

SETTLEMENT AGREEMENT

This Settlement Agreement (the “Agreement”) is entered into this 8th day of May, 2024, (the “Effective Date”) by and between New Urban Communities, L.L.C. (“New Urban”), on the one hand, and the Margate Community Redevelopment Agency (“CRA”), on the other hand, each of which shall be referred to herein as a “Party” or collectively the “Parties.”

Recitals

WHEREAS, New Urban and the CRA entered into a Development Agreement for the Margate City Center project, effective July 19, 2016 (the “Development Agreement”);

WHEREAS, pursuant to the terms of the Development Agreement, New Urban deposited the amount of \$150,000.00 in the form of the deposit (“Deposit”) with an escrow agent (“Escrow Agent”);

WHEREAS, a dispute arose between the parties regarding the terms of the Development Agreement;

WHEREAS, on March 1, 2018, New Urban filed a complaint against the CRA relating to the Development Agreement, thereby initiating Case No. CACE 18-004869 (13) (the “Trial Court Action”) in the Circuit Court of the 17th Judicial Circuit, in and for Broward County, Florida (the “Trial Court”);

WHEREAS, on October 3, 2018, New Urban filed an amended complaint in the Trial Court Action against the CRA relating to the Development Agreement;

WHEREAS, on December 19, 2019, New Urban filed a second amended complaint in the Trial Court Action against the CRA relating to the Development Agreement;

WHEREAS, the Trial Court Action came before the court on a non-jury trial on June 15, 2022, and June 16, 2022, on New Urban’s claim for specific performance;

WHEREAS, on August 15, 2022, the Trial Court entered a Final Judgment in Favor of the CRA (“Final Judgment”);

WHEREAS, New Urban moved for rehearing, and on September 2, 2022, the Trial Court entered an order denying the motion for rehearing;

WHEREAS, on September 27, 2022, New Urban filed a notice of appeal of the Final Judgment in the Fourth District Court of Appeal, initiating appeal No. 4D2022-2632 (the “Appellate Action”);

WHEREAS, On October 19, 2023, the Fourth District Court of Appeal issued a Per Curium Affirmance of the Final Judgment;

WHEREAS, On October 19, 2023, the Fourth District Court of Appeal issued an order granting appellate attorneys’ fees to the CRA;

WHEREAS, On December 5, 2023, the Fourth District Court of Appeal denied New Urban's motion for written opinion;

WHEREAS, On December 13, 2023, the Trial Court granted the CRA's motion for costs and attorney's fees;

WHEREAS, On December 21, 2023, the Fourth District Court of Appeal issued a mandate;

WHEREAS, On January 24, 2024, the CRA sent a letter notice of termination relating to the Development Agreement to New Urban (the "January 24, 2024 Notice of Termination");

WHEREAS, following the issuance of the mandate, New Urban presented the CRA with its contemplated fraud on the court claim (the "Fraud on the Court Claim");

WHEREAS, the Trial Court Action, the Appellate Action, matters relating to the January 24, 2024 Notice of Termination, and the Fraud on the Court Claim together are the "Action";

WHEREAS, the Parties desire to resolve and settle all litigation, including but not limited to the Action, and all claims and disputes between them as more specifically set forth herein.

WHEREAS, as of the date of this Agreement, the Escrow Agent continues to hold the Deposit;

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Parties, it is agreed by the Parties as follows:

Terms

1. **Recitals.** The foregoing Recitals are true and correct and are incorporated into this Agreement by reference.

2. **Settlement of Claims and Settlement Payment.** In full and final settlement of the claims in the Action, including (without limitation) claims for attorney's fees and costs, within five (5) business days after the Effective Date, the parties shall jointly direct the Escrow Agent to disburse the Deposit as follows in the form of the attached Exhibit "1" (the "Joint Escrow Disbursement Letter"):

a. The amount of \$150,000.00 payable to the Florida Municipal Insurance Trust for the benefit of the CRA; and

b. To the extent that any interest has accrued on the Deposit, the amount of any such interest to the Florida Municipal Insurance Trust for the benefit of the CRA.

3. **Termination of the Development Agreement.** Effective as of the Effective Date of this Agreement, the CRA and New Urban hereby acknowledge and agree that the Development Agreement is terminated. Within (5) business days after the date the Joint Escrow Disbursement Letter is effectuated by the Parties, each Party shall sign and deliver to the other Party a notice of

termination of the Development Agreement in the form of the attached Exhibit 2 (the “Development Agreement Notice of Termination”).

4. Dismissal of the Action with Prejudice.

a. Within five (5) business days after the date the Development Agreement Notice of Termination is effectuated by the Parties, the Parties and their respective counsel shall sign and cause to be filed a joint stipulation for dismissal with prejudice of the Action and proposed order of dismissal, in substantially the form attached hereto as Exhibit “3” (“Joint Stipulation for Dismissal”). The Joint Stipulation for Dismissal and order of dismissal shall indicate that each Party is to bear its own costs and attorney’s fees.

b. In the event either Party fails to effectuate the Joint Escrow Disbursement Letter, the Development Agreement Notice of Termination, or the Joint Stipulation for Dismissal, the other Party shall be entitled to seek enforcement of this Agreement against the non-performing Party.

c. The Trial Court shall retain jurisdiction solely to enforce the terms of this Agreement and the Joint Stipulation for Dismissal.

5. Attorneys’ Fees and Costs. Each Party shall bear its own attorneys’ fees and costs incurred in connection with, arising from, or related to the Action and this Agreement.

6. Releases.

a. Effective as of the date of the filing of the Joint Stipulation for Dismissal, the CRA and its current and former successors, predecessors, agents, subsidiaries, and related companies, assigns, affiliates, and current and former officers, members, directors, board members, employees, contractors, staff, managers, attorneys, and other representatives (collectively, the “CRA Releasors”) release New Urban and its respective successors, assigns, affiliates, and current and former officers, members, directors, board members, employees, contractors, staff, managers, attorneys, and other representatives (collectively “New Urban Releasees”), from all causes of action, claims, appeals, suits, debts, liabilities, indemnification, obligations, demands, interests, rights, damages, attorney’s fees, costs, losses, fees, agreements, controversies, or expenses of any nature whatsoever, in law or in equity, whether asserted or unasserted, whether known or unknown, which the CRA Releasors have or ever had against the New Urban Releasees for or by reason of any matter, cause, or thing whatsoever from the beginning of the world to the date of this Agreement, including, but not limited to all claims arising from, related to, or in connection with the Action, provided that this release does not cover, apply to, address, release or limit any claim arising from the obligations of the Parties under this Agreement.

b. Effective as of the date of the filing of the Joint Stipulation for Dismissal, New Urban and its current and former successors, predecessors, agents, subsidiaries and related companies, assigns, affiliates, and current and former officers, members, directors, board members, employees, contractors, staff, managers, attorneys, and other representatives (collectively, the “New Urban Releasors”) release the CRA and its respective successors, assigns, affiliates, and current and former officers, members, directors, board members, employees, contractors, staff, managers, attorneys, and other representatives (collectively “CRA Releasees”), from all causes of action, claims, appeals, suits, debts, liabilities, indemnification, obligations, demands, interests, rights, damages, attorney’s fees, costs, losses, fees, agreements, controversies, or expenses of any nature whatsoever, in law or in equity, whether asserted or unasserted, whether known or unknown, which the New Urban Releasors have or ever had against the CRA Releasees for or by reason of any matter, cause, or thing whatsoever from the beginning of the world to the date of this Agreement, including, but not limited to all claims arising from, related to, or in connection with the Action, provided that this release does not cover, apply to, address, release or limit any claim arising from the obligations of the Parties under this Agreement.

7. Default. In the event that a Party defaults hereunder (“Event of Default”), the non-defaulting Party shall provide written notice of the Event of Default to the defaulting Party, which shall have five (5) days to cure the Event of Default (“Cure Period”). If after the Cure Period the Event of Default has not been cured, the non-defaulting Party shall be entitled to, and may then seek, an award of reasonable attorney’s fees and costs relative to the enforcement of the terms of this Agreement. Without limitation, an Event of Default shall occur if (a) either Party fails to timely sign and deliver the Joint Escrow Disbursement Letter to counsel for the other Party, (b) either Party or either Party’s counsel fails to sign and deliver the Joint Stipulation for Dismissal to counsel for the other Party, or (c) either Party fails to timely sign and deliver the Development Agreement Notice of Termination. The prevailing party in any lawsuit arising out of, relating to, or connected with, this Agreement, including a lawsuit to interpret or enforce the terms of this Agreement, shall be entitled to recover its reasonable attorneys’ fees and costs, whether incurred before the lawsuit, during the lawsuit, during mediation, at trial, or at the appellate level. The prevailing party in such lawsuit shall also be entitled to recover all attorneys’ fees and costs incurred in litigating entitlement to attorneys’ fees and costs, as well as in determining or quantifying the amount of recoverable attorneys’ fees and costs. The reasonable costs to which the prevailing party is entitled shall include costs that are taxable under any applicable statute, rule or guideline, as well as non-taxable costs, including, without limitation, costs of investigation, copying costs, electronic discovery costs, telephone charges, mailing and delivery charges, information technology support charges, consultant and expert witness fees, travel expenses, electronic research costs, court reporter fees and mediator fees, regardless of whether such costs are otherwise taxable.

8. Failure by Escrow Agent. In the event Escrow Agent fails to disburse the Deposit according to the terms of the Joint Escrow Disbursement Letter, New Urban shall notify the CRA of such failure (“Escrow Agent Failure Notice”). If the Escrow Agent further fails to disburse the Deposit according to the terms of the Joint Escrow Disbursement Letter within five (5) business

days of the Escrow Agent Failure Notice, the New Urban shall notify the CRA of such failure and may declare this Agreement null and void.

9. No Admissions of Liability. The Parties have entered into this Agreement for business reasons and solely to avoid the expense, inconvenience, distractions and inherent uncertainties associated with the Action. No Party admits to having any liability to the other or having engaged in any wrongdoing, malfeasance, misfeasance or negligent act. The Parties are entering into this Agreement only to avoid lengthy and time-consuming litigation and to eliminate the risk, burden, inconvenience and expense associated therewith.

10. Governing Law. This Agreement shall be governed by the laws of the State of Florida. Any action to enforce this Agreement or to recover damages for breach of this Agreement shall be brought in Broward County, Florida.

11. Amendments. The provisions of this Agreement may not be amended, supplemented, waived or changed orally, but only in writing signed by the Party as to whom enforcement of any such amendment, supplement, waiver or modification is sought and making specific reference to this Agreement.

12. Full Understanding. The Parties represent that they understand the terms of this Agreement, and they are fully bound by its terms.

13. No Transfer of Rights. The Parties represent and warrant that they have not assigned or transferred any right being released or satisfied herein to any person, except as expressly set forth by the terms of this Agreement.

14. Entire Agreement. This Agreement represents the entire understanding and agreement between the Parties with respect to the subject matter of this Agreement, and supersedes all other negotiations, understandings and representations (if any) made by and between the Parties. Each of the Parties expressly waives any and all claim and/or claims for fraudulent inducement of this Agreement.

15. Notices. Notices shall be sent via Federal Express as follows:

a. To the CRA:

Margate Community Redevelopment Agency
Cale Curtis, Executive Director
5790 Margate Blvd., Margate, FL 33063

With a copy to:

Johnson, Anselmo, Murdoch, Burke, Piper & Hochman, P.A.
2455 East Sunrise Boulevard, Suite 1000
Attn: Hudson C. Gill, Esq.
Ft. Lauderdale, FL 33304

b. To New Urban:

New Urban Communities, L.L.C.
c/o Timothy Hernandez
2820 NE 40 ST
Fort Lauderdale FL 33308

With a copy to:

Stearns Weaver Miller Weissler
Alhadeff & Sitterson, P.A.
Attn: Andrew Stearns, Esq.
150 West Flagler Street, Suite 2200
Miami, FL 33130

16. Headings. The headings contained in this Agreement are for convenience of reference only, are not to be considered a part of the Agreement and shall not limit or otherwise affect in any way the meaning or interpretation of this Agreement.

17. No Construction Against Draftsman. This is a negotiated Agreement, and in no event shall the terms of this Agreement be construed against any Party on the basis that such Party, or its counsel, drafted this Agreement.


18. Execution; Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which shall constitute together one and the same instrument. Electronic, PDF, and facsimile signatures shall be as effective as original ink signatures.

19. Authority to Bind. The Parties represent and warrant that they have the full authority and power to sign on behalf of the party for whom they are signing and that their signature on this Agreement shall be binding on such Party.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the day and year written above.

[Signatures Appear on Following Page.]

NEW URBAN COMMUNITIES, L.L.C.

DocuSigned by:

375670CA95B4451...

By: NEW URBAN COMMUNITIES CORPORATION, a
Florida Corporation, as Manager

By: Timothy Hernandez

Its: VP

Dated: 5/3/2024

MARGATE COMMUNITY REDEVELOPMENT AGENCY

By: _____

Its: _____

Dated: _____

Exhibit 1

_____, 2024

RE: Development Agreement dated July 19, 2016 between New Urban Communities, L.L.C., (“New Urban”) and Margate Community Redevelopment Agency (the “CRA”) (the “Development Agreement”)

To [Escrow Agent]:

Notwithstanding anything to the contrary contained in the Development Agreement, please be advised that New Urban and the CRA, by signing below, have agreed, and hereby jointly and irrevocably authorize and direct you to release the Deposit in the amount of \$150,000.00, plus any interest that has accrued thereon, that is currently being held by Escrow Agent, from escrow and to disburse the Deposit as follows:

1. \$150,000.00 via check to the Florida Municipal Insurance Trust:

Name: Florida Municipal Insurance Trust
Address: c/o Allison Kerr
125 E. Colonial Dr,
Orlando, FL 32803

Contact: Allison Kerr
Litigation Specialist
Florida League of Cities, Inc.
Ph: (407) 367-1771

2. To the extent that any interest has accrued on the Deposit, please remit such interest to the Florida Municipal Insurance Trust as set forth within clause 1 above.

This letter may be executed in one or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument. Signed counterparts of this letter may be delivered by facsimile and by scanned .PDF image. Electronic, PDF, and facsimile signatures shall be as effective as original ink signatures.

[Remainder of Page Intentionally Left Blank. Signatures Appear on Following Page.]

Sincerely,

NEW URBAN COMMUNITIES, L.L.C.

By: NEW URBAN COMMUNITIES CORPORATION,
a Florida Corporation, as Manager

By: _____

Its: _____

Dated: _____

**MARGATE COMMUNITY REDEVELOPMENT
AGENCY**

By: _____

Its: _____

Dated: _____

cc:

Via email:

Stearns Weaver Miller Weissler
Alhadeff & Sitterson, P.A.
150 West Flagler Street, Suite 2200
Attn: Andrew Stearns, Esq.
Email: astearns@stearnsweaver.com

Via email:

Johnson, Anselmo, Murdoch, Burke, Piper & Hochman, P.A.
2455 East Sunrise Boulevard, Suite 1000
Ft. Lauderdale, Florida 33304
Attn: Hudson C. Gill, Esq.
Email: hgill@jambg.com

Exhibit 2

_____, 2024

RE: Joint Notice of Termination: Agreement dated July 19, 2016 between New Urban Communities, L.L.C., (“New Urban”) and Margate Community Redevelopment Agency (the “CRA”) (the “Development Agreement”)

New Urban and the CRA hereby jointly provide notice that the Development Agreement has terminated by agreement of the parties effective as of _____, 2024.

This letter may be executed in one or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument. Signed counterparts of this letter may be delivered by facsimile and by scanned .PDF image, and the facsimile or scanned signature of any party shall be considered to have the same binding legal effect as an original signature.

[Remainder of Page Intentionally Left Blank. Signatures Appear on Following Page.]

Sincerely,

NEW URBAN COMMUNITIES, L.L.C.

By: NEW URBAN COMMUNITIES CORPORATION,
a Florida Corporation, as Manager

By: _____

Its: _____

Dated: _____

**MARGATE COMMUNITY REDEVELOPMENT
AGENCY**

By: _____

Its: _____

Dated: _____

cc:

Via email:

Stearns Weaver Miller Weissler
Alhadeff & Sitterson, P.A.
150 West Flagler Street, Suite 2200
Attn: Andrew Stearns, Esq.
Email: astearns@stearnsweaver.com

Via email:

Johnson, Anselmo, Murdoch, Burke, Piper & Hochman, P.A.
2455 East Sunrise Boulevard, Suite 1000
Ft. Lauderdale, Florida 33304
Attn: Hudson C. Gill, Esq.
Email: hgill@jambg.com

Exhibit 3

IN THE CIRCUIT COURT OF THE 17TH
JUDICIAL CIRCUIT IN AND FOR
BROWARD COUNTY, FLORIDA

CASE NO.: CACE 18-004869 (13)

NEW URBAN COMMUNITIES, L.L.C.,
a Florida limited liability company,

Plaintiff,

vs.

MARGATE COMMUNITY REDEVELOPMENT
AGENCY, a dependent district of the City of
Margate, Florida,

Defendant.

_____ /

STIPULATION FOR DISMISSAL WITH PREJUDICE

Pursuant to Rule 1.420(a)(1)(B) of the Florida Rules of Civil Procedure and all other applicable rules of this Court, Plaintiff, NEW URBAN COMMUNITIES, L.L.C. (“Plaintiff”), and MARGATE COMMUNITY REDEVELOPMENT AGENCY (“Defendant”), who collectively constitute all current parties to this action, stipulate: (I) to the dismissal with prejudice of this action and all claims therein; (II) that each party shall bear its own costs and attorney’s fees; and (III) that this Court shall retain jurisdiction to enforce the terms of this Stipulation and the underlying settlement agreement.

NEW URBAN COMMUNITIES, L.L.C.

By: NEW URBAN COMMUNITIES
CORPORATION, a Florida Corporation, as
Manager

By: _____

Its: _____

Dated: _____

**STEARNS WEAVER MILLER
WEISSLER ALHADEFF & SITTERSON,
P.A.**

Attorneys for New Urban Communities, LLC
150 West Flagler Street, Suite 2200
Miami, Florida 33130
Telephone: (305) 789-3200

By: _____
Andrew E. Stearns, Esq.
Florida Bar No. 661651
astearns@stearnsweaver.com

Dated: _____

**MARGATE COMMUNITY
REDEVELOPMENT AGENCY**

By: _____

Its: _____

Dated: _____

**JOHNSON, ANSELMO, MURDOCH,
BURKE, PIPER & HOCHMAN, P.A.**

Attorneys for Margate Community
Redevelopment Agency
2455 E. Sunrise Blvd., Suite 1000
Fort Lauderdale, Florida 33304
Telephone: (954) 463-0100

By: _____
Hudson C. Gill, Esq.
Florida Bar No. 15274
hgill@jambg.com

Dated: _____

IN THE CIRCUIT COURT OF THE 17TH
JUDICIAL CIRCUIT IN AND FOR
BROWARD COUNTY, FLORIDA

CASE NO.: CACE 18-004869 (13)

NEW URBAN COMMUNITIES, L.L.C.,
a Florida limited liability company,

Plaintiff,

vs.

MARGATE COMMUNITY REDEVELOPMENT
AGENCY, a dependent district of the City of
Margate, Florida,

Defendant.

_____ /

**ORDER APPROVING
STIPULATION FOR DISMISSAL WITH PREJUDICE**

THIS MATTER came before the Court upon a *Stipulation For Dismissal With Prejudice* (“Stipulation”) signed and filed by counsel to all parties in the above-captioned action (the “Action”). The Court, having reviewed the file, considered the Stipulation and being otherwise duly advised in the premises, it is hereby:

ORDERED AND ADJUDGED as follows:

1. The Stipulation is **APPROVED** and, accordingly, the Action and all claims asserted therein are dismissed with prejudice.
2. Each party shall bear its own costs and attorney’s fees.
3. The Court retains jurisdiction to enforce the terms of the Stipulation and the underlying settlement agreement, the terms of which are approved and incorporated by reference herein.

CASE NO. CACE 18-004869 (13)

DONE AND ORDERED in Chambers at Broward County, Florida on this ____ day of _____, 2024.

The Honorable Michael Robinson
Circuit Court Judge

Electronic Copy Furnished to:
Andrew E Stearns, astearns@stearnsweaver.com
Hudson Gill, hgill@jambg.com