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SUPREME COURT OF FLORIDA

CASE NO. 77,286

FILED
SID J WHITE

MAR 5 1991

CLERK, SUPREME COURT

By _____
Deputy Clerk

AMERICAN HOME ASSURANCE

Petitioner,

vs.

LARKIN GENERAL HOSPITAL, LTD., etc.,

Respondent.

ON DISCRETIONARY REVIEW UPON CERTIFIED CONFLICT
FROM THE DISTRICT COURT OF APPEAL, THIRD DISTRICT

APPENDIX TO
BRIEF OF PETITIONER,
AMERICAN HOME ASSURANCE COMPANY

KIMBRELL & HAMANN, P.A.
SUITE 900, BRICKELL CENTRE
799 BRICKELL PLAZA
MIAMI, FLORIDA 33131-2805

James F. Crowder, Jr., Esquire
J. Steven Hudson, Esquire

KIMBRELL & HAMANN, P.A.

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DOCUMENT 1

11 00001

IN THE DISTRICT COURT OF APPEAL
OF FLORIDA
THIRD DISTRICT
JULY TERM, A.D. 1990

AMERICAN HOME ASSURANCE
COMPANY,

Appellant,

vs.

LARKIN GENERAL
HOSPITAL, LTD., etc.,

Appellees.

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CASE NOS. 90-924
90-1083

Opinion filed December 26, 1990.

An Appeal from the Circuit Court for Dade County, Ronald
Friedman, Judge.

Kimbrell & Hamann and James F. Crowder, Jr. and J. Steven
Hudson, for appellant.

James E. Glass and Linda M. Dickhaus, for appellees.

Before NESBITT, FERGUSON, and COPE, JJ.

On Motion for Certification of Conflict

PER CURIAM.

Affirmed. Arbor Club of Boca Raton, Inc. v. Omega Constr.
Co., 565 So.2d 357 (Fla. 4th DCA 1990); St. Paul Fire & Marine

Ins. Co. v. Woolley/Sweeney Hotel No. 5, 545 So.2d 958 (Fla. 4th DCA), review denied, 553 So.2d 1166 (Fla. 1989); see Fewox v. McMerit Constr. Co., 556 So.2d 419 (Fla. 2d DCA 1989); Kidder Elec. of Fla., Inc. v. United States Fidelity & Guar. Co., 530 So.2d 475 (Fla. 5th DCA 1988).

While our decision herein is in accordance with the Fourth District Court of Appeal's decisions in Arbor Club, 565 So.2d at 357 and Woolley/Sweeney, 545 So.2d at 958, inasmuch as both cases held, as we do, that a surety on a performance bond can be held liable for delay damages due the property owner under a construction contract, we certify conflict with the First District Court of Appeal's decision in United States Fidelity & Guar. Co. v. Gulf Florida Dev. Corp., 365 So.2d 748 (Fla. 1st DCA 1978), which held to the contrary.

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DOCUMENT 2

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IN THE CIRCUIT COURT OF THE
ELEVENTH JUDICIAL CIRCUIT IN AND
FOR DADE COUNTY, FLORIDA

LARKIN GENERAL HOSPITAL,
LTD., etc.,

Plaintiff,

v.

Case No. 86-04952 (02)

AMERICAN HOME ASSURANCE
COMPANY,

Defendant.

H CORPORATION, etc., et al.,

Plaintiff,

v.

Case No. 87-04340 (02)

LARKIN HOSPITAL OPERATING
COMPANY, INC., etc., et al.,

Defendants.

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Attention: _____
Received By: DAJ

FINAL JUDGMENT

The Case

LARKIN GENERAL HOSPITAL, LTD. n/k/a LGH, LTD. ("LARKIN") owns and operates a hospital in South Miami, Dade County, Florida. LARKIN entered into a construction contract with H Corporation/Cazo-Ardavin Joint Venture II ("Contractor") for an addition and alterations to the hospital, which contract was bonded by a Performance Bond issued by AMERICAN HOME ASSURANCE COMPANY ("AMERICAN HOME"). A dispute arose between LARKIN and Contractor resulting in termination of the contract and the filing of these actions and subsequent proceedings.

In February, 1986, LARKIN instituted Case No. 86-04952 against AMERICAN HOME for breach of the Performance Bond. In March, 1986,

Contractor filed a Demand for Arbitration with the American Arbitration Association. Upon Motion of AMERICAN HOME, Case No. 86-04952 was stayed pending arbitration.

In February, 1987, Contractor instituted Case No. 87-04340, to foreclose a mechanic's lien and then moved to abate Case No. 87-04340 pending the result in the arbitration proceeding which would determine the underlying debt secured by the mechanic's lien. Both actions were "stayed" or "abated" pending the determination of the arbitration proceeding.

After the Award of Arbitrators was entered, LARKIN filed an Application to Confirm Arbitration Award against both Contractor and AMERICAN HOME. AMERICAN HOME then filed a Counterclaim against LARKIN, seeking a declaration of the respective rights and responsibilities of AMERICAN HOME and LARKIN under the Performance Bond.¹

The Trial

On March 6, 1990, this action was tried before the Court. At the trial, Plaintiff, LARKIN, and Defendant, AMERICAN HOME, stipulated to the following facts:

1. Owner. LARKIN is a Florida limited partnership and LARKIN HOSPITAL OPERATING CO., a Florida corporation, and SAGER MANAGEMENT CORP., a Nevada corporation, are its general partners. LARKIN maintains its

¹ AMERICAN HOME primarily sought to determine if the Performance Bond was limited to "cost of completion and correction" or covered damages caused by delay. The "coverage" issue was presented to the Court in AMERICAN HOME's Motion for Partial Summary Judgment. The Court denied the Motion for Partial Summary Judgment, and concluded that AMERICAN HOME's liability to LARKIN is not limited to the cost of completion but includes delay damages due LARKIN for breach of the contract. See, Order Denying American Home's Motion for Partial Summary Judgment, dated January 31, 1990.

place of business at 6129 Southwest 70th Street, South Miami, Dade County, Florida.

2. Contractor. Defendant H CORPORATION, and CAZO-ARDAVIN ASSOCIATES, INC., n/k/a C. ARDAVIN CONSTRUCTION, INC., are Florida corporations, d/b/a H CORPORATION/CAZO-ARDAVIN JOINT VENTURE II ("CONTRACTOR").

3. Surety. Defendant, AMERICAN HOME ASSURANCE COMPANY, is a New York corporation authorized to transact business as a surety in the State of Florida.

4. Contract. On or about December 15, 1982, LARKIN entered into a Standard Form of Agreement Between Owner and Contractor ("Contract") with CONTRACTOR. The work was to commence on or about January 1, 1983, and was to be substantially completed not later than May 31, 1984. Article 7.9 of the "General Conditions" of the Contract provided as follows:

"7.9.1 All claims, disputes and other matters in question between the Contractor and the Owner arising out of, or relating to, the Contract Documents or the breach thereof, except as provided in Subparagraph 2.2.11 with respect to the Architect's decisions on matters relating to artistic effect, and except for claims which have been waived by the making or acceptance of final payment as provided by Subparagraphs 9.9.4 and 9.9.5, shall be decided by Arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association then obtaining unless the parties mutually agree otherwise. ... The foregoing agreement to arbitrate and any other agreement to arbitrate with an additional person or persons duly consented to by the parties to the Owner/Contractor Agreement shall be specifically enforceable under the prevailing Arbitration law. The award rendered by the arbitrators shall be final, and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof." (emphasis supplied)

5. Performance Bond. On or about December 23, 1982, AMERICAN HOME executed and delivered to LARKIN a Performance Bond.

6. Disputes. A dispute arose between LARKIN and CONTRACTOR. LARKIN terminated the Contract on November 23, 1985, and on this same date gave AMERICAN HOME notice of the default. The Contract was not completed by CONTRACTOR or AMERICAN HOME. LARKIN had the Contract completed using another contractor, with completion accomplished as of June 1986.

In February 1986, LARKIN instituted this action against AMERICAN HOME for breach of the Performance Bond. In March, 1986, CONTRACTOR filed a demand for arbitration with the American Arbitration Association. Upon motion of AMERICAN HOME, the state court proceedings were stayed pending arbitration.

7. Arbitration Claims. LARKIN and CONTRACTOR filed the following claims with the American Arbitration Association:

- (a) CONTRACTOR filed a Demand for Arbitration;
- (b) LARKIN filed an Answer to the Demand; and
- (c) LARKIN filed a Counterclaim against CONTRACTOR.

8. Arbitration Proceedings. In compliance with the Arbitration provision of the Contract, a panel of arbitrators was duly appointed who, pursuant to due notice, conducted preliminary hearings and a hearing on the merits of all disputes arising out of the Contract. CONTRACTOR and LARKIN participated in the Arbitration Proceedings; AMERICAN HOME did not.

9. Award of the Arbitrators. The arbitrators entered an Award of the Arbitrators.

10. Attorneys' Fees. LARKIN has incurred, and/or paid, attorneys' fees in connection with the Default, the Arbitration Proceedings, and this action, as follows:

(a) to the firm of Howard Pomerantz	\$ 8,750.00
(b) to the firm of Rosenberg, Reisman & Glass/James E. Glass Associates ("RR&G/JEG")	<u>\$62,592.50</u>
<u>Total:</u>	<u>\$71,342.50</u>

50% of the fees paid to RR&G/JEG (i.e., \$31,296.25) are attributable to LARKIN's claim for consequential damages.

11. Costs (Circuit Court Action). LARKIN incurred \$163.50 in costs in this action.

On the evidence presented at trial, the Court makes the following specific findings of fact:

1. AMERICAN HOME had notice of the arbitration proceeding between Contractor and LARKIN and had the opportunity to participate in the arbitration. AMERICAN HOME chose not to participate.

2. AMERICAN HOME was notified that Contractor had defaulted under the construction contract and that Contractor was terminated by LARKIN. ~~AMERICAN HOME chose to do nothing.~~

The Court makes the following conclusions of law:

1. AMERICAN HOME's liability to LARKIN on the Bond is not limited to cost of completion; AMERICAN HOME's liability includes consequential (i.e., delay) damages that are due LARKIN for breach of the construction contract.

2. The Arbitration Panel determined the amount of damages due LARKIN under the construction contract, and AMERICAN HOME is bound by that determination having had notice of the proceeding and having had the opportunity to participate.

3. The Arbitration Panel having determined that there was a net award due LARKIN and no resulting debt due Contractor, and Contractor having voluntarily satisfied the mechanic's lien and dissolved the Lis Pendens, there is no mechanic's lien to foreclose.

Based on the foregoing findings of facts, stipulated facts, and conclusions of law, it is

ORDERED and ADJUDGED that:

1. LARKIN's Application to Confirm Arbitration Award is granted, the Arbitration Award is confirmed against AMERICAN HOME, and judgment is entered against AMERICAN HOME and in favor of LARKIN as follows:

1. The Arbitration Award	\$1,860,545.00
2. Cost incurred by LARKIN in Arbitration *	74,505.26
3. Attorneys fees incurred by LARKIN in arbitration* proceeding and this confirmation proceeding	71,342.50
4. Costs incurred by LARKIN in this confirmation proceeding	163.50
5. Interest on Arbitration Award at 12% from date of award (3/9/88) until March 21, 1990.	453,871.08

Total:

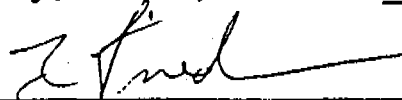
~~1,314,579.58~~
\$2,460,427.34

* Since the Arbitration Award did not break out how it was determined, but would have included attorneys fees and costs, it is deemed to include fees and costs. \therefore for a total of \$1,314,579.58, which amount shall bear interest at the rate of 12% a year, for which let execution issue;

2. AMERICAN HOME's Counterclaim for declaratory relief that it is not liable for consequential damages is denied on the authority recited by the Court in its Order Denying American Home's Motion for Partial Summary Judgment; and

3. Contractor's Amended Complaint to foreclose a mechanics' lien (Case No. 87-04340) is dismissed, and Contractor shall take nothing by this action and LARKIN shall go hence without day.

ORDERED at Miami, Dade County, Florida, on March 22, 1990.



Circuit Court Judge

RONALD M. FRIEDMAN

Copies to:
James E. Glass Associates
Kimbrell & Hamann, P.A.

DOCUMENT 3

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IN THE CIRCUIT COURT OF THE
ELEVENTH JUDICIAL CIRCUIT IN AND
FOR DADE COUNTY, FLORIDA

LARKIN GENERAL HOSPITAL, LTD., etc.,	:	
	:	
Plaintiff,	:	
v.	:	Case No. 86-04952 (02)
	:	
AMERICAN HOME ASSURANCE COMPANY,	:	
	:	
Defendant.	:	
<hr/>		
H CORPORATION, etc., et al.,	:	
	:	
Plaintiff,	:	
v.	:	Case No. 87-04340 (02)
	:	
LARKIN HOSPITAL OPERATING COMPANY, INC., etc., et al.,	:	
	:	
Defendants.	:	
<hr/>		

CORRECTED FINAL JUDGMENT

On April 17, 1990, the cause came before the Court for hearing on the Motion to Correct Mathematical Error filed by LARKIN GENERAL HOSPITAL, LTD., n/k/a LGH, LTD. ("LARKIN"), and it appearing to the Court that the Final Judgment entered in this action on March 22, 1990, has a mathematical error, the Motion to Correct Mathematical Error is granted, and the Court enters this Corrected Final Judgment.

The Case

LARKIN GENERAL HOSPITAL, LTD. n/k/a LGH, LTD. ("LARKIN") owns and operates a hospital in South Miami, Dade County, Florida. LARKIN entered into a construction contract with H Corporation/Cazo-Ardavin Joint Venture II

("Contractor") for an addition and alterations to the hospital, which contract was bonded by a Performance Bond issued by AMERICAN HOME ASSURANCE COMPANY ("AMERICAN HOME"). A dispute arose between LARKIN and Contractor resulting in termination of the contract and the filing of these actions and subsequent proceedings.

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In February, 1987, Contractor instituted Case No. 87-04340, to foreclose a mechanic's lien and then moved to abate Case No. 87-04340 pending the result in the arbitration proceeding which would determine the underlying debt secured by the mechanic's lien. Both actions were "stayed" or "abated" pending the determination of the arbitration proceeding.

After the Award of Arbitrators was entered, LARKIN filed an Application to Confirm Arbitration Award against both Contractor and AMERICAN HOME. AMERICAN HOME then filed a Counterclaim against LARKIN, seeking a declaration of the respective rights and responsibilities of AMERICAN HOME and LARKIN under the Performance Bond.¹

¹ AMERICAN HOME primarily sought to determine if the Performance Bond was limited to "cost of completion and correction" or covered damages caused by delay. The "coverage" issue was presented to the Court in AMERICAN HOME's Motion for Partial Summary Judgment. The Court denied the Motion for Partial Summary Judgment, and concluded that AMERICAN HOME's liability to LARKIN is not limited to the cost of completion but includes delay damages due LARKIN for breach of the contract. See, Order Denying American Home's Motion for Partial Summary Judgment, dated January 31, 1990.

The Trial

On March 6, 1990, this action was tried before the Court. At the trial, Plaintiff, LARKIN, and Defendant, AMERICAN HOME, stipulated to the following facts:

1. Owner. LARKIN is a Florida limited partnership and LARKIN HOSPITAL OPERATING CO., a Florida corporation, and SAGER MANAGEMENT CORP., a Nevada corporation, are its general partners. LARKIN maintains its place of business at 6129 Southwest 70th Street, South Miami, Dade County, Florida.

2. Contractor. Defendant H CORPORATION, and CAZO-ARDAVIN ASSOCIATES, INC., n/k/a C. ARDAVIN CONSTRUCTION, INC., are Florida corporations, d/b/a H CORPORATION/CAZO-ARDAVIN JOINT VENTURE II ("CONTRACTOR").

3. Surety. Defendant, AMERICAN HOME ASSURANCE COMPANY, is a New York corporation authorized to transact business as a surety in the State of Florida.

4. Contract. On or about December 15, 1982, LARKIN entered into a Standard Form of Agreement Between Owner and Contractor ("Contract") with CONTRACTOR. The work was to commence on or about January 1, 1983, and was to be substantially completed not later than May 31, 1984. Article 7.9 of the "General Conditions" of the Contract provided as follows:

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Industry Arbitration Rules of the American Arbitration Association then obtaining unless the parties mutually agree otherwise. . . . The foregoing agreement to arbitrate and any other agreement to arbitrate with an additional person or persons duly consented to by the parties to the Owner/Contractor Agreement shall be specifically enforceable under the prevailing Arbitration law. The award rendered by the arbitrators shall be final, and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof." (emphasis supplied)

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- (c) LARKIN filed a Counterclaim against CONTRACTOR.

8. Arbitration Proceedings. In compliance with the Arbitration provision of the Contract, a panel of arbitrators was duly appointed who, pursuant to due notice, conducted preliminary hearings and a hearing on the

merits of all disputes arising out of the Contract. CONTRACTOR and LARKIN participated in the Arbitration Proceedings; AMERICAN HOME did not.

9. Award of the Arbitrators. The arbitrators entered an Award of the Arbitrators.

10. Attorneys' Fees. LARKIN has incurred, and/or paid, attorneys' fees in connection with the Default, the Arbitration Proceedings, and this action, as follows:

(a) to the firm of Howard Pomerantz	\$ 8,750.00
(b) to the firm of Rosenberg, Reisman & Glass/James E. Glass Associates ("RR&G/JEG")	<u>\$62,592.50</u>
<u>Total:</u>	<u>\$71,342.50</u>

50% of the fees paid to RR&G/JEG (i.e., \$31,296.25) are attributable to LARKIN's claim for consequential damages.

11. Costs (Circuit Court Action). LARKIN incurred \$163.50 in costs in this action.

On the evidence presented at trial, the Court makes the following specific findings of fact:

1. AMERICAN HOME had notice of the arbitration proceeding between Contractor and LARKIN and had the opportunity to participate in the arbitration. AMERICAN HOME chose not to participate.

2. AMERICAN HOME was notified that Contractor had defaulted under the construction contract and that Contractor was terminated by LARKIN.

The Court makes the following conclusions of law:

1. AMERICAN HOME's liability to LARKIN on the Bond is not limited

to cost of completion; AMERICAN HOME's liability includes consequential (i.e., delay) damages that are due LARKIN for breach of the construction contract.

2. The Arbitration Panel determined the amount of damages due LARKIN under the construction contract, and AMERICAN HOME is bound by that determination having had notice of the proceeding and having had the opportunity to participate.

3. The Arbitration Panel having determined that there was a net award due LARKIN and no resulting debt due Contractor, and Contractor having voluntarily satisfied the mechanic's lien and dissolved the Lis Pendens, there is no mechanic's lien to foreclose.

Based on the foregoing findings of facts, stipulated facts, and conclusions of law, it is

ORDERED and ADJUDGED that:

1. LARKIN's Application to Confirm Arbitration Award is granted, the Arbitration Award is confirmed against AMERICAN HOME, and judgment is entered against AMERICAN HOME and in favor of LARKIN as follows:

1. The Arbitration Award	\$1,860,545.00
2. Cost incurred by LARKIN in Arbitration ²	.00
3. Attorneys fees incurred by LARKIN in arbitration proceeding and this confirmation proceeding ²	.00
4. Costs incurred by LARKIN in this confirmation proceeding	163.50
5. Interest on Arbitration Award at 12% from date of award (3/9/88) until March 21, 1990.	<u>453,871.08</u>
Total:	<u>\$2,314,579.58</u>

² Since the Arbitration Award did not break out how it was determined, but could have included attorneys' fees and costs, it is deemed to include attorneys' fees and costs.

for a total of \$2,314,579.58, which amount shall bear interest at the rate of 12% a year, for which let execution issue;

2. AMERICAN HOME's Counterclaim for declaratory relief that it is not liable for consequential damages is denied on the authority recited by the Court in its Order Denying American Home's Motion for Partial Summary Judgment; and

3. Contractor's Amended Complaint to foreclose a mechanics' lien (Case No. 87-04340) is dismissed, and Contractor shall take nothing by this action and LARKIN shall go hence without day.

ORDERED at Miami, Dade County, Florida, on April 17, 1990.

JUDGE RONALD M. FRIEDMAN

Circuit Court Judge

Copies to:
James E. Glass Associates
Kimbrell & Hamann, P.A.

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IN THE CIRCUIT COURT OF THE ELEVENTH
JUDICIAL CIRCUIT IN AND FOR DADE
COUNTY, FLORIDA

CASE NO. 86-04952 (02)
and
87-04340 (02)

LARKIN GENERAL HOSPITAL, LTD., etc.,
Plaintiff,
vs
AMERICAN HOME ASSURANCE COMPANY,
Defendant.

-----/

H CORPORATION, et al.,
Plaintiffs,
vs
LARKIN HOSPITAL OPERATING
COMPANY, INC., et al.,
Defendants.

-----/

Dade County Courthouse
Miami, Florida
Thursday, March 15, 1990

The above-styled case came on for hearing
before the Honorable Ronald M. Friedman, as Judge of
the above-styled court, on Thursday, March 15, 1990,
commencing at 9:30 a.m.

APPEARANCES:

JAMES E. GLASS, ESQ.,
and
LINDA DICKHAUS, ESQ.,
on behalf of the Plaintiff.

JAMES F. CROWDER, JR., ESQ.,
and
J. STEVEN HUDSON, ESQ.,
of the law offices of
Kimbrell & Hamann,
on behalf of the Defendant.

00021

1 THE COURT: Let me return to each of you
2 the exhibits. Let's be sure we have them all.
3 Defendants have got A, B, C, D, E, F; is that
4 correct.

5 MR. CROWDER: Yes, sir, Your Honor.

6 THE COURT: The Plaintiff has 1 through
7 10?

8 MR. GLASS: Yes, sir.

9 THE COURT: All right. Essentially the
10 Court is finding in all respects for the award under
11 arbitration and I think that would include
12 everything with the exception of a determination of
13 the interest, and I think we were all in agreement
14 that the interest should be from the date of the
15 award of arbitration.

16 The arbitration award does not break out
17 what it covers and so I cannot, obviously, determine
18 how they arrived at it, but it will be binding in
19 its entirety to cover all areas.

20 American had the opportunity to
21 participate, to present whatever they wanted in the
22 arbitration, chose not to do so, and they are bound
23 by it.

24 Is there anything else that I need to
25 order or determine?

00022

1 MR. CROWDER: The Court finds no prejudice
2 to American Home as a result of the failure to give
3 timely notice?

4 THE COURT: No. I think the arbitration
5 went appropriately with sufficient notice to
6 American that they could have participated. It's
7 not appropriate to take an arbitration case and say
8 we are going to arbitration and then later on we are
9 going to go back to trial on an indemnity bond. You
10 either arbitrate or you go to trial, but we don't
11 break it out in arbitration and in trial, it doesn't
12 make any sense.

13 MR. GLASS: Would that cover the costs
14 that we requested in view of the expenses in the
15 arbitration, the attorneys' fees and costs?

16 THE COURT: Attorney's fees and costs
17 should have been included in arbitration.

18 MR. GLASS: We will submit an appropriate
19 judgement, if it please the Court.

20 THE COURT: Fine. Thank you all.

21 (Thereupon, the hearing was concluded at
22 9:35 a.m.)

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DOCUMENT 5

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AMERICAN ARBITRATION ASSOCIATION

CONSTRUCTION INDUSTRY ARBITRATION TRIBUNAL

IN THE MATTER OF THE ARBITRATION BETWEEN

H CORPORATION, a Florida Corp. and
CAZO-ARDAVIN ASSOCIATES, INC.,
n/k/a C. ARDAVIN CONSTRUCTION,
INC., a Florida Corp., d/b/a
H CORPORATION/CAZO-ARDAVIN JOINT
VENTURE II
AND
LARKIN GENERAL HOSPITAL, LTD., a
Florida Limited Partnership

CASE NUMBER: 32-110-0220-86-F

AWARD OF THE ARBITRATORS

WE, THE UNDERSIGNED ARBITRATORS, having been designated in accordance
with the Arbitration Agreement entered into by the above-named Parties, and
dated December 15, 1982 and having been duly sworn and having duly heard the
proofs and allegations of the Parties, AWARD as follows:

On the claim of H CORPORATION, a Florida Corporation and CAZO-ARDAVIN
ASSOCIATES, INC., n/k/a C. ARDAVIN CONSTRUCTION, INC., a FLORIDA
CORPORATION, d/b/a H. CORPORATION/CAZO-ARDAVIN JOINT VENTURE II, LARKIN
GENERAL HOSPITAL, LTD., a Florida Limited Partnership, shall pay to Claimant
the sum of ONE HUNDRED NINETY-FOUR THOUSAND DOLLARS AND NO CENTS
(\$194,000.00).

On the Counterclaim, H CORPORATION, a Florida CORPORATION AND CAZO-ARDAVIN
ASSOCIATES, INC., n/k/a C. ARDAVIN CONSTRUCTION, INC., a Florida Corp.,
d/b/a H CORPORATION/CAZO-ARDAVIN JOINT VENTURE II, shall pay to LARKIN
GENERAL HOSPITAL LTD., a Florida Limited Partnership the sum of TWO MILLION
FIFTY FOUR THOUSAND FIVE HUNDRED FORTY-FIVE DOLLARS AND NO CENTS
(\$2,054,545.00).

This leaves a net award to LARKIN GENERAL HOSPITAL, LTD., a Florida Limited
Partnership, of ONE MILLION EIGHT HUNDRED SIXTY THOUSAND FIVE HUNDRED FORTY-
FIVE DOLLARS AND NO CENTS (\$1,860,545.00).

The Administrative fees and expenses of the American Arbitration Association
and the fees for the compensation of the arbitrators shall be borne by the
Respondent, and paid as directed by the Association.

This Award is in full settlement of all claims and Counterclaims submitted
to this arbitration.

ROBERT MILLER

[Handwritten signature of Robert Miller]

DATED

3/4/88

WAYNE MARSHALL

[Handwritten signature of Wayne Marshall]

DATED

3/7/88

MEMBER OF CONSTRUCTION INDUSTRY

[Handwritten signature of Michael John De...]

00026

DATED

3/9/88