

April 20, 2012

Donald Craig, Planning Director
City of Key West
City of Key West
P.O. Box 1409
Key West, FL 33040

RE: Peary Court-Key West


Dear Mr. Craig:

I write to you as Senior Vice President and General Counsel for Balfour Beatty Communities, LLC, which, through its wholly-owned subsidiaries, serves as the managing member of Southeast Housing, LLC, the owner of the privatized military housing units at Peary Court. As you know, the United States of America acting by and through the Department of the Navy, as fee simple owner of the land, has previously designated Southeast Housing, LLC as its agent to work with the City of Key West in connection with the sale of Peary Court. As you have been advised by our local attorney, White Street Partners, LLC (White Street), is under contract to purchase the Peary Court property in Key West. As the contract purchaser, White Street intends to actively participate with the re-zoning of the property, as well as moving forward with a proposed Development Agreement, the draft of which you recently received. We continue to appreciate your cooperation and respectfully request that your courtesies be extended to White Street Partners. This letter should satisfy any concerns you may have with respect to working with White Street as our contract purchaser.

As a party under contract, White Street may pursue a Development Agreement, but until and unless there is a closing, they will not be able to formally bind Southeast Housing, LLC, Balfour Beatty Communities, LLC or the Department of the Navy. The sellers will cooperate and execute verification forms as may be required as the process moves forward.

Please call me with any further questions or concerns.

Sincerely yours,
SOUTHEAST HOUSING, LLC
By: BBC Military Housing-Navy Southeast LLC,
its managing member
By: Balfour Beatty Military Housing Investments
LLC, its manager



LESLIE S. COHN
Senior Vice President and General Counsel

BEFORE ME, personally appeared Leslie S. Cohn, Senior Vice President and General Counsel for Balfour Beatty Communities, LLC, who stated that she had read the foregoing letter to Don Craig dated April 20th, 2012 and that the contents thereof are true and correct to the best of her knowledge and belief.

SWORN TO AND SUBSCRIBED before me this 20th day of April, 2012.


NOTARY PUBLIC – Commonwealth of Pennsylvania

(SEAL)

Cc: City of Key West Mayor
City Commissioners City of Key West
Planning Board Members
White St Partners, LLC
David Paul Horan, Esq.

