

CONTRACT FOR SALE AND PURCHASE

THIS CONTRACT made this ____ day of _____, 2018 by and between **Community Redevelopment Agency of the City of Pensacola**, a public body, corporate and politic, of the State of Florida, whose address is 222 W. Main Street, Pensacola, FL 32502 (“Seller”) and **Stephanie and Andre Tucker**, husband and wife, whose address is 218 N. A Street, Pensacola, FL 32501, (“Purchaser”).

RECITALS:

- A. The City of Pensacola Community Redevelopment Agency ("CRA") owns certain real property in the Urban Core Community Redevelopment Area ("Urban Core") located at 216 North "A" Street which it desires to sell to Purchaser. The subject property comprises 0.06 acres and was acquired by the CRA in 2008. It is currently vacant and undeveloped and zoned as Residential Neighborhood Commercial (R-NC) with permitted land uses including single-family residential, multiple-family residential, offices, retail, restaurants, banks, motels, appliance repair shops, gasoline service stations, and automobile service garages which perform minor repairs.
- B. On December 5, 2016, the CRA declared the property as surplus and available for disposition. An earlier appraisal performed in September 2016 estimated the market value of the property at Thirteen Thousand Dollars (\$13,000). In compliance with Section 163.380, Florida Statutes, the CRA published its intent to dispose of the property and invited proposals from interested parties as required by Section 163.380, Florida Statutes. The CRA received a single purchase offer for Five Thousand Dollars (\$5,000) from Purchasers which owns and resides upon the adjacent parcel at 218 North "A" Street. The Purchasers' proposal involves acquisition of the property for residential use, maintaining its undeveloped status and fencing the property. The Purchasers propose to eventually develop the property with a residence for their son. The Five Thousand Dollar (\$5,000) offer is below the fair market value of Thirteen Thousand Dollars (\$13,000) as determined by appraisal.
- C. Property owned by a redevelopment agency may be conveyed for less than fair market value. In any such case, the statute requires that the purchase price must be determined to be in the public interest for uses in accordance with the redevelopment plan. That determination is made based on various factors including limitations and restrictions agreed to and assumed by the purchaser which may include assurances that the property is used in ways which prevent the recurrence of blight. Any sale at less than fair market value must be approved by the governing city after public hearing.
- D. Section 163.380(2), Florida Statutes, requires that the sale price be at a value determined to be in the public interest for uses in accordance with the redevelopment plan, and that in determining the value the agency shall take into account and give consideration to, among other things, "the restrictions upon, and the covenants, conditions, and obligations assumed

by, the purchaser ... " In the event the value of such real property being disposed of is for less than the fair value, such disposition requires approval of the city which created the agency following a duly noticed public hearing.

- E. Section 163.380(1), Florida Statutes, provides that the agency may enter into purchase contracts providing for residential, commercial or other uses of the property in accordance with the community redevelopment plan, subject to such covenants, conditions and restrictions as *it* deems necessary to assist in preventing the development or spread of blight. Purchasers and their successors and assigns are obligated to use the property only in accordance with the redevelopment plan and such other requirements as the agency may determine to be in the public interest.
- F. The Urban Core Redevelopment Plan contemplates development and redevelopment of property for residential uses. The plan states that: "[i]n order to continue growing, new residential development must occur," and, in fact, recognizes that the plan itself "supports significant residential growth within the Redevelopment Area ... [with] the emphasis on making downtown more family friendly...
- G. Section 163.380, Florida Statutes, contemplates disposal of property subject to conditions and restrictions upon the sale which prevent the recurrence of blight. The placement of such conditions and restrictions upon the sale of the property would therefore be consistent with the statute. The CRA's authority to place conditions restricting the use of property is not without limitations. The conditions imposed must be consistent with the statute and the plan.
- H. To that end, the CRA may wish to consider imposing restrictions on the purchaser which prohibit developing the property in ways conducive to elements of slum and blight. For instance, as the property is zoned for a wide range of permissible uses, the conveyance documentation could include restrictions - agreed to and voluntarily assumed by the purchaser - that the property must be used for residential purposes, or may not be used for businesses that sell smoking or drug paraphernalia, bars or package stores, an adult bookstore, cinema or other venue that offers entertainment of an illicit nature, games of chance or gambling of any kind, etc. The conveyance documentation could further specify that in the event the purchaser (or successors and assigns) violates the restrictions, the property may be reacquired by the CRA or the City.
- I. Based on Section 163.380, Florida Statutes, the CRA may sell the property to the Purchaser for less than appraised value, provided (1) the sale is approved by the City after a noticed public hearing, and (2) the sale price is determined to be in the public interest for uses in accordance with the redevelopment plan (i.e. residential uses), subject to appropriate restrictions set forth in the conveyance documentation which would prevent the property from uses conducive to blight. Presumably, such restrictions will present no hindrance to the Purchasers in light of their stated intent to use the property for residential purposes as described in its proposal.

NOW THEREFORE, in consideration of the mutual covenants contained herein, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1.0 Purchase of Real Property. Subject to the terms, covenants, and conditions herein set forth, Seller agrees to sell to Purchaser, and Purchaser agrees to purchase from Seller, the following described parcel located in Pensacola, Escambia County, Florida:

N 31 8/10 FT OF S 59 8/10 FT OF S 90 FT OF LTS 16 17 AND OF W 8 32/100 FT OF LT 15
MAXENT TRACT BEL NO BLK 83 BELMONT TRACT OR 6056 P 663 OR 6571 P 30 CA 95

2.0 Purchase Price. The purchase price for the Property (the "Purchase Price") is five thousand and no/100 dollars (\$5,000.00). The Purchase Price shall be payable as follows:

2.1 On the Closing Date, Purchaser shall pay or cause to be paid to Seller the balance of the Purchase Price by confirmed wire transfer of funds, subject to all adjustments, credits, setoffs, and prorations as provided in this Contract.

3.0 Time for Acceptance and Effective Date. This Contract shall be accepted and executed by the Seller and delivered to Purchaser within five (5) business days after the execution hereof by Purchaser. In the event that this Contract is not accepted, executed and delivered by Seller as stated herein, this Contract shall be considered null and void. The effective date (the "Effective Date") of this Contract for purposes of performance, shall be the date when the last one of Seller or Purchaser has signed this Contract and communicated the fact of such execution to the other party (the "Effective Date").

4.0 Inspection Period.

4.1 Purchaser, its agents, employees and independent contractors shall have the right during the term of this Contract to enter upon the Property to make such surveys, inspections and tests of and/or concerning the Property, as Purchaser may desire, with such activities being conducted by Purchaser at Purchaser's sole cost and expense. These activities shall not damage the Property and Purchaser shall restore the Property to its condition prior to such activities. Purchaser agrees to indemnify and hold Seller harmless from and against all claims, demands, losses, damages, and expenses including, without limitation, reasonable attorney's fees and appellate attorney's fees, for non-payment of services rendered to Purchaser or mechanics liens or liability for damage to persons or property arising from any activity permitted hereunder or any change in the existing condition of the Property by Purchaser or by its agents, servants, employees, contractors and representatives. This indemnity provision shall survive the expiration or termination of this Contract.

4.2 Purchaser shall have thirty (30) days (the "Inspection Period") subsequent to the Effective Date of this Contract to determine at Purchaser's sole discretion if the Property is suitable to Purchaser for the intended use pursuant to the terms of this agreement and the Purchasers' Response to the RFP taking into consideration any factor being relevant by Purchaser, including, but

not limited to, access, availability of curb cuts, cost and capacity of electricity and other utilities, soil conditions, soil borings, Phase I and II ESAs, engineering assessments, value, governmental requirements and restrictions, drainage and environmental requirements, zoning, permitting and other governmental approvals. Purchaser may at any time during the Inspection Period, notify Seller in writing of Purchaser's election to terminate this Contract in which event all parties shall be relieved of all further liabilities under this Contract, except for those rights, duties and obligations that specifically survive termination of this Contract.

4.3 Seller agrees and consents to the submission by the Purchaser of all documents reasonably necessary for Purchaser to obtain its Permits and Approvals during the Inspection Period. In connection with the same, Seller agrees to execute any applicable governmental authorizations authorizing the Purchaser to act as the Seller's owner's representative in regards to the same and shall join in or execute such other applications to, or filing with, all applicable governmental agencies, as may be reasonably required. Notwithstanding the foregoing, the Permits and Approvals shall not be binding on the Seller or the Property until after Closing.

5.0 Survey.

5.1 Within thirty (30) days after the Effective Date, Purchaser, at its expense, may order a boundary and as-built survey for the Property (the "Survey"). If the Survey shows any encroachment on said Property or any encroachment of the improvements on the land of others, or any other state of facts that would impair Purchaser's marketability of title, the same shall be treated as a title defect and handled in the same manner as title defects as described herein. The Survey shall be certified to Seller and Purchaser and the Title Company. Purchaser shall deliver certified copies of the Survey and legal description to the Seller. Seller hereby agrees to provide Purchaser copies of any surveys of, environmental studies and other studies on the Property in Seller's possession within five (5) days after the Effective Date.

5.2 Purchaser shall pay for the cost of the Survey.

6.0 INTENTIONALLY DELETED

7.0 Time and Place of Closing. It is intended that the closing (the "Closing") of the transaction contemplated herein shall take place at the offices of the CRA, 222 W. Main Street, Pensacola, Florida 32502 within fifteen (15) days after the expiration of the Inspection Period. In the event of the occurrence of any contingency herein set forth, the party exercising the right of termination shall notify the other party in writing, in which event all parties shall be relieved of all further liability under this Contract, except for those rights, duties and obligations that specifically survive termination of this Contract.

8.0 Deed of Conveyance. Seller shall convey, by Warranty Deed, to Purchaser on the Closing Date, good marketable, insurable fee simple title to the Property subject only to following exceptions (the "Permitted Exceptions"):

8.1 Any taxes for the year of closing and taxes for special assessments which are not shown as existing liens by the public records.

8.2 All applicable zoning rules and regulations.

8.3 All matters shown on the Survey which are not objected to by Purchaser.

8.4 Covenants, conditions, limitations, restrictions, easements and mineral rights and reservations of record which are not objected to by the Purchaser.

8.5 The Warranty Deed shall convey title of the Subject Property to Purchaser subject to a reversionary interest granting to the Seller. The parties agree that conveyance documents will require that the Subject Property be developed and devoted to (a) the uses specified in and in accordance with Florida Statutes, Chapter 163, Part III, "Community Redevelopment Act of 1969", (b) the City of Pensacola Urban Core Community Redevelopment Plan (2010), (c) the Purchasers' proposal involving acquisition of the property for residential use, maintaining its undeveloped status and fencing the property with eventual development of the property by Purchasers with a residence for their son, and (d) subject to appropriate restrictions set forth in the conveyance documentation which would prevent the property from uses conducive to blight.

8.6 To accomplish the statutory obligation to begin any improvements on such real property within a reasonable time, the parties agree to a reverter clause which: (a) requires the Purchasers to commence construction within seven (7) years from taking title to the Subject Property, subject to reasonable extension for good cause; and (b) requires that if it becomes necessary for the Seller to exercise its rights under the reverter clause, that the Seller pay to Purchasers an amount equal to the lesser of \$5,000 or the fair market value of the Subject Property.

8.7 Purchasers agree to the terms of this agreement which prohibit developing the property in ways conducive to elements of slum and blight. Purchasers agree to and voluntarily assume the following restrictions which shall be included in the conveyance documents: that the property must be used for residential purposes, or may not be used for businesses that sell smoking or drug paraphernalia, bars or package stores, an adult bookstore, cinema or other venue that offers entertainment of an illicit nature, games of chance or gambling of any kind, etc.

9.0 Evidence of Title.

9.1 On or before thirty (30) days after the Effective Date, Purchaser shall procure, at Purchaser's expense, a title insurance commitment for an ALTA Form B marketability policy in the full amount of the Purchase Price (the "Commitment"). The Commitment shall have an effective date that is after the Effective Date of this Contract and that is within ten (10) days of the date of its issuance. Not later than thirty (30) days after the date on which the deed of conveyance is recorded, the Title Company shall deliver the final title insurance policy to Purchaser. This provision shall survive the Closing.

9.2 If the Commitment contains any exceptions other than the Permitted Exceptions which additional exceptions render title unmarketable or if the Commitment contains any other items that would indicate that the title is not in the condition required for performance hereunder, Purchaser shall give written notice to Seller specifying the additional exceptions that render title unmarketable or objectionable to Purchaser other than the Permitted Exceptions. Such notice shall be given not later than ten (10) days after delivery of the Commitment to Purchaser. Upon receipt of the notice, Seller shall have ten (10) days either (i) to fulfill the requirements in said Commitment, remove the additional exceptions with reasonable effort and reasonable expenditures or otherwise remedy any defects in title or (ii) to fully terminate this Contract if unable to furnish satisfactory title. Upon termination this Contract shall cease and the parties shall have no further rights, duties or obligations under this Contract, except for those rights, duties and obligations that specifically survive termination of this Contract. In the alternative, Purchaser shall have the right, but not the obligation, to accept title in its then current condition, without any reduction of the Purchase Price.

9.3 Seller and Purchaser each agree to provide reasonable affidavits and documentation to enable the Title Company to delete all Schedule B-I requirements, the "gap" exception, and the construction lien and parties in possession exceptions from the Commitment at Closing, Seller and Purchaser each shall be responsible for satisfying those Schedule B-I requirements applicable to them.

10.0 As Is Sale. Purchaser hereby agrees that Purchaser shall purchase the Property wholly "as is"; it being agreed that except as specifically set forth herein neither Seller nor any other person has made any representations or warranties whatsoever whether oral, written, expressed or implied pertaining to the Property, the condition thereof, the permitted uses thereof, the value thereof or any other matter with respect to the Property.

11.0 INTENTIONALLY DELETED.

12.0 Default.

12.1 If Seller shall default in the performance of its obligations under this Contract, Purchaser at its option shall have the right to elect either (i) to terminate this Contract by giving notice to Seller, in which event this Contract shall be deemed null and void with no party having any further rights or obligations under the Contract, except for those rights, obligations, and remedies that specifically survive the termination of this Contract; or (ii) to seek to specifically enforce the terms and conditions of this Contract. Except for those rights, obligations, and remedies that specifically survive the termination of this Contract, these are the sole and exclusive remedies of Purchaser.

12.2 If Purchaser shall default in the performance of his obligations under this Contract, Seller shall have the right to terminate this Contract by giving written notice to Purchaser, in which event the Deposit shall be paid to Seller as liquidated and agreed upon damages, consideration for the execution of this Contract and in full settlement of any and all claims of Seller, whereupon all parties shall be relieved of all obligations under this Contract. Receipt of the Deposit

and termination of Purchaser's rights under this Contract shall be Seller's sole and exclusive remedy and recourse in the event of default by Purchaser; provided however, that Purchaser shall also be responsible for the removal of any liens asserted against the Property by persons claiming by, through or under Purchaser, but not otherwise. Purchaser and Seller agree that this is a bona fide liquidated damages provision and not a penalty or forfeiture provision. Seller hereby irrevocably waives all other rights and remedies including without limitation suits for damages and the right to enforce specific performance. In addition to the foregoing, Seller may grant such extensions of time as Seller may deem proper under the circumstances without waiving Seller's right thereafter to terminate this Contract and receive the Deposit.

13.0 Prorations. The following items shall be paid, apportioned, and prorated (based on the actual number of days in the month in which the Closing Date occurs, on the assumption that the Closing occurs at 12:01 a.m. on the Closing Date) between Seller and Purchaser:

13.1 Certified, conformed, and ratified special assessments liens as of the Closing Date (and not as of the Effective Date) which are not objected to by the Purchaser shall be paid by Seller. Pending liens as of the Closing Date shall be assumed by Purchaser. If the improvement has been substantially completed as of the Closing Date, such pending liens shall be considered certified, confirmed, or ratified, and Seller, at the Closing, shall be charged an amount equal to the last estimate of assessment for the improvement by the applicable public body.

14.0 Closing Costs.

14.1 Seller shall pay the cost of recording any corrective instruments as to the fee title, the documentary stamps on the deed, and the resulting title policy.

14.2 Purchaser shall pay the cost of recording the deed, the cost of the Survey and the closing agent fee.

14.3 Each party shall pay its own attorney's fees.

15.0 Risk of Loss. Seller shall bear the risk of all loss or damage to, or destruction of, the Property and Improvements up to and including the date and time of Closing.

16.0 Condemnation. If at or before the Closing, the Property or any portion of the Property shall be condemned or taken pursuant to any power of eminent domain, or if any written notice of any taking or condemnation is issued, or if any proceedings are instituted or threatened by any governmental authority having the power of eminent domain, Seller shall promptly give Purchaser written notice of such taking or condemnation, or any pending or threatened proceedings; and Purchaser shall have the right to terminate this Contract by giving Seller written notice to that effect, within ten (10) days of receipt of Seller's notice, whereupon the Escrow Agent shall promptly return the Deposit to Purchaser, and thereafter the parties shall have no further obligation or liability under this Contract or with respect to the Property, at law or in equity; or, in the alternative,

Purchaser may elect to proceed to Closing with no reduction in the Purchase Price and any condemnation award shall be paid over to and shall become the sole property of Purchaser and the property so taken or sold shall not be subject to this Contract. Seller and Purchaser agree to cooperate with each other to obtain the highest and best price for the condemned property.

17.0 INTENTIONALLY DELETED.

18.0 INTENTIONALLY DELETED.

19.0 Assignability. It is anticipated that the Purchaser may form an entity in which it holds ownership that will own the Subject Property. Purchaser may assign its rights under this Contract to such an entity, with Seller's prior written consent, which consent shall not be unreasonably withheld. Otherwise, this Contract may not be assigned.

20.0 Radon Notice. As required by Section 404.056(7) Florida Statutes, the following notification is made regarding radon gas:

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.

21.0 Integration. This Contract constitutes the entire agreement between the parties, and supersedes all prior negotiations, writings, agreements, or other understandings between the parties with respect to the subject matter of this Contract.

22.0 Captions. The captions of this Contract are for convenience only and are not to be construed as defining or limiting in any way the scope or intent of the provisions of this Contract.

23.0 Counterparts. This Contract may be executed in one or more counterparts, each of which shall be deemed to be an original, and all of which, taken together, shall be deemed to constitute one agreement.

24.0 Interpretation. This Contract, and the exhibits or addenda to this Contract, have been negotiated at arm's length by Seller and Purchaser, and the parties mutually agree that for the purpose of construing the terms of this Contract or exhibits or addenda, neither party shall be deemed responsible for the drafting of this Contract.

25.0 Severability. The unenforceability or invalidity of any one or more provisions of this Contract shall not affect the validity or enforceability of any other provisions of this Contract.

26.0 Binding Effect. This Contract shall be binding on and shall inure to the benefit of the parties and their respective heirs, devisees, legal representatives, successors, and permitted assigns.

27.0 Attorney's Fees. In connection with any dispute arising under, from, or as a result of this Contract, the parties agree that the prevailing party or parties shall be entitled to recover all costs or expenses incurred, including reasonable attorneys' fees and fees for the services of accountants, paralegal, legal assistants, and similar persons (including any appeals from any litigation and enforcement of judgments). This provision shall survive the Closing or any termination of this Contract.

28.0 Further Assurances. Purchaser and Seller each agree from time to time to execute and deliver such further and other transfers, assignments, and documents and to do all matters and things that are legally required or reasonably necessary to effectuate the intentions of this Contract. This provision shall survive the Closing.

29.0 Modification. This Contract may not be modified orally or in any other manner than by an agreement in writing signed by the party against whom the enforcement is sought. The Escrow Agent shall not be required to join in the execution of any amendments unless its rights or obligations under this Contract are affected.

30.0 INTENTIONALLY DELETED.

31.0 Governing Law. This Contract and all transactions contemplated by this Contract shall be governed by and construed and enforced in accordance with the internal laws of Florida without regard to principles of conflicts of laws.

32.0 Jurisdiction and Venue. The parties acknowledge that a substantial portion of negotiations and anticipated performance of this Contract occurred or shall occur in Escambia County, Florida, and therefore, without limiting the jurisdiction or venue of any other federal or state courts, each of the parties irrevocably and unconditionally agrees that any lawsuit, action, or other legal proceeding arising out of or related to this Contract may be brought in Escambia County, Florida.

33.0 Notices. Any notice, demand, request, consent or other instrument which may be or is required to be given under this Contract shall be in writing and either served personally or sent by United States registered or certified mail, return receipt requested, postage prepaid, or deposited with a reputable overnight courier service such as Federal Express, and addressed to such party at its address set forth below, or when transmitted by facsimile transmission to the respective parties at the numbers specified below, or at such other place as either party may designate by written notice to the other. Any written notice sent by mail should be deemed to have been served as of the next regular day for delivery or mail after the date it was mailed in accordance with the foregoing provisions. For purposes of this Contract, notice shall be sent to Seller and Purchaser as follows:

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

To Purchaser: Stephanie and Andre Tucker
218 North A Street
Pensacola, FL 32501,

With Copies to: John P. Daniel
Begg and Lane RLLP
501 Commendencia Street
Pensacola, Florida 32502

34.0 Survival. No representations, warranties and covenants of Seller shall survive the Closing other than as herein specifically set forth.

35.0 Time. Time is of the essence of this Contract.

**Seller: Community Redevelopment Agency of the City of
Pensacola**

DATE: _____

P.C. Wu, Chairperson

Attest:

**PURCHASER: Stephanie and Andre Tucker
Husband and Wife**

DATE: _____

Stephanie Tucker

Witness

Andre Tucker

Witness