upon such other business as may properly come before the Authority at said meeting.

In accordance with the American Disabilities Act, persons needing a special accommodation or an interpreter to participate in this proceeding should contact the County at (904) 827-6891 or at the County Administration Building, 500 San Sebastian View, St. Augustine, Florida 32064, not later than 7 days prior to the date of this meeting.

Comments made at the hearing and the meeting are for the consideration of the Authority and the Commission, and will not bind any legal action to be taken by the Authority or the Commission. IF A PERSON DECIDES TO APPEAL ANY DECISION MADE BY THE AUTHORITY OR THE COMMISSION WITH RESPECT TO ANY MATTER CONSIDERED AT SUCH HEARING OR MEETING, SUCH PERSON WILL NEED A RECORD OF THE PROCEEDINGS AND, FOR SUCH PURPOSE, SUCH PERSON MAY NEED TO ENSURE THAT A VERBATIM RECORD OF THE PROCEEDINGS IS

EXHIBIT B

Authorizing Resolution

(Attached)

RESOLUTION NO. 2010- 02

A RESOLUTION PROVIDING FOR AND AUTHORIZING THE ISSUANCE BY THE ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY OF ITS RECOVERY ZONE FACILITY REVENUE BONDS (VILANO TOWN CENTER PARTNERS, LLC PROJECT), SERIES 2010, IN ONE OR MORE TAX EXEMPT OR TAXABLE SERIES, IN AN AGGREGATE PRINCIPAL AMOUNT NOT EXCEEDING \$5,515,000, FOR THE PURPOSE OF OBTAINING FUNDS TO LOAN TO VILANO TOWN CENTER PARTNERS, LLC TO FINANCE ALL OR PART OF THE COSTS OF A CAPITAL PROJECT TO BE LOCATED WITHIN THE EXISTING VILANO BEACH COMMUNITY REDEVELOPMENT AREA, INCLUDING COSTS OF ISSUANCE OF THE BONDS; PROVIDING THAT SAID BONDS SHALL NOT CONSTITUTE A GENERAL DEBT OR LIABILITY OF THE ISSUER OR A DEBT, LIABILITY OR OBLIGATION OF ST. JOHNS COUNTY, FLORIDA, OR OF THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF, BUT SHALL BE PAYABLE SOLELY FROM THE REVENUES HEREIN PROVIDED; APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT TO PROVIDE SECURITY FOR SUCH BONDS; APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN OTHER DOCUMENTS REQUIRED IN CONNECTION WITH THE FOREGOING; AUTHORIZING THE CHAIRMAN OF THE AUTHORITY TO AWARD THE PLACEMENT OF THE BONDS TO BRANCH BANKING AND TRUST COMPANY AND/OR ONE OR MORE OTHER COMMERCIAL BANKS, AND APPROVING THE CONDITIONS OF SUCH PLACEMENT; REQUESTING AN ALLOCATION OF THE COUNTY'S RECOVERY ZONE FACILITY BONDS SUBALLOCATION; AND PROVIDING CERTAIN OTHER DETAILS IN CONNECTION THEREWITH.

BE IT RESOLVED BY THE ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY:

SECTION 1. AUTHORITY FOR THIS RESOLUTION. This Resolution is adopted pursuant to the Constitution of the State of Florida, Parts II and III of Chapter 159, Florida Statutes, as amended, and other applicable provisions of law (the "Act").

SECTION 2. DEFINITIONS. Unless the context otherwise requires, all terms used herein in capitalized forms shall have the meanings specified in this section. Words importing the singular shall include the plural, words importing the plural shall include the singular, and words importing persons shall include companies and other entities or associations.

"Act" means Chapter 159, Parts II and III, Florida Statutes, as amended, and other applicable provisions of law.

"Assignment" means the Assignment to be executed by the Issuer in favor of the Purchaser, substantially in the form attached hereto as Exhibit C and incorporated herein by reference.

"Bond Counsel" means the law firm Foley & Lardner LLP, Jacksonville, Florida.

"Bond Purchase Agreement" means the Bond Purchase Agreement to be executed by and among the Issuer, the Purchaser and the Borrower, substantially in the form attached hereto as Exhibit A and incorporated herein by reference.

"Bonds" means the bonds of the Issuer to be designated "St. Johns County Industrial Development Authority Recovery Zone Facility Revenue Bonds (Vilano Town Center Partners, LLC Project), Series 2010," in one or more series, in an aggregate principal amount to be mutually agreed upon by the Issuer, the Borrower and the Purchaser, not to exceed \$5,515,000, substantially in the form and with the rates of interest, maturity dates and other details provided for herein and in the Bond Purchase Agreement, to be authorized and issued by the Issuer and delivered pursuant to the terms of the Bond Purchase Agreement.

"Borrower" means Vilano Town Center Partners, LLC, a Florida limited liability company, and any successor, surviving, resulting or transferee Person as provided in the Loan Agreement.

"Chairman" means the Chairman or Vice Chairman of the Issuer, or such other person as may be authorized to act in the place of the Chairman or Vice Chairman.

"Code" means the Internal Revenue Code of 1986, as amended from time to time, and the Regulations thereunder, whether proposed, temporary or final, promulgated by the Department of the Treasury, Internal Revenue Service.

"County" means the St. Johns County, Florida.

"Loan Agreement" means the Loan Agreement to be executed by and between the Issuer and the Borrower, substantially in the form attached hereto as Exhibit B and incorporated herein by reference, to be assigned by the Issuer to the Purchaser pursuant to the Assignment.

"Hedge Agreement" means collectively, any agreement or agreements between the Borrower and a Swap Counterparty or any affiliate of a Swap Counterparty, in an aggregate notional amount not exceeding the aggregate principal amount of the Bonds, including but not limited to an ISDA Master Agreement, and related schedule and confirmation, which provides or provide for an interest rate swap, cap, floor or collar, any combination of, or option with respect to, any of the foregoing or similar transactions, for the purpose of hedging the Borrower's exposure to fluctuations in interest rates.

"Issuer" means the St. Johns County Industrial Development Authority, a public body corporate and politic of the State of Florida created and existing under and pursuant to Chapter 159, Part III, Florida Statutes, as amended, and its successors and assigns.

"Note" shall mean the Promissory Note to be executed by the Borrower in favor of the Issuer, substantially in the form attached to the Loan Agreement, to be endorsed without recourse to the Purchaser and assigned by the Issuer to the Purchaser pursuant to the Assignment.

"Person" or words importing persons means firms, associations, partnerships (including, without limitation, general and limited partnerships), joint ventures, limited liability companies, corporations, societies, estates, trusts, public or governmental bodies, other legal entities and natural persons.

"Project" means the project of the Borrower described in Section 3(B) of this Resolution.

"Purchaser" means Branch Banking and Trust Company, a North Carolina banking corporation, and/or one or more commercial banks which shall be designated by the Borrower and approved by the Chairman, such approval to be conclusively evidenced by the Chairman's execution of the Bond Purchase Agreement, and their respective successors and assigns.

"Recovery Zone Facility Bonds Suballocation" means the County's suballocation of the national volume cap for Recovery Zone Facility Bonds pursuant to the American Recovery and Reinvestment Act.

"Secretary" means both the Secretary and any Assistant Secretary or Acting Secretary of the Issuer unless specifically indicated otherwise.

"State" means the State of Florida.

"Swap Counterparty" means a counterparty to a Hedge Agreement with the Borrower and any permitted successor or assignee such counterparty's right, title, interest and obligations under a Hedge Agreement.

SECTION 3. FINDINGS. The Issuer hereby finds, determines and declares as follows:

A. The Issuer is a public body corporate and politic of the State of Florida created and existing under and pursuant to Chapter 159, Part III, Florida Statutes, as amended. As such, the Issuer is duly authorized and empowered by the Act to provide for the issuance of and to issue and sell its recovery zone facility revenue bonds, for the purpose of financing all or any part of the "cost" of any "project," including any "tourism facility" (as such terms are defined or used in the Act), in order to promote the economy of the County, increase and preserve opportunities for gainful employment and purchasing power, advance the redevelopment of the Vilano Beach Community Redevelopment Area and assist in the alleviation of general distress in such Community

Redevelopment Area, improve the improve the prosperity and welfare of the State and its inhabitants, and otherwise contribute to the prosperity, health and welfare of the County, and the inhabitants thereof.

B. The Borrower has requested that the Issuer issue the Bonds for the purposes of (i) financing all or part of the qualified costs of a capital project to be located within the existing Vilano Beach Community Redevelopment Area, consisting of the acquisition, construction and installation of a one-story building containing approximately 32,862 square feet to be used as a grocery store, a one-story building containing approximately 8,800 square feet to provide retail space for a surf shop, bicycle store, restaurants and/or other retail functions, surface parking to provide approximately 168 parking spaces and related facilities, fixtures, furnishings and equipment, and the acquisition of the site therefor containing approximately 3.67 acres of land which is bounded on the east by Coastal Highway, on the north and west by Poplar Avenue, and on the south by Vilano Road, in an unincorporated area of St. Johns County, Florida, and to be owned by the Borrower (collectively, the "Project"), (ii) paying certain capitalized interest on the Bonds and (iii) paying the costs of issuing Bonds. The Borrower has shown that (i) the Project will provide services and support for the St. Johns County Vilano Beach access ramp and related beach areas and (ii) the Project will cater to visitors and residents of Vilano Beach and will act as a catalyst for future development and redevelopment of the Vilano Beach area, and will stimulate additional tourism in the area.

C. Pursuant to Resolution 2002-184, duly adopted by the Board of County Commissioners of the County (the "Board of County Commissioners") on September 17, 2002, the Board of County Commissioners designated and defined the Vilano Beach Community Redevelopment Area in accordance with Section 163.355, Florida Statutes, as amended, which resolution has not been modified or revoked by the Board of County Commissioners.

D. A public hearing was held by the Issuer, on behalf of the Issuer and the Board of County Commissioners, on October 4, 2010, upon public notice published in The St. Augustine Record, a newspaper of general circulation in the County, not less than 14 days prior to the scheduled date of such public hearing, at which hearing members of the public were offered reasonable opportunity to be heard on all matters pertaining to the location and nature of the proposed Project and to the issuance of the Bonds. The public hearing provided a reasonable opportunity for interested individuals to express their views, both orally and in writing, on the proposed issuance of the Bonds and the location and nature of the Project, and was held in a location which, under the facts and circumstances, was convenient for residents of the affected governmental units. The notice was reasonably designed to inform residents of the affected governmental units of the proposed issue, stated that the Issuer would be the issuer of the Bonds, stated the time and place for the hearing, and contained the information required by the Code. The 14-day period was adequate for notice to be brought to the attention of all interested persons, exceeds the normal periods for notices of public hearings conducted by other affected governmental units, various agencies thereof and the State, and provided sufficient time for interested persons to prepare for and express their views at such hearing.

E. The Issuer has initially determined that the interest on the Bonds will be excludable from gross income for federal income tax purposes under Section 103(a) of the Code (except with respect to any Bond the interest payable on which is intended to be includable in gross income for federal income tax purposes), based in part on a certificate to be obtained from the Borrower; and the Bonds will not be issued as "tax-exempt" bonds unless the Issuer has received a satisfactory opinion of Bond Counsel to the effect (among other things) that the interest on the Bonds will be excluded from gross income for federal income tax purposes at the time of delivery of the Bonds.

F. The Borrower has shown that: (i) the Project constitutes a "project" within the meaning of Section 159.27 of Chapter 159, Part II, Florida Statutes, as amended, to wit, a "tourism facility" within the meaning of such section, (ii) the Project constitutes a commercial project located within the existing Vilano Beach Community Redevelopment Area and (iii) the Project will serve a public purpose by promoting and fostering the economic growth and development of the County and the State, will increase purchasing power and opportunities for gainful employment, improve living conditions, advance and improve the economic prosperity and the welfare of the State and its inhabitants, advance the tourism industry in and the business development of the County, advance the redevelopment of the Vilano Beach Community Redevelopment Area and assist in the alleviation of general distress in such Community Redevelopment Area, and otherwise contribute to the health, safety and welfare of the people of the County and State.

G. It is desirable and will further the public purposes of the Act, and it will most effectively serve the purposes of the Act, for the Issuer to finance the Project and to issue and sell the Bonds for the purpose of providing funds to finance the Project, all as provided in the documents referred to herein, which contain such provisions as are necessary or convenient to effectuate the purposes of the Act.

H. The Project is appropriate to the needs and circumstances of, and shall make a significant contribution to the economic growth of the County, shall provide or preserve gainful employment; shall protect the environment; or shall serve a public purpose by advancing the economic prosperity, public health or general welfare of the State and its people, as stated in Section 159.26, Florida Statutes, as amended.

I. Based upon the report provided by Henry O'Connell, certified public account and financial advisor to the Issuer, and other financial information and materials provided by the Borrower, the Borrower is financially responsible based on the criteria established by the Act and is fully capable and willing to fulfill its obligations under the Loan Agreement and the Note, including the obligation to pay loan payments and other payments in an amount sufficient to pay all of the principal and interest on the Bonds, in the amounts and at the times required, and the obligation to operate, repair and maintain the Project at the Borrower's own expense and to serve the purposes of the Act and such other responsibilities as may be imposed under the Loan Agreement and the Note, due consideration having been given to the financial condition of the Borrower, its ratio of current assets to current liabilities, net worth, earnings trends and coverage of all fixed charges, the nature of the industry or business and the activity involved, the inherent

stability thereof and other factors determinative of the capabilities of the Borrower, financially and otherwise, to fulfill its obligations consistently with the purposes of the Act.

J. The County will be able to cope satisfactorily with the impact of the Project and will be able to provide, or cause to be provided when needed, the public facilities, including utilities and public services, that will be necessary for the construction, operation, repair and maintenance of the Project and on account of any increases in population or other circumstances resulting therefrom.

K. Adequate provision has been made in the Bond Purchase Agreement, the Loan Agreement and the Note and related financing documentation to provide for the operation, repair, and maintenance of the Project at the expense of the Borrower and for the payment of the principal of and interest on the Bonds.

L. The Issuer is not obligated to pay the Bonds except from the proceeds derived from the repayment of the loan to the Borrower, or from the other security pledged as described in paragraph O below and neither the faith and credit of the Issuer, nor the faith and credit or taxing power of the County or of the State or any political subdivision thereof is pledged to the payment of the principal of, premium, if any, or the interest on the Bonds. No owner or holder of any of the Bonds shall ever have the power, directly or indirectly, to compel the exercise of the ad valorem taxing power of the County, the State or any political subdivision thereof, for the payment of the principal of or premium, if any or interest on any of the Bonds. The Issuer has no taxing power.

M. The costs of the Project will be paid from the proceeds of the sale of the Bonds in accordance with the terms of the Loan Agreement, and these costs constitute "costs" of a "project" within the meaning of the Act.

N. The Issuer and the Borrower will concurrently with the issuance of the Bonds execute the documentation required for the financing of the Project as contemplated hereby.

O. The Bonds will be secured by (i) the Assignment by the Issuer to the Purchaser of substantially all of the rights of the Issuer in the Loan Agreement and the Note and (ii) an endorsement by the Issuer without recourse of the Note payable to the order of the Purchaser. Payment of the Bonds also will be guaranteed by a Guaranty (the "Guaranty Agreement") from the Borrower to the Purchaser, in a form acceptable to the Purchaser.

P. A negotiated placement of the Bonds is required and necessary and is in the best interest of the Issuer for the following reasons: the Bonds will be special and limited obligations of the Issuer payable out of moneys derived by the Issuer from the Borrower or as otherwise provided herein and will be secured by funds and assets of the Borrower; the Borrower will be required to pay all costs of the Issuer in connection with the financing; the cost of issuance of the Bonds, which must be borne directly or indirectly by the Borrower, would most likely be greater if the Bonds are sold at public

sale by competitive bids than if the bonds are sold at negotiated sale, and there is no basis, considering prevailing market conditions, for any expectation that the terms and conditions of a sale of the Bonds at public sale by competitive bids would be any more favorable than at negotiated sale; because prevailing market conditions are uncertain, it is desirable to sell the Bonds at a predetermined price; and revenue bonds having the characteristics of the Bonds are typically sold at negotiated sale under prevailing market conditions.

Q. The Purchaser has provided, or prior to the issuance of the Bonds will provide, to the Issuer a disclosure statement containing the information required by Section 218.385(6), Florida Statutes.

R. The Purchaser has submitted a proposal to purchase the Bonds for its own account pursuant to the Bond Purchase Agreement.

S. It is in the best interest of the Issuer to award the placement of the Bonds to the Purchaser pursuant to the Bond Purchase Agreement.

T. All requirements precedent to the adoption of this Resolution, of the Constitution and other laws of the State, including the Act, have been complied with.

SECTION 4. FINANCING OF PROJECT AUTHORIZED. The acquisition, construction and installation of the Project and the financing thereof is hereby authorized.

SECTION 5. AUTHORIZATION AND SALE OF BONDS. For the purpose of paying the costs of the Project, subject and pursuant to the provisions hereof and the Bond Purchase Agreement, the issuance of the Bonds, not exceeding the aggregate principal amount set forth in the definitions in Section 2 hereof, is hereby authorized; provided, however, that no series of Bonds shall be issued unless and until with respect to such series:

A. The Loan Agreement and the Note shall have been executed and delivered by the Borrower to the Issuer and assigned to the Purchaser pursuant to the Assignment;

B. The Guaranty Agreement shall have been executed and delivered by the Guarantor to the Purchaser;

C. The Bonds shall have been judicially validated pursuant to Chapter 75, Florida Statutes, as amended; and

D. The Issuer's Counsel and Bond Counsel shall have rendered their respective legal opinions relating to the issuance of such series of Bonds, each in form satisfactory to the Issuer.

Subject to the placement thereof as hereinafter provided and payment as provided in the Bond Purchase Agreement, shall be issued in the name of and delivered to the Purchaser or as otherwise directed by the Purchaser. The sale to the Purchaser of the Bonds in the form set for the in the Bond Purchase Agreement at a purchase price of par

and at an initial rate of interest, as approved by the Chairman of not to exceed 6.0% is hereby authorized, the Chairman's approval of the sale and the initial rate to be conclusively evidenced by the execution by the Chairman of the Bonds to or upon the order of the Purchaser.

The Bonds shall be dated such date, shall bear interest at such rates, shall be payable or shall mature on such date or dates (not later than thirty years from the issue date), shall be issued as a single bond for each series, shall be subject to optional extraordinary and mandatory redemption at such time or times, and upon such terms and conditions, shall be payable at the place or places and in the manner, shall be executed and delivered, shall otherwise be in such form and subject to such terms and conditions, all as provided in the Bond Purchase Agreement, as may be established by resolution of the Authority adopted prior to the issuance of the Bonds, or as may be approved by the Chairman, and the authority to approve such matters is hereby expressly delegated to the Chairman, with such approval to be conclusively evidenced by the Chairman's execution of any documents including such terms.

Upon satisfaction of the foregoing conditions, the Bond Purchase Agreement, with such other changes, corrections, insertions and deletions as may be approved by the Chairman, such approval to be evidenced conclusively by the Chairman's execution thereof, is approved and authorized; the Issuer hereby authorizes and directs the Chairman to date and execute the Bond Purchase Agreement and to deliver the Bond Purchase Agreement to the Purchaser; and all of the provisions of the Bond Purchase Agreement, when executed and delivered by the Issuer as authorized herein and by the Borrower and the Purchaser, shall be deemed to be a part of this Resolution as fully and to the same extent as if incorporated verbatim herein.

SECTION 6. SPECIAL OBLIGATIONS OF ISSUER. The Bonds and the premium, if any, and the interest thereon shall not be deemed to constitute a general debt, liability or obligation of the Issuer, the County, or the State or of any political subdivision thereof; or a pledge of the faith and credit of the Issuer, the County, or the State or of any political subdivision thereof; but shall be payable solely from the revenues and other security provided therefore in the Loan Agreement, the Note, the Assignment and the Guaranty Agreement, and the Issuer is not obligated to pay the Bonds or the interest thereon except from such sources and neither the faith and credit of the Issuer, nor the faith and credit or taxing power of the County, the State or any political subdivision thereof is pledged to the payment of the principal of or the interest on the Bonds. The Issuer has no taxing power.

SECTION 7. AUTHORIZATION OF EXECUTION AND DELIVERY OF LOAN AGREEMENT, ENDORSEMENT OF NOTE AND ASSIGNMENT. The Loan Agreement, substantially in the form attached hereto as Exhibit B, the endorsement without recourse of the Note, substantially in the form attached to the Note which is attached to the Loan Agreement, and the Assignment, substantially in the form attached hereto as Exhibit C, each with such changes, corrections, insertions and deletions as may be approved by the Chairman, such approval to be evidenced conclusively by its execution thereof, is hereby approved and authorized. The Issuer hereby authorizes and

directs the Chairman to date and execute, and directs the Secretary to attest, the Loan Agreement, the endorsement to the Note and the Assignment, and when executed by the other parties thereto, to deliver the same to the Purchaser; and all the provisions of the Loan Agreement, the endorsement to the Note and the Assignment, when executed and delivered by the Issuer as authorized herein and by the other parties thereto, shall be deemed to be a part of this Resolution as fully and to the same extent as if incorporated verbatim herein.

SECTION 8. VALIDATION. The Bonds shall be validated pursuant to Chapter 75, Florida Statutes. Issuer's Counsel is hereby authorized, at the expense of the Borrower, to prepare validation pleadings on behalf of the Issuer and to make any and all action as Issuer's Counsel may deem necessary or desirable for the validation of the Bonds.

SECTION 9. ASSENTS, ACCEPTANCE AND APPROVALS; ACTIONS. The Chairman and the Secretary are, subject to the terms hereof, hereby authorized and empowered to execute and deliver the Bonds, the Loan Agreement, the assignment of the Note and all documents contemplated thereby (including tax certificates and an informational tax return), in each case, subject to such changes and modifications as either of such officers may approve, such execution to be conclusive evidence of any such approval.

SECTION 10. APPROVAL BY THE BOARD OF COUNTY COMMISSIONERS; REQUEST FOR ALLOCATION OF RECOVERY ZONE FACILITY BOND SUBALLOCATION. Issuance of the Bonds is subject to the condition, among others, that the Board of County Commissioners approve the issuance of the Bonds as required by the Internal Revenue Code of 1986, as amended (together with the Regulations promulgated under the Code, whether proposed, temporary or final, the "Code"), and the Act, and the satisfaction of any conditions of the Board of County Commissioners to such approval. The Issuer hereby requests that the Board of County Commissioners allocate an amount not to exceed \$5,515,000 to the Borrower for the Project from the County's Recovery Zone Facility Bond Suballocation.

SECTION 11. GENERAL AUTHORITY. The Issuer and the officers, employees and agents of the Issuer acting on behalf of the Issuer are hereby authorized and directed to execute such documents, instruments and contracts, whether or not expressly contemplated hereby, and to do all acts and things required by the provisions of this Resolution and by the provisions of the Bonds, the Bond Purchase Agreement and the Loan Agreement authorized herein, as may be necessary for the full, punctual and complete performance of all the terms, covenants, provisions and agreements herein and therein contained, or as otherwise may be necessary or desirable to effectuate the purpose and intent of this Resolution, or as may be requested by the Purchaser or the Borrower, including, without limitation, any document or instrument related to any Hedge Agreement relating to the Bonds. The Chairman and the Secretary are hereby designated as the primary officers of the Issuer charged with the responsibility of issuing the Bonds, and the Chairman is hereby authorized to delegate to any other person any of the duties or authorizations of the Chairman or the Secretary hereunder.

SECTION 12. SEVERABILITY OF INVALID PROVISIONS. In case any one or more of the provisions of this Resolution shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions of this Resolution, and this Resolution shall be construed and enforced as if such illegal or invalid provision had not been contained herein. This Resolution is adopted and the Loan Agreement shall be executed, and the Bonds shall be issued, with the intent that the laws of the State shall govern their construction, except as shall otherwise be expressly provided by the terms thereof.

SECTION 13. NO PERSONAL LIABILITY. No representation, statement, covenant, warranty, stipulation, obligation or agreement herein contained, or contained in the Bonds or the documents referred to herein or any certificate or other instrument to be executed on behalf of the Issuer in connection with the issuance of the Bonds, shall be deemed to be a representation, statement, covenant, warranty, stipulation, obligation or agreement of any member, officer, employee or agent of the Issuer in his or her individual capacity, and none of the foregoing persons nor any officer of the Issuer executing the Bonds or any document referred to herein or any certificate or other instrument to be executed in connection with the issuance of the Bonds shall be liable personally thereon or be subject, to any personal liability or accountability by reason of the execution or delivery thereof.

SECTION 14. NO THIRD PARTY BENEFICIARIES. Except as otherwise expressly provided herein, in the Bonds or in the documents referred to herein, nothing in this Resolution, the Bonds or the documents, express or implied, is intended or shall be construed to confer upon any person, firm, corporation or other organization, other than the Issuer, the Borrower, the Purchaser and a Swap Counterparty, to the extent that the a Swap Counterparty is acting under a Hedge Agreement, any remedy or claim, legal or equitable, under and by reason of this Resolution or any provision hereof, or of the Bonds or the documents, all provisions hereof and thereof being intended to be and being for the sole and exclusive benefit of the Issuer, the Borrower, the Purchaser and a Swap Counterparty, to the extent that a Swap Counterparty under a Hedge Agreement.

SECTION 15. PREREQUISITES PERFORMED. All acts, conditions and things relating to the passage of this Resolution, to the issuance, sale and delivery of the Bonds, and to the execution and delivery of the Bond Purchase Agreement and the Loan Agreement required by the Constitution or the laws of the State, to happen, exist and be performed precedent to the passage hereof, and precedent to the issuance, sale and delivery of the Bonds, and to the execution and delivery of a Bond Purchase Agreement and the Loan Agreement, have either happened, exist and have been performed as so required or will have happened, will exist and will have been performed prior to such execution and delivery.

SECTION 16. REPEALING CLAUSE. All resolutions or parts thereof in conflict herewith are hereby repealed.

SECTION 17. EFFECTIVE DATE. This Resolution shall become effective immediately upon its adoption.

APPROVED AND ADOPTED by the St. Johns County Industrial Development Authority on this 4 day of October, 2010.

ST. JOHNS COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY

By: 
James E. Browning, Chairman

I certify that the foregoing is a true and correct copy of a resolution duly adopted by the members of the St. Johns County Industrial Development Authority at a regular meeting thereof duly called and held on October 4, 2010, in compliance with all requirements of law, that a quorum was present and acting throughout said meeting, and that said resolution has not been altered, amended or rescinded and is in full force and effect.

Dated this 4 day of October, 2010.

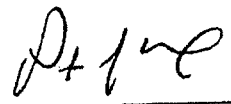

Secretary

EXHIBIT A

BOND PURCHASE AGREEMENT

(Attached)

BOND PURCHASE AGREEMENT

among

ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY,

VILANO TOWN CENTER PARTNERS, LLC

and

BRANCH BANKING AND TRUST COMPANY,

Dated December 1, 2010

Relating to:

\$5,515,000

**St. Johns County Industrial Development Authority
Recovery Zone Facility Revenue Bonds
(Vilano Town Center Partners, LLC Project),
Series 2010**

This **BOND PURCHASE AGREEMENT**, dated December 1, 2010, among the **ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY**, a public body corporate and politic of the State of Florida (the "Authority"), **BRANCH BANKING AND TRUST COMPANY**, a North Carolina banking corporation (the "Purchaser"), and **VILANO TOWN CENTER PARTNERS, LLC**, a Florida limited liability company (the "Borrower").

WITNESSETH

WHEREAS, at the request and on behalf of the Borrower, the Authority proposes to issue and sell to the Purchaser and the Purchaser proposes to purchase from the Authority, its Recovery Zone Facility Revenue Bonds (Vilano Town Center Partners, LLC Project), Series 2010, in the principal amount of \$5,515,000 (the "Bonds");

WHEREAS, the proceeds of the sale of the Bonds will be loaned by the Authority to the Borrower for the purposes of (i) financing all or part of the costs of a qualified recovery zone project to be located within the existing Vilano Beach Community Redevelopment Area, consisting of the acquisition, construction and installation of a one-story building containing approximately 32,862 square feet to be used as a grocery store, a one-story building containing approximately 8,800 square feet to provide retail space for a surf shop, bicycle store, restaurants and/or other retail functions, surface parking to provide approximately 168 parking spaces and related facilities, fixtures, furnishings and equipment, and the acquisition of the site therefor containing approximately 3.67 acres of land which is bounded on the east by Coastal Highway, on the north and west by Poplar Avenue, and on the south by Vilano Road, in an unincorporated area of St. Johns County, Florida (the "County"), and to be owned by the Borrower (collectively, the "Project"), (ii) paying certain capitalized interest on the Bonds and (iii) paying the costs of issuing Bonds, all pursuant to a Loan Agreement of even date herewith between the Authority and the Borrower (the "Loan Agreement").

WHEREAS, the obligation of the Borrower to repay the loan made pursuant to the Loan Agreement will be evidenced by a Promissory Note of the Borrower (the "Note"), pursuant to which the Borrower will be required to make payments in such amounts and at such times as will be sufficient to pay when due the principal of, interest on and other amounts payable under the Bonds.

WHEREAS, payment of the Bonds will also be secured by (i) an Assignment to the Purchaser, its successors, assigns and any transferee of the Bonds (the Purchaser, its successors, assigns or transferees being herein sometimes called the "Holder"), by the Authority of substantially all of its rights in the Loan Agreement and the Note, pursuant to an Assignment of even date herewith between the Authority and the Purchaser and consented to by the Borrower (the "Assignment"); (ii) the endorsement of the Authority without recourse and pledge and delivery of the Note to the Purchaser; and (iii) the guaranty of payment of the principal and interest on the Bonds by the Borrower pursuant to a Guaranty Agreement dated as of even date between the Borrower and the Purchaser (the "Guaranty").

WHEREAS, payment of the Guaranty will be secured by (i) a Security Agreement granting a first priority security interest in certain existing and after acquired property of the

Borrower (the "Security Agreement") and (ii) a Mortgage of Real Estate and Security Agreement granting a first priority lien on certain Borrower's real property assets (the "Mortgage"). This Bond Purchase Agreement, the Loan Agreement, the Bonds, the Note, the Assignment, the Mortgage are herein sometimes collectively called the "Bond Documents".

NOW THEREFORE, the parties hereto agree as follows:

Section 1. Issuance and Purchase of Bonds. The Authority shall issue the Bonds pursuant to Chapter 159, Parts II and III, Florida Statutes, as amended, and other applicable provisions of law (the "Act"), substantially in the form attached as Exhibit A hereto. In reliance upon the representations, warranties and agreements herein contained, and subject to the conditions herein set forth (a) the Authority agrees to issue and sell the Bonds to the Purchaser for an aggregate purchase price of \$5,515,000 and to enter into the Loan Agreement and the Assignment; (b) the Purchaser agrees to purchase Bonds from the Authority; and (c) the Borrower agrees to enter into the Loan Agreement, the Security Agreement, the Mortgage, the Note and the Guaranty.

Section 2. Representations, Warranties and Agreements of the Authority. The Authority hereby represents and warrants to, and agrees with, the Purchaser as follows:

(a) The Authority is a public body corporate and politic of the State of Florida, duly created and existing under the Act. The Authority is authorized to issue revenue bonds in accordance with the Constitution and the laws of the State of Florida, including the Act.

(b) The Authority has full power and authority to issue the Bond pursuant to the Act and to carry out and consummate all transactions contemplated by the Bond Documents.

(c) The Authority has duly authorized: (i) the issuance and sale of the Bonds; (ii) the Acquisition of the Project as provided by the Loan Agreement; (iii) the execution, delivery and due performance of this Agreement, the Loan Agreement, the Assignment and the Bonds; (iv) the pledge of the Note, endorsed without recourse to the order of the Purchaser, to the Purchaser; and (v) the taking of any and all action as may be required on the part of the Authority to consummate the transactions contemplated hereby. The Authority has approved the form of the Note. The fully executed Bond, the executed Note duly endorsed to the order of the Purchaser, fully executed counterparts of the Loan Agreement and the Assignment and certified copies of the resolution adopted by the Authority, authorizing the Authority's undertakings contemplated hereby (the "Bond Resolution") shall be delivered to the Purchaser by the Authority at the Closing Date, and they shall be in the respective forms theretofore submitted to the Purchaser and approved by the Purchaser, with only such changes or modifications thereof as the Purchaser, the Borrower and the Authority shall agree upon.

(d) So long as the Bonds are outstanding, the Authority will not issue or sell any bonds or obligations the interest or premium, if any, on or principal of which may be payable in whole or in part from the revenues derived from the Note.

(e) To the knowledge of the Authority, there is no action, suit, proceeding or investigation at law or in equity or before or by any court, public board or body pending or threatened against or affecting the Authority, or to the best of the knowledge of the Authority any basis therefor, wherein an unfavorable decision, ruling or finding would adversely affect any of the transactions contemplated by this Agreement, or which, in any way, would adversely affect the validity of any of the Bond Documents or any other agreement or instrument to which the Authority is a party and which is used or contemplated for use in consummation of the transactions contemplated hereby.

(f) The execution and delivery by the Authority of the Bonds and the other Bond Documents to which it is a party and the other agreements and instruments contemplated hereby in compliance with the provisions hereof and the endorsement and pledge of the Note as aforesaid will not conflict with, or constitute on the part of the Authority a breach of or a default under, any existing law, administrative regulation, decree, court order or any provision of any legislative act or constitutional or other proceeding applicable to or establishing or relating to the establishment of the Authority or its affairs or any resolution, agreement, indenture, mortgage, lease or other instrument to which the Authority is subject or by which it is or may be bound.

(g) All action on the part of the Authority necessary for the making and performance of the Bonds and the other Bond Documents to which it is a party and the other transactions on the part of the Authority contemplated hereby or thereby has been duly and effectively taken. All consents, authorizations and approvals of, or filings or registrations with, all governmental or regulatory bodies required of the Authority for the making and performance of the Bonds and the other Bond Documents to which it is a party, and the transactions contemplated hereby and thereby, have been duly and effectively taken.

(h) All requirements and conditions specified in the Act, the bylaws or other organic documents of the Authority and all other laws and regulations applicable to the adoption of the Bond Resolution, the execution, delivery and issuance of the Bonds and the execution and delivery of the other Bond Documents to which the Authority is a party have been fulfilled.

(i) The Authority shall take all action and do all things which it is authorized by law to take and do in order to perform and observe all covenants and agreements on its part to be performed and observed under the Bonds and the other Bond Documents to which it is a party and in order to provide for and to assure payment of the Bonds and the interest thereon when due, but solely in accordance with and subject to the limitations contained in the Bonds and the other Bond Documents to which it is a party.

(j) The Authority shall not alter, amend or repeal the Bond Resolution, or, without the prior written consent of the then Holder, agree to any alteration or amendment of the Loan Agreement or the Assignment, or take any action impairing any authority, right or benefit given or conferred by the Bond Resolution or the Bond Documents.

(k) The Bonds and the other Bond Documents to which the Authority is a party are legal, valid and binding limited obligations of the Authority.

All of the above representations and warranties shall survive the making of this Agreement and the issuance of the Bonds.

Section 3. Representations, Warranties and Agreements of the Borrower. The Borrower hereby represents and warrants to, and agrees with, the Purchaser as follows:

(a) The Borrower confirms its representations, warranties and agreements set forth in the Loan Agreement.

(b) The Borrower is a limited liability company duly organized and validly existing under and by virtue of the laws of the State of Florida and has the full power and authority to own or lease its properties and to operate its properties as presently operated.

(c) The executed Note, endorsed and pledged without recourse to the order of the Purchaser, and fully executed counterparts of this Agreement, the Loan Agreement, the Guaranty, the Mortgage, the Security Agreement, and the Assignment shall be delivered to the Purchaser by the Borrower or the Authority, as the case may be, on the Closing Date, and they shall be in the respective forms theretofore submitted to the Purchaser and approved by the Purchaser, with only such changes or modifications thereof as the Purchaser, the Borrower and the Authority shall agree upon.

(d) Notwithstanding any other provision of this Agreement, the Borrower covenants that (1) it will make no use of the proceeds of the loan made by the Authority under the Loan Agreement or of any of its funds or take any other action which would cause the Bond to be an "arbitrage bond" within the meaning of Section 148 of the Code, and the applicable Treasury Department Regulations; and (2) so long as the Bonds are outstanding, it will comply with the requirements of said Section 148 and the applicable Treasury Department Regulations.

(e) There is no action, suit or proceeding at law or in equity or by or before any governmental agency or authority or arbitral tribunal now pending or, to the knowledge of the Borrower, threatened against or affecting the Borrower or any properties or rights of the Borrower which if adversely determined would impair the ability of the Borrower to carry on its business as now conducted or would materially adversely affect its financial condition.

(f) It has filed all required federal, state and local tax returns as they have become due and will pay and discharge all taxes, assessments and governmental charges or levies imposed upon it or upon its income or profits or on any of its property prior to the date on which penalties attach thereto, except that the Borrower will not be required to pay any such tax, assessment, charge or levy, the payment of which is being actively contested in good faith and by proper proceedings and against which it is maintaining adequate reserves.

All of the above representations and warranties shall survive the making of this Agreement and the issuance of the Bonds.

Section 4. Conditions of Purchaser's Obligation to Purchase. The Purchaser shall accept delivery of the Bonds only upon the following conditions:

(a) The Assignment and the Bonds, each in form satisfactory to the Purchaser, shall have been executed and delivered to the Purchaser, and the Note shall have been executed and delivered and assigned to the Purchaser, all in form satisfactory to the Purchaser and the Loan Agreement, the Guaranty, the Security Agreement and the Mortgage, each in form satisfactory to the Purchaser, shall have been executed.

(b) The conditions to purchase of the Bonds by the Purchaser set forth in the Guaranty shall have been met to the satisfaction of the Purchaser.

(c) The Purchaser shall have received such other documentation and certificates as may be reasonably required by the Purchaser.

Section 5. Conditions of the Authority's Obligations. The issuance by the Authority of the Bonds hereunder is subject to the conditions set forth in Section 4 hereof.

Section 6. Execution. The Bonds shall be executed on behalf of the Authority by an authorized officer of the Authority and shall have impressed thereon the official seal of the Authority attested by the Secretary or an Assistant Secretary of the Authority. In case any officer whose signature shall appear on the Bonds shall cease to be such officer before the delivery of the Bonds, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such Person had remained in office until delivery.

Section 7. Purchase for Investment and Investigation in Connection with Purchase. The Purchaser represents and warrants to and covenants with the Authority and the Borrower that it is purchasing the Bonds for its own account as evidence of a commercial loan made in the ordinary course of business in accordance with applicable laws and regulations and with no present intention of distributing or selling the Bonds or any part thereof, or any interest therein. The Purchaser understands that the Bonds have not been registered under the Securities Act of 1933, as amended. The Purchaser acknowledges that in purchasing the Bonds it is not relying upon any representation of the Authority with respect to the financial quality of the Bonds or the financial condition or prospects of the Borrower. The Purchaser is relying solely

upon statements and representations of the Borrower and upon its own knowledge and investigation of the facts and circumstances relating to the purchase of the Bonds.

The Purchaser represents that it has made its own independent evaluation of the creditworthiness of the Borrower and that it has been provided with or permitted access to all information it has deemed material to formulating its investment decision to purchase the Bonds. The Authority and the Borrower have made available to the Purchaser, during the course of the transaction and prior to the purchase of the Bonds, the opportunity to ask questions and receive answers from such parties concerning the terms and conditions of the offering of the Bonds and to obtain such additional information relative to the financial data and business of such parties and such property to be conveyed in trust or otherwise used as security, to the extent that such parties possess such information or can acquire it without unreasonable effort or expense, as the Purchaser has deemed necessary and appropriate in the circumstances.

Section 8. Draw-Down Procedures. [May need to be drawn down at closing or prior to January 1, 2011, per IRS guidance expected to be released prior to November 1, 2010] [The Bonds are being designated as "draw-down loans" under Section 1.150-1(c)(4)(i) of the Regulations issued under the Code. The Purchaser will advance to the Authority \$ _____ principal amount of the Bonds (the "Initial Advance") on the Closing Date, of which \$ _____ is designated for payment of costs of issuance and \$ _____ is designated for costs of the Project. Payment of the Initial Advance shall be made by deposit to the account of the Borrower as set forth in the Guaranty, at or before 5:00 p.m., prevailing Eastern time, on December __, 2010, or at such other time and date and place as may be mutually agreed upon by the parties hereto (the "Closing Date"). The Bank agrees to make further advances in respect of the Bonds ("Additional Advances") on each date the Bank approves a completed and executed Draw Request (as defined in the Guaranty) in a principal amount equal to the approved amount of such Draw Request.]

The Bank agrees that so long as no Event of Default shall have occurred and be continuing, from time to time until _____, following receipt of a Draw Request meeting the requirements of this Section, the Bank shall make Additional Advances to the Borrower to pay eligible costs of the Project in an amount that, when added to the total amount theretofore advanced by the Bank, does not exceed the maximum aggregate principal amount of the Bonds. Such Additional Advances shall be evidenced by the Bonds. Additional Advances to be made after the Initial Advance shall be conditioned upon the Borrower's compliance, as reasonably determined by the Bank, with the provisions of this Agreement, the Loan Agreement, the Guaranty and any agreement or certificate executed in connection herewith or therewith.

On each date on which the Bank advances any amount in accordance with this Section and upon receipt of any payment of any principal amount of a Bond, the Bank shall make or cause to be made an appropriate notation on its records of advances and payments to be kept by the Bank, *provided* that the failure to make any such notation shall not affect the obligation of the Borrower with respect to amounts actually advanced by the Bank or payments actually received by the Bank.

Each Draw Request shall be signed by an authorized officer of the Borrower, shall state the name of the payee, the purpose of each payment in terms sufficient for identification and the

amount of such payment and shall be supported by paid invoices or other evidence acceptable to the Bank that the amount requisitioned has been paid or is then due and payable.

On the earlier to occur of (i) when the Borrower certifies pursuant to Section 4.3 of the Loan Agreement that the acquisition, construction and equipping of the Project shall have been completed and the Cost of the Project has been paid or provision for such payment shall have been made or (ii) _____, 20__, the Bank shall be released from any further obligation to make Additional Advances if the Bank has not already advanced the entire principal amount of the Bonds.

Section 9. Completion of the Project. The completion of the Project and the payment of the Cost of Acquisition of the Project shall be evidenced by the filing with the Purchaser of a certificate of the Borrower Representative required by the provisions of Section 4.3 of the Loan Agreement.

Section 10. Alterations of Documents. Alterations and modifications of the Bond Documents, or of any amendments or supplements thereto, may be made only with the written consent of the Authority, the Borrower and the Purchaser; provided, however, that alterations or modifications of the Guaranty may be made without the consent of the Authority and with the written consent of the respective parties thereto.

Section 11. Limitation of Liability of Members, Etc., of Authority. The Authority and the members, officers, agents and employees of the Authority shall not be liable under this Agreement except as provided in Section 7.3 of the Loan Agreement.

Section 12. Indemnity. The Borrower hereby covenants and agrees to indemnify the Authority, the Purchaser and the Bond Registrar (as defined below) and to hold each of them harmless as more particularly described in the Loan Agreement.

Section 13. Bonds to be Issued in Registered Form; Transfer of Bonds; Ownership of Bonds. The Bonds shall be issuable in typewritten form as fully registered Bonds without coupons. The Bonds shall be substantially in the form attached hereto as Exhibit A, with such appropriate variations, omissions and insertions as are permitted or required by this Agreement, and may have endorsed thereon such legends or text as maybe necessary or appropriate to conform to any applicable rules and regulations of any governmental authority or any usage or requirements of law with respect thereto.

Branch Banking and Trust Company, a North Carolina banking corporation, is hereby appointed as bond registrar (the "Bond Registrar") and as such shall keep books for the registration and for the registration of transfer of the Bonds as provided in this Agreement (the "Bond Registration Books"). The transfer of the Bonds may be registered upon the Bond Registration Books only upon surrender thereof to the Bond Registrar together with an assignment duly executed by the registered owner or his attorney or legal representative in such form as shall be satisfactory to the Bond Registrar. Upon such registration of transfer, the Authority shall execute and deliver at the earliest practicable time in exchange for such Bonds

new Bonds registered in the name of the transferee or transferees, in an aggregate principal amount equal to the principal amount of such Bonds and bearing interest at the same rate.

The Bonds surrendered in any such exchange or registration of transfer shall forthwith be cancelled by the Bond Registrar. The Bond Registrar may make a charge which shall be paid by the Borrower for every registration of transfer sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such registration of transfer, and such charge shall be paid before any such new Bonds shall be delivered. The Bond Registrar shall not be required to make any registration of transfer of the Bonds during the 15 days immediately preceding an interest payment date on the Bonds or, in the case of any proposed redemption of the Bonds, after any such Bonds or any portion thereof has been called for redemption.

The person in whose name the Bonds shall be registered upon the Bond Registration Books shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal of and interest on such Bonds shall be made only to the registered owner thereof or his registered assigns. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bonds, including the interest thereon, to the extent of the sum or sums so paid.

Upon any registration of transfer of the Bonds or of any interest therein, the transferee or any subsequent transferee, if the transfer to it in all respects complies with the requirements of this Section, and if it is duly registered as owner as herein provided, shall be deemed the Holder for purposes of this Agreement and shall succeed to the rights and be bound by the obligations of the Purchaser hereunder, including without limitation the provisions of this Section relating to transfer of the Bonds. Immediately upon any registration of transfer of the Bonds or of any interest therein, the new Holder shall give written notice of such transfer to the Borrower.

Upon the resignation or removal of any Bond Registrar, the Authority shall either act as or designate a successor to act as Bond Registrar.

Section 14. Default and Remedies. The term "Event of Default" shall mean (i) the occurrence of an Event of Default under the Loan Agreement or (ii) the failure by the Borrower to comply with the terms of this Bond Purchase Agreement or a breach of any representation or warranty or covenant or agreement of the Borrower under the Bond Purchase Agreement which is not cured within 30 days following written notice by the Purchaser to the Borrower of such failure or breach.

Upon the occurrence of an Event of Default which shall not have been waived, the holders of in excess of 25% in aggregate principal amount of the Bonds may, by notice in writing to the Borrower and the Authority, declare the unpaid principal of the Bonds to be, and the Bonds, together with accrued interest thereon, shall immediately become due and payable without presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived; provided, however, that upon the occurrence of any Event of Default as defined in Sections 9.1(f) and (g) of the Loan Agreement, the entire unpaid principal of the Bonds, together with accrued interest thereon, shall immediately become due and payable without any further act or action on the part of the Holder. Upon the occurrence of an Event of

Default and acceleration of the due date of the unpaid principal of and interest on the Bonds, the Holder may also pursue any remedy available to it under any of the Bond Documents or at law or in equity.

Section 15. Miscellaneous. (a) The Borrower agrees to pay (i) the reasonable fees and expenses of counsel to the Authority and counsel to the Purchaser and of Bond Counsel and all other costs and expenses incidental to the financing hereunder and the issuance of the Bonds, including the costs of producing this Agreement and the documents referred to herein; (ii) all taxes or fees, if any, upon any documents or transactions pursuant to this Agreement, including, without limitation, any tax, fee or other governmental charge required to be paid with respect to any registration of transfer of the Bonds as provided in Section 13 hereof; (iii) all expenses incidental to all filings and recordings pursuant to any of the Bond Documents; (iv) all costs of collection (including reasonable counsel's fees without regard to any statutory presumption) in the event of default in the payment of the principal of or interest on the Bonds or other charges payable under the Bond Documents; and (v) so long as any of the Bond is outstanding, an annual fee to the Authority and certain expenses as provided in Section 5.1(b) of the Loan Agreement.

(b) This Agreement shall be binding upon and shall inure to the benefit of the Authority, the Holder and the Borrower and their respective successors and assigns.

(c) This Bond Purchase Agreement is made solely for the benefit of the Authority, the Borrower and the Purchaser, and their directors, officers, employees and agents, including their successors or assigns, and no other person, partnership, association or corporation shall acquire or have any right hereunder or by virtue hereof. All representations and agreements of the Authority or the Borrower in this Bond Purchase Agreement shall remain operative and in full force and effect regardless of any investigation made by or on behalf of the Purchaser and shall survive the delivery of and payment for the Bonds, but such representations and agreements shall only obtain as of such date of delivery and payment. No recourse shall be had by the Purchaser for any claims based on this Bond Purchase Agreement or otherwise against any director, officer, official, employee or agent of the Authority in his or her individual capacity, all such liabilities, if any, being expressly waived and released by the Purchaser.

(d) Upon Payment of the Bonds, the Authority shall be relieved of all further obligations with respect to the Bonds and this Agreement, except for the obligation to make certain payments in the event of a Determination of Taxability, as more particularly provided in the Bonds.

(e) All notices, certificates or other communications hereunder shall be sufficiently given when given as provided by Section 11.8 of the Loan Agreement.

(f) This Agreement shall be governed by, and interpreted in accordance with, the laws of the State of Florida.

(g) This Agreement may be executed in any number of counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument, and no one counterpart of which need be executed by all parties.

[Signature Page to Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Bond Purchase Agreement to be duly executed and sealed all as of the date first above written.

**ST. JOHNS COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY**

By: _____
James E. Browning, Chairman

[Execution by Purchaser on next page.]

[Signature Page to Bond Purchase Agreement]

BRANCH BANKING AND TRUST COMPANY

By: _____
Name: _____
Title _____

[Execution by Borrower follows on next page.]

[Signature Page to Bond Purchase Agreement]

VILANO TOWN CENTER PARTNERS, LLC

By: _____
Name: _____
Title _____

[Signature Page to Bond Purchase Agreement]

EXHIBIT A

THE PRINCIPAL OF, REDEMPTION PREMIUM, IF ANY, AND INTEREST ON THIS BOND ARE LIMITED OBLIGATIONS OF THE AUTHORITY PAYABLE SOLELY FROM THE SOURCES AND SPECIAL FUNDS PLEDGED FOR ITS BENEFIT. NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE AUTHORITY OR THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF IS PLEDGED FOR THE PAYMENT OF THE PRINCIPAL OF, REDEMPTION PREMIUM, IF ANY, OR INTEREST ON THIS BOND.

BOND

UNITED STATES OF AMERICA
STATE OF FLORIDA

ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

RECOVERY ZONE FACILITY REVENUE BOND
(VILANO TOWN CENTER PARTNERS, LLC PROJECT)
SERIES 2010

No. R-1

\$5,515,000

December 1, 2010

ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY, a public body corporate and politic of the State of Florida (the "Authority"), for value received, hereby promises to pay, solely from the sources as hereinafter provided, to BRANCH BANKING AND TRUST COMPANY (the "Bank" or "Bondholder"), or to its registered assigns, the principal sum of FIVE MILLION, FIVE HUNDRED AND FIFTEEN THOUSAND DOLLARS (\$5,515,000), or such lesser principal amount as shall be outstanding hereunder, (i) in principal installments on the first day of each month in the amounts set forth in Schedule 1 hereto, commencing _____, and (ii) a final installment of the remaining principal balance hereof which shall be due and payable on _____ and to pay accrued interest on the unpaid principal amount outstanding from time to time until the principal amount hereof and interest hereon is paid in full, in monthly interest installments on the first day of each month, the first such payment becoming due on _____, at the rate per annum equal to the Adjusted LIBOR Rate. Commencing _____, the holder hereof shall have the right, upon written notice to the Authority and Borrower, to require that this Bond be repaid in full on the date specified in the written notice (which date of repayment in full so specified in such notice shall be at least 180 days following the date of such written notice and not earlier than _____). If at any time there is a Determination of Taxability, this Bond shall be due and payable in full on the date 60 days following demand by the Bank.

Capitalized terms not otherwise defined herein shall have the meanings provided to such terms in the Bond Purchase Agreement (as hereinafter defined).

From the date hereof to the Date of Taxability (as hereinafter defined) the interest rate shall be the Adjusted LIBOR Rate. Upon the occurrence of a Determination of Taxability (as hereinafter defined), then, from and after the Date of Taxability, the interest rate shall be the Taxable Adjusted LIBOR Rate. After a Determination of Taxability and upon demand of the Bondholder or any former Bondholder, the Authority shall pay to the Bondholder or any former Bondholder such additional amount as shall be necessary to provide that interest shall have been payable on this Bond at the Taxable Adjusted LIBOR Rate from the Date of Taxability.

If at any time after the date hereof there should be any decline in the combined maximum marginal rate of Federal and [State] income tax applicable to the taxable income of the Bank, its successors or assigns ("BB&T Tax Rate"), then the Adjusted LIBOR Rate in effect hereunder from time to time as herein provided, for so long as there shall not have occurred a Determination of Taxability, shall be adjusted, effective as of the effective date of any such change in the BB&T Tax Rate, by multiplying the Adjusted LIBOR Rate by a fraction, the denominator of which is one hundred percent (100%) minus the BB&T Tax Rate in effect upon the date hereof, and the numerator of which is one hundred percent (100%) minus the BB&T Tax Rate after giving effect to such change.

So long as any portion of the principal amount of the Bond or interest thereon remains unpaid, if (i) any law, rule, regulation or executive order is or has been enacted or promulgated by any public body or governmental agency which changes the basis of taxation of payments to any holder or former holder of principal or interest payable pursuant to the Bond, including without limitation the imposition of any excise tax or surcharge thereon, but excluding changes in the rates of tax applicable to the overall net income of any holder or former holder, or (ii) as a result of action by any public body or governmental agency, any payment is required to be made by, or any federal, state or local income tax deduction is denied to, any holder or former holder of the Bond by reason of the ownership of, borrowing money to invest in, or receiving principal or interest from the Bond, the Authority agrees to reimburse on demand for, and does hereby indemnify each such holder and former holder against, any loss, cost, charge or expense with respect to any such change, payment or loss of deduction.

If the Bondholder determines that any change in law or regulatory requirement affecting the Bondholder or the Bondholder's holding company regarding capital requirements has or would have the effect of reducing the rate of return on the Bondholder's capital or on the capital of the Bank's holding company as a consequence of purchasing or holding the Bonds to a level below that which the Bondholder or the Bondholder's holding company could have achieved but for such change in law or regulatory requirement (taking into consideration the Bondholder or the Bondholder's policies with respect to capital adequacy), then from time to time, on demand to the Bondholder, the Authority agrees to pay to the Bondholder such additional amount or amounts as will compensate the Bondholder or the Bondholder's holding company for any such reduction suffered.

Upon an Event of Taxability, the Authority shall also pay to any past or present Bondholder from payments made by the Borrower under the Loan Agreement, including Section 10.2 thereof, any amounts that may be necessary to reimburse such Bondholder for any interest, penalties or other charges assessed against such Bondholder by reason of such Bondholder's not including interest on the Bond in its federal gross income during the period following the Date of Taxability.

In the event that One-Month LIBOR (as hereinafter defined) shall not be ascertainable, for any reason, or for any reason it shall be illegal or unlawful for the holder of the Bond to collect interest based on One-Month LIBOR, then, from and after the date the holder of the Bond determines such condition exists, until the date the holder determines such condition no longer exists, the Authority shall pay interest on the Bond at the Standard Rate (as hereinafter defined) and each reference to Adjusted LIBOR Rate herein shall be deemed and interpreted to mean the Standard Rate.

From and after an Event of Default (as defined in the Loan Agreement), the Bond shall bear interest at the Default Rate.

Payment obligations hereunder arising from a Determination of Taxability shall survive payment of the Bond until such obligations are paid.

Any interest due hereunder shall be computed on the basis of a year of a 360-day year on actual days elapsed.

As used herein, the following terms have the following meanings and the following provisions shall apply:

"Adjusted LIBOR Rate" means a rate of interest per annum equal to the sum obtained (rounded upwards, if necessary, to the next higher 1/100th of 1.00%) by adding (i) the product of (x) ___% and (y) One-Month LIBOR plus (ii) ___% per annum, subject to an interest rate floor of ___% per annum. The Adjusted LIBOR Rate shall be adjusted monthly on the first day of each LIBOR Interest Period. The Adjusted LIBOR Rate shall be adjusted for any change in the LIBOR Reserve Percentage so that Bank shall receive the same yield.

"Bondholder" or "Holder" means the Bank and any future registered holder or holders of the Bonds as permitted by the Bond Purchase Agreement (as hereinafter defined).

"Business Day" means a day other than a Saturday, Sunday, legal holiday or any other day when the Bank is authorized or required by applicable law to be closed.

"Date of Taxability" shall mean the earliest date as of which interest on the Bond or Bonds shall have been determined to be includable in the gross income of any Bondholder or former Bondholder pursuant to a Determination of Taxability.

"Default Rate" means the greater of (i) a fluctuating interest rate equal to ___% per annum above the Prime Rate in effect from time to time and (ii) ___% per annum.

"Determination of Taxability" shall mean and shall be deemed to have occurred on the first to occur of the following:

(i) on that date when the Borrower files any statement, supplemental statement or other tax schedule, return or document which discloses that an Event of Taxability shall have in fact occurred;

(ii) on the date when the Bondholder or former Bondholder notifies the Borrower that it has received a written opinion by an attorney or firm of attorneys of recognized standing on the subject of tax-exempt municipal finance to the effect that an Event of Taxability shall have occurred unless, within 180 days after receipt by the Borrower of such notification from the Bondholder or any former Bondholder, the Borrower shall deliver to each Bondholder and former Bondholder a ruling or determination letter issued to or on behalf of the Borrower by the Commissioner or any District Director of Internal Revenue (or any other governmental official exercising the same or a substantially similar function from time to time) to the effect that, after taking into consideration such facts as form the basis for the opinion that an Event of Taxability has occurred, an Event of Taxability shall not have occurred;

(iii) on the date when the Borrower shall be advised in writing by the Commissioner or any District Director of Internal Revenue (or any other government official or agent exercising the same or a substantially similar function from time to time) that, based upon filings of the Borrower, or upon any review or audit of the Borrower or upon any other ground whatsoever, an Event of Taxability shall have occurred;

(iv) on that date when the Borrower shall receive notice from any Bondholder or former Bondholder that the Internal Revenue Service (or any other government official or agency exercising the same or a substantially similar function from time to time) has assessed as includable in the gross income of such Bondholder or any former Bondholder the interest on such Bondholder's Bond due to the occurrence of an Event of Taxability;

provided, however, no Determination of Taxability shall occur under subparagraph (iii) or (iv) hereunder unless the Borrower has been afforded the opportunity, at its expense, to contest any such assessment, and, further, no Determination of Taxability shall occur until such contest, if made, has been finally determined; provided further, however, that upon demand from the Bondholder or former Bondholder, the Authority shall immediately reimburse such Bondholder or former Bondholder for any payments such Bondholder (or any former Bondholder) shall be obligated to make as a result of the Determination of Taxability during any such contest.

"Event of Taxability" shall mean a change in law or fact or the interpretation thereof, or the occurrence or existence of any fact, event or circumstance (including, without limitation, the taking of any action by the Borrower, or the failure to take any action by the Borrower, or the making by the Borrower of any misrepresentation herein or in any certificate required to be given in connection with the issuance, sale or delivery of the Bond) which has the effect of causing interest paid or payable on any Bond to become includable, in whole or in part, in the gross income of the Bondholder or any former Bondholder for federal income tax purposes.

"LIBOR Interest Period" means the period commencing on the date the Bond is first issued and ending on the day that is immediately prior to the numerically corresponding day of each month thereafter; provided that:

(a) any LIBOR Interest Period which would otherwise end on a day which is not a Business Day shall be extended to the next succeeding Business Day unless such Business Day falls in another calendar month, in which case such LIBOR Interest Period shall end on the next preceding Business Day; and

(b) any LIBOR Interest Period which begins on a day for which there is no numerically corresponding day in the subsequent month shall end on the last Business Day of such subsequent month.

"LIBOR Reserve Percentage" means the maximum aggregate rate at which reserves (including, without limitation, any marginal supplemental or emergency reserves) are required to be maintained under Regulation D by member banks of the Federal Reserve System with respect to dollar funding in the London interbank market. Without limiting the effect of the foregoing, the LIBOR Reserve Percentage shall reflect any other reserves required to be maintained by such member banks by reason of any applicable regulatory change against (i) any category of liability which includes deposits by reference to which the LIBOR Rate is to be determined or (ii) any category of extension of credit or other assets related to the LIBOR Rate.

"One-Month LIBOR" means the average rate quoted on Reuters Screen LIBOR01 Page (or such replacement page) on the determination date for deposits in U. S. Dollars offered in the London interbank market for one month determined as of 11:00 am London time two (2) Business Days prior to the commencement of the applicable LIBOR Interest Period; provided that if the above method for determining one-month LIBOR shall not be available, the rate quoted in *The Wall Street Journal*, or a rate determined by a substitute method of determination agreed on by Borrower and Bank; provided, if such agreement is not reached within a reasonable period of time (in Bank's sole judgment), a rate reasonably determined by Bank in its sole discretion as a rate being paid, as of the determination date, by first class banking organizations (as determined by Bank) in the London interbank market for U. S. Dollar deposits.

"Prime Rate" means the interest rate announced by Branch Banking and Trust Company from time to time as its prime rate. Any change in the Prime Rate shall be effective as of the date such change is announced by Branch Banking and Trust Company.

"Standard Rate" shall mean that rate of interest per annum that shall apply in lieu of the Adjusted LIBOR Rate or Taxable Adjusted LIBOR Rate in the event that One-Month LIBOR shall not be ascertainable or illegal or unlawful with respect to the Bank. The Standard Rate shall be computed, for any day, as a rate per annum (rounded upwards, if necessary to the next 1/100th of 1.00%) equal to the Bank's announced Prime Rate per annum and each change in the Standard Rate shall be effective on the date any change in the Prime Rate is publicly announced as being effective.

"Taxable Adjusted LIBOR Rate" shall mean a rate of interest per annum equal to the sum obtained (rounded upwards, if necessary, to the next higher 1/100th of 1.00%), by adding (i) One-Month LIBOR plus (ii) ___% per annum subject to an interest rate floor of ___% per annum. The Taxable Adjusted LIBOR Rate shall be adjusted monthly on the first day of each LIBOR Interest Period. The Taxable Adjusted LIBOR Rate shall be adjusted for any change in the LIBOR Reserve Percentage so that the Bank shall receive the same yield.

All payments of principal and interest shall be made to the registered owner hereof at its address as it appears on the Bond registration book of the Bond Registrar in lawful money of the United States of America.

This Bond is issued pursuant to Chapter 159, Parts II and III, Florida Statutes, as amended, as amended from time to time, and other applicable provisions of law, and a Bond Purchase Agreement dated December 1, 2010 (the "Bond Purchase Agreement") among the Authority, the Bank and Vilano Town Center Partners, LLC, a Florida limited liability company (the "Borrower"), for the purpose of financing the Project (as further described in the Loan Agreement referred to below). Pursuant to a Loan Agreement dated as of December 1, 2010 (the "Loan Agreement"), between the Authority and the Borrower, the Authority has loaned the proceeds of the Bond to the Borrower and the Borrower has issued to the Authority, which has been assigned to, and registered in the name of, the Bank for collateral purposes to evidence and secure such loan.

This Bond is secured by (1) an Assignment dated as of December 1, 2010, (the "Assignment") by the Authority to the Bank of substantially all of the rights of the Authority in the Loan Agreement and the Note and (2) an endorsement by the Authority without recourse of the Note payable to the order of the Bank. Payment of this Bond is guaranteed by a Guaranty and Loan Agreement dated as of December 1, 2010, (the "Guaranty Agreement") from the Borrower to the Bank, the obligations under which are secured by a Security Agreement dated as of December 1, 2010, between the Borrower and the Bank (the "Security Agreement") and a Mortgage of Real Estate and Security Agreement dated December 1, 2010, from the Borrower to the Bank (the "Mortgage"). Reference is hereby made to the Bond Purchase Agreement, the Loan Agreement, the Note, the Assignment, the Guaranty Agreement, the Mortgage and the Security Agreement, and to all amendments thereto for a description of the provisions, among others, with respect to the nature and extent of such security and guarantee, the rights, duties and obligations of the Authority and the Bondholder.

An executed copy of the Bond Purchase Agreement, which provides that Branch Banking and Trust Company, a North Carolina banking corporation, shall act as initial Bond Registrar, is on file in the office of the Authority. Reference is hereby made to the Bond Purchase Agreement for the provisions, among others, with respect to the custody and application of the proceeds of the Bond, the collection and disposition of revenues, a description of the funds charged with and pledged to the payment of the principal of and interest on the Bond, the nature and extent of the security, the terms and conditions under which the Bond is or may be issued, the system of registration of the Bond, the rights, duties and obligations of the Authority and the rights of the holder of the Bond, and, by the acceptance of this Bond, the holder hereof assents to all of the provisions of the Bond Purchase Agreement.

THIS BOND AND THE ISSUE OF WHICH IT IS A PART AND THE PREMIUM, IF ANY, AND INTEREST THEREON ARE LIMITED OBLIGATIONS OF THE AUTHORITY PAYABLE SOLELY FROM THE REVENUES AND RECEIPTS DERIVED FROM THE LOAN AGREEMENT AND THE NOTE, INCLUDING PAYMENTS RECEIVED THEREUNDER, WHICH PAYMENTS, REVENUES AND RECEIPTS HAVE BEEN PLEDGED AND ASSIGNED TO SECURE PAYMENT OF THE BONDS. THE BONDS, THE PREMIUM, IF ANY, AND THE INTEREST THEREON SHALL NOT BE DEEMED TO CONSTITUTE A DEBT OR A PLEDGE OF THE FAITH AND CREDIT OF THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE AUTHORITY. NEITHER THE STATE OF FLORIDA NOR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE AUTHORITY, SHALL BE OBLIGATED TO PAY THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE BONDS OR OTHER COSTS INCIDENT THERETO EXCEPT FROM THE REVENUES AND RECEIPTS PLEDGED THEREFOR, AND NEITHER THE FAITH AND CREDIT OF THE AUTHORITY, THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION OF THE STATE OF FLORIDA, NOR THE TAXING POWER OF THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF, IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE BONDS OR OTHER COSTS INCIDENT THERETO.

The transfer of this Bond may be registered by the registered owner hereof in person or by his attorney or legal representative at the principal office of the Bond Registrar, its successors and assigns, but only in the manner and subject to the limitations and conditions provided in the Bond Purchase Agreement. Upon any such registration of transfer the Bond Registrar shall execute and deliver in exchange for this Bond a new registered Bond or Bonds without coupons, registered in the name of the transferee or transferees, in denominations authorized by the Bond Purchase Agreement and in the aggregate principal amount equal to the principal amount of this Bond, of the same maturity and bearing interest at the same rate.

This Bond may be prepaid in whole or in part at any time as provided in Section 10.1(a) of the Loan Agreement with respect to prepayments on the Note. This Bond is required to be prepaid, without premium, at such times and in such amounts as the Note is prepaid by the Borrower pursuant to Sections 10.1 and 10.2 of the Loan Agreement. Each such prepayment in part, less any applicable prepayment premium, shall be applied to reduce the principal installments of this Bond in inverse order of their maturities. Notice of the call for any redemption shall be given by the Authority or by the Borrower on behalf of the Authority to the Bank in writing at least thirty (30) days prior to the redemption date (other than redemption from certain funds following completion of the Project, which redemption may be effected without, or with shorter, notice).

In certain events, on the conditions, in the manner and with the effect set forth in the Bond Purchase Agreement and the Loan Agreement, the unpaid principal of this Bond may become or may be declared due and payable before the stated maturity thereof, together with interest accrued thereon.

The Authority promises to pay to the holder a late fee on any payment past due for ten (10) or more days in the amount of five percent (5%) of the amount of payment past due. Where any payment is past due for ten (10) or more days, subsequent payments shall first be applied to past due balances. This provision for late charges shall not be deemed to extend the time for payment or be a "grace period" or "cure period" that gives the Authority a right to cure such default. Imposition of late charges is not contingent upon the giving of notice or lapse of any cure period.

Upon the occurrence of an "Event of Default" as defined in the Loan Agreement, the holder hereof may at its option declare the entire principal balance hereof and all accrued interest thereof to be due and payable. Interest shall accrue on any overdue payment of interest and any due and unpaid portion of the principal at the per annum rate equal to the Default Rate or the maximum interest rate allowed by law, whichever is lower.

This Bond shall be governed by and construed in accordance with the laws of the State of Florida.

All acts, conditions and things required to exist, happen and be performed precedent to the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by law, and the issuance of this Bond, together with all other obligations of the Authority, does not exceed or violate any constitutional or statutory limitations.

This Bond was validated by judgment of the Circuit Court for St. Johns County, Florida, rendered on _____, 2010.

[Signature Page to Follow]

IN WITNESS WHEREOF, the St. Johns County Industrial Development Authority has caused this Bond to be executed in its name by the signature of its Chair or its Vice Chair, its seal to be impressed hereon and attested by the signature of its Secretary or Assistant Secretary, and this Bond to be dated as of the Original Delivery Date set forth above.

**ST. JOHNS COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY**

By: _____
James E. Browning, Chairman

ATTEST:

By: _____
_____, Secretary

(SEAL)

EXHIBIT B
PURCHASER'S DISCLOSURE STATEMENT

EXHIBIT B
LOAN AGREEMENT
(Attached)

LOAN AGREEMENT

Dated as of December 1, 2010

between

ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

and

VILANO TOWN CENTER PARTNERS, LLC

relating to

\$5,515,000

**St. Johns County Industrial Development Authority
Recovery Zone Facility Revenue Bonds
(Vilano Town Center Partners, LLC Project),
Series 2010**

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LOAN AGREEMENT

This LOAN AGREEMENT, dated as of December 1, 2010, between the ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY, a public body corporate and politic of the State of Florida (the "Authority"), and VILANO TOWN CENTER PARTNERS, LLC, a Florida limited liability company (the "Borrower").

WITNESSETH:

WHEREAS, the Borrower desires to finance all or part of the costs of a qualified recovery zone project to be located within the existing Vilano Beach Community Redevelopment Area, consisting of the acquisition, construction and installation of a one-story building containing approximately 32,862 square feet to be used as a grocery store, a one-story building containing approximately 8,800 square feet to provide retail space for a surf shop, bicycle store, restaurants and/or other retail functions, surface parking to provide approximately 168 parking spaces and related facilities, fixtures, furnishings and equipment, and the acquisition of the site therefor containing approximately 3.67 acres of land which is bounded on the east by Coastal Highway, on the north and west by Poplar Avenue, and on the south by Vilano Road, in an unincorporated area of St. Johns County, Florida, and to be owned by the Borrower (collectively, the "Project");

WHEREAS, the Authority has agreed to assist the Borrower in financing the cost of the Project through the issuance of the Authority's Recovery Zone Facility Revenue Bonds (Vilano Town Center Partners, LLC Project), Series 2010 (the "Bonds") in the aggregate principal amount of \$5,515,000;

WHEREAS, simultaneously with the issuance of the Bonds, the Borrower will execute and deliver to the Authority its promissory note dated the date of issuance of the Bond (the "Borrower's Note") to evidence its obligations hereunder to make payments sufficient to pay the Bond;

WHEREAS, the Authority and the Borrower have each duly authorized the execution, delivery and performance of this Loan Agreement.

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained, the parties hereto hereby agree as follows:

ARTICLE I

DEFINITIONS AND RULES OF CONSTRUCTION

Section 1.1 Definitions. In addition to words and terms elsewhere defined in this Loan Agreement, the following words and terms shall have the following meanings:

- (a) "Acquisition", when used in connection with the Project, shall mean, without limitation, the acquisition, construction, installation and equipping of the Project.

(b) "Assignment" shall mean the Assignment, dated as of the date hereof, by and between the Authority and the Purchaser and agreed and consented to by the Borrower and any amendments and supplements permitted by the Bond Purchase Agreement.

(c) "Authority" shall mean the St. Johns County Industrial Development Authority, a public body corporate and politic of the State of Florida, and its successors and assigns and any body resulting from or surviving any consolidation or merger to which it or its successors may be a party.

(d) "Authority Representative" shall mean any one of the persons at the time designated to act on behalf of the Authority by written certificate furnished to the Borrower containing the specimen signatures of such persons and signed on behalf of the Authority by its Chairman or Vice Chairman.

(e) "Bond" or "Bonds" shall mean the Recovery Zone Facility Revenue Bonds (Vilano Town Center Partners, LLC Project), Series 2010, authorized to be issued pursuant to a resolution of the Authority in accordance with the Bond Purchase Agreement in the aggregate principal amount of \$5,515,000 and any amendments and supplements thereto permitted by the Bond Purchase Agreement.

(f) "Bond Documents" shall mean, collectively, the Bond Purchase Agreement, the Bonds, this Loan Agreement, the Note, the Mortgage, the Security Agreement and the Assignment.

(g) "Bondholder" or "Bondholders" shall mean the Purchaser and any future registered holder or holders of the Bonds as permitted by the Bond Purchase Agreement.

(h) "Bond Purchase Agreement" shall mean the Bond Purchase Agreement dated December 1, 2010, by and among the Authority, the Borrower and the Purchaser and any amendments and supplements permitted thereby.

(i) "Borrower" shall mean Vilano Town Center Partners, LLC, a Florida limited liability company, and its successors and assigns, and any surviving, resulting or transferee corporation or other entity.

(j) "Borrower Representative" shall mean any one of the persons at the time designated to act on behalf of the Borrower by written certificate furnished to the Authority containing the specimen signatures of such persons and signed on behalf of the Borrower by the President or any duly authorized Vice President of the Borrower.

(k) "Business Day" shall mean a day upon which banks in Florida are open for the transaction of business of the nature required in this Loan Agreement.

(l) "Code" shall mean the Internal Revenue Code of 1986, as amended, or any corresponding provision of succeeding law, as applicable to the Bonds, and the applicable regulations related thereto.

(m) "Completion Date" shall mean that date certified as provided in Section 4.4 hereof.

(n) "Cost of Acquisition of the Project" shall mean all costs for the Acquisition of the Project which are permitted "costs" of a "project" for a "social service center" within the meaning of the Enabling Act.

(o) "Counsel" shall mean an attorney or a firm of attorneys acceptable to the Purchaser, and may, but need not, be counsel to the Authority or the Borrower.

(p) "Date of Taxability" shall mean the earliest date as of which interest on the Bonds shall have been determined to be includable in the gross income of any Bondholder or former Bondholder pursuant to a Determination of Taxability.

(q) "Default Rate" shall mean the greater of (i) the Prime Rate plus ___ percent (___%) and (ii) ___ percent (___%) per annum.

(r) "Determination of Taxability" shall mean and shall be deemed to have occurred on the first to occur of the following:

(1) on that date when the Borrower files any statement, supplemental statement or other tax schedule, return or document which discloses that an Event of Taxability, as hereinafter defined, shall have in fact occurred;

(2) on the date when any Bondholder or former Bondholder notifies the Borrower that it has received a written opinion by an attorney or firm of attorneys of recognized standing on the subject of municipal bonds to the effect that an Event of Taxability shall have occurred unless, within 180 days after receipt by the Borrower of such notification from any Bondholder or any former Bondholder, the Borrower shall deliver to each Bondholder and former Bondholder a ruling or determination letter issued to or on behalf of the Borrower by the Commissioner or any District Director of Internal Revenue (or any other government official exercising the same or a substantially similar function from time to time) to the effect that, after taking into consideration such facts as form the basis for the opinion that an Event of Taxability has occurred, an Event of Taxability shall not have occurred;

(3) on the date when the Borrower shall be advised in writing by the Commissioner or any District Director of Internal Revenue (or any other government official or agent exercising the same or a substantially similar function from time to time) that, based upon filings of the Borrower, or upon any review or audit of the Borrower or upon any other ground whatsoever, an Event of Taxability shall have occurred;

(4) on that date when the Borrower shall receive notice from any Bondholder or former Bondholder that the Internal Revenue Service

(or any other government official or agency exercising the same or a substantially similar function from time to time) has assessed as includable in the gross income of such Bondholder or any former Bondholder the interest on such Bondholder's Bond due to the occurrence of an Event of Taxability;

provided, however, no Determination of Taxability shall occur under subparagraph (3) or (4) hereof unless the Borrower has been afforded the opportunity, at its expense, to contest any such assessment and, further, no Determination of Taxability shall occur until such contest, if made, has been finally determined; provided further, however, that upon demand from any Bondholder or former Bondholder, the Borrower shall immediately reimburse such Bondholder or former Bondholder for any payments such Bondholder or former Bondholder shall be obligated to make as a result of the Determination of Taxability during any such contest.

(s) "Eminent Domain" shall mean the taking of title to, or the temporary use of, the Project or any part thereof pursuant to eminent domain or condemnation proceedings, or any voluntary conveyance of any part of the Project during the pendency of, or as a result of a threat of, such proceedings.

(t) "Enabling Act" shall mean Chapter 159, Parts II and III, Florida Statutes, as amended, and other applicable provisions of law.

(u) "Event of Default" or "Default" shall have the meaning set forth in Section 9.1 hereof.

(v) "Event of Taxability" shall mean a change in law or fact or the interpretation thereof, or the occurrence or existence of any fact, event or circumstance (including, without limitation, the taking of any action by the Borrower, or the failure to take any action by the Borrower, or the making by the Borrower of any misrepresentation herein or in any certificate required to be given in connection with the issuance, sale or delivery of the Bonds), which has the effect of causing the interest paid or payable on any Bonds to become includable, in whole or in part, in the gross income of any Bondholder or former Bondholder for federal income tax purposes.

(w) "Government Obligations" shall mean (i) direct obligations of the United States of America (including obligations issued or held in book-entry form), or (ii) obligations of which the timely payment of the principal of and interest on which are fully guaranteed by the United States Government.

(x) "Guaranty Agreement" means the Guaranty Agreement dated December 1, 2010, between the Purchaser and the Borrower, and any amendments and supplements thereto.

(y) "Loan Agreement" shall mean this Loan Agreement and any amendments and supplements hereto permitted by the Bond Purchase Agreement.

(z) "Loan Repayments" shall mean the payments required to be made pursuant to Section 5.1 hereof.

(aa) "Mortgage" shall mean the Mortgage of Real Estate and Security Agreement dated as of December 1, 2010 given by the Borrower in favor of the Purchaser to secure the Borrower's obligations under the Guaranty.

(bb) "Net Proceeds" when used with respect to any insurance proceeds or award resulting from, or other amount received in connection with, Eminent Domain, shall mean the gross proceeds from such proceeds, award or other amount, less all expenses (including attorneys' fees) incurred in the realization thereof.

(cc) "Payment of the Bonds" shall mean payment of (i) the principal of and interest on the Bonds in accordance with its terms whether through payment at maturity, upon acceleration or prepayment, and (ii) any and all other liabilities and obligations arising under the Bond Purchase Agreement and this Loan Agreement; in any case, in such a manner that all such amounts due and owing with respect to the Bonds shall have been paid.

(dd) "Person" shall mean an individual, partnership, borrower, trust, unincorporated organization, association, joint venture, joint-stock company, or a government or authority or political subdivision thereof.

(ee) "Plans and Specifications" shall mean the plans and specifications used in the Acquisition of the Project.

(ff) "Prime Rate" means the interest rate announced by Branch Banking and Trust Company from time to time as its prime rate. Any change in the Prime Rate shall be effective as of the date such change is announced by Branch Banking and Trust Company.

(gg) "Project" has the meaning assigned to such term in the preambles to this Loan Agreement.

(hh) "Purchaser" shall mean Branch Banking and Trust Company, with its principal office in Winston-Salem, North Carolina, in its capacity as the purchaser of the Bonds pursuant to the Bond Purchase Agreement, and its successors, transferees and assigns.

(ii) "Reserved Rights of the Authority" shall have the meaning ascribed to such term in the Assignment.

(jj) "Security Agreement" means that certain Security Agreement dated November 1, 2010, between the Purchaser and the Borrower, and any amendments and supplements thereto, granting a first priority security interest in certain personal property of the Borrower.

(kk) "State" shall mean the State of Florida.

(II) "Tax Certificate" shall mean the Tax Certificate and Agreement delivered by the Authority and the Borrower at the time of issuance and delivery of the Bonds, as the same may be amended or supplemented in accordance with its terms.

Section 1.2 Rules of Construction. Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders, and words of the neuter gender shall be deemed and construed to include correlative words of the masculine and feminine genders.

(b) The table of contents, captions and headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Agreement.

(c) All references herein to particular articles or sections are references to articles or sections of this Agreement unless some other reference is established.

(d) All references herein to the Borrower shall be deemed to refer to each of the persons if more than one are described by such term and any agreement, obligation, duty or liability of the Borrower shall be a joint and several agreement, obligation, duty or liability of each of the persons so described by such term.

(e) Any terms not defined herein but defined in any of the other Bond Documents shall have the same meaning herein.

(f) All references herein to the Code or any particular provision or section thereof shall be deemed to refer to any successor, or successor provision or section, thereof, as the case may be.

ARTICLE II

REPRESENTATIONS

Section 2.1 Representations by the Authority. The Authority represents and warrants as follows:

(a) The Authority was duly created and is validly existing under the laws of the State;

(b) The Authority is duly authorized to enter into, and to execute and deliver this Loan Agreement, the Assignment and the Bond Purchase Agreement, to undertake the transactions contemplated by this Loan Agreement, the Assignment and the Bond Purchase Agreement, and to carry out its obligations hereunder and thereunder, including the borrowing under, issuance and performance of the Bonds and the pledge of the Note, endorsed without recourse to the order of the Purchaser, to the Purchaser;

(c) By duly adopted resolution, the Authority has duly authorized, among other things, the execution and delivery of this Agreement and the Bond Purchase

Agreement and the issuance, sale, execution and delivery of the Bonds, and the financing of the Project; and

(d) The Authority, to the best of its knowledge, is not in default under or in violation of the Constitution or any of the laws of the State relevant to the issuance of the Bonds or the consummation of the transactions contemplated hereby or in connection with such issuance.

Section 2.2 Representations, Warranties and Covenants by the Borrower. The Borrower represents, warrants and covenants as follows:

(a) The Borrower is a Florida limited liability company duly organized, validly existing and in good standing under the laws of the State, has legal authority to enter into and to perform the agreements and covenants on its part contained in the Bond Documents to which it is a party and has duly authorized the execution, delivery and performance of the Bond Documents to which it is a party.

(b) The borrowing under the Note, the execution and delivery of the Bond Documents to which the Borrower is a party, the consummation of the transactions contemplated hereby and thereby, and the fulfillment of or compliance with the terms and conditions hereof and thereof do not and will not violate, conflict with or constitute a breach of or default under or require any consent (except for such consents and approvals as have heretofore been obtained) pursuant to any law or regulation presently applicable to the Borrower, any order of any court, regulatory body or arbitral tribunal, the Borrower's Articles of Incorporation or by-laws, or any other agreement or instrument to which the Borrower is a party or by which its or any of its property is bound.

(c) When executed and delivered, the Bond Documents to which the Borrower is a party will be the valid and binding obligations or agreements of the Borrower enforceable in accordance with their respective terms.

(d) There is no action, suit or proceeding at law or in equity or by or before any governmental instrumentality or agency or arbitral body now pending, or to the knowledge of the Borrower, threatened by or against the Borrower or any properties or rights of the Borrower which, if adversely determined, would impair the right of the Borrower to carry on its business substantially as now conducted or would materially adversely affect the financial condition, business or operations of the Borrower, or the transactions contemplated by, or the validity of, any of the Bond Documents.

(e) The Borrower has filed all federal, state and local tax returns which are required to be filed by it and has paid or caused to be paid all taxes as shown on said returns or on any assessment received by it, to the extent that such taxes have become due, and no controversy in respect of additional income taxes, state or federal, of the Borrower is pending or, to the knowledge of the Borrower, threatened which has not heretofore been disclosed in writing to the Purchaser and which, if adversely determined, would materially and adversely affect the financial condition or operations of the Borrower as a whole.

(f) None of the Bond Documents to which the Borrower is a party nor the Tax Certificate contains any misrepresentation or untrue statement of fact or omits to state a material fact necessary in order to make any such representation or statement contained therein not misleading in any material respect.

(g) No approval, consent or authorization of, or registration, declaration or filing with, any governmental or public body or authority is required in connection with the valid execution, delivery and performance by the Borrower of any of the Bond Documents to which it is a party or the Tax Certificate which has not heretofore been obtained.

(h) The Borrower will not take or omit to take any action which would impair the exemption of interest on the Bond from federal income taxation.

(i) All of the representations, warranties and covenants of the Borrower contained in the Tax Certificate are hereby reaffirmed and incorporated herein by this reference.

All of the above representations, warranties and covenants shall survive the making of this Agreement and the issuance of the Note.

ARTICLE III

ACQUISITION OF THE PROJECT

Section 3.1 Agreement as to Acquisition of the Project. The Borrower covenants and agrees to undertake and complete the Acquisition of the Project.

(b) The Borrower agrees to cause the Project to be completed as soon as may be practicable and to exercise due diligence to cause all proceeds of the Bonds to be expended no later than three years from the issue date. For costs incurred prior to receipt by the Authority of the proceeds of the Bonds, the Borrower agrees to advance all funds necessary for such purpose. Such advances may be reimbursed with proceeds of the Bonds to the extent permitted by the Bond Purchase Agreement.

The Borrower hereby agrees that it shall complete the Acquisition of the Project with all reasonable dispatch, delays incident to strikes, riots, acts of God or the public enemy or any delay beyond its reasonable control only excepted, in accordance with the Plans and Specifications; provided, however, that if completion of such Acquisition is delayed for any reason, there shall be no diminution in or postponement of the payments to be made by the Borrower pursuant to the Note or Section 5.1 hereof.

Section 3.2 Borrower to Obtain Approvals Required for the Project. The Borrower shall obtain all necessary permits and approvals for the Acquisition of the Project and the operation and maintenance of the Project and shall comply with all lawful requirements of any governmental body regarding the use or condition of the Project and the conduct of its business therein and thereon. The Borrower may, however, contest any such requirement by an appropriate proceeding diligently prosecuted.

ARTICLE IV

ISSUANCE OF THE BONDS; COMPLETION DATE

Section 4.1 Agreement to Issue the Bonds. To provide funds for payment of the Cost of Acquisition of the Project, the Authority agrees that it will sell, issue and deliver the Bonds in the principal amount of \$5,515,000 to the Purchaser thereof in the manner set forth in the Bond Purchase Agreement and cause the proceeds of the Bonds to be applied as provided in the Bond Purchase Agreement.

Section 4.2 No Third Party Beneficiary It is specifically agreed between the parties executing this Loan Agreement that it is not intended by any of the provisions of any part of this Loan Agreement to make the public or any member thereof, other than as may be expressly provided herein or as contemplated in the Assignment, a third party beneficiary hereunder, or to authorize anyone not a party to this Loan Agreement to maintain a suit for personal injuries or property damage pursuant to the terms or provisions of this Loan Agreement. The duties, obligations and responsibilities of the parties to this Loan Agreement with respect to third parties shall remain as imposed by law.

Section 4.3 Completion Date.

Within 10 days following the date that the Acquisition of the Project has been completed substantially in accordance with the Plans and Specifications and all costs and expenses incurred in connection therewith have been paid, the Borrower Representative shall deliver to the Purchaser a certificate stating Acquisition of the Project has been completed. Notwithstanding the foregoing, such certificate may state that it is given without prejudice to any rights against third parties that exist at the date of such certificate or that may subsequently come into being.

ARTICLE V

LOAN BY THE AUTHORITY TO THE BORROWER; REPAYMENT; ADDITIONAL PAYMENTS

Section 5.1 Loan by the Authority; Repayment. Upon the terms and conditions of this Loan Agreement, the Authority shall lend to the Borrower from time to time the net proceeds of the sale of the Bonds. The loan shall be evidenced by this Loan Agreement and the Note. The loan shall be deemed made as principal advances are made under the Bonds by the Purchaser from time to time in accordance with the terms of the Bonds and the Bond Purchase Agreement.

As consideration for the issuance of the Bonds and the making of the loan to the Borrower by the Authority, the Borrower will execute and deliver this Loan Agreement, the Note, in the form attached as Exhibit A hereto, and the Authority will endorse the Note without recourse to the order of, and pledge the Note and assign this Loan Agreement to the Purchaser, as the assignee of the Authority under the Assignment, contemporaneously with the issuance of the Bonds. The Borrower shall repay the loan in accordance with this Loan Agreement by making Loan Repayments sufficient in the aggregate to pay the loan, together with interest, and

to pay in full all payments of principal, redemption premium, if any, and interest on the Bonds when due.

(b) The Borrower agrees to pay (i) to the Authority on December 1 of each year, commencing on December 1, 2011, for the account of the Authority, the Authority's annual maintenance fee (the "Authority Fee") in an amount equal to 0.05% (5 basis points) of the aggregate principal amount of the Bonds Outstanding as of the immediately preceding November 15, and (ii) directly to the Authority promptly upon billing, any and all costs and expenses of the Authority related to the issuance of the Bonds or any of the related documentation, or the later modification, amendment or interpretation of the Bonds, if any (including, but not limited to, the fees, costs, and expenses of the Authority's counsel or of Bond Counsel). If the Authority has not received the Authority Fee on or before December 1 of any year, the Authority shall provide written notice to the Borrower of its failure to make payment of such fee. If the Authority has not received the full amount of the Authority Fee within 30 calendar days of the due date, the Borrower shall pay a late charge to the Authority in the amount of 1-1/2% per month of the overdue Authority Fee. The Borrower will also pay the reasonable expenses of the Authority related to the issuance of Bonds and any and all ongoing costs and expenses for any continuing duties or obligations of the Authority related in any respect to the Bonds, this Loan Agreement, the Bond Purchase Agreement or any other documents executed in connection therewith after the issuance of the Bonds.

Section 5.2 No Set-Off. The obligation of the Borrower to make the payments required by the Note or under this Loan Agreement shall be absolute and unconditional. The Borrower will pay without abatement, diminution or deduction (whether for taxes or otherwise) all such amounts regardless of any cause or circumstance whatsoever including, without limitation, any defense, set-off, recoupment or counterclaim that the Borrower may have or assert against the Authority, the Purchaser, any Bondholder or any other Person.

Section 5.3 Payments. The Borrower may at any time prepay without penalty all or any part of the amounts the Note obligates it to pay as provided in Section 10.1(a) hereof. The Borrower shall pay all of the amounts it is required to pay as provided in Section 10.2 hereof.

Section 5.4 Credits Against the Note. To the extent that principal of or interest on the Bond shall be paid, there shall be credited against the unpaid principal of or interest on the Note, as the case may be, an amount equal to the principal of or interest on the Bond so paid. If the principal of and interest on and other amounts payable under the Bond shall have been paid sufficiently that Payment of the Bond shall have occurred, then the Note, ipso facto, shall be deemed to have been paid in full, the Borrower's obligations thereon shall be discharged (with the exception of the obligation of the Borrower to make certain payments which may subsequently arise as a result of a Determination of Taxability which shall survive notwithstanding Payment of the Bond) and the Note shall be cancelled and surrendered to the Borrower.

ARTICLE VI

MAINTENANCE AND MODIFICATIONS; INSURANCE AND EMINENT DOMAIN

Section 6.1 Maintenance and Modification of the Project by the Borrower. The Borrower agrees that, until Payment of the Bonds have been made, it will at its own expense, (i) keep the Project in as reasonably safe condition as its operations shall permit, (ii) make or cause to be made from time to time all necessary repairs thereto and renewals and replacements thereof and otherwise keep the Project in good repair and in good operating condition and (iii) not permit or suffer others to commit a nuisance on or about the Project. The Borrower shall pay or cause to be paid all costs and expenses of operation and maintenance of the Project.

Section 6.2 Insurance. The Borrower will during the term of this Loan Agreement and at all times while any Bonds are outstanding continuously insure the Project as required by the Guaranty.

Section 6.3 Provisions Respecting Eminent Domain. In case of a taking or proposed taking of all or any part of the Project or any right therein by Eminent Domain, the party upon which notice of such taking is served shall give prompt written notice to the other and to the Purchaser. Each such notice shall describe generally the nature and extent of such damage, destruction, taking, loss, proceedings or negotiations.

Section 6.4 Damage and Destruction.

(a) If at any time while any of the Bonds are outstanding, all or any portion of the Project shall be damaged or destroyed by fire, flood, windstorm or other casualty, or title to, or the temporary use of, all or any portion of the Project shall have been taken by the power of Eminent Domain, the Borrower shall deposit the Net Proceeds with the Purchaser and have the option, subject to the terms hereof, to apply the Net Proceeds to repair or replace such Project or to prepay the Bonds pursuant to Section 10.1 hereof.

(b) In the event the Borrower intends to repair or replace the Project, the Borrower shall use the Net Proceeds to repair or replace the Project to a condition substantially similar to its condition prior to the loss, casualty or other event giving rise to the receipt of such Net Proceeds. If such Net Proceeds are not sufficient to repair or replace the Project to a condition substantially similar to its condition prior to the loss, casualty or other event giving rise to the receipt of Net Proceeds, the Borrower shall deposit with the Purchaser the amount of such deficiency, as reasonably determined by the Purchaser (the "Additional Proceeds"), to be held and applied as set forth herein. In any case, the Borrower shall not be entitled to any reimbursement therefor from the Authority or the Purchaser, and shall not be entitled to any abatement, diminution or postponement of the payments required hereunder. The Purchaser shall disburse the Additional Proceeds and the Net Proceeds to such persons, firms or corporations at such time and under such terms and conditions as the Purchaser shall determine in connection with the repair or replacement of the Project.

Any balance of the Net Proceeds remaining after such replacement or repair has been completed shall be applied to prepay the Note as provided in Section 10.1 hereof. After payment or provision for payment of all Bonds and all other amounts due to the Purchaser, any balance of the Net Proceeds or Additional Proceeds shall be paid to the Borrower.

In case of any damage to or destruction of all or any part of the Project exceeding \$100,000, the Borrower shall give prompt written notice thereof to the Authority and the Purchaser.

Notwithstanding the above, so long as the Guaranty or the Mortgage is in place with respect to the Project, the Borrower shall comply with the terms of the Guaranty or the Deed of Trust related to the use of insurance proceeds.

ARTICLE VII

SPECIAL COVENANTS

Section 7.1 Access to the Property and Inspection. The Authority Representative and the Purchaser shall have the right, at all reasonable times upon the furnishing of reasonable notice to the Borrower under the circumstances, to enter upon the Project and to examine and inspect the Project. The Authority Representative and the Purchaser and their duly authorized agents shall also have such right of access the Project as may be reasonably necessary to cause to be completed the construction, acquisition and installation of the Project, and thereafter for its proper maintenance, in the event of failure by the Borrower to perform its obligations relating to maintenance under this Loan Agreement or the Mortgage. The Borrower hereby covenants to execute, acknowledge and deliver all such further documents, and do all such other acts and things as may be necessary to grant to the Authority Representative and the Purchaser such right of entry. The Authority Representative and the Purchaser shall also be permitted, at all reasonable times, upon the furnishing of reasonable notice to examine the books and records of the Borrower with respect to the Acquisition of the Project and the obligations of the Borrower hereunder, but neither shall be entitled to access to trade secrets or other proprietary information (other than financial information) of the Borrower.

Section 7.2 Further Assurances and Corrective Instruments. Subject to the provisions of the Bond Purchase Agreement, the Authority and the Borrower agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements and amendments hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Project for carrying out the intention or facilitating the performance of this Agreement.

Section 7.3 Exclusion of Interest on the Bond from Gross Income for Federal Income Tax Purposes. The Borrower covenants and agrees that it will take or cause to be taken all required actions necessary to preserve the exclusion of interest on the Bond from gross income of the holders thereof for federal income tax purposes; and the Authority covenants and agrees that it will take or cause to be taken all required actions to preserve the exclusion of interest on the Bond from gross income of the holders thereof for federal income tax purposes.

Section 7.4 Use of Proceeds; Other Matters with Respect to Project, Bonds and Tax Exemption.

(a) **Use of Proceeds; Prohibited Uses of Project, etc.** The Borrower shall not cause any proceeds of the Bonds to be expended, except pursuant to the Indenture and this

Agreement. The Borrower shall not (i) requisition or otherwise allow payment out of proceeds of the Bonds (A) if, as a result of such payment, 25% or more of the proceeds of the Bonds and interest accrued thereon would be considered as having been used directly or indirectly for the acquisition of land (or an interest therein), (B) if, as a result of such payment, less than 95% of the net proceeds of the Bonds and interest accrued thereon would be considered as having been used for costs of "recovery zone property" ("Qualifying Costs") (for purposes of this Section, "recovery zone property" means any property to which Section 168 of the Code applies (or would apply but for Section 179 of the Code) if (1) such property was constructed, reconstructed, renovated or acquired by purchase (as defined in Section 179(d)(2) of the Code) by the Borrower after the date on which the designation of the recovery zone took effect, (2) the original use of which in the recovery zone commences with the Borrower, and (3) substantially all of the use of which is in the recovery zone and is in the active conduct of a business by the Borrower in such zone other than a trade or business consisting of the operation any facility described in clauses (x) or (y) of the next succeeding sentence below), (C) if such payment is used to pay issuance costs (including counsel fees and underwriting and placement fees) of the Bonds in excess of an amount equal to 2% of the principal amount of the Bonds; (ii) take or omit, or permit to be taken or omitted, any other action with respect to the use of such proceeds the taking or omission of which has or would result in the loss of the exclusion of interest on the Bonds from gross income of the owners thereof for Federal income tax purposes; or (iii) take or omit, or permit to be taken or omitted, any other action the taking or omission of which has or would cause the loss of such exclusion. Without limiting the generality of the foregoing, the Issuer and the Borrower will not use the proceeds of the Bonds, or permit such proceeds to be used directly or indirectly, for the acquisition of land (or an interest therein) to be used for farming purposes, or to provide (x) residential rental property (as defined in Section 168(e)(2) of the Code), or (y) any airplane, skybox or other private luxury box, any health club facility, any facility primarily used for gambling, or any store the principal business of which is the sale of alcoholic beverages for consumption off premises, any private or commercial golf course, country club, massage parlor, hot tub facility, suntan facility, or race track, or other facility for gambling.

(b) Commencement of Construction; First Users. The Borrower hereby represents that the Borrower will not requisition any amounts from the proceeds of the Bonds to pay costs incurred before the date of issuance of the Bonds and paid more than 60 days prior to the date of "official intent" of the Issuer within the meaning of Section 150 of the Code, which took place on August 17, 2009. No person, firm or corporation who was a "substantial user" of the Project (within the meaning described in such term under Section 147(a) of the Code) before the date of issuance of the Bonds and who was or will be a "substantial user" of the Project following its being placed in service, has received or will receive, directly or indirectly, any proceeds from the issuance and sale of the Bonds.

(c) Economic Life of Project. The Borrower hereby represents that the "average reasonably expected economic life" of the components comprising the Project, determined pursuant to Section 147(b) of the Code, is not less than the amount set forth in the certificates or letters of representation of the Borrower delivered on the Closing Date. The weighted average maturity of the Bonds does not exceed 120% of the remaining "average reasonably expected economic life" of the components comprising the Project, determined pursuant to Section 147(b) of the Code. The Borrower agrees that it will not make any changes in the Project which would, at the time made, cause the "average reasonably expected economic

life" of the components of the Project, determined pursuant to Section 147(b) of the Code, to be less than the weighted average maturity of the Bonds.

(d) Certificate of Information; Internal Revenue Service Form 8038. The Borrower hereby represents that the information contained in the certificates or letters of representation of the Borrower with respect to the compliance with the requirements of Section 103 and Sections 141 through 150 of the Code, including the information in Internal Revenue Service Form 8038 (excluding the issue number and the employer identification number of the Issuer), filed by the Issuer with respect to the Bonds and the Project, is true and correct in all material respects. The Borrower shall bear all expenses of filling out and filing such form.

(e) Use by United States of America or its Agencies. The Borrower has not permitted and shall not permit the Project to be used or occupied, other than as a member of the general public in any manner for compensation by the United States of America or an agency or instrumentality thereof, including any entity with statutory authority to borrow from the United States of America (in any case within the meaning of Section 149(b) of the Code), unless, with respect to any future use of the Project, the Borrower shall deliver to the Trustee an opinion of Bond Counsel in form and substance satisfactory to the Trustee to the effect that such use will not impair the exclusion of interest on the Bonds from gross Federal income of the owners thereof for Federal income tax purposes.

(f) Other Bonds to be Issued. During the period commencing on the date of the issuance of the Bonds and ending 30 days after the date of issuance thereof, there shall be issued no "private activity bonds," as defined in Section 141 of the Code, which are guaranteed or otherwise secured by payments to be made by the Borrower or any "related person" (or group of "related persons"), unless the Borrower shall deliver to the Trustee an opinion of Bond Counsel in form and substance satisfactory to the Trustee to the effect that the issuance of such "private activity bonds" will not impair the exclusion of interest on the Bonds from Federal income of the owners thereof for Federal income tax purposes. Except for the Borrower or any "related person" (or group of "related persons"), no Person has (1) guaranteed, arranged, participated in, assisted with or paid any portion of the cost of the issuance of the Bonds, or (2) provided any property or any franchise, trademark or trade name (within the meaning of Section 1253 of the Code) which is to be used in connection with the Project.

(g) Covenant to Maintain Tax Exemption. The Issuer and the Borrower hereby covenant and agree on their own behalf that they shall not (knowingly, in the case of the Issuer) take any action, cause any action to be taken, omit to be taken any action or cause any omission to occur which would cause the interest on the Bonds to become includable in the gross income of the recipients thereof for Federal income tax purposes. Promptly after the Borrower first becomes aware of any Determination of Taxability of the Bonds or an event that could trigger such a Determination of Taxability, the Borrower shall give written notice thereof to the Issuer, the Bank and the Trustee.

Section 7.5 Indemnity Against Claims. The Borrower will pay and discharge and will indemnify and hold harmless the Authority, the Depository and the Purchaser from (1) any lien or charge upon amounts payable hereunder by the Borrower to the Authority, and (2) any taxes,

assessments, impositions and other charges in respect of the Project. If any claim of any such lien or charge upon payments, or any such taxes, assessments, impositions or other charges, are sought to be imposed, the Authority, the Depository or the Purchaser, as the case may be, will give prompt notice to the Borrower, and the Borrower shall have the sole right and duty to assume, and shall assume, the defense thereof, with full power to litigate, compromise or settle the same in its sole discretion.

Section 7.6 Release and Indemnification. The Borrower shall and hereby does indemnify and hold harmless the Authority, the Depository and the Purchaser, and all members, officers, directors, agents and employees thereof against all losses, costs, damages, expenses and liabilities of whatever nature, including but not limited to reasonable attorneys' fees, litigation and court costs, amounts paid in settlement and amounts paid to discharge judgments (collectively referred to hereinafter as "Losses"), directly or indirectly resulting from, arising out of or related to one or more Claims, as hereinafter defined, excluding any such Loss or Claim that arises out of an act of gross negligence or willful misconduct of any member, officer, director, agent or employee of the Authority, the Depository or the Purchaser. The word "Claims" as used herein shall mean all claims, lawsuits, causes of action and other legal actions and proceedings of whatsoever nature including but not limited to claims, lawsuits, causes of action and other legal actions and proceedings involving bodily or personal injury or death of any person or damage to any property (including but not limited to persons employed by the Authority, the Depository, the Purchaser and the Borrower) brought against the Authority, the Depository or the Purchaser or to which the Authority, the Depository or the Purchaser is a party, that directly or indirectly result from, arise out of or relate to (1) the transfer, sale, operation, use, occupancy, maintenance or ownership of the Project or any part thereof or (2) the execution, delivery or performance of this Agreement, the Bond Purchase Agreement, the Assignment, the Note, the Bond Documents or any related instruments or documents. The obligations of the Borrower under this Section shall survive termination of this Agreement and apply to all Losses and Claims that result from, arise out of, or are related to any event, occurrence, condition or relationship prior to termination of this Agreement, whether such Losses and Claims are asserted prior to termination of this Agreement or thereafter.

The Authority, the Depository or the Purchaser, as the case may be, shall reimburse the Borrower for payments made by the Borrower pursuant to this Section to the extent of any proceeds, net of all expenses of collection, actually received by the Authority, the Depository or the Purchaser, as the case may be, from any insurance covering such Claims with respect to the Losses sustained. The Authority, the Depository and the Purchaser shall have the duty to claim any such insurance proceeds, and the Authority, the Depository and the Purchaser shall assign their respective rights to such proceeds, to the extent of such required reimbursement, to the Borrower.

In case any Claim shall be brought against the Authority, the Depository or the Purchaser, in respect of which indemnity may be sought against the Borrower, the Authority, the Depository or the Purchaser, as the case may be, shall promptly notify the Borrower in writing of such Claim. Failure to notify the Borrower of such Claim shall not relieve the Borrower from any liability that the Borrower may have other than pursuant to this Section and shall relieve the Borrower from liability the Borrower may have under this Section only to the extent that such failure prejudices the Borrower. The Borrower shall have the right to assume the investigation

and defense of such Claim, including the employment of counsel, which counsel shall be satisfactory to the indemnified parties, and shall pay all expenses of the investigation and defense of such Claim. The Authority, the Depository and the Purchaser shall have the right to employ separate counsel in any such Claim and participate in the investigation and defense thereof, and the reasonable fees and expenses of such counsel shall be paid by the Borrower. The Borrower shall not be liable for Losses resulting from settlement of Claims against the Authority, the Depository or the Purchaser unless the Borrower consents to that settlement.

Notwithstanding any other provision of this Agreement to the contrary, the Borrower agrees (1) not to assert any claim or institute any action or suit against the Depository or Purchaser or its employees arising from or in connection with any investment of funds made by the Depository or Purchaser in good faith as directed by a Borrower Representative, and (2) to indemnify and hold the Depository or Purchaser and its employees harmless against any liability, losses, damages, costs, expenses, causes of action, suits, claims, demands and judgment of any nature arising from or in connection with any such investment.

Section 7.7 Additional Information Until Payment of the Bond shall have occurred, the Borrower shall promptly, from time to time, deliver to the Bondholder such information regarding the operations, business affairs and financial condition of the Borrower as the Bondholder may reasonably request. The Bondholder is hereby authorized to deliver a copy of any such financial information delivered hereunder, or otherwise obtained by the Bondholder, to any other Bondholder or prospective Bondholder, to any regulatory authority having jurisdiction over such Bondholder and to any other Person as may be required by law. The Authority and the Purchaser are authorized to provide information concerning the outstanding principal amount and payment of, and other information pertaining to, the Bond or the Note to any governmental agency or regulatory authority requesting such information.

Section 7.8 Maintenance of Corporate Existence.

(a) The Borrower shall, so long as the Bond remains outstanding, maintain its existence as a limited liability company qualified to do business in the State.

(b) The Borrower will not dissolve, or sell or otherwise dispose of all or substantially all of its real and personal property or consolidate with or merge into another entity or permit one or more entities to consolidate with or merge into it, except that the Borrower may, without violating the covenants contained in this Section 7.11, consolidate with or merge into another entity, or permit one or more other entities to consolidate with or merge into it, or sell or otherwise transfer to another entity all or substantially all of its property and thereafter dissolve, if:

(1) The surviving, resulting or transferee entity, as the case may be:

(A) assumes in writing, if such entity is not the Borrower, all of the obligations of the Borrower under this Agreement and the other Bond Documents;

(B) is not after such transaction otherwise in default under any provisions of this Agreement or the other Bond Documents to which the Borrower is a party;

(C) is an organization described in Section 501(c)(3) of the Code, or a corresponding provision of the federal income tax laws then in effect; and

(D) has net worth at least equal to that of the Borrower prior to such merger, consolidation, sale or other transfer; and

(2) The Authority and the Purchaser shall have received a certificate from a Borrower Representative to the effect that the covenants hereunder will be met after such consolidation, merger, sale or transfer;

(3) The Borrower shall have received written consent from the Purchaser; and

(4) The Authority and the Purchaser shall have received an opinion of Bond Counsel to the effect that such merger, consolidation, sale or other transfer will not cause interest on the Bond to be included in gross income of the holders thereof for federal income tax purposes.

If a merger, consolidation, sale or other transfer is effected, as provided in this Section 7.11, the provisions of this Section 7.11 shall continue in full force and effect, and no further merger, consolidation, sale or transfer shall be effected except in accordance with the provisions of this Section 7.11.

Section 7.9 Default Certificates. The Borrower shall deliver to the Purchaser forthwith, upon obtaining knowledge of an Event of Default hereunder or under the Note, the Bond Purchase Agreement, the Assignment or the Guaranty, or an event which would constitute such an Event of Default but for the requirement that notice be given or time elapse or both, a certificate of the Borrower specifying the nature and period of existence thereof and what action the Borrower proposes to take with respect thereto.

Section 7.10 Observe Laws. The Borrower shall observe all laws, regulations and other valid requirements of any regulatory authority with respect to its operations at the Project sites.

ARTICLE VIII

ASSIGNMENT, LEASING AND SELLING

Section 8.1 Assignment of Loan Agreement or Lease or Sale of Project by the Borrower. Without the prior written consent of the Purchaser, the rights of the Borrower under this Loan Agreement shall not be assigned and the Project may not be leased or sold as a whole or in part.

Section 8.2 Restrictions on Transfer of Authority's Rights. The Authority agrees that, except for the assignment made pursuant to the Assignment of certain of the Authority's rights under this Loan Agreement, and its pledge of the Note, endorsed without recourse to the order of the Purchaser, to the Purchaser as security pursuant to the Assignment, it will not during the term of this Loan Agreement sell, assign, transfer or convey any of its interest in this Loan Agreement or the Note except as hereinafter provided in Section 8.3.

Section 8.3 Assignment by the Authority. It is understood, agreed and acknowledged that the Authority, as security for payment of the principal of and interest on the Bonds, will grant to the Purchaser pursuant to the Assignment, *inter alia*, certain of its right, title and interest in and to this Loan Agreement (reserving the Reserved Rights of the Issuer) and pledge the Note, and the Borrower hereby assents to such assignment.

ARTICLE IX

EVENTS OF DEFAULT AND REMEDIES

Section 9.1 Events of Default Defined. The term "Event of Default" shall mean any one or more of the following events:

- (a) The failure by the Borrower to pay when due any payment of principal of or interest on or other amount payable under the Note.
- (b) The failure of the Authority to pay when due any payment of principal of or interest on or other amount payable under the Bonds.
- (c) The occurrence of an "Event of Default" or "event of default" under any of the Bond Purchase Agreement, the Assignment, the Mortgage, the Security Agreement or the Guaranty Agreement.
- (d) Any representation or warranty of the Borrower contained in Section 2.2 hereof, in the Tax Certificate or in any other document, instrument or certificate delivered pursuant hereto or in connection with the issuance and sale of the Bonds shall have been false, misleading or incomplete in any material respect on the date as of which made.
- (e) Failure by the Borrower to observe and perform any covenant, condition or agreement on the part of the Borrower under the Note or this Loan Agreement, other than as referred to in the preceding paragraphs of this Section 9.1, for a period of 30 days after written notice, specifying such failure and requesting that it be remedied, is given to the Borrower by the Purchaser.
- (f) The Borrower shall (1) apply for or consent to the appointment of, or the taking of possession by, a receiver, custodian, assignee, sequestration, trustee, liquidator or similar official of the Borrower or of all or a substantial part of its property, (2) admit in writing its inability, or be generally unable, to pay its debts as such debts become due, (3) make a general assignment for the benefit of its creditors, (4) commence a voluntary case under the Bankruptcy Code (as now or hereafter in effect), (5) file a petition seeking to take advantage of any other federal or state law relating to bankruptcy, insolvency,

reorganization, arrangement, winding-up or composition or adjustment of debts, (6) fail to controvert in a timely or appropriate manner, or acquiesce in writing to, any petition filed against the Borrower in an involuntary case under the Bankruptcy Code, or (7) take any corporate action for the purpose of effecting any of the foregoing; and

(g) A proceeding or case shall be commenced, without the application or consent of the Borrower, in any court of competent jurisdiction, seeking (1) the liquidation, reorganization, arrangement, dissolution, winding-up or composition or adjustment of debts of the Borrower, (2) the appointment of a trustee, receiver, custodian, assignee, sequestration, liquidator or similar official of the Borrower or of all or any substantial part of its assets, or (3) similar relief in respect of the Borrower under any law relating to bankruptcy, insolvency, reorganization, arrangement, winding-up or composition or adjustment of debts and such proceeding or case shall continue undismissed, or an order, judgment or decree approving or ordering any of the foregoing shall be entered and continue unstayed and in effect, for a period of 90 days from the commencement of such proceeding or case or the date of such order, judgment or decree, or an order for relief against the Borrower shall be entered in an involuntary case under the Bankruptcy Code.

Section 9.2 Remedies on Default. If Payment of the Bonds shall not have been made, whenever any Event of Default referred to in Section 9.1 hereof shall have happened and shall not have been waived, the Purchaser may take any one or more of the following remedial steps:

(a) By written notice declare all installments of principal repayable pursuant to the Note for the remainder of the term thereof to be immediately due and payable, whereupon the same, together with accrued interest thereon as provided for in the Note, shall become immediately due and payable without presentment, demand, protest or any other notice whatsoever, all of which are hereby expressly waived by the Borrower; provided, however, that upon the occurrence of any event described in Section 9.1(f) or (g), the Note shall become immediately due without demand or acceleration;

(b) Take any action at law or in equity to collect the payment required hereunder then due, whether on the stated due date or by declaration of acceleration or otherwise, for damages or for specific performance or otherwise to enforce performance and observance of any obligation, agreement or covenant of the Borrower hereunder.

In the enforcement of the remedies provided in this Section 9.2, the Purchaser may treat all reasonable expenses of enforcement, including, without limitation, legal, accounting and advertising fees and expenses, as additional amounts payable by the Borrower then due and owing and the Borrower agrees to pay such additional amounts upon demand, the amount of such legal fees to be without regard to any statutory presumption.

Section 9.3 No Remedy Exclusive. No remedy herein conferred upon or reserved to the Authority is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Loan Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon default shall impair any such

right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient.

Section 9.4 Agreement to Pay Attorneys' Fees and Expenses.

Upon an Event of Default, if the Authority, the Purchaser or any Bondholder employs attorneys or incurs other expenses for the collection of amounts payable hereunder or the enforcement of the performance or observance of any covenants or agreements on the part of the Borrower herein contained, the Borrower on demand therefor shall pay to the Authority, the Purchaser or the Bondholder, as the case may be, the reasonable fees of such attorneys and such other reasonable expenses so incurred by the Authority, the Purchaser or the Bondholder, the amount of such fees of attorneys to be without regard to any statutory presumption.

Section 9.5 Notice of Default. The Borrower agrees that, as soon as is practicable, and in any event within 10 days, the Borrower will furnish the Purchaser and the Authority notice of any event which is an Event of Default pursuant to Section 9.1 which has occurred and is continuing on the date of such notice, which notice shall set forth the nature of such event and the action which the Borrower proposes to take with respect thereto.

ARTICLE X

PREPAYMENTS AND OTHER PAYMENTS

Section 10.1 Optional Prepayments.

(a) The Borrower is hereby granted, and shall have the option to prepay, at any time the unpaid principal of the Note in whole or in part without penalty or premium; provided, however, that all prepayments shall be made in immediately available funds and with accrued interest to the date of prepayment and that any prepayment of The Note in part shall be applied to unpaid installments of principal in inverse order of maturity. Any prepayment pursuant to this subsection (a) shall be made by the Borrower taking, or causing the Authority to take, the actions required (i) for Payment of the Bonds, in the case of prepayment of the Note in whole, or (ii) to effect prepayment of less than all of the Bonds according to its terms in the case of a partial prepayment of the Note.

(b) To exercise the option granted in subsection (a) of this Section 10.1, the Borrower shall give written notice to the Authority and the Purchaser which shall specify therein (i) the date of the intended prepayment of the Note, which shall not be less than 30 nor more than 60 days from the date the notice is mailed and (ii) the principal amount of The Note to be prepaid and such notice may be conditioned upon adequate funds being on hand with the Borrower prior to the payment date.

Section 10.2 Mandatory Payments.

(a) If at any time there is a Determination of Taxability, the Note and any amount owing on the Bonds shall be due and payable in full on the date 60 days following demand by the Bondholder.

(b) In the event of a Determination of Taxability, the Borrower shall, (i) on a date selected by the Borrower not more than 60 days following the date of the Determination of Taxability, pay to the Bondholder and any former Bondholder an amount equal to the difference between the interest actually paid on the Bonds (and the Note) at the applicable interest rates during the period from the Date of Taxability, in the case of a Determination of Taxability, or the effective date the Bonds did not qualify as a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3) of the Code, and the interest which would have been paid on the Bonds (and the Note) had the Bonds (and the Note) borne interest at all times during such period at a rate per annum equal to the Taxable Adjusted LIBOR Rate.

(c) Following a Determination of Taxability, within ten days of receipt of written demand from any Bondholder or former Bondholder, the Borrower will pay to the Bondholder (i) an amount equal to all penalties and interest paid or payable by such Bondholder or former Bondholder resulting from the failure to include interest on the Bonds in the gross income of such Bondholder or such former Bondholders, if any; plus (ii) an amount equal to all reasonable administrative, out-of-pocket and other expenses incurred by such Bondholder or former Bondholder which are directly or indirectly attributable to the interest on the Bonds becoming subject to federal income tax, plus (iii) costs incurred by such Bondholder or former Bondholder as a result of the Bonds not qualifying as a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3) of the Code, including, without limitation, costs incurred by such Bondholder or former Bondholder in amending its federal tax return;

The obligations of the Borrower contained herein with respect to the payment of amounts required to be paid in the event of a Determination of Taxability shall survive the termination of this Loan Agreement and the payment in full of the Note or the Bonds.

(d) Commencing December 1, _____, the Purchaser shall have the right to require that the Note and the Bonds be repaid in full on the date specified in a written notice to the Authority and to the Borrower delivered at least 180 days prior to the date so designated (which date of required repayment must be no earlier than December 1, _____).

ARTICLE XI

MISCELLANEOUS

Section 11.1 References to the Bonds Ineffective After Bonds Paid. Upon Payment of the Bonds, all references in this Loan Agreement to the Bonds shall be ineffective and the Authority and holder of the Bonds shall not thereafter have any rights hereunder, excepting those that shall have theretofore vested and right to receive payments pursuant to Section 10.2 hereof as a result of a Determination of Taxability and the rights to the computation, reporting and payment of any payments under the Tax Certificate.

Section 11.2 Time of the Essence; Non-Business Days. Time shall be of the essence of this Loan Agreement. When any action is provided for herein to be done on a day named or within a specified time period, and the day or the last day of the period falls on a day which is not a Business Day, such action may be performed on the next ensuing Business Day with the same effect as though performed on the appointed day or within the specified period.

Section 11.3 Authority Representative. Whenever under the provisions of this Agreement the approval of the Authority is required or the Authority is required to take some action at the request of the Borrower, such approval shall be made or such action shall be taken by the Authority Representative; and the Borrower and the Purchaser shall be authorized to rely on any such approval or action.

Section 11.4 Borrower Representative. Whenever under the provisions of this Loan Agreement the approval of the Borrower is required or the Borrower is required to take some action at the request of the Authority, such approval shall be made or such action shall be taken by the Borrower Representative; and the Authority and the Purchaser shall be authorized to act on any such approval or action.

Section 11.5 Binding Effect. This instrument shall inure to the benefit of and shall be binding upon the Authority, the Borrower and the Purchaser and their respective successors and assigns, subject to the limitations contained herein.

Section 11.6 Entire Agreement. This Loan Agreement, together with all agreements and documents incorporated by reference herein, constitutes the entire agreement of the parties and is not subject to modification, amendment, qualification or limitation except as expressly provided herein.

Section 11.7 Severability. If the application of any covenant, agreement or provision, or any portion thereof contained in this Loan Agreement to any person or circumstance is held to be unconstitutional, invalid or unenforceable, the remainder of this Loan Agreement and the application of such covenant, agreement or provision, or portion thereof, to other persons or circumstances, shall be deemed severable and shall not be affected thereby, and this Loan Agreement shall remain valid, and the Purchaser and its successors and assigns shall retain all valid rights and benefits accorded to them under this Loan Agreement and the Constitution and laws of the State.

Section 11.8 Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered by hand delivery or mailed by registered or certified mail, postage prepaid, addressed as follows:

to the Authority at: St. Johns County Industrial Development Authority

Attention: _____
Telephone: _____
Fax: _____

to the Purchaser at: Branch Banking and Trust Company

Attention: _____
Telephone: _____
Fax: _____

to the Borrower at: Vilano Town Center Partners, LLC

Attention: _____
Telephone: _____
Fax: _____

The Authority, the Borrower or the Purchaser may, by notice given hereunder, designate from time to time any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

Section 11.9 Amendments, Changes and Modifications. Subsequent to the issuance of the Bonds and prior to Payment of the Bonds, this Loan Agreement and the other Bond Documents may not be effectively amended, changed, modified, altered or terminated except in accordance with the Bond Purchase Agreement.

Section 11.10 Expenses. The Borrower agrees to pay all reasonable fees and expenses incurred in connection with the preparation, execution, delivery, modification, waiver, and amendment of this Loan Agreement, the other Bond Documents and related documents, and the fees and expenses of bond counsel, counsel for the Authority and any counsel for any Bondholder. The Borrower also agrees to pay all expenses incurred by any Bondholder in collection of any indebtedness incurred hereunder in the event of default by the Borrower, provided that the amount of any legal fees so incurred shall be without regard to any statutory presumption.

Section 11.11 Counterparts. This Loan Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute one instrument.

Section 11.12 Governing Law. This Loan Agreement shall be governed by and construed according to the laws of the State.

Section 11.13 Directors, Attorneys, Officers, Employees and Agents of Authority Not Liable To the extent permitted by law, no recourse shall be had for the enforcement of any obligation, promise or agreement of the Authority contained herein or in the other Bond Documents to which the Authority is a party or for any claim based hereon or thereon or otherwise in respect hereof or thereof against any director, officer, agent, attorney or employee, as such, in his/her individual capacity, past, present or future, of the Authority or of any successor entity, either directly or through the Authority or any successor entity whether by virtue of any constitutional provision, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise. No personal liability whatsoever shall attach to, or be incurred by, any director, officer, agent, attorney or employee as such, past, present or future, of the Authority or any successor entity, either directly or through the Authority or any successor entity, under or by reason of any of the obligations, promises or agreements entered into between the Authority and the Borrower, whether herein contained or to be implied herefrom as being supplemental hereto; and all personal liability of that character against every such director, officer, agent, attorney and employee is, by the execution of this Agreement and as a condition

of, and as part of the consideration for, the execution of this Agreement, expressly waived and released.

Section 11.14 **No Charge Against Authority Credit; Authority Not Liable.** No provision hereof shall be construed to impose a charge against the general credit of the Authority or any personal or pecuniary liability upon any past, present or future director, officer, employee or agent of the Authority. No director, officer, agent or employee of the Authority shall incur any personal liability in acting or proceeding or in not acting or not proceeding in accordance with the terms of this Loan Agreement, nor will any such person executing the Bond be liable personally on the Bond by reason of the issuance thereof.

Notwithstanding any other provision of this Loan Agreement (a) the Authority shall not be liable to the Borrower, any Bondholder or any other Person for any failure of the Authority to take action under this Loan Agreement unless the Authority (i) is requested in writing by an appropriate Person to take such action, (ii) is assured of payment of or reimbursement for any expense in such action, and (iii) is afforded, under the existing circumstances, a reasonable period to take such action, and (b) except with respect to any action for specific performance or any action in the nature of a prohibitory or mandatory injunction, neither the Authority nor any director of the Authority nor any other official, employee or agent of the Authority shall be liable to the Borrower, any Bondholder or any other Person for any action taken by the Authority or by its directors, officers, servants, agents or employees, or for any failure to take action under this Loan Agreement or the other Bond Documents to which the Authority is a party. In acting under this Loan Agreement, or in refraining from acting under this Loan Agreement, the Authority may conclusively rely on the advice of its Counsel.

[Signature Page Follows]

IN WITNESS WHEREOF, the Authority and the Borrower have caused this Loan Agreement to be executed in their respective legal names and their respective seals to be hereunto affixed and attested by their respective duly authorized officers, all as of the date first above written.

**ST. JOHNS COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY**

By: _____
James E. Browning, Chairman

(Seal)

ATTEST:

VILANO TOWN CENTER PARTNERS, LLC

Name: _____
Title: _____

By: _____
Name: _____
Title: _____

(Corporate Seal)

EXHIBIT A

Form of Note

AFTER THE ENDORSEMENT AND PLEDGE OF THIS NOTE AS HEREON PROVIDED, THIS NOTE MAY NOT BE ASSIGNED, PLEDGED, ENDORSED OR OTHERWISE TRANSFERRED EXCEPT TO A SUCCESSOR OR ASSIGNEE OF THE PURCHASER REFERRED TO IN THE LOAN AGREEMENT REFERRED TO HEREIN.

PROMISSORY NOTE

\$5,515,000

December 1, 2010

FOR VALUE RECEIVED, VILANO TOWN CENTER PARTNERS, LLC, a Florida limited liability company (the "Borrower"), by this promissory note promises to pay to the order of the ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY, a public body corporate and politic of the State of Florida (the "Authority"), the principal sum of FIVE MILLION, FIVE HUNDRED AND FIFTEEN THOUSAND DOLLARS (\$5,515,000.00) or such lesser principal amount as shall be outstanding hereunder, (i) in _____ principal installments, payable on the _____ day of each month in the amounts set forth in Schedule 1 hereto, commencing _____, and (ii) a final installment of all unpaid principal of this Note due and payable on _____, and accrued interest on the unpaid principal amount outstanding from time to time until the principal amount hereof and interest hereon is paid in full, in monthly installments on the _____ day of each month, the first payment becoming due on _____, at a rate of interest per annum equal to the Adjusted LIBOR Rate (as hereinafter defined), which rate shall be computed on the basis of a 360-day year based on actual days elapsed. This Note has been pledged and assigned to Branch Banking and Trust Company (the "Bank") pursuant to the Assignment (as hereinafter defined) to secure the Authority's outstanding Recovery Zone Facility Revenue Bond (Vilano Town Center Partners, LLP Project), Series 2010 (the "Bond"), dated December __, 2010. Commencing December 1, _____, the Bank hereof shall have the right, upon written notice to the Authority and Borrower, to require that this Note be repaid in full on the date specified in the written notice, which date shall be at least 180 days following the date of such notice and in any event not earlier than:

From the date hereof to the Date of Taxability (as hereinafter defined) the interest rate shall be the Adjusted LIBOR Rate. Upon the occurrence of a Determination of Taxability (as hereinafter defined), then, from and after the Date of Taxability, the interest rate shall be the Taxable Adjusted LIBOR Rate. After a Determination of Taxability and upon demand of the Bondholder or any former Bondholder, as the case may be, the Borrower shall pay to the Bondholder or any former Bondholder such additional amount as shall be necessary to provide that interest shall have been payable at the Taxable Adjusted LIBOR Rate from the Date of Taxability.

If at any time after the date hereof there should be any decline in the combined maximum marginal rate of Federal and [State] income tax applicable to the taxable income of the Bank, its successors or assigns ("BB&T Tax Rate"), then the Adjusted LIBOR Rate in effect hereunder from time to time as herein provided, for so long as there shall not have occurred a

Determination of Taxability, shall be adjusted, effective as of the effective date of any such change in the BB&T Tax Rate, by multiplying the Adjusted LIBOR Rate by a fraction, the denominator of which is one hundred percent (100%) minus the BB&T Tax Rate in effect upon the date hereof, and the numerator of which is one hundred percent (100%) minus the BB&T Tax Rate after giving effect to such change.

So long as any portion of the principal amount of the Bond or interest thereon remains unpaid, if (1) any law, rule, regulation or executive order is or has been enacted or promulgated by any public body or governmental agency which changes the basis of taxation of payments to any holder or former holder of principal or interest payable pursuant to the Bond, including without limitation the imposition of any excise tax or surcharge thereon, but excluding changes in the rates of tax applicable to the overall net income of any holder or former holder, or (2) as a result of action by any public body or governmental agency any payment is required to be made by, or any federal, state or local income tax deduction is denied to, any holder or former holder of the Bond by reason of the ownership of, borrowing money to invest in, or receiving principal or interest from the Bond, the Borrower agrees to reimburse on demand for, and does hereby indemnify each such holder and former holder against, any loss, cost, charge or expense with respect to any such change, payment or loss of deduction.

If the Bondholder determines that any change in law or regulatory requirement affecting the Bondholder or the Bondholder's holding company regarding capital requirements has or would have the effect of reducing the rate of return on the Bondholder's capital or on the capital of the Bank's holding company as a consequence of purchasing or holding the Bonds to a level below that which the Bondholder or the Bondholder's holding company could have achieved but for such change in law or regulatory requirement (taking into consideration the Bondholder or the Bondholder's policies with respect to capital adequacy), then from time to time, on demand to the Bondholder, the Borrower agrees to pay to the Bondholder such additional amount or amounts as will compensate the Bondholder or the Bondholder's holding company for any such reduction suffered.

Upon an Event of Taxability (as hereinafter defined), the Borrower shall also pay to any past and present Bondholder any amounts that may be necessary to reimburse such Bondholder for any interest, penalties or other charges assessed against such Bondholder by reason of such Bondholder's not including interest on the Bond in its federal gross income during the period following the Date of Taxability and all payments required under Section 10.2 of the Loan Agreement.

In the event that One-Month LIBOR (as hereinafter defined) shall not be ascertainable, for any reason, or for any reason it shall be illegal or unlawful for the holder of the Note to collect interest based on One-Month LIBOR, then, from and after the date the holder of the Note determines such condition exists, until the date the holder determines such condition no longer exists, the Borrower shall pay interest on the Note at the Standard Rate (as hereinafter defined) and each reference to Adjusted LIBOR Rate shall be deemed and interpreted to mean the Standard Rate.

From and after an Event of Default (as defined in the Loan Agreement), this Note shall bear interest at the Default Rate.

Payment obligations hereunder arising from a Determination of Taxability shall survive payment of this Note until such obligations are paid.

As used herein, the following terms have the following meanings and the following provisions shall apply:

"Adjusted LIBOR Rate" means a rate of interest per annum (rounded upward to the next higher 1/100th of 1.00%) equal to the sum of (a) the product of (i) ___% multiplied by (ii) One-Month LIBOR plus (b) ___% per annum, subject to a minimum interest rate floor of 3.00% per annum. The Adjusted LIBOR Rate shall be adjusted monthly on the first day of each LIBOR Interest Period. The Adjusted LIBOR Rate shall be adjusted for any change in the LIBOR Reserve Percentage so that the Bondholder shall receive the same yield.

"Bondholder" or "holder" means the Bank and any future registered holder or holders of the Bond as permitted by the Bond Purchase Agreement (as hereinafter defined).

"Business Day" means a day other than a Saturday, Sunday, legal holiday or any other day when the Bank is authorized or required by applicable law to be closed.

"Date of Taxability" shall mean the earliest date as of which interest on the Bond shall have been determined to be includable in the gross income of any Bondholder or former Bondholder pursuant to a Determination of Taxability.

"Default Rate" means the greater of (i) a fluctuating interest rate equal to ___% per annum above the Prime Rate in effect from time to time and (ii) ___% per annum.

"Determination of Taxability" shall mean and shall be deemed to have occurred on the first to occur of the following:

(a) on that date when the Borrower files any statement, supplemental statement or other tax schedule, return or document which discloses that an Event of Taxability shall have in fact occurred;

(b) on the date when the Bondholder or former Bondholder notifies the Borrower that it has received a written opinion by an attorney or firm of attorneys of recognized standing on the subject of tax-exempt municipal finance to the effect that an Event of Taxability shall have occurred unless, within 180 days after receipt by the Borrower of such notification from the Bondholder or any former Bondholder, the Borrower shall deliver to each Bondholder and former Bondholder a ruling or determination letter issued to or on behalf of the Borrower by the Commissioner or any District Director of Internal Revenue (or any other governmental official exercising the same or a substantially similar function from time to time) to the effect that, after taking into consideration such facts as form the basis for the opinion that an Event of Taxability has occurred, an Event of Taxability shall not have occurred;

(c) on the date when the Borrower shall be advised in writing by the Commissioner or any District Director of Internal Revenue (or any other government official or agent exercising the same or a substantially similar function from time to time)

that, based upon filings of the Borrower, or upon any review or audit of the Borrower or upon any other ground whatsoever, an Event of Taxability shall have occurred;

(d) on that date when the Borrower shall receive notice from any Bondholder or former Bondholder that the Internal Revenue Service (or any other government official or agency exercising the same or a substantially similar function from time to time) has assessed as includable in the gross income of such Bondholder or any former Bondholder the interest on such Bondholder's Bond due to the occurrence of an Event of Taxability;

provided, however, no Determination of Taxability shall occur under subparagraph (3) or (4) hereunder unless the Borrower has been afforded the opportunity, at its expense, to contest any such assessment, and, further, no Determination of Taxability shall occur until such contest, if made, has been finally determined; provided further, however, that upon demand from the Bondholder or former Bondholder, the Authority shall immediately reimburse such Bondholder or former Bondholder for any payments such Bondholder (or any former Bondholder) shall be obligated to make as a result of the Determination of Taxability during any such contest.

"Event of Taxability" shall mean a change in law or fact or the interpretation thereof, or the occurrence or existence of any fact, event or circumstance (including, without limitation, the taking of any action by the Borrower, or the failure to take any action by the Borrower, or the making by the Borrower of any misrepresentation herein or in any certificate required to be given in connection with the issuance, sale or delivery of the Bond) which has the effect of causing interest paid or payable on the Bond to become includable, in whole or in part, in the gross income of the Bondholder or any former Bondholder for federal income tax purposes.

"LIBOR Interest Period" means the period commencing on the date the Bond and the Note are first issued and ending on the day that is immediately prior to the numerically corresponding day of each month thereafter; provided that:

(a) any LIBOR Interest Period which would otherwise end on a day which is not a Business Day shall be extended to the next succeeding Business Day unless such Business Day falls in another calendar month, in which case such LIBOR Interest Period shall end on the next preceding Business Day; and

(b) any LIBOR Interest Period which begins on a day for which there is no numerically corresponding day in the subsequent month shall end on the last Business Day of each subsequent month.

"LIBOR Reserve Percentage" means the maximum aggregate rate at which reserves (including, without limitation, any marginal supplemental or emergency reserves) are required to be maintained under Regulation D by member banks of the Federal Reserve System with respect to dollar funding in the London interbank market. Without limiting the effect of the foregoing, the LIBOR Reserve Percentage shall reflect any other reserves required to be maintained by such member banks by reason of any applicable regulatory change against (i) any category of liability which includes deposits by reference to which the LIBOR Rate is to be determined or (ii) any category of extension of credit or other assets related to the LIBOR Rate.

"One-Month LIBOR" means the average rate quoted on Reuters Screen LIBOR01 Page (or such replacement page) on the determination date for deposits in U. S. Dollars offered in the London interbank market for one month determined as of 11:00 am London time two (2) Business Days prior to the commencement of the applicable LIBOR Interest Period; provided that if the above method for determining one-month LIBOR shall not be available, the rate quoted in *The Wall Street Journal*, or a rate determined by a substitute method of determination agreed on by Borrower and Bank; provided, if such agreement is not reached within a reasonable period of time (in Bank's sole judgment), a rate reasonably determined by Purchaser in its sole discretion as a rate being paid, as of the determination date, by first class banking organizations (as determined by Bank) in the London interbank market for U. S. Dollar deposits.

"Prime Rate" shall have the meaning ascribed to such term in the Loan Agreement.

"Standard Rate" shall mean that rate of interest per annum that shall apply in lieu of the Adjusted LIBOR Rate or Taxable Adjusted LIBOR Rate in the event that One-Month LIBOR shall not be ascertainable or illegal or unlawful with respect to the Bank. The Standard Rate shall be computed, for any day, as a rate per annum (rounded upwards, if necessary to the next 1/100th of 1.0%) equal to the Bank's announced Prime Rate per annum and each change in the Standard Rate shall be effective on the date any change in the Prime Rate is publicly announced as being effective.

"Taxable Adjusted LIBOR Rate" shall mean a rate of interest per annum (rounded upward to the next higher 1/100th of 1.00%) equal to the sum obtained by adding (1) One-Month LIBOR plus (2) ____% per annum, subject to an interest rate floor of ____% per annum. The Taxable Adjusted LIBOR Rate shall be adjusted monthly on the first day of each LIBOR Interest Period. The Taxable Adjusted LIBOR Rate shall be adjusted for any change in the LIBOR Reserve Percentage so that the Bank shall receive the same yield.

This Promissory Note is the "Note" referred to in the Loan Agreement of even date herewith (the "Loan Agreement"), between the Borrower and the Authority and in the Bond Purchase Agreement of even date herewith (the "Bond Purchase Agreement") among the Borrower, the Authority and the Purchaser (as defined therein), and is entitled to the benefits and subject to the conditions thereof. Terms not otherwise defined herein shall have the definition set forth in the Loan Agreement.

Each payment of principal and interest on this Note will be sufficient to enable the Authority to pay when due the total amount of principal of (whether at maturity, upon acceleration or otherwise) and interest on the Bond. To the extent that principal of or interest on the Bond shall be paid, there shall be credited against unpaid principal of or interest on this Note, as the case may be, an amount equal to the principal of or interest on such Bond so paid. The principal of and interest on this Note are payable in immediately available funds of any coin or currency of the United States of America which on the respective dates of payment thereof shall be legal tender for the payment of public and private debts.

In addition, the Borrower agrees to pay in immediately available funds all other amounts at the time the Authority may required to pay the same pursuant to the Bond or the Bond Purchase Agreement.

If at any time there is a Determination of Taxability, this Note shall be due and payable in full on the date 60 days following demand by the Bank.

The obligation of the Borrower to make the payments required hereunder shall be absolute and unconditional without any defense, recoupment or right of set-off by reason of any default by the Authority under the Loan Agreement or for any other reason.

Upon the occurrence of an Event of Default as defined in the Loan Agreement, the holder hereof may at its option declare the entire principal balance hereof and all accrued interest thereon to be due and payable. Interest shall accrue on any overdue payment of interest and any due and unpaid portion of the principal at a rate per annum equal to the Default Rate (as defined in the Loan Agreement) or the maximum interest rate allowed by law, whichever is lower.

The Borrower may at its option without premium, and may under certain circumstances be required to, prepay, without penalty or premium, all or any part of the unpaid principal of this Note upon the terms provided in the Loan Agreement.

The Borrower shall pay to the holder forthwith following a Determination of Taxability those additional amounts required to be paid pursuant to Section 10.2 of the Loan Agreement.

The Borrower hereby promises to pay all costs of collection including reasonable attorneys' fees and disbursements, without regard to any statutory presumption, in the case of default under this Note or the Loan Agreement. Upon any failure of the Borrower to pay any installment owing hereunder within ten (10) days of the due date for the payment thereof, the Borrower shall pay the holder a late fee equal to five (5%) of the installment past due. The Borrower hereby waives presentment, protest and notice of protest or dishonor.

This Note shall be construed in accordance with the laws of the State of Florida.

UNLESS EXPRESSLY PROHIBITED BY APPLICABLE LAW, THE BORROWER HEREBY WAIVES THE RIGHT TO TRIAL BY JURY OF ANY MATTERS OR CLAIMS ARISING OUT OF THIS NOTE OR ANY DOCUMENT EXECUTED IN CONNECTION HERewith OR OUT OF THE CONDUCT OF THE RELATIONSHIP BETWEEN THE BORROWER AND THE AUTHORITY. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE AUTHORITY TO MAKE THE LOAN EVIDENCED BY THIS NOTE. FURTHER, THE BORROWER HEREBY CERTIFIES THAT NO REPRESENTATIVE OR AGENT OF THE AUTHORITY, NOR AUTHORITY'S COUNSEL, HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT THE AUTHORITY WOULD NOT SEEK TO ENFORCE THIS WAIVER OR RIGHT TO JURY TRIAL PROVISION IN THE EVENT OF LITIGATION. NO REPRESENTATIVE OR AGENT OF THE AUTHORITY, NOR AUTHORITY'S COUNSEL, HAS THE AUTHORITY TO WAIVE, CONDITION OR MODIFY THIS PROVISION.

IN WITNESS WHEREOF, the Borrower has caused this Note to be executed in its corporate name by its duly authorized officers and its corporate seal to be affixed hereto all as of the day and year first above written.

ATTEST:

VILANO TOWN CENTER PARTNERS, LLC

Secretary

By: _____
Title: _____

(Corporate Seal)

ENDORSEMENT

Pay to the order of Branch Banking and Trust Company without recourse, as the holder of the Bond referred to in the within-mentioned Loan Agreement, or upon transfer of the Bond pursuant to the Bond Purchase Agreement referred to in the within-mentioned Loan Agreement, as security for said Bond. This endorsement is made and given without any warranty as to the authority or genuineness of the signature of the maker of the foregoing Promissory Note.

This the 1st day of December, 2010.

ST. JOHNS COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY

By: _____
James E. Browning, Chairman

SCHEDULE 1
Principal Installments

EXHIBIT C

ASSIGNMENT

(Attached)

ASSIGNMENT

THE ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY, a public body corporate and politic of the State of Florida, and its successors and assigns (the "Assignor"), for valuable consideration the receipt and sufficiency of which are hereby acknowledged, hereby pledges, assigns, transfers and sets over to BRANCH BANKING AND TRUST COMPANY, a North Carolina banking corporation, having its principal office in Winston-Salem, North Carolina, and an office and place of business in St. Johns County, Florida, and its successors and assigns and any transferee of the Bond hereinafter mentioned in accordance with the provisions of Section 15 of the Bond Purchase Agreement (hereinafter defined) (the "Assignee"), all of the Assignor's right, title and interest (including beneficial interest) in and to:

(a) The Loan Agreement (as the same may from time to time be supplemented or amended), dated as of the date hereof (the "Loan Agreement"), between the Assignor and Vilano Town Center Partners, LLC, a Florida limited liability company, and its respective successors and assigns (the "Borrower"), including, but not limited to, all payments of principal and interest due and to become due under the Note (as defined in the Loan Agreement) and the Loan Agreement, whether made at their respective due dates or as prepayments permitted or required by the Loan Agreement, together with full power and authority, in the name of the Assignor or otherwise, to demand, receive, enforce, collect or receipt for any or all of the foregoing, to endorse or execute any checks or other instruments or orders, to file any claims and to take any action which the Assignee may deem necessary or advisable in connection therewith, and the Assignor hereby irrevocably appoints the Assignee attorney-in-fact of the Assignor for such purposes, which appointment is coupled with an interest and is irrevocable; provided, however, that the Assignor shall continue to have all the rights, together with the Assignee, contained in the following sections of the Loan Agreement (collectively, the "Reserved Rights of the Issuer"):

- i. Section 7.1 (pertaining to the Assignor's right of access to the Project (as defined in the Loan Agreement) and to certain records);
- ii. Section 7.5 (pertaining to the Assignor's right to certain indemnities);
- iii. Section 7.6 (pertaining to the Assignor's right to release and indemnification);
- iv. Sections 7.7 (pertaining to the Assignor's right to receive certain information);
- v. Sections 9.4 (pertaining to the Assignor's right to reimbursement of expenses incurred upon a default);
- vi. Sections 10.1 and 10.2 (pertaining to the Assignor's right to notice of prepayments and rights upon a Determination of Taxability);
- vii. Section 11.8 (pertaining to the Assignor's right to receive notices); and

viii. Sections 11.13 and 11.14 (pertaining to the limitations on the liability of the Assignor).

(b) The Promissory Note of even date herewith of the Borrower to the Assignor in the principal amount of \$5,515,000 (the "Note") evidencing the Borrower's obligation to repay the loan made by the Assignor to the Borrower pursuant to the Loan Agreement, together with interest thereon and other amounts with respect thereto, as provided for in the Loan Agreement, the Assignor having on this date endorsed the Note without recourse to the order of, and delivered the same to, the Assignee as security for the obligations of the Assignor to the Assignee hereinafter referred to.

This Assignment is given in order to secure the payment of principal of and premium, if any, and interest on the \$5,515,000 Recovery Zone Facility Revenue Bonds (Vilano Town Center Partners, LLC Project), Series 2010 (the "Bonds"), issued by the Assignor pursuant to the terms of the Bond Purchase Agreement dated as of the date hereof among the Assignor, the Assignee and the Borrower (the "Bond Purchase Agreement"). This Assignment shall terminate upon Payment of the Bond (as defined in the Loan Agreement). The Assignee, at the Borrower's expense, will execute and deliver such instruments as the Assignor may reasonably request to evidence such termination.

No exercise by the Assignee of any rights of the Assignor shall release the Assignor from any of its obligations under the Loan Agreement or the Bond Purchase Agreement.

The Assignee may take or release other security, may release any party primarily or secondarily liable for any indebtedness secured hereby, may grant extensions, renewals or indulgences with respect to such indebtedness, and may apply any other security therefor held by it to the satisfaction of such indebtedness without prejudice to any of its rights hereunder. Nothing herein contained and no act done or omitted by the Assignee pursuant to the powers and rights granted it herein shall be deemed to be a waiver by the Assignee of its rights and remedies under the Bond or the Bond Purchase Agreement. This Assignment is made and accepted without prejudice to any of the rights and remedies possessed by the Assignee under the terms thereof. The right of the Assignee to collect said indebtedness and to enforce any other security therefor held by it may be exercised by the Assignee either prior to, simultaneously with, or subsequent to any action taken by it hereunder.

(1) Application of Proceeds

If no "Event of Default" (as defined in Section 9.1 of the Loan Agreement) shall have occurred, all funds covered by this Assignment shall be paid and applied as follows:

(a) each payment to be made pursuant to the Note shall be paid by the Borrower directly to the Assignee on or before the due date of such payment under the Loan Agreement, and shall be applied in accordance with the terms of the Bond;

(b) all amounts prepaid or paid by the Borrower pursuant to Sections 10.1 and 10.2 of the Loan Agreement shall be paid to the Assignee and applied to the prepayment or payment of the Bond, as provided in the Loan Agreement and the Bond; and

(c) all other funds covered by this Assignment shall be applied as provided in the Loan Agreement and the Bond.

If any "Event of Default" under the Loan Agreement shall have occurred, all funds covered by this Assignment shall be paid to the Assignee who shall hold all funds received and shall apply the same in the manner specified in Section 9.3 of the Loan Agreement and in the Bond.

(2) Assignee Not Liable for Obligations of Others

Neither this Assignment nor any action or inaction on the part of the Assignee shall, without its written consent, constitute an assumption on its part of any obligation of any other person under the Loan Agreement or the Note, nor shall the Assignee have any obligation to make any payment to be made by the Assignor hereunder or under the Bond Purchase Agreement, the Bond or the Loan Agreement, or to present or file any claim, or to take any other action to collect or enforce the payment of any amounts which have been assigned to the Assignee or to which it may be entitled under this Assignment at any time or times. No action or inaction on the part of the Assignor shall adversely affect or limit in any way the rights of the Assignee under this Assignment or under the Loan Agreement or the Note.

The Assignor shall, however, remain liable to perform all of its obligations under the Loan Agreement or the Note and shall maintain in full force and effect and enforce the Loan Agreement or the Note, and this Assignment in accordance with their respective terms, and shall comply with all the terms of each thereof.

(3) Representations and Covenants of Assignor

The Assignor represents and warrants that (a) the Loan Agreement is in full force and effect as to the Assignor and has not been assigned or encumbered by it except pursuant to this Assignment; (b) the Note has not been endorsed, assigned or encumbered by the Assignor except for its endorsement without recourse to the order of, and its pledge to, the Assignee; and (c) to its knowledge, no default exists under the Loan Agreement or the Note.

The Assignor covenants that so long as this Assignment shall remain in effect it will not assign or encumber, to anyone other than the Assignee, the whole or any part of the moneys, claims and rights hereby assigned, and that it will not, without the prior written approval of the Assignee (any agreement entered into without such approval being void), amend, modify or cancel the Loan Agreement or the Note, accept the surrender of any thereof, give any consent or waiver or make any acceptance or rejection thereunder, or take or omit to take any action, the taking or omission of which might result in an alteration or impairment of the Loan Agreement or the Note or this Assignment, or any of the rights or security interests granted or created by any of such instruments.

The Assignor, at Borrower's expense, will execute and deliver all such instruments and take all such action as the Assignee from time to time may reasonably request in order to obtain the full benefits of this Assignment and of the rights and powers herein created.

(4) Consent and Agreement of the Borrower

The Borrower hereby acknowledges receipt of an executed copy, and consents to the execution, of this Assignment. As an inducement to the Assignor to enter into the Loan Agreement and as an inducement to the Assignee to enter into the Bond Purchase Agreement, the Borrower, for valuable consideration, agrees that:

- (a) it will be bound by the terms and provisions hereof;
- (b) it will pay, or cause to be paid, directly to the Assignee, or in accordance with subsequent directions received from the Assignee, all payments and prepayments due under the Loan Agreement or the Note, such payments and prepayments to be made regardless of any right of setoff or counterclaim or other defense which the Borrower may have against the Assignor or the Assignee, it being the intent hereof that the Borrower shall be absolutely and unconditionally bound to pay all such sums;
- (c) it will promptly provide or cause to be provided to the Assignee copies of each communication which the Borrower sends to the Assignor;
- (d) except with the written consent of the Assignee, the Loan Agreement and the Note will not be terminated, modified or amended (any agreement in violation of the foregoing being void), and the Borrower will not take or omit to take any action, the taking or omission of which might result in any alteration or impairment of the Loan Agreement or the Note or this Assignment;
- (e) any notice to the Borrower by the Assignee shall have the same force and effect as a notice given by the Assignor;
- (f) without limiting the generality of any of the foregoing, any consent provided for in the Loan Agreement which may be given by the Assignor shall not be valid unless approved in writing by the Assignee and no offer made by the Borrower under the Loan Agreement or the Security Agreement shall be deemed accepted or rejected by the Assignor without such approval; and
- (g) the Assignee may execute on behalf of the Borrower any continuation statements and amendments to financing statements that are or may be necessary with respect to the Loan Agreement and this Assignment under the Uniform Commercial Code. The Borrower hereby (a) irrevocably appoints the Assignee as its true and lawful attorney for such purpose, with full power of substitution, and (b) ratifies and confirms all that such attorney or any substitute shall lawfully do by virtue hereof. If so requested by the Assignee, the Borrower shall ratify and confirm all proper continuation statements and amendments to financing statements as may be designated in any such request.

(5) Representations of Borrower

As a further inducement to the Assignor to make the Loan to the Borrower and to the Assignee to purchase the Bond pursuant to the Bond Purchase Agreement, the Borrower, by its consent and agreement below set forth, represents and warrants that (a) it is a Florida limited

liability company with offices located in St. Johns County, Florida; (b) it has full power, authority and legal right to execute and deliver and to perform and observe the provisions of the Bond Purchase Agreement, the Loan Agreement, the Note, the Guaranty (as defined in the Loan Agreement) and this Assignment, (c) there are no actions, proceedings or investigations pending or threatened against or affecting the Borrower (or any basis therefor known to the Borrower) before any court, arbitrator, administrative agency or other governmental authority, which if adversely decided would materially affect its ability to carry out any of the terms, covenants and conditions of the Bond Purchase Agreement, the Loan Agreement, the Note, the Guaranty or this Assignment, except as otherwise has been disclosed in writing to the Assignee; (d) the Bond Purchase Agreement, the Loan Agreement, the Note, the Guaranty, and this Assignment are in full force and effect; (e) no payments due or to become due under the Loan Agreement and the Note have been prepaid; and (f) neither the Assignor nor the Borrower is in default in the performance of, or compliance with, any term or condition of the Bond Purchase Agreement, the Loan Agreement, the Note, the Guaranty or this Assignment, and no offset or claim exists against the Assignor or the Assignee with respect to the Loan Agreement, the Note, the Guaranty, the Bond Purchase Agreement or this Assignment.

(6) Miscellaneous

This Assignment is intended to create and does create in the Assignee, as security for the payment of the principal of, premium, if any, and interest on the Bond, a security interest in all the payments due under the Loan Agreement and the Note.

The headings in this Assignment are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Assignment.

This Assignment may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument, and no one counterpart of which need be executed by all parties.

This Assignment shall be governed by and construed in accordance with the laws of the State of Florida.

IN WITNESS WHEREOF, the Assignor has caused this Assignment to be executed in its name by its duly authorized officers and its seal to be affixed hereto, all as of December 1, 2010.

ASSIGNOR:

**ST. JOHNS COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY**

By: _____

James E. Browning, Chairman

[Acceptance by Assignee follows on the next page.]

Accepted and agreed to as of the date last above written.

ASSIGNEE:

BRANCH BANKING AND TRUST COMPANY

By _____

[Consent and Agreement by the Borrower follows on the next page.]

CONSENT AND AGREEMENT:

Vilano Town Center Partners, LLC, as the "Borrower" hereinabove referred to, hereby as of the date thereof consents to the foregoing Assignment and agrees that it will be bound by its terms and provisions, including, without limitation, its provisions for the direct payment of amounts due under the Loan Agreement to the Assignee.

VILANO TOWN CENTER PARTNERS, LLC

By: _____
Name: _____
Its: _____

ASSIGNMENT

THE ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY, a public body corporate and politic of the State of Florida, and its successors and assigns (the "Assignor"), for valuable consideration the receipt and sufficiency of which are hereby acknowledged, hereby pledges, assigns, transfers and sets over to BRANCH BANKING AND TRUST COMPANY, a North Carolina banking corporation, having its principal office in Winston-Salem, North Carolina, and an office and place of business in St. Johns County, Florida, and its successors and assigns and any transferee of the Bond hereinafter mentioned in accordance with the provisions of Section 15 of the Bond Purchase Agreement (hereinafter defined) (the "Assignee"), all of the Assignor's right, title and interest (including beneficial interest) in and to:

(a) The Loan Agreement (as the same may from time to time be supplemented or amended), dated as of the date hereof (the "Loan Agreement"), between the Assignor and Vilano Town Center Partners, LLC, a Florida limited liability company, and its respective successors and assigns (the "Borrower"), including, but not limited to, all payments of principal and interest due and to become due under the Note (as defined in the Loan Agreement) and the Loan Agreement, whether made at their respective due dates or as prepayments permitted or required by the Loan Agreement, together with full power and authority, in the name of the Assignor or otherwise, to demand, receive, enforce, collect or receipt for any or all of the foregoing, to endorse or execute any checks or other instruments or orders, to file any claims and to take any action which the Assignee may deem necessary or advisable in connection therewith, and the Assignor hereby irrevocably appoints the Assignee attorney-in-fact of the Assignor for such purposes, which appointment is coupled with an interest and is irrevocable; provided, however, that the Assignor shall continue to have all the rights, together with the Assignee, contained in the following sections of the Loan Agreement (collectively, the "Reserved Rights of the Issuer"):

- i. Section 7.1 (pertaining to the Assignor's right of access to the Project (as defined in the Loan Agreement) and to certain records);
- ii. Section 7.5 (pertaining to the Assignor's right to certain indemnities);
- iii. Section 7.6 (pertaining to the Assignor's right to release and indemnification);
- iv. Sections 7.7 (pertaining to the Assignor's right to receive certain information);
- v. Sections 9.4 (pertaining to the Assignor's right to reimbursement of expenses incurred upon a default);
- vi. Sections 10.1 and 10.2 (pertaining to the Assignor's right to notice of prepayments and rights upon a Determination of Taxability);
- vii. Section 11.8 (pertaining to the Assignor's right to receive notices); and

viii. Sections 11.13 and 11.14 (pertaining to the limitations on the liability of the Assignor).

(b) The Promissory Note of even date herewith of the Borrower to the Assignor in the principal amount of \$5,515,000 (the "Note") evidencing the Borrower's obligation to repay the loan made by the Assignor to the Borrower pursuant to the Loan Agreement, together with interest thereon and other amounts with respect thereto, as provided for in the Loan Agreement, the Assignor having on this date endorsed the Note without recourse to the order of, and delivered the same to, the Assignee as security for the obligations of the Assignor to the Assignee hereinafter referred to.

This Assignment is given in order to secure the payment of principal of and premium, if any, and interest on the \$5,515,000 Recovery Zone Facility Revenue Bonds (Vilano Town Center Partners, LLC Project), Series 2010 (the "Bonds"), issued by the Assignor pursuant to the terms of the Bond Purchase Agreement dated as of the date hereof among the Assignor, the Assignee and the Borrower (the "Bond Purchase Agreement"). This Assignment shall terminate upon Payment of the Bond (as defined in the Loan Agreement). The Assignee, at the Borrower's expense, will execute and deliver such instruments as the Assignor may reasonably request to evidence such termination.

No exercise by the Assignee of any rights of the Assignor shall release the Assignor from any of its obligations under the Loan Agreement or the Bond Purchase Agreement.

The Assignee may take or release other security, may release any party primarily or secondarily liable for any indebtedness secured hereby, may grant extensions, renewals or indulgences with respect to such indebtedness, and may apply any other security therefor held by it to the satisfaction of such indebtedness without prejudice to any of its rights hereunder. Nothing herein contained and no act done or omitted by the Assignee pursuant to the powers and rights granted it herein shall be deemed to be a waiver by the Assignee of its rights and remedies under the Bond or the Bond Purchase Agreement. This Assignment is made and accepted without prejudice to any of the rights and remedies possessed by the Assignee under the terms thereof. The right of the Assignee to collect said indebtedness and to enforce any other security therefor held by it may be exercised by the Assignee either prior to, simultaneously with, or subsequent to any action taken by it hereunder.

(1) Application of Proceeds

If no "Event of Default" (as defined in Section 9.1 of the Loan Agreement) shall have occurred, all funds covered by this Assignment shall be paid and applied as follows:

(a) each payment to be made pursuant to the Note shall be paid by the Borrower directly to the Assignee on or before the due date of such payment under the Loan Agreement, and shall be applied in accordance with the terms of the Bond;

(b) all amounts prepaid or paid by the Borrower pursuant to Sections 10.1 and 10.2 of the Loan Agreement shall be paid to the Assignee and applied to the prepayment or payment of the Bond, as provided in the Loan Agreement and the Bond; and

(c) all other funds covered by this Assignment shall be applied as provided in the Loan Agreement and the Bond.

If any "Event of Default" under the Loan Agreement shall have occurred, all funds covered by this Assignment shall be paid to the Assignee who shall hold all funds received and shall apply the same in the manner specified in Section 9.3 of the Loan Agreement and in the Bond.

(2) Assignee Not Liable for Obligations of Others

Neither this Assignment nor any action or inaction on the part of the Assignee shall, without its written consent, constitute an assumption on its part of any obligation of any other person under the Loan Agreement or the Note, nor shall the Assignee have any obligation to make any payment to be made by the Assignor hereunder or under the Bond Purchase Agreement, the Bond or the Loan Agreement, or to present or file any claim, or to take any other action to collect or enforce the payment of any amounts which have been assigned to the Assignee or to which it may be entitled under this Assignment at any time or times. No action or inaction on the part of the Assignor shall adversely affect or limit in any way the rights of the Assignee under this Assignment or under the Loan Agreement or the Note.

The Assignor shall, however, remain liable to perform all of its obligations under the Loan Agreement or the Note and shall maintain in full force and effect and enforce the Loan Agreement or the Note, and this Assignment in accordance with their respective terms, and shall comply with all the terms of each thereof.

(3) Representations and Covenants of Assignor

The Assignor represents and warrants that (a) the Loan Agreement is in full force and effect as to the Assignor and has not been assigned or encumbered by it except pursuant to this Assignment; (b) the Note has not been endorsed, assigned or encumbered by the Assignor except for its endorsement without recourse to the order of, and its pledge to, the Assignee; and (c) to its knowledge, no default exists under the Loan Agreement or the Note.

The Assignor covenants that so long as this Assignment shall remain in effect it will not assign or encumber, to anyone other than the Assignee, the whole or any part of the moneys, claims and rights hereby assigned, and that it will not, without the prior written approval of the Assignee (any agreement entered into without such approval being void), amend, modify or cancel the Loan Agreement or the Note, accept the surrender of any thereof, give any consent or waiver or make any acceptance or rejection thereunder, or take or omit to take any action, the taking or omission of which might result in an alteration or impairment of the Loan Agreement or the Note or this Assignment, or any of the rights or security interests granted or created by any of such instruments.

The Assignor, at Borrower's expense, will execute and deliver all such instruments and take all such action as the Assignee from time to time may reasonably request in order to obtain the full benefits of this Assignment and of the rights and powers herein created.

(4) Consent and Agreement of the Borrower

The Borrower hereby acknowledges receipt of an executed copy, and consents to the execution, of this Assignment. As an inducement to the Assignor to enter into the Loan Agreement and as an inducement to the Assignee to enter into the Bond Purchase Agreement, the Borrower, for valuable consideration, agrees that:

(a) it will be bound by the terms and provisions hereof;

(b) it will pay, or cause to be paid, directly to the Assignee, or in accordance with subsequent directions received from the Assignee, all payments and prepayments due under the Loan Agreement or the Note, such payments and prepayments to be made regardless of any right of setoff or counterclaim or other defense which the Borrower may have against the Assignor or the Assignee, it being the intent hereof that the Borrower shall be absolutely and unconditionally bound to pay all such sums;

(c) it will promptly provide or cause to be provided to the Assignee copies of each communication which the Borrower sends to the Assignor;

(d) except with the written consent of the Assignee, the Loan Agreement and the Note will not be terminated, modified or amended (any agreement in violation of the foregoing being void), and the Borrower will not take or omit to take any action, the taking or omission of which might result in any alteration or impairment of the Loan Agreement or the Note or this Assignment;

(e) any notice to the Borrower by the Assignee shall have the same force and effect as a notice given by the Assignor;

(f) without limiting the generality of any of the foregoing, any consent provided for in the Loan Agreement which may be given by the Assignor shall not be valid unless approved in writing by the Assignee and no offer made by the Borrower under the Loan Agreement or the Security Agreement shall be deemed accepted or rejected by the Assignor without such approval; and

(g) the Assignee may execute on behalf of the Borrower any continuation statements and amendments to financing statements that are or may be necessary with respect to the Loan Agreement and this Assignment under the Uniform Commercial Code. The Borrower hereby (a) irrevocably appoints the Assignee as its true and lawful attorney for such purpose, with full power of substitution, and (b) ratifies and confirms all that such attorney or any substitute shall lawfully do by virtue hereof. If so requested by the Assignee, the Borrower shall ratify and confirm all proper continuation statements and amendments to financing statements as may be designated in any such request.

(5) Representations of Borrower

As a further inducement to the Assignor to make the Loan to the Borrower and to the Assignee to purchase the Bond pursuant to the Bond Purchase Agreement, the Borrower, by its consent and agreement below set forth, represents and warrants that (a) it is a Florida limited

liability company with offices located in St. Johns County, Florida; (b) it has full power, authority and legal right to execute and deliver and to perform and observe the provisions of the Bond Purchase Agreement, the Loan Agreement, the Note, the Guaranty (as defined in the Loan Agreement) and this Assignment, (c) there are no actions, proceedings or investigations pending or threatened against or affecting the Borrower (or any basis therefor known to the Borrower) before any court, arbitrator, administrative agency or other governmental authority, which if adversely decided would materially affect its ability to carry out any of the terms, covenants and conditions of the Bond Purchase Agreement, the Loan Agreement, the Note, the Guaranty or this Assignment, except as otherwise has been disclosed in writing to the Assignee; (d) the Bond Purchase Agreement, the Loan Agreement, the Note, the Guaranty, and this Assignment are in full force and effect; (e) no payments due or to become due under the Loan Agreement and the Note have been prepaid; and (f) neither the Assignor nor the Borrower is in default in the performance of, or compliance with, any term or condition of the Bond Purchase Agreement, the Loan Agreement, the Note, the Guaranty or this Assignment, and no offset or claim exists against the Assignor or the Assignee with respect to the Loan Agreement, the Note, the Guaranty, the Bond Purchase Agreement or this Assignment.

(6) Miscellaneous

This Assignment is intended to create and does create in the Assignee, as security for the payment of the principal of, premium, if any, and interest on the Bond, a security interest in all the payments due under the Loan Agreement and the Note.

The headings in this Assignment are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Assignment.

This Assignment may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument, and no one counterpart of which need be executed by all parties.

This Assignment shall be governed by and construed in accordance with the laws of the State of Florida.

IN WITNESS WHEREOF, the Assignor has caused this Assignment to be executed in its name by its duly authorized officers and its seal to be affixed hereto, all as of December 1, 2010.

ASSIGNOR:

**ST. JOHNS COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY**

By: _____

James E. Browning, Chairman

[Acceptance by Assignee follows on the next page.]

Accepted and agreed to as of the date last above written.

ASSIGNEE:

BRANCH BANKING AND TRUST COMPANY

By _____

[Consent and Agreement by the Borrower follows on the next page.]

CONSENT AND AGREEMENT:

Vilano Town Center Partners, LLC, as the "Borrower" hereinabove referred to, hereby as of the date thereof consents to the foregoing Assignment and agrees that it will be bound by its terms and provisions, including, without limitation, its provisions for the direct payment of amounts due under the Loan Agreement to the Assignee.

VILANO TOWN CENTER PARTNERS, LLC

By: _____
Name: _____
Its: _____