

**CONTRACT FOR PURCHASE OF REAL PROPERTY
BY
THE CITY OF CLEARWATER, FLORIDA**

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 Covenant Property Investors, LLC, a Georgia Limited Liability Company (herein "Buyer"), whose mailing address is 3520 Piedmont Road, Suite 125, Atlanta, GA 30305, (each a "Party" and collectively the "Parties") hereby agree that the Seller shall sell, and Buyer shall buy the following real property ("Property") upon the following terms and conditions.

1. PROPERTY DESCRIPTION

Condominium Unit PUB of North Beach Plaza Condominium, consisting of 450 Public Parking Spaces and associated common elements as more particularly described in Exhibit "A" (attached hereto and incorporated herein).

PERSONALTY: NONE

2. FULL PURCHASE PRICE\$12,500,000.00

3. MANNER OF PAYMENT: Wire in U.S. funds at time of closing

4. PURCHASE PRICE

The full Purchase Price as shown herein has been reached in accordance with the terms of that certain Invitation for Bid #46-21, of the City of Clearwater. James Millspaugh and Associates, Inc. and Tobias Realty Advisors, LLC performed appraisals of the Property on behalf of the Seller.

5. PURPOSE

The Parties are aware that the City Council of the City of Clearwater, Florida ("Council") declared the Property as surplus for the purpose of sale through Invitation to Bid #46-21.

6. TIME FOR ACCEPTANCE; APPROVALS

Following execution of this contract by Buyer, the price, terms and conditions as contained herein shall remain unchanged and be held unconditionally open for a period of 45 days following delivery in duplicate original to City Manager of the City of Clearwater for acceptance and approval, counteroffer, or rejection by action of the Clearwater City Council ("Council"). If this agreement is accepted and approved by the Council, it will be executed by duly authorized City officials and delivered to Buyer within 10 days thereafter. If a counteroffer is approved by the Council, it shall be delivered to Buyer in writing within 10 days of such action by the City Council, and Buyer shall have 10 days thereafter to

deliver to Seller written notice of acceptance or rejection of such counteroffer. If written notice of acceptance is not timely delivered, or if the counteroffer is rejected by Buyer, this contract shall thereafter be null and void in all respects. If this contract is rejected by the Council upon initial presentation to the Council, this contract shall be null and void in all respects and Buyer shall be so informed in writing within 5 days of such action.

7. TITLE

Seller warrants legal capacity to and shall convey marketable title to the Property by Special Warranty Deed, subject only to matters contained in Paragraph 8 acceptable to Buyer. Otherwise, title shall generally be free of liens and encumbrances of record or known to Seller, but subject to property taxes for the year of closing; agreements, covenants, restrictions and utility easements of record; and no others provided there exists at closing no violation of the foregoing and none of them prevents Buyer's intended use of the Property.

8. TITLE EVIDENCE

Seller shall, at Seller's expense and within **20** days prior to closing date secure a title insurance commitment issued by a Florida licensed title insurer agreeing to liens, encumbrances, exceptions or qualifications set forth in this Contract, and those which shall be discharged by Seller at or before closing. Seller shall convey a marketable title subject only to liens, encumbrances, exceptions or qualifications set forth in this Contract including: (a) ad valorem real estate taxes for the year of closing and subsequent years; (b) the Declaration and other condominium documents binding the Property; (c) covenants, restrictions, easements and other exceptions of record; (d) all laws, ordinances, regulations, prohibitions and other requirements imposed by governmental authority, including, but not limited to, all applicable building, zoning, land use and environmental ordinances and regulations; (e) any other exceptions or matters recorded against the Property (or any part thereof) after the date of this Agreement with respect to operation and management of the Property (such as reservations, covenants, utility easements, reciprocal easement agreements and any amendments or supplements thereto) and which do not adversely affect the title ownership or operation of the Property. Marketable title shall be determined according to applicable Title Standards adopted by The Florida Bar and in accordance with law. Buyer shall have 10 days from receiving evidence of title to examine it (Title Examination Period). If title is found defective, Buyer shall, within 3 days thereafter, notify Seller in writing specifying defect(s). If the defect(s) render title unmarketable, Seller will have 120 days from receipt of notice within which to remove the defect(s), failing which Buyer shall have the option of either accepting the title as it then is or withdrawing from this Contract. Seller will, if title is found unmarketable, make diligent effort to correct defect(s) in title within the time provided therefor.

9. SURVEY

Buyer, at Buyer's expense, within time allowed to deliver evidence of title and to examine

same, may have the Property surveyed and certified to the Buyer by a registered Florida land surveyor. If survey shows any encroachment on the Property, or that improvements located on the Property 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. The survey shall be performed to minimum technical standards of the Florida Administrative Code and may include a description of the property under the Florida Coordinate System as defined in Chapter 177, Florida Statutes.

10. CLOSING PLACE AND DATE

Seller shall designate closing agent and this transaction shall be closed in the offices of the designated closing agent in Pinellas County, Florida, within 90 days of the effective date unless extended by other provisions of this contract including but not limited to time allotted for the removal of title defects as provided for in Paragraph 8 above. If either party is unable to comply with any provision of this contract within the time allowed, and be prepared to close as set forth above, after making all reasonable and diligent efforts to comply, then upon giving written notice to the other party, time of closing may be extended up to 60 days without effect upon any other term, covenant or condition contained in this contract.

11. CLOSING DOCUMENTS

Closing Agent, on behalf of Seller, shall furnish closing statements for the respective Parties, deed, bill of sale (if applicable), mechanic's lien affidavit, assignments of leases, tenant and mortgage estoppel letters, and corrective instruments for both conveyances. The appropriate parties shall deliver resolutions or applicable documents authorizing the sale and delivery of the deed and certifying the resolution or documents and setting forth facts showing the conveyance conforms to the requirements of local law.

12. CLOSING EXPENSES

Pursuant to Chapter 201.24, Florida Statutes, 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 paid by Buyer. Seller shall pay the costs of recording any corrective instruments. All other closing costs shall be apportioned in the manner customary for commercial real estate transactions in Pinellas County, Florida.

13. PRORATIONS; CREDITS

Taxes, assessments, rent (if any) and other revenue of the Property shall be prorated through the day before closing. Closing agent shall collect all ad valorem taxes uncollected but due through day prior to closing and deliver same to the Pinellas County Tax Collector. If the amount of taxes and assessments for the current year cannot be ascertained, rates for the previous year shall be used with due allowance being made for improvements and exemptions. Assessments for any improvements that are substantially complete at time of

closing shall be paid in full by Seller.

14. OCCUPANCY

Seller warrants that there are no parties in occupancy other than the Seller, or as otherwise disclosed herein. If Property is intended to be rented or occupied beyond closing, the fact and terms thereof shall be stated herein, and the tenant(s) or occupants disclosed pursuant to Paragraph 16. Seller agrees to deliver occupancy of the Property at time of closing unless otherwise stated herein. If occupancy is to be delivered before closing, Buyer assumes all risk 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 conditions as of the time of taking occupancy unless otherwise stated herein or in separate writing.

15. LEASES

With the exception of certain monthly parking permits that the Seller has issued to third parties, Seller warrants there are no tenants occupying the Property and that no leases exist, recorded or unrecorded, authorizing such occupancy and any authorized tenancy or lease for use of the property created by Seller prior to closing or prior to the expiration hereof, shall constitute a material breach of this Contract. The parking permits shall be terminated by Seller prior to closing. Buyer may implement any parking permitting process it deems appropriate following closing and conveyance of the Property.

16. PROPERTY CONDITION

Seller shall deliver the Property to Buyer at time of closing in its present "as is" condition, ordinary wear and tear excepted, and shall maintain the landscaping and grounds in a comparable condition. Seller makes no warranties other than is disclosed herein and marketability of title. Buyer's covenant to purchase the Property "as is" is more specifically represented in the following paragraph.

- a. **As Is with Right of Inspection:** Buyer may, at Buyer expense within 60 days following the Effective Date hereof ("Inspection Period"), conduct inspections, tests, environmental and any other investigations of the Property Buyer deems necessary to determine suitability for Buyer's intended use. The 60-day Inspection Period shall run concurrently with the 120-day Closing Date. Upon Seller's execution hereof, Seller shall grant reasonable access to the Property 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 Property 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 Property. Prior to entering the Property or performing any intrusive soil or groundwater sampling on the Property, 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 Property 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 connection with the presence of Buyer's consultant, or its subcontractors, agents and representatives on the Property, which shall name Seller as additional insureds and is written by a reputable insurance company having a rating of at least "A+:VII" by Best's Rating Guide (or a comparable rating by a successor rating service). Any damage to the Property 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, upon reasonable notice, provide utilities services as may be required for Buyer's inspections and investigations. Buyer shall not engage in any activity that could result in a mechanics lien being filed against the Property without Seller's prior written consent. Buyer may terminate this contract by written notice to Seller prior to expiration of the Inspection Period if the inspections and/or investigations reveal conditions which are reasonably unsatisfactory to Buyer. In the alternative, at the Buyer's sole discretion, *if* Seller offers to repair or otherwise remedy such conditions to Buyer 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 Property resulting from the inspections and investigations and return the Property to its present condition.

- b. **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 Agreement. Buyer's obligations under this Section shall survive the termination of this Agreement and shall survive the Closing.

17. 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 Property to determine compliance with any Seller obligations and to ensure that all Property is in and on the premises. No new issues may be raised as a result of the walk-through.

18. RISK OF LOSS

If the Property is damaged by fire or other casualty before closing, Buyer shall have the option of either taking the Property "as is", or of canceling this contract. Seller shall have no obligation to repair or rebuild.

19. PROCEEDS OF SALE; CLOSING PROCEDURE

The deed shall be recorded upon clearance of funds. Proceeds of sale shall be held in

escrow by Seller's attorney or by such other mutually acceptable escrow agent for a period of no longer than 5 days from and after closing, during which time evidence of title shall be continued at Buyer's expense to show title in Buyer, without any encumbrances or change which would render Seller's title unmarketable from the date of the last title evidence. If Seller's title is rendered unmarketable through no fault of the Buyer, Buyer shall, within the 5-day period, notify the Seller in writing of the defect and Seller shall have 30 days from the date of receipt of such notification to cure the defect. If Seller fails to timely cure the defect, all funds paid by or on behalf of the Buyer shall, upon written demand made by Buyer and within 5 days after demand, be returned to Buyer and simultaneously with such repayment, Buyer shall vacate the Property and reconvey it to Seller by special warranty deed. 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. The escrow and closing procedure required by this provision may be waived if title agent insures adverse matters pursuant to Section 627.7841, F.S. (2014), as amended.

20. DEFAULT

If this transaction is not closed due to any default or failure on the part of the Seller, other than to make the title marketable after diligent effort, Buyer may seek specific performance or unilaterally cancel this agreement upon giving written notice to Seller within 120 days of the Effective Date. If this transaction is not closed due to any default or failure on the part of the Buyer, Seller may seek specific performance or unilaterally cancel this agreement upon giving notice to the Buyer within 120 days of the Effective Date. If a Broker is owed a brokerage fee regarding this transaction, the defaulting Party shall be liable for such fee.

21. 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.

22. CONTRACT NOT RECORDABLE; PERSONS BOUND

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 shall include plural and one gender shall include all.

23. NOTICE

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, including the Parties to this contract, the Parties' attorneys, escrow agent, inspectors, contractors and all others who will in any way act at the behest of the Parties to satisfy all terms and conditions of this contract.

24. ASSIGNABILITY; PERSONS BOUND

This contract is not assignable by Buyer without the written consent of the Seller, which consent may be given or withheld in Seller's sole and absolute discretion. The terms "Buyer", "Seller", and "Broker" (if any) may be singular or plural. This Contract is binding upon Buyer, Seller, and their heirs, personal representatives, successors and assigns (if assignment is permitted).

25. ATTORNEY FEES; COSTS

In any litigation arising out of this contract, the prevailing Party shall be entitled to recover reasonable attorney's fees and costs.

26. TYPEWRITTEN OR HANDWRITTEN PROVISIONS

Typewritten or handwritten provisions shall control all printed provisions of contract in conflict with them.

27. BROKER REPRESENTATION

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

28. EFFECT OF PARTIAL INVALIDITY

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 expungement of the invalid provision.

29. GOVERNING LAW AND VENUE

It is agreed by and between the Parties hereto that this contract shall be governed by, construed, and enforced in accordance with the laws of the State of Florida. Venue for any action brought in state court shall be in Pinellas County, Florida, Clearwater Division. Venue for an action brought in federal court shall be in the Middle District of Florida, Tampa

Division.

30. COUNTERPARTS; FACSIMILE COPY

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.

31. ENTIRE AGREEMENT

Upon execution by Seller and Buyer, this contract shall constitute the entire agreement between the Parties, 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 be made in this agreement shall only be valid when expressed in writing, acknowledged by the Parties and incorporated herein or attached hereto.

EXECUTED this 3RD day of August, 2021 by Buyer.

Attest:

Debra K Allen

By: Robert M. Jay

Deborah K Alexander

Title: Manager

Print Name

Donald D. Scott, II

Donald D. Scott, II

Print Name

APPROVED BY SELLER & EFFECTIVE this _____ day of _____, 2021.

Countersigned:

CITY OF CLEARWATER, FLORIDA

Frank Hibbard
Mayor

By: _____
William B. Horne II
City Manager

Approved as to form:

Attest:

Laura Mahony
Senior Assistant City Attorney

Rosemarie Call
City Clerk

EXHIBIT A

LEGAL DESCRIPTION

Condominium Unit PUB of NORTH BEACH PLAZA CONDOMINIUM, a Condominium, according to the Declaration of Condominium thereof, recorded in Official Records Book 19444, Page 145, and any amendments thereto, and the plat thereof recorded in Condominium Plat Book 159, Page 91, of the Public Records of Pinellas County, Florida, together with its undivided share in the common elements appurtenant thereto.