

TERMINATION
OF
GROUND LEASE AND DEVELOPMENT AGREEMENT
WITH OPTION TO PURCHASE

THIS TERMINATION OF GROUND LEASE AND DEVELOPMENT AGREEMENT WITH OPTION TO PURCHASE ("Termination Agreement") is entered into as of the 5th day of June, 2008, by and between 601 Fremont, LLC, a Nevada Limited Liability Company ("Developer"), and the City of Las Vegas, a municipal corporation in the State of Nevada ("City"), and terminates that certain Ground Lease and Development Agreement with Option to Purchase dated July 20, 2005 (the "Original Agreement"), as amended by that certain First Amendment to Ground Lease and Development Agreement with Option to Purchase dated March 21, 2006, as amended by that certain Second Amendment to Ground Lease and Development Agreement with Option to Purchase dated July 11, 2007 (the Original Agreement and said Amendments thereto referred to collectively herein as the "Agreement"). The "Effective Date" of this Termination Agreement shall be on date of approval by the City Council of the City of Las Vegas.

WITNESSETH:

WHEREAS, the City owns certain improved real property comprising approximately eighteen thousand nine hundred sixteen (18,916) square feet ("Improved Land"), which Improved Land is improved with a three story building comprising approximately forty eight thousand seven hundred fifty (48,750) square feet, (the "Building" and together with the Improved Land shall be referred to as the "Entertainment Site") (the Entertainment Site is depicted as "A" on the Site Depiction in Exhibit "A" and described more particularly in Exhibit "B-1" ("Entertainment Site Legal Description"), which are attached to this Termination Agreement and by this reference incorporated herein); and

WHEREAS, the City owns certain unimproved real property located contiguous to the Entertainment Site and comprising approximately thirty five thousand twenty-seven (35,027) square feet (the "Adjacent Site"), as depicted as "B" on the Site Depiction, and more particularly described in Exhibit "B-2" ("Adjacent Site Legal Description"), which is attached to this Termination Agreement and by this reference incorporated herein. The Entertainment Site and the Adjacent Site collectively shall be known as the "Total Site" as described more particularly in Exhibit "B" ("Total Site Legal Description"), which is attached to this Termination Agreement and by this reference incorporated herein ; and

WHEREAS, the City and the Developer desire to terminate the current lease of the Entertainment Site from the City to the Developer as set forth in the Agreement (the "Entertainment Site Lease"), subject to the terms and conditions set forth in this Termination Agreement; and

WHEREAS, the City and the Developer desire to terminate the current lease of the Adjacent Site from the City to the Developer as set forth in the Agreement (the “Adjacent Site Lease”), subject to the terms and conditions in this Termination Agreement; and

WHEREAS, the City also desires to rescind the purchase option to the Developer for the purchase and development of the Entertainment Site as set forth in the Agreement (“Entertainment Site Option”), and the Developer desires to surrender the Entertainment Site Option, subject to the terms and conditions set forth in this Termination Agreement; and

WHEREAS, the City also desires to rescind the purchase option to the Developer for the purchase and development of the Adjacent Site as set forth in the Agreement (“Adjacent Site Option”), which was subject to Developer exercising the Entertainment Site Option and the Developer desires to surrender the Adjacent Site Option, subject to the terms and conditions set forth in this Termination Agreement; and

WHEREAS, the parties desire to terminate the parking rights and pre-development rights on the Total Site as set forth in the Agreement (collectively, the “Rights”); and

WHEREAS, the parties desire to set forth in this Termination Agreement the terms and conditions for the termination of the Agreement, including without limitation, the Entertainment Site Lease, the Adjacent Site Lease, the Entertainment Site Option, the Adjacent Site Option and the Rights.

NOW, THEREFORE, in consideration of the foregoing and of the covenants and conditions contained herein, the parties agree as follows:

1. PURPOSE OF TERMINATION AGREEMENT

The purpose of this Termination Agreement is to terminate the Agreement, including without limitation, the Entertainment Site Lease, the Adjacent Site Lease, the Entertainment Site Option, the Adjacent Site Option and the Rights.

2. THE TOTAL SITE

The Total Site consists of approximately 1.24 acres, more or less, and is depicted generally in the Site Depiction, which is attached hereto as Exhibit “A” and which is more particularly described in the Total Site Legal Description, which is attached hereto as Exhibit “B”. The Total Site includes the Entertainment Site and the Adjacent Site, as defined below.

As set forth in the Recitals, the Entertainment Site consists of approximately 18,916 square feet, is depicted generally as “A” on the Site Depiction, and is described more particularly in the Entertainment Site Legal Description, in Exhibit “B-1”.

As set forth in the Recitals, the Adjacent Site, consists of approximately 35,027 square feet, is depicted generally as “B” on the Site Depiction, and is described more particularly in the Adjacent Site Legal Description, in Exhibit “B-2”.

3. PARTIES TO THE AGREEMENT

(a) The City is a municipal corporation of the State of Nevada. The office of City is located at 400 Stewart Avenue, Las Vegas, Nevada 89101, Attention: Office of Business Development.

(b) The Developer is 601 Fremont, LLC, a Nevada Limited Liability company. The principal office of the Developer is located at 425 North Federal Highway, Hallendale, Florida 33009. Wherever the term "Developer" is used herein, such term shall include any permitted nominee, assignee or successor in interest as herein provided, including any development entity controlled by the Developer.

4. TERMINATION

(a) The City and the Developer agree that as of the Effective Date, the Agreement shall be terminated and of no further force and effect and neither party shall have any further liability to the other thereunder notwithstanding any provision to the contrary set forth in the Agreement. Except for Sections 6 and 10 (a) of this Agreement, the City acknowledges and agrees that no further payments shall be due to the City by the Developer pursuant to the Agreement notwithstanding any provision to the contrary set forth in the Agreement.

(b) The City and the Developer agree that as of the Effective Date, the Entertainment Site Lease, together with any other rights, privileges, easements and appurtenances belonging or in any way pertaining to the Entertainment Site and the buildings and other improvements erected thereon, shall be terminated and of no further force and effect, the Developer shall have no further right to conduct any activities on the Entertainment Site, and neither party shall have any further liability to the other with respect thereto notwithstanding any provision to the contrary set forth in the Agreement. Except for Sections 6 and 10 (a) of this Agreement, the City acknowledges and agrees that no further payments for rent or otherwise shall be due to the City by the Developer pursuant to the Entertainment Site Lease notwithstanding any provision to the contrary set forth in the Agreement.

(c) The City and the Developer agree that as of the Effective Date, the Adjacent Site Lease, together with any other rights, privileges, easements and appurtenances belonging or in any way pertaining to the Adjacent Site and any improvements erected thereon, shall be terminated and of no further force and effect, the Developer shall have no further liability to the other with respect thereto notwithstanding any provision to the contrary set forth in the Agreement. Except for Sections 6 and 10 (a) of this Agreement, the City acknowledges and agrees that no further payments for rent or otherwise shall be due the City by the Developer pursuant to the Adjacent Site Lease notwithstanding any provision to the contrary set forth in the Agreement.

(d) The Developer shall terminate all subordinate leases affecting the Entertainment Site and the Adjacent Site, together with any buildings, other improvements erected and together with all rights, privileges, easements and appurtenances belonging or in any

way pertaining to the Total Site prior to or upon the Effective Date. The City agrees to forfeit any rents which are still due and owing from the subordinate leases on the Effective Date.

(e) The City and the Developer agree that as of the Effective Date, the Entertainment Site Option shall be terminated and of no further force and effect, the Developer shall have no further right to acquire the Entertainment Site pursuant to the Agreement, and neither party shall have any further liability to the other with respect thereto notwithstanding any provision to the contrary set forth in the Agreement.

(f) The City and the Developer agree that as of the Effective Date, the Adjacent Site Option shall be terminated and of no further force and effect, the Developer shall have no further right to acquire the Adjacent Site pursuant to the Agreement, and neither party shall have any further liability to the other with respect thereto notwithstanding any provision to the contrary set forth in the Agreement.

(g) The City and the Developer agree that as of the Effective Date, the Rights shall be terminated and of no further force and effect, and neither party shall have any further liability to the other with respect thereto notwithstanding any provision to the contrary set forth in the Agreement.

5. LEASE DEPOSITS FOR ENTERTAINMENT SITE AND ADJACENT SITE

The Entertainment Site Deposit and the Adjacent Site Deposit (as such terms are defined in the Agreement) which are held in escrow with First American Title and Chicago Title, respectively, shall be released to the City on the Effective Date. Any applicable interest accrued from either the Entertainment Site Deposit and the Adjacent Site Deposit shall also be released to the City on the Effective Date.

6. SURVIVING OBLIGATIONS

(a) Developer shall leave the Total Site in a neat, orderly, secure and safe condition but shall have no obligation to leave the Total Site in any better condition than existed before Developer took possession with an allowance for normal wear and tear. Developer covenants and agrees to pay in full for all materials joined or affixed to the Total Site and to pay in full all persons who perform labor upon the Total Site, and not to permit or suffer any mechanic's or materialman's lien of any kind or nature to be enforced against the Total Site for any work done or materials furnished thereon at the instance or request or on behalf of Developer; and Developer agrees to indemnify, hold harmless and defend (with counsel acceptable to City) the City, its affiliates, its officers, agents, servants and employees against and from any and all liens, claims, demands, costs and expenses of whatsoever nature in any way connected with or growing out of such work done, labor performed or materials furnished prior to and upon the Effective Date.

(b) Developer agrees to indemnify, hold harmless and defend the City, its affiliates, its officers, agents and employees against and from any and all claims, demands, suits,



costs and expenses of whatsoever nature in any way connected with or growing out of the subordinate leases affecting the Entertainment Site and the Adjacent Site.

7. REPRESENTATIONS AND WARRANTIES

(a) Representations and Warranties by City. City represents and warrants that as of the date hereof and the Effective Date:

(i) City of Las Vegas is a municipal corporation of the State of Nevada.

(ii) City has all requisite power and authority to enter into and perform its obligations under this Termination Agreement.

(iii) By proper action of City, City's signatories have been duly authorized to execute and deliver this Termination Agreement.

(iv) The execution of this Termination Agreement by City does not violate any provision of any other agreement to which City is a party.

As used in this Termination Agreement, the term "City's actual knowledge" or words of similar import means the actual knowledge of the City Manager and/or the Director of the Office of Business Development.

(b) Representations and Warranties of the Developer

The Developer represents and warrants to City that as of the date hereof and the Effective Date:

(i) The Developer is a limited liability company duly organized and existing under the laws of the State of Nevada.

(ii) The Developer has all requisite power and authority to carry out business as now and whenever conducted and to enter into and perform its obligations under this Termination Agreement.

(iii) By proper action of the Developer, the Developer's signatories have been duly authorized to execute and deliver this Termination Agreement.

(iv) The execution of this Termination Agreement by the Developer does not violate any provision of any other agreement to which the Developer is a party.

(v) There are no legal actions, suits or proceedings pending or, to the Developer's actual knowledge, threatened before any judicial body or any governmental or quasi-governmental authority against the Total Site (or any portion thereof) or against Developer

which would inhibit Developer's ability to perform its obligations under this Termination Agreement.

8. ESCROW CANCELLATION

(a) City and the Developer agree to cancel the following existing escrows:

(i) The Entertainment Site Deposit escrow with First American title, Escrow #152508-ALK, Escrow Officer Amy Klinzing, 3960 Howard Hughes Parkway, Las Vegas, Nevada 89169; and

(ii) The Adjacent Site Deposit escrow with Chicago Title, Escrow# 05127773-079-TL, Escrow Officer Tina Lucero, 3980 Howard Hughes Parkway, Las Vegas, Nevada 89169 (the Entertainment Site escrow and the Adjacent Site escrow shall be referred to individually as "Escrow" and the respective title companies shall be referred to individually as "Escrow Agent"), in Clark County, Nevada, within five (5) days after the Effective Date. This Termination Agreement constitutes the joint escrow cancellation instructions of City and the Developer, and a fully executed copy of the Termination Agreement shall be delivered to the Escrow Agent upon execution by the City of Las Vegas. City and the Developer shall provide such additional escrow cancellation instructions as shall be reasonably necessary and consistent with this Termination Agreement. The Escrow Agent is hereby empowered to act under this Termination Agreement, and, upon indicating its acceptance of the provisions of this Section 8 in writing, shall carry out its duties as Escrow Agent hereunder.

The Escrow Agent shall deduct the escrow fee from the deposit monies held in escrow.

(b) The Escrow Agent is authorized and instructed to disburse funds and other documents to the parties entitled thereto when the conditions of this escrow cancellation have been fulfilled by City and the Developer.

(c) Any amendment of these escrow instructions shall be in writing and signed by both City and the Developer. At the time of any amendment, the Escrow Agent shall agree to carry out its duties as Escrow Agent under such amendment. All communications from the Escrow Agent to City or the Developer shall be directed to the addresses and in the manner established in Section 15 of this Agreement for notices, demands and communications between City and the Developer.

9. TAXES, ASSESSMENTS, ENCUMBRANCES AND LIENS

(a) The Developer shall not place or allow to be placed on the Total Site (or any portion thereof) any encumbrance or lien.

(i) The City shall be responsible for the payment of all real estate taxes and assessments, if any, assessed and levied on the Total Site (or any portion thereof) for any period subsequent to the Effective Date of the Termination Agreement.

10. SPECIAL IMPROVEMENT DISTRICTS

(a) The Developer shall be responsible and pay the pro rata portion of the payment attributable to the Total Site for Special Improvement District 1506 and Special Improvement District 1516 for any period subsequent to twelve (12) months after the Effective Date of the Agreement and preceding the Effective Date of the Termination Agreement. Within thirty (30) days of the Effective Date, the City will send an invoice to the Developer for the Developer's share of any payments attributable to the Total Site for Special Improvement District 1506 and Special Improvement District 1516 for the year 2008, using the 2007 payment amount(s) as a basis for the proration. The Developer shall pay the invoice within thirty (30) days of receipt. Either party can request the payments be re-prorated once the 2008 payment amount(s) is/are available for the Total Site and in the event the re-proration shows that the Developer owes the City additional monies or that the City owes a refund to the Developer, the applicable amount shall be paid to the applicable party within thirty (30) days of request therefore.

(b) The City shall be responsible for and pay the pro rata portion of the payment attributable to the Total Site for Special Improvement District 1506 and Special Improvement District 1516 for any period subsequent to the Effective Date of the Termination Agreement.

(i) The City shall reimburse the Developer for all special improvement district payments paid in advance that effectively accrue subsequent to the Effective Date of the Termination Agreement.

11. RESERVED

12. TIME OF ESSENCE

Time is of the essence of this Termination Agreement and every obligation hereunder.

13. RESERVED

14. NONLIABILITY OF CITY OFFICIALS AND EMPLOYEES

No official or employee of the City shall be personally liable to the Developer for any default or breach by City, for any amount which may become due to the Developer or for any obligation of City under the terms of this Termination Agreement.

15. NOTICES, DEMANDS AND COMMUNICATIONS

Formal notices, demands and communications between City and the Developer shall be sufficiently given if made in writing and dispatched by a nationally-recognized overnight delivery service or by personal delivery, to the principal offices of City and the Developer as set forth in this Section 15. Such written notices, demands and communications may be sent in the same manner to such other addresses as either party may from time to time designate in writing.

If to City: City of Las Vegas
Office of Business Development
400 Stewart Avenue
Las Vegas, Nevada 89101
Attention: Director

With a copy to: City Attorney's Office
City of Las Vegas
400 Stewart Avenue
Las Vegas, Nevada 89101

If to the Developer: 601 Fremont, LLC
c/o Sunvest Communities, LLC
425 North Federal Highway
Hallendale, FL 33020
Attention: Louis Birdman

With a copy to: Rice Silbey Reuther & Sullivan, LLP
3960 Howard Hughes Parkway, Suite 700
Las Vegas, NV 89109
Attn: Stephen M. Sullivan

16. ENTIRE AGREEMENT, WAIVERS AND AMENDMENTS

This Termination Agreement is executed in three duplicate originals, each of which is deemed to be an original. This includes Exhibits A, B, B-1 and B-2 attached hereto and incorporated herein by reference, all of which constitute the entire understanding and agreement of the parties.

This Termination Agreement integrates all of the terms and conditions mentioned herein or incidental hereto, and supersedes all negotiations or previous agreements between the parties with respect to all or any part of the subject matter hereof.

All waivers of the provisions of this Termination Agreement must be in writing and signed by the appropriate authorities of City and the Developer and no waiver of one provision shall be construed as a waiver of that provision in the future or as a waiver of any other provision.

All amendments hereto must be in writing and signed by the appropriate authorities of City and the Developer.

17. SEVERABILITY

Whenever possible, each provision of this Termination Agreement shall be interpreted in such a manner as to be valid under applicable law, but if any provision shall be invalidated, it shall be deemed to be severed from this Termination Agreement and the remaining provisions shall remain in full force and effect.

18. GOVERNING LAW

The interpretation and enforcement of this Termination Agreement shall be governed in all respects by the laws of the State of Nevada.

19. CAPTIONS

The captions contained in this Termination Agreement are for the convenience of the parties and shall not be construed so as to alter the meaning of the provisions of the Termination Agreement.

20. ATTORNEY FEES

If any action or proceeding is instituted between the City and Developer arising from or related to or with this Termination Agreement, each party shall bear their own costs and attorneys fees.

21. COUNTERPARTS

This Termination Agreement may be signed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same Termination Agreement.

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22. **TIME FOR ACCEPTANCE OF AGREEMENT BY CITY**

This Agreement has been approved on June 4th, 2008 by the Las Vegas City Council. The effective date of this Agreement shall be the date when this Agreement has been approved by the City Council of the City ("Effective Date").


Date of City Approval:

CITY OF LAS VEGAS


6/4, 2008

By: 
Oscar B. Goodman, Mayor
"CITY"

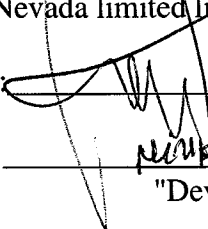
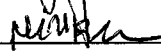
APPROVED AS TO FORM:

 5/21/08
Date

ATTEST:


BEVERLY K. BRIDGES, CMC,
City Clerk
June 10, 2008

601 FREMONT, LLC
a Nevada limited liability company

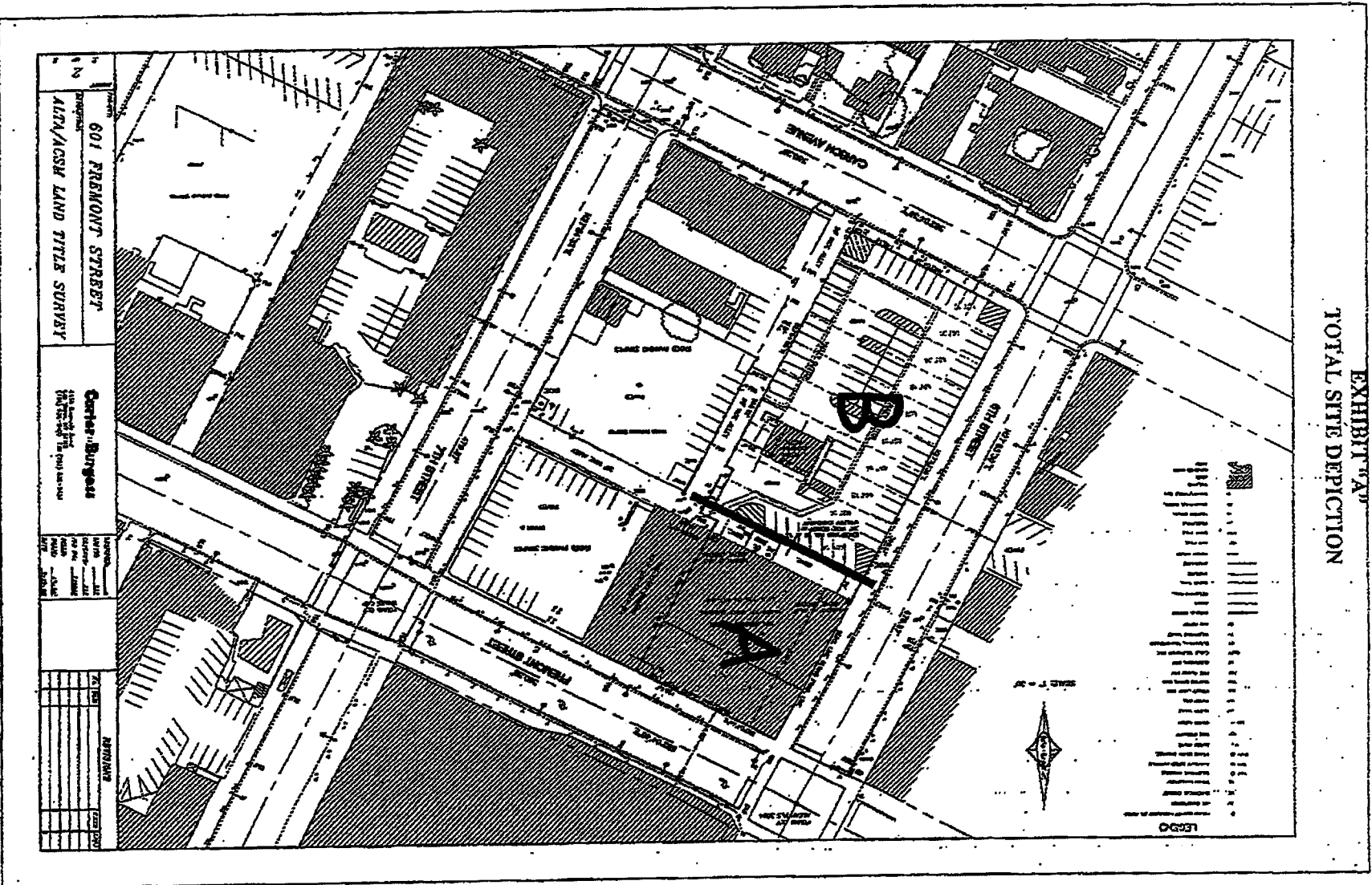
By: 
Its: 
"Developer"

LIST OF EXHIBITS

- EXHIBIT "A" TOTAL SITE DEPICTION
- EXHIBIT "B" TOTAL SITE LEGAL DESCRIPTION
- EXHIBIT "B-1" ENTERTAINMENT SITE LEGAL DESCRIPTION
- EXHIBIT "B-2" ADJACENT SITE LEGAL DESCRIPTION



EXHIBIT "A"
TOTAL SITE DEPICTION



Handwritten signature or initials

Exhibit "B"
Total Site Legal Description

APN #139-34-611-018

Lots One (1) through Five (5) inclusive and Lots Thirteen (13) through Twenty-two (22) inclusive in Block Six (6) of HAWKINS ADDITION TO THE CITY OF LAS VEGAS, as shown by map thereof on file in Book 1 of Plats, Page 40, in the County Recorder of Clark County, Nevada.

TOGETHER, with those portions of vacated alley as disclosed by that certain "Order of Vacation" recorded in Book 48 of Official Records, as Document No. 038243.

Commonly known as 601 Fremont Street, Las Vegas, Nevada.



Exhibit "B-1"
Entertainment Site Legal Description

APN #139-34-611-018

Lots One (1) through Five (5) inclusive in Block Six (6) of HAWKINS ADDITION TO THE CITY OF LAS VEGAS, as shown by map thereof on file in Book 1 of Plats, Page 40, in the County Recorder of Clark County, Nevada.

TOGETHER, with those portions of vacated alley as disclosed by that certain "Order of Vacation" recorded in Book 48 of Official Records, as Document No. 038243.

Commonly known as 601 Fremont Street, Las Vegas, Nevada.



Exhibit "B-2"
Adjacent Site Legal Description

APN #139-34-611-018

Lots Thirteen (13) through Twenty-two (22) inclusive in Block Six (6) of HAWKINS
ADDITION TO THE CITY OF LAS VEGAS, as shown by map thereof on file in Book 1 of
Plats, Page 40, in the County Recorder of Clark County, Nevada.

Commonly known as 601 Fremont Street, Las Vegas, Nevada.

