



March 30, 2017

Dee Dee Davis
NAI Halford
24 W Chase Street
Pensacola, FL 32502

Re: Studer Properties offer to Purchase 150 S Baylen from City of Pensacola

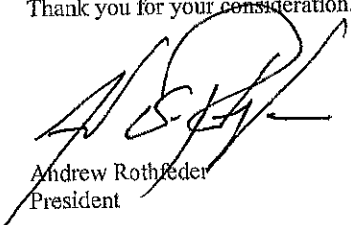
Dear Dee Dee,

I have attached an offer from Studer Properties, LLP to purchase the above referenced property for the asking price of \$510,000. Please consider this offer along with others you may receive. As you know, we are significant investors in and developers of downtown Pensacola real estate. Unlike traditional developers that are focused on one product type, we consider ourselves community developers – focused on our mission of using real estate as one tool to improve the quality of life in the greater Pensacola area by responsibly creating great places for people to live, work, and play. We have developed such projects as Five Sisters restaurant and lofts, Maritime Place office building, and Bodacious Brew Thru, and have redeveloped The Artisan, Devilliers Square, Rhodes building, Main Street Stores, and Sogo shops. And of course, we are currently under construction with Southtowne apartments, as well as the Southtowne mixed use office building next to the YMCA. We also own the former ECUA wastewater treatment plant, and are actively working on potential development plans. We believe we have developed a track record of high quality, aesthetically pleasing development downtown, and have a reputation for getting projects done.

Recently we were approached by the owners of 121 Palafox Place – sometimes referred to as the “BLAB” building. As you know, the subject property is adjacent to the rear side of the Blab building. The owners of 121 are considering a significant redevelopment and expansion of their property, as they believe their current building is not the highest and best use for the significant frontage and location they have on Palafox. A redevelopment scenario which expands the building would require this additional land. Because that ownership group is not a real estate developer, they have asked us to partner with them to purchase the Baylen property and create the ability for this future redevelopment. While at this early stage any redevelopment plans are simply ideas, there are several potential scenarios. One could be a building on the Baylen property, with a parking structure in between the two buildings. Another could be a complete tear down of the 121 building, with the new expanded property being retail on the street frontages (Palafox and Baylen), with the middle of the property being 2 or 3 levels of parking structure with mixed use building above (residential, office mix). Again, these are just two of many possible scenarios. Until such time as redevelopment plans are finalized, we would commit significant financial resources to upgrading the hardscape and greenscape of the existing parking lot.

It is our understanding that the City has 2 goals in disposing of this property: First, it wants to improve property tax revenue. Obviously, that occurs as soon as the property is purchased for \$510,000. Assuming we ultimately redevelop the entire property, the end product will be valued significantly higher than the current combination of the 121 building and this lot. Second, the City wants to see underutilized vacant land developed to activate our streetscapes and provide places for live, work, play. While this would not happen immediately, we believe we are better positioned than anyone to research the alternatives and act on a plan. If it would alleviate any concerns on the City’s part that we would be “land banking” the property, we would be willing to grant the City a “buy back provision” – whereby, if we had not submitted redevelopment plans by a certain date (such as 36 months), the City could buy back the property at the lower of \$510,000, or the then-current appraised price.

Thank you for your consideration.



Andrew Rothfeder
President

PURCHASE AND SALE AGREEMENT

This purchase and sale agreement (the "Agreement") entered into between **Community Redevelopment Agency of the City of Pensacola, a public body, corporate and politic, of the State of Florida** ("Seller"), and **Studer Properties, LLP**, or its assigns (the "Purchaser"), is for the purchase of certain real property located in the County of Escambia, Florida, as described in this Agreement.

1. Purchase and Sale. Seller agrees to sell to Purchaser and Purchaser agrees to purchase from Seller the following:

1.1 those certain real lots, tracts or parcels of real property as more particularly described on Exhibit "A" attached hereto and made a part hereof, which shall be confirmed by the search of title and by survey, containing numerous properties, together with all rights, ways, easements and privileges appurtenant thereto, including, without limitation, all of Seller's right, title and interest in and to the land underlying, and the air space overlying said real property (hereinafter collectively called the "Land");

1.2 All of the right, title and interest of Seller, if any, in and to all buildings, structures and other improvements of any and every nature located on the Land and all fixtures attached or affixed, actually or constructively, to the Land or to any such buildings, structures or other improvements (hereinafter collectively called "Improvements") (the Land and the Improvements are hereinafter collectively referred to as the "Realty");

1.3 All furniture, furnishings, fixtures, equipment, machinery and all other items of personal property, if any, located on and used in the operation of the Realty and provided the same is owned by Seller, unless specifically excluded hereby (the "Personal Property");

1.4 All of the right, title and interest of Seller as landlord in, to and under any leases (the "Leases"); and

1.5 All transferable licenses (including occupational and business licenses), deposits (including utility deposits, equipment lease deposits, and deposits in connection with all licenses and permits), permits (including building permits, certificates of occupancy, and all land use, environmental, and other governmental permits), authorizations, signage rights, development rights and approvals pertaining to the ownership, maintenance and/or operation of the Realty, to the extent same are owned and held by Seller and are assignable (the "Licenses") (the Realty, Personal Property, Leases, and Licenses are hereinafter collectively referred to as the "Property").

2. Earnest Money. Within five (5) days immediately following the Effective Date, as that term is defined hereinbelow, Purchaser will deliver to *Clark, Partington, Hart, Larry, Bond & Stackhouse, P.A.*, Attention: Charles F. James, (the "Escrow Agent") at 125 W Romana St, Suite 800, Pensacola Florida 32502, the sum of Twenty Thousand and 00/100 Dollars (\$20,000.00) (the "Earnest Money"). The Earnest Money will be held by Escrow Agent in its Florida real estate trust account (IOLTA) and, at the Closing, the Earnest Money will be applied to the Purchase Price (as defined herein) and paid to Seller, or otherwise collected upon, paid over, transferred, assigned or disposed of as expressly provided in this Agreement.

3. Purchase Price; Method of Payment. Subject to adjustment and credits as otherwise specified in this Section and elsewhere in this Agreement, the purchase price (the "Purchase Price") to be paid by Purchaser to Seller for the Property will be Five Hundred Ten Thousand and 00/100 Dollars (\$510,000.00). The Purchase Price will be paid by Purchaser to Seller not later than 5:00 p.m. Central

Time on the Closing Date by wire transfer of immediately available federal funds, less the amount of Earnest Money and subject to prorations, adjustments, and credits as otherwise specified in this Agreement.

4. Closing. The closing of the purchase and sale of the Property (hereinafter called the "Closing") will be conducted by and held at the offices of Escrow Agent on or before the fifteenth (15th) day following the expiration of the Inspection Completion Period, as that term is hereinafter defined (the "Closing Date"). The parties will not be required to attend the Closing in person and the Closing may occur through the exchange of documents via FedEx or other courier service, or in escrow.

5. Prorations and Adjustments to Purchase Price. The following prorations and adjustments will be made between Purchaser and Seller at Closing, or thereafter if Purchaser and Seller agree, with respect to the Purchase Price:

5.1 Taxes. All city, state and county ad valorem taxes and similar impositions levied or imposed upon or assessed against the Property (hereinafter called the "Taxes") for the year in which Closing occurs will be prorated as of the Closing Date, so that the Seller is allocated liability for the Taxes through the Closing Date, and the Purchaser is allocated liability for the Taxes beginning on the day immediately thereafter. If the Taxes are not paid at Closing, Purchaser shall receive a credit at Closing for the pro rata portion of the Taxes allocable to Seller through the Closing Date, as described above and Purchaser will be responsible for payment in full of the Taxes within the time fixed for payment thereof and before the same becomes delinquent. Seller will deliver to Purchaser the bills for the Taxes promptly upon receipt thereof. The obligation of the parties to recalculate the proration of taxes shall survive the Closing.

5.2 Rents. All rents and other tenant payments and tenant reimbursements if any, received under the Leases; charges for water, sewer, electricity, gas, fuel and other utility charges, all of which shall be read promptly before Closing, unless Seller elects to close its own applicable account, in which event Purchaser shall open its own account and the respective charges shall not be prorated; amounts prepaid and amounts accrued but unpaid on service contracts and management contracts which are to be assumed by Purchaser; and periodic fees for licenses, permits or other authorizations with respect to the Property.

5.3 Any other items which are customarily prorated in connection with the purchase and sale of properties similar to the Property will be prorated as of the Closing Date.

6. Title.

6.1 Seller covenants to convey to Purchaser at Closing fee simple title in and to the Property, subject only to the Permitted Exceptions, as hereinafter defined. For the purposes of this Agreement, the term "Permitted Exceptions" means: (i) current Taxes not yet due and payable; and (ii) such other matters as may be approved by Purchaser as provided in this Section.

6.2 Within fifteen (15) days immediately following the Effective Date, Purchaser shall obtain a title commitment (the "Initial Commitment") for the Title Policy (as hereinafter defined) to Purchaser. The Initial Commitment and the Title Policy will be issued by Escrow Agent, as agent for a title company approved by Purchaser (the "Title Company"). Within ten (10) days after the date Purchaser has received the Initial Commitment together with legible copies of all Schedule B-1 and B-2 Items noted therein,

Purchaser will give Seller written notice of objections thereto (the "Title Objection Notice"). Any matter contained in the Initial Commitment to which Purchaser does not timely object in the Title Objection Notice will be deemed satisfactory to Purchaser and a Permitted Exception, and Purchaser will not have any further right to object to such title matters. Seller may at any time, within ten (10) days after receipt of the Title Objection Notice, give Purchaser written notice that Seller will not satisfy any one or all of such objection(s) and within ten (10) days after receipt of such notice from Seller, Purchaser may terminate this Agreement by written notice to Seller (in which event the Earnest Money will be refunded to Purchaser, all rights and obligations of the parties under this Agreement will terminate and, except as expressly set forth herein to the contrary, this Agreement will be of no further force or effect). Failure of Purchaser to terminate will be deemed to be approval by Purchaser of such objection(s) as a Permitted Exception hereunder for all purposes. If Purchaser does not terminate as provided in this subsection, then Seller will, on or before the Closing Date satisfy all objections contained in the Title Objection Notice other than those Seller notified Purchaser that it would not satisfy.

6.3 As used herein, the term "Title Policy" means a current form ALTA Owner's Policy of title insurance, with all available extended coverages, issued as of the date and time of the recording of the Deed, as that term is hereinafter defined, in the amount of Purchase Price, insuring Purchaser as the owner of fee simple title to the Property, subject only to the Permitted Exceptions.

6.4 Purchaser will have the right to object to any matter first appearing on any title update after the effective date of the Initial Commitment and which are not caused by Purchaser, and any such matter will be treated as a title defect. If Purchaser has given Seller timely written notice of such defect(s), Seller may at any time, within ten (10) days after receipt of such notice, give Purchaser written notice that Seller will not satisfy any one or all of such title defects and within five (5) days after receipt of such notice from Seller, Purchaser may terminate this Agreement in accordance with Section 6.2. Failure of Purchaser to terminate will be deemed to be approval by Purchaser of such title defects as Permitted Exceptions hereunder for all purposes. If Purchaser does not terminate as provided in this subsection, then Seller will, on or before the Closing Date satisfy all objections contained in such notice other than those Seller notified Purchaser that it would not satisfy.

7. Survey. Seller has delivered to Purchaser or will deliver to Purchaser within ten (10) days immediately following the Effective Date, Seller's current survey(s) (collectively the "Seller's Survey"). Purchaser, at its sole cost and expense, may obtain current Surveys of the Property during the Inspection Period as that term is defined hereinbelow. As used herein, "Survey" means a current survey of the Property prepared by a surveyor registered in the State in which the Property is located, certified to Purchaser and the Title Company. Any encroachment, set back violation, restriction violation, or other title defect disclosed by the Survey which is not waived by the Title Company will be deemed a title defect and Seller will, within five (5) days after Purchaser's notice advising Seller of the existence of the title defect, elect by written notice to Purchaser to either (i) prior to Closing, at Seller's sole cost and expense, take such actions as may be necessary to correct the title defect, or (ii) decline to correct one or more of such title defects. The failure of Seller to give Purchaser notice of Seller's election will be deemed to be an election of option (ii) above. If Seller elects to correct less than all of such objections, Purchaser will have five (5) days after receipt of Seller's notice, to elect either to: (x) proceed with this Agreement and accept the Property subject to such title defects which Seller has elected not to correct; or (y) terminate this Agreement and receive a refund of the Earnest Money, whereupon no party hereto will have any further rights, duties or obligations hereunder, except as expressly set forth herein to the contrary. The failure of Purchaser to give Seller notice of Purchaser's election will be deemed to be an election of option (x) above.

8. Investigation of the Property.

8.1 Between the Effective Date and the Closing Date, Purchaser and Purchaser's agents and designees will have the right to enter the Property for the purposes of inspecting the Property and making surveys, environmental site assessments and examinations, soil studies, mechanical and structural engineering studies, and any other investigations and inspections as Purchaser may reasonably require to assess the condition of the Property; provided, however, that such activities by or on behalf of Purchaser may not damage the Property and may not interfere with business being conducted on or from the Property. At all times prior to the Closing, Seller will make available to Purchaser, or Purchaser's agents and representatives, all records, reports and files relating to the Property as reasonably requested by Purchaser.

8.2 Purchaser hereby indemnifies Seller and agrees to hold Seller free and harmless from and against any and all claims, demands, actions, losses, costs, damages, liabilities and expenses (including, without limitation, attorneys' fees, costs of litigation and the cost and expense of removing or bonding over any liens affecting the Property) incurred by Seller by reason of the exercise of the rights, duties and privileges granted to Purchaser in this Section.

8.3 Seller agrees to deliver to Purchaser copies of the items listed below within ten (10) days following the Effective Date: (a) a copy of the most recent title policy and title commitment for the Property; (b) all environmental assessments and reports, including but not limited to Phase I, and Phase II environmental reports in owners possession, "No Further Action" letters, and Consent Orders; (c) any current leases, permits, licenses, and other written agreements or notices, which affect the Property in the possession or available to the Seller; (d) the most current survey in Seller's possession or control; (e) the most recent inspections and engineering reports for the Property; (f) copies of any zoning letters or entitlements that affect the Property; and (g) all other documents in Seller's possession or control relating to the Property. Until the Closing or earlier termination of this Agreement, Purchaser shall have the right to review each of these items. If Purchaser elects to terminate this Agreement pursuant to the provisions herein, it shall promptly return any document and report obtained from Seller.

8.4 Further Environmental Investigations. Inspections and Testing. As set forth in paragraph 8.1 hereinabove, Purchaser, and any other party designated by Purchaser (including, without limitation, any environmental consultant), has the right, but not the obligation, after reasonable prior notice to Seller, to enter upon the Property at all reasonable times to assess the environmental condition of the Property, including, without limitation, to conduct any environmental assessment or audit (the scope of which shall be determined in Purchaser's sole discretion) and to take samples of soil, groundwater or other water, air quality, building materials and conduct other invasive testing. Seller agrees to reasonably cooperate in connection therewith, including without limitation, providing all requested information reasonably requested by Purchaser.

9. Inspection Period. Seller acknowledges that Purchaser has not yet had an opportunity to complete its required due diligence and fully review and evaluate this transaction. Purchaser will have until the sixtieth (60th) day immediately following the Effective Date (the "Inspection Period") in order to determine, in Purchaser's sole opinion and discretion, the suitability of the Property for acquisition by Purchaser. On or before 11:59 p.m. on or before the last day of the Inspection Period (the "Inspection Completion Date"), Purchaser may, at its election, provide Seller with written notice that Purchaser intends to terminate this Agreement as of the Inspection Completion Date (or such earlier date specified

in such written notice) whereupon Escrow Agent will return the Earnest Money to Purchaser whereupon, except for the indemnity obligations in Paragraph 8.2 of this Agreement, no party hereto will have any other or further rights or obligations under this Agreement.

10. Proceedings at Closing. On the Closing Date, the Closing will take place as follows:

10.1 Seller will deliver to Purchaser the following documents and instruments, duly executed by or on behalf of Seller: (i) a warranty deed (the "Deed"), conveying the Property to, subject to the Permitted Exceptions, and if Florida law requires the Seller to retain mineral rights, then such deed shall contain a reservation by Seller of mineral rights reserved by Seller therein but without rights to explore, mine or enter for same; (ii) a blanket bill of sale, in form reasonably acceptable to Purchaser, pursuant to which Seller will convey to Purchaser all of Seller's right, title and interest in and to any personal property on the Property; (iii) an assignment of the leases dated as of the date of Closing, in favor of Purchaser, assigning all of Seller's interest in all tenant, commercial and other leases, security deposits and prepaid rents covering all or part of the Property (iv) an owner's affidavit, in form and substance reasonably acceptable to the Title Company, certified to Purchaser and to the Title Company with respect to the Property, including an affidavit as to possession, no liens and the "GAP"; (v) a certificate of Seller stating that Seller is not a "foreign person" under § 1445 of the Internal Revenue Code, as amended, and applicable regulations; (vi) evidence that Seller has the power and authority to execute and enter into this Agreement and to consummate the sale of the Property to Purchaser, and that any and all actions required to authorize and approve the execution of and entry into this Agreement by Seller, the performance by Seller of all of Seller's duties and obligations under this Agreement, and the execution and delivery by Seller of all documents and other items to be executed and delivered to Purchaser at Closing, have been accomplished; and (vii) such other documents as may be reasonable and customary to consummate the purchase and sale contemplated herein and issue the Title Policy subject only to the Permitted Exceptions.

10.2 Purchaser will deliver to Seller the following funds, documents and instruments, duly executed on behalf of Purchaser, if applicable: (i) the Purchase Price in accordance with the provisions of this Agreement; (ii) evidence in form and substance reasonably satisfactory to Seller that Purchaser has the power and authority to execute and enter into this Agreement and to consummate the purchase of the Property, and that any and all actions required to authorize and approve the execution of and entry into this Agreement by Purchaser, the performance by Purchaser of all of Purchaser's duties and obligations under this Agreement, and the execution and delivery by Purchaser of all documents and other items to be executed and delivered to Seller at Closing, have been accomplished; and (iii) such other documents as may be reasonable and customary to consummate the purchase and sale contemplated herein.

11. Costs of Closing.

11.1 Title Costs. All premiums and fees for the Title Commitment and Title Policy obtained in connection with this Agreement shall be paid by Purchaser at Closing.

11.2 Documentary Stamps. The cost of documentary stamp tax assessed on the transfer of Property shall be paid by Seller at Closing.

11.3 Recording Fees. The cost of recording the Deed, and any instrument necessary to release any liens on the Property Seller is obligated to remove hereunder, will be paid by Seller.

11.4 Financing Fees and Expenses. All fees and expenses incurred in connection with any

Purchaser financing of the Purchase Price of the Property shall be paid by Purchaser. The Purchaser and Seller agree that the Purchaser's obligations hereunder are specifically not contingent upon the Purchaser obtaining financing for all or a portion of the Purchase Price.

11.5 Brokerage Commission. Seller will pay any brokerage commission pursuant to separate agreements as more particularly described in Section 20 hereof. Purchaser has not retained the services of a broker.

11.6 Survey. Purchaser will pay the cost of any new Survey.

11.7 Other Fees and Expenses. Seller and Purchaser will share equally any reasonable escrow fee, and all charges imposed by the Escrow Agent for holding any documents in escrow or providing any "gap" undertakings and all other costs and expenses of the transaction contemplated hereby will be borne by the party incurring the same. Seller and Purchaser shall each bear the professional fees and expenses of its attorneys, accountants, consultants, and other professionals incurred in connection with the preparation of this Agreement, the Closing pursuant hereto, and the transactions contemplated hereby.

12. Possession at Closing. Seller will surrender possession of the Property to Purchaser on the Closing Date.

13. Representations.

13.1 Seller is an agency of the State of Florida and is qualified to transact business in the State of Florida. Seller's execution and delivery of this Agreement to Purchaser and the sale of the Property provided for herein is authorized and all other actions required to be taken to authorize execution of this Agreement and Seller's performance of all obligations undertaken hereunder have been duly and regularly taken. Seller is the lawful owner of the Property with full right and authority to convey the Property without the consent or joinder of any party, free and clear of any claims, rights and remedies of third parties.

13.2 Purchaser hereby expressly acknowledges and agrees that except as and to the extent expressly provided to the contrary in this Agreement: (a) Seller makes and has made no warranty or representation whatsoever as to the condition or suitability of any portion of the Property for Purchaser's purposes; (b) Seller makes and has made no warranty, express or implied, with regard to the accuracy of any information furnished to Purchaser, and Seller shall not be bound by any statement of any broker, employee, agent or other representative of Seller; (c) Purchaser will make a complete and thorough examination and inspection of all portions of the Property and, on the basis of its inspection, Purchaser will be thoroughly familiar with all portions of the Property (including without limitation, whether or not hazardous or toxic materials are or have heretofore been located on or under or generated from any portion of the Property), zoning, land use restrictions, development orders, sewer and water agreements and deposits, utility availability and hook-up costs (including, without limitation, whether or not septic tanks are permitted or prohibited) and all other matters relevant to Purchaser; (d) Purchaser has determined or will determine that the condition of all portions of the Property is satisfactory to Purchaser; (e) notwithstanding the nature or extent of the inspections Purchaser will make, Purchaser shall purchase and accept every portion of the Property in its "AS IS WHERE IS" condition without requiring any action, expense or other thing or matter on the part of the Seller to be paid or performed and, upon acceptance of the Deed (and any other transfer instrument) at Closing, Purchaser shall be conclusively deemed to have accepted the Property in its "AS IS WHERE IS" condition; and (f) Seller shall have no

liability or responsibility to Purchaser for any loss, damage or expenses incurred by Purchaser which are occasioned by the condition or characteristics of the Property, excluding Seller's fraud. Except as specifically set forth herein, Purchaser is acquiring the Property with no warranties or obligations on Seller's part to make any repairs, remediation, alterations, changes or improvements thereto.

13.3 All materials delivered by Seller to Purchaser are true and correct copies of the original documents and no amendments or changes have been made to said documents, except as contained in the delivered materials.

13.4 As of the Closing Date, (i) Seller shall have no contracts with, or obligations to, any employees with respect to the Property; and (ii) there are no leasing commissions due or owing, or which will or may become due and owing.

13.5 Seller has no knowledge of and has received no written notice of pending or contemplated condemnation proceedings affecting all or any part of the Property.

13.6 Seller has no knowledge of any proposed or threatened proceeding for the rezoning of the Property or any portion thereof. Seller has no knowledge of and has received no written notice that any zoning, subdivision, environmental, hazardous waste, building code, health, fire, safety or other law, order or regulation is violated by the continued maintenance, operation or use of any improvements or parking areas at the Property.

13.7 To the best of Seller's knowledge, all permits, licenses, authorizations and certificates of occupancy required by Governmental Authorities for the management, occupancy, leasing and operation of the Property (collectively "Permits") are in full force and effect. To the extent transferable, Seller shall transfer all Permits to Purchaser at Closing.

13.8 To the best of Seller's knowledge, no controversy, complaint, proceeding, suit or litigation relating to the Property or any part thereof is pending or threatened in any tribunal. Seller is not the subject of, nor has Seller received any notice of or threat that it has or will become the subject of, any reorganization, liquidation, dissolution, receivership or other actions or proceedings under the United States Bankruptcy Code, 11 U.S.C. §§ 101, et seq., or any other federal, state or local laws affecting the rights of debtors and/or creditors generally, whether voluntary or involuntary and including, without limitation, proceedings to set aside or avoid any transfer of any interest in property or obligations, whether denominated as a fraudulent conveyance, preferential transfer or otherwise, or to recover the value thereof or to charge, encumber or impose a lien thereon. Seller is and shall remain responsible after the Closing Date for defending (or continuing) any suit or proceeding relating to periods prior to the Closing Date, and all damages, losses, expenses and costs related thereto.

13.9 The provisions of this Section shall survive Closing.

14. Remedies.

14.1 If the purchase and sale of the Property is not consummated in accordance with the terms and conditions of this Agreement due to circumstances or conditions which constitute a default by Purchaser under this Agreement, the Earnest Money will be delivered to Seller as full liquidated damages for such default. The parties acknowledge that Seller's actual damages in the event of a default by Purchaser under this Agreement will be difficult to ascertain, and that such liquidated damages represent

the parties' best estimate of such damages. The parties expressly acknowledge that the foregoing liquidated damages are intended not as a penalty, but as full liquidated damages, and as compensation for Seller's taking the Property off the market during the term of this Agreement. Such delivery of the Earnest Money will be the sole and exclusive remedy of Seller by reason of a default by Purchaser under this Agreement, and Seller hereby waives and releases any right to sue Purchaser, and hereby covenants not to sue Purchaser, for specific performance of this Agreement or to prove that Seller's actual damages exceed the amount which is herein provided to Seller as full liquidated damages. Notwithstanding anything contained in any other provision hereof to the contrary, the Earnest Money will not serve as liquidated damages for any default by Purchaser in its indemnity obligations under Section 8.2 hereof, and Seller will be entitled to pursue all available remedies for any default by Purchaser under Section 8.2 hereof.

14.2 If the purchase and sale of the Property is not consummated in accordance with the terms and conditions of this Agreement due to circumstances or conditions which constitute a default by Seller under this Agreement, then Purchaser will be entitled to either (i) terminate this Agreement by giving written notice of such termination to Seller whereupon the Earnest Money will be returned to Purchaser, this Agreement will be deemed null and void and of no further force or effect, and no party hereto will have any further rights, obligations or liabilities hereunder except that Purchaser will have the right to pursue an action against Seller for Purchaser's out of pocket costs incurred to negotiate this Agreement and to conduct its investigation of the Property; or (ii) seek specific performance of this Agreement.

15. Risk of Loss/Continued Operations.

15.1 Risk of loss up to and including the Closing Date will be borne by Seller until title has been conveyed to Purchaser. In the event of any immaterial damage to or destruction of the Property or any portion thereof, Seller and Purchaser will proceed to close under this Agreement, and Purchaser will receive (and Seller will assign to Purchaser at the Closing the Seller's rights under insurance policies to receive) any insurance proceeds (including any rent loss insurance applicable to any period on and after the Closing Date) due Seller as a result of such damage or destruction and assume responsibility for such repair, and Purchaser will receive a credit at Closing for any deductible, uninsured or coinsured amount under said insurance policies. For purposes of this Agreement, the term "immaterial damage or destruction" means such instances of damage or destruction: (i) which can be repaired or restored at a cost of \$50,000.00 or less; and (ii) which can be restored and repaired within sixty (60) days from the date of such damage or destruction.

15.2 In the event of any material damage or destruction to the Property or any portion thereof, Purchaser may, at its option, by notice to Seller given within the earlier of twenty (20) days after Purchaser is notified by Seller of such damage or destruction, or the Closing Date, but in no event less than ten (10) days after Purchaser is notified by Seller of such damage or destruction (and if necessary the Closing Date will be extended, at Purchaser's option, to give Purchaser the full ten day period to make such election): (i) terminate this Agreement; or (ii) proceed to close under this Agreement, receive (and Seller will assign to Purchaser, if legally possible, at the Closing, Seller's rights under insurance policies to receive) any insurance proceeds (including any rent loss insurance applicable to the period on or after the Closing Date) due Seller as a result of such damage or destruction and assume responsibility for such repair, and Purchaser will receive a credit at Closing for any deductible, uninsured or coinsured amount under said insurance policies. If Purchaser fails to deliver to Seller notice of its election within the period set forth above, Purchaser will conclusively be deemed to proceed with the Closing as provided in clause (ii) of the preceding sentence. If Purchaser elects clause (i) above, Seller will

cooperate with Purchaser after the Closing to assist Purchaser in obtaining the insurance proceeds from Seller's insurers. For purposes of this Agreement "material damage or destruction" means all instances of damage or destruction that are not immaterial, as defined herein.

15.3 Seller agrees that from the date of this Agreement to the Closing Date, it will: (i) operate the Property only in the usual manner; (ii) maintain the Property in its present condition, as reasonably necessary in order to deliver the Property on the Closing Date in at least as good condition as it is in on the date of this Agreement, ordinary wear and tear, and damage by fire or other casualty excepted; (iii) maintain all insurance; (iv) not become a party to any new licenses, equipment leases, contracts or agreements of any kind relating to the Property, except such contracts or agreements as will be terminated at or prior to Closing without cost or expense to Purchaser or contracts which Purchaser agrees in writing in its sole discretion to assume at Closing; (v) not enter into any new leases, or consent to the assignment, subletting or mortgaging of any lease or space, without having obtained in each case the prior written approval of Purchaser which approval Purchaser may grant or deny using its reasonable discretion (Purchaser's granting or denial of any request for approval shall be made within five (5) days or approval shall be deemed to have been approved); or (vi) promptly upon receipt provide Purchaser with copies of all notices (including all written notices and material oral notices), correspondence received from tenants, neighboring property owners, any insurance company which carries insurance on the Property, or from any governmental authorities.

16. Condemnation. In the event of the taking of any portion of the Property by eminent domain proceedings, or the commencement or bona fide threat of the commencement of any such proceedings, prior to Closing, Purchaser will have the right, at Purchaser's option, to (i) terminate this Agreement; or (ii) consummate the purchase of the Property in accordance with the terms and provisions hereof and without any diminution in the Purchase Price on account of such condemnation in which event Seller shall, at the Closing, pay to Purchaser all condemnation awards and other payments previously received in connection with such condemnation and assign to Purchaser all of Seller's rights to receive any award payable on account of such condemnation. In the event of Purchaser elects to terminate, the Earnest Money will be refunded to Purchaser promptly upon request, all rights and obligations of the parties under this Agreement will expire, and this Agreement will become null and void.

17. Escrow Agent. The Earnest Money will be held by Escrow Agent on the terms hereinafter set forth:

17.1 Disbursement. If the Closing takes place under this Agreement, Escrow Agent will deliver and pay the Earnest Money to Seller on the Closing Date. If this Agreement is rescinded, canceled, or terminated in accordance with the terms hereof, then Escrow Agent will deliver the Earnest Money to, or upon the instructions of, the party entitled thereto upon receipt of demand therefore. If the Closing does not take place under this Agreement by reason of the failure of either party to comply with its obligations hereunder, Escrow Agent will deliver the Earnest Money to the party entitled thereto in accordance with the provisions of this Agreement. Upon receipt of any written demand from a party hereto claiming the Earnest Money, Escrow Agent will promptly forward a copy thereof to the other party hereto and, unless such party within five (5) days thereafter notifies Escrow Agent of any objection to such requested delivery of the Earnest Money, Escrow Agent will deliver the Earnest Money to the party demanding the same and will be released and discharged from any further duty or obligation hereunder. The foregoing notwithstanding, if Escrow Agent receives a request from Purchaser for the return of the Earnest Money as a result of Purchaser not electing to proceed under Section 9 of this Agreement, then the Earnest Money will be returned to Purchaser immediately.

17.2 Liability. Escrow Agent is acting as a stakeholder only with respect to the Earnest Money. If there is any dispute as to whether Escrow Agent is obligated to deliver the Earnest Money or as to whom the Earnest Money is to be delivered, Escrow Agent may refuse to make any delivery, and may continue to hold the Earnest Money until receipt by Escrow Agent of an authorization in writing, signed by Seller and Purchaser, directing the delivery of the Earnest Money, or, in the absence of authorization, Escrow Agent may hold the Earnest Money until a final determination of the rights of the parties in an appropriate judicial proceeding. If such written authorization is not given, or a proceeding for such determination is not begun, within thirty (30) days of the last day for the Closing Date, Escrow Agent may bring an appropriate action or proceeding for leave to deposit the Earnest Money in a court of competent jurisdiction pending such determination. Escrow Agent will be reimbursed for all costs and expenses of such action or proceeding, including, without limitation, reasonable attorneys' fees and disbursements, by the party determined not to be entitled to the Earnest Money. Upon making delivery of the Earnest Money in any of the manners herein provided, Escrow Agent will have no further liability or obligation hereunder. The Escrow Agent will not be liable for any failure of the depository.

17.3 Investment. Escrow Agent will deposit the Earnest Money in one of its real estate trust accounts, a non interest bearing account with a financial institution with which Escrow Agent has an established relationship.

17.4 Escrow Agent as Attorney for Purchaser. The parties recognize that the Escrow Agent is the law firm representing Purchaser. Seller expressly waives any conflict related to Escrow Agent's representation of Purchaser in this transaction including Escrow Agent representation of Purchaser in any dispute arising out of this Agreement.

18. Assignment. This Agreement and any addenda hereto shall be binding upon and inure to the parties hereto and may not be assigned by any party without the written consent of the other party; provided that, Purchaser may assign this Agreement without Seller's consent to any entity which is controlled by the Purchaser, or the principals of Purchaser, or is under common control, with Purchaser.

19. Parties. This Agreement will be binding upon, enforceable against, and will inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors and assigns.

20. Brokers. Certain negotiations relative to sale of portions of the Property, as contemplated by and provided for in this Agreement, have been conducted by and between Seller with the services of NAI Halford, Inc. (the "Seller's Broker") pursuant to separate listing agreement. The Seller shall pay Seller's Broker any and all commissions owed thereon, all such commissions being due and payable only in the event of the Closing. Purchaser and Seller each warrant and represent to the other that there are and will be no brokerage commissions or fees payable in connection with this Agreement or the purchase and sale of the Property by reason of their respective dealings, or negotiations, other than to Seller's Broker. Purchaser and Seller shall and do each hereby indemnify, defend and hold harmless the other from and against the claims, demands, actions, and judgments of any other brokers, agents and other intermediaries alleging a commission, fee or other payment to be owing by reason of their respective dealings, negotiations or communications in connection with this Agreement or the purchase and sale of the Property, other than to Seller's Broker. The indemnity obligations contained in this Section will expressly survive the Closing or any termination of this Agreement. The obligations of Purchaser under this Section will not be subject to the liquidated damage provisions of Section 14.1 hereof, and the obligations of Seller under this Section will not be subject to any limitation on remedies contained in

Section 14.2 hereof.

21. Survival. The provisions of this Agreement will not survive the Closing, except as and to the extent specifically provided in this Agreement.

22. Rules of Construction; Modification. The provisions of this Agreement will be construed, in all respects, without reference to any rule or canon requiring or permitting the construction of provisions of documents against the interest of the party responsible for the drafting of the same, it being the intention and agreement of the parties that this Agreement be conclusively deemed to be the joint product of both parties and their counsel. This Agreement supersedes all prior discussions and agreements between Purchaser and Seller with respect to the purchase and sale of the Property and other matters contained herein, and contains the sole and entire understanding between Purchaser and Seller with respect thereto. This Agreement may not be modified or amended except by an instrument in writing executed by or on behalf of Seller and Purchaser.

23. Applicable Law. This Agreement and the rights of the parties hereunder will be governed by and construed in accordance with the laws of the State of Florida without regard to its conflicts of laws rules. The parties agree that any appropriate state court or federal court in Escambia County, Florida will have exclusive jurisdiction of any case or controversy arising under or in connection with this Agreement and will be a proper forum in which to adjudicate such case or controversy. Each party irrevocably consents to the jurisdiction of such courts, and irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such suit, action, or proceeding in any such court and further waives the right to object, with respect to such suit, action, or proceeding, that such court does not have jurisdiction over such party.

24. Counterparts; Electronic Signatures. This Agreement may be executed in several counterparts, each of which will be deemed an original, and all of which when taken together will constitute one and the same instrument. Facsimile, pdf or electronic signatures of this Agreement (and of any amendment to this Agreement) will be deemed a valid and binding execution of this Agreement.

25. Time. Time is of the essence in this Agreement. Unless otherwise expressly provided for herein to the contrary, time periods ten (10) days or less will be business days and time periods of more than ten (10) days will be calendar days.; provided, however, if the time within which any action, consent, approval or other activity contemplated, expires on a Saturday, Sunday or a national bank holiday, such time period will automatically be deemed extended to the first day after the scheduled termination of such time period which is not a Saturday, Sunday or national bank holiday. In the event any date on which any notice or election is required to be made hereunder falls on a Saturday, Sunday or federal holiday, then, the date on which such notice is required to be given or made hereunder will, for all purposes, be deemed to be the next following business day.

26. Captions. The captions and headings used in this Agreement are for convenience only and do not in any way restrict, modify or amplify the terms of this Agreement.

27. Exhibits. Each and every exhibit referred to or otherwise mentioned in this Agreement is attached to this Agreement and is and will be construed to be made a part of this Agreement by such reference or other mention at each point at which such reference or other mention occurs, in the same manner and with the same effect as if each exhibit were set forth in full and at length every time it is referred to or otherwise mentioned.

28. Notices. All notices, elections and communications permitted or required hereunder will be in writing, signed by the party making the same, and will be delivered personally, sent by reputable overnight delivery service or by registered or certified mail, return receipt requested, or transmitted by facsimile (with a copy via one of the other aforesaid means) to the other party hereto, at the addresses set forth below. The date of such notice or communication will be the date of personal delivery, consignment for overnight delivery, mailing or facsimile transmission, as the case may be, unless otherwise specified herein. The attorneys for Seller and Purchaser are authorized to send notices and demands hereunder on behalf of their respective clients. Notwithstanding anything herein to the contrary, Purchaser's election to proceed and Purchaser's title objections and Survey objections may each made by electronic transmission from Purchaser's attorney to Seller's attorney.

Any notice to Seller will be addressed as follows:

Community Redevelopment Agency of the City of Pensacola
180 Governmental Center
Pensacola, FL 32502

With Copy to:

Any notice to Purchaser will be addressed as follows:

Andrew Rothfeder, President
Studer Properties, LLP
321 No. Devilliers St., Ste 103
Pensacola, FL 32502
Te: (850) 232-3003
Email: andrew@studercdg.com

With a copy to:

Clark Partington Hart, Larry, Bond & Stackhouse
Attn.: Charles F. James, Esq.
125 West Romana Street, Suite 800
Pensacola, Florida 32502
Tel.: (850) 434-9200
Email: cjames@clarkpartington.com

Any notice to Escrow Agent will be addressed as follows:

Clark Partington Hart, Larry, Bond & Stackhouse
Attn.: Charles F. James, Esq.

125 West Romana Street, Suite 800
Pensacola, Florida 32502
Tel.: (850) 434-9200
Email: cjames@clarkpartington.com

29. Disclosure. Purchaser agrees that disclosure of this Agreement would be detrimental to Seller and hamper its future negotiations with third parties and, therefore, it is agreed that no disclosure shall be made by Purchaser without the written approval of Seller and that this Agreement shall not be recorded in any public records. Seller agrees that Purchaser may disclose the terms and provisions of this Agreement without prior approval to those lending institutions of which it requests financing for the financing of the Property, to prospective investors from whom it seeks capital for the acquisition of the Property, as well as to such attorneys, accountants and investment bankers as are engaged by Purchaser to assist it with this transaction. The provisions of this Section shall survive Closing and delivery of the Deed.

30. Tax Deferred Exchange. Seller and Purchaser hereby expressly covenant and agree to cooperate with each other, or any affiliate of either party, as may be reasonably requested, in consummating the acquisition of the Property in transactions that will qualify as a tax deferred exchange of like-kind property under Section 1031 of the Internal Revenue Code of 1986, as amended, without liability to either party.

31. Attorneys Fees and Costs. In the event of a dispute arising under this Agreement, whether or not a lawsuit or other proceeding is filed, the prevailing party shall be entitled to recover its reasonable attorneys' fees and costs, including attorneys' fees and costs incurred in litigating entitlement to attorneys' fees and costs, as well as in determining or quantifying the amount of recoverable attorneys' fees and costs. The reasonable costs to which the prevailing party is entitled shall include costs that are taxable under any applicable statute, rule, or guideline, as well as non-taxable costs, including, but not limited to, costs of investigation, copying costs, electronic discovery costs, telephone charges, mailing and delivery charges, information technology support charges, consultant and expert witness fees, travel expenses, court reporter fees, and mediator fees, regardless of whether such costs are otherwise taxable.

32. 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 DEPARMTNE. [NOTE: THIS PARAGRAPH IS PROVIDED FOR INFORMATIONAL PURPOSES PURSUANT TO SECTION 404.056(5), FLORIDA STATUTES, (2016).]

33. Effective Date. This Agreement is enforceable and shall be binding on the parties hereto as of the latest date (as set forth below their respective names) that Seller and Purchaser executes this Agreement (the "Effective Date").

(Signature page follows.)

This Agreement has been executed by the Purchaser and Seller, effective as of the Effective Date.

PURCHASER:
Studer Properties, LLP

By: 

Print Name: ANTHONY B. ROSE

Title: Partner ANTH. SIG

Date: 3/30/17

SELLER:
Community Redevelopment Agency of the City
of Pensacola

By: _____

Name: _____

Title: _____

Date: _____

Escrow Agent's Acceptance of Appointment. Escrow Agent accepts his appointment as Escrow Agent and agrees to hold the Earnest Money subject to the terms and conditions of this Agreement.

ESCROW AGENT:
Clark, Partington, Hart, Larry Bond & Stackhouse

By: _____
Name: Charles F. James
Date: _____

EXHIBIT "A"

Property

PARKING LOT PARCEL:

COMMENCE AT THE SOUTHWEST CORNER OF BLOCK 26, OLD CITY TRACT, CITY OF PENSACOLA AS COPYRIGHTED BY THOMAS C. WATSON IN 1906; THENCE PROCEED N 89° 02' 20" EAST ALONG THE SOUTH LINE OF SAID BLOCK 26, A DISTANCE OF 10.00 FEET TO THE POINT OF BEGINNING, SAID POINT BEING THE INTERSECTION OF THE NORTH RIGHT OF WAY (R/W) LINE OF INTENDENCIA STREET (R/W VARIES) AND THE EAST R/W LINE OF BAYLEN STREET (R/W VARIES); THENCE PROCEED NORTH 00° 08' 28" EAST ALONG SAID EAST R/W LINE OF BAYLEN STREET A DISTANCE OF 119.10 FEET; THENCE DEPART SAID LINE, PROCEED NORTH 89° 11' 00" EAST A DISTANCE OF 66.55 FEET; THENCE PROCEED NORTH 00° 02' 03" WEST A DISTANCE OF 53.84 FEET; THENCE PROCEED NORTH 89° 23' 23" EAST A DISTANCE OF 60.08 FEET; THENCE PROCEED SOUTH 00° 06' 23" EAST A DISTANCE OF 172.39 FEET TO THE AFOREMENTIONED NORTH R/W LINE OF INTENDENCIA STREET; THENCE PROCEED SOUTH 89° 02' 20" WEST ALONG SAID NORTH R/W LINE A DISTANCE OF 127.22 FEET TO THE POINT OF BEGINNING. LYING AND BEING PART OF SECTION 46, TOWNSHIP 2 SOUTH, RANGE 30 WEST, ESCAMBIA COUNTY, FLORIDA.