

**TAX CERTIFICATE
SALE/PURCHASE AGREEMENT**

By and Between

**CUYAHOGA COUNTY, OHIO,
as Seller**

And

**Woods Cove II, LLC
as Purchaser**

And

**Axis Capital Management, Inc.
As Servicer**

Dated as of April 20, 2012

Closing Date: May 31, 2012

**TAX CERTIFICATE
SALE/PURCHASE AGREEMENT**

THIS TAX CERTIFICATE SALE/PURCHASE AGREEMENT (herein this “Agreement”) is dated as of April 20, 2012(the “Effective Date”) by and between the County of Cuyahoga, Ohio (the “County” or “Seller”), through its Treasurer (the “Treasurer”), Woods Cove II LLC, its successors, affiliates, agents, and assigns, (the “Purchaser” or “Buyer”), and Axis Capital Management, Inc. its successors, affiliates, agents, and assigns (the “Servicer”). All capitalized, undefined terms used herein shall have the meanings ascribed to them in Article I hereof.

WITNESSETH:

WHEREAS, the Seller desires to assign, transfer, sell and convey to the Purchaser and the Purchaser desires to acquire by assignment, transfer, sale and conveyance rights with respect to the Sold Tax Liens, as defined herein, through the sale of certificates (“Tax Certificates”), all subject to the terms and conditions set forth in this Agreement and pursuant to Ohio Revised Code Sections 5721.30 to 5721.43.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained in this Agreement, the sufficiency of which is hereby expressly acknowledged by the parties, and intending to be legally bound, the Seller and the Purchaser covenant and agree as follows:

**ARTICLE I
DEFINITIONS**

Section 1.1.Definitions.The following terms will have the meanings specified below unless the context clearly requires otherwise:

“**Adjustments**” means amounts, as determined by the Treasurer, as necessary to reconcile or correct errors with respect to the Sold Tax Liens, including payments and interest.

“**Agreement**” means this Tax Certificate Sale/Purchase Agreement, as amended or supplemented in accordance with the provisions hereof.

“**Aggregate Tax**” means, with respect to any Sold Tax Lien, the full amount of tax due (as defined by the Ohio Revised Code), including the full amount of delinquent taxes charged against a certificate parcel at the time the tax certificate respecting that parcel is sold or transferred plus interest accrued plus any additional interest, fees, charges or penalties allowed by the Statutes and assignable pursuant to the Act. The Aggregate Tax will serve as the basis for calculation of the Purchase Price.

“Business Day” means a day of the year on which the County’s administrative offices are not required or authorized to be closed for business; any reference to “day” or “days” shall mean a Business Day.

“Certificate Parcel” means a parcel of delinquent land, as such term is defined in Ohio Revised Code Section 5721.01(A)(1).

“Certificate Purchase Price” means, with respect to the sale of tax certificates under sections 5721.32, 5721.33, and 5721.42 of the Revised Code, the Aggregate Tax, not including any delinquent taxes the lien for which has been conveyed to a certificate holder through a prior sale of a tax certificate respecting that parcel. Certificate Purchase Price also includes the amount of the Administrative Fee charged by the county treasurer to the purchaser of the certificate.

“Certificate Redemption Price” means the Certificate Purchase Price plus any applicable Noticing costs due and owing and collected by the treasurer pursuant to this Agreement, plus the greater of the following:

- (a) Simple interest, at the certificate rate of interest, accruing during the certificate interest period on the certificate purchase price, calculated in accordance with section 5721.41 of the Revised Code; or
- (b) Six per cent of the certificate purchase price.

“Closing Date” means, with respect to the Sold Tax Liens, May 31, 2012.

“County” means Cuyahoga County, Ohio, a county and political subdivision in and of the State.

“Excluded Liens” means the Tax Liens for any Tax Year with respect to which (a) there is a County Payment Plan, (b) the Record Taxpayer has filed a claim in bankruptcy, (c) an application for exemption from real property taxation for the Certificate Parcel has been filed and is pending, (d) the Certificate Parcel is designated by a municipality for inclusion in its land bank, (e) the Certificate Parcel is considered forfeited land or is exempt from taxation, (f) Intentionally Deleted (g) the record owner of a Certificate Parcel qualifies under O.R.C. Section 323.122 for an extension of payment of real property taxes, (h) the Certificate Parcel has been fully redeemed and the Tax Lien has been satisfied on or prior to the Closing Date, (i) the Certificate Parcel is subject to an environmental lien or enforcement action, (j) the Certificate Parcel has become subject to a tax foreclosure action or administrative tax deed procedure by the County for the same taxes sold to Purchaser, (k) the period of time in which such Tax Lien remains enforceable under law shall have expired, (l) it is reasonably determined by the Purchaser that the County is for any reason not lawfully entitled to sell such Tax Lien, interest has not lawfully accrued on such Tax Lien, or the Purchaser is not entitled to enforce the collection of such Tax Lien through a foreclosure action,

(m) the Certificate Parcel becomes subject to a condemnation action or demolition lien filed by the County of Cuyahoga, Ohio, or any city or any other governmental agency within 24 months of the closing date, or (n) the County of Cuyahoga, Ohio, or any city or any other governmental agency has acquired title to the Certificate Parcel.

“Financial Institution” means a bank, insurance company, credit union, investment trust or other organization or their respective successors held out to the public as a place of deposit of funds, medium of savings, or the granting of credit and lending of money.

“Fiscal Officer” means the Fiscal Officer of the County.

“Notice of Intent to Foreclose” means the notice of intent to foreclose filed pursuant to Chapter 5721 of the Ohio Revised Code. The period of time for which Purchaser's attorney may file a complaint to foreclose on the Tax Certificate shall be one hundred and eighty (180) days after the Notice of Intent to Foreclose is certified by the Treasurer. When a request for foreclosure or a notice of intent to foreclose is filed, the certificate holder shall submit a payment to the County Treasurer for any taxes, assessments, penalties, interest, and charges appearing on the tax duplicate charged against the certificate parcel.

“Payment Plans” mean collectively, Redemption Payment Plans and Purchaser Payment Plans.

“Purchaser Payment Plan” means a plan to pay in installments real estate taxes, interest, costs, penalties and other charges due and payable with respect to a parcel of real property in the County entered into between the Purchaser and a Record Taxpayer pursuant to Ohio Revised Code Section 5721.38(C)(2) after the 1 year period has elapsed following the transfer of the related Sold Tax Lien to the Purchaser and prior to the entry of a Decree of Foreclosure on the Certificate Parcel, which Payment Plan is administered by the Servicer.

“Purchase Price” means an amount not to exceed \$13,214,970.23, as reasonably determined by the Seller and the Buyer to be the Aggregate Tax value of the Sold Tax Liens as of the Closing Date, less any Adjustments; the Purchase Price shall be paid by Buyer to Seller in accordance with Section 2.2, below.“”

“Record Taxpayer” means the taxpayer of record with respect to the parcels identified at Schedule A.

“Redeemed Tax Lien” means a Tax Lien redeemed by the Record Taxpayer on or prior to the Closing Date pursuant to statute through payment in full. A Redeemed Tax Lien shall not be a Sold Tax Lien for purposes of calculating the Purchase Price.

“Redemption Payment” means payment of all or part of the Tax Lien.

“Redemption Payment Plan” means a plan to pay in installments the Certificate Redemption Price due and payable with respect to a Tax Certificate, which is entered into between the Treasurer and the property owner or interested party pursuant to Ohio Revised Code Section 5721.38(C)(1) with respect to any Tax Lien after its transfer to the Purchaser, for up to 1 year without the Purchaser's approval.

“Schedule A” means the list of all Tax Liens to be offered by the County for sale and the corresponding Aggregate Tax.

“Schedule B” means the Tax Liens on Schedule A that are Sold Tax Liens as of the Closing Date; Schedule B shall be finalized between the Effective Date and the Closing Date and attached to this Agreement on the Closing Date.

“Seller” means the County of Cuyahoga, in the State of Ohio.

“Servicer” means Axis Capital Management, Inc., LienManager® Portfolio Services Division.

“Sheriff” means the Sheriff of the County of Cuyahoga, in the State of Ohio.

“Sold Tax Liens” means the Tax Liens identified by Seller as of the Closing date that are capable of being purchased by Purchaser and which are purchased by Purchaser, in its sole discretion, pursuant to the terms of this Agreement on the Closing Date. Sold Tax Liens shall not include Excluded Liens or Redeemed Tax Liens.

“State” means the State of Ohio.

“Subsequent Liens” means the Tax Certificates evidencing the Tax Liens for future delinquent taxes with respect to the Certificate Parcel which have been transferred to the Purchaser pursuant to this Agreement, and which shall bear interest at eighteen percent (18.00%) per annum calculated as simple interest in accordance with the provisions of Ohio Revised Code.

“Tax Certificate” means a document, issued as a physical certificate, in book-entry form, or through an electronic medium at the direction of the Seller containing the information required by Ohio Revised Code Section 5721.31 and prepared, transferred or redeemed in the manner prescribed by Ohio Revised Code Sections 5721.30 to 5721.41. The Tax Certificate shall be valid for a period of three (3) years.

“Tax Certificate Rate of Interest” means eighteen percent (18%) per

annum calculated as simple interest in accordance with the provisions of Ohio Revised Code 5721.41.

“Taxing District” means any political subdivision of the State or other governmental district of the State having authority to levy taxes on the property in the district or issue bonds that constitute a charge against the property taxes of the district.

“Tax Lien” means the first lien held by the State and its Taxing Districts under Ohio Revised Code Section 5721.10, as further described in Ohio Revised Code Section 5721.35(A) and as evidenced for purposes of this Agreement by a Tax Certificate.

“Tax Lien Portfolio” means those Tax Liens identified on in Schedule A.

“Tax Year” or **“tax year”** means the calendar year during which a real estate tax becomes due and owing.

“Treasurer's Fee” means with respect to each Tax Certificate, the fee authorized by and described in Ohio Revised Code Section 5721.33(J), which shall be \$250.00 for each Tax Lien sold pursuant to this Agreement.

ARTICLE II

PURCHASE AND SALE OF LIENS; TERM OF AGREEMENT

Section 2.1 Agreement to Purchase Tax Liens. Subject to the terms and conditions of this Agreement and pursuant to Ohio Revised Code Sections 5721.30 to 5721.43, the Seller hereby agrees to transfer, sell, assign and convey to the Purchaser the Sold Tax Liens on the Closing Date, without recourse, representation or warranty, except as expressly provided herein; and the Purchaser hereby agrees to purchase the Sold Tax Liens on the Closing Date, without recourse, representation or warranty, except as expressly provided herein, all right, title and interest of the State and its applicable Taxing Districts in and to the Sold Tax Liens, such sale to be evidenced by the issuance of Tax Certificates. The Seller agrees, to the fullest extent allowed by Ohio Revised Code Sections 5721.30 to 5721.43, or any other applicable law, to sell and transfer to the Purchaser all collection rights and remedies available to the Seller, including, without limitation, the right to foreclose any Sold Tax Lien.

Section 2.2 Purchase Price. In consideration for the transfer and sale of the Tax Lien Portfolio by the Seller to the Purchaser, the Purchaser shall pay the Purchaser Price to the Seller, no later than 4:30 p.m. eastern time on the Closing Date, provided that Purchaser may elect to pay the Purchase Price as follows:

- A. 50% of the Purchase Price may be paid to Seller on the Closing Date in immediately available funds, to be deposited in accordance with the written

deposit instructions which the Seller shall provide to the Purchaser; and

- B. 50% of the Purchase Price may be paid to Seller on the Closing Date in the form of a promissory note, in the form of attached Exhibit 1, which note shall have a maturity date of July 31, 2012 (the "Note"); at maturity, payment on the Note shall be in immediately available funds, to be deposited in accordance with the written deposit instructions provided by Seller to Purchaser.

Section 2.3 Purchase of Subsequent Liens.

- A. For those Subsequent Liens the Purchaser decides to purchase, the Purchaser agrees to purchase from the Seller and Seller agrees to transfer, sell, assign and convey to Purchaser, in both cases without recourse, representation or warranty, except as expressly provided herein, all right, title and interest of the State and its applicable Taxing Districts in Subsequent Liens, except for Subsequent Liens that constitute Excluded Liens, that may arise after the purchase of the Tax Lien Portfolio, upon the same terms and related pooled pricing as contained in the instant Agreement.
- B. Purchaser shall notify Seller of intent to purchase each such Subsequent Lien by the fifteenth (15th) day of the month for purchase on the last business day of the month. No Subsequent Liens will be sold during the months of December, January, June and July.
- C. The purchase of all subsequent liens at par value plus administrative fees is required for the first year following the purchase of the base certificate unless the property is subject to a Redemption Payment Plan, the Certificate Parcel is condemned, the Certificate Parcel is subject to a pending bankruptcy, or the subsequent lien is greater than 150% of the base certificate. The County will give notice when Subsequent Liens are available for purchase. Subsequent Liens must be purchased within 30 days from the County's notice.

Section 2.4 Term of Agreement. The term of this Agreement shall commence on the Effective Date and shall terminate on the later of the date on which all of the Sold Tax Liens acquired by Purchase pursuant to this Agreement are either: a) redeemed by the Record Taxpayer in accordance with Article III hereof; b) repurchased by Seller in accordance with Article IV hereof; or c) foreclosed in accordance with Article VIII or Article IX hereof.

ARTICLE III **Servicing**

Section 3.1 Payment Plans. Purchaser, via the Servicer, shall permit the Record Taxpayer or other interested party to enter into a Redemption Payment Plan for the redemption of the Tax Certificate with a duration of at least one (1) year at any time after the first year following the purchase of the Tax Certificate and prior

to the entry of a Decree of Foreclosure with respect to the Certificate Parcel, and for which, the Purchaser, via the Servicer will charge an administration fee not to exceed \$100 per year. No Redemption Payment Plan may be initiated after the first year following the sale of the Tax Certificate without the approval of the Purchaser and Servicer. Neither the Purchaser nor the Servicer shall file a statutory Notice of Intent to Foreclose against any Tax Certificates while the Record Taxpayer is making timely installment payments in accordance with the Redemption Payment Plan and has not defaulted on such plan. The Purchaser, via the Servicer, may at any time, by written notice to the Treasurer, agree to accept installments collected to the date of notice as payment in full. Receipt of such notice by the Treasurer shall constitute satisfaction of the Payment Plan and Redemption of the Tax Certificate.

Section 3.2 Notice. Purchaser, via the Servicer, shall notify each Record Taxpayer after thirty (30) days but before ninety (90) days following the Closing Date and every ninety (90) days thereafter until: i) the Tax Certificate has been redeemed, ii) the Record Taxpayer or interested party has entered into a Redemption Payment Plan, or iii) the Purchaser, via the Servicer, has filed a Notice of Intent to Foreclose. The notice shall be in a form approved by the Seller and shall include the amount due on the Tax Certificate and payment options available to the property owner. Notices shall be sent to the Record Taxpayer or interested party by the Servicer via first-class mail to both the property address in the County Fiscal Officer's records and the tax mailing address maintained by the Treasurer for a cost of \$25 per parcel per quarter. Notices shall not be sent to Record Taxpayer or interested parties who have redeemed or are on an active Redemption Payment Plan. Servicer must provide an electronic copy of the stamped and addressed envelope in order for Purchaser to be entitled to this noticing fee which shall be added on to the cost to redeem the Tax Certificate.

Section 3.3 Collection of Payments. The Certificate Redemption Price may be paid in full at either the office of the Treasurer or directly to Purchaser at Woods Cove II LLC at its address of P.O. Box 7055, Beverly Hills, CA 90212 or by wire using the instructions as set forth on the attached Schedule for Remittances, or as may otherwise be directed in writing. Payments in full made at the office of the Treasurer will be transmitted to the Purchaser once each week. Installment payments for Redemption Payment Plans initiated within the first year following the Closing Date will be paid to the County Treasurer and held until the satisfaction of the Payment Plan at which time the sum of the payments shall be transmitted to the Purchaser. Once the Purchaser files a statutory Notice of Intent to Foreclose against the Certificate Parcel, unless paid via County Sheriff's check, the Treasurer will require a release from the Purchaser's attorney stating that all outstanding foreclosure fees have been paid and the Record Taxpayer is eligible to redeem the Tax Certificate.

Section 3.4 Customer Service. Following the issuance of a Tax Certificate but prior to the filing of a statutory Notice of Intent to Foreclose

against a Tax Certificate, the Treasurer's office will respond to all inquiries regarding the Tax Certificates. Upon the filing of a statutory Notice of Intent to Foreclose against the Tax Certificate, the Servicer will provide a local or toll free, live phone line to either the office of the Servicer or the attorney filing the Notice of Intent to Foreclose for the purpose of responding to the Record Taxpayer's questions. This phone line will be in operation all Business Days between the hours of 8:30 a.m. and 4:30 p.m. eastern time.

Section 3.5 Rights and Obligations Non-Transferable. By entering into this Agreement, the Seller is expressly relying on the fact that the Servicer is experienced in the management and servicing of bulk tax lien portfolios throughout Ohio and elsewhere, and has the necessary in-house staff, resources, knowledge, training, and experience to perform the noticing, payment plan, and customer service obligations as set forth in this Article in a courteous, professional, and statutorily compliant manner. As such, the rights and obligations of the Servicer under this Agreement shall be personal only as to them and may not be sold, assigned, transferred, or performed without the express written consent of both the Seller and the Servicer. Consent will not be unreasonably withheld by the Seller.

ARTICLE IV
Repurchase And Exchange; Disposition Of Post-Sale Date Record Taxpayer Payments; Demolition

Section 4.1 General. Purchaser will use commercially reasonable efforts to cooperate with the reasonable requests of the Seller with respect to repurchases as described below.

Section 4.2 Repurchase by Seller. At any time subsequent to the Closing Date, the Seller in its sole discretion may cancel the transfer of a Tax Lien or otherwise reverse the transfer thereof (a "repurchase"), provided the underlying tax claim has not been previously satisfied. Such repurchase may be made by Seller by paying Purchaser an amount determined in accordance with O.R.C. Section 5721.34.

Section 4.3 Demolition. In the event a Certificate Parcel is demolished by act of any city or county or other governmental agency within the first twenty-four (24) months after the Closing Date, through no fault of the Purchaser, Servicer, successors or assignees, Seller shall repurchase the lien from Purchaser in accordance with O.R.C. Section 5721.34

ARTICLE V
Negotiated Rate For Private Attorney's Fees

Notwithstanding any more permissive provisions of the Ohio Revised

Code, including O.R.C. Section 5721.371, the Purchaser may only assess fees to redeeming parties in accordance with the following schedule:

1. Upon Issuance of a Notice of Intent until the filing of a foreclosure action, Purchaser may charge up to One Thousand Dollars (\$1,000.00) as and for attorney's fees, plus costs.
2. Upon the initiation of service following the filing of an action in foreclosure regarding each specific Certificate Parcel until the filing of a Dispositive Motion, Purchaser may charge up to One Thousand Seven Hundred and Fifty Dollars (\$1,750.00) as and for attorney's fees, plus costs.
3. Upon the filing of a Dispositive Motion until the Entry of a Decree of Foreclosure, Purchaser may charge up to Two Thousand Dollars (\$2,000.00) as and for attorney's fees, plus costs.
4. Thereafter, upon the Entry of a Decree of Foreclosure up until Confirmation of Sheriffs Sale or Forfeiture, Purchaser may charge up to Two Thousand Five Hundred Dollars (\$2,500.00), i.e., the remaining fees up to the maximum (\$2,500.00) allowed by O.R.C. Section 5721.371, or as otherwise allowed by order of court, as and for attorney's fees, plus costs pursuant to O.R.C. Section 5721.371.

ARTICLE VI

First Right Of Refusal On Future Sales Pursuant To Ohio Revised Code Section 5721.33

It is expressly understood that if, prior to May 10, 2013, the Seller desires to sell Tax Liens in a bulk sale pursuant to Ohio Revised Code Section 5721.33, that Purchaser shall have a first right of refusal to purchase such liens at eighteen (18%) percent and upon the same terms and conditions to those contained in the instant Agreement before those Tax Liens are offered for sale to other third parties, with the exception of the Cuyahoga County Land Reutilization Corporation or the municipality or township with jurisdiction over the Certificate Parcel provided that such municipality or township is an "electing subdivision" as that term is defined in Ohio Revised Code Section 5722.01.

ARTICLE VII

Assignment of Sold Tax Liens

At all times during this Agreement, Purchaser shall be free to assign ownership of the Sold Tax Liens in the name of any person or any entity which is not wholly owned by Purchaser or an existing affiliate of Purchaser provided that to the Best of Purchaser's Knowledge (as defined below) such assignee: (i) does not own any real property in Cuyahoga County with delinquent taxes; (ii) is not the Record Taxpayer of the Certificate Parcel; and (iii) is not a corporation, partnership, or association in which the Record Taxpayer of the Certificate Parcel has an interest.

For purposes of this Article VII, Best of Purchaser's Knowledge means the actual knowledge of Harry Chung, Chief Financial Officer of Purchaser, Robert Brown, Chief Financial Officer of Servicer, or Michael Wehenkel, Chief Operating Officer of Servicer, after review of the relevant records of the Fiscal Officer. This limitation does not apply to assignments to any federally-chartered lender or such other Financial Institution for the purpose of perfecting a security interest in the Sold Tax Liens. Any other assignment to a Purchaser who owns any real property in Cuyahoga County with delinquent taxes (other than the Record Taxpayer of the Certificate Parcel or a corporation, partnership, or association in which such Record Payer has an interest) shall require the written consent of the Seller. Consent will not be unreasonably withheld by the Seller. In the event of an assignment under this Article VII, the Servicer shall continue to perform the duties set forth in Article III of this Agreement. There shall be no charge for any assignments made within thirty (30) days of purchase; after thirty (30) days, Seller shall be entitled to charge a fee of \$20.00 for each assignment, except if such assignment only changes or removes the name of a lender or other secured party. Any assignee shall agree to all obligations within this agreement and shall comply with the requirements of Ohio Revised Code Section 5721.36.

ARTICLE VIII
Vacant and Abandoned Property
(Foreclosure Permitted after 60 Days' Notice)

In the event the Certificate Parcel is declared vacant or abandoned by any municipality by submitting an affidavit at any time within the first year following its purchase, the Purchaser may obtain a Notice of Intent to Foreclose within 60 days following the date of the served notice in an approved form by the Seller which includes the amount due on the Tax Certificate and payment options available to the Record Taxpayer, proof of service of the notice must be provided by the Purchaser prior to issuance of the Notice of Intent. Notices shall be sent by the Servicer via certified mail to both the property address in the County Fiscal Officer's records and the tax mailing address maintained by the Treasurer at a cost of \$25. Servicer must provide an electronic copy of the stamped and addressed envelope and submit proof of such posting by picture or affidavit in order for Purchaser to be entitled to this noticing fee which shall be added on to the cost to redeem the Tax Certificate.

ARTICLE IX
Foreclosure and Forfeiture

Section 9.1 Foreclosure. Purchaser shall not foreclose on any tax certificate without first filing a Notice of Intent to Foreclose and paying to the Seller all taxes, assessments, penalties, interest, and charges appearing on the tax duplicate charged against the certificate parcel. Any such foreclosure shall be conducted in accordance with

Section 9.2 Forfeiture. In the event a Certificate Parcel is forfeited to Purchaser pursuant to Ohio Revised Code Section 5721.40, the Certificate Parcel shall be transferred by Sheriffs deed to the Purchaser absolutely free and clear of all liens and encumbrances except for those specifically listed in Section 5721.40, and that upon issuance of such Sheriffs Deed, the Treasurer's Tax Duplicate shall be adjusted to reflect this.

ARTICLE X
Representations And Warranties Of The Seller

The Seller hereby represents and warrants to the Purchaser and to the Servicer, all of which representations and warranties are true, complete and correct in all respects, to the best of the Treasurer's knowledge and belief, as of the date hereof and as of the Closing Date, as follows:

- A. The Seller is the sole owner of, and possesses full right, title and interest in and to, each of the Sold Tax Liens and the Seller Warrants that the Sold Tax Liens are valid and enforceable and the Seller has the authority to sell the Sold Tax Liens; the Seller further Warrants that all of the Sold Tax Liens comply with all applicable existing laws, rules, regulations, ordinances, orders, judgments and decrees relating to the Seller's ownership and sale of the Sold Tax Liens, including, but without limitation, timely issuance of proper notice to the proper parties.
- B. Such Sold Tax Liens and all interest and rights therein, including all rights to enforce the liens under Ohio law are freely assignable to the Buyer and the Buyer has the right to further assign said liens.
- C. All prerequisite approvals for the entry of this agreement have been properly obtained.
- D. The Seller is a political subdivision of the State and is duly organized and validly existing under the laws governing its creation. The Seller has full power and authority to enter into and perform this Agreement and all governmental action necessary to authorize the execution and delivery of this Agreement and the performance by the Seller of its obligations hereunder has been duly taken. This Agreement has been duly executed by the Seller and constitutes the legal, valid, binding and enforceable obligation of the Seller, enforceable against the Seller in accordance with its terms, except as such enforcement may be limited by bankruptcy, insolvency, reorganization, receivership, moratorium or other laws relating to or affecting the rights of creditors and governmental bodies generally or by general principles of law or equity.
- E. The delivery by the Seller of the Agreement and the performance by the Seller of the obligations hereunder will not, to the best of the Treasurer's knowledge, conflict with any provision of any law or regulation to which the Seller is subject and will not conflict with, result in a breach of or constitute a default under any of the terms, conditions or provisions of any other document, agreement or instrument to which the Seller is a party or by which it or any of its properties are bound, or any order or decree applicable to the Seller.

- F. To the best of the Treasurer's knowledge, there is no action, suit, claim or proceeding pending or, to the best of the Treasurer's knowledge, threatened against the Seller, whether at law or in equity, before any court or by or before any other governmental commission, board, bureau, agency or instrumentality that, if determined adversely to the interests of the Seller, could have a material adverse effect upon the ability of the Seller to perform its obligations hereunder, or the ability of the Purchaser or Servicer to enforce or collect the Aggregate Tax on the Sold Tax Liens.
- G. For a period of four years subsequent to the Closing Date, if any person in the Office of the Fiscal Officer or any person in any office or department over which the Office of the Fiscal Officer has authority has actual knowledge of a breach of any of the representations and warranties made by the Seller, the Seller will exercise good faith efforts to give notice of same to the Purchaser and the Servicer.
- H. As to each Sold Tax Lien, such Sold Tax Lien secures the obligation to pay an amount equal to the Certificate Redemption Price on such Sold Tax Lien.

ARTICLE XI

Representations, Warranties And Covenants Of The Purchaser

The Purchaser hereby represents, warrants and covenants to the Seller, all of which representations, warranties and covenants are true, complete and correct in all respects as of the date hereof, to the best of the Purchaser's knowledge and belief and as of the Closing Date, as follows:

- A. Purchaser is a limited liability company duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation. Purchaser is duly qualified to do business as it is now being conducted and has filed to do business in each other jurisdiction where the property owned, leased or used by it or the conduct of its business makes such qualification necessary and will file to do business in the State before or contemporaneously with the execution of this Agreement.
- B. Purchaser has full power and authority to enter into and perform this Agreement and all action necessary to authorize the execution and delivery of this Agreement and the performance by Purchaser of its obligations hereunder has been duly taken. This Agreement has been duly executed by Purchaser and constitutes the legal, valid, binding and enforceable obligation of Purchaser, enforceable against Purchaser in accordance with its terms, except as such enforcement may be limited by bankruptcy, insolvency, reorganization, receivership, moratorium or other laws relating to or affecting the rights of creditors generally, or by general principles of equity.
- C. No authorization, consent or approval of, notice to, or filing with, any public

body or governmental authority or any other Person or entity is necessary in connection with the execution and delivery by Purchaser of this Agreement or the performance by Purchaser of its obligations hereunder, except for notices expressly provided in this Agreement.

- D. The execution and delivery of this Agreement and the performance of its obligations hereunder by Purchaser will not, to the best of its knowledge, conflict with any provision of any law or regulation to which Purchaser is subject, or conflict with, result in a breach of or constitute a default under any of the terms, conditions or provisions of this Agreement, or any other agreement or instrument to which the Purchaser is a party or by which it is bound, including without limitation promissory notes, mortgages, security agreements, loan instruments, leases, covenants, conditions, easements, rights-of-way, franchises, permits, licenses, contracts and agreements, or any order or decree applicable to Purchaser, or result in the creation or imposition of any lien on any of Purchaser's assets or property.
- E. There is no action, suit, claim or proceeding pending or, to the knowledge of Purchaser, threatened against the Purchaser, whether at law or in equity, before any court or by or before any other governmental commission, board, bureau, agency or instrumentality that, if determined adversely to the interests of the Purchaser, would materially adversely affect the ability of the Purchaser to perform its duties or obligations incurred pursuant to this Agreement.
- F. The Purchaser agrees that in the event Purchaser does choose to resell, transfer, assign or convey any interest in the Sold Tax Liens, any such further resale, transfer, assignment or conveyance shall be in compliance with applicable laws and this Agreement.
- G. The Purchaser's source of funds, if any, for financing the Transactions are lawful and exempt from the application of any civil forfeiture provision of any state or federal law with respect to funds derived from a criminal enterprise.
- H. No proceedings by or, to the knowledge of the Purchaser, against the Purchaser have been threatened or commenced in bankruptcy or for reorganization, liquidation or for readjustment of debts under the Bankruptcy Code or any other law, whether state or federal, nor has the Purchaser made an assignment for the benefit of the creditors, admitted in writing the inability to pay debts generally as they become due, or filed or had filed against it any action seeking an order appointing a trustee or receiver of all or a substantial part of the property of the Purchaser.
- I. The Purchaser is a duly organized and qualified Delaware Limited Liability Company and will file to do business in the State before or contemporaneously with the execution of this Agreement.

- J. The Purchaser has complied with all applicable laws in connection with the purchase of the Sold Tax Liens.
- K. For a period of seven years subsequent to the Closing Date, if the Purchaser has actual knowledge of a breach of any of the representations and warranties made by the Purchaser contained herein, the Purchaser shall give prompt written notice of same to the Seller and the Servicer.
- L. Purchaser agrees and warrants that it will comply with the requirements of the applicable provisions of the Ohio Revised Code in carrying out its rights and obligations under this Agreement.

ARTICLE XII

Representations, Warranties And Covenants Of The Servicer

The Servicer hereby represents, warrants and covenants to the Seller, all of which representations, warranties and covenants are true, complete and correct in all respects as of the date hereof, to the best of the Servicer's knowledge and belief and as of the Closing Date, as follows:

- A. Servicer is a corporation duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation. Servicer is duly qualified to do business as it is now being conducted and is in good standing as a foreign corporation in each other jurisdiction where the property owned, leased or used by it or the conduct of its business makes such qualification necessary.
- B. Servicer has full power and authority to enter into and perform this Agreement and all action necessary to authorize the execution and delivery of this Agreement and the performance by Servicer of its obligations hereunder has been duly taken. This Agreement has been duly executed by Servicer and constitutes the legal, valid, binding and enforceable obligation of Servicer, enforceable against Servicer in accordance with its terms, except as such enforcement may be limited by bankruptcy, insolvency, reorganization, receivership, moratorium or other laws relating to or affecting the rights of creditors generally, or by general principles of equity.
- C. No authorization, consent or approval of, notice to, or filing with, any public body or governmental authority or any other Person or entity is necessary in connection with the execution and delivery by Servicer of this Agreement or the performance by Servicer of its obligations hereunder, except for notices expressly provided in this Agreement.
- D. The execution and delivery of this Agreement and the performance of its obligations hereunder by Servicer will not, to the best of its knowledge, conflict with any provision of any law or regulation to which Servicer is

subject, or conflict with, result in a breach of or constitute a default under any of the terms, conditions or provisions of this Agreement, or any other agreement or instrument to which the Servicer is a party or by which it is bound, including without limitation promissory notes, mortgages, security agreements, loan instruments, leases, covenants, conditions, easements, rights-of-way, franchises, permits, licenses, contracts and agreements, or any order or decree applicable to Servicer, or result in the creation or imposition of any lien on any of Servicer's assets or property.

- E. There is no action, suit, claim or proceeding pending or, to the knowledge of Servicer, threatened against the Servicer, whether at law or in equity, before any court or by or before any other governmental commission, board, bureau, agency or instrumentality that, if determined adversely to the interests of the Servicer, would materially adversely affect the ability of the Servicer to perform its duties or obligations incurred pursuant to this Agreement.
- F. The Servicer agrees that in the event Servicer does choose to resell, transfer, assign or convey any interest in or pertaining to the Sold Tax Liens, any such further resale, transfer, assignment or conveyance shall be in compliance with applicable laws and this Agreement.
- G. The Servicer's source of funds, if any, for financing the Transactions are lawful and exempt from the application of any civil forfeiture provision of any state or federal law with respect to funds derived from a criminal enterprise.
- H. No proceedings by or, to the knowledge of the Servicer, against the Servicer have been threatened or commenced in bankruptcy or for reorganization, liquidation or for readjustment of debts under the Bankruptcy Code or any other law, whether state or federal, nor has the Servicer made an assignment for the benefit of the creditors, admitted in writing the inability to pay debts generally as they become due, or filed or had filed against it any action seeking an order appointing a trustee or receiver of all or a substantial part of the property of the Servicer.
- I. The Servicer is a duly organized and qualified Corporation and authorized to do business in the State.
- J. The Servicer has complied with all applicable laws in connection with the management and/or servicing of the Sold Tax Liens.
- K. For a period of seven years subsequent to the Closing Date, if the Servicer has actual knowledge of a breach of any of the representations and warranties made by the Servicer contained herein, the Servicer shall give prompt written notice of same to the Seller and the Purchaser.

- L. Servicer does not own any property in Cuyahoga County with delinquent taxes.
- M. Servicer agrees and warrants that it will comply with the requirements of the applicable provisions of the Ohio Revised Code in carrying out its rights and obligations under this Agreement.

ARTICLE XIII
Default

If the Purchaser breaches any of its representations, warranties or covenants made hereunder, does not comply with any of its duties and obligations hereunder or is otherwise not in compliance with this Agreement, the Purchaser shall be in default hereunder and the Seller and Servicer shall each have the right to exercise any rights that it may have pursuant to the terms of this Agreement, in law or equity with respect to such breach or noncompliance by the Purchaser.

If the Seller breaches any of its representations, warranties or covenants made hereunder, does not comply with any of its duties and obligations hereunder or is otherwise not in compliance with this Agreement, the Seller shall be in default hereunder and the Purchaser and Servicer shall each have the right to exercise any rights that it may have pursuant to the terms of this Agreement, in law or equity with respect to such breach or noncompliance by the Seller.

If the Servicer breaches any of its representations, warranties or covenants made hereunder, does not comply with any of its duties and obligations hereunder or is otherwise not in compliance with this Agreement, the Servicer shall be in default hereunder and the Seller and Purchaser shall each have the right to exercise any rights that it may have pursuant to the terms of this Agreement, in law or equity with respect to such breach or noncompliance by the Servicer.

ARTICLE XIV
Remedies

The remedies provided for in this Agreement shall be cumulative, and shall not preclude assertion by any party of any other rights or the seeking of any other remedies against any other party and shall not limit the right of any party hereto to take any other action available at law or in equity.

ARTICLE XV
Notice

Wherever a party is required or permitted to give notice to the other pursuant to this Agreement, such notice shall be deemed delivered when delivered personally or, if delivered via certified mail with return receipt requested or via overnight courier with signature required, when the return receipt is either signed or refused, and addressed as follows:

| | |
|----------------------------|--|
| In the case of the County: | Cuyahoga County Treasurer 1219 Ontario Street, First Floor Cleveland, Ohio 44113 Attn: Kristy Neff |
| With a copy to: | Cuyahoga County Law Director 1219 Ontario Street, Fourth Floor Cleveland, Ohio 44113 Attn: Director |
| In the case of Purchaser: | Woods Cove II, LLC PO Box 7055 Beverly Hills, CA 90212 Attn: Harry Chung |
| In the case to Servicer: | Axis Capital Management, Inc. 233 South Wacker Drive, Suite 5210 Chicago, IL 60606 Attn: Bob Brown |

Either party may from time to time change its designated recipient or address for notification purposes by giving the other party written notice of the new designated recipient or address and the date upon which it will become effective.

XVI
Benefit Of Agreement

The provisions contained in this Agreement are solely for the benefit of the

parties hereto, and nothing in this Agreement whether express or implied, shall be construed to give to any other Person any legal or equitable right, remedy or claim under or in respect of this Agreement or any covenants, conditions or provisions contained herein. This Agreement and all of the rights and obligations hereunder shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

ARTICLE XVII
Severability

If any one or more of the provisions or terms of this Agreement shall be held invalid for any reason whatsoever, then such provisions or terms shall be ineffective to the extent of such invalidity or unenforceability, shall be deemed void and severable from the remaining provisions and terms of this Agreement and shall not affect the validity or enforceability of such other provisions or terms herein.

ARTICLE XVIII
Amendments; Waivers

This Agreement may be amended or terminated only by a writing signed by all parties hereto. Compliance with any provision hereof may not be waived by the Purchaser, the Seller, or the Servicer unless such amendment or waiver is consented to in writing by the Purchaser, the Seller, and by the Servicer. No delay or omission by either party in the exercise of any right or power shall impair any such right or power or be construed to be a waiver thereof. A waiver by either of the parties of any of the covenants, conditions or agreements to be performed by the other or any breach thereof shall not be construed to be a waiver of any succeeding breach thereof or of any other covenant, condition or agreement herein contained. No change, waiver, or discharge hereof shall be valid unless in writing and signed by an authorized representative of the party against which such change, waiver, or discharge is sought to be enforced.

ARTICLE XIX
Governing Law

This Agreement and all questions relating to its validity, interpretation, performance and enforcement shall be governed by and construed, interpreted and enforced in accordance with the laws of the State of Ohio.

ARTICLE XX
Counterparts

This Agreement may be executed and delivered and in any number of counterparts, and such counterparts taken individually shall be sufficient to constitute the whole of this Agreement and taken together shall constitute one and

the same instrument.

ARTICLE XXI

Miscellaneous

The Article headings of this Agreement are for convenience of reference only and do not form a part hereof and do not in any way modify, interpret, or construe the intentions of the parties. Delivery of an executed signature page to this Agreement, by facsimile transmission shall be as effective as delivery of a manually signed counterpart of this Agreement. As the context of this Agreement may require, terms in the singular shall include the plural (and vice versa) and the use of feminine, masculine or neuter genders shall include each other. Wherever the word “including” or any variation thereof is used herein, it shall mean “including, without limitation,” and shall be construed as a term of illustration, not a term of limitation. Wherever the word “or” is used herein, it shall mean “and/or.” The words “herein,” “hereof,” “hereunder,” “hereby,” “this Agreement” and other similar references shall be construed to mean and include this Agreement and all amendments and supplements hereto unless the context clearly indicates or requires otherwise.

ARTICLE XXII

Survival

The entire Agreement, including all representations, warranties, guarantees, and indemnifications of the Seller, the Purchaser and the Servicer set forth in this Agreement and in any certificate, agreement, or instrument delivered in connection with the transactions contemplated hereby, shall survive the Closing Date.

ARTICLE XXIII

Entire Agreement

This Agreement, including any Exhibits and documents referred to herein or attached hereto, each of which is incorporated herein, constitutes the entire and exclusive statement of the agreement between the parties with respect to its subject matter and there are no oral or written representations, understandings or agreements relating to this Agreement which are not fully expressed herein. The parties agree that any other terms or conditions included in any quotes, acknowledgments, or other forms utilized or exchanged by the parties shall not be incorporated herein or be binding unless expressly agreed upon in writing by authorized representatives of the parties. In the event of a conflict between this document and any Exhibit attached hereto, or hereinafter agreed to by the parties, the terms of this document shall control.

ARTICLE XXIV

Additional Terms & Conditions

- A. **County Ordinances.** All County contracts are subject to all applicable County ordinances, including, but not limited to, the Cuyahoga County Ethics Ordinance, Cuyahoga County Inspector General Ordinance, and Cuyahoga County Contracting and Purchasing Procedures Ordinance. Copies of County ordinances are publicly available on the County Council's web site at <http://council.cuyahogacounty.us/>.
- B. **Public Records.** All parties hereto acknowledge that the County is a political subdivision in the State of Ohio and as such is subject the Ohio Revised Code and other law related to the keeping and access to Public Records, including any and all applicable Sunshine Laws, open meeting requirements, and retention schedules.
- C. **Indemnification.** Purchaser acknowledges that as a political subdivision, Cuyahoga County is prohibited by law from entering into an indemnification agreement, and agrees that no provision of this Agreement may be interpreted to allow indemnification by the County. Purchaser and Servicer, jointly and severally, shall indemnify and save the County harmless from any damages finally awarded from suits or actions of every nature and description brought against the County by third parties, for or on account of any injuries or damages received or sustained by a party (or parties) from any act or omission of Purchaser or Servicer, their servants or agents, that arises out of their performance under this Agreement.
- D. **Assignment.** Except as provided for in Article VII, Purchaser shall not assign, transfer, convey or otherwise dispose of this Agreement or its rights, title or interest in or to it or any part thereof, or assign, by power of attorney or otherwise, any of the monies due or to become due under this Agreement without approval of the County.
- E. **Executive Order O2011-0002 regarding Signature Authority.** By entering into this Agreement, Purchaser and Servicer agree, on behalf of their officers, employees, subcontractors, subgrantees, agents, and assigns, that this transaction may be executed on behalf of the County pursuant to Cuyahoga County Executive Order O2011-0002. Copies of all County Executive Orders are publicly available on the County Executive's web site at <http://executive.cuyahogacounty.us>.
- F. **Electronic Signatures.** By entering into this Agreement, Purchaser agrees on behalf of the contracting business entity, its officers, employees, subcontractors, subgrantees, agents or assigns, that this transaction may be conducted by electronic means and agreeing that all documents requiring county signatures may be executed by electronic means and that the electronic signatures affixed by the County to said documents shall have the same legal effect as if the signature was manually affixed to a paper version of the document. Purchaser also agrees on behalf of the aforementioned entities and persons to be bound by the provisions of chapters 304 and 1306

of the Ohio Revised Code as they pertain to electronic transactions, and to comply with the electronic signature policy of Cuyahoga County.