

MB Mixed Use Investment, LLC

3310 Mary Street
Suite 302
Miami, Florida 33133

VIA UPS OVERNIGHT
November 16, 2023

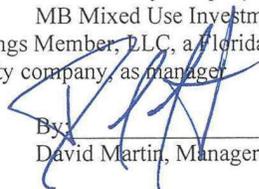
City Manager
City of Miami Beach, Florida
1700 Convention Center Drive, 4th Floor
Miami Beach, Florida 33139

Re: Development and Ground Lease Agreement (the "Lease") by and between the CITY OF MIAMI BEACH, FLORIDA, a municipal corporation (the "City") and MB MIXED USE INVESTMENT, LLC, a Florida limited liability company (the "Lessee"); capitalized terms not defined in this letter shall have the meanings ascribed such terms in the Lease

Dear City Manager,

Economic and political conditions and events have materially impaired access to financing markets by developers for development of projects in the United States similar to the Hotel Project. Despite our diligent efforts to obtain financing, such conditions are delaying, hindering and preventing Lessee's ability to obtain a Construction Loan Commitment for the full construction cost of the Hotel Project, which as a result of current economic conditions has increased to nearly \$600 Million. Lessee remains fully committed to commence construction and complete the Hotel Project, and Lessee has in fact already invested more than \$20 Million of its own equity to make the site shovel ready for the commencement of vertical construction as soon as suitable financing has been obtained. Therefore, while we are hoping that the current liquidity crisis will not significantly delay obtaining a Construction Loan Commitment for the full construction cost of the Hotel Project, Lessee must notify the City of a claim of any Economic Force Majeure Event within twenty-one (21) days or forever forfeit the right to make such claim. Therefore, in accordance with the requirements of the Lease, Lessee hereby notifies the City that Lessee is asserting an Economic Force Majeure Event due to such conditions. Lessee shall diligently attempt to resolve or otherwise mitigate such delay, shall diligently attempt to remove, resolve, or otherwise seek to mitigate such delay and will keep the City advised with respect thereto.

Sincerely,
MB MIXED USE INVESTMENT, LLC, a
Florida limited liability company
By: MB Mixed Use Investment
Holdings Member, LLC, a Florida limited
liability company, as manager

By: 
David Martin, Manager

cc: City Attorney
City of Miami Beach, Florida
1700 Convention Center Drive, 4th Floor
Miami Beach, Florida 33139