

REAL PROPERTY PURCHASE AND SALE AGREEMENT

PARTIES: THE CITY OF CLEARWATER, FLORIDA, a Municipal Corporation of the State of Florida whose mailing address is P.O. Box 4748, Clearwater, Florida 33758-3683 (herein "Seller" or "City"), and, CHURCH OF SCIENTOLOGY FLAG SERVICE ORGANIZATION, INC. whose principal place of business is 503 Cleveland St. Clearwater, Florida 33755 (herein "Buyer") (each a "Party" and collectively the "Parties") hereby agree that the Seller shall sell, and Buyer shall buy the following real property upon the terms and conditions stated herein ("Contract").

1. PROPERTY DESCRIPTION

- A. The parcel of land generally described as: Exhibit "A" (attached hereto and incorporated herein).
- B. Legally Described as:
ALL OF THE RIGHT OF WAY OF SOUTH GARDEN AVENUE ABUTTING LOTS 6-11 TOGETHER WITH THAT PORTION ABUTTING THE VACATED 15 FOOT ALLEY LYING BETWEEN LOTS 10 AND 11 OF COURT SQUARE SUBDIVISION AS RECORDED IN PLAT BOOK 5, PAGE 53 OF THE PUBLIC RECORDS OF PINELLAS COUNTY, FLORIDA.
- C. Together with all improvements located therein, but excluding any existing utility improvements or assets owned or maintained by the City.
- D. Referred to herein as the "Property" or "Subject Property" or "the Land."

2. PURCHASE PRICE

The Buyer shall pay ONE MILLION THREE HUNDRED SEVENTY FIVE THOUSAND DOLLARS EXACTLY (\$1,375,000.00).

- A. The Parties agree that this price represents the fair market value of the Subject Property,
- B. The manner of payment shall be via a federal funds wire in United States currency at the time of closing as more particularly described in this Contract

3. PURPOSE

The Clearwater City Council ("Council") has determined its desire to convey the Subject Property to the Buyer pursuant to the approval of Ordinance 9812-25 ("Vacation Ordinance"). The Buyer agrees that while the Subject Property is right of way, the City owns it in fee simple, and that the vacation of the right of way is contingent upon the satisfactory closing of this Contract, and the transfer of interests by Special Warranty Deed. This Contract is subject to the requirements of the Vacation Ordinance.

4. AUTHORITY TO EXECUTE NECESSARY DOCUMENTS

As part of the Council's approval of the Vacation Ordinance, the City has authorized the execution of this Contract by the City Manager and has given the City Manager and the City Attorney the discretion to approve the form of a Special Warranty Deed, and to determine if all Seller's closing conditions have been met in their sole discretion.

5. TITLE & TITLE EVIDENCE

- A. The City shall warrant legal capacity to execute a Special Warranty Deed through the appropriate officials, and said Deed shall meet the requirements as described herein. The City shall convey the Property by a Special Warranty Deed. Said Deed shall expressly release any reserved interests in compliance with F. S. S 270.11.
- B. The Parties acknowledge that no formal title search on the Subject Property was performed by either Party, and no title insurance will be obtained for this transaction. As such, the Seller assumes all associated risks regarding claims or encumbrances to title. The Subject Property shall be conveyed to Buyer subject to:
 - i. Ad valorem taxes and assessments for the year of Closing and subsequent years, provided the same are not then due and payable;
 - ii. Any applicable ordinances governing land use, provided the same permit the existing and Buyer's contemplated utilization of the Land pursuant to those uses approved in the Development Orders;
 - iii. All terms contained within any Development Orders issued prior to or subsequent to the execution of this Contract in relation to the Property; and

- iv. Any easements as necessary for all public utilities that exist or may be proposed within the Subject Property, and the improvements related to those easements.

6. SURVEY

Buyer may, prior to the expiration of the Inspection Period as described below, deliver a survey of the Subject Property to Seller ("Survey"), as prepared by a registered Florida land surveyor ("Surveyor"). If the Survey shows any encroachment on the Land, or that improvements located on the Land encroach on setback lines, easements, lands of others, or violate any restrictions, contract covenants or applicable governmental regulation, or any other unacceptable matter, including any issue with Buyer's intended use of the Land, the Buyer shall specify the encroachment and notify the Seller that Buyer views said encroachment as a material defect. The Seller shall make commercially reasonable efforts to cure any defect that may be discovered by the Survey, but is under no obligation to expend any funds in so doing, and upon notice from the Seller, that the Seller is unable to cure a survey-related defect, the Buyer may terminate this Contract or accept the Property as-is, where-is, with said defect.

The Survey shall be performed to minimum technical standards of the Florida Administrative Code and may include a description of the Land under the Florida Coordinate System as defined in Chapter 177, Florida Statutes and certified to Seller, Buyer, and any title company, title insurance provider, or lender as required by Buyer.

The Parties may agree to narrow the scope of the City's reservation of a blanket easement for utilities to specific areas as identified in the Survey, but the City maintains the sole discretion to determine whether or not any proposed easement area is sufficient to protect the City's interests in utilities.

7. THIS SECTION INTENTIONALLY DELETED.

This section was intentionally deleted.

8. RESERVATION OF EASEMENT

The Buyer and Seller agree that the Special Warranty Deed shall contain a reservation of a Blanket Utility Easement to cover all existing or planned utilities located at the Subject Property, which shall terminate upon the City approving, in its sole discretion, the relocation of utilities at the Buyer's expense; and

9. CLOSING PLACE & DATE

The City shall designate the closing agent ("Closing Agent"). The City may designate the City Attorney's Office to act as the Closing Agent. If the City elects another Closing Agent the City shall bear any associated settlement fee or closing fee, but this shall not be construed to require the City to purchase title insurance or to perform a formal title search. The closing of this transaction ("Closing") shall be completed in the offices of the designated Closing Agent in Pinellas County, Florida on or before 30 days after a Certificate of Occupancy is issued for the auditorium.

Buyer will obtain the necessary building permits to construct an auditorium on the land east of the Subject Property on or before December 31, 2029, and will have substantially completed that construction to a degree of beneficial occupancy on or before December 31, 2031, failing which Buyer shall pay Seller an annual extension fee of three hundred thousand dollars exactly (\$300,000.00). If Buyer does not pay the annual extension fee by December 31 of the calendar year preceding the year of the extension, this contract shall be deemed terminated and void.

The Buyer and Seller acknowledge and agree that time shall be of the essence with respect to the performance by the Buyer to pay the Purchase Price, and otherwise fulfill the conditions contemplated in this Contract before the Closing Date. For that reason, the Buyer shall be entitled to pay for up to two extensions as described in the previous paragraph. If the Closing does not occur by December 31, 2033, except in the case of an Event of Default on the part of Seller, the Seller shall have the unilateral right, in its sole discretion, to terminate the Contract without penalty.

10. CLOSING DOCUMENTS

Closing Agent, on behalf of Seller, shall furnish closing statements for the respective Parties. Additionally, the respective Parties shall execute, as applicable, the following closing documents:

- i. Special Warranty Deed;
- ii. Bill of Sale (if applicable);
- iii. Mechanic's Lien and Possession affidavit;
- iv. FIRPTA affidavit;
- v. Corrective instruments that may be required for the conveyance;
- vi. Any other documents as may be required by this Contract, including affidavits regarding property ownership and signature authority of representatives;
- xi. Any other documents reasonably requested by the Closing Agent.

The appropriate representatives of the Parties shall deliver any applicable documents authorizing the sale and delivery of the Special Warranty Deed and certifying the resolution or other documents, setting forth facts showing the conveyance conforms to the requirements of local law.

11. CLOSING EXPENSES

Pursuant to Florida Statutes, 201.24 Seller is exempt from paying documentary stamps on the Deed. Buyer shall pay the cost for documentary stamps if applied to this transaction. Recordation of the Deed shall be performed by the Closing Agent, and any associated expense shall be paid by the Buyer as specified in the closing statement. All other closing costs shall be apportioned in the manner customary for commercial real estate transactions in Pinellas County, Florida.

12. PARKING REVENUE

The Seller and the general public shall be entitled to continue full use of the Subject Property, including the collection of parking revenue, until at least such time as the Seller approves the temporary construction easement required by Section 27 of this Contract.

13. OCCUPANCY & LEASES

Seller warrants that there are no parties in occupancy other than the Seller and certain utility providers. Seller warrants that there are no tenants occupying the Land and that no leases, licenses, or other written occupancy agreements exist, recorded or unrecorded, that would authorize such occupancy or use of the Land. Seller agrees to deliver occupancy of the Land at time of Closing Date, except as otherwise stated herein. At Closing, Buyer agrees to accept the Property with all included improvements, in its existing condition unless otherwise stated herein or in a separate writing.

14. PROPERTY CONDITION

Buyer acquires this Property As Is, Where Is, With All Faults, and any and all risk and/or liability associated with the Property whether known or unknown is assumed by the Buyer. Seller makes no representations or warranties as to the condition of the Subject Property or any improvement located therein. Any information shared by the Seller in relation to the Property is not to be construed as a representation or warranty.

- A. **“As Is, Where Is, With All Faults” with Right of Inspection:** Within 60 days following the Execution of this Contract (“Inspection Period”), Buyer may, at Buyer’s sole expense, conduct inspections, tests, environmental and any other investigations of the Land Buyer deems necessary to determine suitability for Buyer’s intended use. Upon Seller’s execution hereof, Seller shall grant reasonable access to the Land to Buyer, its agents, contractors and assigns for the purposes of conducting the inspections provided, however, that any intrusive sampling of soils and groundwater on the Land shall be conducted only (i) during regular business hours, (ii) with no less than two (2) business days prior written notice to Seller, which notice shall include the proposed scope of work for any such intrusive sampling, and (iii) in a manner which will not unduly interfere with Seller’s current use of the Land. Prior to entering the Land or performing any intrusive soil or groundwater sampling on the Land, Buyer shall deliver to Seller a certificate of insurance evidencing that Buyer’s consultant has in place and shall maintain during the pendency of work on the Land commercial general liability insurance with limits of at least One Million Dollars (\$1,000,000) per occurrence and Two Million Dollars (\$2,000,000) in the aggregate for bodily injury or death and property damage insurance including coverage for contractual liability covering any accident arising in with the presence of Buyer’s consultant, or its subcontractors, agents and representatives on the Land, which shall name Seller as additional insureds and is written by a reputable insurance company. Any damage to the Land caused by Buyer or its consultants in conducting any such environmental assessment, investigation or review shall be repaired by Buyer at its sole cost and expense. Seller will ensure that throughout the Inspection Period, any existing utilities services required for Buyer’s inspections and investigations shall be maintained and not disconnected. Buyer shall not engage in any activity that could result in a mechanics lien being filed against the Land without Seller’s prior written consent. In the alternative, at the Buyer’s sole discretion, if Seller offers to repair or otherwise remedy such conditions to Buyer’s satisfaction, Buyer may accept such offer. If Buyer terminates this Contract, and this transaction does not close, Buyer agrees, at Buyer’s expense, to repair all damages to the Land resulting from the inspections and investigations and return the Land to its present condition.
- B. **Buyer’s Termination:** the Buyer may terminate this Contract by written notice to Seller prior to expiration of the Inspection Period for any reason whatsoever, or for no reason. Upon Buyer’s termination of the Contract, the Vacation Ordinance shall by Null and Void.
- C. **Buyer’s Agreement to Indemnify:** Buyer hereby agrees to indemnify, defend and hold Seller harmless from and against any and all liens, claims, causes of action,

damages, liabilities and expenses (including reasonable attorneys' fees) caused by Buyer's inspections or tests permitted under this Contract with respect to conditions created by the Buyer as a result of its inspections. If Buyer elects not to terminate during the inspection period, Buyer's indemnity shall extend to indemnify, defend and hold Seller harmless from and against any and all liens, claims, causes of action, damages, liabilities and expenses (including reasonable attorneys' fees) related to environmental conditions of the Property, including but not limited to all claims arising under environmental laws. Buyer's obligations under this Section shall survive the termination of this Contract and shall survive the Closing.

- D. Document Delivery. Seller shall provide to Buyer any and all prior surveys, environmental reports, plans, specifications and contracts associated with the Subject Property, to the extent that Seller possesses them, within ten (10) days of the Buyer's request for such documents.

15. FINAL WALK-THROUGH INSPECTION

At a time mutually agreeable between the Parties, but not later than the day prior to Closing, Buyer may Conduct a final "walk-through" inspection of the Subject Property to determine Compliance with any Seller obligations related to closing conditions and to ensure that all Property is in and on the premises. No new issues may be raised as a result of the final walk-through.

16. RISK OF LOSS

If the Subject Property is damaged by a catastrophic event or other casualty before closing, Buyer shall have the option of either taking the Property "as is", or Buyer may cancel this Contract. Seller shall have no obligation to repair or rebuild.

17. DEFAULT

A material breach by either Party of any term of this Contract shall constitute an Event of Default. Upon an Event of Default, the aggrieved Party shall promptly notify the other Party of the basis for concluding that an Event of Default has occurred. In such event, the accused Party shall have thirty (30) days to respond and cure the Event of Default or such longer period of time if such Event of Default is not capable of being cured within thirty (30) days provided the accused Party is making good faith efforts to cure such Event of Default ("Cure Right"). If the Party fails to respond, or fails to cure the Event of Default, the aggrieved Party shall have the ability to unilaterally cancel this Contract

upon giving written notice to the other Party prior to Closing and may exercise any and all rights available in law, in equity (including the right to seek specific performance), and under this Contract, provided, however, that in no event shall the Parties be liable for punitive, consequential or special damages. In the case of an Event of Default by the Seller, any Extension Fee paid by the Buyer shall be returned to the Buyer. The Cure Right shall not be applicable beyond the Closing Date.

18. RADON GAS NOTIFICATION

In accordance with provisions of Section 404.056(8), Florida Statutes (2014), as amended, Buyer is hereby informed as follows:

RADON GAS: Radon is a naturally occurring radioactive gas that, when it has 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.

19. CONTRACT NOT RECORDABLE; PERSONS BOUND BY THE CONTRACT

The Parties acknowledge that this Contract is a public record subject to Chapter 119, Florida Statutes; however, this Contract may not be recorded in the Official Records of Pinellas County. This Contract shall bind and inure to the benefit of the Buyer and the Seller and may not be assigned by either Party. Notwithstanding anything herein to the contrary, the partners, officers, directors, trustees, employees, agents, affiliates or subsidiaries of either of the Parties shall have no liability whatsoever pursuant to any controversy arising out of this Contract, and the Parties agree to look solely to each other as named entities for remedies as provided for in this Contract.

20. NOTICES

All notices provided for herein shall be deemed to have been duly given if and when deposited in the United States Mail, properly stamped and addressed to the respective Party to be notified as designated below or by electronic mail, including the Parties to this Contract and the Parties' attorneys.

Seller:	City of Clearwater
	Attn: David Margolis, City Attorney
	600 Cleveland Street, 6th Floor Clearwater, FL 33755

Email: David.Margolis@MyClearwater.com

Buyer: Johnson Pope
Attn: Steve Williamson
311 Park Place Blvd. Suite 300
Clearwater FL 33759
steve@jpfirm.com

21. ATTORNEY'S FEES

Each Party shall pay its own attorney's fees and costs in any dispute, claim, or litigation arising out of this Contract.

22. BROKER REPRESENTATION

If either Party chooses to be represented by a Licensed Real Estate Broker upon Seller's execution hereof, then that Party shall be solely responsible for any such Broker fee or expense due to said Broker.

23. SEVERABILITY; GOVERNING LAW & VENUE

The invalidity of any provision of this Contract will not and shall not be deemed to affect the validity of any other provision. In the event that any provision of this Contract is held to be invalid, the Parties agree that the remaining provisions shall be deemed to be in full force and effect as if they had been executed by both Parties subsequent to the severance of any invalid provision. This Contract shall be governed by the Laws of the State of Florida with venue being the appropriate court with jurisdiction over the City of Clearwater, Pinellas County, Florida.

24. COUNTERPARTS; ENTIRE AGREEMENT

This Contract may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument. A facsimile copy of this Contract, including any addendum, attachments and any written modifications hereof, and any initials or signature thereon shall be deemed an original. Upon execution by Seller and Buyer, this Contract and any attached exhibits along with the Development Order(s) shall constitute the entire agreement between the Parties relating to the purchase of the Subject Property, and shall supersede any and all prior and contemporaneous written and oral promises, representations or conditions in respect thereto. All prior negotiations, agreements, memoranda and writings shall be merged

herein. Any changes to this Contract shall only be valid when expressed in writing, signed by authorized representatives of the Parties and incorporated herein as formal amendments to this Contract.

25. THE PROJECT

In 2018, the Buyer applied for and obtained development approval from the City to construct an auditorium and related improvements on parcel ID # 16-29-15-18648-000-0010, located directly east of the Land. The development approval has since expired.

At the time of execution of this Contract, the Buyer intends to but has not yet applied for a new development approval. The parties understand and intend for the auditorium and its appurtenances to occupy portions of parcel ID # 16-29-15-18648-000-0010, as well as portions of the parcels located west of the Land. The parcel east of the Land is identified by parcel ID # 16-29-15-18648-000-0010. The parcels west of the Land include parcel ID #'s 16-29-15-18648-000-0340, 16-29-15-18648-000-0350, 16-29-15-18648-000-0360, 16-29-15-18648-000-0370, and 16-29-15-18648-000-0380. Buyer will develop the majority of the Subject Property to be part of a pedestrian friendly outdoor gathering space with a net increase in green space.

The Buyer recognizes its responsibility to comply with the Community Development Code, as amended from time to time, and will obtain any necessary approvals or permits required by the Community Development Code prior to and during construction.

Together, the auditorium and its related improvements, whether located on the Land or on any of the parcels contiguous to the Land, shall be referred to as the Project.

For the avoidance of doubt, the Project shall not occupy or utilize any portion of Court Street or Franklin Street, except that the Buyer may utilize Court Street and Franklin Street to the same extent and in the same manner as any other member of the public.

26. FORCE MAJEURE AND GOVERNMENTAL DELAY

For purposes of this Contract, "Force Majeure Event" means any delay that is directly attributable to and caused by flood, fire, earthquake, hurricanes, tornadoes, wind storms, "named storms," riots, national emergency, sabotage, , wars, pandemics events of similar or greater magnitude; terrorist threats or actions; or directives or orders issued by Governmental Authorities (defined below) that explicitly prohibit or prevent the Closing; the failure or refusal of Governmental Authorities to act and process applications within the time-frame allowed by law or ordinance, or otherwise hold public or private meetings due to COVID-19 or any other public health reason; unlawful delay by

Governmental Authorities to act and process properly completed applications in accordance with any statutory review timelines, permits and requested approvals with respect to the Approvals, an emergency order issued by Pinellas County, other emergency order issued by the City of Clearwater or other applicable governmental entities, agencies or authorities having jurisdiction, due to COVID-19 or any other public health reason or other causes beyond the reasonable control of Buyer.

For the avoidance of doubt, a Force Majeure Event shall not include (1) financial distress or the inability of the Buyer to make a profit or avoid a financial loss; (2) changes in market prices; or (3) Buyer's financial inability to perform its obligations hereunder.

"Governmental Authorities" means any and all federal, state, county, city, town, other municipal corporation, governmental or quasi-governmental board, judge, court, agency, authority, department, or body having jurisdiction over the Land.

Furthermore, notwithstanding anything to the contrary contained in the Contract, all time periods applicable to Buyer shall be subject to day-for-day extensions in the event of any Governmental Delay (as hereinafter defined). "Governmental Delay" means any actual delay in the Approvals (including delays in the granting of entitlements or execution of agreements) to the extent that such delay is actually caused by any unlawful act or failure to act by the City or any of its employees, public officials, officers or committees/agencies (collectively, the "Government"). "City" refers to the City of Clearwater, Florida, the Seller in this Contract.

If the Buyer reasonably determines that a Force Majeure Event or Governmental Delay is preventing the Buyer from timely closing or another deadline in the Contract, the Buyer shall give Notice to the Seller with Specificity of the basis for said request, and stating the exact amount of days that are requested. The Seller may accept the request, or alternatively may invoke the Default procedures described herein.

27. CONDITIONS PRECEDENT TO BUYER'S OBLIGATION TO CLOSE

The obligation of the Buyer to consummate the transactions contemplated by this Contract is subject to the following conditions precedent, the determination of which shall be made by the Buyer in their sole discretion:

- A. The execution and delivery of this Contract, signed by the appropriate authorities of the City.
- B. The Buyer having obtained sufficient funding to purchase the Land.
- C. No Event of Default exists on the part of the City.

- D. A temporary construction easement from the Seller to the Buyer permitting Buyer, prior to Closing, the right to use the Subject Property for construction related activities in support of the construction activities on the parcels to the east and west and to conduct construction activities on the Subject Property. The temporary construction easement shall be issued by Seller when Buyer obtains all building permits allowing vertical construction on the Subject Property or the adjacent parcels and Buyer breaks ground on said construction.

In the event that any of the foregoing conditions have not been fully and unconditionally satisfied for any reason on or before the Closing Date, Buyer may either, in its sole discretion, waive the condition precedent and proceed to close if Seller's conditions precedent are met, or terminate this Contract by giving written notice to Seller on or before Closing, in which case this Contract shall be deemed terminated without the necessity of further documentation, and the Vacation Ordinance shall be Null and Void.

28. CONDITIONS PRECEDENT TO SELLER'S OBLIGATION TO CLOSE

The obligation of the Seller to consummate the transactions contemplated by this Contract is subject to the follow conditions precedent, the determination of which shall be made by the Seller in their sole discretion:

- A. The City's enactment of City Ordinance 9812-25, which the Buyer acknowledges to be within the sole discretion of the Clearwater City Council.
- B. The Buyer obtaining and providing proof to the Seller of the necessary funds available or other financing to purchase the Land.
- C. Buyer shall provide evidence via affidavit or other reasonable means that all property abutting the Subject Property is owned by a single property owner or the functional equivalent of a single owner, as contemplated by the City Charter.
- D. Easements as necessary to cover any utility interest that the City may have or desire.
- E. The Buyer applying for and obtaining building permits to commence vertical construction as to the Project.
- F. The Buyer shall have attained beneficial occupancy within the time-frame authorized by Section 9 of this Contract.
- G. The Buyer receiving a certificate of occupancy ("CO") after completing construction of the Project.

In the event that any of the foregoing conditions have not been fully and unconditionally satisfied for any reason on or before the Closing Date, Seller may either,

in its sole discretion, waive the condition precedent and proceed to close if Buyer's conditions precedent are met, or terminate this Contract by giving written notice to Buyer on or before Closing, in which case this Contract shall be deemed terminated without the necessity of further documentation. Upon Seller's termination pursuant to this paragraph, the Vacation Ordinance shall be null and void.

[Signature Pages to Follow]