

## RESERVATION AND SALES AGREEMENT

This Reservation and Sales Agreement (the "Agreement") is entered into effective as of this 20th day of March, 2019 (the "Effective Date") by and between Longleaf Mitigation Development Company, LLC, a Florida limited liability company ("Seller") whose address is 1230 Peachtree Street NE, Suite 3500, Atlanta, GA 30309 and Nassau County Board of Commissioners ("Buyer") whose address is 96135 Nassau Place, Suite 1, Yulee, Florida 32097.

### BACKGROUND:

Buyer is obtaining permits for a project known as Pages Dairy Road located in Nassau County, Florida. Buyer is obtaining these permits from the following (check applicable box)  [(Saint Johns River Water Management District ("SJRWMD") /Florida Department of Environmental Protection ("DEP")), identified by [SJRWMD/DEP] permit application number 156983-1  and the United States Army Corps of Engineers ("ACOE"), identified by ACOE permit application number TBD (collectively, the "Permits"). It is anticipated that [SJRWMD/DEP] or ACOE will impose a requirement as a condition to granting the Permits that certain mitigation credits be purchased by Buyer to satisfy the conditions of the Permits. The number of Credits required by each agency may not be the same.

Seller owns the Longleaf Mitigation Bank (the "Bank"), a mitigation bank with freshwater mitigation credits (evaluated under the Uniform Mitigation Assessment Method of Chapter 62-345, Florida Administrative Code, referred to as "UMAM") authorized by SJRWMD Permit Number 4-089-88607-1 (the "UMAM Credits") and with Wetland Rapid Assessment Procedure (WRAP) freshwater mitigation credits authorized by ACOE Mitigation Bank Instrument (MBI) Number SAJ-2003-640 (IPTL4) (the "WRAP Credits") (the UMAM Credits and the WRAP Credits are collectively referred to as "Credits"). Seller desires to sell Buyer Credits to meet Buyer's requirements under the Permits. Buyer has determined that the Credits available from Seller will meet Buyer's needs, and Buyer therefore desires to acquire Credits from Seller.

NOW, THEREFORE, in consideration of the mutual covenants and undertakings herein and the payment of the Deposit, hereinafter defined, the receipt and sufficiency of which are acknowledged, Seller and Buyer agree as follows:

1. Preamble. The Background above is a material part of this Agreement and is incorporated by reference.
2. Purchase Price. Check applicable box and complete last sentence –
  - a)  Buyer purchases only UMAM Credits and no WRAP Credits, purchase price is \$ \_\_\_\_\_ per Credit;
  - b)  Buyer purchases UMAM Credits and WRAP Credits, purchase price is \$75000 per UMAM Credit;
  - c)  Buyer purchases WRAP Credits only, purchase price is \$ \_\_\_\_\_ per Credit.

Based upon the foregoing, the total purchase price to be paid by Buyer to Seller will be \$70,500 (the "Purchase Price"). Buyer will pay the Purchase Price by Buyer's certified check or wire transfer of immediately available funds.

3. Credit Reservation. Seller hereby reserves 0.94 State UMAM Credits and 0.94 federal WRAP Credits for Buyer, which credits shall be specified and set forth in the Credit Reservation Letter as provided for in Paragraph 4 hereof (the "Reservation"). State UMAM Credits will be debited from Basin 3\_.

4. Credit Reservation Letter. After Buyer and Seller execute this Agreement and upon Buyer's request, Seller will address a Reservation Letter to the [SJRWMD/DEP] detailing the specific Credits reserved by Seller. Seller will also provide a similar Reservation Letter to the ACOE if so requested by Buyer or an ACOE agent.

5. Term. This Agreement shall commence upon the Effective Date and shall expire on June 1, 2019 (the "Expiration Date").

6. Deposit. Upon execution of this Agreement, Buyer shall pay to Seller the sum of \$0 (hereinafter the "Deposit"). Unless otherwise indicated, the Deposit shall be applied against the total Purchase Price. The Deposit shall be non-refundable to Buyer unless (a) Seller breaches this Agreement in which event the Deposit shall be fully refundable to Buyer or (b) Buyer terminates this Agreement prior to the issuance of the SJRWMD/DEP permit or ACOE permit if no SJRWMD/DEP permit is required.

7. Payment of Full Purchase Price. Buyer must pay Seller the full Purchase Price prior to the earlier of the following events: (a) the commencement of any land clearing or work activities pursuant to either the SJRWMD/DEP permit or the ACOE permit as having mitigation in place before work begins is generally a requirement of said permits; or (b) expiration of the term of this Agreement. To purchase the Credits, Buyer shall notify Seller of the means of Buyer's payment to Seller. If the Corps permit requires fewer WRAP credits than indicated above, the excess credits reserved but not used shall revert back to the Seller without impact to Purchase Price.

8. Transfer of Credits. Upon Seller's timely receipt of the full Purchase Price for the Credits, Seller shall transfer the purchased Credits to Buyer, and Seller and Buyer shall cooperate in notifying the appropriate governmental agencies that such transfer of the Credits is complete. If Buyer fails to timely pay the Purchase Price for any Credits, then Seller may terminate this Agreement and refuse to transfer any of the Credits to Buyer.

9. Effect of Condemnation or Regulatory Action

a) Condemnation. If the Bank property or any part thereof is involuntarily taken prior to Closing pursuant to eminent domain proceedings, or if such involuntary proceedings are commenced prior to Closing, and as a result Seller determines that it will be unable to transfer the Credits to Buyer at Closing as specified in this Agreement, then Buyer may terminate this Agreement by notifying Seller in writing at any time prior to paying the full Purchase Price. If Buyer elects to

terminate this Agreement as provided in this subsection, neither party shall have any further rights or obligations hereunder, except as expressly provided herein. Seller covenants not to request or consent to any condemnation action that would result in Seller's inability to transfer the Credits to Buyer as specified in this Agreement without Buyer's approval.

- b) Seller Regulatory Action. If Seller is unable to transfer the Credits to Buyer as provided in this Agreement because of the action or order of any regulatory agency, regardless of whether or not Seller has contested or challenged such action or order, Seller may terminate this Agreement by providing written notice to Buyer at any time prior to the Expiration Date. If Seller elects to terminate this Agreement as provided in this subsection, the Deposit shall be refunded to Buyer and neither party shall have any further rights or obligations hereunder, except as expressly provided herein.
- c) Buyer Regulatory Action. If Buyer is prevented by any regulatory agency from acquiring the Credits from Seller as provided in this Agreement, or if Buyer's mitigation plan is not approved by the SJRWMD/DEP or ACOE, Buyer may terminate this Agreement by providing written notice to Seller at any time prior to the Expiration Date, and neither party shall have any further rights or obligations hereunder, except as expressly provided herein.

10. Seller's Representations and Warranties. Seller hereby makes the following representations and warranties:

- a) Authorization, Execution and Delivery. This Agreement has been duly authorized, executed and delivered by all necessary action on the part of Seller, constitutes the binding agreement of Seller and is enforceable in accordance with its terms.
- b) Availability and Reservation of Credits. As of the date of this Agreement, the Seller has enough Credits to satisfy Seller's obligations under this Agreement and such Credits are approved by all requisite governmental agencies. During the period beginning on the Effective Date and ending upon: (i) Expiration Date or (ii) termination of this Agreement prior to the Expiration Date, Seller will not sell, or contract for the sale of, Credits from the Bank in an amount that would cause the Bank's outstanding Credits balance during the term of this Agreement to be less than the number of Credits necessary to satisfy Seller's obligations under this Agreement. Seller shall take all actions reasonably necessary both before and after closing to enforce, defend and maintain the Credits and Buyer's right thereto.
- c) Validity. SJRWMD Permit Number 4-089-88607-1 and ACOE Instrument Number SAJ-2003-640 (IPTL4) (together the "Credit Permits") are valid and in effect as of the date of this Agreement and Seller is in compliance with the requirements of the Credit Permits.

11. Buyer's Representations and Warranties. Buyer hereby makes the following representations and warranties.

- a) Authorization, Execution and Delivery. This Agreement has been duly authorized, executed and delivered by all necessary action on the part of the Buyer, constitutes the valid and binding agreement of the Buyer and is enforceable in accordance with its terms.
- b) In entering into this Agreement, Buyer has not been induced by, and has not relied upon, any representations, warranties or statements, whether express or implied, made by the Seller or any agent, employee or other representative of the Seller, which are not expressly set forth herein.

12. Notices. Any notice required hereunder shall be given in writing and shall be sent by (i) personal delivery, (ii) email transmission in PDF format, or (iii) overnight courier service (with all fees prepaid) to the receiving party as follows:

SELLER: Longleaf Mitigation Development Company, LLC  
1230 Peachtree Street NE  
Suite 3500  
Atlanta, Georgia 30309  
Attn: Allison Katz  
Email: akatz@domaintimberadvisors.com

Copy to:

Bill Schroeder, President  
Mitigation Development Services  
9995 Gate Parkway North, Suite 330  
Jacksonville, FL 32246  
Email: bill@mitigationdev.com

BUYER: Nassau County Board of Commissioners  
96135 Nassau Place, Suite 1  
Yulee, Florida 32097  
Attn: Justin M. Taylor, Chairman, Commissioner District Five  
Michael S. Mullin, County Manager  
Robert T. Companion, Transportation Engineer  
Email: mmullin@nassaucountyfl.com  
rcompanion@nassaucountyfl.com

Notices will be deemed received when delivered if hand delivered or sent via a recognized overnight courier service. If notice is made by email transmission, the notifying party shall request confirmation of receipt from the receiving party; there will be no deemed receipt of email transmission. If the time period or date by which or on which any right or election provided under this Agreement must be exercised, or by which or on which any act required hereunder must be performed, or by which or on which any notice or demand must be given or received, expires or occurs on a Saturday, Sunday or a holiday observed by local, state or Federal governments or state chartered or national banks in the State of Florida, then such time period or date shall be automatically extended through the end of the next day which is not a Saturday, Sunday or such a holiday. Any party sending a notice or other communication by email transmission shall also send

a hard copy of such notice or other communication by one of the other means of providing notice set forth in this section. Any notice or other communication shall be given to such other representative or at such other address as a party to this Agreement may furnish to the other party pursuant to this section.

13. Default and Exclusive Remedies. In the event of Buyer's default hereunder Seller's exclusive remedy shall be to terminate the Agreement and retain the Deposit. In the event of Seller's default hereunder, Buyer's exclusive remedy shall be to terminate the Agreement and receive a refund of any consideration paid by Buyer to Seller. Neither Buyer nor Seller shall have recourse to any other remedies nor shall either party be liable for any consequential, special, punitive and exemplary damages of any nature under this Agreement.

14. Non-Disclosure. Buyer and Seller agree that the pricing and terms of this Agreement are confidential, and that both Buyer and Seller are strictly prohibited from disclosing the pricing and terms of this Agreement.

15. Attorneys' Fees. In connection with any litigation, including pretrial, trial, appellate or bankruptcy or collection proceedings, arising out of, under or relating to this Agreement, or in connection with any action for rescission of this Agreement or for declaratory or injunctive relief, the prevailing party shall be entitled to recover from the other party such prevailing party's actual, reasonable, out-of-pocket costs and reasonable attorneys' and paralegals' fees.

16. Severability. If any provisions of this Agreement are held to be illegal or invalid, the other provisions shall remain in full force and effect.

17. Binding Effect. The obligations and covenants of this Agreement shall bind and benefit the successors, personal representatives, heirs and permitted assigns of the parties hereto.

18. Captions. The captions for each paragraph of this Agreement are for convenience and reference only and in no way define, describe, extend or limit the scope or intent of this Agreement, or the intent of any provision hereof.

19. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be and be taken to be an original, and all collectively but one instrument.

20. Facsimile Signatures. Facsimile signatures of this Agreement shall be deemed binding on all parties.

21. Governing Law; Venue. The laws of the State of Florida shall govern the validity, enforcement, and interpretation of this Agreement. The obligations of the parties are performable, and venue for any legal action arising out of this Agreement, shall lie in Duval County, Florida.

22. Entire Agreement/Amendments. This Agreement constitutes the sole and entire agreement between the parties hereto with respect to the Credits and supersedes all letters of intent, term sheets, letters of interest, understandings, promises, covenants, representations, statements,

agreements and undertakings (whether written or oral), if any, with respect thereto, which may have been given, distributed, furnished or made prior to or contemporaneously with the execution and delivery of this Agreement. This Agreement may not be amended except by written agreement signed by all of the parties.

23. Assignment. Buyer shall not have the right to assign this Agreement except upon Seller's written consent.

24. Waiver. No waiver of any provision or condition of this Agreement by any party shall be valid unless in writing signed by such party. No such waiver shall be taken as a waiver of any other or similar provision or of any future event, act, or default.

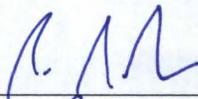
25. Time of the Essence. Time is of the essence of this Agreement and each and every provision hereof.

*[signature page follows]*

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Effective Date.

**SELLER:**

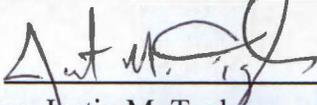
Longleaf Mitigation Development Company, LLC

By:   
Name: Bill Schweda  
Title: Manager

Executed: 4/1, 2019

**BUYER:**

Nassau County Board of County Commissioners

By:   
Name: Justin M. Taylor  
Title: Chairman

Executed: March 20, 2019