

Jeffrey Sheffel

From: Davon Barbour
Sent: Tuesday, July 09, 2013 10:02 AM
To: 'Evan Laskin' (elaskin@Starwood.com)
Cc: 'Lon Tabatchnick' (lont@lojeta.com); Jeffrey Sheffel
Subject: Supplemental Document Review

Importance: High

Good Morning Evan:

Good Afternoon:

Pursuant to Section 288.075, Florida Statutes, the following communication is exempt from public records disclosure for the life of the economic incentive provided (i.e. for the remaining duration of the Hollywood CRA, Beach District).

I completed an additional review of the submitted documents and have determined that there is sufficient readily available capital (up to \$80 million) provided by SOF IX-1 US/Int'l and SOF IX Global to satisfy the requirements outlined in the Amended and Restated Development Agreement and Ground Lease. If you have any questions, please do not hesitate to contact me.

Davon

Davon Barbour, Director



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954.921.3271
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July 8, 2013

To: City of Hollywood, a Florida municipal corporation

Re: Ground Lease with Margaritaville Hollywood Beach Resort, L.P.

Ladies and Gentlemen:

Reference is made to the Amended and Restated Development Agreement and Ground Lease, dated as of June 21, 2013 (the "**Lease**"), between Margaritaville Hollywood Beach Resort, L.P., a Delaware limited partnership (formerly Margaritaville Hollywood Beach Resort, LLC, a Florida limited liability company) (the "**Developer**"), and City of Hollywood, a Florida municipal corporation (the "**City**"), pursuant to which the Developer leases certain property in Hollywood, Florida, owned by the City, as more particularly described in Lease (the "**Leased Premises**"), and has agreed to develop and construct the Developer Improvements (as defined in the Lease).

Capitalized terms used but not defined herein have the meanings given to them in the Lease. This letter is being delivered to the City to fulfill an obligation of Developer under Paragraph 2.1(b) of the Lease.

This letter confirms the commitment of Developer to invest not less than \$80,000,000 for the purpose of funding the development and construction of the Developer Improvements (the "**Developer Equity**"). The Developer Equity shall be used solely for the purpose of funding the development and construction of the Developer Improvements.

This letter, and the undersigned's obligation to fund the Developer Equity, will terminate automatically and immediately upon the earlier to occur of (a) the completion of the Developer Improvements, or (b) termination of the Lease.

The undersigned represents and warrants to the City that: (i) the undersigned has the requisite capacity and authority to execute and deliver this letter and to fulfill and perform the undersigned's obligations hereunder and (ii) this letter has been duly and validly executed and delivered by the undersigned and constitutes a legal, valid and binding agreement of the undersigned enforceable by the City against the undersigned in accordance with its terms. This letter may not be amended, and no provision hereof waived or modified, except by an instrument in writing signed by the City and the undersigned.

This letter shall be binding on the undersigned solely for the benefit of the City, and nothing set forth in this letter shall be construed to confer upon or give to any person other than the City any benefits, rights or remedies under or by reason of, or any rights to enforce or cause the City to enforce, the Developer Equity or any provisions of this letter and any attempt to do so by any Person not affiliated with the undersigned shall cause this letter to be null and void.

Notwithstanding anything that may be expressed or implied in this letter, the City, by its acceptance of the benefits of this letter, covenants, agrees and acknowledges that no person other

than the undersigned shall have any obligation hereunder, and that, notwithstanding that the undersigned is a partnership, no recourse hereunder or under any documents or instruments delivered in connection herewith, shall be had against any former, current or future director, officer, employee, agent, general or limited partner, manager, affiliate or assignee of the undersigned or any former, current or future director, officer, employee, agent, general or limited partner, manager, member, stockholder, affiliate or assignee of any of the foregoing, whether by the enforcement of any assessment or by any legal or equitable proceeding, or by virtue of any statute, regulation or other applicable Law, it being expressly agreed and acknowledged that no personal liability whatsoever shall attach to, be imposed on or otherwise be incurred by any former, current or future director, officer, employee, agent, general or limited partner, manager, affiliate or assignee of the undersigned or any former, current or future director, officer, employee, agent, general or limited partner, manager, member, stockholder, affiliate or assignee of any of the foregoing, as such, for any obligations of the undersigned under this letter or any document or instrument delivered in connection herewith or for any claim based on, in respect of, or by reason of such obligations or their creation under this letter.

This letter shall be treated as confidential and is being provided to the City solely in connection with the transactions contemplated by the Lease. This letter may not be used, circulated, quoted or otherwise referred to in any document without the prior written consent of the undersigned. This letter will become effective when duly executed by the undersigned. This letter shall be governed by and construed in accordance with, the laws of the State of Florida.

EACH OF THE PARTIES HERETO HEREBY WAIVES TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY WITH RESPECT TO ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS LETTER OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY. Each of the parties hereto (i) certifies that no representative, agent or attorney of any other party has represented, expressly or otherwise, that such other party would not, in the event of litigation, seek to enforce the foregoing waiver and (ii) acknowledges that it and the other party hereto have been induced to enter into this letter, as applicable, by, among other things, the mutual waivers and certifications in this paragraph.

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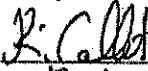
Very truly yours,

MARGARITAVILLE HOLLYWOOD BEACH RESORT, L.P.,
a Delaware limited partnership

By: Margaritaville Hollywood Beach Resort GP, L.L.C.,
a Delaware limited liability company,
its general partner

By: MHBR JV, L.P.,
a Delaware limited partnership,
its sole member

By: SOF-IX Hollywood GP, L.L.C.,
a Delaware limited liability company
its general partner

By: 
Name: Kevin Colket
Title: SVP