

CONTRACT FOR SALE AND PURCHASE

THIS CONTRACT FOR SALE AND PURCHASE is made and entered into this ____ day of _____, 2018, by and between the **City of Gainesville, Florida**, a municipal corporation, whose address is Post Office Box 490, Station 06, Gainesville, Florida 32627 ("Seller"), and **1 + 1 = 3 of Gainesville LLC**, a Florida limited liability company, whose address is 3425 S.W. 87th Drive, Gainesville, Florida 32608 ("Buyer"), and the parties hereby agree that Seller shall sell and Buyer shall buy the following described Real Property (collectively "Property") pursuant to the terms and conditions of this Contract for Sale and Purchase and any riders and addenda ("Contract").

WITNESSETH:

WHEREAS, the Seller is the fee simple owner of approximately 1+/- acre of land located in the City of Gainesville, Alachua County, Florida, and described in paragraph 1, below.

NOW THEREFORE, for and in consideration of the premises hereof, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto do hereby covenant and agree as follows:

1. DESCRIPTION:

(a) Legal description: Block 1, Range 2, Map of Gainesville, Florida, recorded in Deed Record H, Page 383, of the Ancient Records of Alachua County, Florida. (Currently Tax Parcel # 14574-000-000, and commonly referred to as City Parking Lot #10)

(b) Street address: 150 S.W. 2nd Avenue, Gainesville, Florida 32601.

2. PURCHASE PRICE (U. S. currency): \$2,340,000
(Two Million Three Hundred and Forty Thousand Dollars)

PAYMENT:

(a) Deposit to be paid upon Effective Date (see Paragraph 3), and held in escrow by the City. \$50,000

(b) Balance to close by cash or locally drawn cashier's or official bank check(s), subject to adjustments or pro rations. \$2,290,000

3. TIME FOR ACCEPTANCE OF OFFER AND COUNTEROFFERS; EFFECTIVE DATE:

a. If this Contract is not executed by and delivered to all parties on or before August 24, 2018 the Deposit will, at Seller's option, be returned and this offer withdrawn.

b. The effective date of this Contract ("Effective Date") will be the date when the last one of the following has occurred: Buyer has signed this Contract, the City Commission has approved this Contract and authorized its execution, and Seller has executed this Contract.

4. a. DEPOSITS: Upon the Effective Date, the Buyer shall make the deposit of \$50,000, to be held in escrow by the City. The deposit shall be credited to the Purchase Price at Closing. Upon the expiration of the Due Diligence Period, described in Section 8b, below, absent termination of the Agreement within the Due Diligence Period, the Deposit shall become nonrefundable.

Buyers Initials:_____

Sellers

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b. **PERFORMANCE BENCHMARKS:** On or before the dates specified below, the Buyer shall obtain and provide to Seller appropriate documents that evidence that Seller has satisfied each performance benchmark specified below. The documents shall be executed by the duly authorized representative of the party providing the commitment to the Buyer and shall state with specificity the nature of the commitment and may state generally that the commitment is subject to terms and conditions as disclosed to the Buyer. Upon providing the documents, Buyer will thereafter use reasonable diligence to satisfy the terms and conditions and proceed to Closing. If Buyer fails to satisfy a performance benchmark, then the City Manager, or his designee, may provide written demand (in accordance with Section 20) for performance to Buyer. Buyer shall have 5 days (after receipt, as defined in Section 20) to satisfy the performance benchmark, failing which this Contract shall automatically terminate, without further action necessary by either party.

Deadline (on or before)	Performance benchmark
10/26/18	(1) Title Commitment (2) Complete survey
12/22/18	(3) Approval of hotel franchise (4) Complete all property due diligence as required by Buyer, its lenders, partners and hotel franchisor (5) Executed agreement for parking
3/15/19	(6) Binding Commitments to Fund and Close from all lenders and equity partners (7) Approval of all necessary City planning, zoning and development approvals

5. **TITLE EVIDENCE:** On or before October 26, 2018
 (a) Title insurance commitment with legible copies of instruments listed as exceptions attached thereto ("Title Commitment") and, after Closing, an owner's policy of title insurance (see Standard A for terms); or
 (b) Abstract of title or other evidence of title (see rider for terms), shall be obtained by (CHECK ONLY ONE): (1) Seller, at Seller's expense and delivered to Buyer or Buyer's attorney; or
 (2) Buyer at Buyer's expense.
6. **CLOSING DATE:** This transaction shall be closed and the closing documents delivered on or by April 19, 2019 ("Closing"), unless modified by other provisions of this Contract.
7. **RESTRICTIONS; EASEMENTS; LIMITATIONS:** Seller shall convey marketable title by special warranty deed, free and clear of all liens, encumbrances, mortgages, taxes, or assessments of any kind or nature, subject only to: comprehensive land use plans, zoning, restrictions, prohibitions and other requirements imposed by governmental authority; restrictions and matters

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appearing on the plat or otherwise common to the subdivision; outstanding oil, gas and mineral rights of record without right of entry; unplatted public utility easements of record (located contiguous to real property lines and not more than 10 feet in width as to the rear or front lines and 7½ feet in width as to the side lines); taxes for year of Closing and subsequent years; provided, that there exists at Closing no violation of the foregoing and none prevent use of the Property for a hotel with retail, office and meeting space (the "Intended Use").

8. SURVEY AND DUE DILIGENCE:

a. SURVEY: The Buyer shall have until October 26, 2018 to have the property surveyed at its expense. If the survey shows any encroachments upon or shortages in the land herein described or that the improvements located on the land herein described encroach on the land of others, a copy of such survey shall be furnished to the other party and the Seller shall have the time to cure such defect as the Contract allows to cure defects of title. Failure to so eliminate such encroachments shall be regarded as a default by the Seller.

b. DUE DILIGENCE:

(1) Buyer and its engineers, architects, and other agents shall have until December 22, 2018 (the "Due Diligence Period") within which to undertake such physical inspections and other investigations of, and inquiries concerning, the Property as may be necessary in order for Buyer, its lenders, equity partners and hotel franchisor, to evaluate the physical characteristics of the Property, including environmental conditions, as well as such other matters as may be deemed by Buyer to be reasonably necessary to generally evaluate the Property and determine the feasibility and advisability of Buyer's purchase of the Property for the Intended Use.

(2) In the event Buyer determines, in Buyer's sole discretion, that the Property is not suitable for Buyer's intended use, Buyer may by written notice provided to Seller on or prior to expiration of the Due Diligence Period, terminate this Contract, upon which the Deposit shall be promptly returned to Buyer and except as otherwise provided herein, neither party shall have any further liability or obligation hereunder.

(3) For purposes of undertaking physical inspections and investigations of the Property, including but not limited to the Survey, Environmental Phase I, Environmental Phase II, soil studies, asbestos studies, topographical survey, land use and zoning review, water, sewer availability and capacity, ingress/egress, preliminary planning review, covenants and restrictions, coverage ratio, and construction time, Seller hereby grants to Buyer and its agents full right of entry upon the Property and any part thereof during the Due Diligence Period and, as long as this Contract has not been terminated, thereafter until Closing. Buyer, as a condition to its exercise of such right of entry, shall defend, indemnify and save and hold Seller harmless as the result of all claims and judgments arising out of the same incident or occurrence for any claim or judgment or portions against any and all loss, damage, liability, suit, claim, cost or expense (including reasonable attorneys' fees and reasonable attorneys' fees to enforce this indemnification) arising from the exercise by Buyer or its agents of Buyer's rights hereunder.

(4) INDEPENDENT EVALUATION: Buyer shall utilize its own consultants, engineers and all other related professionals to make its own investigation and determination as to the accuracy or acceptability of any and all matters regarding the Property and the documents.

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9. SPECIAL CONDITIONS:

a. Pre-Closing

(1) Parking: Parking is anticipated to be procured by Buyer, for the proposed development, in the City’s Southwest Downtown Parking Garage, through a transfer or assumption by Buyer of rights under the License Agreement for Use of Parking Garage entered between the City of Gainesville and Kenneth and Linda McGurn (now MCG Parking LLC) dated December 1, 2003, and as subsequently amended, or by other arrangements. Buyer shall procure and furnish to the City by no later than December 22, 2018 an executed agreement for parking needed for the proposed development, which agreement may be contingent upon Closing on the purchase of the Property. If such agreement is not executed and provided to City by December 22, 2018, this Contract shall be subject to termination by either party. To the extent the Buyer and the City are interested and willing to entertain an agreement involving access control and/or other matters regarding the Southwest Downtown Parking Garage, the parties may do so by separate agreement, but nothing in this Contract shall be construed as a commitment to make modifications to the Parking Garage or to limit the City’s discretion as to access control or other structural or operational modifications.

(2) Development Review and Approval: Development approval by the Seller (City) shall be required, and in addition Buyer shall provide Seller with a reasonable opportunity to review any development plans and proposed site activities with regard to potential impact on Preexisting Environmental Conditions as defined in Section 14, below.

b. Post-Closing -- Development Requirements, Reverters, Security, Assignment, Mortgages and Mortgagee Rights/Obligations: It is expressly recognized that the Buyer’s commitment to timely completing a development on the Property after Closing was a material inducement to the Seller selecting the Buyer in the RFP process and entering into this Contract. **As such, the special warranty deed by which Seller will convey title to the Property shall include the language contained in this Section 9b in the same form as stated below and same shall survive the Closing.**

(1) Development Requirements: Buyer shall construct on the Property a mixed use development with a minimum of 6 stories to accommodate the following uses and quantities: a 120-140 room Hyatt Place hotel or other full service hotel (“Full-Service Hotel” being industry defined as a hotel with on-site high-end restaurant(s) and lounge(s), group meeting spaces with banquet facilities and additional selective amenities which may include, but are not limited to, spas, elaborate banquet rooms, doormen, valet parking, extended room service, concierge services, and high-end boutique(s)); 9,000-11,000 square feet of retail (2 restaurant spaces); and 7,000-8,000 square feet of meeting space; the development’s architectural and form components shall be consistent with the RFP submission by EDA, 1+1=3 of Gainesville, LLC, and Base 4 Architects and Engineers dated November 13, 2017 and as depicted in **Exhibit C** hereto, or other Full-Service Hotel. All of the foregoing is collectively referred to as the “Development.”

(2) First Reverter Event: In the event Buyer fails to obtain all necessary permits and commence construction (construction is defined as above ground, vertical improvements) of the Development on or before June 15, 2019, Seller shall have the absolute right, but not the obligation, to cause title to the Property to revert to Seller, unless the commencement of

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construction is delayed by a riot, war on American soil, national emergency, strike, flood, hurricane, fire, or act of God (collectively referred to as “force majeure event”), such that Buyer is unable by reasonable diligence to avoid the delay. In the event of such delay, the deadline under this first reverter provision shall be extended by such reasonable time as necessary and equitable.

To exercise its right to this first reversionary interest, Seller shall record an Affidavit to that effect in the public records of Alachua County, Florida on or before May 1, 2019 (the “First Reversion Deadline Date”) plus any extensions. Within a reasonable time after such recording, Buyer and Seller shall close on the transfer of the Property back to the Seller. At the Closing, Buyer shall execute a deed to Seller, and Seller will return to Buyer the Purchase Price, less the Deposits which shall be retained by Seller as liquidated damages. The Buyer shall provide title insurance to the Seller and shall convey the Property back to the Seller free and clear of all encumbrances.

If Seller has not recorded such an affidavit on or before the First Reversion Deadline Date, then the first right of reversion shall expire, and the Property shall be automatically released of such reversion. In addition, Seller agrees to execute at Buyer’s request a recordable release evidencing the expiration of such first right of reversion.

(3) Security:

- a. As security for Buyer’s construction and completion of and conveyance of the Development, Buyer shall at the time of issuance of a building permit for the Development place with Seller a cash deposit or provide Seller a surety bond (“Security”) in an amount that equals a sum that is at least 100 percent of the estimated construction cost of the Development, based on the permitted construction at the time of issuance of a building permit, and as verified and approved by the City Manager or designee. In the event Buyer has not completed construction (defined as issuance of a Certificate of Occupancy) of the Development by December 15, 2020, Buyer shall be deemed in default and Seller shall have the right (but not the obligation) without prior notice to Buyer to draw on the Security in such amount as Seller deems necessary to complete construction of the Development. If a cash deposit is held, upon 25% completion, 50% completion, 75% completion, and 100% completion of the Development, Buyer may request and Seller shall then release and/or refund to Buyer an amount equal to the approved costs of such completed portion of construction. However, at no time shall the balance of the Security be reduced to less than 25% of the amount of the Security until all construction has been completed and approved by Seller. If Buyer completes the construction of the Development, then Seller shall release and/or refund to Buyer the remaining balance of the Security.
- b. In lieu of furnishing the Security described in a. above to the Seller, in the event any Mortgagee (as defined in (6) below) requires the Buyer and its construction contractor, to provide Payment and Performance Bonds guaranteeing the Development will be completed and that payment will be made for all labor and materials (collectively, the “Surety Bond”), the Surety Bond may be used to satisfy the Security requirement. However, the Surety Bond must provide for enforcement by the City (such as by naming the City as an Additional Obligee), must be executed and recorded in the public records of Alachua County, must be issued by a surety insurer authorized to do business in the State of Florida and the Surety Bond must state on its front page:

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1. The name, principal business address, and phone number of the contractor, the surety, the owner of the property being improved, and the City.
2. The bond number assigned by the surety.
3. A description of the Development sufficient to identify it, such as a legal description or the street address of the property being improved, and a description of the Development improvements.

Before commencing construction on the Development, the Buyer shall provide to the City a certified copy of the recorded Surety Bond. The Surety Bond shall guarantee the performance of the construction work in the time and manner prescribed in the construction contract and the prompt payments to all persons defined in Section 713.01, Florida Statutes, who furnish labor, services, or materials for the work provided for in the construction contract. It is expressly recognized that the City being named as an Additional Obligee or otherwise being granted rights to enforce the Surety Bond, is done for the sole purpose of protecting the City’s interest in the completion of the Development, and in no way creates any obligation, liability or expense on behalf of the City.

(4) Second Reverter Event: In the event of any one of the following occurs: a) Buyer, Surety or Mortgagee (as defined in (6) below) fail to complete the Development by December 15, 2020 with completion defined as issuance of a Certificate of Occupancy; b) Buyer defaults under the terms of the Surety Bond; or c) the Surety elects to tender payment of the amount of the Surety Bond to the Buyer instead of completing the construction of the Development, then the Seller shall have the absolute right, but not the obligation, to cause title to the Property to revert to Seller, unless the construction is delayed by a riot, war on American soil, national emergency, strike, flood, hurricane, fire, or act of God (collectively referred to as “force majeure event”), such that Buyer, Surety or Mortgagee is unable by reasonable diligence to avoid the delay. In the event of such delay, the deadline under this reverter provision for completing the Development shall be extended by such reasonable time as necessary and equitable. Apart from the above-described force majeure events, if for reasons beyond its control the Buyer, Surety or Mortgagee is unable to complete the Development by December 15, 2020 Buyer, Surety or Mortgagee may request in writing that the City Manager grant up to two (2) sixty (60) day extensions of the construction completion deadline upon substantial evidence of an excusable delay and that construction activities have consistently continued at the project site within the period of thirty (30) days prior to the construction completion deadline through the date of the extension request.

To exercise its right to this second reversionary interest, Seller shall record an Affidavit to that effect in the public records of Alachua County, Florida on or before August 15, 2020 (the “Second Reversion Deadline Date”) plus any extensions. Within a reasonable time after such recording, Buyer and Seller shall close on the transfer of the Property back to the Seller. At the Closing, Buyer shall execute a deed to Seller, Seller will return to Buyer the Purchase Price, less the Deposits which shall be retained by Seller as liquidated damages. The Buyer shall provide title insurance to the Seller and shall convey the Property back to the Seller free and clear of all encumbrances.

If Seller has not recorded such an affidavit on or before the Second Reversion Deadline Date plus any extensions, then the second right of reversion shall expire, and the Property shall be

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automatically released of such reversion. In addition, Seller agrees to execute at Buyer's request a recordable release evidencing the expiration of such second right of reversion.

(5) Assignment: Prior to receiving a Certificate of Occupancy for the Development, the Buyer may not sell, convey, assign, or otherwise transfer or dispose of any of its rights, title, and interest in the Property or the Development, or any duty or obligation of the Buyer pertaining to Property or the Development, or any part thereof without prior written consent of the Seller, which consent may be withheld by Seller in its sole and absolute discretion. However, Seller hereby acknowledges, consents and agrees that, without further notice to or consent of Seller, Buyer shall be entitled to assign all of its rights, title and interest in, to the Property and/or the Development to a subsidiary or affiliate, which is owned in whole or in part by Buyer or a subsidiary or affiliate of Buyer, under common ownership with Buyer, or controlled by Buyer, (the "Buyers Successor"), pursuant to a written assignment document, which shall include Buyers Successor's consent and agreement to be bound by all obligations of the Buyer as stated in the special warranty deed. Buyer or Buyers Successor shall provide the Seller with a copy of the written assignment document, together with the name and address of a contact person for purposes of notice to the Buyers Successor.

(6) Mortgage and Mortgagee's Rights and Obligations: The Buyer may, without prior written consent of Seller, mortgage its interest in the Property or Development, or any part thereof, to any party that lends money for the purchase of the Property and/or the costs of construction of the Development and requires a written, recorded mortgagee interest in the Property and/or the Development (a "Mortgagee"). Buyer shall promptly provide Seller with a copy of any recorded Mortgage and the name and address of a contact person for purposes of notice to the Mortgagee.

The Seller shall provide each Mortgagee with a copy of any Notice of Default and the opportunity to cure any event of default (including, but not limited to, the obligations to commence construction as set forth in Section 9b(2) and to complete construction as set forth in Section 9b(4)) on its own behalf or on behalf of the Buyer, provided, however, that if the event of default cannot practically be cured by the Mortgagee without the Mortgagee taking possession of the Property, then the Seller shall grant the Mortgagee such additional time as is reasonable necessary in order for the Mortgagee to obtain possession of the Property and cure such event of default, provided that the Mortgagee provides the Seller with documentation evidencing that the Mortgagee is diligently undertaking and proceeding to obtain such possession and cure such default to the Seller's reasonable satisfaction, but in any event, the Mortgagee shall not have more than one hundred (100) days from the end of the applicable cure period, to cure such breach. To avail itself of the opportunity to cure, Mortgagee shall indemnify, defend, and hold harmless the Seller from any and all damages, claims, suits, and liability of any kind that Buyer may have or assert against the Seller as a result of the Seller providing Mortgagee an opportunity to cure.

10. WARRANTIES & COVENANTS OF SELLER:

a. **LITIGATION**: Seller covenants and warrants that, to the best of its knowledge, there are no suits, actions, or proceedings pending, whether involving governmental authority or private party, to which Seller is a party and relating to the ownership or operation of the Property, nor has Seller any knowledge of any contemplated actions; and Seller agrees to give Buyer prompt notice of any suits instituted between the date hereof and the closing date.

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b. **SELLER'S OWNERSHIP:** Seller warrants and covenants that Seller has title to the exclusion of all other persons or entities to the fee simple interest in the Property, and the same shall be conveyed by Seller to Buyer at the closing; that Seller has an unrestricted right to so transfer, that there are no Contracts, leases or understandings affecting the Property or improvements thereon other than (1) the Public Parking Space License Agreement (Gabison valet) dated April 1, 2017, and (2) individual monthly parking permits, which shall all be terminated, in regard to use of the Property, on or before the Closing.

c. **COMPLIANCE WITH LAW:** Seller warrants and covenants that, to the best of its knowledge, there are no violations of federal, state, or local law, regulations or ordinances affecting the Property and Seller covenants to cure any and all such violations, if such are found to exist, prior to closing.

d. **ZONING:** Seller discloses and Buyer acknowledges that the Property is zoned Downtown Zoning.

e. **CONDEMNATION:** Seller warrants and covenants that it has not received any written or official notice or otherwise been notified or have any knowledge of any condemnation proceedings against the whole or any part of the Property.

11. **OCCUPANCY:** Seller shall deliver occupancy of Property to Buyer at time of Closing unless otherwise stated herein. If Property is intended to be rented or occupied beyond Closing, the fact and terms thereof and the tenant(s) or occupants shall be disclosed pursuant to Standard E. If occupancy is to be delivered before Closing, Buyer assumes all risks of loss to Property from date of occupancy, shall be responsible and liable for maintenance from that date, and shall be deemed to have accepted Property in its existing condition as of time of taking occupancy.

12. **TYPEWRITTEN OR HANDWRITTEN PROVISIONS:** Typewritten or handwritten provisions, riders and addenda shall control all printed provisions of this Contract in conflict with them.

13. **ASSIGNABILITY:** Buyer may not assign this Contract without the prior express written consent of Seller.

14. **DISCLOSURES:**

a. ____ CHECK HERE if the property is subject to a special assessment lien imposed by a public body payable in installments which continue beyond Closing and, if so, specify who shall pay amounts due after Closing: ____ Seller ____ Buyer ____ Other (see addendum).

b. Radon is a naturally occurring radioactive gas that when accumulated in a building in sufficient quantities may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your County Public Health unit.

c. Environmental Release and Environmental Indemnity. Buyer acknowledges that this Section 14c was a negotiated part of the Contract and serves as an essential component of consideration for the same. **As such, the special warranty deed by which Seller will**

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convey title to the Property shall contain the Environmental Release and Indemnity in the same form as stated below and same shall survive the Closing.

(1) Representations: The Seller, in the September 20, 2017 Request for Proposal RFP No. ECOD-180036-GD Mixed Use Development of Lot #10, disclosed to Buyer that contamination assessment activities have been performed at the Property. Previous investigation of the Property in 1998 revealed the presence of tetrachloroethene (“PCE”) and trichloroethene (“TCE”) in groundwater collected from a monitor well installed on the southeast corner of the property at concentrations in excess of applicable regulatory criteria. PCE is a common dry cleaning solvent and TCE is a degradation product of PCE. Sanborne maps show that a dry cleaner occupied a portion of the property sometime between 1922 and 1928. Following discovery of the groundwater contamination, the property was deemed eligible by the Florida Department of Environmental Protection (“FDEP”) to participate in the Dry Cleaning Solvent Cleanup Program (“Program”). Under the Program, state funds may be made available by FDEP to provide for any necessary remediation of the properties that are contaminated as a result of the operations of a dry cleaning facility, and the liability of the real property owner for cleanup of dry cleaning solvent contamination is limited. See Section 376.3078, Florida Statutes. Documents which may provide greater detail of the known environmental conditions of the Property include:

a. Ownership and Encumbrance Report, dated September 19, 2001, prepared by First American Title Insurance Company for the City of Gainesville.

b. Ordinance 020189, dated September 23, 2002, an ordinance of the City of Gainesville to vacate, abandon and close a certain portion of the right-of-way located in the westerly 6 feet of SW 1st Street from SW 1st Avenue to SW 2nd Avenue and the southerly 7 feet of SW 1st Avenue from SW 1st Street to SW 2nd Street.

c. Appraisal of Parking Lot #10, dated January 5, 2009, prepared by Andrew V. Santangini, Jr., MAI, Real Estate Appraiser and Consultant, for the City of Gainesville.

d. Letter dated January 2, 2003, to J.E. Swearingen, P.E., Public Works Manager, City of Gainesville, from Scott L. Burgard, P.G., Water & Air Research, Inc., describing the results of soil and groundwater sampling performed at the Property in 2002.

e. Limited Contamination Assessment of City Parking Lot #10, Gainesville, Florida, dated September 2002, prepared by Water & Air Research, Inc.

f. Final Health and Safety Guidance for Construction of the Downtown Quadrant Parking Garage Facility, Gainesville, Florida, dated April 2002, prepared by Willis Environmental Group, LLC.

g. Information generated during the development review process for Gainesville Greens, a project that was at one time considered at Lot 10, including:

- (i) Letter dated June 2, 2006 to Gene Francis, Planner, City of Gainesville, from Agustin Olmos, P.E., Hazardous Materials Manager, Alachua County Environmental Protection Department, providing recommendations related to environmental protection for development of Lot 10.
- (ii) Site Assessment Update, City of Gainesville Parking Lot #10, Gainesville, Florida, dated November 2005, prepared by Water & Air Research, Inc., for Equity Ventures Realty.

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- (iii) Preliminary Report of Geotechnical Consulting Services, Gainesville Greens Proposed Mixed-Use Development, dated December 9, 2005, prepared by Universal Engineering Sciences for Equity Ventures Realty.
- (iv) Addendum to Preliminary Report of Geotechnical Consulting Services, Gainesville Greens Proposed Mixed-Use Development, dated January 20, 2006, prepared by Universal Engineering Sciences for Equity Ventures Realty.
- (v) Geotechnical Report Review, dated May 11, 2007, prepared by Capri Engineering for GG Development Associates, LLC.
- (vi) Proposed Piling and Contamination Considerations at the Gainesville Greens Project, dated May 18, 2007, prepared by Nutting Environmental of Florida, Inc., for Gainesville Greens, LLC.
- (vii) Contamination Issues Related to Use of Pilings at Gainesville Greens, dated April 30, 2007, prepared by Water & Air Research, Inc. for Gainesville Greens, LLC.
- (viii) Summary Report of a Supplemental Geotechnical Exploration, dated April 2007, prepared by SDII Global Corporation for Equity Ventures Realty, Inc.
- (ix) Contamination Issues Related to Use of Pilings at Gainesville Greens, dated June 6, 2008, prepared by Water & Air Research, Inc., for GG Development Associates, LLC.

- h. License Agreement with the Palms Condominiums including Amendments 1 & 2.
- i. Sample of License Agreement for use of Parking Garage
- j. McGurn Parking License
- k. Land Development Code related to DT Zoning
- l. County Parking License
- m. Surplus of Lot #10
- n. Lot #10 Survey
- o. Appraisal Lot #10
- p. September 20, 2016 Appraisal
- q. August 1, 2017 Appraisal Update

All of the reports referenced above are hereafter referred to as “Environmental Reports.” The Environmental Reports describe soil and/or groundwater impacts (“Preexisting Environmental Conditions”) that may be present on the Property as a result of the Release of Hazardous Substances on the Property.

Seller shall, upon request, provide Buyer with copies of the Environmental Reports. The Seller makes no representation or warranty as to the accuracy of any of the information provided in the Environmental Reports; however, this Contract provides Buyer an adequate due diligence period within which to conduct further environmental studies and an option to rescind the Contract if the Property condition is unacceptable to Buyer.

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The presence of contamination on the Property may require special consideration in connection with any development and/or construction plans for the Property. Buyer shall be solely responsible to review existing reports in the possession of Seller and to conduct any further independent analysis of the potential impact of the environmental conditions of the Property on any development and/or construction plans for the Property.

(2) Prohibitions. In recognition of the Preexisting Environmental Conditions, the Seller, as owner of the Property, hereby declares that the Property shall be owned, held, used, transferred, sold, conveyed, encumbered, demised and occupied subject to the following: (a) the use of groundwater on the Property for any purpose is prohibited; (b) drilling for water on the Property is prohibited; (c) the installation of wells, except as required for environmental remediation or monitoring, on the Property is prohibited; and (d) no activity shall take place on the Property that has the effect of exacerbating the Preexisting Environmental Conditions. These prohibitions may be waived or modified, in whole or part, upon express written consent of the Seller and the Florida Department of Environmental Protection, or its successor agency or department.

(3) Environmental Indemnity. Seller shall indemnify, defend and hold harmless Buyer from and against any and all liabilities, claims, demands, damages, penalties, forfeitures, suits, costs, expenses and all other obligations which Buyer may hereafter incur, become responsible for or pay out in connection with the Preexisting Environmental Conditions solely by virtue of Buyer's status as owner of the Property ("Claim"); provided, however, Seller shall have no obligation to indemnify or hold harmless Buyer against any Claim related to or arising out of environmental impacts on the Property as a result of sources other than the Preexisting Environmental Conditions, or to the extent the Preexisting Environmental Conditions are exacerbated by or resulting from the negligence or willful misconduct of Buyer, or its employees, agents, or invitees.

Buyer shall notify Seller of any Claim within ten (10) business days after Buyer receives actual notice thereof. Buyer shall cooperate with Seller in any reasonable manner that Seller shall request in the defense of a Claim.

Seller shall have the right to assume and take over the defense of any Claim and engage attorneys to represent Seller and Buyer, provided, however, if Buyer desires separate counsel, Buyer may engage such counsel at its own cost and expense and Seller shall cause Seller's counsel to cooperate with Buyer's counsel in its defense of any Claim.

The environmental indemnity provided in this Section 14c extends to Buyer, as well as to (a) an institutional lender providing financing for the acquisition of the Property by Buyer or the construction of the improvements on the Property by Buyer; (b) any third party taking title to the Property through foreclosure proceedings initiated by Buyer's institutional lender; or (c) a bona fide purchaser taking title to the Property from Buyer provided that the indemnity to the bona fide purchaser shall expire twenty (20) years from the date of the Closing between Seller and Buyer, irrespective of the date of closing between Buyer and the bona fide purchaser.

The environmental indemnity provided in this Section 14c shall be valid and enforceable only as long as the Property is used as a full service hotel. Any other use of the Property shall render the indemnity null and void.

Buyers Initials: _____

Sellers

Initials:

(4) Reimbursement of Environmental Remediation Costs. If, in connection with Buyer’s development of the hotel project on the Property, dewatering is required to be performed at the Property, Seller shall reimburse Buyer up to \$234,000 for the actual costs of removal and/or treatment of any groundwater required to be removed that contain contaminants in excess of the contaminant cleanup target levels established in Chapter 62-777, F.A.C., or that may otherwise be required to be removed and/or remediated by any federal, state or local environmental regulatory authority, as a result of the Preexisting Environmental Conditions. Buyer shall notify Seller of the need to incur groundwater treatment/disposal costs, at least thirty (30) days prior to initiating the groundwater removal. Construction or design costs incurred for the purpose of avoiding or minimizing disturbance of any existing contamination shall not qualify for reimbursement. Any request for reimbursement shall be accompanied by proper invoice and sufficient documentation to demonstrate qualification under this section.

(5) Environmental Definitions. When used herein, the term “Environmental Laws” shall mean and include any and all federal, state or local laws (whether under common law, statute, rule, regulation, ordinance or otherwise), requirements under permits or other authorizations issued with respect thereto, and other orders, decrees, judgments, directives or other requirements of any governmental authority relating to or imposing liability or standards of conduct (including disclosure or notification) concerning the protection of human health or the environment, Contamination, or Hazardous Substances or any activity involving Hazardous Substances, including without limitation: the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. Sections 9601 et seq. (“CERCLA”); the Resource Conservation and Recovery Act of 1976, 42 U.S.C. Sections 6921 et seq.; the Toxic Substances Control Act, 15 U.S.C. Sections 2601 et seq.; the Federal Insecticide, Fungicide and Rodenticide Act, 7 U.S.C. Section 136; the Federal Water Pollution Control Act, 33 U.S.C. Sections 1251 et seq.; the Hazardous Materials Transportation Act, 49 U.S.C. Sections 1801 et seq.; the Federal Solid Waste Disposal Act, 42 U.S.C. Sections 6901 et seq.; the Clean Air Act, 42 U.S.C. Sections 7401 et seq.; the Emergency Planning and Community Right-to-Know Act, 42 U.S.C. Sections 11001 et seq.; applicable state environmental laws; or any other applicable law, as the same may be amended from time to time.

When used herein, the term “Hazardous Substances” shall have the meaning ascribed to it in CERCLA; provided, however, that the definition of the term “Hazardous Substances” shall also include (if not included within the definition contained in CERCLA) any hazardous or toxic chemical, waste, byproduct, pollutant, contaminant, compound, product or substance, including without limitation, asbestos, polychlorinated biphenyls, petroleum (including crude oil or any fraction or byproduct thereof), hydrocarbons, radon, urea, urea formaldehyde, and any material the exposure to, or manufacture, possession, presence, use, generation, storage, transportation, treatment, release, disposal, abatement, cleanup, removal, remediation or handling of which is prohibited, controlled, limited or regulated in any manner under any Environmental Laws.

When used herein, the term “Release” shall have the meaning ascribed to it in CERCLA and shall also include (if not included within the definition contained in CERCLA) any spill, leak, emission, discharge or disposal of Hazardous Substances into the environment.

15. **MAXIMUM REPAIR COSTS:** Not applicable, vacant property.

16. **RIDERS; ADDENDA; SPECIAL CLAUSES:**

CHECK those riders which are applicable AND are attached to this Contract:

___ CONDOMINIUM

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- ___ HOMEOWNERS' ASSOCIATION
 - ___ LEAD-BASED PAINT
 - ___ INSULATION
 - ___ "AS IS"
 - ___ Other Comprehensive Rider Provisions
 - ___ Addenda (Addendum Number 1)
- Special Clause(s):

- 17. STANDARDS FOR REAL ESTATE TRANSACTIONS ("Standards"):** Buyer and Seller acknowledge receipt of a copy of Standards A through V on the reverse side or attached, which are incorporated as a part of this Contract.
- 18. REAL ESTATE COMMISSION:** Seller and Buyer each represent and warrant to the other that it will be individually responsible for any commission or finder's fee for any broker, salesperson, agent, or finder it has dealt with in connection with any of the transactions contemplated by this Contract. Seller and Buyer each agree to indemnify, defend (by counsel reasonably satisfactory to the indemnified party), save, and hold harmless the other from and against any and all losses, claims, damages, liabilities, Fees and Costs, and all other expenses related to, growing out of, or arising from, any claims or demands for any brokerage commissions or finder's fee alleged to be payable because of any act, omission, or statement of the indemnifying party. The terms of this Paragraph 18 shall survive the Closing.
- 19. PARTIAL INVALIDITY:** If any term, covenant, condition or provision of this Contract or the application thereof to any person or circumstances shall, at any time or to any extent, be invalid or unenforceable, the remainder of this Contract, shall not be affected thereby, and all other terms, covenants, conditions and provisions of this Contract shall be valid and be enforced to the fullest extent permitted by law.
- 20. NOTICE:** Any and all notices or demands by or from Seller to Buyer, or Buyer to Seller, shall be in writing. They will be served by certified mail. Receipt shall be conclusively deemed forty-eight (48) hours after the deposit of the notice or demand in the United States Mail, postage prepaid, addressed to the party to whom such notice or demand is to be given, as hereinafter provided, with a certified mail receipt therefore.

AS TO BUYER: Reid Fogler
 1 + 1 = 3 of Gainesville, LLC
 3425 S.W. 87th Drive
 Gainesville, Florida 32608

AS TO Seller: City Manager	COPY TO: City Attorney
City of Gainesville	City of Gainesville
P.O. Box 490, MS 6	P.O. Box 490, Station 46
Gainesville, Florida 32627	Gainesville, Florida 32627

- 21. ENTIRE CONTRACT:** This Contract and Exhibits thereto, constitute the entire understanding between the parties hereto with respect to the subject matter hereof and cannot be changed, modified, amended, terminated or any provision hereof waived except by an instrument in writing

Buyers Initials: _____

Sellers

Initials:

signed by the parties hereto.

- 22. **CAPTIONS:** The parties mutually agree that the headings and captions contained in this Contract are inserted for convenience of reference only and are not to be deemed part of or to be used in construing this Contract.
- 23. **COUNTERPARTS:** This Contract may be executed in several counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.
- 24. **GOVERNING LAW:** The Laws of the State of Florida shall govern this Contract, notwithstanding its conflict of laws provisions. Venue shall be in Alachua County, Florida.
- 25. **APPROVALS:** This Contract is contingent upon approval by the Gainesville City Commission.
- 26. **RELATIONSHIP:** This Agreement does not evidence the creation of, nor shall it be construed as creating, a partnership or joint venture between the City and the Developer. The Developer cannot create any obligation or responsibility on behalf of the City or bind the City in any manner. Each party is acting for its own account, and it has made its own independent decisions to enter into this Agreement and as to whether the same is appropriate or proper for it based upon its own judgment and upon advice from such advisers as it has deemed necessary. Each party acknowledges that none of the other parties hereto is acting as a fiduciary for or an adviser to it in respect of this Agreement or any responsibility or obligation contemplated herein.
- 27. **BANKRUPTCY.** If, at any time prior to Closing or during the reverter periods, there shall be filed by or against Buyer in any court pursuant to any statute either of the United States or of any state a petition in bankruptcy or insolvency or for reorganization or for the appointment of a receiver or trustee of all or a portion of Buyer’s property, this Contract shall be deemed canceled and terminated prior to such filing. Buyer agrees to notify Seller in writing of its intent to file for bankruptcy at least 30 days prior to such filing, and Buyer shall vacate the Property prior to such filing, unless the City agrees otherwise. In the event of bankruptcy by Buyer, neither Buyer nor any person claiming through or under Buyer by virtue of any statute or of any order of any court shall be entitled to close on the purchase of the Property or take possession or remain in possession of the Property, but shall vacate and surrender the Property. The terms of this Paragraph 27 shall survive the Closing and shall be included in the special warranty deed.

THIS IS INTENDED TO BE A LEGALLY BINDING CONTRACT. IF NOT FULLY UNDERSTOOD, SEEK THE ADVICE OF AN ATTORNEY PRIOR TO SIGNING.

SELLER:

CITY OF GAINESVILLE, FLORIDA, a municipal corporation,

By: _____
Anthony Lyons, City Manager

Date: _____

Buyers Initials: _____

Sellers

Initials:

WITNESSES:

_____	_____
Name	Print Name
_____	_____
Name	Print Name

APPROVED AS TO FORM AND LEGALITY

City Attorney
City of Gainesville

BUYER:

1 + 1 = 3 of Gainesville LLC

_____	Date: _____
_____	Date: _____

WITNESSES:

_____	_____
Name	Print Name
_____	_____
Name	Print Name

DEPOSITS : Deposits under Paragraph 2(a) received (Checks are subject to clearance):

_____, **Escrow Agent**

By: _____

STANDARDS FOR REAL ESTATE TRANSACTIONS

A. TITLE INSURANCE: The Title Commitment shall be issued by a Florida licensed title insurer agreeing to issue Buyer, upon recording of the deed to Buyer, an owner's policy of title insurance in the amount of the purchase price, insuring Buyer's marketable title to the Real Property, subject only to matters contained in Paragraph 8 and those to be discharged by Seller at or before Closing. Marketable title shall be determined according to applicable Title Standards adopted by authority of The Florida Bar and in accordance with law. Buyer shall have 5 days from date of receiving the Title Commitment to examine it, and if title is found defective, notify Seller in writing specifying the defect(s) which render

Buyers Initials: _____

Sellers

Initials:

title unmarketable. Seller shall have 30 days from receipt of notice to remove the defects, failing which Buyer shall, within 5 days after expiration of the 30 day period, deliver written notice to Seller either: (1) extending the time for a reasonable period not to exceed 120 days within which Seller shall use diligent effort to remove the defects; or (2) requesting a refund of deposit(s) paid which shall be returned to Buyer. If Buyer fails to so notify Seller, Buyer shall be deemed to have accepted the title as it then is. Seller shall, if title is found unmarketable, use diligent effort to correct defect(s) within the time provided. If Seller is unable to timely correct the defects, Buyer shall either waive the defects, or receive a refund of deposit(s), thereby releasing Buyer and Seller from all further obligations under this Contract. If Seller is to provide the Title Commitment and it is delivered to Buyer less than 5 days prior to Closing, Buyer may extend Closing so that Buyer shall have up to 5 days from date of receipt to examine same in accordance with this Standard.

B. SURVEY: Buyer, at Buyer's expense, within time allowed to deliver evidence of title and to examine same, may have the Real Property surveyed and certified by a registered Florida surveyor. If the survey discloses encroachment on the Real Property or that improvements located thereon encroach on setback lines, easements, lands of others or violate any restrictions, Contract covenants or applicable governmental regulation, the same shall constitute a title defect.

C. WOOD DESTROYING ORGANISMS: Not applicable, vacant land.

D. INGRESS AND EGRESS: Seller warrants and represents that there is ingress and egress to the Real Property sufficient for its intended use as described in Paragraph 8 hereof, and title to the Real Property is insurable in accordance with Standard A without exception for lack of legal right of access.

E. LEASES: Seller shall, at least 10 days before Closing, furnish to Buyer copies of all written leases and estoppel letters from each tenant specifying the nature and duration of the tenant's occupancy, rental rates, advanced rent and security deposits paid by tenant. If Seller is unable to obtain such letter from each tenant, the same information shall be furnished by Seller to Buyer within that time period in the form of a Seller's affidavit, and Buyer may thereafter contact tenant to confirm such information. If the terms of the leases differ materially from Seller's representations, Buyer may terminate this Contract by delivering written notice to Seller at least 5 days prior to Closing. Seller shall, at Closing, deliver and assign all original leases to Buyer.

F. LIENS: Seller shall furnish to Buyer at time of Closing an affidavit attesting to the absence, unless otherwise provided for herein, of any financing statement, claims of lien or potential lienors known to Seller and further attesting that there have been no improvements or repairs to the Real Property for 90 days immediately preceding date of Closing. If the Real Property has been improved or repaired within that time, Seller shall deliver releases or waivers of construction liens executed by all general contractors, subcontractors, suppliers and materialmen in addition to Seller's lien affidavit setting forth the names of all such general contractors, subcontractors, suppliers and materialmen, further affirming that all charges for improvements or repairs which could serve as a basis for a construction lien or a claim for damages have been paid or will be paid at Closing of this Contract.

G. PLACE OF CLOSING: Closing shall be held in the county wherein the Real Property is located at the office of the attorney or other closing agent ("Closing Agent") designated by the party paying for the title insurance, or, if no title insurance, designated by Seller.

H. TIME: In computing time periods of less than six (6) days, Saturdays, Sundays and state or

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national legal holidays shall be excluded. Any time periods provided herein which shall end on a Saturday, Sunday or a legal holiday shall extend to 5:00 p.m. of the next business day. **Time is of the essence in this Contract.**

I. CLOSING DOCUMENTS: Seller shall furnish the deed, bill of sale, certificate of title, construction lien affidavit, owner's possession affidavit, assignments of leases, tenant and mortgagee stoppel letters and corrective instruments.

J. EXPENSES: Buyer will pay taxes and recording fees on notes, mortgages and financing statements, and recording fees for the deed. Seller will pay taxes on the deed and recording fees for documents needed to cure title defects. Unless otherwise provided by law or rider to this Contract, charges for the following related title services, namely title evidence, title examination, and closing fee (including preparation of closing statement), shall be paid by the party responsible for furnishing the title evidence in accordance with Paragraph 5.

K. PRORATIONS; CREDITS: Taxes, assessments, rent, interest, insurance and other expenses of the Property shall be prorated through the day before Closing. Buyer shall have the option of taking over existing policies of insurance, if assumable, in which event premiums shall be prorated. Cash at Closing shall be increased or decreased as may be required by prorations to be made through day prior to Closing, or occupancy, if occupancy occurs before Closing. Advance rent and security deposits will be credited to Buyer. Escrow deposits held by mortgagee will be credited to Seller. Taxes shall be prorated based on the current year's tax with due allowance made for maximum allowable discount, homestead and other exemptions. If Closing occurs at a date when the current year's millage is not fixed and current year's assessment is available, taxes will be prorated based upon such assessment and prior year's millage. If current year's assessment is not available, then taxes will be prorated on the prior year's tax. If there are completed improvements on the Real Property by January 1st of year of Closing, which improvements were not in existence on January 1st of prior year, then taxes shall be prorated based upon prior year's millage and at an equitable assessment to be agreed upon between the parties; failing which, request shall be made to the County Property Appraiser for an informal assessment taking into account available exemptions. A tax proration based on an estimate shall, at request of either party, be readjusted upon receipt of tax bill on condition that a statement to that effect is signed at Closing.

L. SPECIAL ASSESSMENT LIENS: Certified, confirmed and ratified special assessment liens imposed by public bodies as of Closing are to be paid by Seller. Pending liens as of Closing shall be assumed by Buyer. If the improvement has been substantially completed as of Effective Date, any pending lien shall be considered certified, confirmed or ratified and Seller shall, at Closing, be charged an amount equal to the last estimate or assessment for the improvement by the public body.

M. INSPECTION, REPAIR AND MAINTENANCE: N/A, vacant land.

N. RISK OF LOSS: Not applicable, vacant land.

O. CLOSING PROCEDURE: The deed shall be recorded upon clearance of funds. If the title agent insures adverse matters pursuant to Section 627.7841, F.S., as amended, the escrow and closing procedure required by this Standard shall be waived. Unless waived as set forth above the following closing procedures shall apply: (1) all closing proceeds shall be held in escrow by the Closing Agent for a period of not more than 5 days after Closing; (2) if Seller's title is rendered unmarketable, through no

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fault of Buyer, Buyer shall, within the 5-day period, notify Seller in writing of the defect and Seller shall have 30 days from date of receipt of such notification to cure the defect; (3) if Seller fails to timely cure the defect, all deposits and closing funds shall, upon written demand by Buyer and within 5 days after demand, be returned to Buyer and, simultaneously with such repayment, Buyer shall return the Personal Property, vacate the Real Property and reconvey the Property to Seller by special warranty deed and bill of sale; and (4) if Buyer fails to make timely demand for refund, Buyer shall take title as is, waiving all rights against Seller as to any intervening defect except as may be available to Buyer by virtue of warranties contained in the deed or bill of sale.

P. ESCROW: Any Closing Agent or escrow agent ("Agent") receiving funds or equivalent is authorized and agrees by acceptance of them to deposit them promptly, hold same in escrow and, subject to clearance, disburse them in accordance with terms and conditions of this Contract. Failure of funds to clear shall not excuse Buyer's performance. If in doubt as to Agent's duties or liabilities under the provisions of this Contract, Agent may, at Agent's option, continue to hold the subject matter of the escrow until the parties hereto agree to its disbursement or until a judgment of a court of competent jurisdiction shall determine the rights of the parties, or Agent may deposit same with the clerk of the circuit court having jurisdiction of the dispute. An attorney who represents a party and also acts as Agent may represent such party in such action. Upon notifying all parties concerned of such action, all liability on the part of Agent shall fully terminate, except to the extent of accounting for any items previously delivered out of escrow. If a licensed real estate broker, Agent will comply with provisions of Chapter 475, F.S., as amended. Any suit between Buyer and Seller wherein Agent is made a party because of acting as Agent hereunder, or in any suit wherein Agent interpleads the subject matter of the escrow, Agent shall recover reasonable attorney's fees and costs incurred with these amounts to be paid from and out of the escrowed funds or equivalent and charged and awarded as court costs in favor of the prevailing party. The Agent shall not be liable to any party or person for misdelivery to Buyer or Seller of items subject to the escrow, unless such misdelivery is due to willful breach of the provisions of this Contract or gross negligence of Agent.

Q. ATTORNEY'S FEES; COSTS: In any litigation, including breach, enforcement or interpretation, arising out of this Contract, the prevailing party in such litigation, which, for purposes of this Standard, shall include Seller, Buyer, and any brokers acting in agency or nonagency relationships authorized by Chapter 475, F.S., as amended, shall be entitled to recover from the non-prevailing party reasonable attorney's fees, costs and expenses.

R. FAILURE OF PERFORMANCE: If Buyer fails to perform this Contract within the time specified, including payment of all deposits, the deposit(s) paid by Buyer and deposit(s) agreed to be paid, may be recovered and retained by and for the account of Seller as agreed upon liquidated damages, consideration for the execution of this Contract and in full settlement of any claims; whereupon, Buyer and Seller shall be relieved of all obligations under this Contract; or Seller, at Seller's option, may proceed in equity to enforce Seller's rights under this Contract. If for any reason other than failure of Seller to make Seller's title marketable after diligent effort, Seller fails, neglects or refuses to perform this Contract, Buyer may seek specific performance or elect to receive the return of Buyer's deposit(s) without thereby waiving any action for damages resulting from Seller's breach.

S. CONTRACT NOT RECORDABLE; PERSONS BOUND; NOTICE; FACSIMILE: Neither this Contract nor any notice of it shall be recorded in any public records. This Contract shall bind and inure to the benefit of the parties and their successors in interest. Whenever the context permits, singular

Buyers Initials:_____

Sellers Initials:

shall include plural and one gender shall include all. Notice and delivery given by or to the attorney or broker representing any party shall be as effective as if given by or to that party. All notices must be in writing and may be made by mail, personal delivery or electronic media. A legible facsimile copy of this Contract and any signatures hereon shall be considered for all purposes as an original.

T. CONVEYANCE: Seller shall convey marketable title to the Real Property by statutory warranty, trustee's, personal representative's or guardian's deed, as appropriate to the status of Seller, subject only to matters contained in Paragraph 8 and those otherwise accepted by Buyer. Personal property shall, at the request of Buyer, be transferred by an absolute bill of sale with warranty of title, subject only to such matters as may be otherwise provided for herein.

U. OTHER CONTRACTS: No prior or present Contracts or representations shall be binding upon Buyer or Seller unless included in this Contract. No modification to or change in this Contract shall be valid or binding upon the parties unless in writing and executed by the parties intended to be bound by it.

V. WARRANTY: Seller warrants that there are no facts known to Seller materially affecting the value of the Property which are not readily observable by Buyer or which have not been disclosed to Buyer.

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