



AGENDA

Gainesville Mayor/Council Meeting
Tuesday, February 19, 2019, 5:30 PM
Public Safety Complex (Gainesville Justice Center)
Municipal Court Room, 701 Queen City Parkway
Mayor or Mayor Pro Tem Presides

INVOCATION:

PLEDGE OF ALLEGIANCE:

PRESENTATIONS / RECOGNITIONS:

- A. State of the City Address 2019
- B. Planning and Appeals Board
- C. Tax Allocation District Advisory Committee

COUNCIL ANNOUNCEMENTS:

PUBLIC COMMENTS: (20 minutes maximum)

CONSENT AGENDA:

Appointments

- A. Building Board of Appeals
 - Position held by Larry Merritt (*reappointment*)
- B. Housing Authority
 - Position held by Darryl Smallwood (*reappointment*)

Minutes

- A. January 31, 2019 Work Session
- B. February 5, 2019 Mayor/Council Meeting

Resolutions

- A. BR-2019-08 Demolition Program Funding for 905 Grove Street
- B. PR-2019-01 Downtown Utilities Improvements Phase II - Design and Bidding Services
- C. PR-2019-02 FY2019 New Water Meter Installation Project - Award of Contract

RESOLUTIONS:

- A. BR-2019-09 Sale of Property Bounded by Broad Street, Maple Street and Jesse Jewell Parkway

CITY MANAGER ISSUES:

CITY ATTORNEY ISSUES:

CITY CLERK ISSUES:

EXECUTIVE SESSION:

ADJOURNMENT:

Final: Friday, February 15, 2019, 1:10 PM
Revised: Monday, February 18, 2019, 4:54 PM

CITY OF GAINESVILLE

COUNCIL AGENDA REQUEST

Date Submitted: 2/15/2018
Presenter: Danny Dunagan
Item of Business: State of the City Address 2019
Meeting Date: 2/19/2019

Purpose of Request:

Mayor Dunagan will report on activities that occurred during 2018.

History/Background:

Facts & Issues for Consideration:

Department Recommendation:

Department Director:

Nikki Perry

If funding is involved, are funds approved within the current budget?

N/A

Amount Requested: **Source of Funds:**

Finance Comments:

Administrative Comments:

This presentation will include a 15-minute speech and a slide show that will be forthcoming.

ATTACHMENTS:

Description	Type
☐ 2019 State of the City Address	Presentation
☐ 2019 State of the City	Powerpoint Presentation

State of the City Address 2019 – Mayor Danny Dunagan

It is my pleasure to present the State of the City Address for 2019.

The City of Gainesville's Mission is to "enrich the community of Gainesville by practicing good stewardship of resources and providing innovative and excellent services for all people."

The City Council has six values that help us accomplish our mission.

Today I would like to share the ways that the city has demonstrated these values over the past year, and how we will continue to do so in the future.

The City of Gainesville maintains an attitude of "Do more with less – efficiency first".

Since the 2010 census, our city population has grown from 35,000 people to over 42,000 people, a 20% increase. The value of taxable property in the city limits was \$5.2 billion, up 35% since 2010. Our city government operating budget has not increased at the same rate. We have done more with less. The City of Gainesville has a long-standing commitment to be good stewards of the taxpayers' money, while providing excellent – and efficient – city services.

That brings us to our second value, to "Be excellent in our service quality, low expenditures, and effectiveness."

The new Riverside Water Quality Building is the perfect example of cutting-edge technology that brings a better product to the community. This treatment plant – \$12.5-million-dollar investment – is able to make cleaner water than ever before, at no additional cost to users. In 2018, almost 7 billion gallons of drinking water was treated to furnish almost 50,000 water customers. I am proud of our Department of Water Resources for setting the standard for water quality across the state of Georgia.

With nearly 40,000 takeoffs and landings each year, you'll find quality service every day at the Lee Gilmer Memorial Airport. The city is making improvements to the runways, and the terminals are to be renovated to accommodate even more business customers.

State of the City Address 2019 – Mayor Danny Dunagan

Our public safety departments continue to receive top honors for the service they provide to our citizens. The Gainesville Fire Department boasts a Class 1 ISO rating, which saves money for property owners on their insurance bills.

The city has purchased new technology, equipment and vehicles to make sure that our first responders have the tools they need to save lives. Though the city continues to grow, the Gainesville Fire Department continues to respond quickly to emergencies. Firefighters and paramedics respond to 70% of calls within 5 minutes. Less than one-fifth of the nation's fire departments meet that benchmark.

Traffic is one of the things that slows down our fire trucks, so we ask motorists to be aware of your surroundings and make way when you hear sirens coming.

Traffic is also a focus of the Gainesville Police Department. There were over 2,800 motor vehicle crashes in Gainesville in 2018, which is less than the previous year. Officers are stationed at the locations and times that most crashes occur. In 2018, the police department conducted 38 concentrated patrol efforts to reduce distracted driving, which continues to be the top cause of traffic accidents.

The department also tracks crime statistics and places officers strategically to reduce crime trends. In light of recent events, the City Manager and Police Chief are accelerating initiatives for the Park Hill area that were initially planned for Fiscal Year 2021. In the short term, we are providing a larger presence in the Park Hill area to demonstrate to these “visitors” to our community, who seem to be a part of the recent problems, that they are not welcome in Gainesville and their actions will not be tolerated.

These enforcement efforts, combined with over 200 positive community outreach activities, reduce overall crime. With our new police chief, Jay Parrish, at the helm, I am confident that he will continue to work diligently to ensure the safety of our citizens.

State of the City Address 2019 – Mayor Danny Dunagan

Chief Carol Martin is not the only longtime director to retire this past year. Gainesville Parks & Recreation Department Director Melvin Cooper announced his retirement after 47 years. He will be with us until May, as we are actively looking for a replacement to fill those big shoes. The city has a nationally known parks and recreation department. Locally, the department is known for good customer service, quality programming, and beautiful facilities. Last year there were 37 special events in parks, 60,000 fitness visits to Frances Meadows and a \$13-million economic impact on the community. The parks department is currently planning for the future and needs public input. If you have not filled out a survey yet, please visit our website at gainesville.org.

One very important parks initiative brings us to our third city value. "Continue to revitalize the Midtown area to further the close-knit community feel".

The Highlands to Islands Trail is a greenway that will begin at Lake Lanier in Longwood Park, continue down Wilshire Trails and Rock Creek Greenway, through the Historic Downtown Square and Roosevelt Square, across the pedestrian bridge at Jesse Jewell Parkway to the Midtown Greenway, beside the Airport to Chicopee Woods, and through a tunnel under Atlanta Highway to the University of North Georgia. The majority of this greenway already exists. We are going out to bid this month with a project that will make one of the final connections needed to create 14 complete miles for walking, running, and cycling.

The pedestrian bridge is critical to connect Historic Downtown to Midtown. We want to continue the close-knit community feel of the square into the rest of downtown, which includes Midtown, the Brenau District, Green Street, and our historic neighborhoods. By purchasing the property on the Midtown side of the pedestrian bridge, the city took control over the future of this important corner, as we did when we purchased the former jail site and demolished that eyesore in Midtown. There is strong interest in both of these properties. We commit to you that we will hold out for the highest quality development on these properties, because we know they are so important to the revitalization of Midtown and to the entire City.

State of the City Address 2019 – Mayor Danny Dunagan

With the newly renovated Roosevelt Square, events have helped the community share our expanded vision of downtown. Through Main Street Gainesville's events and promotions, the city has brought thousands of visitors downtown. The Gainesville Convention and Visitors Bureau continues to promote downtown, along with Lake Lanier, as Gainesville's main attractions.

Green Street is another downtown attraction that is highlighted each year by Christmas on Green Street. There's nothing like a parade and Christmas carols to make you feel like you're part of a close-knit community. We always have historic preservation as a top priority. Also FYI, the Post Office Building on Green Street is officially for sale and will be relocating in the near future.

The City of Gainesville understands that downtown is the heart of the city, and the economic health of downtown radiates throughout the community.

That leads to our fourth city value: "Be innovative in our economic development, in order to stimulate the local economy".

The Tax Allocation District for downtown and midtown redevelopment is an important tool in our economic development toolbox, and we have added another one for the west side of town. The TAD provides an incentive for people to invest in properties that might otherwise be too expensive to develop. As a result, there are brand new commercial buildings like the JOMCO Construction and Chastain Janitorial Supply. Carroll Daniel Construction continues work on its corporate headquarters on Main Street, and their 150 employees will eat and shop at our downtown businesses. And in the spring, Knight Real Estate expects to break ground on Parkside on the Square, which will add a new type of housing downtown and more restaurants. None of these projects would be viable without the city's help. The city is wise to invest in projects like these that boost the entire city economy.

There's no doubt that Gainesville's economy is booming. Once again, Gainesville was ranked number 3 among America's Best-Performing Small Metropolitan Areas by the Miliken Institute. That means Gainesville has one of the best economies in the United States, based on job creation, wage gains, and technology growth.

State of the City Address 2019 – Mayor Danny Dunagan

Lanier Technical College has expanded to meet the growing needs of the work force. Classes began at the new campus on Hwy. 365 in January. The City of Gainesville's investments in that corridor began over a decade ago. Those investments in water and sewer service will be returned by the talented workers produced at Lanier Tech.

At the city of Gainesville, we're not just planning for tomorrow. We are looking years into the future. As our existing industrial parks fill up, a new one is needed. The largest business park in Northeast Georgia will be constructed on 1,300 acres of city property surrounding the Allen Creek Soccer Complex. This massive property has highway connections to Interstate 985 and 85. The development of this property will provide access to a beautiful nature trail along the creek for the public to enjoy.

Our partnership with the Greater Hall Chamber of Commerce has attracted new private investments of \$108 million in 2018, including Fox Factory, Vital Foods, German company ZF, Canadian company KIK, and a new Georgia Chair Factory event facility. That's 920 new jobs.

Healthcare is an economic driver in Gainesville, which is home to 9,400 health care jobs with a payroll of \$557 million. With the growth of Northeast Georgia Medical Center's Graduate Medical Education program, those numbers will continue upward.

And of course we can't mention industry in Gainesville without talking about chicken. The poultry processing industry has brought billions of dollars to Gainesville and currently employs over 8,500 people. This year the city showed its support for the poultry industry by creating a new scholarship for poultry science students. The Gainesville Spring Chicken Scholarship is funded by sponsorships of the annual Spring Chicken Festival, which is coming up on April 27 at Longwood Park. Last year the chicken festival was honored as one of the Top 20 Events by the Southeast Tourism Society.

State of the City Address 2019 – Mayor Danny Dunagan

The fifth city value is "Be accountable to citizens and each other for our actions".

That means we do what we say we are going to do. SPLOST is a great example of the city following through with its commitments. The voters approved \$25 million in projects for public safety, transportation, and recreation. All of those projects are either complete or in progress. We are most excited about the designs of Fire Station #2 and the Youth Sports Complex that are under way right now.

The city continues to study traffic congestion in our City. There are 3 major projects on the drawing board to help with the congestion we all deal with each day. They are the Dawsonville Highway Corridor and McEver Road intersection, the Green Street improvements including two roundabouts that the State is evaluating, and the intersection at Jesse Jewell and John Morrow Parkway. These projects are all on State Highways, and the City and The Georgia Department of Transportation are working together. These projects are moving forward as we speak.

That brings us to our last but certainly not least important city value, we "uphold the highest professional and ethical standards" at the City of Gainesville.

We meet the standards to be named a City of Ethics by the Georgia Municipal Association.

The Finance Department continues to win awards for its excellence in financial reporting and budget presentation, and received a clean audit again this year. City taxpayers can rest assured that every penny is accounted for and every dollar well spent.

State of the City Address 2019 – Mayor Danny Dunagan

The City of Gainesville is committed to being an innovative city, providing a close-knit community feel in which to live, work, learn and play. Your government will continue to provide excellent service in a cost effective, efficient manner according to these organizational values.

The City Council along with the entire City staff is looking forward to another productive and promising year for our City. We as a Council are committed to the safety of our citizens. As we work on the present and plan for the future, we will maintain the quality of life that we all are accustomed to.

I, on behalf of your City Council, want to thank the citizens of Gainesville for your support, participation and feedback. I also thank this Council for their dedication to the well-being of this City and its citizens. This Council is thankful for all the City Employees, led by City Manager Bryan Lackey and Assistant City Manager Angela Sheppard, for their dedication to the citizens and to this great city we all call home. We are off to another busy year and looking forward to see what 2019 brings.

GAINESVILLE



State of the City Address

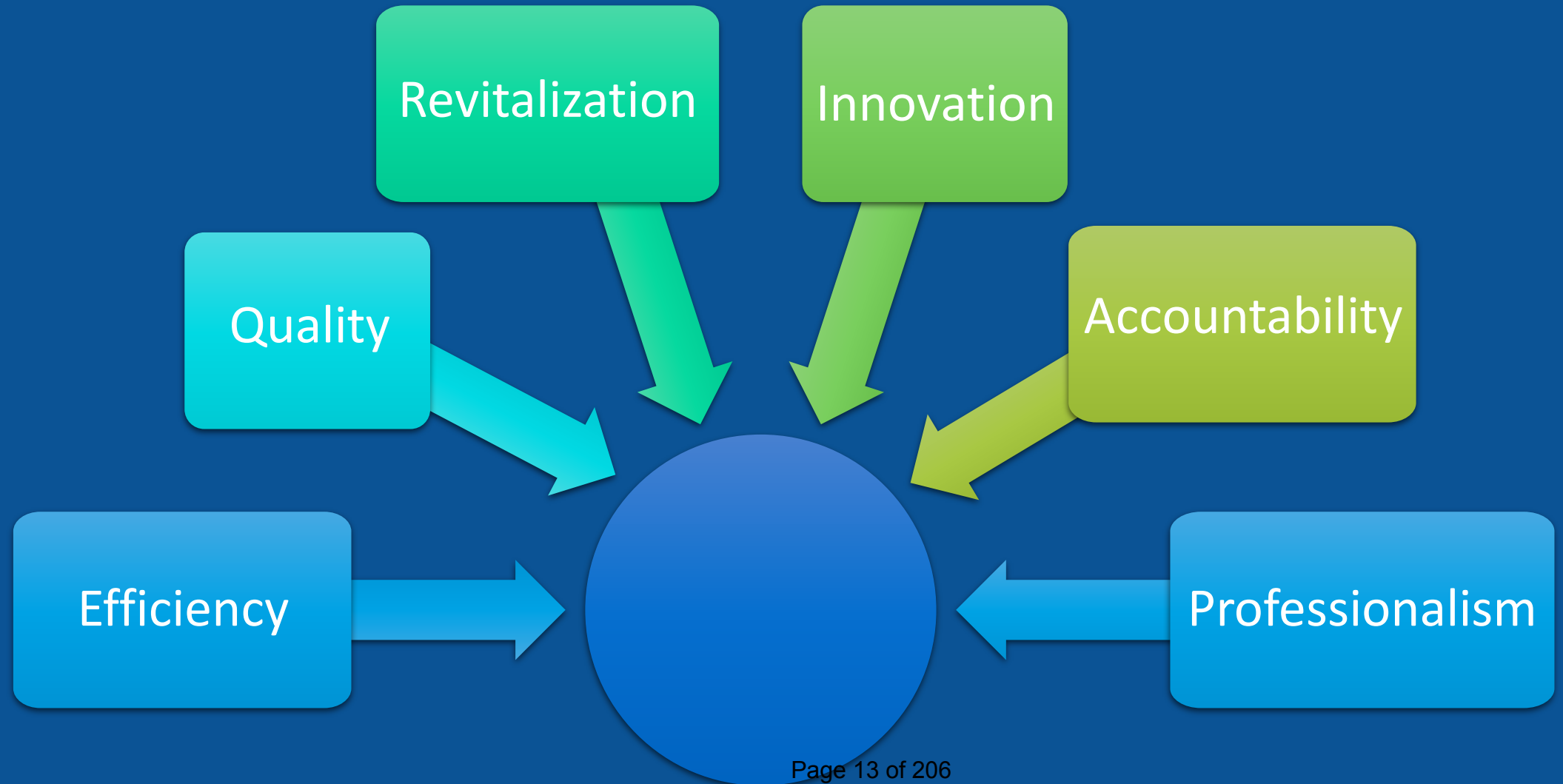
Mayor Danny Dunagan • Feb. 19, 2019

MISSION

To enrich the community of Gainesville by practicing **good stewardship** of resources and providing **innovative** and **excellent** services for **all people**.

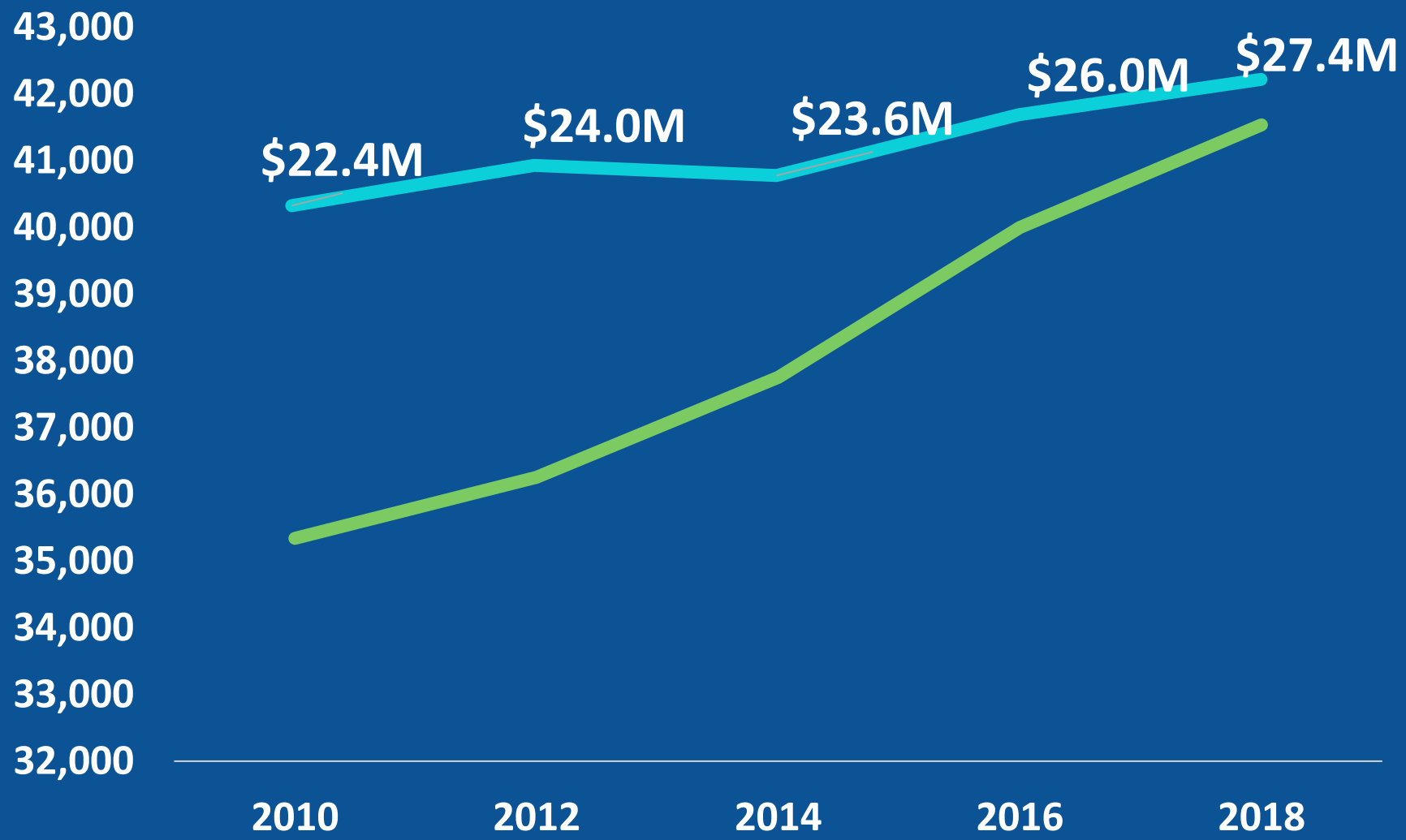


MISSION



*Maintain the attitude of
"Do more with less - efficiency first"*





*Be excellent in our service quality,
low expenditures and effectiveness*





























Melvin Cooper



Gainesville

Parks & Recreation





Gainesville
Parks & Recreation

DESOTA PARK

1142 DESOTA ST, SE



**WHAT DO YOU SEE IN GAINESVILLE'S FUTURE?
YOUR PARKS. YOUR VOICE.
BE HEARD.**



*Continue to revitalize the Midtown area
to further the close-knit community feel.*







HIGHLANDS
TO ISLANDS

















*Be innovative in our economic development,
in order to stimulate the local economy.*











JANUARY 2019



BEST-PERFORMING CITIES

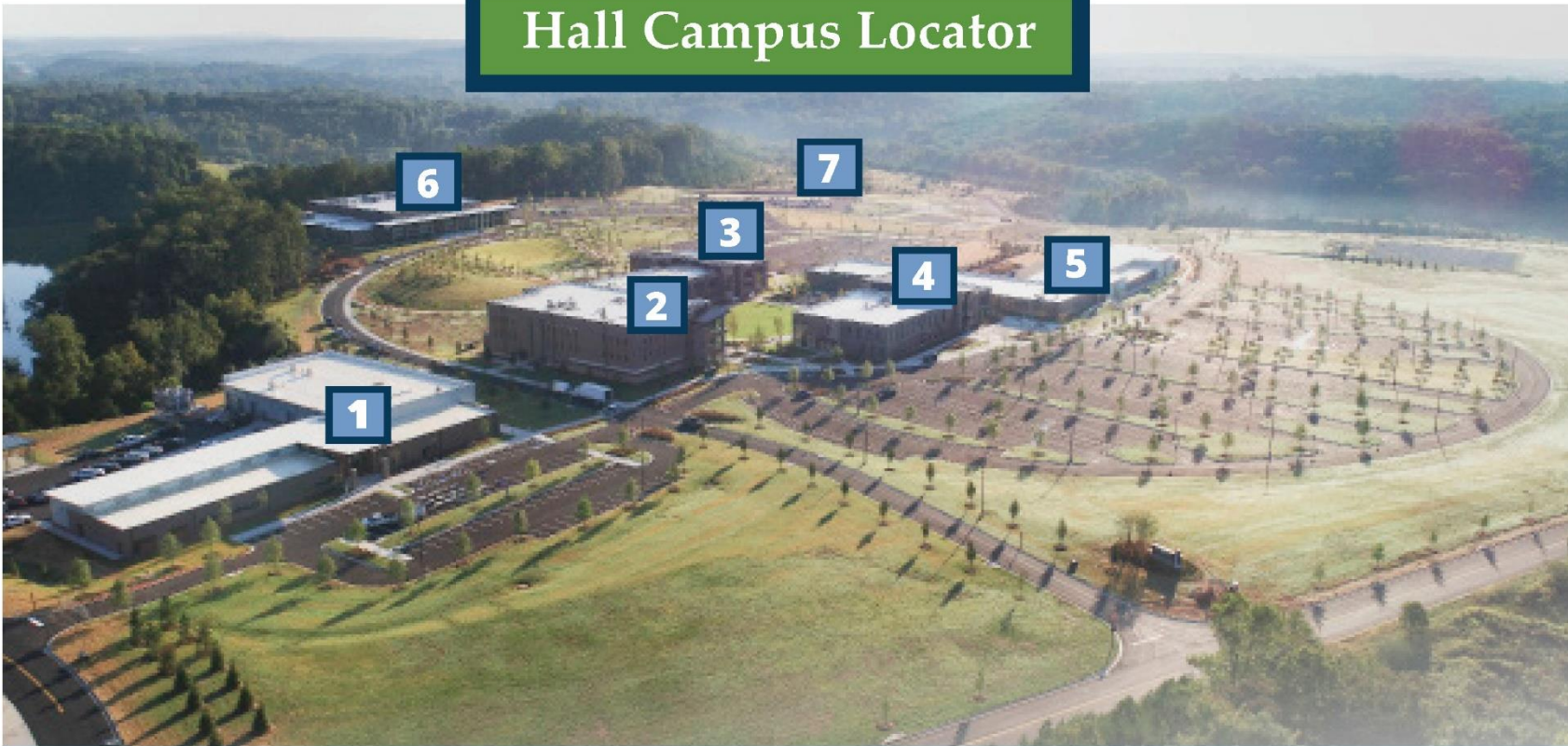
WHERE AMERICA'S JOBS
ARE CREATED AND SUSTAINED

2018

JESSICA JACKSON, JOE LEE, MICHAEL C.Y. LIN, AND MINOLI RATNATUNGA



Hall Campus Locator



1 - Governor Nathan Deal Economic Development Center

2 - James A. Walters Allied Health Building

3 - Chris Riley Instructional Center

4 - Breden-Giles Hall Administration Building

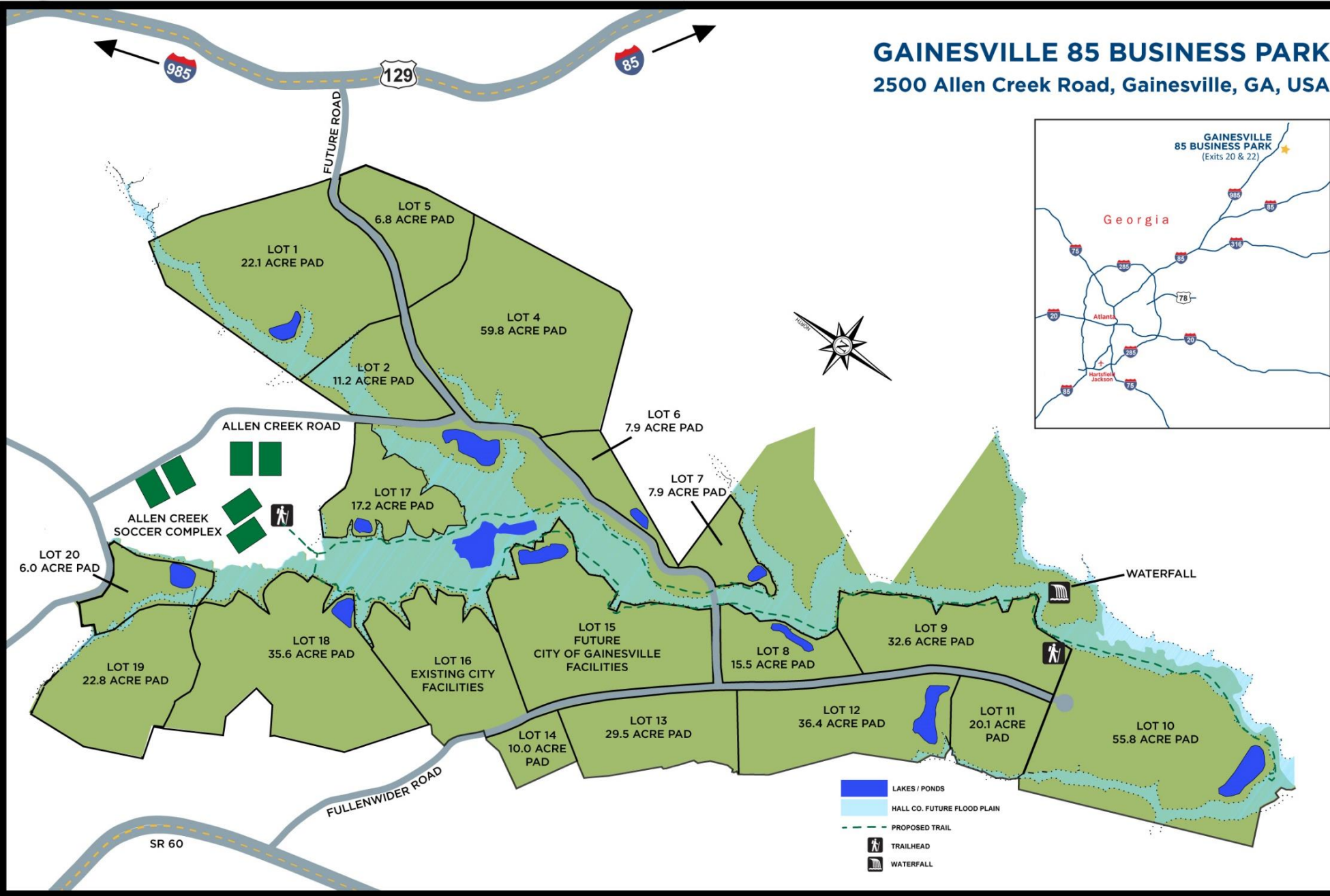
5 - Kubota Manufacturing Applied Technology Center

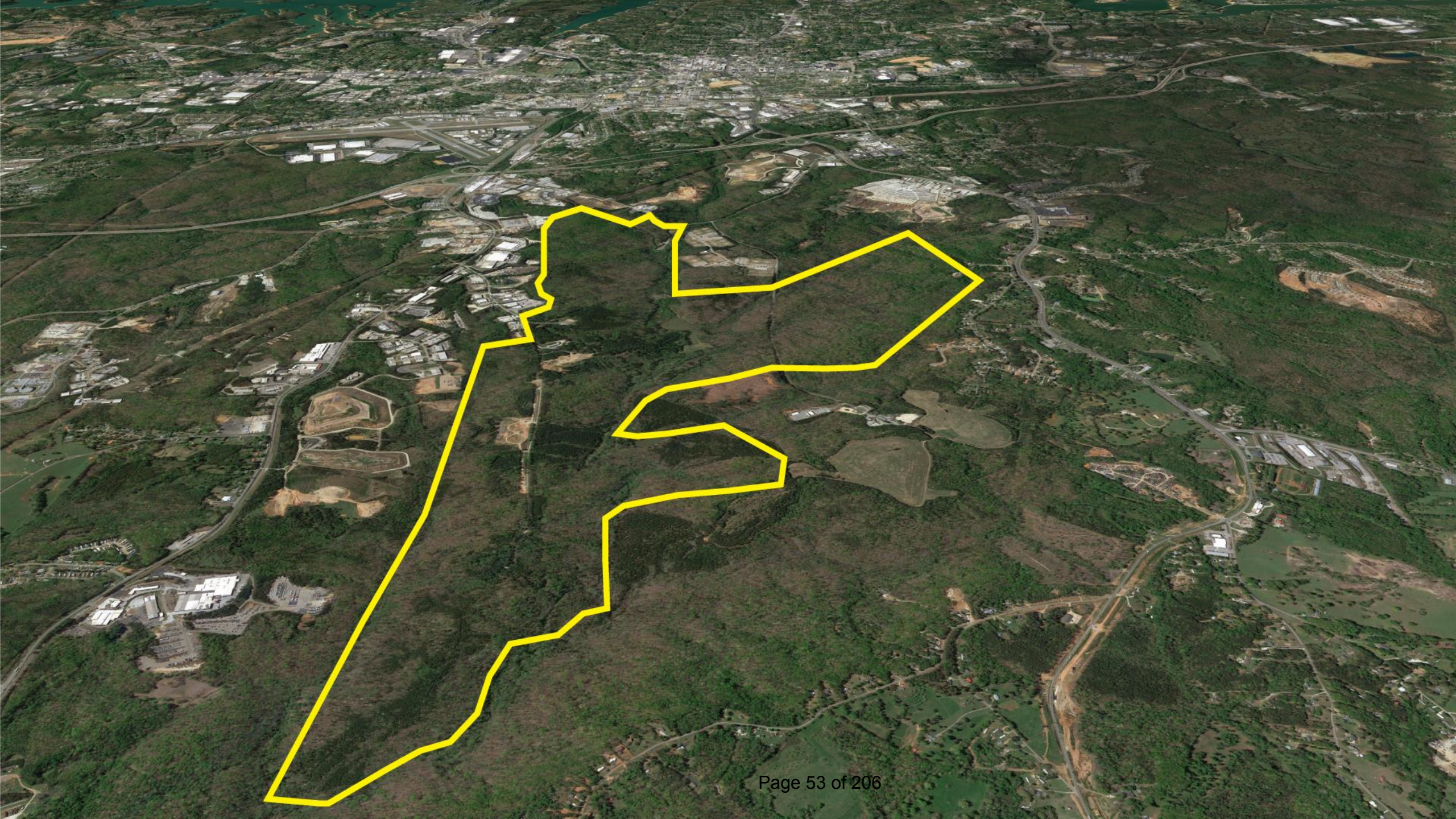
6 - Wilbur and Dixie Ramsey Conference Center

7 - Commercial Truck Driving Range

LANIER
Technical College
HALL CAMPUS

GAINESVILLE 85 BUSINESS PARK
2500 Allen Creek Road, Gainesville, GA, USA











Saturday, April 27

11am-4pm

at Longwood Park

Chicken Cook-off 11am - 3pm

Music, Kid Zone, Lake,
Art Market

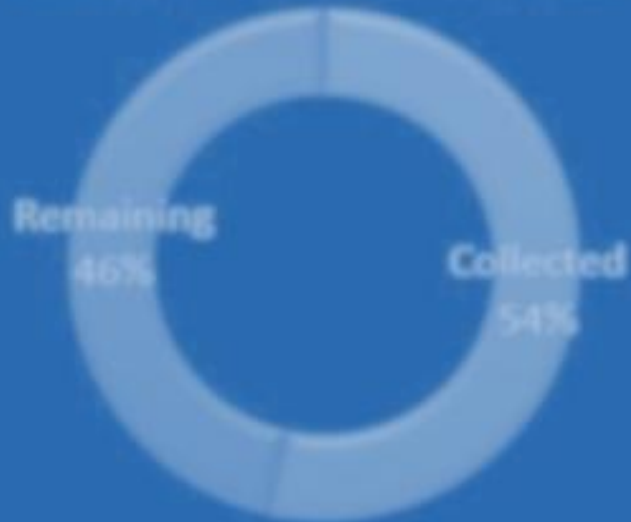
\$6 CLUCK CARDS (10 samples)

www.explore Gainesville.org

Be accountable to citizens and each other for our actions

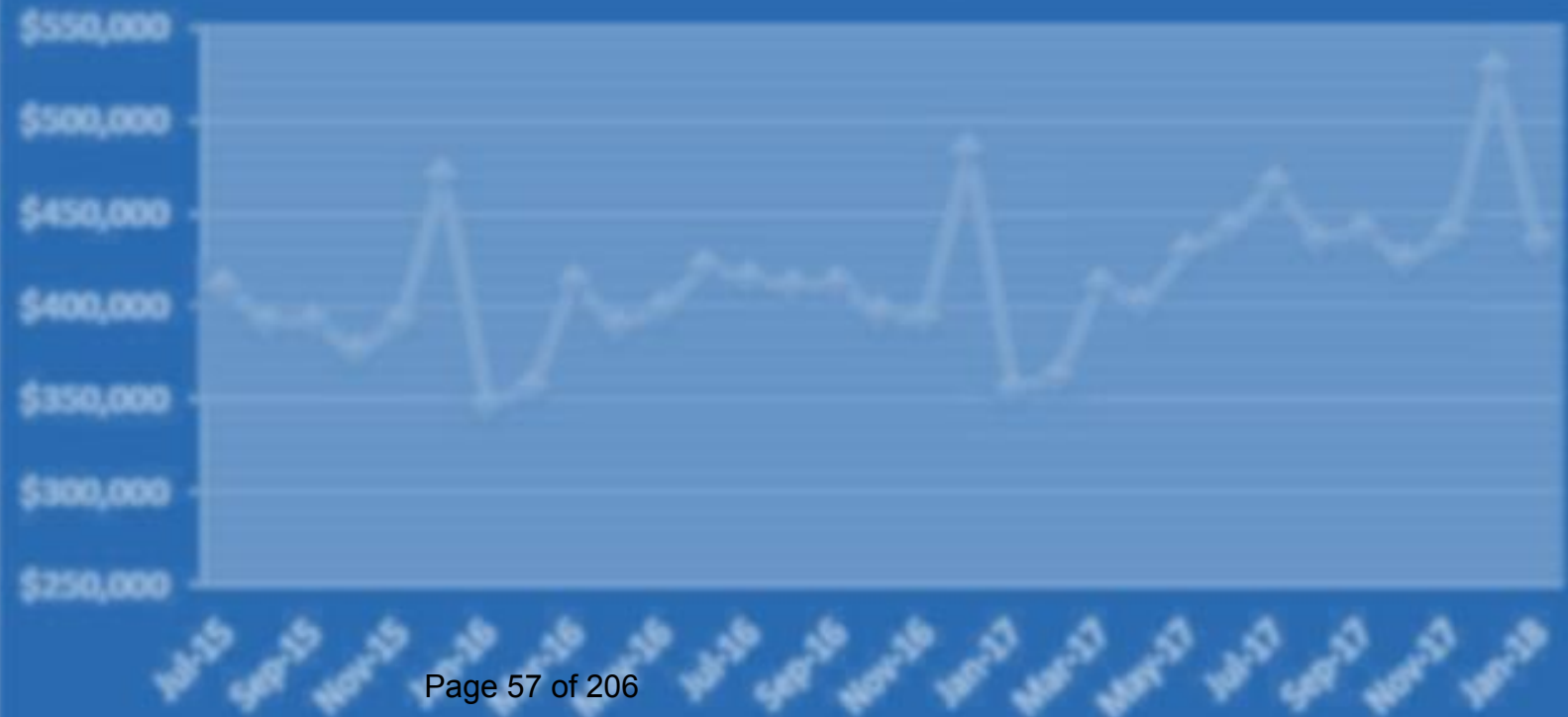
■ Project Cost from SPLOST VII	\$15,500,000
■ Fiscal Year 2016-2018 Budgeted Portion	\$13,261,240
■ SPLOST VII Collected	\$14,337,366
■ Encumbrances	\$1,463,863
■ Expenses	\$5,769,523

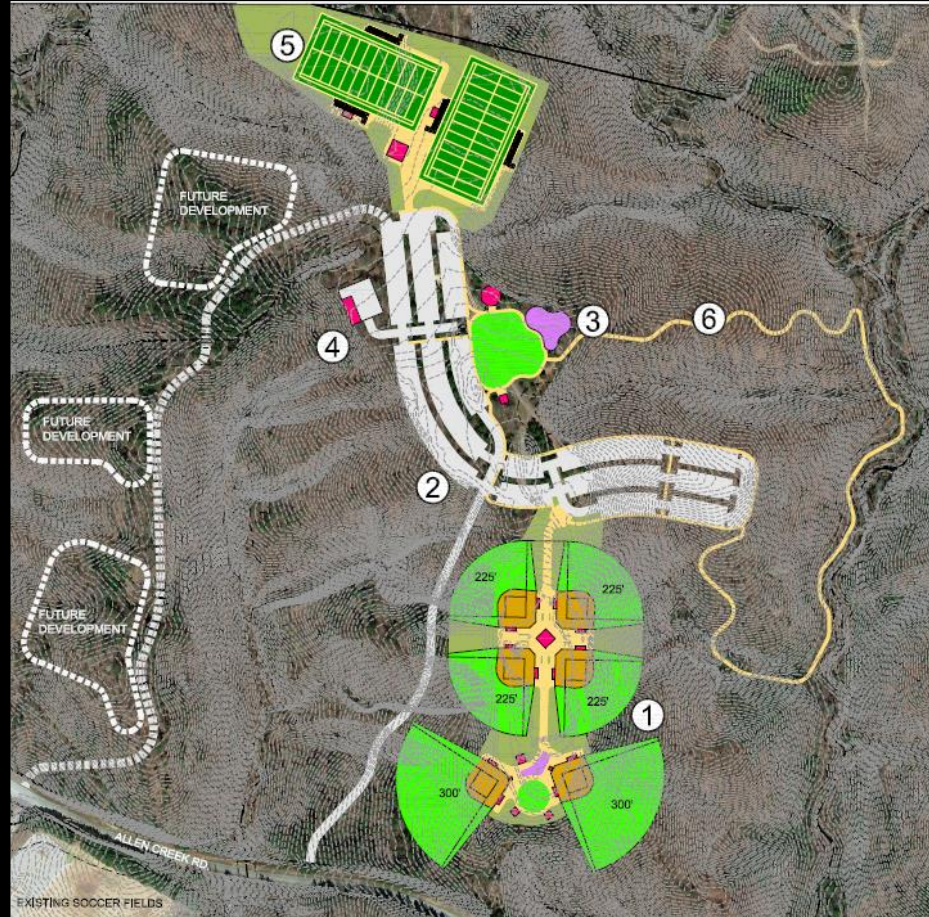
Amount collected toward total estimate



Collections are above estimates of 50% for 31 months.

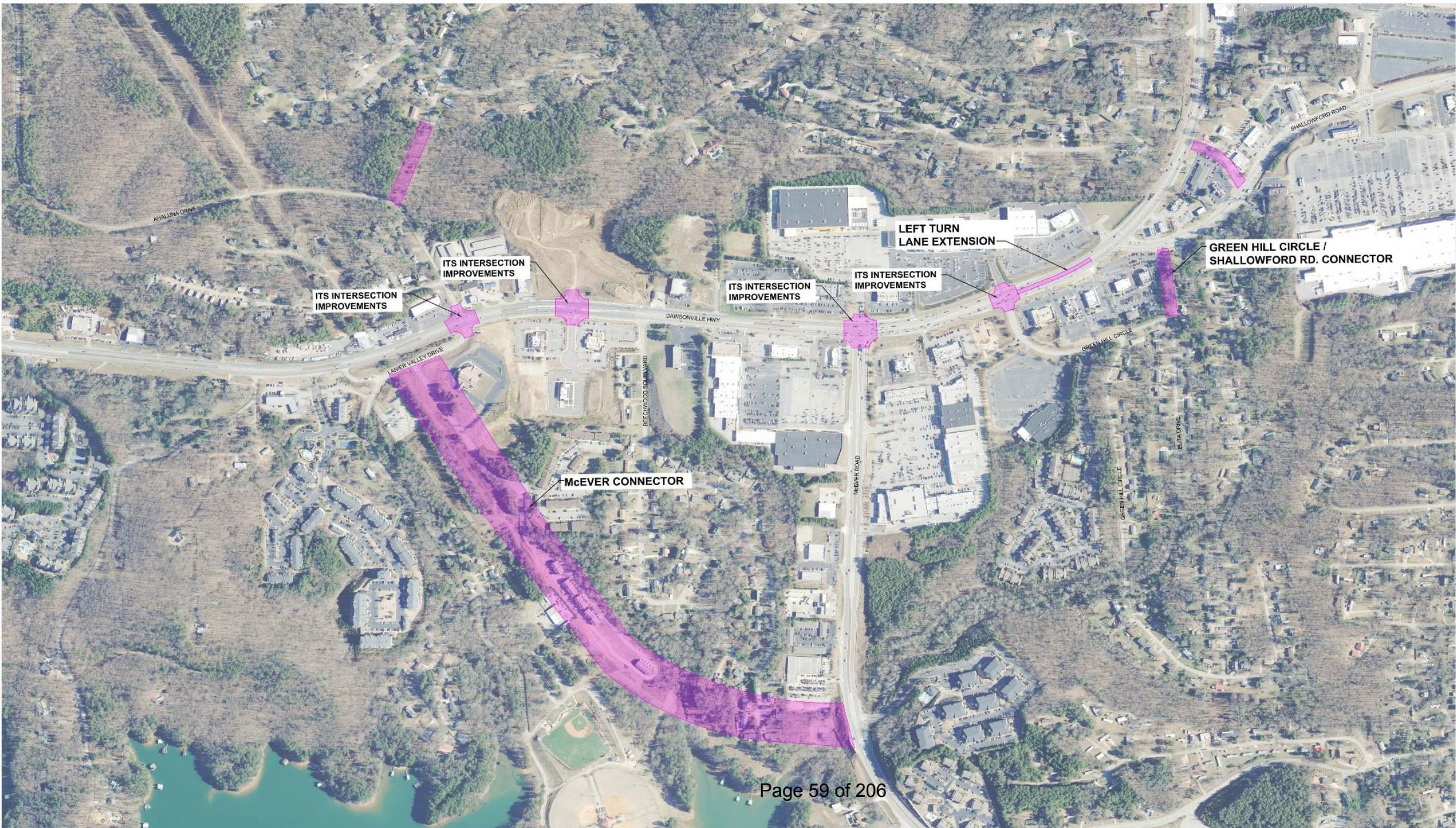
SPLOST VII Collections (per month)

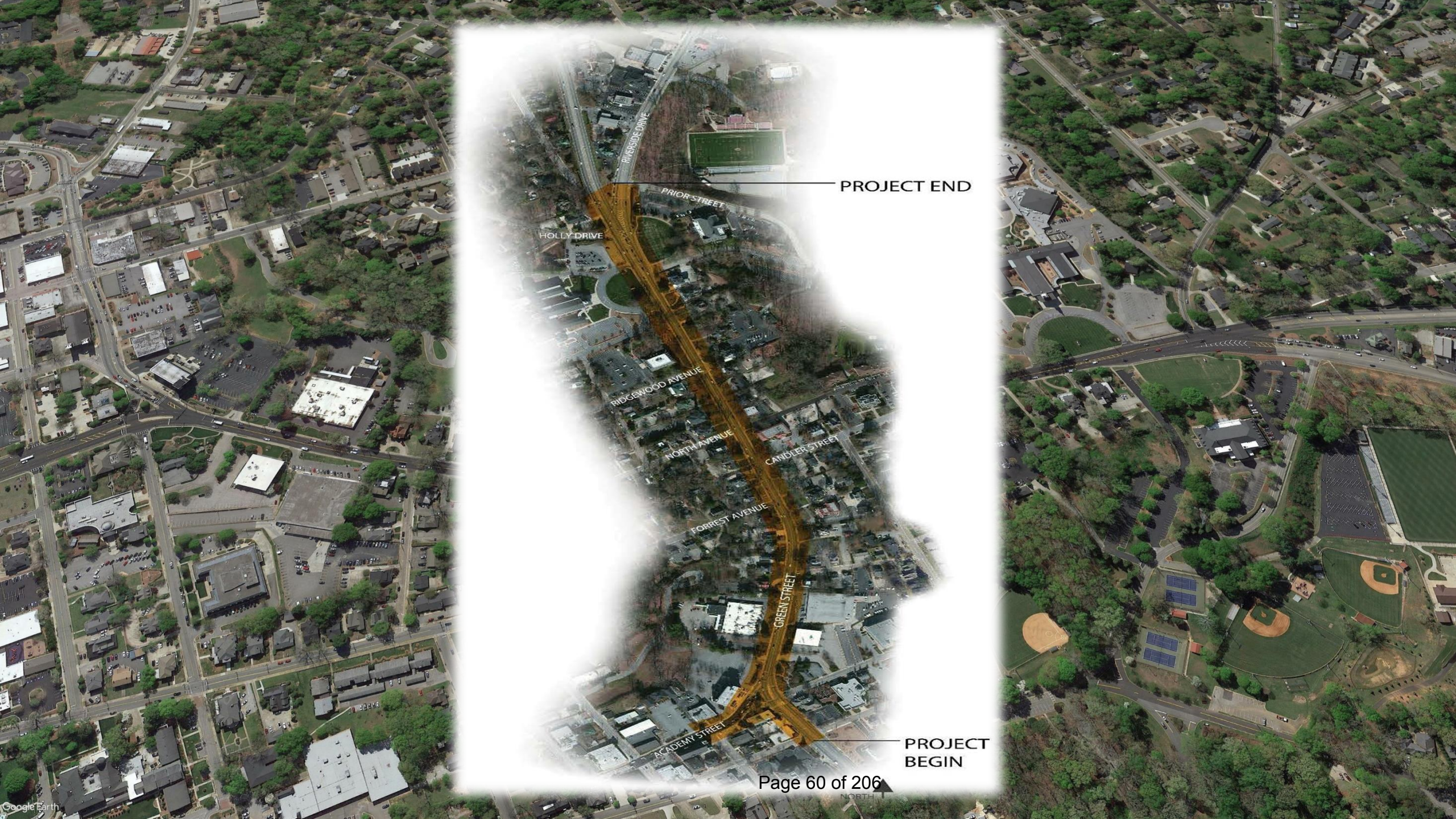




PRECISION
Planning Inc.

GAINESVILLE FIRE STATION NO. 2
Schematic Design Front Perspective View
A18-181 09-28-18





PROJECT END

PROJECT
BEGIN



*Uphold the highest professional
and ethical standards*

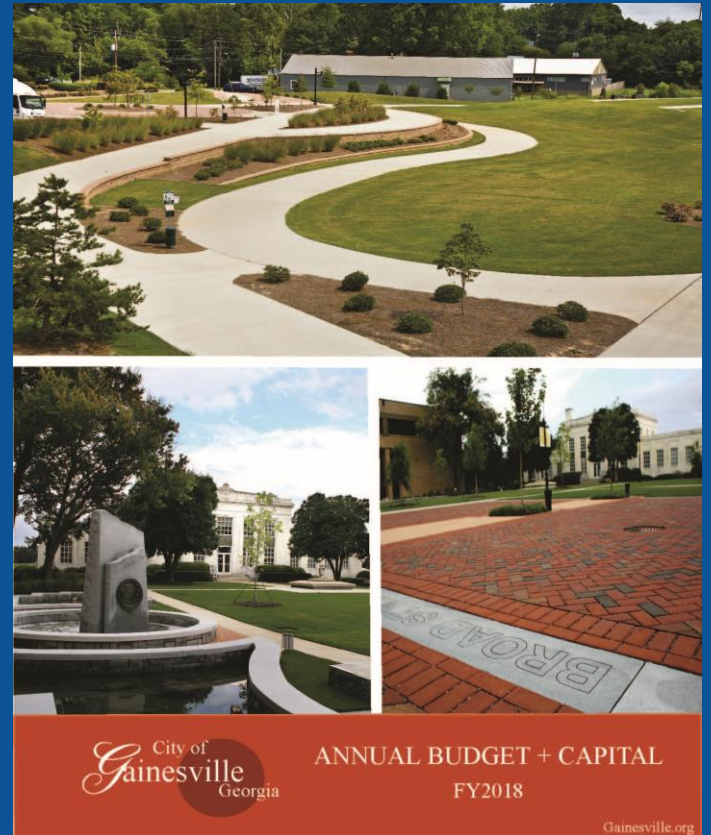
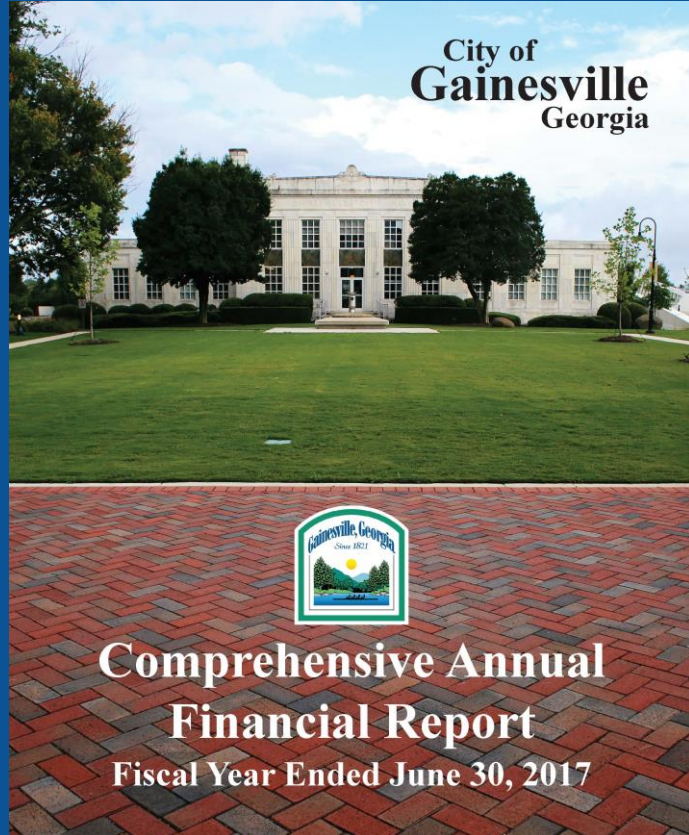
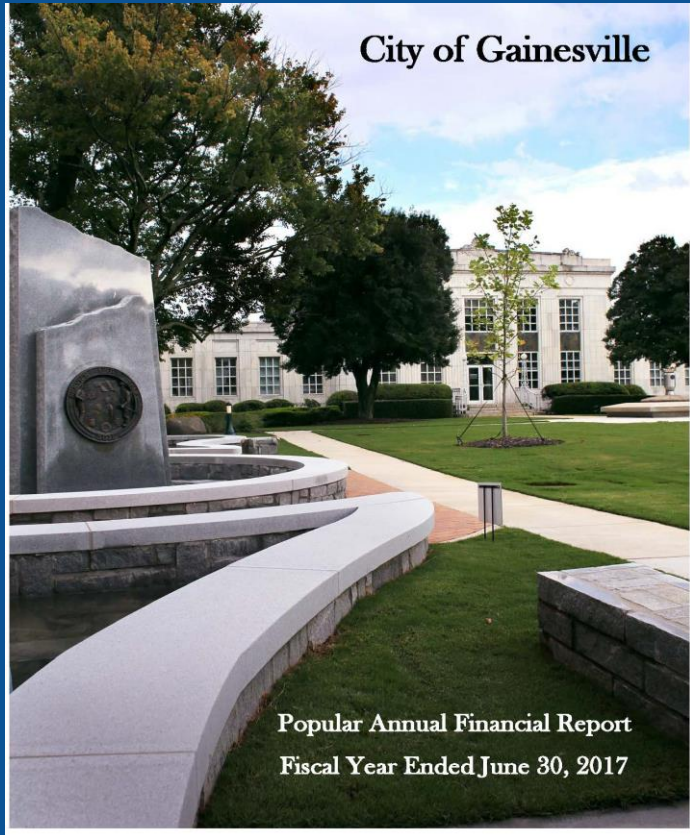


GEORGIA MUNICIPAL ASSOCIATION



Handbook

**for Georgia Mayors
and Councilmembers**



GAINESVILLE



Mayor Danny Dunagan

ddunagan@gainesville.org

www.gainesville.org

CITY OF GAINESVILLE

COUNCIL AGENDA REQUEST

Date Submitted: 2/15/2019
Presenter: Danny Dunagan
Item of Business: Planning and Appeals Board
Meeting Date: 2/19/2019

Purpose of Request:

The purpose of this request is to extend appreciation for volunteer service to the community.

History/Background:

Facts & Issues for Consideration:

See attached

Department Recommendation:

Department Director:

Danny Dunagan

If funding is involved, are funds approved within the current budget?

N/A

Amount Requested: **Source of Funds:**

Finance Comments:

Administrative Comments:

ATTACHMENTS:

Description	Type
 PAB CM Summary	Backup Material

BOARD/COMMITTEE RECOGNITION

February 19, 2019 Council Meeting

Planning and Appeals Board (PAB)

The Planning Commission and the Zoning Board of Adjustments were combined in 1997 to create the PAB. Its purpose is to make recommendations to the governing body regarding (1) the comprehensive plan (2) annexation, rezoning, and special use applications and (3) text amendments. The Board also makes decisions on variances and administrative appeals. There are seven members serving two-year terms.

Board Members:

Doug Carter
Carmen Delgado
Jane Fleming
Eddie Martin, Sr.
Kelvin Simmons
Ryan Thompson
Richard White

CITY OF GAINESVILLE

COUNCIL AGENDA REQUEST

Date Submitted: 2/15/2019
Presenter: Danny Dunagan
Item of Business: Tax Allocation District Advisory Committee
Meeting Date: 2/19/2019

Purpose of Request:

The purpose of this request is to extend appreciation for volunteer service to the community.

History/Background:

Facts & Issues for Consideration:

See attached

Department Recommendation:

Department Director:

Danny Dunagan

If funding is involved, are funds approved within the current budget?

N/A

Amount Requested: **Source of Funds:**

Finance Comments:

Administrative Comments:

ATTACHMENTS:

Description	Type
 TADAC CM Summary	Backup Material

BOARD/COMMITTEE RECOGNITION

February 19, 2019 Council Meeting

Tax Allocation District Advisory Committee (TADAC)

The TADAC was established by Business Resolution 2009-08 based upon an Intergovernmental Agreement. Representatives/Designees are from the City of Gainesville, Hall County Government, the Gainesville Board of Education, the Chamber of Commerce or the Main Street Board, the real estate or development industry and the banking/finance industry. There are nine committee members. The City of Gainesville appoints two members.

Gainesville Appointees:

Tim Evans
Rob Fowler

CITY OF GAINESVILLE

COUNCIL AGENDA REQUEST

Date Submitted: 2/14/2019

Presenter:

Item of Business: Consent Agenda Items

Meeting Date: 2/19/2019

Purpose of Request:

The following appointments, minutes and/or resolutions are being considered under the Consent Agenda Section. These items were previously distributed for review and/or discussed. Unless otherwise directed by Mayor and Council, they will not be discussed during this meeting.

If you have questions regarding these documents, please feel free to contact the City Clerk's Office during normal business hours (Monday through Friday from 8:00 AM to 5:00 PM) at 770-535-6865 or via email to cityclerk@gainesville.org.

History/Background:

Facts & Issues for Consideration:

Department Recommendation:

Department Director:

If funding is involved, are funds approved within the current budget?

Amount Requested:

Source of Funds:

Finance Comments:

Administrative Comments:

CITY OF GAINESVILLE

COUNCIL AGENDA REQUEST

Date Submitted: 2/5/2019

Presenter: Danny Dunagan

Item of Business: Building Board of Appeals

- Position held by Larry Merritt (*reappointment*)

Meeting Date: 2/19/2019

Purpose of Request:

The purpose of this request is to address the expiring term position held by Larry Merritt.

History/Background:

BBA members serve five-year terms. The Board follows the guidelines of the International Building Code in addition to the City Charter and Code of Ordinances.

Facts & Issues for Consideration:

The qualifications for BBA members are defined in the International Building Code.

Larry Merritt has confirmed his willingness to serve another term.

Department Recommendation:

The Mayor nominated Larry Merritt for reappointment on the board during the February 14, 2018 Work Session.

Accept the nomination as presented.

Department Director:

Danny Dunagan

If funding is involved, are funds approved within the current budget?

Amount Requested:

Source of Funds:

Finance Comments:

Administrative Comments:

ATTACHMENTS:

Description	Type
 BBA Members	Backup Material

BUILDING BOARD OF APPEALS

POST	LAST NAME	FIRST NAME	APPOINTED	REAPPOINTED	EXPIRES
Structural Engineer	Smith	David	10/5/2004	10/21/2008 3/4/2014	3/4/2019
Architect - Alternate	Bachman	Dick	10/5/2004	9/6/2011 10/18/2016	10/18/2021
Architect - Alternate	Tipton	James	10/18/2016		10/18/2021
Plumbing/Fire Safety	Merritt	Larry	10/5/2004	5/20/2008 3/4/2014	3/4/2019
Architect	Tesmer	Tracy	10/18/2016		10/18/2021
Mechanical	Davis	Vincent	11/6/2018 UE		10/3/2022
Electrical	Caldwell	Daniel	9/6/2011	10/18/2016	10/18/2021
Ex-Officio	Davidson	Joe			

TERM: Five year terms

CONTACT: Joe Davidson, Inspection Services Manager

Appointments to be made by profession in accordance with the International Building Code.

NOTES: This Board replaces the Housing Board of Adjustment and Appeals.

This Board eliminates the Electrical, Heating & Air and Plumbing Boards.

UPDATED: Wednesday, January 30, 2019

CITY OF GAINESVILLE

COUNCIL AGENDA REQUEST

Date Submitted: 2/5/2019
Presenter: Danny Dunagan
Item of Business: Housing Authority

- Position held by Darryl Smallwood (*reappointment*)

Meeting Date: 2/19/2019

Purpose of Request:

The purpose of this request is to address the upcoming expiring term for the position held by Darryl Smallwood.

History/Background:

The Housing Authority follows the guidelines within Georgia Code (Section 8-3-50) as well as the City Charter and the City Code of Ordinances. Appointees serve a five-year term.

Facts & Issues for Consideration:

Darryl Smallwood has confirmed his willingness to serve another term.

Department Recommendation:

The Mayor nominated Darryl Smallwood for reappointment on the board during the February 14, 2018 Work Session.

Accept the nomination as presented.

Department Director:

Danny Dunagan

If funding is involved, are funds approved within the current budget?

Amount Requested:

Source of Funds:

Finance Comments:

Administrative Comments:

ATTACHMENTS:

Description	Type
❑ Housing Authority Members	Backup Material
❑ HA Attendance Report	Backup Material

HOUSING AUTHORITY

POST	LAST NAME	FIRST NAME	APPOINTED	REAPPOINTED	EXPIRES
Commissioner	Thompson	Faron	8/16/2011 UE	8/18/2015	8/18/2020
Commissioner	Cochran	Broughton	2/16/2010	5/5/2015	5/5/2020
Commissioner	Smallwood	Darryl	10/1/1997	8/20/2002 9/2/2008 3/4/2014	3/4/2019
Resident Commissioner	Brown	Mary	8/16/2011	9/6/2016	9/6/2021
Commissioner	Figueras	Myrtle	1/19/2016 UE	1/22/2019	2/4/2024
Ex-Officio	Wangemann	George	1/9/2018	1/8/2019	1/7/2020

TERM: Five year terms

CONTACT: Beth Brown, Executive Director
Housing Authority
P.O. Box 653
Gainesville, GA 30503
770-536-1294
bbrown@gainesvillehousing.org
www.gainesvillehousing.org

UPDATED: 1/23/2019 ag

HOUSING AUTHORITY ATTENDANCE REPORT

MEETING			BOARD MEMBER				
	DATE	TYPE	NAME	NAME	NAME	NAME	NAME
1			Cochran	Thompson	Smallwood	Brown	Figueras
2	1/18/2017	R	1	1	1	1	1
3	2/15/2017	Cancelled					
4	3/15/2017	R	1	1	1	1	1
5	4/19/2017	R	1	1	1	1	1
6	5/17/2017	R	1	1	1	1	1
7	6/21/2017	R	1	1	1	1	1
8	7/19/2017	R	0	1	0	1	1
9	8/16/2017	Cancelled					
10	9/20/2017	R	1	0	1	1	1
11	10/18/2017	R	1	0	1	1	1
12	11/15/2017	R	0	1	0	1	1
13	12/20/2017	R	1	1	1	1	1
14	1/17/2018	Cancelled					
15	2/21/2018	R	1	1	1	1	1
16	3/21/2018	Cancelled					
17	4/18/2018	R	1	0	1	1	1
18	5/16/2018	R	0	1	1	0	1
19	6/20/2018	Cancelled					
20	7/18/2018	R	1	1	0	1	1
21	8/15/2018	R	1	1	1	0	1
22	9/21/2018	R	1	1	0	1	1
23	10/17/2018	R	1	0	1	0	1
24	11/21/2018	R	1	1	1	0	1
25	12/19/2018	Cancelled					
26	1/16/2019	R	1	0	1	1	1
27	2/20/2019	Cancelled					
28							
29							
30							
	TOTAL	19	16	14	15	15	19
	ATTENDANCE %		84%	74%	80%	80%	100%

TYPE MEETING:

R = Regular Scheduled Meeting

C = Called Meeting

ATTENDANCE:

0 = Absent

1 = Attended

NOTES:

Submitted By: Beth Brown

Date: 2/4/2019

Recording Secretary

CITY OF GAINESVILLE

COUNCIL AGENDA REQUEST

Date Submitted: 2/14/2019
Presenter: Denise Jordan
Item of Business: January 31, 2019 Work Session
Meeting Date: 2/19/2019

Purpose of Request:

The purpose of this request is to allow the governing body to approve minutes from the referenced meeting.

History/Background:

Facts & Issues for Consideration:

Draft minutes were distributed to the governing body, City Manager, City Attorney and Department Directors for comments/corrections.

Department Recommendation:

Approve the minutes accepting edits as presented.

Department Director:

Bryan Lackey

If funding is involved, are funds approved within the current budget?

N/A

Amount Requested:

Source of Funds:

Finance Comments:

Administrative Comments:

ATTACHMENTS:

Description

Type

CITY OF GAINESVILLE

COUNCIL AGENDA REQUEST

Date Submitted: 2/14/2019
Presenter: Denise Jordan
Item of Business: February 5, 2019 Mayor/Council Meeting
Meeting Date: 2/19/2019

Purpose of Request:

The purpose of this request is to allow the governing body to approve minutes from the referenced meeting.

History/Background:

Facts & Issues for Consideration:

Draft minutes were distributed to the governing body, City Manager, City Attorney and Department Directors for comments/corrections.

Department Recommendation:

Approve the minutes accepting edits as presented.

Department Director:

Bryan Lackey

If funding is involved, are funds approved within the current budget?

N/A

Amount Requested: **Source of Funds:**

Finance Comments:

Administrative Comments:

ATTACHMENTS:

Description

Type

CITY OF GAINESVILLE

COUNCIL AGENDA REQUEST

Date Submitted: 2/12/2019
Presenter: Bryan Lackey
Item of Business: BR-2019-08 Demolition Program Funding for 905 Grove Street
Meeting Date: 2/19/2019

Purpose of Request:

To authorize funding from Capital Project No. 91030 Demolition Program to reimburse demolition expenditures by TD Dynamic Holdings LLC for the improvement of the property located at 905 Grove Street.

History/Background:

TD Dynamic Holdings purchased 905 Grove Street and has been rehabilitating the property. They demoed dilapidated buildings on the property, interior and exterior finishes of the building and concrete on the property. They have additional work to complete and finalize the rehab of the property.

The City has Capital Project No. 91030 Demolition Program which was established for the demolition and removal of dilapidated structures

Facts & Issues for Consideration:

TD Dynamic Holdings will be reimbursed up to \$37,389 if conditions are met as outlined in the resolution.

Department Recommendation:

Approve the resolution.

Department Director:

Bryan Lackey

If funding is involved, are funds approved within the current budget?

Amount Requested:

\$37,389

Source of Funds:

Capital Project No. 91030

Finance Comments:

Administrative Comments:

ATTACHMENTS:

Description	Type
☐ BR-2019-08 Demolition Program Funding for 905 Grove Street	Resolution
☐ 905 Grove Street Renderings	Backup Material

905 Grove Street Images - Before and After	Backup Material
Line-Item Expenditures of Demolition Reimbursement	Backup Material
TD Dynamic Holdings Line-Item Expenditures	Backup Material

RESOLUTION BR-2019-08

Demolition Program Funding for 905 Grove Street

WHEREAS, the City of Gainesville is interested in the revitalization of dilapidated areas within the City; and

WHEREAS, to help foster the revitalization of areas, the City created Capital Project No. 91030 entitled "Demolition Program" to help fund the demolition and rehabilitation of properties; and

WHEREAS, TD Dynamic Holdings, LLC purchased the property at 905 Davis Street and demoed dilapidated buildings, finishings and concrete on the property and are rehabilitating the interior and exterior of the property; and

WHEREAS, TD Dynamic Holdings, LLC has requested reimbursement of demolition expenses through the Demolition Program of the City; and

WHEREAS, the City sees this as an opportunity to partner on the revitalization of this property and desires to participate with certain conditions; and

WHEREAS, out of the Demolition Program capital project mentioned above, the City will reimburse TD Dynamic Holdings, LLC \$26,989 for demolition related expenses so long as the following conditions are met:

1. TD Dynamic Holdings, LLC shall agree to a City-initiated rezoning of 905 Grove Street from Heavy Industrial (H-I) to General-Business (G-B), with all conditions of development contained within this Resolution being included as conditions of rezoning.
2. TD Dynamic Holdings, LLC shall agree to relocate the parking lot for 905 Grove Street to the side of the building with access off Abby Place only.
3. TD Dynamic Holdings, LLC shall agree to construct a sidewalk on Grove Street that meets City standards.

WHEREAS, additional funding in the amount of \$10,400 will be paid to TD Dynamic Holdings, LLC from the Demolition Program if the following additional conditions to improve the property are met, which include:

1. TD Dynamic Holdings, LLC shall install landscaping, which landscaping plan shall be subject to the approval prior to installation of the City Community Development Director.
2. Meet architectural standards and Midtown Overlay Zone standards as adopted in the ULDC and obtain approval of front elevation from the Community Development Director.
3. TD Dynamic Holdings, LLC shall obtain a Certificate of Completion from the City for the property by June 30, 2019.

NOW, THEREFORE, BE IT RESOLVED THAT the governing body hereby authorizes the payment of up to \$37,389 if the conditions outlined above are met from the Demolition Program Capital Project No. 91030 and authorizes the City Manager, City Attorney and Chief Financial Officer to execute all necessary documents to effectuate the agreement.

RESOLUTION BR-2019-08

Demolition Program Funding for 905 Grove Street

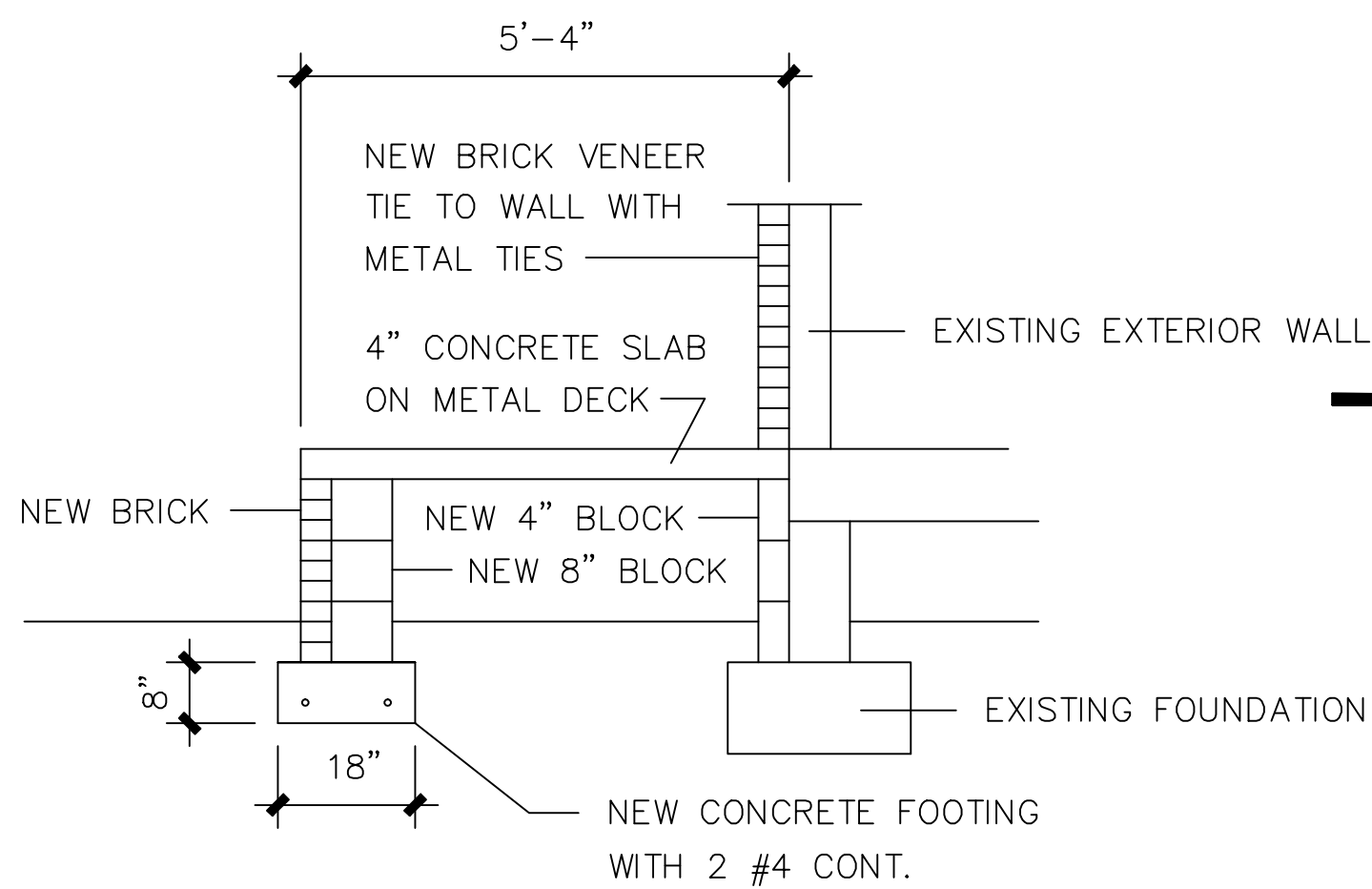
Adopted this _____ day of _____, 2019.

C. Danny Dunagan, Jr., Mayor

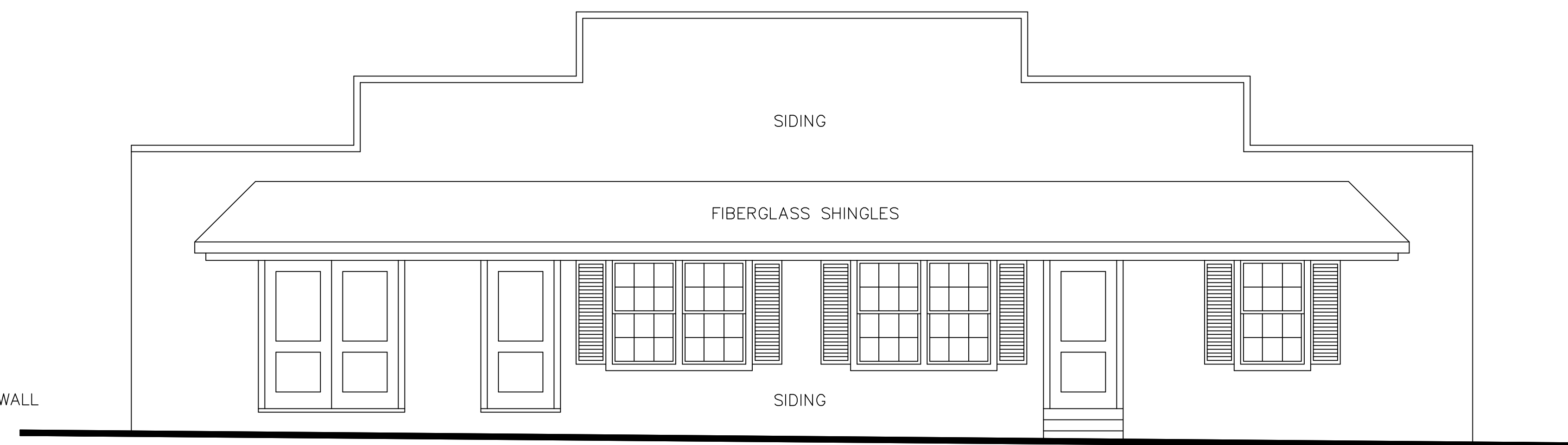
This is to certify that I am City Clerk of the City of Gainesville. As such, I keep its official records, including its minutes. In that capacity, my signature below certifies this resolution was adopted as stated and will be recorded in the official minutes.

ATTEST:

Denise O. Jordan, City Clerk



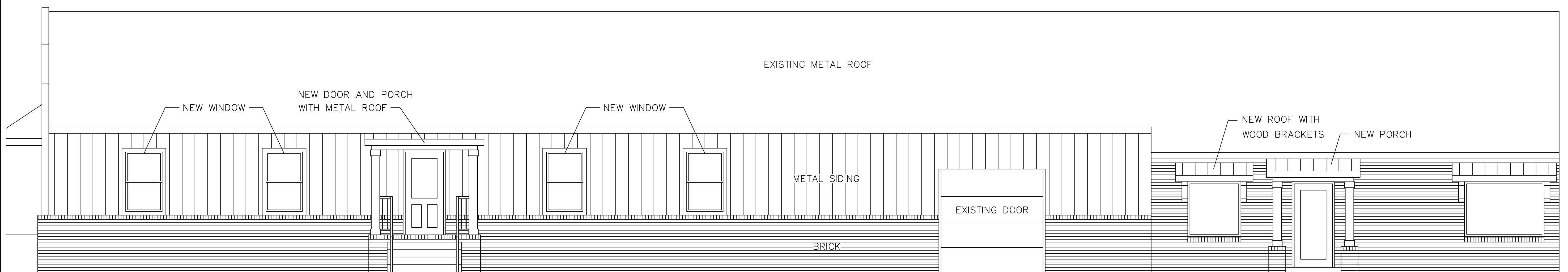
SECTION THROUGH
NEW PORCH
1/2" = 1'-0"



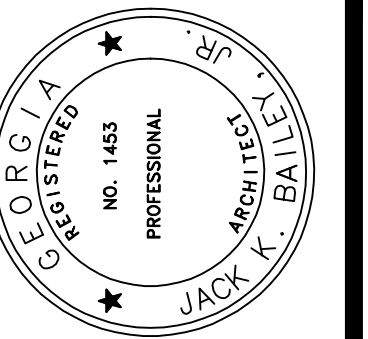
EXISTING GROVE STREET ELEVATION
1/4" = 1'-0"



PROPOSED GROVE STREET ELEVATION
1/4" = 1'-0"



PROPOSED ABBY PLACE ELEVATION
1/4" = 1'-0"



Architects
Gainesville
Georgia 30501
770 534 0612

Bailey Associates

905 GROVE STREET
GAINESVILLE, GEORGIA

Project No 17056
Drawn By JKB
Checked By
Date APR. 16, 2018
Revisions

MAY 22, 2018
FEB. 4, 2019

A3

OF 3

905 Grove Street

Before



After



905 Grove Street

Before

After



Environmental/Hazardous Waste Remediation

American Pit Service	\$	1,462.50		
Ted Quinn Painting	\$	12,500.00		
			\$	13,962.50

Dumpster Rental

North Georgia Roll-Off Container	\$	1,230.60		
North Georgia Roll-Off Container	\$	2,920.00		
ASG Roll-Offs	\$	275.00		
			\$	4,425.60

Landfill Fees

Hall County Landfill	\$	45.20		
Hall County Landfill	\$	23.60		
Hall County Landfill	\$	38.40		
Hall County Landfill	\$	30.00		
Hall County Landfill	\$	16.00		
Hall County Landfill	\$	12.50		
Hall County Landfill	\$	18.50		
Crystal Creek	\$	45.00		
			\$	229.20

Equipment Rental

M&R Rental	\$	2,329.02		
M&R Rental	\$	443.78		
M&R Rental	\$	93.52		
M&R Rental	\$	51.07		
			\$	2,917.39

Labor/Contractor Expenses

Robbie Dunahoo (RDI)	\$	2,300.00		
Robbie Dunahoo (RDI)	\$	1,440.00		
Ted Quinn Painting	\$	1,715.00		
			\$	5,455.00

Total Expenditures	\$	26,989.69	\$	<u>26,989.69</u>
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Future Expenditures

Parking Lot Site Preparation	\$	2,800.00	
Stormwater Remediation	\$	7,600.00	
			<u>\$ 10,400.00</u>
			\$ 37,389.69

Demo Costs
Grove Street

<u>VENDOR</u>	<u>Phone</u>	<u>Address</u>	<u>Date of Service</u>	<u>Invoice Number</u>	<u>LABOR DESCRIPTION</u>	<u>INVOICE AMT</u>
American Pit Service		256 Beartooth Pkwy. Dawsonville, Ga. 30534	4/10/2018	2238	underground Pit pumping	\$1,462.50 ✓
ASG Roll Offs	770-534-5360	2820 Barrett Road; Gainesville, GA 30507	10/11/2018	Invoice #14170	C/D 20YD Roll Off #03452 Delivery	\$275.00 ✓
Bailey Associates Architects		PO Box #3392; Gainesville, GA 30503	7/27/2018		Architectural Fee & City plan review Fee	\$1,669.92 ✓
Crystal Creek Inert Landfill	770-534-5214	2393 Monroe Drive; Gainesville, GA 30507	10/3/2018	invoice #26174	garbage/brush dropoff	\$45.00 ✓
Davis Engineering/Surveying	706-864-0012	81 Crown Mountain Place, A400, Dahlonega, Ga. 30533 PO Box 2522; Gainesville, GA 30503	2/21/2018	Invoice#3750	Topographic survey 905 grove street	\$200.00 ✓
Empire Pest Control	770-536-2654	1700 Oakbrook Dr; Gainesville, GA 30507	10/8/2018	oice #141717 Account #5191	On Call pest control	\$80.00
Hall County Landfill	770-531-6950	1700 Oakbrook Dr; Gainesville, GA 30507	8/28/2018	CC#000054/ticket #607754	garbage dropoff	\$45.20 ✓
Hall County Landfill	770-531-6950	1700 Oakbrook Dr; Gainesville, GA 30507	8/28/2018	CC#000052/ticket #606707	garbage dropoff	\$23.60 ✓
Hall County Landfill	770-531-6950	1700 Oakbrook Dr; Gainesville, GA 30507	10/2/2018	CC#000040/ticket #614148	garbage dropoff	\$38.40 ✓
Hall County Landfill	770-531-6950	1700 Oakbrook Dr; Gainesville, GA 30507	10/10/2018	CC#000047/ticket #615726	garbage dropoff	\$30.00 ✓
Hall County Landfill	770-531-6950	1700 Oakbrook Dr; Gainesville, GA 30507	3/14/2018	ticket #574801	garbage dropoff	\$16.00 ✓
Hall County Landfill	770-531-6950	1700 Oakbrook Dr; Gainesville, GA 30507	3/25/2018	ticket #588718	garbage dropoff	\$12.50 ✓
Hall County Landfill	770-531-6950	1700 Oakbrook Dr; Gainesville, GA 30507	6/11/2018	ticket #591985	garbage dropoff	\$18.50 ✓
Lowe's	770-532-1926	1514 Skelton Rd; Gainesville, GA 30504	1/30/2018	transaction #6336437	tyvek wrap building 1	\$74.58
Lowe's	770-532-1926	1514 Skelton Rd; Gainesville, GA 30504	10/11/2018	transaction #18348147	tyvek wrap building 2	\$82.35
M&R Rental	770-532-3331	128 Enota Ave; Gainesville, GA 30501	2/2/2018	!5725, 25567, 26134, 25567A	Equipment Rentals	\$2,329.02 ✓
M&R Rental	770-532-3331	128 Enota Ave; Gainesville, GA 30501	9/20/2018	invoice #31473	Equipment Rentals: JohnDeere & 13"Bucket; Diesel	\$443.78 ✓
M&R Rental	770-532-3331	128 Enota Ave; Gainesville, GA 30501	9/20/2018	invoice #31552	Equipment Rentals: 14" Floor Saw and Diamond Blade	\$93.52 ✓
M&R Rental	770-532-3331	128 Enota Ave; Gainesville, GA 30501	10/9/2018	invoice #32042	Equipment Rentals: DeWalt chipping hammer	\$51.07 ✓
North GA Roll-Off Container	770-983-1200	PO Box 650; Clermont, GA 30527	1/23/2018	023, 6108, 593	3 (30yds) containers; plus overweight fee	\$1,230.60 ✓
North GA Roll-Off Container	770-983-1200	PO Box 650; Clermont, GA 30527	1/4/2018	Roll off Container Service	8 loads @ \$365ea	\$2,920.00 ✓
Robbie Dunahoo (RDI)			9/7/2018		tear out concrete & smooth dirt	\$2,300.00 ✓
Robbie Dunahoo (RDI)			9/23/2018	handwritten invoice	labor charges (32 hours)	\$1,440.00 ✓
Ted Quinn Painting	678-908-6496	4417 Tall Hickory Trail; Gainesville, GA 30506	3/17-12/08/17	PO #1001	Remove all Electrical; 3 laborers	\$3,090.00
Ted Quinn Painting	678-908-6496	4417 Tall Hickory Trail; Gainesville, GA 30506	2/22/2018		Equipment Material Labor-Asbestos Removal-905 Grove St.	\$12,500.00 ✓
Ted Quinn Painting	678-908-6496	4417 Tall Hickory Trail; Gainesville, GA 30506	2/22-17-2/2/18	PO #1004	Structure removal: 901 Grove St; 3 laborers	\$1,715.00 ✓
Ted Quinn Painting	678-908-6496	4417 Tall Hickory Trail; Gainesville, GA 30506	8/17-12/15/17	PO #1002	Interior demo; 3 laborers	\$1,950.00
Ted Quinn Painting	678-908-6496	4417 Tall Hickory Trail; Gainesville, GA 30506	5/17-12/22/17	PO #1003	Interior demo; 6 laborers	\$1,525.00
Ted Quinn Painting	678-908-6496	4417 Tall Hickory Trail; Gainesville, GA 30506	7/18-3/16/18	PO #1005	Carpentry/Painting; 6 laborers	\$2,400.00
						\$38,061.54

CITY OF GAINESVILLE

COUNCIL AGENDA REQUEST

Date Submitted: 1/18/2019
Presenter: Bryan Lackey
Item of Business: PR-2019-01 Downtown Utilities Improvements Phase II - Design and Bidding Services
Meeting Date: 2/19/2019

Purpose of Request:

To obtain funding to enter into a professional services agreement for the design and bidding services of the Downtown Utilities Improvements Phase II Project.

History/Background:

The Department of Water Resources (DWR) operates and maintains the water, sanitary, and storm lines in the downtown vicinity. As a part of normal operations, DWR has identified several of these utilities that have reached the end of their useful design life and are in need of replacement.

Facts & Issues for Consideration:

This project will update the utility lines in conjunction with other City of Gainesville projects in the Downtown area.

Department Recommendation:

Authorize staff by resolution to enter into an agreement for professional services with Keck and Wood Inc. to complete the design and bidding phases of this project.

Department Director:

Linda MacGregor

If funding is involved, are funds approved within the current budget?

Amount Requested:

\$300,000

Source of Funds:

Department of Water Resources Capital Projects Fund

Finance Comments:

Administrative Comments:

ATTACHMENTS:

Description	Type
☐ PR-2019-01 Downtown Utilities Improvements Phase II	Resolution
☐ Downtown Phase II CIP Summary	Backup Material
☐ Downtown Phase II Presentation	Backup Material

RESOLUTION PR-2019-01

DOWNTOWN UTILITIES IMPROVEMENTS – PHASE II

WHEREAS, the City of Gainesville owns and operates water, wastewater, and stormwater facilities; and

WHEREAS, these facilities need periodic upgrading, maintenance, and replacement; and

WHEREAS, portions of the water, sewer, and stormwater infrastructure in the downtown area are approaching the end of their useful life; and

WHEREAS, the Department of Water Resources (DWR) staff has determined that these facilities should be upgraded or replaced at this time; and

WHEREAS, DWR staff recommends entering into an Agreement for Professional Services for Design and Bidding Services for the Downtown Utilities Improvements – Phase II project with Keck and Wood Inc.; and

WHEREAS, the DWR Capital Improvements Project Fund has sufficient monies for this project.

NOW, THEREFORE, BE IT RESOLVED THAT the governing body for the City of Gainesville hereby authorizes DWR staff to proceed with Design and Bidding Services for the Downtown Utilities Improvements - Phase II for a total cost of \$300,000.00.

BE IT FURTHER RESOLVED THAT the monies shall be paid from the Department of Water Resources Capital Projects Fund.

BE IT FURTHER RESOLVED THAT the governing body for the City of Gainesville hereby authorizes the Mayor, City Manager and/or City Attorney to sign any and all documents that may be necessary to complete this project.

Adopted this _____ **day of** _____, **2019.**

C. Danny Dunagan, Jr., Mayor

This is to certify that I am City Clerk of the City of Gainesville. As such, I keep its official records, including its minutes. In that capacity, my signature below certifies this resolution was adopted as stated and will be recorded in the official minutes.

ATTEST:

Denise O. Jordan, City Clerk

DEPT OF WATER RESOURCES

CAPITAL IMPROVEMENTS PROJECT SUMMARY REQUEST

PROJECT NAME:	DOWNTOWN UTILITIES IMPROVEMENTS - PHASE II		
PROJECT NUMBER:	308.4440.00541000.009.18914.CON.8304	PROJECT DEPARTMENT	
RESOLUTION NUMBER:	PR-2019-01	LOCATION:	4440.00
PROJECT MANAGER:	James Farmer		
CHECK ONE: NEW PROJECT:	☒	ADDITIONAL FUNDING	

CODE		ACCOUNT NUMBER	AMOUNT REQUEST
SWB - CITY PROVIDED PROJECT MANAGEMENT			
1100	Salaries and Wages	511100.XXX to 511150.XXX	\$40,000.00
1101	Overtime Earnings	511300.XXX to 511350.XXX	
1110	Health and Life Insurance Premiums	512100.000	
1140	Social Security and Medicare Expense	512200.000	
1171	Retirement Contribution - Plan A	512400.001	
	SUBTOTAL		\$40,000.00
PDD - PROJECT DEVELOPMENT & DESIGN			
8101	Project Development	541000.001	
8102	Facility Design/Bidding Service	541000.002	\$225,000.00
8103	Geotechnical	541000.003	\$5,000.00
8104	Laboratory	541000.004	
8105	Survey	541000.005	
8106	Other	541000.011	\$2,000.00
8107	Legal Services	541000.006	\$8,000.00
	SUBTOTAL		\$240,000.00
LAND - LAND/EASEMENT ACQUISITION			
8201	Survey	541100.003	
8202	Legal Services	541100.004	\$5,000.00
8203	Land Agent Services	541100.005	\$5,000.00
8204	Land Purchase	541100.001	\$5,000.00
8205	Easement Acquisition	541100.002	\$5,000.00
	SUBTOTAL		\$20,000.00
CON - CONSTRUCTION			
8301	Construction Admin. Services	541000.007	
8302	Resident Inspection Services	541000.008	
8303	Legal Services	541000.006	
8304	Contracted Construction Cost	541000.009	
8305	City-Furnished Materials	541000.010	
8306	Other	541000.011	
8308	Furnishings and Equipment (Taggable Assets)	531600.002	
	SUBTOTAL		\$0.00
MEQ - MACHINERY AND EQUIPMENT			
2000	Equipment	542000.000	
2200	Vehicles	542200.000	
	SUBTOTAL		\$0.00
INT - INTANGIBLES			

5431	Master Plans & Studies	543000.001	
5432	Software	543000.002	
5433	Other	543000.003	
	SUBTOTAL		\$0.00
RMT - REPAIRS AND MAINTENANCE			
5201	Annual Maintenance Contracts	522200.001	
5202	General Repairs and Maintenance	522200.002	
5203	Equipment Repairs	522200.003	
5204	Vehicles	522200.004	
5205	Tires	522200.005	
5206	Streets	522200.006	
5207	Sidewalks	522200.007	
5208	Bridges	522200.008	
5209	Stormwater	522200.009	
	SUBTOTAL		\$0.00
	TOTAL		\$300,000.00

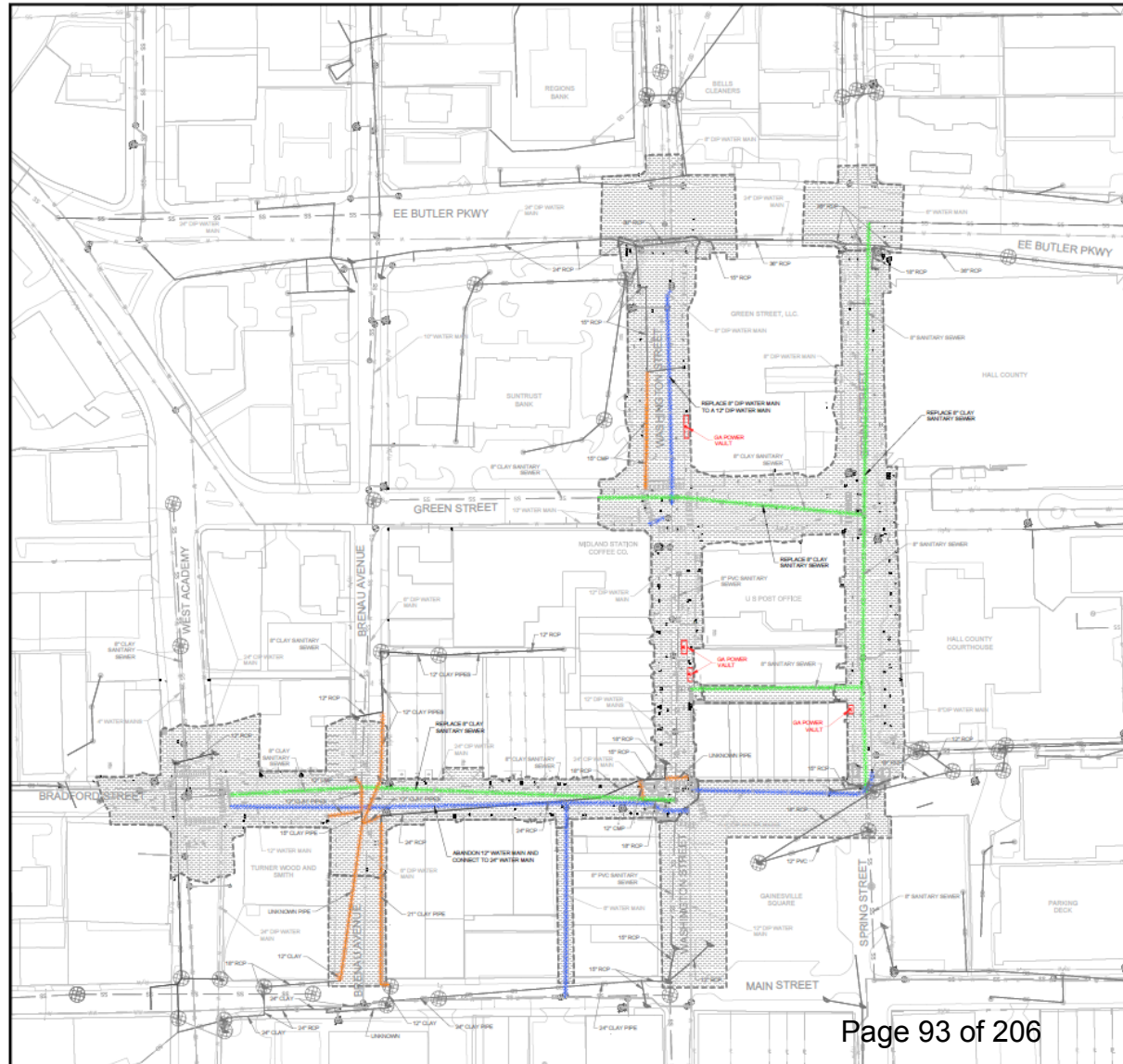


Downtown Utilities Improvement Phase II

Page 92 of 206



Downtown Utilities Improvement Phase II



Award of Design Contract

- Total not-to-exceed
cost = \$300,000



PROJECT AREA



PROPOSED SANITARY SEWER DEMO APPRX 1880.0 LF



PROPOSED WATER DEMO APPRX 1404.0 LF



PROPOSED STORM DEMO APPRX 844.0 LF



DOWNTOWN UTILITIES
IMPROVEMENTS -
PHASE II

UTILITY
REPLACEMENT
EXHIBIT

CITY OF GAINESVILLE

COUNCIL AGENDA REQUEST

Date Submitted: 1/10/2019
Presenter: Bryan Lackey
Item of Business: PR-2019-02 FY2019 New Water Meter Installation Project - Award of Contract
Meeting Date: 2/19/2019

Purpose of Request:

Permission to award the FY2019 Water Meter Installation project to Classic City Mechanical, Inc.

History/Background:

New meter sales continue at rate higher than 1,000 per year.

Facts & Issues for Consideration:

Utilizing a private contractor to install new water meters will allow city personnel to expend more effort on needed system maintenance.

Department Recommendation:

Award the FY2019 New Water Meter Installation project to Classic City Mechanical, Inc. in the amount of One-Million Five-Hundred Twenty-Nine thousand dollars.

Department Director:

Linda MacGregor

If funding is involved, are funds approved within the current budget?

Amount Requested:

\$2,100,000

Source of Funds:

Capital Project Fund

Finance Comments:

Administrative Comments:

ATTACHMENTS:

Description	Type
☐ PR-2019-02 FY2019 New Water Meter Installation	Resolution
☐ CIP summary	Backup Material
☐ Recommendation of Award	Backup Material
☐ Bid Tabulation	Backup Material

RESOLUTION PR-2019-02

**FY2019 New Water Meter Installation
Award of Contract**

WHEREAS, the City of Gainesville owns and operates a water system that serves the City of Gainesville and portions of Hall County; and

WHEREAS, the Department of Water Resources (DWR) installs new water services and meters as they are purchased; and

WHEREAS, the City of Gainesville and the portions of Hall County served water by the City of Gainesville continues to grow rapidly; and

WHEREAS, the Department of Water Resources (DWR) determined it advantageous to engage a private contractor to install new water meters; and

WHEREAS, bids from pre-qualified construction contractors were received for the FY2019 New Water Meter Installation project on September 18, 2018; and

WHEREAS, the lowest acceptable bid for construction of the FY2019 New Water Meter Installation project was submitted by Classic City Mechanical, Incorporated; and

WHEREAS, DWR staff has reviewed and evaluated the bids and recommends the installation contract be awarded to Classic City Mechanical, Incorporated.

NOW, THEREFORE, BE IT RESOLVED THAT the governing body for the City of Gainesville hereby authorizes award of the installation contract to Classic City Mechanical, Incorporated.

BE IT FURTHER RESOLVED THAT the total authorized expenditure shall not exceed \$2,100,000.00, including contingency, legal fees, staff time, city furnished materials and other project costs. The said expenditure shall be from the Department of Water Resources Capital Projects Fund and/or other funding sources as required.

BE IT FURTHER RESOLVED THAT the Mayor, City Manager and City Attorney are authorized to sign such documents that may be necessary to complete this project.

Adopted this _____ day of _____, 2019.

C. Danny Dunagan, Jr., Mayor

This is to certify that I am City Clerk of the City of Gainesville. As such, I keep its official records, including its minutes. In that capacity, my signature below certifies this resolution was adopted as stated and will be recorded in the official minutes.

ATTEST:

Denise O. Jordan, City Clerk

DEPT OF WATER RESOURCES

CAPITAL IMPROVEMENTS PROJECT SUMMARY REQUEST

PROJECT NAME: FY2019 New Meter Installation			
PROJECT NUMBER: _____		PROJECT DEPARTMENT _____	
RESOLUTION NUMBER: PR-2019-02		LOCATION: 4975.00	
PROJECT MANAGER: Jarrett Nash			
CHECK ONE: NEW PROJECT: ☒ ADDITIONAL FUNDING _____			

CODE		ACCOUNT NUMBER	AMOUNT REQUEST
SWB - CITY PROVIDED PROJECT MANAGEMENT			
1100	Salaries and Wages	511100.XXX to 511150.XXX	\$112,000.00
1101	Overtime Earnings	511300.XXX to 511350.XXX	
1110	Health and Life Insurance Premiums	512100.000	
1140	Social Security and Medicare Expense	512200.000	
1171	Retirement Contribution - Plan A	512400.001	
	SUBTOTAL		\$112,000.00
PDD - PROJECT DEVELOPMENT & DESIGN			
8101	Project Development	541000.001	
8102	Facility Design/Bidding Service	541000.002	
8103	Geotechnical	541000.003	
8104	Laboratory	541000.004	
8105	Survey	541000.005	
8106	Other	541000.011	
8107	Legal Services	541000.006	
	SUBTOTAL		\$0.00
LAND - LAND/EASEMENT ACQUISITION			
8201	Survey	541100.003	
8202	Legal Services	541100.004	
8203	Land Agent Services	541100.005	
8204	Land Purchase	541100.001	
8205	Easement Acquisition	541100.002	
	SUBTOTAL		\$0.00
CON - CONSTRUCTION			
8301	Construction Admin. Services	541000.007	
8302	Resident Inspection Services	541000.008	
8303	Legal Services	541000.006	\$10,000.00
8304	Contracted Construction Cost	541000.009	\$1,678,000.00
8305	City-Furnished Materials	541000.010	\$300,000.00
8306	Other	541000.011	
8308	Furnishings and Equipment (Taggable Assets)	531600.002	
	SUBTOTAL		\$1,988,000.00
MEQ - MACHINERY AND EQUIPMENT			
2000	Equipment	542000.000	
2200	Vehicles	542200.000	
	SUBTOTAL		\$0.00
INT - INTANGIBLES			

5431	Master Plans & Studies	543000.001	
5432	Software	543000.002	
5433	Other	543000.003	
	SUBTOTAL		\$0.00
RMT - REPAIRS AND MAINTENANCE			
5201	Annual Maintenance Contracts	522200.001	
5202	General Repairs and Maintenance	522200.002	
5203	Equipment Repairs	522200.003	
5204	Vehicles	522200.004	
5205	Tires	522200.005	
5206	Streets	522200.006	
5207	Sidewalks	522200.007	
5208	Bridges	522200.008	
5209	Stormwater	522200.009	
	SUBTOTAL		\$0.00
	TOTAL		\$2,100,000.00



CITY OF GAINESVILLE
•
**DEPARTMENT OF
WATER RESOURCES**
•

757 Queen City Parkway, SW
Gainesville, Georgia 30501-4358
Telephone: 770.538.2466
Fax: 770.535.5634
Web Site: www.gainesville.org

memo

TO: Linda MacGregor, Department of Water Resources Director
Don Dye, Department of Water Resources Assistant Director
FROM: Jarrett Nash, Distribution and Collections Division Manager
SUBJECT: FY2019 New Water Meter Installation
DATE: January 10, 2019

Bids were received from pre-qualified contractors for the referenced project on September 18, 2018. The bid amounts are as follows:

CONTRACTOR	TOTAL BID AMOUNT
Classic City Mechanical, Inc.	\$1,529,000.00
Strickland & Sons Pipeline Inc.	\$1,981,100.00

A table is enclosed that tabulates all bids received on a cost-per-item basis and summarizes the final bid amounts. This tabulation verifies that Classic City Mechanical, Incorporated is the acceptable low bidder for this project.

We have reviewed the bid documents submitted by the acceptable low bidder, Classic City Mechanical, Incorporated and find them to be in order. We therefore recommend that Classic City Mechanical, Incorporated be awarded the construction contract for the New Water Meter Installation project in the amount of \$1,529,000.00.

Classic City Mechanical, Inc. has confirmed that the Guarantee Company of North America, USA will furnish payment and performance bonds for this project. Guarantee Company of North America, USA is listed in the current version of the U.S. Department of the Treasury Circular (NAIC #36650). They are shown as being licensed in the State of Georgia with an underwriting limitation that is greater than the bond amount. They also have a current A.M. Best Rating of "A" and a current Standard and Poor's Rating of "A-".

Please note that upon receipt of performance and payment bonds, we will request that Classic City Mechanical, Inc. provide us a verification of bond authenticity and a history of claims against the bonding company, if any.

Please let me know if you have any questions.

Attachment:

CC: Myron Bennett, Engineering and Construction Division Manager

BID TABULATION SHEET								
FY 2019 New Water Meter Installation								
Date: January 10, 2017								
					Strickland & Sons Pipeline Inc.		Classic City Mechanical, Inc.	
ITEM NO.		DESCRIPTION	UNIT	QUANTITY	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
ITEM 1 - WATER SERVICE INSTALLATIONS								
	a.	3/4 - Inch Short Side	EA.	500	\$1,477.00	\$738,500.00	\$1,100.00	\$550,000.00
	b.	3/4 - Inch Long Side	EA.	500	\$2,127.00	\$1,063,500.00	\$1,540.00	\$770,000.00
	c.	3/4 - Inch Meter Set	EA.	200	\$355.00	\$71,000.00	\$350.00	\$70,000.00
	d.	Water Meter Adjustment	EA.	300	\$260.00	\$78,000.00	\$379.00	\$113,700.00
	e.	3/4 - Inch Copper tubing	L.F.	500	\$19.00	\$9,500.00	\$18.00	\$9,000.00
ITEM 2 - REMOVING AND REPLACING PAVEMENT								
	a.	Type I	L.F.	100	\$66.00	\$6,600.00	\$23.00	\$2,300.00
ITEM 3 - ROCK EXCAVATION								
	a.	Cost	C.Y.	50	\$60.00	\$3,000.00	\$60.00	\$3,000.00
ITEM 16 - CASH ALLOWANCES								
	a.	Soils and Concrete Testing	EA	1	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00
	b.	Construction Survey	EA	1	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00
	c.	Blasting Monitoring	EA	1	\$4,000.00	\$4,000.00	\$4,000.00	\$4,000.00
BID TOTAL					\$1,981,100.00		\$1,529,000.00	

CITY OF GAINESVILLE

COUNCIL AGENDA REQUEST

Date Submitted: 2/18/2019

Presenter: Bryan Lackey

Item of Business: BR-2019-09 Sale of Property Bounded by Broad Street, Maple Street and Jesse Jewell Parkway

Meeting Date: 2/19/2019

Purpose of Request:

The purpose of this request is to allow the City to enter into an Agreement Releasing the Right to Purchase Real Property for Knight Commercial Realty.

History/Background:

In November of 2017, Knight Commercial Realty and the City entered into an agreement for the purchase of what is commonly known as the Greater South lot.

In December of 2018, NGHS and the City reached an agreement involving the sale of the City View property which also included a provision that would allow NGHS to purchase the Greater South lot should Knight Commercial Realty agree to release their option.

Facts & Issues for Consideration:

Department Recommendation:

Adopt the proposed resolution.

Department Director:

Bryan Lackey

If funding is involved, are funds approved within the current budget?

Amount Requested:

Source of Funds:

Finance Comments:

Administrative Comments:

ATTACHMENTS:

Description	Type
☐ BR-2019-09 Sale of Property Bound by Broad St., Maple St and Jesse Jewell Pkwy	Resolution
☐ Knight Commercial Real Estate, LLC Agreement to Release Right to	Contract/Agreement/MOU

Purchase Real Property

- 📎 Knight Release Agmt - Exhibit 1
- 📎 Knight Release Agmt - Exhibit 2 Part 1
- 📎 Knight Release Agmt - Exhibit 2 Part 2

Attachments/Exhibits

Attachments/Exhibits

Attachments/Exhibits

RESOLUTION BR-2019-09

Sale of Property Bounded by Broad Street, Maple Street and Jesse Jewell Parkway

WHEREAS, the governing body of the City of Gainesville, Georgia (the "City") has a desire to continue its efforts to connect the City's historic downtown area with the midtown area; and

WHEREAS, Knight Commercial Real Estate, LLC ("Knight"), Carroll Daniel Construction Co., and the City of Gainesville ("City") entered into a Real Estate Sale and Development Agreement dated November 21, 2017 ("the Knight Agreement"); and

WHEREAS, pursuant to the Knight Agreement, Knight has the right to purchase the real property more particularly described in Exhibit "A-2" to the Knight Agreement ("the Knight Property"); and

WHEREAS, Northeast Georgia Health System, Inc. ("NGHS"), the Gainesville Redevelopment Authority ("Authority"), and City entered into an Agreement for the Purchase and Sale of Real Estate dated December 20, 2018 ("the NGHS Agreement"); and

WHEREAS, pursuant to the NGHS Agreement, NGHS has the right to purchase the real property more particularly shown colored in pink in Exhibit "C" to the NGHS Agreement ("the GST Property"); and

WHEREAS, the GST Property includes the Knight Property; and

WHEREAS, to enable the NGHS Agreement to proceed, Knight, City, and NGHS wish to enter into an Agreement Releasing Right to Purchase Real Property, a copy of which is attached to this Resolution ("the Agreement").

NOW, THEREFORE, BE IT RESOLVED THAT the governing body for the City of Gainesville hereby directs the Mayor, the City Manager and the City Attorney to execute the Agreement, as well as all other such documents and agreements that may be necessary to complete the terms contained in the Agreement, including the sale of the GST Property from the Authority to NGHS.

Adopted this ____ day of _____, 2019.

C. Danny Dunagan, Jr., Mayor

This is to certify that I am City Clerk of the City of Gainesville. As such, I keep its official records, including its minutes. In that capacity, my signature below certifies this resolution was adopted as stated and will be recorded in the official minutes.

ATTEST:

Denise O. Jordan, City Clerk

AGREEMENT RELEASING RIGHT TO PURCHASE REAL PROPERTY

This Agreement Releasing Right to Purchase Real Property is executed as of the 15th day of February, 2019.

WHEREAS, Knight Commercial Real Estate, LLC ("Knight"), Carroll Daniel Construction Co., and the City of Gainesville ("City") entered into a Real Estate Sale and Development Agreement dated November 21, 2017 (the "Knight Agreement"), a true and correct copy of which is attached hereto as Exhibit "1"; and

WHEREAS, pursuant to the Knight Agreement, Knight has the right to purchase the real property more particularly described in Exhibit "A-2" to the Knight Agreement (the "Knight Property"); and

WHEREAS, Northeast Georgia Health System, Inc. ("NGHS"), the Gainesville Redevelopment Authority ("Authority"), and City entered into an Agreement for the Purchase and Sale of Real Estate dated December 20, 2018 (the "NGHS Agreement"), a true and correct copy of which is attached hereto as Exhibit "2"; and

WHEREAS, pursuant to the NGHS Agreement, NGHS has to right to purchase the real property more particularly shown colored in pink in Exhibit "C" to the NGHS Agreement ("the GST Property"); and

WHEREAS, the GST Property includes the Knight Property.

NOW, THEREFORE, for and in consideration of the sum of TEN DOLLARS (\$10.00), and other valuable consideration, receipt whereof is hereby acknowledged, the undersigned hereby agree as follows:

TERMS AND CONDITIONS

Pursuant to the Knight Agreement, Knight must provide title objections to City and/or close on the Knight Property on or before February 19, 2019. City hereby relieves Knight of the obligation to provide title objections and the obligation to close on the Knight Property in exchange for Knight delivering to each of the City and NGHS prior to February 18, 2019, copies of all surveys, plats, development plans, reports of results of environmental studies and reports on all other diligence work, studies and evaluations of the Knight Property obtained by Knight as well as copies of invoices for all such diligence work paid by Knight. In exchange for City relieving Knight of said obligations, Knight hereby releases and terminates Knight's right to purchase the Knight Property, provided that Knight is paid the sum of \$100,000 as follows: (1) In the event that NGHS closes on the purchase of the GST Property pursuant to the NGHS Agreement, NGHS agrees, at said closing, to pay the sum of \$100,000 to Knight in exchange for Knight's release of Knight's right to purchase the Knight Property; or (2) in the event that NGHS fails to close on the purchase of the GST Property within one hundred fifty (150) days

after the date of this agreement, then NGHS shall be automatically relieved of all payment obligations hereunder and the City shall pay the sum of \$100,000 to Knight, within ten (10) days thereafter, and upon receipt thereof by Knight, the City will be automatically released from all obligations and liability to Knight hereunder.

This Agreement cannot be changed orally, and no executory agreement shall be effective to waive, change, modify or discharge it in whole or in part unless such executory agreement is in writing and is signed by the parties against whom enforcement of any waiver, change, modification or discharge is sought. The terms and provisions of this Agreement shall apply to and bind the successors and assigns of the parties hereto. This Agreement may be executed in counterparts, and all such executed counterparts shall constitute the same Agreement. It shall be necessary to account for only one such counterpart in proving this Agreement. This Agreement is performable in the state of Georgia and shall in all respects be governed by, and construed in accordance with, the substantive laws of such state. The parties acknowledge that the parties and their counsel have reviewed and revised this Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any exhibits or amendments hereto.

IN WITNESS WHEREOF, the day and year above written.

CITY:

Signed, sealed and delivered before
me this _____ day of _____,
_____.

CITY OF GAINESVILLE

By: _____
C. Danny Dunagan, Jr., Mayor

Unofficial Witness

Attest: _____
Denise O. Jordan, City Clerk

Notary Public
My Commission Expires _____

Date Executed by CITY: _____

APPROVED AS TO FORM

Abbott S. Hayes, Jr.
Hulsey, Oliver & Mahar, LLP
City Attorney

Signed, sealed and delivered before
me this 14th day of
February, 2019.

Luan Bacus

Unofficial Witness

Paul Bowea
Notary Public

My Commission Expires 6/3/22



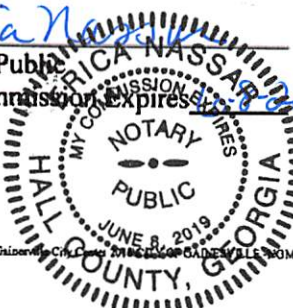
Signed, sealed and delivered before
me this 15th day of
February, 2019.

[Signature]

Unofficial Witness

Erica Nassar
Notary Public

My Commission Expires 6/8/2019



NGHS:

NORTHEAST GEORGIA HEALTH SYSTEM, INC.

By: Carol W. Burrell

Title: President / CEO

Attest: Meisha J. Jernick

Title: Administrative Chief of Staff

Date Executed by NGHS: 2/14/19

KNIGHT:

KNIGHT COMMERCIAL REAL ESTATE, LLC

By: [Signature]

Title: TIMOTHY C. KNIGHT

Attest: [Signature]

Title: Susan Sheffield

Date Executed by Knight: 2/15/19

REAL ESTATE SALE AND DEVELOPMENT AGREEMENT

This Real Estate Sale and Development Agreement is made and entered into this 21st day of November 2017, by and between Carroll Daniel Construction Co. ("Carroll Daniel"), its successors and assigns, and Knight Commercial Real Estate, LLC ("Knight") as Purchasers, and the City of Gainesville ("City"), as Seller.

WITNESSETH:

WHEREAS, the City advertised for requests for proposals to purchase four tracts of land owned by the City at the intersection of Jesse Jewell Parkway and Main Street for redevelopment as a mixed use retail, commercial and residential complex (the "Project");

WHEREAS, Carroll Daniel and Knight jointly submitted a response to the request for proposal, which proposal was chosen by the City for the award of contract;

WHEREAS, the proposal set forth a bid for the purchase of the land by Carroll Daniel in the amount of \$745,000.00 for all of the Parcels;

WHEREAS, the proposal further set forth a development plan for the properties at the corner of Main Street and Jesse Jewell Parkway in two phases;

WHEREAS, Phase 1 is a commercial office building to be built by Carroll Daniel;

WHEREAS, Phase 2 is a retail/apartment mixed use complex to be built by Knight;

NOW, THEREFORE, the City, Carroll Daniel, and Knight enter into this agreement for purchase, sale and development of Phase 1 and Phase 2 of the Project;

ARTICLE I

1. TERMS OF PURCHASE. Purchasers, agree to buy, and Seller agrees to sell the tract of land bounded by Jesse Jewell Parkway, Main Street, Maple Street and Broad Street, Gainesville, Georgia, as more particularly described in Exhibits "A-1" (the "Carroll Daniel Property") and "A-2" (the "Knight Property") attached hereto and by this reference made a part hereof, together with all improvements now located thereon, including all electrical, mechanical, plumbing and other systems and all fixtures located therein, as well as plants, trees and shrubbery thereon (collectively, the "Property").

2. PURCHASE PRICE AND METHOD OF PAYMENT. The purchase price ("Purchase Price") of the Property shall be **Seven Hundred Forty-Five Thousand and 00/100 (\$745,000.00) DOLLARS (U.S.)** to be paid by Carroll Daniel as follows: **ALL CASH AT CLOSING OF THE CARROLL DANIEL PROPERTY. NO ADDITIONAL**

CONSIDERATION SHALL BE PAID AT THE CLOSING OF THE KNIGHT PROPERTY.

3. **TITLE.** (a) Seller agrees to convey good and marketable, fee simple title to the Carroll Daniel Property to Carroll Daniel (the "Carroll Daniel Sale"), and Seller agrees to convey good and marketable, fee simple title to the Knight Property to Knight (the "Knight Sale") by Limited Warranty Deed, subject to Permitted Title Exceptions. Good and marketable, fee simple title is hereby defined as title which is insurable by a national title insurance company licensed in the state of Georgia (the "Title Company") at its standard rates on an ALTA Owner Policy, without exception other than the following "Permitted Title Exceptions": (A) zoning ordinances affecting the Property; (B) general utility, sewer and drainage easements of record upon which any buildings on the Property do not encroach; (C) subdivision restrictions of record; (D) current city, state and county ad valorem property and sanitary taxes not yet due and payable; and (E) leases and other easements, restrictions and encumbrances specified in this Agreement and those exceptions revealed by Purchasers' title search, which exceptions are waived by Purchasers' failure to object in a timely manner, attached hereto and incorporated herein by this reference.

(b) Carroll Daniel shall have **Ninety (90) days** after the date that this Agreement has been fully executed to examine the title to the Property described in Exhibit "A-1" (the Carroll Daniel Property) and notify Seller of any objections to matters affecting title to the Carroll Daniel Property. Seller shall have up to twenty (20) calendar days after receipt of Carroll Daniel's written notice of objections in which to correct such defects, or to provide to Carroll Daniel a written notice that Seller shall cause such objections to be corrected or cured on or before the date of Closing. If Seller shall fail to either cure or correct such title objections or defects, or provide to Carroll Daniel such written notice obligating Seller to do so on or before the date of Closing, within twenty (20) calendar days after receipt of said written notice, then Carroll Daniel shall have the choice of: (1) accepting the Carroll Daniel Property with such legal defects; or (2) declining to accept the Carroll Daniel Property with such legal defects. Carroll Daniel shall exercise such choice by written notice to Seller mailed within ten (10) calendar days following the end of the period provided above for the correction by Seller of such legal defects or notice of Seller's intention to do so on or before the Closing. If Carroll Daniel shall decline to so accept the Carroll Daniel Property subject to such legal defects, then this Agreement shall be null and void. In the event that Carroll Daniel fails to make such election within such 10-day period it shall be conclusively deemed to have elected to accept the Carroll Daniel Property subject to such defects, which shall become Permitted Exceptions, and proceed to Closing.

Knight shall have **Ninety (90) days** after the expiration of the Knight Due Diligence Period to examine the title to the Property described in Exhibit "A-2" (the Knight Property) and notify Seller of any objections to matters affecting title to the Knight Property. Seller shall have up to twenty (20) calendar days after receipt of Knight's written notice of objections in which to correct such defects, or to provide to Knight a written notice that Seller shall cause such objections to be corrected or cured

on or before the date of Closing. If Seller shall fail to either cure or correct such title objections or defects, or provide to Knight such written notice obligating Seller to do so on or before the date of Knight, within twenty (20) calendar days after receipt of said written notice, then Knight shall have the choice of: (1) accepting the Knight Property with such legal defects; or (2) declining to accept the Knight Property with such legal defects. Knight shall exercise such choice by written notice to Seller mailed within ten (10) calendar days following the end of the period provided above for the correction by Seller of such legal defects or notice of Seller's intention to do so on or before the Closing. If Knight shall decline to so accept the Knight Property subject to such legal defects, then this Agreement shall be null and void. In the event that Knight fails to make such election within such 10-day period it shall be conclusively deemed to have elected to accept the Knight Property subject to such defects, which shall become Permitted Exceptions, and proceed to Closing.

(c) The Carroll Daniel Property and the Knight Property shall be conveyed subject to a reversion in favor of the City, its successors and assigns, for failure of the respective Purchaser to apply for permits for development of the respective Property pursuant to Article II or Article III, as the case may be, and to diligently pursue such development in accordance with said Articles; provided, however, such reversionary interest shall be subordinate to any first priority lien of a lender providing a development/construction loan for the Carroll Daniel Property and the Knight Property.

4. DUE DILIGENCE PERIOD. Carroll Daniel shall have a period of **Ninety (90) Days** after the date this Agreement has been fully executed by Seller and Purchasers to inspect the Carroll Daniel Property (the "Carroll Daniel Due Diligence Period"). Commencing on the Acceptance Date of this Agreement, Carroll Daniel, Carroll Daniel's agents, employees and contractors, shall have the right during regular business hours to enter the Carroll Daniel Property for the purposes of making surveys, inspections, soil tests, environmental studies and other investigations of the Carroll Daniel Property. Carroll Daniel shall and does hereby agree to indemnify, defend and hold harmless Seller or others from any loss or damages as a result of the exercise by Carroll Daniel of the rights herein granted, including any damage resulting from the negligence of Carroll Daniel or Carroll Daniel's agents, employees or contractors, but excluding negligence or gross negligence of the Seller or its agents, officers or employees. This indemnity shall survive the rescission, cancellation, termination or consummation of this Agreement. Should Carroll Daniel in its sole discretion not be satisfied with the results of any of the reports, studies and inspections, Carroll Daniel shall notify Seller of its dissatisfaction and declare this Agreement null and void prior to the expiration of the Carroll Daniel Due Diligence Period, and, if requested by Seller, shall deliver to Seller, as in consideration hereof, the copies of its reports and studies, except for those that are proprietary or confidential in nature. Neither Carroll Daniel nor Seller shall have any responsibilities, one to the other, if Carroll Daniel notifies Seller of its dissatisfaction.

Knight shall have a period of **One (1) Year** after the date this Agreement has been fully executed by Seller and Purchasers to inspect the Knight Property (the "Knight Due Diligence Period"). Commencing on the Acceptance Date of this Agreement,

Knight, Knight's agents, employees and contractors, shall have the right during regular business hours to enter the Knight Property for the purposes of making surveys, inspections, soil tests, environmental studies and other investigations of the Knight Property. Knight shall and does hereby agree to indemnify, defend and hold harmless Seller or others from any loss or damages as a result of the exercise by Knight of the rights herein granted, including any damage resulting from the negligence of Knight or Knight's agents, employees or contractors, but excluding negligence or gross negligence of the Seller or its agents, officers or employees. This indemnity shall survive the rescission, cancellation, termination or consummation of this Agreement. Should Knight in its sole discretion not be satisfied with the results of any of the reports, studies and inspections, Knight shall notify Seller of its dissatisfaction and declare this Agreement null and void prior to the expiration of the Knight Due Diligence Period, and, if requested by Seller, shall deliver to Seller, as in consideration hereof, the copies of its reports and studies, except for those that are proprietary or confidential in nature. Neither Knight nor Seller shall have any responsibilities, one to the other, if Knight notifies Seller of its dissatisfaction. In the event that Carroll Daniel does not proceed to closing on the Carroll Daniel property, then this Agreement shall be null and void, and the City shall have no further obligations to Knight.

5. SURVEY. Within the Due Diligence Periods, Purchasers may obtain and deliver to Seller, at Purchasers' sole cost and expense, a current boundary survey of the Property delineating both the Carroll Daniel Property and the Knight Property, which shall be prepared by a Georgia Registered Land Surveyor in accordance with no less than the minimum standards of the State of Georgia for surveys and land surveyors. Said survey shall: (A) be certified to Purchasers, Purchasers' lender (if applicable) and Purchasers' title insurer by the surveyor pursuant to a certificate in form and substance satisfactory to Purchasers; (B) correctly show the boundaries of the Property and the location of all structures and other improvements situated on the Property, the location of and identify all visible easements and rights-of-way across, serving or abutting the Property, and all recorded easements to the extent they affect specific portions of the Property (including any and all off-site easements affecting or benefiting the Property) and (C): contain a calculation of the exact acreage of the Property (calculated to the nearest 1/100th of an acre), exclusive of any streets, roads and rights-of-way. Seller agrees to execute a Quit Claim Deed with the legal description of this survey in favor of the Purchasers. Purchasers' notice of title objections pursuant to Section 3 above shall include any objections revealed by such survey.

6. CLOSING. The sale of the Carroll Daniel Property shall be closed on or before _____, 2017 at a time and place acceptable to Carroll Daniel and Seller; provided, however, if Carroll Daniel and Seller fail to agree on a time and place, the closing shall be held on the aforesaid date at 1:00P.M. on that date. Closing to be in the offices of Hulsey, Oliver & Mahar, LLP, 200 E. E. Butler Parkway, Gainesville, GA 30501.

The sale of the Knight Property shall be closed on or before ninety (90) days after the end of the Knight Due Diligence Period at a time and place acceptable to

Knight and Seller; provided, however, if Knight and Seller fail to agree on a time and place, the closing shall be held on the aforesaid date at 1:00 P.M. on the ninetieth (90th) day after the end of the Knight Due Diligence Period. Closing to be in the offices of **Hulsey, Oliver & Mahar, LLP, 200 E. E. Butler Parkway, Gainesville, GA 30501**. In the event that Carroll Daniel does not proceed to closing on the Carroll Daniel property, then this Agreement shall be null and void, and the City shall have no further obligations to Knight.

7. CLOSING COSTS. Purchasers shall be responsible for all closing costs, including any lender's charges and intangible tax, recording fees, and Purchasers' attorney's fees and title insurance.

8. PRORATIONS. The Property is not currently subject to ad valorem taxes. Purchasers shall be liable for all ad valorem taxes imposed after Closing.

9. PURCHASERS' DELIVERIES AT CLOSING. At Closing, Purchasers shall deliver to Seller the following documents mutually and reasonably satisfactory to Seller and Purchasers (all of which shall be duly executed and acknowledged where required), or shall execute as required by Purchasers' lender:

1. Immediately available funds in the full amount of the Purchase Price, as adjusted pursuant to the terms of this Agreement [to be paid by Carroll Daniel];

2. A settlement statement setting forth the source and disposition of the Purchase Price and all other funds transferred at Closing;

3. All lender closing documents necessary or useful to the consummation of the transaction.

10. SELLER DELIVERIES AT CLOSING. Seller shall deliver to Purchasers at closing the following documents mutually and reasonably satisfactory to Seller and Purchasers (all of which shall be duly executed and acknowledged where required):

1. A certificate restating and reaffirming Seller's representations, as referenced below, with such changes as shall be necessary to make such representations true, complete and accurate in all material respects as of the date and time of Closing;

2. A limited warranty deed with reverter clause conveying fee simple title to the Carroll Daniel Property to Carroll Daniel and fee simple title to the Knight Property to Knight, free and clear of all liens, encumbrances, easements and restrictions, but subject to Permitted Exceptions, as well as a quitclaim if requested pursuant to Section 5 of Article I;

3. Evidence reasonably satisfactory to the title company of the power and authority of the individual(s) executing and delivering this Agreement and the

instruments and certificates described herein on behalf of Seller to act for and bind Seller;

4. A completed Form 1099-S, or effective equivalent thereof, describing the sale of the Property;

5. An affidavit regarding Seller's residence;

6. An affidavit regarding Seller's address and tax identification number in a form necessary to satisfy the requirements of the Foreign Investment in Real Property Tax Act.

7. A settlement statement setting forth the source and disposition of the Purchase Price and all other funds transferred at Closing.

11. SELLER'S WARRANTIES. Seller agrees, represents and warrants that, to Seller's knowledge and belief: (A) Seller has the full right and authority to enter into this Agreement and to consummate the sale of the Property as set forth herein; (B) Seller has not received any notice and has no knowledge that the Property is or will be affected by any special assessments, condemnation, eminent domain, change in grade of public streets or similar proceedings; (C) Seller has entered into no unperformed agreement, oral or written, not referred to herein, with reference to the Property, and neither the Seller nor the Property is subject to any judgment or decree of a court of competent jurisdiction, or to any lawsuit or administrative proceeding which would in any way adversely affect the Property or which would in any way be binding upon Purchasers or its successors or assigns, or which would limit or restrict in any way Seller's rights and ability to enter into this Agreement and consummate the transactions contemplated hereby; (D) Seller is a validly existing entity existing under the laws of the State of Georgia and the individual executing on behalf of the entity has authority to enter into the transaction contemplated by this Agreement, or if executed in an individual capacity, has authority to execute; (E) to Seller's best reasonable knowledge, Seller has good and marketable fee simple title to the Property which can be conveyed to Purchasers in accordance with the terms and conditions of this Agreement; (F) Except for the representations and warranties set forth in this Agreement or in any of the documents delivered at Closing (the "Seller's Warranties"), this sale is made and will be made without additional representations, covenants, or warranties of any kind by Seller and shall be made on an "as-is", "where-is" basis, with all faults, latent or patent. Consistent with the foregoing and subject solely to the Seller's Warranties, effective as of the Closing Date, Purchasers, for themselves and their agents, affiliates, successors and assigns, hereby waive, relinquish, releases and forever discharge Seller, its agents, affiliates, subsidiaries, successors and assigns (collectively the "Releasees") from any and all rights, claims and demands at law or in equity, whether known or unknown, which Purchasers have or may have in the future, arising out of the physical, environmental, economic, legal or other condition of the Property.

12. CONDITION OF PROPERTY. In the event Purchasers agree to consummate this Agreement after the Due Diligence Period or waives their right to pursue testing during the Due Diligence Period, the Property is sold as-is.

13. REAL ESTATE COMMISSION. The parties hereby represent to one another that neither has engaged the services of a broker in conjunction with this transaction and that no broker's commission is due to any party. The parties hereby hold harmless and indemnify one another for any commission that may be due as a result of any undisclosed arrangement between such party and any broker. Knight is a licensed real estate broker in the State of Georgia and is representing Knight, as purchaser under this Agreement, but Knight shall not be entitled to a broker's commission with respect to the transaction contemplated by this Agreement.

14. RESPONSIBILITY TO COOPERATE. Seller and Purchasers agree that such documentation as is reasonably necessary to carry out the terms of this Agreement shall be produced, executed and/or delivered by such parties within the time required to fulfill the terms and conditions of this Agreement.

15. DEFAULT REMEDIES. If the sale and purchase of the Property contemplated by this Agreement is not consummated because of the default of any party, all parties waive claims for damages, specific performance or any other remedy at law or equity, and covenant not to sue or make claim in any court on account of such.

16. TIME. Time is of the essence with respect to this Agreement.

17. ENVIRONMENTAL CONDITIONS. To Seller's best reasonable knowledge:

(A) The Property has never been used as a landfill for garbage or refuse, dump, stump pit, toxic waste dump or cemetery, or for the handling, generation, treatment, release, storage or disposal of chemicals or hazardous wastes or substances so as to create an environmental hazard. For purposes of this Agreement, the term "hazardous wastes or substances" shall mean petroleum including crude oil or any fraction thereof, and any substance identified in CERCLA, RCRA, or any other federal, state or other governmental legislation or ordinance identified by its terms as pertaining to the disposal of hazardous substances or waste.

(B) The Property is free from any hazardous or toxic materials or waste or similarly described substances under any applicable federal or state laws or regulations and there have been no violations of applicable "wetlands" regulations in connection with the development of the Property.

(C) There are no storage tanks located on the Property, either above or below ground.

ARTICLE II
DEVELOPMENT AGREEMENT, PHASE 1

1. RESPONSIBILITIES OF PURCHASER CARROLL DANIEL AS A CONDITION SUBSEQUENT TO PURCHASE OF THE CARROLL DANIEL PROPERTY. Carroll Daniel's compliance with its Response to the Request for Proposal presented to the City and construction of a building meeting the uses, architectural quality and size of the building project set forth in the Response is a condition subsequent to the conveyance. Carroll Daniel further agrees to perform the following tasks on the terms and conditions set forth herein:

A. Development of the Carroll Daniel Property.

(a) Submission of Development Plans. Carroll Daniel shall submit final construction plans within six months of the closing date. Said final plans shall be substantially similar to the plans submitted with the Response to the Request for Proposal and attached hereto as Exhibit "B."

(b) Permits. Carroll Daniel shall submit permit applications for land disturbance and development within 12 months of closing. Once permits are pulled, Carroll Daniel shall diligently pursue construction of the Project.

(c) Construction Schedule. The Construction Schedule submitted with the Response shall be updated and submitted to the City for approval, which approval shall not be unreasonably withheld or delayed. Once approved, Carroll Daniel shall complete construction in accordance with the schedule, except as modified as permitted herein for circumstances beyond Carroll Daniel's control.

(d) Modifications Requiring Approval. Any material deviation from the use of the Carroll Daniel Property and size and quality of construction shall require submission of amended construction plans. Approval of construction plans shall not be unreasonably withheld or delayed.

B. Construction. Carroll Daniel shall ensure timely progress in accordance with the construction schedule as it may be amended from time to time for circumstances beyond Carroll Daniel's control as set forth in subparagraph C below, entitled "Force Majeure".

C. Force Majeure. "Force Majeure" means the actual period of any delay to the final completion date of the Project, as applicable, caused by fire, unavailability of manufactured materials or specialized construction trade labor, earthquake, flood, explosion, war, acts of terrorism, invasion, insurrection, mob violence, sabotage, lockouts, litigation, condemnation, riots or other civil disorder, national or local emergency, act of God, unusual delays in transportation, unusual delay in obtaining lawful permits or consents to which the applicant is legally entitled, strike or labor dispute, severe unanticipated weather conditions, or delays caused by the City in

excess of 10 days in responding to proposals for Material Modifications, in any such case entitling Carroll Daniel a commensurate extension of time to perform and complete its obligations delayed thereby under this Agreement. Carroll Daniel will give written notice as soon as reasonably practical after the start of the Force Majeure event or occurrence giving rise to the delay, specifically identifying the occurrence or event and the anticipated resulting delays to the Project.

D. Utility Coordination. Carroll Daniel shall coordinate with utility entities regarding the installation and relocation of public and/or private utilities within the rights of way and easements provided for the Project. Carroll Daniel shall pay all costs of relocation of utilities.

E. DOT Requirements. If GDOT requires any additional turn lanes to be constructed on any quadrants of the Project Intersection or the installation of signal lights, including at pedestrian crosswalks at any intersection adjacent to the Carroll Daniel Property, Carroll Daniel shall be responsible for such costs and construction.

F. Parking Plan. The City plans to utilize the TAD increment generated by Carroll Daniel's construction to build two additional levels on the existing parking deck located adjacent to the Fourth Side of the Square, and Carroll Daniel consents to such utilization by the City. Carroll Daniel plans to make application to utilize a portion of the TAD increment generated by Carroll Daniel's construction to make improvements related to the Carroll Daniel Property, and the City agrees to support said application, provided that the amount sought to be utilized does not exceed the sum of \$500,000. Construction of the two additional levels of the parking deck shall be completed within five years of Closing of the Carroll Daniel Property. Within 30 days of the issuance of a certificate of occupancy for the additional levels on the parking deck or three years of Closing of the Carroll Daniel Property, whichever occurs first, the City agrees to reserve 30 contiguous spaces in one of the two new levels of the parking deck. for use by tenants of and/or employees who work on the Carroll Daniel Property, which reservation will be between the hours of 7:00 A.M. and 5:00 P.M. on Mondays, Tuesdays, Wednesdays, Thursdays, and Fridays. Said spaces shall be open to the public during the times that said spaces are not reserved. The exact location of the 30 contiguous spaces shall be determined by the City in its sole discretion. Should the City not complete the construction of the two additional levels of the parking deck within three years of closing, and until the parking deck addition is completed as provided above, the City will provide the reservation of the 30 contiguous spaces within the Central Business District in downtown Gainesville as described on Exhibit "C," attached hereto, such exact location to be determined by the City in its sole discretion, which spaces shall be reserved upon the same terms as referenced above for the spaces in the parking deck. The City will move the 30 contiguous spaces into the parking deck within 30 days of issuance of a certificate of occupancy for the additional levels.

Within five years of the Closing of the Carroll Daniel Property, the City agrees to reserve an additional 54 spaces (additional to the 30 contiguous spaces previously reserved and contiguous to such 30 spaces) in the two new levels of the parking deck, as

determined by the City in its sole discretion, for use by tenants of and/or employees who work on the Carroll Daniel Property, which reservation will be between the hours of 7:00 A.M. and 5:00 P.M. on Mondays, Tuesdays, Wednesdays, Thursdays, and Fridays. Said spaces shall be open to the public during the times that said spaces are not reserved. In the future, should circumstances warrant, Carroll Daniel may request that the reserved hours be altered and consent to such request will not be unreasonably withheld.

The reservation of parking spaces in the deck will be accomplished by a binding perpetual parking easement from The City to the Gainesville Redevelopment Authority and from the Gainesville Redevelopment Authority to Carroll Daniel or by any other method deemed binding under Georgia law.

The City will be responsible for providing necessary utilities for the parking deck, maintenance of the parking deck and replacement thereof should replacement become necessary.

The City will assist Carroll Daniel in enforcing its control of the reserved spaces and will allow appropriate signage to be displayed indicating the reserved nature of the parking spaces.

The parties agree to execute parking agreements at Closing, the forms of which shall be agreed upon by the parties prior to the end of the Carroll Daniel Due Diligence Period. One agreement shall be between Carroll Daniel and the Gainesville Redevelopment Authority, and the second agreement, mirroring the terms of the first agreement, shall be between the Authority and the City. The parking agreements will effectuate the terms regarding parking set forth above.

2. ZONING REGULATIONS. Carroll Daniel shall comply with and satisfy all terms and conditions of City's zoning codes and building codes, including all permit requirements, prior to proceeding with development of the Carroll Daniel Property in accordance with its zoning classification and the development ordinances and regulations of the City. If any zoning regulation requires a change in zoning or a variance to permit development in accordance with the construction plan submitted in response to the RFP or any amendment to the plans, the City shall cooperate to timely process and decide such applications.

3. RIGHT OF REVERSION. The sale of the Carroll Daniel Property to Carroll Daniel is conditioned upon development of the Carroll Daniel Property in substantial conformity to the Response to the City's Request for Proposal. Carroll Daniel acknowledges that the development of the Carroll Daniel Property was a material inducement and formed a part of the consideration for the sale of the Carroll Daniel Property by the City to Carroll Daniel. If Carroll Daniel fails to timely obtain permits or to commence construction within 12 months of closing, the City shall have those repurchase rights contained in the deed of conveyance, which terms are attached hereto as Exhibit "D" and incorporated herein by reference.

**ARTICLE III
DEVELOPMENT AGREEMENT, PHASE 2**

1. RESPONSIBILITIES OF PURCHASER KNIGHT AS A CONDITION SUBSEQUENT TO PURCHASE OF THE KNIGHT PROPERTY. Knight's compliance with its Response to the Request for Proposal presented to the City and construction of a building meeting the uses, architectural quality and size of the building project set forth in the Response is a condition subsequent to the conveyance. Knight further agrees to perform the following tasks on the terms and conditions set forth herein:

A. Development of the Knight Property.

(a) Submission of Development Plans. Knight shall submit final construction plans within eighteen months of the closing date. Said final plans shall be substantially similar to the plans submitted with the Response to the Request for Proposal and attached hereto as Exhibit B.

(b) Permits. Knight shall submit permit applications for land disturbance and development within 24 months of closing. Once permits are pulled, Knight shall diligently pursue construction of the Project.

(c) Construction Schedule. The Construction Schedule submitted with the Response shall be updated and submitted to the City for approval, which approval shall not be unreasonably withheld or delayed. Once approved, Knight shall complete construction in accordance with the schedule, except as modified as permitted herein for circumstances beyond Knight's control.

(d) Modifications Requiring Approval. Any material deviation from the use of the Knight Property and size and quality of construction shall require submission of amended construction plans. Approval of construction plans shall not be unreasonably withheld or delayed.

B. Construction. Knight shall ensure timely progress in accordance with the construction schedule as it may be amended from time to time for circumstances beyond Knight's control as set forth in subparagraph C below, entitled "Force Majeure".

C. Force Majeure. "Force Majeure" means the actual period of any delay to the final completion date of the Project, as applicable, caused by fire, unavailability of manufactured materials or specialized construction trade labor, earthquake, flood, explosion, war, acts of terrorism, invasion, insurrection, mob violence, sabotage, lockouts, litigation, condemnation, riots or other civil disorder, national or local emergency, act of God, unusual delays in transportation, unusual delay in obtaining

lawful permits or consents to which the applicant is legally entitled, strike or labor dispute, severe unanticipated weather conditions, or delays caused by the City in excess of 10 days in responding to proposals for Material Modifications, in any such case entitling Knight a commensurate extension of time to perform and complete its obligations delayed thereby under this Agreement. Knight will give written notice as soon as reasonably practical after the start of the Force Majeure event or occurrence giving rise to the delay, specifically identifying the occurrence or event and the anticipated resulting delays to the Project.

D. Utility Coordination. Knight shall coordinate with utility entities regarding the installation and relocation of public and/or private utilities within the rights of way and easements provided for the Project. Knight shall pay all costs of relocation of utilities.

E. DOT Requirements. If GDOT requires any additional turn lanes to be constructed on any quadrants of the Project Intersection or the installation of signal lights, including at pedestrian crosswalks at any intersection adjacent to the Knight Property, Knight shall be responsible for such costs and construction.

2. **ZONING REGULATIONS.** Knight shall comply with and satisfy all terms and conditions of City's zoning codes and building codes, including all permit requirements, prior to proceeding with development of the Knight Property in accordance with its zoning classification and the development ordinances and regulations of the City. If any zoning regulation requires a change in zoning or a variance to permit development in accordance with the construction plan submitted in response to the RFP or any amendment to the plans, the City shall cooperate to timely process and decide such applications.

3. **RIGHT OF REVERSION.** The sale of the land to Knight is conditioned upon development of the Knight Property in substantial conformity to the Response to the City's Request for Proposal. Knight acknowledges that the development of the Knight Property was a material inducement and formed a part of the consideration for the sale of the Property by the City to Knight. If Knight fails to timely obtain permits or to undertake and diligently pursue construction in accordance with the Construction Schedule or in any event fails to complete construction within three (3) years of Closing, the Knight Property shall revert to the City pursuant to the reverter clause in the deed; provided, however, such reversionary interest shall be subordinate to any first priority lien of a lender providing a development/construction loan for the Knight Property.

ARTICLE IV

1. **NOTICES.** All notices required or permitted hereunder shall be in writing and shall be personally delivered or sent by U.S. Certified Mail, return receipt requested, postage prepaid or a nationally recognized overnight courier with delivery tracking, or on the date such notice is delivered in person: evidenced by a signed delivery receipt, to the party entitled to receive such notice at the respective address of

each party hereto set forth on the signature page hereof or at such other address a party hereto shall hereafter designate by written notice in compliance with the terms of this paragraph to the other party hereto.

Purchasers:

Carroll Daniel Construction Co.
P.O. Box 1438
Gainesville, GA 30503
Attention: C. Brian Daniel, President
Phone: (770) 536-3241
Email:

Knight Commercial Real Estate, LLC
2180 Satellite Boulevard, Suite 400
Duluth, GA 30097
Attention: Tim Knight, President
Phone: (770) 239-1600
Email:

Seller:

City of Gainesville
Attention: Bryan Lackey, City Manager
300 Henry Ward Way
P.O. Box 2496
Gainesville, GA 30501
Phone: (770) 535-6865
Email: blackey@gainesville.org

Such notices shall be deemed to have been given as of the date and time actually received by the receiving party, or the date of refusal to accept delivery or inability to deliver, as shown on the return receipt. In the event no address for purpose of notice is specified with respect to a particular party as required by this Paragraph, any other party may direct notices to such party at any business or residence address known to such other party. Any such notice to an unspecified address shall be effective when delivered personally or, with respect to mailed notices, upon actual receipt by the party to whom such notice is directed, or the date of refusal to accept delivery or inability to deliver, as shown on the return receipt.

2. Entire Agreement. This Agreement constitutes the sole and entire Agreement between the parties hereto with respect to the subject matter hereof, and no modification of this Agreement shall be binding unless signed by all parties to this Agreement. No representation, promise, or inducement not included in this Agreement shall be binding upon any party hereto.

3. Captions. The headings at the beginning of each paragraph are for clarification purposes only and are not intended to alter the context of this Agreement.

4. **Binding Effect.** This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, executors, legal representatives, successors and assigns.

5. **Time of the Essence.** Time is of the essence of this Agreement.

6. **Governing Law.** This Agreement shall be interpreted in all respects in accordance with the laws of the State of Georgia.

7. **No Waiver.** No failure of any party to exercise any power given hereunder or to insist upon strict compliance with any obligation specified herein, and no custom or practice at variance with the terms hereof, shall constitute a waiver of either party's right to demand exact compliance with the terms hereof.

8. **Counterparts.** This Agreement may be executed in several counterparts, each of which shall constitute an executed original hereof.

9. **Conditions Precedent.** Conditions precedent to the obligation of either party to close hereunder, if any, are for the benefit of such party only, and any and all of said conditions may be waived in the discretion of the party benefited thereby.

10. **Responsibility to Cooperate.** Seller and Purchasers agree that such documentation as is reasonably necessary to carry out the terms of this Agreement shall be produced, executed and/or delivered by such parties within the time required to fulfill the terms and conditions of this Agreement.

11. **Survival of Agreement.** Any condition or stipulation not fulfilled at the time of the Closing shall survive the Closing, execution and delivery of the warranty deed until such time as said conditions or stipulations are fulfilled.

12. If the time period by which any right, option or election provided under this Agreement must be exercised, or by which any act required hereunder must be performed, or by which the closing must be held, expires on a Saturday, Sunday or legal holiday, then such time period shall be automatically extended to the close of business on the next regular business day.

13. Any provision hereof to the contrary notwithstanding, Carroll Daniel shall have no obligation to consummate the purchase of the Knight Property, and Knight shall have no obligation to consummate the purchase of the Carroll Daniel Property.

14. **Assignment.**

A. Knight shall have the right to assign its interest in this Agreement to an entity in which either Knight or Tim Knight is principal without the consent of the City.

B. Carroll Daniel shall have the right to assign its interest in this Agreement to an entity in which either Carroll Daniel Construction Co., Carroll Daniel Properties, LLC or Brian Daniel is a principal without the consent of the City.

IN WITNESS WHEREOF, Purchasers and City have hereunto set their hands and seals as of the dates indicated below.

CITY:

APPROVED AS TO FORM:

Hulsey, Oliver & Mahar, LLP, City Attorney

By: _____

Abbott S. Hayes, Jr.

THE CITY OF GAINESVILLE

By: _____

Bryan Lackey, City Manager

Attest: _____

Denise O. Jordan, City Clerk



PURCHASERS:

CARROLL DANIEL CONSTRUCTION CO.

By: _____

Name: C. Brian Daniel

Title: President

KNIGHT COMMERCIAL REAL ESTATE, LLC

By: _____

Name: Tim Knight

Title: President

B. Carroll Daniel shall have the right to assign its interest in this Agreement to an entity in which either Carroll Daniel Construction Co., Carroll Daniel Properties, LLC or Brian Daniel is a principal without the consent of the City.

IN WITNESS WHEREOF, Purchasers and City have hereunto set their hands and seals as of the dates indicated below.

CITY:

APPROVED AS TO FORM:

Hulsey, Oliver & Mahar, LLP, City Attorney

By: _____
Abbott S. Hayes, Jr.

THE CITY OF GAINESVILLE

By: _____
Bryan Lackey, City Manager

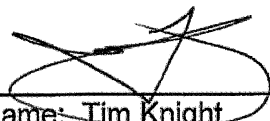
Attest: _____
Denise O. Jordan, City Clerk

PURCHASERS:

CARROLL DANIEL CONSTRUCTION CO.

By: _____
Name: C. Brian Daniel
Title: President

KNIGHT COMMERCIAL REAL ESTATE, LLC

By:  _____
Name: Tim Knight
Title: President

Carroll Daniel Legal:

TRACT 1:

All that tract or parcel of land lying and being in the City of Gainesville, Hall County, Georgia, and described as follows:

BEGINNING on the inside of the sidewalk at the intersection of the Northwest corner of South Main Street and Church Street, thence in a Northerly along the inside of the sidewalk on South Main Street 57 feet, 7 inches, more or less, to Roberts property; thence in a Westerly direction along the Roberts line to Maple Street; thence along Maple Street 56 feet, three inches, more or less, to the inside (north side) of the sidewalk on Church Street; thence along the inside (north side) of the sidewalk on Church Street to the beginning point.

TRACT 2:

All that tract or parcel of land with improvements thereon in the City of Gainesville, County of Hall, State of Georgia, fronting on South Main Street and more fully described as follows:

All that certain tract or parcel of land lying and being in Hall County, State of Georgia, in the City of Gainesville, Georgia, and formerly known as the old Baptist Church property, said lot or tract of land fronting ninety (90) feet, more or less, on the Southwest side of Main Street in said City and extending back of even width to Maple Street a distance of One Hundred Sixty-Two (162) feet, more or less, being bounded on the Northeast by Main Street, on the Northwest by property formerly owned by Mrs. J.C. McConnell, on the Southwest by Maple Street, on the Southwest by a lot formerly owned by Martin Properties, Inc., and being the same property described in Deed Book 19, Page 512, in the Office of the Clerk of Superior Court of Hall County, Georgia, and also the same property described in deed from Albert Lee Roberts to W. A. Roberts, Jr., Deed Book 131, Page 270, and also the same property described in Deed Book 55, Page 598, in the Office of the Clerk of Superior Court for Hall County.

This conveyance includes any interest, title or claim in and to any party walls on the above described property and any interests, title, or claim in any alleys adjacent to said property.

TRACT 3:

All that tract or parcel of land, together with all improvements thereon, lying and being in the City of Gainesville, Hall County, Georgia, being on the west side of Main Street and beginning at a point located on the west side of Main Street, said point being the dividing line between properties now or formerly owned by the Bessie Gaines Estate and lands of Frank W. Delong. Said point being located 74 feet, more or less, southeast from the intersection of the southwesterly right-of-way of Main Street and the southerly right-of-way of Broad Street; thence running along the wall of the Bessie Gaines Estate property to Maple Street a distance of 163 feet, more or less, thence in a right angle along the right-of-way of Maple Street, in a southerly direction 40 feet, more or less, to a point on the right-of-way of Maple Street, said point being

EXHIBIT A-1

the dividing line between lands of Frank W. DeLong and lands now or formerly owned by Martin Properties, Inc.; thence in a northeasterly direction along a wall 163 feet, more or less, to the right-of-way of Main Street; thence along the right-of-way of Main Street 40 feet to the point of beginning.

Hereby included in the above description is one-half interest in each of the walls on either side of the building located on the above property and the line extends from the center of each wall bordering said property.

This property is bounded on the north by the property of the Bessie Gaines Estate and on the south by property of Martin Properties, Inc. and is presently known as 308 Main Street under the system of numbering used in the City of Gainesville. Further, the above noted property is shown on City of Gainesville Tax Map 6, Block 5, and Parcel 4.

This conveyance includes any interest title or claim which grantors may have in any party walls on the above described property and any interest, title or claim which grantors may have in any alleys adjacent to said property.

TRACT 4:

All that tract or parcel of land, together with all improvements thereon, lying and being in the City of Gainesville, Hall County, Georgia, BEGINNING at the intersection of the southwesterly right-of-way of Main Street with the southerly right-of-way of Broad Street, running thence 74 feet, more or less, along the southwesterly right-of-way of Main Street to a point common to the within described property and property of Frank W. DeLong; thence running in a westerly direction 165 feet, more or less, along the center of the dividing wall of the within described property and the property of Frank W. DeLong to Maple Street; thence running 74 feet, more or less, in a northwesterly direction along the northeasterly right-of-way of Maple Street 74 feet, more or less, to the intersection of the northeasterly right-of-way of Maple Street with the southerly right-of-way of Broad Street; thence in a northeasterly direction along the southerly right-of-way of Broad Street, 165 feet, more or less, to the point of beginning. Included herein is one-half interest in and to the wall located between the within described property and property of Frank W. DeLong. The within described property is known and designated as 300 Main Street, SW, under the present system of numbering used in the City of Gainesville, and is shown on a City of Gainesville Tax Map 6, Block 5 and Parcel 5.

This conveyance includes any interest, title or claim which grantors may have in any party walls on the above described property and any interest, title or claim which grantors may have in any alleys adjacent to said property.

LESS AND EXCEPT:

All that tract or parcel of land lying and being in the City of Gainesville, Georgia Militia District of Hall County, Georgia, being more particularly described as follows:

Beginning at a point 42.83 feet left of and opposite Station 162+25.00 on the construction centerline of Jesse Jewell Parkway SR 369 on Georgia Highway Project No. CSSTP-0006-00 (448); running thence N 14°39'36" E a distance of 32.01 feet to a point 65.00 feet left of and opposite station 162+48.10 on said construction centerline laid out for Jesse Jewell Road, thence S 30°25'29" E a distance of 21.86 feet to a point 43.15 feet left of and opposite station 162+47.68 on said construction centerline laid out for Jesse Jewell Road; thence S 57°41'10" W a distance of 22.68 feet back to the point of beginning. Containing 0.006 acres, more or less.

Knight Legal:

TRACT 1:

All that tract or parcel of land lying and being in Land Lot 154, 9th Land District, of the City of Gainesville, Hall County, Georgia, and being more particularly described as follows:

BEGINNING at an iron pin found, ½ inch rebar, lying South 18°37'06" East, a distance of 86.65 feet from the intersection of the centerlines of Maple Street and Broad Street, said iron pin found also being on the western right-of-way of Maple Street, said right-of-way varies; thence along said right-of-way of Maple Street South 31°13'34" East, a distance of 162.00 feet to an iron pin set, ½ inch rebar; thence leaving said right-of-way South 58°52'13" West a distance of 180.00 feet to an iron pin set, ½ inch rebar, being located on the northern right-of-way of Jesse Jewell Parkway, also known as State Route 13 and State Route 369, formerly known as Church Street, said right-of-way varies (a portion of the aforementioned property line runs along said northern right-of-way line of Jesse Jewell Parkway); thence leaving said right-of-way North 28°33'26" West, a distance of 158.17 feet to an iron pin set, ½ inch rebar; thence North 57°32'43" East, a distance of 172.67 feet to the POINT OF BEGINNING.

Said tract contains 0.647 acres or 28,204 square feet.

TRACT 2:

All that tract or parcel of land lying and being in the City of Gainesville, Hall County, Georgia, and being shown and delineated on plat of survey prepared for City of Gainesville, by William H. Collins, Georgia Registered Surveyor dated July 28, 2009, and being more particularly described according to said survey as follows:

TO FIND THE POINT OF BEGINNING, begin at the centerline intersection of Maple Street and Broad Street; thence South 04 degrees 53 minutes 19 seconds West 32.27 feet to a 2 inch square pipe found at corner of block wall being the POINT OF BEGINNING; thence along the right-of-way of Maple Street South 30 degrees 47 minutes 39 seconds East 59.24 feet to a 2 inch square pipe found; thence leaving said right-of-way South 57 degrees 32 minutes 43 seconds West 172.68 feet to a point; thence North 30 degrees 19 minutes 39 seconds West 58.66 feet to a ¾ inch rebar found at corner brick wall; thence along the right-of-way of Broad Street North 57 degrees 20 minutes 53 seconds East 172.22 feet to a 2 inch square pipe found at the corner of a block wall being the POINT OF BEGINNING. Containing 0.233 acres according to said survey.

Being known as 315 SW Broad Street, Gainesville, GA 30501.

LESS AND EXCEPT:

TRACT 1:

All that tract or parcel of land lying and being in the City of Gainesville Georgia Militia District of Hall County, Georgia, being more particularly described as follows:

EXHIBIT A-2

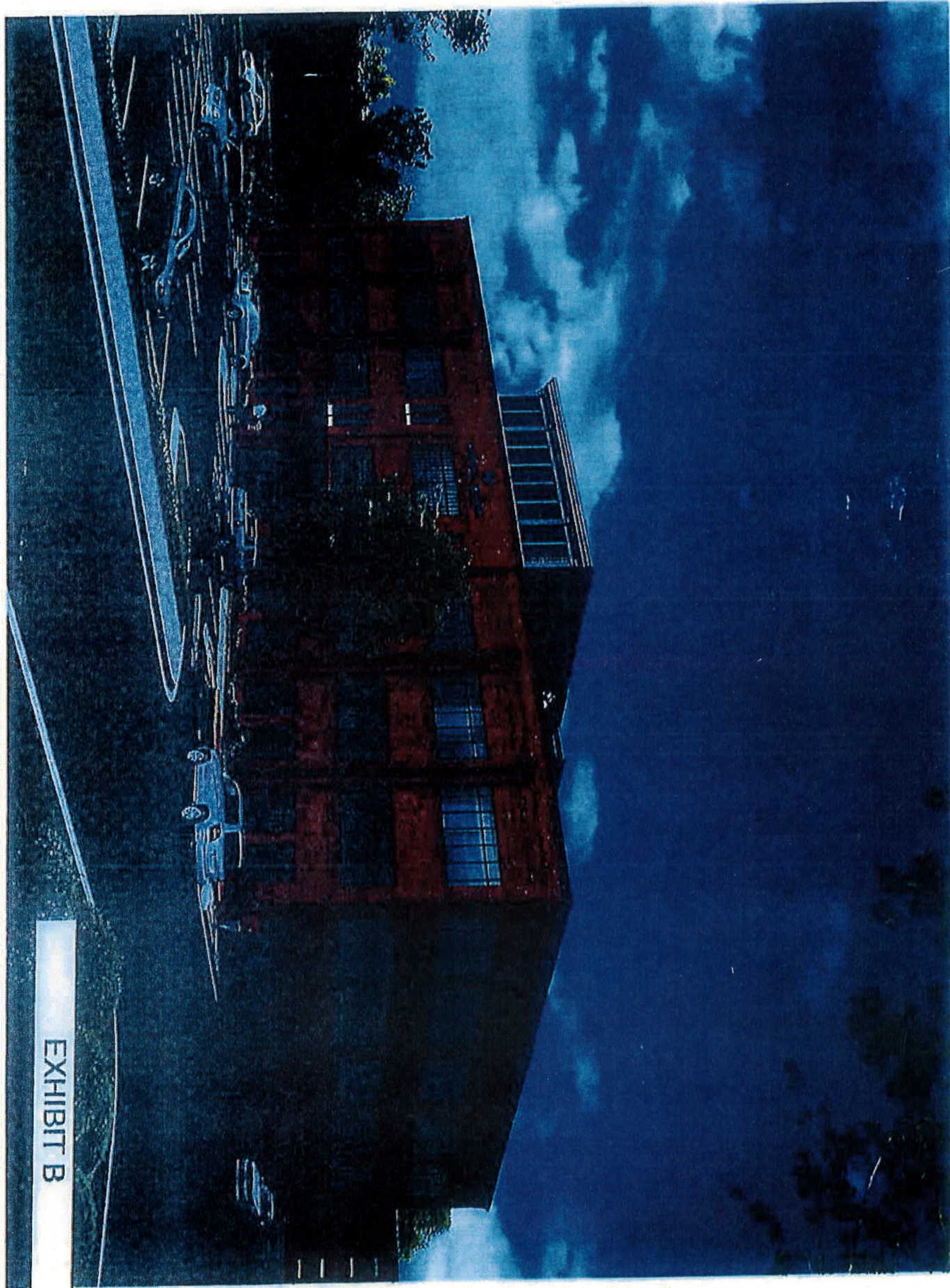
Beginning at a point 60 feet left of and opposite Station 162+98.01 on the construction centerline of Jesse Jewell Parkway SR 369 on Georgia Highway Project No. CSSTP-0006-00 (448); running thence S 81°44'26" E a distance of 15.60 feet to a point 50.02 feet left of and opposite station 163+10.00 on said construction centerline laid out for Jesse Jewell Parkway; thence S 57°40'50" W a distance of 12.18 feet to a point 49.85 feet left of and opposite station 162+97.82 on said construction centerline laid out for Jesse Jewell Parkway; thence N 30°25'30" W a distance of 10.15 feet back to the point of beginning. Containing 0.001 acres more or less.

TRACT 2:

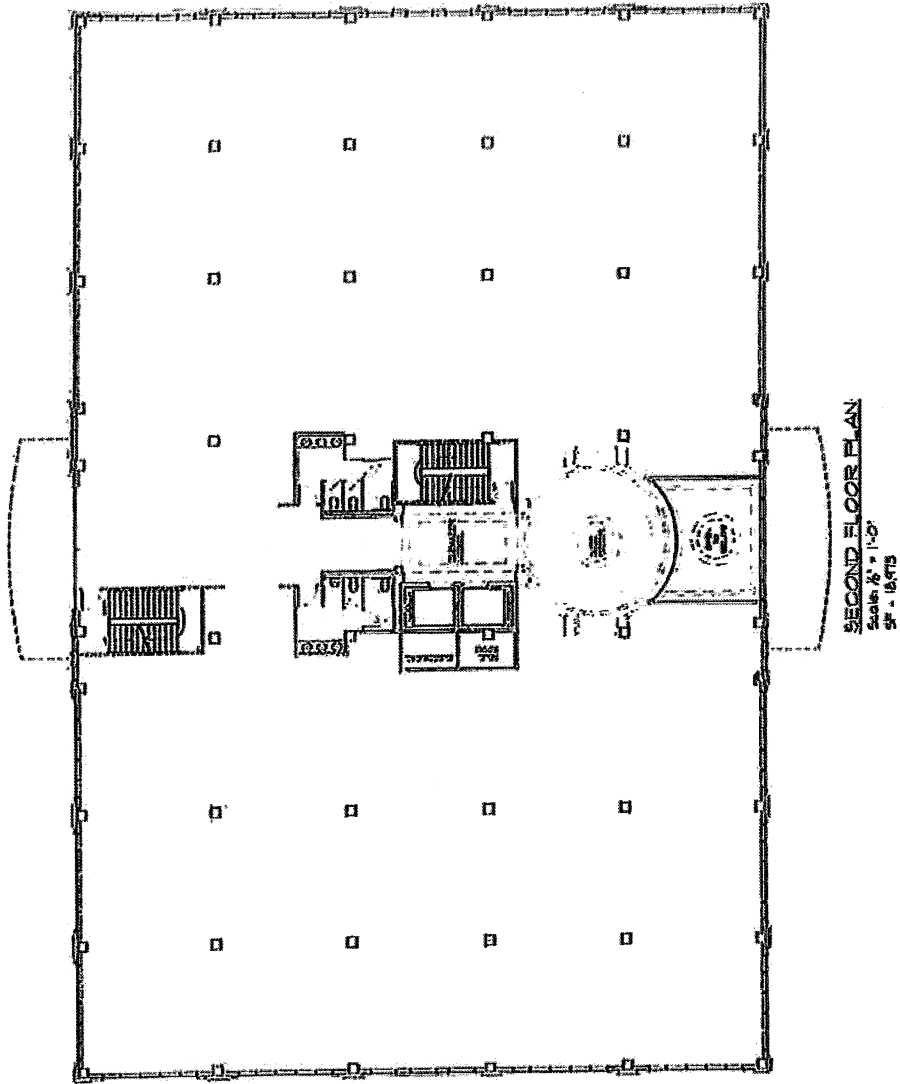
All that tract or parcel of land lying and being in the City of Gainesville Georgia Militia District of Hall County, Georgia, being more particularly described as follows:

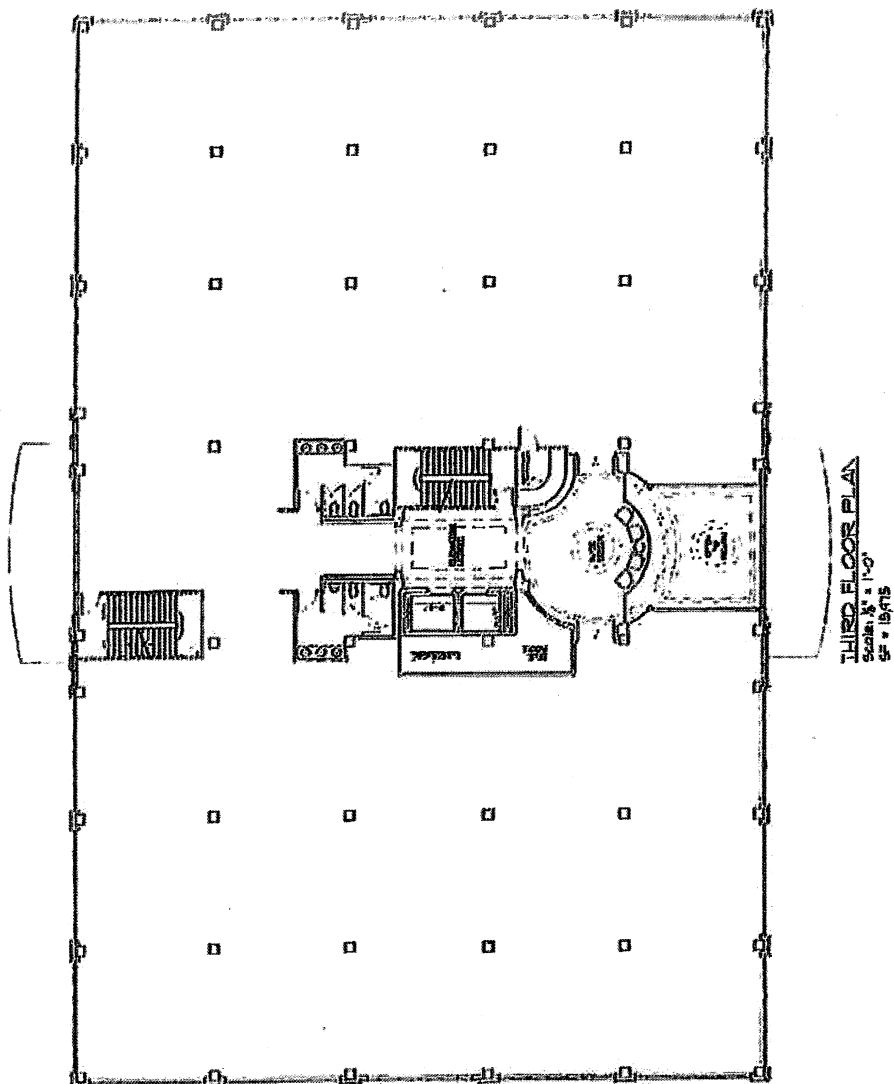
Beginning at a point 60 feet left of and opposite Station 164+95.00 on the construction centerline of Jesse Jewell Parkway SR 369 on the Georgia Highway Project No. CSSTP-0006-00 (448); running thence N 58°29'15" E a distance of 45.00 feet to a point 60.00 feet left of and opposite station 165+40.00 on said construction centerline laid out for Jesse Jewell Parkway; thence S 31°30'40" E a distance of 6.77 feet to a point 53.23 feet left of and opposite station 165+40.00 on said construction centerline laid out for Jesse Jewell Parkway; thence S 57°41'12" W a distance of 45.00 feet to a point 52.60 feet left of and opposite station 164+95.00 on said construction centerline laid out for Jesse Jewell Parkway; thence N 31°30'49" W a distance of 7.40 feet back to the point of beginning. Containing 0.007 acres more or less.

JAR/198793



 H.I.H. NATIONAL HOME INSPECTION ASSOCIATION & ASSOCIATES THE INTERNATIONAL SOCIETY OF HOME INSPECTORS	 A.I.A.	CARROLL DANIEL CONSTRUCTION 1300 10th Street Glenview, Illinois 60025			2ND LEVEL FLOOR PLAN	A101





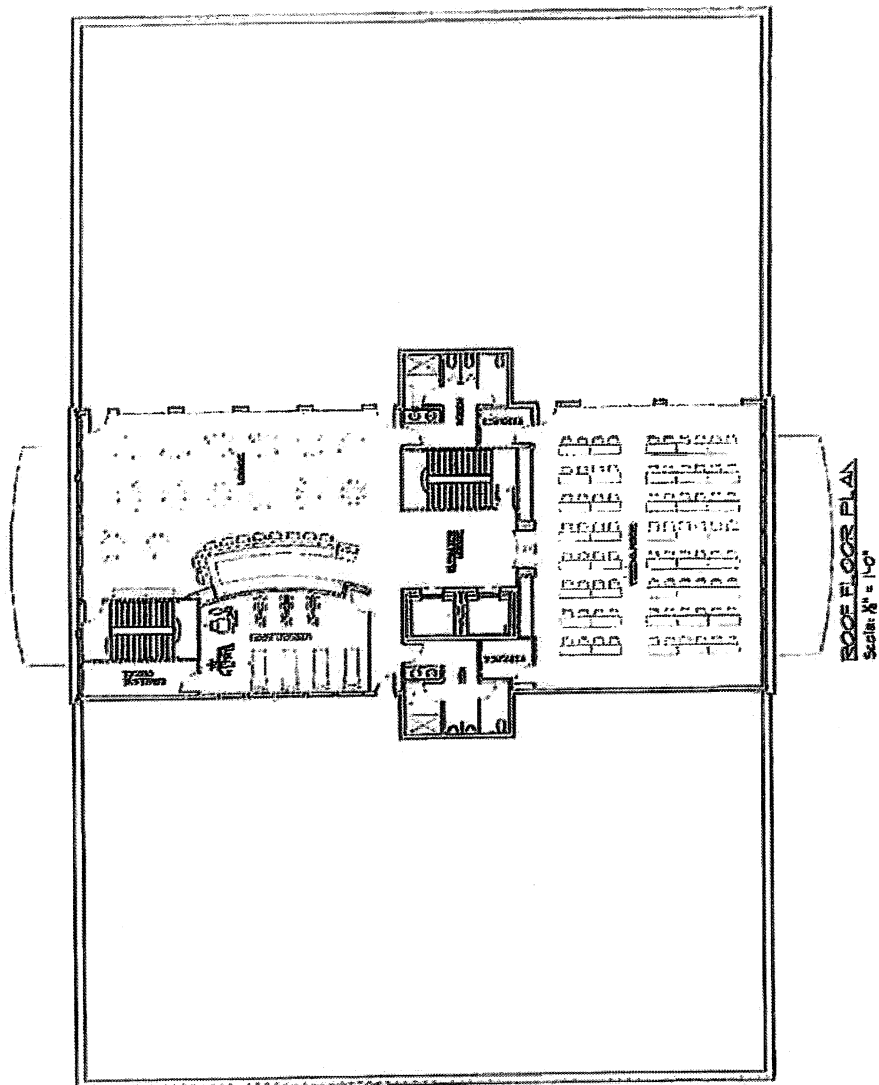




EXHIBIT "D"

DEED RESTRICTIONS

1. Grantee covenants and agrees to construct (or cause the construction of) a building or buildings primarily to be used for office/retail purposes of at least _____ square feet (the "Intended Improvements") including, without limitation, building improvements, parking facilities, and landscaping to be located on the Property, in accordance with all applicable codes, statutes, laws, rules, ordinances, orders and regulations (collectively, "Laws").

2. Grantee shall obtain all necessary permits and governmental approvals for the construction and operation of the Intended Improvements and shall "Commence Construction" within twelve (12) months after the date of closing (the "Construction Commencement Date"), and shall use reasonable due diligence to "Complete Construction" of the Intended Improvements at the Property within a commercially reasonable period of time after the Construction Commencement Date. The Construction Commencement Date is subject to the force majeure provisions of Paragraph 7, below. As used herein, the phrase "Commence Construction" shall mean the commencement of actual work on construction of the Intended Improvements, which shall include clearing, grading and beginning the installation of foundations for the principal building improvements. The phrase "Complete Construction" shall mean the substantial completion of the Intended Improvements in accordance with the requirements hereof and the issuance of final unqualified permanent certificate(s) of occupancy from all appropriate governmental agencies.

3. If Grantee fails to Commence Construction of the Intended Improvements on or before the Construction Commencement Date, subject to the force majeure provisions of Section 7 below, then in such event Grantor, at its sole option, shall have the right (but not the obligation) to repurchase the Property in the manner hereinafter provided for the "Repurchase Price", which shall be equal to 95% of the purchase price paid by Grantee to Grantor for the Property. Once Grantee has Commenced Construction, this repurchase right shall automatically expire without any notice.

Grantor's repurchase rights (which only apply to the requirement to Commence Construction) under this Paragraph 3 may be exercised by Grantor at any time upon giving not less than sixty (60) days' prior written notice to Grantee in the manner specified below, and such notice of Grantor's repurchase shall not be enforceable if Grantee Commences Construction within such 60-day period. If Grantee does not Complete Construction within the time frame specified above, Grantor may avail itself of any remedies available to Grantor under the law for failure to Complete Construction by giving not less than sixty (60) days' prior written notice to Grantee in the manner specified below, but such remedies shall not be enforceable if Grantee Completes Construction within such 60-day period; and Grantor acknowledges that the repurchase option shall not be available in this instance. In the event that Grantor exercises its right to repurchase the Property as provided above, then real estate taxes and assessments on the Property shall be prorated as of the date that Grantee reconveys the Property to Grantor and, upon receipt of the Repurchase Price from Grantor (which shall be paid within ninety (90) days after the notice of exercise of the option is given), Grantee shall convey to Grantor, by limited warranty deed, good and marketable title to the Property and all improvements thereon and appurtenances thereto, free and clear of liens or encumbrances other than the Permitted Exceptions set forth in the foregoing Exhibit ____ to the Deed. Grantee shall be responsible for all fees for recording the deed reconveying the Property to Grantor, including, without limitation, all transfer taxes and any documentary or other fees payable in connection with the recording of such deed and any similar charges imposed in connection with the reconveyance of the Property to Grantor pursuant to the option granted hereunder.

The failure of Grantor to exercise the option to repurchase the Property granted under this Paragraph 3 prior to the date on which Grantee shall Commence Construction shall extinguish, and be deemed to constitute a waiver of, the option rights granted to Grantor under this Paragraph 3.

4. Grantor's repurchase right under Paragraph 3 is a reversionary interest and right of Grantor, shall be specifically enforceable against Grantee and shall be in lieu of any other rights and remedies that are available to Grantor, at law or in equity, by virtue of the occurrence of any of the actions or omissions set forth herein. Any purchaser or successor owner of the Property shall take title to the Property subject to the terms of these Deed Restrictions, including, without limitation, the terms of Paragraph 3.

5. All notices, consents or other instruments or communications provided for under this Deed shall be in writing, signed by or on behalf of the party giving the same, and shall be deemed properly given and received (i) if delivered in person, then when actually delivered and received, or (ii) if sent by registered or certified mail, postage prepaid, then three (3) business days after being mailed, or (iii) if sent by overnight courier service, receipt requested, then the next business day after being sent. The addresses of the parties for the purpose of sending such notices and communications shall be as follows:

If to Grantor:	City of Gainesville PO Box 2496 Gainesville, Georgia 30503 Attention: Bryan Lackey, City Manager
With copy to:	Hulsey, Oliver & Mahar Attn: Abbott S. Hayes, Jr. PO Box 1457 Gainesville, Georgia 30503
If to Grantee:	Carroll Daniel Properties, LLC PO Box 1438 Gainesville, Georgia 30503 Attention: Brian Daniel
with copy to:	Stewart, Melvin & Frost, LLP Post Office Box 3280 Gainesville, Georgia 30503 Attention: Tom LeFevre.

Each party shall have the right to designate other or additional addresses for the delivery of notices by giving notice thereof in the manner set forth above.

6. All of the covenants and agreements of Grantee set forth in these Deed Restrictions shall be covenants running with the land and binding upon the Property and Grantee and Grantee's heirs, representatives, successors and assigns.

7. If either Grantor or Grantee is delayed or prevented from the performance of any act required hereunder or the satisfaction of any condition or obligation contained herein by reason of an act of God, strike, lockout or other material labor troubles, governmental plan approval delay, inability to procure materials, unforeseeable restrictive governmental laws or regulations, extraordinarily adverse weather, delay by the other party, war, riot, insurrection, or other cause beyond the reasonable control of the party obligated to perform ("force majeure") then, upon notice to the other party, the period for the performance of such act or the satisfaction of such condition shall be extended for a period of time equal to the period of such delay; provided, however, that the party so delayed or prevented from performing shall make diligent, good faith efforts to remedy the cause of delay and to resume and prosecute performance to completion; and provided further, however, that lack of funds or other financial inability, and the inability to obtain internal approvals, shall not constitute force majeure or otherwise excuse any performance or satisfaction of conditions required hereunder.

AGREEMENT FOR THE PURCHASE AND SALE OF REAL ESTATE

THIS AGREEMENT FOR THE PURCHASE AND SALE OF REAL PROPERTY (hereinafter referred to as this "Agreement"), made and entered into as of the 20 day of December, 2018, by and between **NORTHEAST GEORGIA HEALTH SYSTEM, INC.**, a Georgia not-for-profit corporation with its principal offices located at 743 Spring Street, Gainesville, Georgia 30501 (hereinafter referred to as "NGHS") and the **GAINESVILLE REDEVELOPMENT AUTHORITY**, an authority organized and existing under the laws of the State of Georgia with its office for receiving notices located at 405 Washington St., NE, Gainesville, Georgia 30501 (hereinafter referred to as the "Authority") and the **CITY OF GAINESVILLE**, Georgia, a municipal corporation organized and existing under the laws of the State of Georgia with its principal office and place of doing business located at 300 Henry Ward Way, Gainesville, Georgia 30501 (hereinafter referred to as the "City").

WITNESSETH:

WHEREAS, NGHS entered into that certain Contract for the Purchase and Sale of Real Property dated August 17, 2018, and an Effective Date of August 22, 2018, with Gainesville City Center, LLC (hereinafter "City Center") for the purchase by NGHS from City Center of a tract of land containing 6.79 acres more or less fronting on the south side of Jesse Jewell Parkway, a copy of which Contract is marked for identification as **Exhibit "A"**, attached hereto and by this reference made a part hereof (hereinafter referred to as the "City View Contract"); and

WHEREAS, the City thereafter requested that NGHS assign all its rights in the City View Contract to the City and NGHS did make such assignment pursuant to the terms set forth in the Assignment and Assumption Agreement, a copy of which is attached hereto, marked for identification as **Exhibit "B"** and by this reference made a part hereof; pursuant to which the City has purchased all NGHS rights and assumed all NGHS obligations under the City View Contract (hereinafter referred to as the "Assignment"); and

WHEREAS, one of the conditions of such Assignment of the City View Contract was that the NGHS and the City enter into a Contract for the purchase and sale of a tract of land owned by the City containing 1.71 acres +/- bounded by Jesse Jewell Parkway, West Academy Street, Broad Street and Maple Street

generally known as the Greater South/Train Property (hereinafter referred to as the “GST Property”); and

WHEREAS, the City has conveyed title to the GST Property to the Authority subject to its condition within the Assignment to enter into a Contract with NGHS for the sale of the GST Property as set forth herein;

NOW, THEREFORE, for and in consideration of the agreements and promises herein contained and in further consideration of the sum of Ten and No/100 (\$10.00) Dollars paid by NGHS to the Authority and for other good and valuable considerations, the receipt, adequacy and sufficiency of which are hereby expressly acknowledged by the parties hereto, the parties, intending to be legally bound hereby, do hereby mutually covenant and agree as follows:

1. Agreement to Purchase/Sale:

Subject to the fulfillment of all the obligations of all parties as set forth in the Assignment attached hereto as **Exhibit “B”**, the Authority hereby agrees to sell and convey to NGHS, on the terms and conditions hereinafter set forth, the GST Property containing 1.71 acres, more or less, as shown colored in **pink** on **Exhibit “C”** attached hereto and by this reference made a part thereof. The City and the Authority have entered into an Intergovernmental Agreement with an effective date of December 20, 2018, which Intergovernmental Agreement provides for the transfer of the GST Property from the City to the Authority, with restrictions on the sale of the GST Property as set forth herein. The date of December 20, 2018 or the date thereafter on which this Agreement is executed by both parties shall hereinafter be referred to as “the Effective Date.”

2. Purchase Price. The purchase price of the GST Property shall be ONE MILLION TWO HUNDRED THOUSAND AND NO/100 (\$1,200,000.00) DOLLARS. The Purchase Price shall be payable in full at Closing by wire transfer or other source of immediately available funds.

3. Earnest Money Deposit. Within fifteen (15) business days after the Effective Date, NGHS shall deposit with Chicago Title Insurance Company (hereinafter referred to as the “Escrow Agent”), the sum of Twenty-five Thousand and No/100 Dollars (\$25,000.00) as Earnest Money (hereinafter referred to as the “Earnest Money”). If, in accordance with the provisions hereinafter set forth, NGHS terminates this Agreement by 6:00 p.m. EST of the 3rd business day following the end of the Inspection Period (hereinafter referred to as the

“Notification Date”), then this Agreement shall become null and void and the Escrow Agent shall promptly refund the Earnest Money to NGHS. If NGHS does not terminate this Agreement by the Notification Date, then this Agreement shall remain in full force and effect, subject to the other terms hereof. The Earnest Money shall apply to the Purchase Price to be paid by NGHS at Closing. Time is of the essence for the delivery of Earnest Money under this Agreement.

4. Extension of Closing. Before the day set for Closing pursuant to this Agreement, NGHS, in its sole discretion, may elect to, and upon exercising such election, shall have the right to extend the date for Closing of the purchase of the GST Property by an additional thirty (30) days by depositing an additional Twenty-five Thousand and no/100 Dollars (\$25,000.00) as additional earnest money (hereinafter referred to as the “Additional Earnest Money”) with Escrow Agent. The Additional Earnest Money and Initial Earnest Money are hereinafter collectively referred to as “Earnest Money”, all of which shall be applied as a credit to NGHS against the Purchase Price at Closing.

5. Disputed Earnest Money. If any dispute arises between NGHS and the Authority as to the final disposition of all or part of the Earnest Money, Escrow Agent shall notify NGHS and the Authority in writing that Escrow Agent is unable to resolve such dispute and shall interplead the disputed Escrow Money into the Superior Court of Hall County, Georgia. Escrow Agent shall be entitled to be compensated by the party who does not prevail in the interpleader action for its costs and expenses, including reasonable attorney's fees incurred in filing said interpleader. In the event Escrow Agent interpleads the disputed Earnest Money into court, then the parties thereafter shall make no claim against Escrow Agent for said disputed Earnest Money and shall not seek damages from Escrow Agent by reason thereof.

6. Restrictions on Property. At the time of the conveyance of the GST Property to NGHS, the Authority will include in the deed of conveyance of title, the following restrictions on the use and development of the GST Property, and NGHS will accept title to the GST Property subject to the following use restrictions:

6.1 Development. Any structure or structures built on the GST Property shall collectively be a minimum of 30,000 square feet. Any structure built on the GST Property by NGHS or any affiliate entity of NGHS must be a multi-story building consisting of at least two (2) stories. Any structure built on the GST Property by any entity other than NGHS must be a multi-use building

consisting of at least three (3) stories in height. The design of any structures built on the GST Property will be brick or masonry to honor the historic charm and architecture of downtown Gainesville. Any construction will also include streetscape improvements, including landscaping and improved sidewalks. All utilities will be buried underground so as to provide clean, visual lines of the structure and downtown. Prior to the commencement of any construction on the GST Property, all site and architectural plans must be submitted to the City Manager for review to ensure conformity with these conditions. No construction on the GST Property shall occur until the City Manager provides written approval that the site and architectural plans conform with these conditions, and no deviations from the site and architectural plans submitted to the City Manager shall be allowed without the prior written approval of the City Manager. In the event that the City Manager fails to provide said prior written approval within thirty (30) days of submission of site and architectural plans, then NGHS shall have the right to petition the governing body of the City for approval of such plans. The aforementioned use restrictions shall remain in effect until the GST Property is first developed, but not to exceed twenty (20) years from the date of such conveyance of title.

6.2 Digital Sign. In conjunction with the conveyance of the GST Property, NGHS shall grant to the City an easement allowing the City to construct and maintain an electronic sign, which shall be utilized by the City to promote community events, including but not limited to Arts Council events, as well as to provide messaging to the public on behalf of the owner of the GST Property. NGHS and the City agree to work together prior to Closing of the GST Property to more specifically identify the easement area on a boundary line plat of survey.

6.3 Parking for The Arts Council, Inc. The GST Property shall be subject to the following requirements contained in Section 5 of the Parking, Sign and Sale Agreement between the City and The Arts Council, Inc., dated January 13, 2018, a copy of which is attached hereto as **Exhibit "D"** (hereinafter referred to as the "Arts Council Agreement"): "The Arts Council shall have the dedicated use of forty (40) reserved parking spaces twelve (12) times a year for events at The Arts Council Smithgall Arts Center." The forty (40) reserved parking spaces twelve (12) times a year for events at the Arts Council Smithgall Arts Center shall, if applicable, continue for so long as required under the Arts Council Agreement.

6.4 City Obligations.

(i) The City hereby agrees that it shall retain full responsibility for and fully perform all obligations set forth in the Arts Council Agreement other than for the 40 parking spaces as set forth in Paragraph 6.3 above and shall hold NGHS harmless from all such other obligations arising out of the Arts Council Agreement. The City shall, during the Inspection Period (as hereinafter defined), utilize its sincere best efforts to obtain elimination of the requirement for such forty (40) parking spaces to be open for public parking. In the event that the City is unable to obtain elimination of the requirement for the forty (40) parking spaces to be open for public parking within the Inspection Period, NGHS shall be entitled to terminate this Agreement and receive a return of its Earnest Money as NGHS' sole remedy for the City's inability to obtain such elimination.

(ii) The City agrees that it will, at its expense and within not more than twelve (12) months after the date upon which NGHS obtains title to the GST Property, remove from the GST Property, the railroad engine, caboose and rail car together with the tracks, cross ties and all related facilities, materials and debris created by such removal, and relocate all of such engine, railroad cars and facilities to some other lands owned and maintained by the City. The intent of this provision is that the GST Property will become totally private, and the City will leave all the GST Property clear of all display items, improvements, fences, steps, walkways and debris so that such Property is clear and ready for site preparation and development. Following the removal of all such facilities from the GST Property, the City will smooth the Property and seed it to grass so that it is stabilized until development is begun by NGHS or other owner/purchaser.

7. Title Examination, Commitment for Title Insurance, Boundary Survey and Plat.

7.1 Title Examination. NGHS shall, during the Inspection Period, examine title to the GST Property and obtain from a nationally recognized title insurance company (the "Title Company") at NGHS's expense, an ALTA title insurance commitment (the "Title Commitment") covering the Property, showing all matters affecting title to the Property and binding the Title Company to issue at Closing, an Owner's Policy of Title Insurance in the full amount of the Purchase Price. NGHS shall instruct the Title Company to timely deliver to NGHS, the City, and the Authority, copies of the Title Commitment and copies of all instruments referenced in Schedule B and Schedule C thereof. On or before expiration of the Inspection Period, NGHS shall deliver to the City and the Authority in writing, NGHS's objections to title for any items contained in the title commitment and any title objections based on the NGHS survey. Thereafter, the City and the Authority

shall have until the date that is fifteen (15) days after the expiration of the Inspection Period to agree to cure any such objections before Closing. If the City and the Authority do not agree on or before the date that is fifteen (15) days after the Inspection Period to cure all such objections before Closing, then NGHS, upon written notice to the City and the Authority, may terminate this Agreement in which event all the Earnest Money shall be returned to NGHS. In the event NGHS objects to any such title or survey matter and the City and the Authority do not agree to cure such objection prior to Closing and NGHS does not exercise its option to terminate this Agreement, such objection shall become a Permitted Title Exception.

7.2 Amendment to Title Commitment. NGHS shall have the right to object to any title exceptions first appearing in the Hall County, Georgia real estate records or otherwise constituting a title exception after the effective date of the Title Commitment and prior to Closing by giving written notice of those exceptions to which NGHS is objecting. If NGHS does not object to any exceptions first raised in an amendment to the Title Commitment issued after NGHS's receipt of the Title Commitment by giving timely written notice prior to the Closing, as herein provided, then such exception shall become a Permitted Exception. In the event NGHS gives timely written notice of objection to any exception as herein provided, then the provisions of Section 7.1 above shall apply with respect thereto as if set forth herein in full. Time is of the essence with respect to the provisions of this Section 7.2.

7.3 Survey and Plat.

During the Inspection Period, NGHS may, at its sole cost and expense, obtain a boundary line survey of the GST Property and have a plat of survey prepared in accordance with standards of the American Land Title Association (ALTA). The survey shall be utilized for preparation of the legal description of the GST Property to be conveyed to NGHS. Upon the availability of the Survey, the parties shall promptly execute an amendment to this Agreement, attaching the legal description to the Property as shown on the Survey.

7.4 Conveyance of Title. At Closing, the Authority shall convey and transfer to NGHS, good and marketable, fee simple title to the GST Property, by limited warranty deed. Such deed shall convey such title to the Property as will enable the Title Company to issue to NGHS, an ALTA Owner's Policy of Title Insurance (the "Title Policy") at the Title Company's standard rates covering the

GST Property, in the full amount of the Purchase Price without exception other than Permitted Exceptions.

8. Inspection Period.

8.1 Right of Inspection. During the period beginning with the Effective Date and ending at six o'clock p.m. (6:00 p.m.) on the ninetieth (90th) day thereafter (hereinafter referred to as the "Inspection Period"), NGHS shall have the right to: (a) make a physical inspection of the Property, (b) conduct environmental studies, feasibility studies, accessibility, boundary and topographic surveys and similar matters, have the property rezoned to a zoning classification that is acceptable to NGHS and (c) any and all other inspections, examinations or investigations that NGHS may elect to make or have made that would aid NGHS in determining the feasibility of NGHS using the GST Property as desired or determined by NGHS in its discretion. NGHS understands and agrees that any on-site inspections of the GST Property shall be conducted in a manner as will not create any material damage to the GST Property. NGHS agrees to indemnify against and hold the City and the Authority harmless from any claim for liabilities, costs, expenses (including reasonable attorney's fees actually incurred), damages or injuries arising out of or resulting from the inspection of the GST Property by NGHS or its agents, and notwithstanding anything to the contrary in this Agreement, such obligation to indemnify and hold the City and the Authority harmless shall survive Closing or any termination of this Agreement. All inspections shall be conducted so as not to interfere unreasonably with use of the GST Property by the City or the Authority prior to Closing. NGHS shall keep confidential and not disclose to any third party other than an assignee of NGHS and any other person having a need to know, the results of any such inspection, study or investigation. Prior to Closing such purchase, NGHS agrees to make reasonable efforts to obtain a release of the option to purchase the GST Property held by Knight Commercial Real Estate, LLC.

8.2 Access. NGHS shall have the right during the Inspection Period and at all times prior to Closing, to have full and complete access to the GST Property in order to conduct such surveys, engineering plans or examinations, soil tests, borings or other examination, mapping or testing of the GST Property as is determined appropriate by NGHS. After such tests and inspections, NGHS shall promptly restore the GST Property to its condition as it was on the Effective Date hereof except changes as reasonably required to conduct the survey and environmental work and NGHS's agreement to so restore the GST Property shall survive termination of this Agreement. NGHS shall indemnify and hold the City

and the Authority harmless from and against any other liens which may arise as a result of NGHS's activities on the GST Property and against any and all claims for death of or injury of persons or damage of property arising out of or as a result of the activities of NGHS or designees of NGHS pursuant to the provisions of this Paragraph. NGHS's foregoing obligations of indemnity of the City and the Authority shall survive the Closing or any termination of this Agreement.

8.3 Existing Environmental and Other Reports and Plans. Within five (5) days after the Effective Date of this Agreement, the City and the Authority will furnish NGHS with copies of all environmental reports, engineering reports, boundary line surveys, topographical surveys, maps, architectural plans, real estate appraisals and similar reports and documents in its possession or available to the City and the Authority, including, but not limited to those reports, plats, surveys and plans prepared by or for Knight Commercial Real Estate, LLC.

9. Right of Termination. If NGHS determines during the Inspection Period, in its sole discretion and for any reason what so ever, to not proceed with the purchase, then NGHS shall notify the City and the Authority in writing of such decision on or before 6:00 p.m. EST of the 3rd business day following the expiration of the Inspection Period ("Notification Date"). Upon NGHS providing such timely notification that it will not proceed with the purchase, the Earnest Money shall be returned to NGHS within forty-eight (48) hours thereafter without further recourse to either party hereto. If NGHS closes the transaction, the Earnest Money shall be credited to NGHS at Closing. If the Closing does not occur as a result of default by the City or the Authority, then all Earnest Money will be immediately refunded to NGHS and NGHS shall have all rights permitted by law as well as all rights set forth herein and shall have its option of remedies contained in Section 12 hereof.

10. Environmental Representation. The City and the Authority hereby warrant that, to the best of their knowledge and the knowledge of their officers, managers and management level employees, that the GST Property has never been used as a landfill or garbage dump. The City and the Authority warrant that to the best of their knowledge and the knowledge of their officers, managers and management level employees, that GST Property is not contaminated with any Hazardous Substances or Hazardous Material as those terms are defined by any federal, state or local law or ordinance. The Property has not, nor has any portion thereof, been used as a landfill, dump or other repository of debris or refuse. The Property does not contain, and has not been used for the production, generation, handling, transportation, treatment, storage, disposal, distribution or processing of

any Hazardous Substances (as hereinafter defined) nor is the Property otherwise contaminated with any chemicals or toxic substances, which, if present in or on the Property, would require removal or reclamation. The Property has never been identified by state or federal authorities, including, but not limited to, the Environmental Protection Agency or the Environmental Protection Division of the Georgia Department of Natural Resources, as needing environmental cleanup or mitigation. As used herein, "Hazardous Substances" means all hazardous or toxic materials, substances, pollutants, contaminants, or wastes currently identified as a hazardous substance or waste in the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (commonly known as "CERCLA"), as amended, the Superfund Amendments and Reauthorization Act (commonly known as "SARA"), the Resource Conservation and Recovery Act (commonly known as "RCRA"), or any other federal, state or local legislation or ordinances applicable to the GST Property.

11. Closing of Transaction.

11.1 Time and Place. The consummation of the transaction contemplated hereby (hereinafter the "Closing") shall be held at the offices of Whelchel, Dunlap, Jarrard & Walker, LLP, at 405 Washington Street, Gainesville, Georgia 30501 at 10:30 a.m. on either: (i) the thirtieth (30th) day after expiration of the Inspection Period or (ii) the extended Closing date if the Closing Date is extended as provided in Section 4 hereof. NGHS shall provide the City and the Authority at least five (5) days advance written notice of the date and time of Closing. At Closing, the City, the Authority and NGHS shall each perform their respective obligations, the performance of which obligations shall be concurrent conditions.

11.2 City and the Authority's Obligations at Closing. At Closing, City or the Authority shall:

- (a) deliver to NGHS a duly executed limited warranty deed (the "Deed") in recordable form conveying good and marketable title to the GST Property, subject only to the Permitted Exceptions.
- (b) deliver to NGHS in the Deed or other recordable form, executed restrictive covenants as agreed to above reflecting the use restrictions called for in Sections 6 above.

- (c) deliver to the Title Company such evidence as the Title Company and/or NGHS's counsel may reasonably require as to the authority of the person or persons executing documents on behalf of City and the Authority as well as an Owner's affidavit as may be required by the title company that no improvements have been made to the GST Property for which payment has not been made in full,
- (d) deliver to NGHS possession and occupancy of the GST Property, subject only to the Permitted Exceptions;
- (e) deliver to NGHS or the Title Company a Broker's Lien Certification to establish that there are no real estate brokers other than the brokers named herein claiming a real estate commission through or under NGHS in connection with its purchase of the GST Property; and
- (f) deliver such additional documents as shall be reasonably required by the Title Company or NGHS to consummate the transaction pursuant to the terms of this Agreement.

11.3 NGHS's Obligations at Closing. At Closing, NGHS shall:

- (a) pay to the Authority, the full amount of the Purchase Price by wire transfer or other immediately available funds, it being agreed that at Closing, NGHS shall be given credit for all the Earnest Money which shall be delivered and applied towards payment of the Purchase Price;
- (b) deliver to the Authority a Broker's Lien Certification to establish that there are no real estate brokers other than the brokers named herein claiming a real estate commission through or under NGHS in connection with its Purchase of the GST Property;
- (c) deliver to the Authority such evidence as City and the Authority's counsel and/or the Title Company may reasonably require as to the authority of the person or persons executing documents on behalf of NGHS; and

- (d) deliver such additional documents as shall be reasonably required to consummate the transaction contemplated by this Agreement.

11.4 Credits and Prorations. The City and the Authority hereby certify that there are no ad valorem taxes or assessments made against the property.

11.5 Closing Costs. The Authority shall pay: (a) the fees of counsel representing it in connection with this transaction; (b) the Georgia Real Property Transfer Tax if any is required in connection with the conveyance of the GST Property to NGHS; (c) all cost required for the Authority to convey good and marketable title to the GST Property to NGHS; (d) all commissions due any Real Estate Broker; and (e) any other cost the Authority is obligated to pay under this Agreement. NGHS shall pay: (i) the fees of counsel representing NGHS in connection with this transaction; (ii) the fee for the title examination and the Title Commitment as well as the premium for the Owner's Policy of Title Insurance to be issued to NGHS by the Title Company at Closing; (iii) the fees for any boundary survey and plat of the GST Property obtained by NGHS and for recording the deed conveying the GST Property to NGHS; (iv) any expenses relative to any due diligence performed by NGHS relative to this transaction and/or the GST Property; and (v) any other costs NGHS is obligated to pay under this Agreement. All other costs and expenses incident to this transaction and the Closing thereof shall be paid by the party incurring same.

12. Default.

12.1 Default by NGHS. If NGHS fails to perform any of its obligations under this Agreement for any reason other than City or the Authority's default or the permitted termination of this Agreement by either the Authority or NGHS as herein expressly provided, then the Authority shall be entitled, as its sole remedy, to terminate this Agreement and receive the Earnest Money deposited by NGHS to the date of such default as liquidated damages for NGHS's breach of this Agreement, it being agreed between the parties hereto that the actual damages to City and the Authority in the event of such breach are impractical to ascertain and the amount of the Earnest Money is a reasonable estimate thereof, and the parties expressly agree to constitute liquidated damages.

12.2 Default by City or the Authority. In the event that City and the Authority fail to perform any of their obligations under this Agreement for any reason other than NGHS's default or the permitted termination of this Agreement

by NGHS as herein expressly provided, then NGHS shall be entitled, to either: (a) to receive a return of all the Earnest Money, which return shall operate to terminate this Agreement and release City and the Authority from any and all liability hereunder except as otherwise expressly provided in this Agreement, or (b) take any and all actions permitted by law including, but not limited to, the right to enforce specific performance of all the City and the Authority's obligations under this Agreement and to do all things reasonably necessary to close this transaction, execute the documents required by this Agreement and, to otherwise convey good and marketable title to the GST Property to NGHS. NGHS shall be deemed to have elected to terminate this Agreement and receive back the Earnest Money if NGHS fails to file suit for specific performance or other appropriate remedy against City and/or the Authority in a court having jurisdiction in the county and state in which the GST Property is located, on or before the expiration of 180 days following the date upon which Closing was to have occurred.

13. Brokerage Commissions. Each party hereto hereby represents and warrants to the other that they have not involved a real estate agent or other broker or sales representative in this transaction. Each party agrees that should any claim be made for brokerage commissions or finder's fees by any agent, broker or finder by, through or on account of any acts of a party hereto or its representatives, such party will indemnify and hold the other party free and harmless from and against any and all loss, liability, cost, damage and expense in connection therewith. The provisions of this paragraph shall survive Closing.

14. NGHS's Representations. NGHS represents and warrants to the Authority on this date and through the Closing date, that:

(i) NGHS is a not for profit corporation validly existing under the laws of the State of Georgia and is authorized to enter into this Agreement subject to approval and consent of its Board of Directors;

(ii) There is no pending or threatened action or proceeding affecting NGHS before any court or governmental agency or arbitrator which may adversely affect NGHS's ability to perform this Agreement; and

(iii) All acts, instruments and documents to be done, executed and delivered by NGHS hereto are legal, valid and binding obligations of NGHS effective and enforceable in accordance with their respective terms, and this Agreement and the performance hereof do not and will not, to the best of NGHS's knowledge, contravene any law or contractual restriction binding on NGHS.

15. Zoning. Reserved.

16. Condemnation.

(a) In the event that, prior to the Closing, all or any portion of the GST Property shall have been affected by any condemnation or taking by eminent domain, or shall be the subject of any condemnation procedure which shall have been filed against City or the Authority, the Authority or the City shall immediately notify the NGHS of such occurrence. In the event that the taking of any part of the GST Property shall (i) materially impair access to the GST Property; (ii) cause any material non-compliance with any applicable law, ordinance, rule or regulation of any federal, state or local authority or governmental agencies having jurisdiction over the Property or any portion thereof; (iii) in the opinion of NGHS in its sole discretion, materially and adversely impair the anticipated use of the GST Property, or (iv) in the opinion of NGHS in its sole discretion, results in a reduction in the market value of the Property (hereinafter individually referred to as a "Material Event"), then NGHS may, at its option, either:

(i) terminate this Agreement by written notice to City and the Authority, in which event all the Earnest Money deposited by NGHS, shall be returned to NGHS and all rights and obligations of the parties hereunder with respect to the closing of this transaction will cease, except for NGHS's obligations to indemnify City and the Authority and restore the Property, as set forth more fully in Section 8.1; or

(ii) proceed with the Closing in which event the City or the Authority, at Closing, shall assign to NGHS all of City and the Authority's rights, title and interest in and to any award made in connection with such condemnation or eminent domain proceedings.

(b) NGHS shall notify City and the Authority, within ten (10) business days after NGHS's receipt of City or the Authority's notice, whether NGHS elects to exercise its rights under subparagraph (a) or subparagraph (b) of this Section 16. Closing shall be delayed, if necessary, until NGHS makes such election. If NGHS fails to make an election within such ten (10) business day period, NGHS shall be deemed to have elected to exercise its rights under paragraph (a) (ii).

(c) In the event, prior to Closing, any portion of the GST Property shall have been affected by a condemnation or taking by eminent domain which does not constitute a Material Event, NGHS shall be required to proceed with the Closing, in which event City or the Authority at Closing shall assign to NGHS all of City and the Authority's right, title and interest in and to any award made in connection with such condemnation or eminent domain proceedings of the GST Property.

(d) City or the Authority, prior to Closing, will not consent to any taking of the GST Property without the written consent of NGHS.

17. City and the Authority's Representations. City and the Authority hereby represents that City and/or the Authority has owned, managed and maintained the GST Property and all improvements thereon for the time period shown in the Hall County, Georgia Deed Records and that City and the Authority are knowledgeable of the condition of the GST Property. Based on such knowledge without any duty of further invasive on-site investigation, City and the Authority hereby warrant to NGHS the following are true and correct as of the Effective Date and will be true and correct as of the Closing Date (collectively, the "City Representations"):

(a) Authorization. City is a municipal corporation and the Authority is an authority, duly created and validly existing as such under the Laws of the State of Georgia, and have full right, power and authority, and have taken all necessary action, to validly execute and deliver this Agreement, perform all their obligations hereunder and to consummate the Closing. No further consents or approvals from any person or authority are necessary in order to consummate the Closing.

(b) Title. City and the Authority hereby warrant, represent, and covenant with NGHS that to City and the Authority's knowledge there are no estates for years, usufructs, leases, subleases, licenses, tenancies or occupancy agreements affecting or encumbering the GST Property other than the Permitted Exceptions.

(c) No Conflicts. Neither the execution and delivery of this Agreement, the consummation of the Closing, nor the compliance with any of the provisions hereof shall conflict with, or result in a default (or a condition which upon Notice or lapse of time or both would constitute a default), under any of the terms, conditions or provisions of any agreement or instrument to which City or the Authority is a party or by which City or the Authority is bound.

(d) Pending Litigation. There is not any pending or, to City or the Authority's knowledge, threatened, litigation which could in any way adversely affect the GST Property or become a lien against the title to the GST Property.

(e) Condemnation. To the best knowledge of City and the Authority's knowledge, there are no Condemnation proceedings pending, nor has City or the Authority received any Notice of any contemplated or threatened Condemnation.

(f) Obligation. That there are no options, Leases or other contractual obligations that affect the GST Property.

19. Notices. Any notice pursuant to this Agreement shall be given in writing by (a) personal delivery, or (b) reputable overnight delivery service with proof of delivery, or (c) United States Mail, postage prepaid, registered or certified mail, return receipt requested, or (d) email transmission sent to the intended addressee at the address set forth below, or to such other address or to the attention of such other person as the addressee shall have designated by written notice sent in accordance herewith, and shall be deemed to have been given either at the time of personal delivery, or, in the case of expedited delivery service or mail, as of the date of first attempted delivery at the address and in the manner provided herein, or, in the case of email transmission, as of the date of the email transmission provided that an original of such email is also sent to the intended addressee by means described in clauses (a), (b) or (c) above. Unless changed in accordance with the preceding sentence, the addresses for notices given pursuant to this Agreement shall be as follows:

If to City: City of Gainesville
300 Henry Ward Way
Gainesville, GA 30501
Attn: Mayor Danny Dunagan
Email – ddunagan@gainesville.org

With a Copy to: City of Gainesville
300 Henry Ward Way
Gainesville, GA 30501
Attn: Bryan Lackey
Email - blackey@gainesville.org

With a Copy to: Hulsey, Oliver & Mahar, LLP
200 E.E. Butler Pkwy

Gainesville, GA 30501
Attn: Abbott S. Hayes, Jr.
Email - ash@homlaw.com

If to NGHS: Northeast Georgia Health System, Inc.
743 Spring Street
Gainesville, GA 30501
Attn: Tracy Vardeman
Email - tracy.vardeman@nghs.com

with a copy to: Welchel & Dunlap, LLP
405 Washington Street
Gainesville, GA 30501
Attn: William A. Bagwell
Email - wbagwell@wdjwlaw.com

If to Authority: Gainesville Redevelopment Authority
Attn: Chairperson
405 Washington St., NE
Gainesville, GA 30501

20. Modifications. This Agreement cannot be changed orally, and no executory agreement shall be effective to waive, change, modify or discharge it in whole or in part unless such executory agreement is in writing and is signed by the parties against whom enforcement of any waiver, change, modification or discharge is sought.

21. Calculation of Time Periods. Unless otherwise specified, in computing any period of time described in this Agreement, the day of the act or event after which the designated period of time begins to run is not to be included and the last day of the period so computed is to be included, unless such last day is a Saturday, Sunday or legal holiday under the laws of the State in which the Property is located, in which event the period shall run until the end of the next day which is neither a Saturday, Sunday or legal holiday. The final day of any such period shall be deemed to end at 5:00 p.m. EST. A business day is a weekday which is not a federal or state holiday. All days herein are calendar days unless expressly referred to as business days.

22. Successors and Assigns. The terms and provisions of this Agreement shall apply to and bind the successors and assigns of the parties hereto. NGHS may assign its rights and obligations hereunder to an affiliate entity of NGHS without the approval of City or the Authority.

23. Entire Agreement. This Agreement, including the Exhibits, contains the entire agreement between the parties pertaining to the subject matter hereof and fully supersedes all prior written or oral agreements and understandings between the parties pertaining to such subject matter.

24. Further Assurances. Each party agrees that it will, without further consideration, execute and deliver such other documents and take such other action, prior to Closing, as may be reasonably requested by the other party to consummate more effectively the purposes or subject matter of this Agreement. The provisions of this Section 24 shall survive Closing.

25. Counterparts. This Agreement may be executed in counterparts, and all such executed counterparts shall constitute the same Agreement. It shall be necessary to account for only one such counterpart in proving this Agreement.

26. Severability. If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement shall nonetheless remain in full force and effect.

27. Applicable Law. This Agreement is performable in the state of Georgia and shall in all respects be governed by, and construed in accordance with, the substantive laws of such state. City, the Authority, and NGHS hereby irrevocably submit to the jurisdiction of Superior Court of Hall County and hereby irrevocably agree that all claims in respect of such action or proceeding shall be heard and determined in the Superior Court of Hall County. NGHS, the Authority, and City agree that the provisions of this Section 27 shall survive the Closing of the transaction contemplated by this Agreement.

28. No Third-Party Beneficiary. The provisions of this Agreement and of the documents to be executed and delivered at Closing are and will be for the benefit of City, the Authority, and NGHS and its assigns only and are not for the benefit of any third party, and accordingly, no third party other than an assignee of NGHS shall have the right to enforce the provisions of this Agreement or of the documents to be executed and delivered at Closing.

29. Exhibits and Schedules. The following schedules or exhibits attached hereto shall be deemed to be an integral part of this Agreement:

(a) **Exhibit “A”**- Copy of Contract dated August 22, 2018 between Gainesville City Center, LLC and Northeast Georgia Health System, Inc.

Exhibit “B” - Assignment and Assumption Agreement

Exhibit “C”- Aerial photograph showing the GST Property shown colored in pink

Exhibit “D” - Parking, Sign and Sale Agreement between the City and The Arts Council, Inc. dated January 13, 2018

30. Captions. The section headings appearing in this Agreement are for convenience of reference only and are not intended, to any extent and for any purpose, to limit or define the text of any paragraph or any subparagraph hereof.

31. Construction. The parties acknowledge that the parties and their counsel have reviewed and revised this Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any exhibits or amendments hereto.

32. Termination of Agreement. It is understood and agreed that if either NGHS or the Authority terminates this Agreement pursuant to a right of termination granted to such terminating party hereunder, such termination shall operate to relieve City, the Authority, and NGHS from all obligations under this Agreement, except for such obligations as are specifically stated herein to survive the termination of this Agreement.

33. Survival. All the provisions of this Agreement shall survive Closing, or any termination of this Agreement prior thereto, and shall not be merged into the execution and delivery of the Deed or any other documents between the parties hereto. The foregoing is in addition and not in exclusion of any survival provisions elsewhere set forth in this Agreement.

[SIGNATURES ON FOLLOWING TWO PAGES]

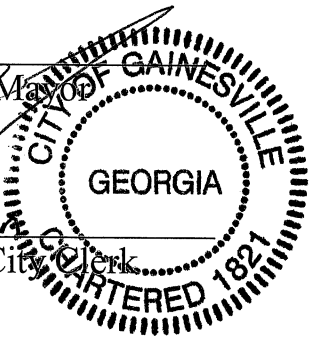
IN WITNESS WHEREOF, the proper corporate officers of the respective parties hereto have duly executed this Agreement as of the Effective Date.

CITY:

Signed, sealed and delivered before **CITY OF GAINESVILLE**
this 18th day of
December, 2018.

By: [Signature]
C. Danny Dunagan, Jr., Mayor

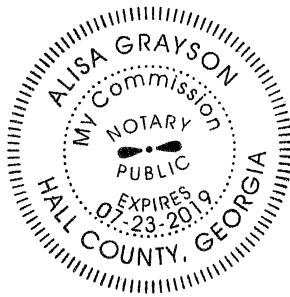
Attest: Denise O. Jordan
Denise O. Jordan, City Clerk



[Signature]
Unofficial Witness

[Signature]
Notary Public
My Commission Expires 7-23-19

Date Executed by CITY: 12/18/18



APPROVED AS TO FORM

[Signature]
Abbott S. Hayes, Jr.
Hulsey, Oliver & Mahar, LLP
City Attorney

NGHS:

Signed, sealed and delivered before **NORTHEAST GEORGIA HEALTH SYSTEM**
this 16th day of
January, 2019.

By: [Signature]
Title: Chief Strategy Executive

Attest: [Signature]

Title: Governance Coordinator
Date Executed by NGHS: 1/16/19

[Signature]
Unofficial Witness
[Signature]
Notary Public
My Commission Expires 1/25/21

Holly McMahan
NOTARY PUBLIC
Hall County, GEORGIA
My Comm. Expires
01/25/2021

AUTHORITY:

Signed, sealed and delivered before **GAINESVILLE REDEVELOPMENT
AUTHORITY**
this 20 day of

December, 2018

By: *[Signature]*

Denise O. Jordan
Unofficial Witness

Title: *Clerk*

Attest: *[Signature]*

Notary Public
My Commission Expires

Title: *Secretary*

Date Executed by

AUTHORITY: *12/20/18*

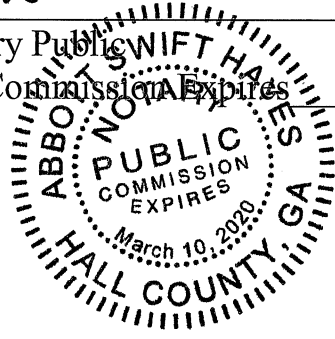


EXHIBIT “A”

AGREEMENT FOR THE PURCHASE AND SALE OF REAL PROPERTY

THIS AGREEMENT FOR THE PURCHASE AND SALE OF REAL PROPERTY (hereinafter referred to as this "Agreement"), made and entered into as of the 11 day of August, 2018, by and between **GAINESVILLE CITY CENTER, LLC**, a Georgia limited liability company, organized and existing under the laws of the State of Georgia with its principal office and place of doing business located at 5997 Wellington Avenue, Gainesville, Georgia 30501 (hereinafter referred to as "Seller"), and **NORTHEAST GEORGIA HEALTH SYSTEM, INC.**, a Georgia not-for-profit corporation with its principal offices located at 743 Spring Street, Gainesville, Georgia 30501 (hereinafter referred to as "Purchaser");

REK
LIBRARY
JMV

WITNESSETH:

WHEREAS, Seller is the owner of that certain tract or parcel of land in Hall County, Georgia containing six (6.79) acres more or less, fronting Jesse Jewell Parkway, Bradford Street and College Avenue in the City of Gainesville, Hall County, Georgia, as more particularly shown colored in "green" on **EXHIBIT "A"** attached hereto and by this reference made a part hereof.

WHEREAS, the parties have previously entered into a Letter of Intent dated August 3, 2018 ("LOI") and are now desirous of entering into this definitive Agreement for the purchase and sale of the Property subject to the terms, conditions and provisions hereinafter set forth.

NOW, THEREFORE, for and in consideration of the agreements and promises herein contained and the sum of Ten and No/100 (\$10.00) Dollars paid in hand by Purchaser to Seller and for other good and valuable considerations, the receipt, adequacy and sufficiency of which are hereby expressly acknowledged by the parties hereto, the parties, intending to be legally bound hereby, do hereby mutually covenant and agree as follows:

ARTICLE I

PURCHASE OF PROPERTY

1.1 Agreement To Purchase:

Purchaser hereby agrees to purchase from Seller and Seller hereby agrees to sell to Purchaser on the terms and conditions hereinafter set forth, the Property containing 6.79 acres, more or less, as shown colored in **green** on **EXHIBIT "A"** attached hereto and by this reference made a part thereof (hereinafter the "Property")

1.2 Purchase Price. The purchase price of the Property shall be TEN MILLION AND NO/100 (\$10,000,000.00) DOLLARS.

1.3 Payment of Purchase Price. The Purchase Price shall be payable in full at Closing by wire transfer of immediately available funds.

1.4 Earnest Money Deposit. Within five (5) business days after the Effective Date of this Agreement, Purchaser shall deposit with Chicago Title Insurance Company (the "Escrow Agent"), the sum of Fifty Thousand and No/100 Dollars (\$50,000.00) as Earnest Money ("Earnest Money"). If, in accordance with Section 3.4 below, Purchaser terminates this Agreement by 4:00 p.m. EST of the 3rd business day following end of the Inspection Period (as defined in Section 3.1 hereof) ("Notification



Date"), then this Agreement shall become null and void and the Escrow Agent shall promptly refund the Earnest Money to Purchaser. If Purchaser does not timely terminate this Agreement by the Notification Date, then this Agreement shall remain in full force and effect, subject to the other terms hereof. The Earnest Money shall apply to the Purchase Price to be paid by Purchaser at Closing. Time is of the essence for the delivery of Earnest Money under this Agreement.

1.5 Additional Earnest Money. Before the day set for Closing pursuant to this Agreement, Purchaser, in its sole discretion, may elect to and upon exercising such election, shall have the right to extend the date for Closing the purchase of the Property by an additional thirty (30) days by depositing Twenty-Five Thousand and No/100 Dollars (\$25,000.00) as additional earnest money (hereinafter "Additional Earnest Money") with Escrow Agent. In the event that Purchaser, for any reason other than a default by Seller, elects not to close this transaction, the Earnest Money shall be nonrefundable. (Additional Earnest Money and Initial Earnest Money are hereinafter collectively referred to as "Earnest Money", all of which shall be applied as a credit to Purchaser against the Purchase Price at Closing).

1.6 Disputed Earnest Money. If any dispute arises between Purchaser and Seller as to the final disposition of all or part of the Earnest Money, Escrow Agent shall notify Purchaser and Seller in writing that Escrow Agent is unable to resolve such dispute and shall interplead the disputed part of the Escrow Money Deposit into the Superior Court of Hall County, Georgia. Escrow Agent shall be entitled to be compensated by the party who does not prevail in the interpleader action for its costs and expenses, including reasonable attorney's fees incurred in filing said interpleader. In the event Escrow Agent interpleads the disputed Earnest Money into court, then the parties thereafter shall make no claim against Escrow Agent for said disputed Earnest Money and shall not seek damages from Escrow Agent by reason thereof.

ARTICLE II

TITLE AND SURVEY

2.1 Title Examination, Commitment for Title Insurance. Purchaser shall, during the Inspection Period, examine title to the Property and obtain from a nationally recognized title insurance company (the "Title Company") at Purchaser's expense, an ALTA title insurance commitment (the "Title Commitment") covering the Property, showing all matters affecting title to the Property and binding the Title Company to issue at Closing, an Owner's Policy of Title Insurance in the full amount of the Purchase Price. Purchaser shall instruct the Title Company to timely deliver to Purchaser, copies of the Title Commitment and copies of all instruments referenced in Schedule B and Schedule C thereof. On or before expiration of the Inspection Period, Purchaser shall deliver to Seller in writing, Purchaser's objections to title for any items contained in Purchaser's title commitment and any title objections based on the Purchaser's survey. Thereafter, Seller shall have until the date that is ten (10) calendar days after the expiration of the Inspection Period to agree to cure any such objections before Closing. If Seller does not agree on or before the date that is ten (10) calendar days after expiration of the Inspection Period to cure all such objections before Closing, then Purchaser, upon written notice to Seller, may terminate this Agreement (in which event the Earnest Money shall be returned to Purchaser). In the event the Purchaser objects to any such title or survey matter and Seller does not agree to cure such objection prior to Closing and Purchaser does not exercise its option to terminate this Agreement, such objection shall become a Permitted Title Exception (as defined in Section 2.4 of this Agreement).

2.2 Amendment to Title Commitment. Purchaser shall have the right to object to any title exceptions first appearing in the Hall County, Georgia real estate records or otherwise constituting a title exception after the effective date of the Title Commitment and prior to Closing by giving written notice of those exceptions to which Purchaser is objecting within ten (10) days after Purchaser's receipt of any such

amendment to the Title Commitment. If Purchaser does not object to any exceptions first raised in an amendment to the Title Commitment issued after Purchaser's receipt of the Title Commitment by giving timely written notice prior to the Closing, as herein provided, then such exception shall become a Permitted Exception. In the event Purchaser gives timely written notice of objection to any exception as herein provided, the provisions of Section 2.4 shall apply with respect thereto as if set forth herein in full. Time is of the essence with respect to the provisions of this Section 2.2.

2.3 Survey,

During the Inspection Period, Purchaser may elect, at its sole cost and expense, to obtain a boundary line survey of the Property and/or to have a plat of survey performed in accordance with standards of the American Land Title Association (ALTA), which plat or survey would show the boundaries of the Property and the acreage contained therein computed to the nearest one thousandth of an acre. Within five (5) calendar days after Purchaser receives the plat of said survey, if applicable, Purchaser shall provide a copy of said plat to Seller in the manner hereinafter provided for giving notice, and within five (5) calendar days after receipt of said copy, Seller shall notify Purchaser in writing if such plat is or is not acceptable to Seller. If Seller, within said five (5) day period, fails to notify Purchaser that such plat is not acceptable, then said survey shall conclusively determine the final acreage to be conveyed hereunder and Seller's conveyance to Purchaser shall be in accordance with said survey or plat.

If Purchaser obtains a new survey or plat and if Seller does, within said five (5) day period, so notify Purchaser that such plat is not acceptable, Seller shall, simultaneously with the giving of such notification, cause at Seller's sole cost and expense, an accurate second survey of said Property to be made by a Registered Land Surveyor duly licensed under the Laws of Georgia. The plat of such second survey shall show the boundaries of the Property and the acreage contained therein, computed to the nearest one thousandth of an acre. Within five (5) calendar days after Seller's receipt of a plat of said second survey, the Seller shall mail a copy thereof to Purchaser in the manner hereinafter provided for giving notice and within five (5) calendar days after receipt of such copy, Purchaser shall notify Seller in writing if such is or is not acceptable to Purchaser. If Purchaser, within said five (5) day period, fails to notify Seller that such plat is not acceptable, said second survey shall conclusively determine the final acreage to be conveyed hereunder and the Seller's conveyance to Purchaser shall be in accordance with said second survey.

If Purchaser does, within said five (5) day period, so notify Seller that such plat is not acceptable, and if, within fourteen (14) calendar days after receipt by Purchaser of such survey of Seller, Seller and Purchaser are unable to agree upon a survey, then both Seller and Purchaser shall cause their respective surveyors to name a third surveyor who shall be a Registered Land Surveyor duly licensed under the Laws of Georgia. If said two surveyors have not named such third surveyor within seven (7) calendar days following the last day of said fourteen (14) day period, then said third surveyor named by the Superior Court Judge, Senior in point of service, of Hall County, Georgia, excluding any Judge Emeritus, which third surveyor shall be a Registered Land Surveyor, duly licensed under Georgia law.

Said third surveyor shall be promptly employed by Purchaser and Seller to make an accurate third survey of said Property, the cost of which third survey shall be borne equally by Purchaser and Seller. Said third surveyor shall furnish copies of the plat of said third survey to Purchaser and Seller upon completion of same; said plat shall show the boundaries of the Property and the acreage contained therein computed to the nearest one thousandth of an acre. Said third survey shall conclusively determine the final acreage to be conveyed hereunder and Seller's conveyance to Purchaser shall be in accordance with said third survey.

The survey which conclusively determines the final acreage to be conveyed hereunder (the "Final Survey") shall be utilized for preparation of the legal description of the Property to be conveyed by Seller to Purchaser. Upon determination of the Final Survey, the parties shall promptly execute an amendment to this Agreement, attaching the legal description to the Property as shown on the Final Survey.

If necessary, the Inspection Period and the Closing Date shall be extended to allow time for the Seller's survey and, if further necessary, to allow time for the third surveyor's survey.

2.4 Conveyance of Title. At Closing, Seller shall convey and transfer to Purchaser, good and marketable, fee simple title to the Property, by limited warranty deed. Such deed shall convey such title to the Property as will enable the Title Company to issue to Purchaser, at Purchaser's expense, an ALTA Owner's Policy of Title Insurance (the "Title Policy") at the Title Company's standard rates covering the Property, in the full amount of the Purchase Price without exception other than Permitted Exceptions. The Property shall be conveyed subject to the following matters, which shall be deemed to be "Permitted Exceptions":

- (a) The lien of all ad valorem real estate taxes not yet due and payable as of the date of Closing, subject to proration between the parties as herein provided; and
- (b) easements for utilities serving only the Property.

ARTICLE III

INSPECTION PERIOD

3.1 Right of Inspection. During the period beginning with the Effective Date of this Agreement, as hereinafter defined, and ending at six o'clock p.m. (4:00 p.m.) on the sixtieth (60th) day thereafter (hereinafter referred to as the "Inspection Period"), Purchaser shall have the right to: (a) make a physical inspection of the Property and, (b) conduct environmental studies, feasibility studies, accessibility, boundary and topographic surveys and similar matters, have the property rezoned to a zoning classification that is acceptable to Purchaser and (c) any and all other inspections, examinations or investigations that Purchaser may elect to make, or have made, that would aid Purchaser to determine the feasibility of Purchaser using the Property as desired or determined by Purchaser in its discretion. Purchaser understands and agrees that any on-site inspections of the Property shall be conducted in a manner as will not create any material damage to the Property. Purchaser agrees to indemnify against and hold Seller harmless from any claim for liabilities, costs, expenses (including reasonable attorney's fees actually incurred), damages or injuries arising out of or resulting from the inspection of the Property by Purchaser or its agents, and notwithstanding anything to the contrary in this Agreement, such obligation to indemnify and hold Seller harmless shall survive Closing or any termination of this Agreement. All inspections shall be conducted so as not to interfere unreasonably with use of the Property by Seller prior to Closing.

3.2 Access. Purchaser shall have the right during the Inspection Period, to have full and complete access to the Property in order to conduct such surveys, engineering plans or examinations, soil tests, borings or other examination, mapping or testing of the Property as is reasonably determined appropriate by Purchaser. After such tests and inspections, Purchaser shall promptly restore the Property to its condition on the date hereof except for trimming or clearing of vegetation as reasonably required to conduct the survey and environmental work and Purchaser's agreement to so restore the Property shall survive termination of this Agreement. Purchaser shall indemnify and hold Seller harmless from and against any other liens which may arise as a result of Purchaser's activities on the Property and against any and all claims for death of or injury of persons or damage of property arising out of or as a result of

the activities of Purchaser or designees of Purchaser pursuant to the provisions of this Paragraph 3.2. Purchaser's foregoing obligations of indemnity of Seller shall survive the Closing or any termination of this Agreement.

3.3 Existing Environmental and Other Reports and Plans. Within five (5) days after the Effective Date of this Agreement, Seller will furnish Purchaser with copies of all environmental reports, engineering reports, boundary line surveys, topographical surveys and maps, architectural plans, appraisals and similar documents in its possession or available to Seller.

3.4 Right of Termination. If Purchaser determines during the Inspection Period, in its sole discretion and for any reason what so ever, to not proceed with the purchase, then Purchaser shall notify Seller in writing of such decision on or before 4:00 p.m. EST of the 3rd business day following the expiration of the Inspection Period ("Notification Date"). Upon Seller's receipt of such timely notification to not proceed with the purchase, the Earnest Money Deposit shall be returned to Purchaser within forty-eight (48) hours thereafter without further recourse to either party hereto. If Purchaser closes the transaction, the Earnest Money Deposit shall be credited to Purchaser at Closing. If the Closing does not occur as a result of Seller's default, then all Earnest Money Deposit will be immediately refunded to Purchaser and Purchaser shall have all rights permitted by law as well as all rights set forth herein and shall have its option of remedies contained in Section 5.2 hereof.

3.5 Environmental Representation. Seller hereby warrants that, to the best of its knowledge and the knowledge of its members, partners, officers and directors without any duty of further inquiry or investigation, the Property has never been used as a landfill or garbage dump. Seller warrants that to the best of its knowledge and the knowledge of its members, partners, officers and directors without any duty of further inquiry or investigation, the Property is not contaminated with any hazardous substances or hazardous material as those terms are defined by any federal, state or local law or ordinance. ~~ANYTHING HEREIN TO THE CONTRARY NOTWITHSTANDING, THE WARRANTIES AND AGREEMENTS OF SELLER SET FORTH IN THIS PARAGRAPH SHALL SURVIVE THE CLOSING AND SHALL BE ENFORCEABLE AT ANY TIME WITHIN TWO (2) YEARS AFTER THE CLOSING. FOR PURPOSES OF THIS CONTRACT, THE TERM "HAZARDOUS SUBSTANCES" SHALL MEAN ANY ASBESTOS OR ASBESTOS-CONTAINING MATERIAL OR SUBSTANCE, CHEMICAL, WASTE OR MATERIAL THAT IS OR BECOMES REGULATED BY ANY FEDERAL, STATE OR LOCAL GOVERNMENTAL AUTHORITY BECAUSE OF ITS TOXICITY, INFECTIOUSNESS, RADIOACTIVITY, EXPLOSIVENESS, IGNITABILITY, CORROSIVENESS OR REACTIVITY OR IS DEFINED AS A "HAZARDOUS" MATERIAL OR SUBSTANCE UNDER ANY FEDERAL, STATE OR LOCAL LAW, REGULATION OR ORDINANCE.~~ Further, to the best of Seller's knowledge there are no storage tanks located on the Property either above or below ground.

REC
2:00 PM
JMV

ARTICLE IV

CLOSING

4.1 Time and Place. The consummation of the transaction contemplated hereby (hereinafter the "Closing") shall be held at the offices of Whetchel, Dunlap, Jarrard & Walker, LLP, at 405 Washington Street, Gainesville, Georgia 30501 at 10:30 a.m. on either: (i) the thirtieth (30th) day after expiration of the Inspection Period or (ii) the sixtieth (60th) day after the expiration of the Inspection Period in the event the Closing Date is extended as provided in Section 1.5 hereof. Purchaser shall provide Seller at least ten (10) days advance written notice of the date and time of Closing. At Closing, Seller and Purchaser shall each perform its obligations set forth in, respectively, Section 4.2 and Section 4.3, the performance of which obligations shall be concurrent conditions.

4.2 Seller's Obligations at Closing. At Closing, Seller shall:

- (a) deliver to Purchaser a duly executed (i) limited warranty deed (the "Deed") in recordable form conveying good and marketable title to the Property according to the Final Survey legal description, subject only to the Permitted Exceptions; and (ii) Quitclaim Deed conveying the Property according to the historical legal description.
- (b) deliver to the Title Company such evidence as the Title Company and/or Purchaser's counsel may reasonably require as to the authority of the person or persons executing documents on behalf of Seller as well as an Owner's affidavit as may be required by the title company that no improvements have been made to the Property for which payment has not been made in full;
- (c) deliver to Purchaser an affidavit duly executed by Seller stating that Seller is not a "foreign person" as defined in the Federal Foreign Investment in Real Property Tax Act of 1980 and the 1984 Tax Reform Act;
- (d) deliver to Purchaser possession and occupancy of the Property, subject only to the Permitted Exceptions;
- (e) deliver to Purchaser a residency certification as required by Georgia laws;
- (f) deliver to Purchaser or the Title Company a Broker's Lien Certification to establish that there are no real estate brokers other than the brokers named herein claiming a real estate commission through or under Purchaser in connection with its purchase of the Property;
- (g) deliver such additional documents as shall be reasonably required by the Title Company or Purchaser to consummate the transaction pursuant to the terms of this Agreement.

4.3 Purchaser's Obligations at Closing. At Closing, Purchaser shall:

- (a) pay to Seller the full amount of the Purchase Price by wire transfer or other immediately available funds pursuant to Section 1.3 above, it being agreed that at Closing, Purchaser shall be given credit for all the Earnest Money shall be delivered by the Escrow Agent and applied towards payment of the Purchase Price;
- (b) deliver to Seller a Broker's Lien Certification to establish that there are no real estate brokers other than the brokers named herein claiming a real estate commission through or under Purchaser in connection with its Purchase of the Property;
- (c) deliver to Seller such evidence as Seller's counsel and/or the Title Company may reasonably require as to the authority of the person or persons executing documents on behalf of Purchaser; and

- (d) deliver such additional documents as shall be reasonably required to consummate the transaction contemplated by this Agreement.

4.4 Credits and Prorations. Ad valorem taxes and assessments levied against the Property for the calendar year in which Closing occurs shall be apportioned with respect to the Property as of 12:01 a.m., on the day of Closing, as if Purchaser were vested with title to the Property during the entire day upon which Closing occurs. Any ad valorem taxes for the year in which the Closing takes place which have been paid by Seller at or prior to Closing shall be prorated based upon the amounts actually paid. If taxes and assessments for the current year have not been paid before Closing, Seller shall be charged at Closing an amount equal to that portion of such taxes and assessments which relates to the period before Closing and Purchaser shall pay the taxes and assessments prior to their becoming delinquent. Any such apportionment made with respect to a tax year for which the tax rate or assessed valuation, or both, have not yet been fixed shall be based upon the tax rate and/or assessed valuation last fixed. To the extent that the actual taxes and assessments for the current year differ from the amount apportioned at Closing, the parties shall make all necessary adjustments by appropriate payments between themselves following Closing. The provisions of this Section 4.4 shall survive Closing.

4.5 Closing Costs. Seller shall pay: (a) the fees of counsel representing it in connection with this transaction; (b) the Georgia Real Property Transfer Tax required in connection with the conveyance of the Property to Purchaser; (c) all cost, if any, required for Seller to convey good and marketable title to the Property to Purchaser; (d) one half (1/2) of any fee charged by Chicago Title Insurance Company as Escrow Agent; and (e) any other cost Seller is obligated to pay under this Agreement. Purchaser shall pay: (i) the fees of counsel representing Purchaser in connection with this transaction; (ii) the fee for the title examination and the Title Commitment as well as the premium for the Owner's Policy of Title Insurance to be issued to Purchaser by the Title Company at Closing; (iii) the fees for the boundary survey and plat of the property obtained by Purchaser and for recording the deed conveying the Property to Purchaser; (iv) any expenses relative to any due diligence work performed by Purchaser relative to this transaction and/or the Property; (v) one-half (1/2) of any fee charged by Chicago Title Insurance Company as Escrow Agent; and (vi) any other costs Purchaser is obligated to pay under this Agreement. All other costs and expenses incident to this transaction and the closing thereof shall be paid by the party incurring same.

Purchaser shall receive credit at the Closing for all the Earnest Money deposit against the Purchase Price at the Closing.

4.6 Contingency. It is a condition precedent to Purchaser's obligations hereunder that Purchaser's Board of Directors approve the purchase contemplated in this Agreement, in accordance with Purchaser's Bylaws. ~~Such contingency shall survive the expiration of the Inspection Period, and shall continue until the Closing is fully consummated.~~

expiration of the

ARTICLE V

DEFAULT

5.1 Default by Purchaser. If Purchaser fails to perform any of its obligations under this Agreement for any reason other than Seller's default or the permitted termination of this Agreement by either Seller or Purchaser as herein expressly provided, then Seller shall be entitled, as its sole remedy, to terminate this Agreement and receive the Earnest Money deposited by Purchaser to the date of such default as liquidated damages for Purchaser's breach of this Agreement, it being agreed between the parties hereto that the actual damages to Seller in the event of such breach are impractical to ascertain and

the amount of the Earnest Money is a reasonable estimate thereof, and the parties expressly agree to constitute liquidated damages.

5.2 Default by Seller. In the event that Seller fails to perform any of its obligations under this Agreement for any reason other than Purchaser's default or the permitted termination of this Agreement by Purchaser as herein expressly provided, then Purchaser shall be entitled, to either: (a) to receive a return of all the Earnest Money, which return shall operate to terminate this Agreement and release Seller from any and all liability hereunder except as otherwise expressly provided in this Agreement, or (b) take any and all actions permitted by law including, but not limited to, the right to enforce specific performance of Seller's obligations to do all things reasonably necessary to close this transaction, execute the documents required by this Agreement and, to convey good and marketable title to the Property to Purchaser. Purchaser shall be deemed to have elected to terminate this Agreement and receive back the Earnest Money if Purchaser fails to file suit for specific performance against Seller in a court having jurisdiction in the county and state in which the Property is located, on or before One Hundred Fifty (150) days following the date upon which Closing was to have occurred.

ARTICLE VI

COMMISSIONS

6.1 Brokerage Commissions. Each party hereto hereby represents and warrants to the other that they have not involved a real estate agent or broker or other sales representative in this transaction. Each party agrees that should any claim be made for brokerage commissions or finder's fees by any agent, broker or finder by, through or on account of any acts of a party hereto or its representatives, such party will indemnify and hold the other party free and harmless from and against any and all loss, liability, cost, damage and expense in connection therewith. The provisions of this paragraph 6.1 shall survive Closing.

ARTICLE VII

REPRESENTATIONS

7.1 Purchaser's Representations. Purchaser represents and warrants to Seller on this date and through the Closing date, that:

(i) Purchaser is a not for profit corporation validly existing under the laws of the State of Georgia and is authorized to enter into this Agreement subject to approval and consent of its Board of Directors;

(ii) There is no pending or threatened action or proceeding affecting Purchaser before any court or governmental agency or arbitrator which may adversely affect Purchaser's ability to perform this Agreement; and

(iii) All acts, instruments and documents to be done, executed and delivered by Purchaser hereto are legal, valid and binding obligations of Purchaser effective and enforceable in accordance with their respective terms, and this Agreement and the performance hereof do not and will not, to the best of Purchaser's knowledge, contravene any law or contractual restriction binding on Purchaser.

7.2 Zoning. Seller has granted its consent for Purchaser to have the Property rezoned to a zoning category that will permit use and development of the Property in a manner as desired by Purchaser. ~~Rezoning shall be considered complete when the Property rezoning is approved by the~~

~~appropriate governmental agency as requested by Purchaser and all periods provided or permitted by law for the administrative or judicial appeal of such rezoning have expired and all suits, appeals, if any, challenging such rezoning, have been dismissed or finally and conclusively determined in favor of such rezoning.~~

RELC
2:00 PM

JMV

7.3 Condemnation.

(a) In the event that, prior to the Closing, all or any portion of the Property shall have been affected by any condemnation or taking by eminent domain, or shall be the subject of any condemnation procedure which shall have been filed against Seller, Seller shall immediately notify the Purchaser of such occurrence. In the event that the taking of any part of the Property shall (i) materially impair access to the Property; (ii) cause any material non-compliance with any applicable law, ordinance, rule or regulation of any federal, state or local authority or governmental agencies having jurisdiction over the Property or any portion thereof; (iii) in the opinion of Purchaser in its sole discretion, materially and adversely impair the anticipated use of the Property, or (iv) in the opinion of Purchaser in its sole discretion, results in a reduction in the market value of the Property (hereinafter individually referred to as a "Material Event"), then Purchaser may, at its option:

(i) terminate this Contract by written notice to Seller, in which event all the Earnest Money deposited by Purchaser, shall be returned to Purchaser and all rights and obligations of the parties hereunder with respect to the closing of this transaction will cease, except for Purchaser's obligations to indemnify Seller and restore the Property, as set forth more fully in Section 3.2; or

(ii) proceed with the Closing in which event Seller at Closing shall assign to Purchaser all of Seller's rights, title and interest in and to any award made in connection with such condemnation or eminent domain proceedings.

(b) Purchaser shall then notify Seller, within ten (10) business days after Purchaser's receipt of Seller's notice, whether Purchaser elects to exercise its rights under subparagraph (i) or subparagraph (ii) of this Section 7.3. Closing shall be delayed, if necessary, until Purchaser makes such election. If Purchaser fails to make an election within such ten (10) business day period, Purchaser shall be deemed to have elected to exercise its rights under subparagraph (ii).

(c) Seller, prior to Closing, will not consent to any taking of the Property without the written consent of Purchaser.

JMV

approximately RELC 2:00 PM

7.4 Seller's Representations. Seller hereby represents that Seller has owned, managed and maintained the Property and all improvements thereon for more than ten (10) years and that Seller is knowledgeable of the condition of the Property. Based on such knowledge without any duty of further on site investigation and inquiry, Seller hereby warrants to Purchaser the following are true and correct as of the Effective Date and will be true and correct as of the Closing Date (collectively, the "Seller Representations"):

7.4.1. Authorization. Seller is a limited liability company duly created and validly existing as such under the Laws of the State of Georgia, and is properly authorized to transact business in the State of Georgia, and has full right, power and authority, and has taken all necessary limited partnership action, to validly execute and deliver this Agreement and to consummate the Closing, and no further consents or approvals from any person or authority are necessary in order to consummate the Closing.

7.4.2. Title. Seller hereby warrants, represents, and covenants with Purchaser

that to Seller's knowledge there are no estates for years, usufructs, leases, subleases, licenses, tenancies or occupancy agreements affecting or encumbering the Property other than the Leases and Permitted Exceptions.

7.4.3. No Conflicts. Neither the execution and delivery of this Agreement, the consummation of the Closing, nor the compliance with any of the provisions hereof shall conflict with, or result in a default (or a condition which upon Notice or lapse of time or both would constitute a default), under any of the terms, conditions or provisions of any agreement or instrument to which Seller is a party or by which Seller is bound.

7.4.4. Pending Litigation. There is not any pending or, to Seller's knowledge, threatened litigation which could in any way adversely affect the Property or become a lien against the title to the Property.

7.4.5. Condemnation. ^a To the best knowledge of Seller's knowledge, there are no Condemnation proceedings pending, nor has Seller received any Notice of any contemplated or threatened Condemnation, within the past ninety (90) days. Seller shall provide copies of all information related to said threatened Condemnation to Purchaser within the (5) days of the effective date hereof and shall cooperate with Purchaser to investigate, negotiate and resolve any issues related thereto, at Purchaser's request.

7.4.6. Leases. That there are no Leases that affect the Property.

ARTICLE VII

MISCELLANEOUS

8.1 Public Disclosure. Seller shall not disclose any nonpublic information about this transaction, the identity of the Purchaser, or the Purchaser's plans for the Property, without the prior written consent of Purchaser. Seller's obligations under this Section 8.1 shall expire on the earlier of: (a) the date that Purchaser discloses its plans to the public or (b) two years after the Closing.

8.2 Notices. Any notice pursuant to this Agreement shall be given in writing by (a) personal delivery, or (b) reputable overnight delivery service with proof of delivery, or (c) United States Mail, postage prepaid, registered or certified mail, return receipt requested, or (d) legible facsimile transmission sent to the intended addressee at the address set forth below, or to such other address or to the attention of such other person as the addressee shall have designated by written notice sent in accordance herewith, and shall be deemed to have been given either at the time of personal delivery, or, in the case of expedited delivery service or mail, as of the date of first attempted delivery at the address and in the manner provided herein, or, in the case of facsimile transmission, as of the date of the facsimile transmission provided that an original of such facsimile is also sent to the intended addressee by means described in clauses (a), (b) or (c) above. Unless changed in accordance with the preceding sentence, the addresses for notices given pursuant to this Agreement shall be as follows:

If to Seller: Gainesville City Center, LLC
850 Holly Drive, N.E.
Gainesville, GA 30501
Attn: Wendell Starke
Email: wendell.starke@gmail.com
Fax # _____

with a copy to: Lee Caswell
300 West Wieuca Road

Building 1208
Atlanta, GA 30342
Email: leaswell@piedmontcenter.com
Fax # _____

REL 2:00 PM

If to Purchaser: Northeast Georgia Health System, Inc.
743 Spring Street
Gainesville, Georgia 30501
Attn: Tracy Vardeman
Email: tracy.vardeman@nghs.com
Fax # (770) 535-3566

2mv

with a copy to: Whelchel & Dunlap, LLP
405 Washington Street
Gainesville, Georgia 30501
Attn: William A. Bagwell
Email: wabagwell@wdlaw.com
Fax # (770) 532-7361

8.3 Modifications. This Agreement cannot be changed orally, and no executory agreement shall be effective to waive, change, modify or discharge it in whole or in part unless such executory agreement is in writing and is signed by the parties against whom enforcement of any waiver, change, modification or discharge is sought.

8.4 Calculation of Time Periods. Unless otherwise specified, in computing any period of time described in this Agreement, the day of the act or event after which the designated period of time begins to run is not to be included and the last day of the period so computed is to be included, unless such last day is a Saturday, Sunday or legal holiday under the laws of the State in which the Property is located, in which event the period shall run until the end of the next day which is neither a Saturday, Sunday or legal holiday. The final day of any such period shall be deemed to end at 4 p.m. EST. A business day is a weekday which is not a federal or state holiday. All days herein are calendar days unless expressly referred to as business days.

8.5 Successors and Assigns. The terms and provisions of this Agreement shall apply to and bind the successors and assigns of the parties hereto. Purchaser may assign its rights and obligations hereunder without the approval of Seller, ^{not} except to an entity controlled by Purchaser (an "Affiliate Entity").

8.6 Entire Agreement. This Agreement, including the Exhibits, contains the entire agreement between the parties pertaining to the subject matter hereof and fully supersedes all prior written or oral agreements and understandings between the parties pertaining to such subject matter including, but not limited to, the Letter of Intent dated August 3, 2018.

8.7 Further Assurances. Each party agrees that it will, without further consideration, execute and deliver such other documents and take such other action, prior to Closing, as may be reasonably requested by the other party to consummate more effectively the purposes or subject matter of this Agreement. The provisions of this Section 8.7 shall survive Closing.

8.8 Counterparts. This Agreement may be executed in counterparts, and all such executed counterparts shall constitute the same Agreement. It shall be necessary to account for only one such counterpart in proving this Agreement.

8.9 Severability. If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement shall nonetheless remain in full force and effect.

8.10 Applicable Law. This Agreement is performable in the state of Georgia and shall in all respects be governed by, and construed in accordance with, the substantive federal laws of the United States and the laws of such state. Seller and Purchaser hereby irrevocably submit to the jurisdiction of any state or federal court sitting in the county of the state in which the Property is located in any action or proceeding arising out of or relating to this Agreement and hereby irrevocably agree that all claims in respect of such action or proceeding shall be heard and determined in a state or federal court sitting in the county of the state in which the Property is located. Purchaser and Seller agree that the provisions of this section 8.10 shall survive the Closing of the transaction contemplated by this Agreement.

8.11 No Third Party Beneficiary. The provisions of this Agreement and of the documents to be executed and delivered at Closing are and will be for the benefit of Seller and Purchaser and its assigns only and are not for the benefit of any third party, and accordingly, no third party other than an assignee of Purchaser shall have the right to enforce the provisions of this Agreement or of the documents to be executed and delivered at Closing.

8.12 Exhibits and Schedules. The following schedules or exhibits attached hereto shall be deemed to be an integral part of this Agreement:

Exhibit "A"- Plat of the Property.

8.13 Captions. The section headings appearing in this Agreement are for convenience of reference only and are not intended, to any extent and for any purpose, to limit or define the text of any section or any subsection hereof.

8.14 Construction. The parties acknowledge that the parties and their counsel have reviewed and revised this Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any exhibits or amendments hereto.

8.15 Termination of Agreement. It is understood and agreed that if either Purchaser or Seller terminates this Agreement pursuant to a right of termination granted to such terminating party hereunder, such termination shall operate to relieve Seller and Purchaser from all obligations under this Agreement, except for such obligations as are specifically stated herein to survive the termination of this Agreement.

8.16 Survival. The provisions of this Agreement shall survive Closing or any termination of this Agreement prior thereto and shall not be merged into the execution and delivery of the Deed. The foregoing is in addition and not in exclusion of any survival provisions elsewhere set forth in this Agreement.

8.17 No Recordation. Neither this Agreement nor any memorandum of the terms hereof shall be recorded or otherwise placed of public record and any breach of this covenant shall, unless the party not placing same of record is otherwise in default hereunder, entitle the party not placing same of record to pursue its rights and remedies under Article VI.

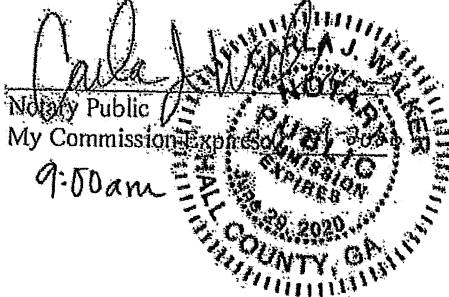
8.18 Effective Date. The date upon which this Agreement is fully executed by both Purchaser and Seller and a fully executed copy hereof has been delivered to both parties shall be the effective date (the "Effective Date") hereof.

IN WITNESS WHEREOF, the proper corporate officers of the respective parties hereto have duly executed this Agreement as of the Effective Date.

PURCHASER:

Signed, sealed and delivered before me
this 17th day of August, 2018.

Alicia K. Aiken
Unofficial Witness



**NORTHEAST GEORGIA HEALTH SYSTEM,
INC.**, a Georgia not-for-profit corporation

By: Dean M. Jacherman
Title: Chief Strategy Executive

Date Executed by
Purchaser: 8/17/18
8/22/18 DMV

SELLER:

Signed, sealed and delivered before me
this 17th day of August, 2018.

Calaf Walker
Unofficial Witness

Donna Jo Rotella
Notary Public
My Commission Expires 10/29/2020



GAINESVILLE CITY CENTER, LLC,
a Georgia limited liability company

By: Robert G. Lee Caswell
Title: Managing Partner

Date Executed by
Seller: 8/17/18
2:00 PM

EXHIBIT “B”

**ASSIGNMENT AND ASSUMPTION
OF PURCHASE AND SALE AGREEMENT**

THIS ASSIGNMENT AND ASSUMPTION OF PURCHASE AND SALE AGREEMENT (hereinafter referred to as the "Assignment Agreement"), made and entered into as of the Effective Date (defined hereinbelow), by and between **Northeast Georgia Health System, Inc.**, a Georgia not-for-profit corporation, the original Purchaser (hereinafter, referred to as "Assignor"), the **City of Gainesville, Georgia**, a municipal corporation organized and existing under the laws of the State of Georgia (hereinafter, referred to as "Assignee") and **Gainesville City Center, LLC**, a Georgia limited liability company (hereinafter, referred to as "Seller").

WITNESSETH:

WHEREAS, Assignor entered into that certain Agreement for the Purchase and Sale of Real Property dated August 22, 2018 (the "Contract") for 6.79 acres of land located in the City of Gainesville, Hall County, Georgia commonly known as Tax Parcel # 01010 001001 (the "City View Property") and more particularly described in the Contract, a copy of which Contract is attached hereto, marked for identification as **Exhibit "A"** and by this reference made a part hereof; and

WHEREAS, Assignee has requested of Assignor that Assignor assigns to Assignee, all Assignor's right, title and interest in and to the Contract and Assignor is willing to make such Assignment provided Assignee, in exchange therefor: (i) Assignee assumes all of Assignor's obligations under the Contract, (ii) Assignee purchases the City View Property subject to a restriction prohibiting the provision of medical services on the City View Property without the prior written consent of Assignor, and (iii) Assignee enters into a Contract, either directly or through the Gainesville Redevelopment Authority, with Assignor for the sale by Assignee to Assignor, upon mutually agreeable terms, that certain tract of land containing 1.6 acres more or less located in the City of Gainesville, Hall County, Georgia and currently owned by Assignee which property consists of the block of land bordered on the south by Jesse Jewell Parkway, on the west by West Academy Street, on north by Broad Street and on the east by Maple Street (hereinafter, the "Greater South/Train Property"); and

WHEREAS, the City has agreed to the requirements set out above and also agreed that at the Closing of the purchase transaction of the City View Property, Assignee will pay the total of the purchase price and expenses as specified in the Contract and otherwise assume and perform all of the Purchaser's obligations under the Contract; and

WHEREAS, Seller is willing to consent to this Assignment of the Contract by Assignor to Assignee based upon the conditions set forth above and each of the parties hereto are desirous of setting forth in this Agreement, the terms and conditions of their agreement for such Assignment and Assumption.

NOW, THEREFORE, for and in consideration of the mutual promises and benefits flowing from each party hereto unto the other and in further consideration of the payment of the sum of One Dollar (\$1.00) by each party to the other, the receipt and sufficiency of which considerations are hereby acknowledged by each party hereto, the parties hereto do hereby mutually covenant and agree as follows:

1. Assignment to and Assumption by Assignee. Subject to Assignee's performance of all its obligations set forth above and hereinafter, Assignor does hereby transfer, assign and set over to Assignee, all of Assignor's right, title and interest in and to the Contract and, Assignee hereby assumes all duties, covenants, liabilities and obligations of Assignor, as Purchaser, under the Contract. Assignee hereby agrees that it will hereafter timely and fully perform all of the obligations of the Purchaser under the Contract. Assignee hereby acknowledges receipt of a copy of said Contract and agrees that Assignee has fully read

and understands all provisions of the Contract. Assignee hereby represents and warrants to Assignor and Seller that Assignee is capable of and will perform all obligations of the Purchaser under the Contract in accordance with its terms, as modified herein, if applicable.

2. Consent of Assignment. Seller hereby consents to the assignment by Assignor to Assignee of all of Assignor's rights and obligations under the Contract in accordance with and in furtherance of the terms and conditions contained herein. Seller hereby further agrees that it will fully comply with its obligations set forth in paragraph four (4) hereof.

3. Earnest Money. At the Closing of the sale and purchase transaction as called for by the Contract, Assignee shall deliver to Assignor, the full amount of the Earnest Money (\$50,000.00), in cash or by wire transfer, that Assignor previously delivered to the Escrow Agent as provided for in the Contract.

4. Use Restriction on City View Property. At the time of the conveyance of the City View Property from Seller to Assignee, Seller shall include in the deed of conveyance of title, a restriction on the use and development of the City View Property that will prohibit the City View Property and all portions thereof, from being used for providing any medical services or products without the prior written consent of Assignor. Such use restriction shall constitute a covenant running with the title to the City View Property and will remain in effect for a period of not less than twenty (20) years from the date of such conveyance of title and for so long thereafter as is permissible under the laws of the State of Georgia. The form of the restriction language as it is to be included in the deed of conveyance, shall be subject to the approval of Assignor before the deed is executed and delivered by Seller to Assignee at the Closing.

5. Sales Contract for the Greater South/Train Lot Property. Contemporaneously herewith Assignor, as Purchaser, and Assignee, as Seller, shall execute an Agreement for the Purchase and Sale of the Greater South/Train Lot tract of real property on mutually agreed upon terms.

6. Assignor's Right to Satisfy Purchase Obligation in the Event of a default by Assignee. In the unlikely event of a default under the Contract by Assignee or, in the event Assignee otherwise fails to close its purchase of the City View Property by the Closing Date (as defined in the Contract), then Seller hereby agrees to provide written notice of such default or failure to close to Assignor within five (5) days of such event and grant to Assignor a ten (10) business day opportunity to cure such default, including, but not limited to, the opportunity to satisfy the purchase obligation under the Contract.

7. Release and Indemnification of Assignor. Assignee hereby acknowledges that upon Assignor's execution of this Assignment Agreement, Assignee shall look solely to the Seller under the Contract for performance of the Seller's obligations thereunder and that Assignor shall be and is hereby fully released from all responsibility in connection herewith or in connection with the Contract. Assignee agrees that with respect to the Contract, Assignee shall stand in the place of Assignor, and Assignee hereby agrees to indemnify and hold Assignor harmless from and against any and all claims or actions which may hereafter be brought or asserted by Seller against Assignor arising under or by virtue of the Contract.

8. Notices. Any notice pursuant to this Assignment Agreement shall be given in writing by either: (a) personal delivery, or (b) reputable overnight delivery service with proof of delivery, or (c) United States Mail, postage prepaid, registered or certified, return receipt requested, or (d) email transmission sent to the intended addressee at the address set forth below, or to such other address or to the attention of such other person as the addressee shall have designated by written notice sent in accordance herewith, and shall be deemed to have been given either at the time of personal delivery, or, in the case of expedited delivery service or certified mail, as of the date of first attempted delivery at the address and in the manner provided herein, or, in the case of email transmission, as of the date of the email transmission provided that an

original of such email is also promptly sent to the intended addressee by means described in clauses (a), (b) or (c) above. Unless changed in accordance with the preceding sentence, the addresses for notices given pursuant to this Assignment Agreement are set forth on **Exhibit "B"** which exhibit is attached hereto and by reference hereto incorporated herein.

9. **Authority and Binding Effect.** Each party executing this Assignment Agreement on behalf of a Limited Liability Company or other business or governmental entity, warrants that he or she is duly authorized to execute and deliver this Assignment Agreement on behalf of such entity; and that this Assignment Agreement is binding on such business or governmental entity, as applicable, in accordance with its terms and shall inure to the benefit of the parties hereto and their respective officers, legal representatives, successors and permitted assigns.

10. **Inconsistency.** In the event of inconsistency between the terms and conditions of the Contract and this Assignment Agreement, the terms and conditions of this Assignment Agreement shall control.

11. **Modifications.** This Assignment Agreement shall not be changed orally, and no executory agreement shall be effective to waive, change, modify or discharge it in whole or in part unless such executory agreement is in writing and is signed by the party or parties against whom enforcement of any such waiver, change, modification or discharge is sought.

12. **Entire Agreement.** This Assignment Agreement and the separate contract between Assignor and Assignee for the purchase and sale of the Greater South/Train Property contains the entire agreement between the parties pertaining to the subject matter hereof and fully supersedes all prior written or oral agreements and understandings between the parties pertaining to such subject matter to the extent that the provisions of such prior agreement(s) are inconsistent herewith.

13. **Further Assurances.** Each party agrees that it will, without further consideration, execute and deliver such other documents and take such other action, prior to either closing transaction contemplated herein, as may be reasonably requested by one of the other parties to consummate more effectively the purposes or subject matter of this Assignment Agreement. This provision shall survive each of the two (2) closing transactions contemplated by this Assignment Agreement.

14. **Severability.** If any provision of this Assignment Agreement is determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Assignment Agreement shall nonetheless remain in full force and effect.

15. **Applicable Law.** This Assignment Agreement is performable in the state of Georgia and shall in all respects be governed by, and construed in accordance with, the substantive laws of Georgia. Assignor, Assignee and Seller each hereby irrevocably submit to the jurisdiction of Superior Court of Hall County and hereby irrevocably agree that all claims in respect of such action or proceeding shall be heard and determined in the Superior Court of Hall County. This provision shall survive each of the two (2) closing transactions contemplated by this Assignment Agreement.

16. **Counterparts.** The parties agree that this document may be executed in counterparts and exchanged pursuant to the Notice provision in this Assignment Agreement and/or by facsimile or by transmission of a pdf copy of the signed document, and when so executed and delivered, this Assignment Agreement will be binding on all parties.

17. Effective Date. The date upon which this Assignment Agreement is fully executed by Assignor, Assignee and Seller and a fully executed copy hereof has been delivered to the last of the three (3) parties set forth below shall be the effective date (the "Effective Date") hereof.

IN WITNESS WHEREOF, Assignor, Assignee and Seller have each caused this Assignment Agreement to be executed on its behalf, respectively, by its respective and duly authorized corporate officers and/or elected officials, as appropriate, and its official seal to be affixed hereto as of the Effective Date defined hereinabove.

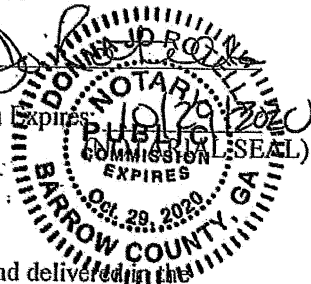
ASSIGNOR:

Signed, sealed and delivered in the presence of:

Unofficial Witness

Notary Public

My Commission Expires



NORTHEAST GEORGIA HEALTH SYSTEM, INC.

By:

Title:

(Corporate Seal)

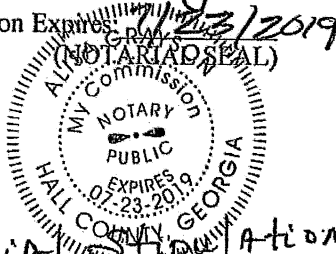
ASSIGNEE:

Signed, sealed and delivered in the presence of:

Unofficial Witness

Notary Public

My Commission Expires



CITY OF GAINESVILLE, GEORGIA

By:

Title:

(Official Seal Affixed)

APPROVED AS TO FORM:

Abbott S. Hayes, Jr.

Hulsey, Oliver & Mahar, LLP

City Attorney

SPECIAL STIPULATION:

The dates provided for Closing and Inspection Period cannot be extended beyond the original Agreement.

The above Special Stipulation is hereby approved: AM (Assignor);

C.O.Q. (Assignee) and PAW (Seller)

Signed, sealed and delivered in the presence of:

W.A. Bogwell
Unofficial Witness

Donna Jo Rotella
Notary Public

My Commission Expires: 10/09/2020
(NOTARIAL SEAL)



SELLER:

GAINESVILLE CITY CENTER, LLC

By: Paul E. Bee Howell

Title: Managing Member

(Company Seal)

EXHIBIT "A"

[ATTACHED]

AGREEMENT FOR THE PURCHASE AND SALE OF REAL PROPERTY

THIS AGREEMENT FOR THE PURCHASE AND SALE OF REAL PROPERTY (hereinafter referred to as this "Agreement"), made and entered into as of the 14 day of August, 2018, by and between GAINESVILLE CITY CENTER, LLC, a Georgia limited liability company, organized and existing under the laws of the State of Georgia with its principal office and place of doing business located at 5997 Wellington Avenue, Gainesville, Georgia 30501 (hereinafter referred to as "Seller") and NORTHEAST GEORGIA HEALTH SYSTEM, INC., a Georgia not-for-profit corporation with its principal offices located at 743 Spring Street, Gainesville, Georgia 30501 (hereinafter referred to as "Purchaser");

Ref
2:00 PM
SMV

WITNESSETH:

WHEREAS, Seller is the owner of that certain tract or parcel of land in Hall County, Georgia containing six (6.79) acres more or less, fronting Jesse Jewell Parkway, Bradford Street and College Avenue in the City of Gainesville, Hall County, Georgia, as more particularly shown colored in "green" on EXHIBIT "A" attached hereto and by this reference made a part hereof.

WHEREAS, the parties have previously entered into a Letter of Intent dated August 3, 2018 ("LOI") and are now desirous of entering into this definitive Agreement for the purchase and sale of the Property subject to the terms, conditions and provisions hereinafter set forth.

NOW, THEREFORE, for and in consideration of the agreements and promises herein contained and the sum of Ten and No/100 (\$10.00) Dollars paid in hand by Purchaser to Seller and for other good and valuable considerations, the receipt, adequacy and sufficiency of which are hereby expressly acknowledged by the parties hereto, the parties, intending to be legally bound hereby, do hereby mutually covenant and agree as follows:

ARTICLE I

PURCHASE OF PROPERTY

1.1 Agreement To Purchase:

Purchaser hereby agrees to purchase from Seller and Seller hereby agrees to sell to Purchaser on the terms and conditions hereinafter set forth, the Property containing 6.79 acres, more or less, as shown colored in green on EXHIBIT "A" attached hereto and by this reference made a part thereof (hereinafter the "Property")

1.2 Purchase Price. The purchase price of the Property shall be TEN MILLION AND NO/100 (\$10,000,000.00) DOLLARS.

1.3 Payment of Purchase Price. The Purchase Price shall be payable in full at Closing by wire transfer of immediately available funds.

1.4 Earliest Money Deposit. Within five (5) business days after the Effective Date of this Agreement, Purchaser shall deposit with Chicago Title Insurance Company (the "Escrow Agent"), the sum of Fifty Thousand and No/100 Dollars (\$50,000.00) as Earnest Money ("Earnest Money"). If, in accordance with Section 3.4 below, Purchaser terminates this Agreement by 4:00 p.m. EST of the 3rd business day following end of the Inspection Period (as defined in Section 3.1 hereof) ("Notification



Date"), then this Agreement shall become null and void and the Escrow Agent shall promptly refund the Earnest Money to Purchaser. If Purchaser does not timely terminate this Agreement by the Notification Date, then this Agreement shall remain in full force and effect, subject to the other terms hereof. The Earnest Money shall apply to the Purchase Price to be paid by Purchaser at Closing. Time is of the essence for the delivery of Earnest Money under this Agreement.

1.5 Additional Earnest Money. Before the day set for Closing pursuant to this Agreement, Purchaser, in its sole discretion, may elect to and upon exercising such election, shall have the right to extend the date for Closing the purchase of the Property by an additional thirty (30) days by depositing Twenty-Five Thousand and No/100 Dollars (\$25,000.00) as additional earnest money (hereinafter "Additional Earnest Money") with Escrow Agent. In the event that Purchaser, for any reason other than a default by Seller, elects not to close this transaction, the Earnest Money shall be nonrefundable. (Additional Earnest Money and Initial Earnest Money are hereinafter collectively referred to as "Earnest Money", all of which shall be applied as a credit to Purchaser against the Purchase Price at Closing).

1.6 Disputed Earnest Money. If any dispute arises between Purchaser and Seller as to the final disposition of all or part of the Earnest Money, Escrow Agent shall notify Purchaser and Seller in writing that Escrow Agent is unable to resolve such dispute and shall interplead the disputed part of the Escrow Money Deposit into the Superior Court of Hall County, Georgia. Escrow Agent shall be entitled to be compensated by the party who does not prevail in the interpleader action for its costs and expenses, including reasonable attorney's fees incurred in filing said interpleader. In the event Escrow Agent interpleads the disputed Earnest Money into court, then the parties thereafter shall make no claim against Escrow Agent for said disputed Earnest Money and shall not seek damages from Escrow Agent by reason thereof.

ARTICLE II

TITLE AND SURVEY

2.1 Title Examination, Commitment for Title Insurance. Purchaser shall, during the Inspection Period, examine title to the Property and obtain from a nationally recognized title insurance company (the "Title Company") at Purchaser's expense, an ALTA title insurance commitment (the "Title Commitment") covering the Property, showing all matters affecting title to the Property and binding the Title Company to issue at Closing, an Owner's Policy of Title Insurance in the full amount of the Purchase Price. Purchaser shall instruct the Title Company to timely deliver to Purchaser, copies of the Title Commitment and copies of all instruments referenced in Schedule B and Schedule C thereof. On or before expiration of the Inspection Period, Purchaser shall deliver to Seller in writing, Purchaser's objections to title for any items contained in Purchaser's title commitment and any title objections based on the Purchaser's survey. Thereafter, Seller shall have until the date that is ten (10) calendar days after the expiration of the Inspection Period to agree to cure any such objections before Closing. If Seller does not agree on or before the date that is ten (10) calendar days after expiration of the Inspection Period to cure all such objections before Closing, then Purchaser, upon written notice to Seller, may terminate this Agreement (in which event the Earnest Money shall be returned to Purchaser). In the event the Purchaser objects to any such title or survey matter and Seller does not agree to cure such objection prior to Closing and Purchaser does not exercise its option to terminate this Agreement, such objection shall become a Permitted Title Exception (as defined in Section 2.4 of this Agreement).

2.2 Amendment to Title Commitment. Purchaser shall have the right to object to any title exceptions first appearing in the Hall County, Georgia real estate records or otherwise constituting a title exception after the effective date of the Title Commitment and prior to Closing by giving written notice of those exceptions to which Purchaser is objecting within ten (10) days after Purchaser's receipt of any such

amendment to the Title Commitment. If Purchaser does not object to any exceptions first raised in an amendment to the Title Commitment issued after Purchaser's receipt of the Title Commitment by giving timely written notice prior to the Closing, as herein provided, then such exception shall become a Permitted Exception. In the event Purchaser gives timely written notice of objection to any exception as herein provided, the provisions of Section 2.4 shall apply with respect thereto as if set forth herein in full. Time is of the essence with respect to the provisions of this Section 2.2.

2.3 Survey.

During the Inspection Period, Purchaser may elect, at its sole cost and expense, to obtain a boundary line survey of the Property and/or to have a plat of survey performed in accordance with standards of the American Land Title Association (ALTA), which plat or survey would show the boundaries of the Property and the acreage contained therein computed to the nearest one thousandth of an acre. Within five (5) calendar days after Purchaser receives the plat of said survey, if applicable, Purchaser shall provide a copy of said plat to Seller in the manner hereinafter provided for giving notice, and within five (5) calendar days after receipt of said copy, Seller shall notify Purchaser in writing if such plat is or is not acceptable to Seller. If Seller, within said five (5) day period, fails to notify Purchaser that such plat is not acceptable, then said survey shall conclusively determine the final acreage to be conveyed hereunder and Seller's conveyance to Purchaser shall be in accordance with said survey or plat.

If Purchaser obtains a new survey or plat and if Seller does, within said five (5) day period, so notify Purchaser that such plat is not acceptable, Seller shall, simultaneously with the giving of such notification, cause at Seller's sole cost and expense, an accurate second survey of said Property to be made by a Registered Land Surveyor duly licensed under the Laws of Georgia. The plat of such second survey shall show the boundaries of the Property and the acreage contained therein, computed to the nearest one thousandth of an acre. Within five (5) calendar days after Seller's receipt of a plat of said second survey, the Seller shall mail a copy thereof to Purchaser in the manner hereinafter provided for giving notice and within five (5) calendar days after receipt of such copy, Purchaser shall notify Seller in writing if such is or is not acceptable to Purchaser. If Purchaser, within said five (5) day period, fails to notify Seller that such plat is not acceptable, said second survey shall conclusively determine the final acreage to be conveyed hereunder and the Seller's conveyance to Purchaser shall be in accordance with said second survey.

If Purchaser does, within said five (5) day period, so notify Seller that such plat is not acceptable, and if, within fourteen (14) calendar days after receipt by Purchaser of such survey of Seller, Seller and Purchaser are unable to agree upon a survey, then both Seller and Purchaser shall cause their respective surveyors to name a third surveyor who shall be a Registered Land Surveyor duly licensed under the Laws of Georgia. If said two surveyors have not named such third surveyor within seven (7) calendar days following the last day of said fourteen (14) day period, then, said third surveyor named by the Superior Court Judge, Senior in point of service, of Hall County, Georgia, excluding any Judge Emeritus, which third surveyor shall be a Registered Land Surveyor, duly licensed under Georgia law.

Said third surveyor shall be promptly employed by Purchaser and Seller to make an accurate third survey of said Property, the cost of which third survey shall be borne equally by Purchaser and Seller. Said third surveyor shall furnish copies of the plat of said third survey to Purchaser and Seller upon completion of same; said plat shall show the boundaries of the Property and the acreage contained therein, computed to the nearest one thousandth of an acre. Said third survey shall conclusively determine the final acreage to be conveyed hereunder and Seller's conveyance to Purchaser shall be in accordance with said third survey.

The survey which conclusively determines the final acreage to be conveyed hereunder (the "Final Survey") shall be utilized for preparation of the legal description of the Property to be conveyed by Seller to Purchaser. Upon determination of the Final Survey, the parties shall promptly execute an amendment to this Agreement, attaching the legal description to the Property as shown on the Final Survey.

If necessary, the Inspection Period and the Closing Date shall be extended to allow time for the Seller's survey and, if further necessary, to allow time for the third surveyor's survey.

2.4 Conveyance of Title. At Closing, Seller shall convey and transfer to Purchaser, good and marketable, fee simple title to the Property, by limited warranty deed. Such deed shall convey such title to the Property as will enable the Title Company to issue to Purchaser, at Purchaser's expense, an ALTA Owner's Policy of Title Insurance (the "Title Policy") at the Title Company's standard rates covering the Property, in the full amount of the Purchase Price without exception other than Permitted Exceptions. The Property shall be conveyed subject to the following matters, which shall be deemed to be "Permitted Exceptions":

- (a) The lien of all ad valorem real estate taxes not yet due and payable as of the date of Closing, subject to proration between the parties as herein provided; and
- (b) easements for utilities serving only the Property.

ARTICLE III

INSPECTION PERIOD

3.1 Right of Inspection. During the period beginning with the Effective Date of this Agreement, as hereinafter defined, and ending at six o'clock p.m. (4:00 p.m.) on the sixtieth (60th) day thereafter (hereinafter referred to as the "Inspection Period"), Purchaser shall have the right to: (a) make a physical inspection of the Property and, (b) conduct environmental studies, feasibility studies, accessibility, boundary and topographic surveys and similar matters, have the property rezoned to a zoning classification that is acceptable to Purchaser and (c) any and all other inspections, examinations or investigations that Purchaser may elect to make, or have made, that would aid Purchaser to determine the feasibility of Purchaser using the Property as desired or determined by Purchaser in its discretion. Purchaser understands and agrees that any on-site inspections of the Property shall be conducted in a manner as will not create any material damage to the Property. Purchaser agrees to indemnify against and hold Seller harmless from any claim for liabilities, costs, expenses (including reasonable attorney's fees actually incurred), damages or injuries arising out of or resulting from the inspection of the Property by Purchaser or its agents, and notwithstanding anything to the contrary in this Agreement, such obligation to indemnify and hold Seller harmless shall survive Closing or any termination of this Agreement. All inspections shall be conducted so as not to interfere unreasonably with use of the Property by Seller prior to Closing.

3.2 Access. Purchaser shall have the right during the Inspection Period, to have full and complete access to the Property in order to conduct such surveys, engineering plans or examinations, soil tests, borings or other examination, mapping or testing of the Property as is reasonably determined appropriate by Purchaser. After such tests and inspections, Purchaser shall promptly restore the Property to its condition on the date hereof except for trimming or clearing of vegetation as reasonably required to conduct the survey and environmental work and Purchaser's agreement to so restore the Property shall survive termination of this Agreement. Purchaser shall indemnify and hold Seller harmless from and against any other liens which may arise as a result of Purchaser's activities on the Property and against any and all claims for death of or injury to persons or damage to property arising out of or as a result of

the activities of Purchaser or designees of Purchaser pursuant to the provisions of this Paragraph 3.2. Purchaser's foregoing obligations of indemnity of Seller shall survive the Closing or any termination of this Agreement.

3.3 Existing Environmental and Other Reports and Plans. Within five (5) days after the Effective Date of this Agreement, Seller will furnish Purchaser with copies of all environmental reports, engineering reports, boundary line surveys, topographical surveys and maps, architectural plans, appraisals and similar documents in its possession or available to Seller.

3.4 Right of Termination. If Purchaser determines during the Inspection Period, in its sole discretion and for any reason what so ever, to not proceed with the purchase, then Purchaser shall notify Seller in writing of such decision on or before 4:00 p.m. EST of the 3rd business day following the expiration of the Inspection Period ("Notification Date"). Upon Seller's receipt of such timely notification to not proceed with the purchase, the Earnest Money Deposit shall be returned to Purchaser within forty-eight (48) hours thereafter without further recourse to either party hereto. If Purchaser closes the transaction, the Earnest Money Deposit shall be credited to Purchaser at Closing. If the Closing does not occur as a result of Seller's default, then all Earnest Money Deposit will be immediately refunded to Purchaser and Purchaser shall have all rights permitted by law as well as all rights set forth herein and shall have its option of remedies contained in Section 5.2 hereof.

3.5 Environmental Representation. Seller hereby warrants that, to the best of its knowledge and the knowledge of its members, partners, officers and directors without any duty of further inquiry or investigation, the Property has never been used as a landfill or garbage dump. Seller warrants that to the best of its knowledge and the knowledge of its members, partners, officers and directors without any duty of further inquiry or investigation, the Property is not contaminated with any hazardous substances or hazardous material as those terms are defined by any federal, state or local law or ordinance. ~~ANYTHING HEREIN TO THE CONTRARY NOTWITHSTANDING, THE WARRANTIES AND AGREEMENTS OF SELLER SET FORTH IN THIS PARAGRAPH SHALL SURVIVE THE CLOSING AND SHALL BE ENFORCEABLE AT ANY TIME WITHIN TWO (2) YEARS AFTER THE CLOSING. FOR PURPOSES OF THIS CONTRACT, THE TERM "HAZARDOUS SUBSTANCES" SHALL MEAN ANY ASBESTOS OR ASBESTOS-CONTAINING MATERIAL OR SUBSTANCE, CHEMICAL WASTE OR MATERIAL THAT IS OR BECOMES REGULATED BY ANY FEDERAL, STATE OR LOCAL GOVERNMENTAL AUTHORITY BECAUSE OF ITS TOXICITY, INFECTIOUSNESS, RADIOACTIVITY, EXPLOSIVENESS, IGNITABILITY, CORROSIVENESS OR REACTIVITY OR IS DEFINED AS A "HAZARDOUS" MATERIAL OR SUBSTANCE UNDER ANY FEDERAL, STATE OR LOCAL LAW, REGULATION OR ORDINANCE.~~ Further, to the best of Seller's knowledge there are no storage tanks located on the Property either above or below ground.

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ARTICLE IV

CLOSING

4.1 Time and Place. The consummation of the transaction contemplated hereby (hereinafter the "Closing") shall be held at the offices of Whelchel, Dunlap, Jarard & Walker, LLP, at 405 Washington Street, Gainesville, Georgia 30501 at 10:30 a.m. on either: (i) the thirtieth (30th) day after expiration of the Inspection Period or (ii) the sixtieth (60th) day after the expiration of the Inspection Period in the event the Closing Date is extended as provided in Section 1.5 hereof. Purchaser shall provide Seller at least ten (10) days advance written notice of the date and time of Closing. At Closing, Seller and Purchaser shall each perform its obligations set forth in, respectively, Section 4.2 and Section 4.3, the performance of which obligations shall be concurrent conditions.

4.2 Seller's Obligations at Closing At Closing, Seller shall:

- (a) deliver to Purchaser a duly executed (i) limited warranty deed (the "Deed") in recordable form conveying good and marketable title to the Property according to the Final Survey legal description, subject only to the Permitted Exceptions; and (ii) Quitclaim Deed conveying the Property according to the historical legal description.
- (b) deliver to the Title Company such evidence as the Title Company and/or Purchaser's counsel may reasonably require as to the authority of the person or persons executing documents on behalf of Seller as well as an Owner's affidavit as may be required by the title company that no improvements have been made to the Property for which payment has not been made in full;
- (c) deliver to Purchaser an affidavit duly executed by Seller stating that Seller is not a "foreign person" as defined in the Federal Foreign Investment in Real Property Tax Act of 1980 and the 1984 Tax Reform Act;
- (d) deliver to Purchaser possession and occupancy of the Property, subject only to the Permitted Exceptions;
- (e) deliver to Purchaser a residency certification as required by Georgia laws;
- (f) deliver to Purchaser or the Title Company a Broker's Lien Certification to establish that there are no real estate brokers other than the brokers named herein claiming a real estate commission through or under Purchaser in connection with its purchase of the Property;
- (g) deliver such additional documents as shall be reasonably required by the Title Company or Purchaser to consummate the transaction pursuant to the terms of this Agreement.

4.3 Purchaser's Obligations at Closing At Closing, Purchaser shall:

- (a) pay to Seller the full amount of the Purchase Price by wire transfer or other immediately available funds pursuant to Section 1.3 above, it being agreed that at Closing, Purchaser shall be given credit for all the Earnest Money shall be delivered by the Escrow Agent and applied towards payment of the Purchase Price;
- (b) deliver to Seller a Broker's Lien Certification to establish that there are no real estate brokers other than the brokers named herein claiming a real estate commission through or under Purchaser in connection with its Purchase of the Property;
- (c) deliver to Seller such evidence as Seller's counsel and/or the Title Company may reasonably require as to the authority of the person or persons executing documents on behalf of Purchaser; and

- (d) deliver such additional documents as shall be reasonably required to consummate the transaction contemplated by this Agreement.

4.4 Credits and Prorations. Ad valorem taxes and assessments levied against the Property for the calendar year in which Closing occurs shall be apportioned with respect to the Property as of 12:01 a.m., on the day of Closing, as if Purchaser were vested with title to the Property during the entire day upon which Closing occurs. Any ad valorem taxes for the year in which the Closing takes place which have been paid by Seller at or prior to Closing shall be prorated based upon the amounts actually paid. If taxes and assessments for the current year have not been paid before Closing, Seller shall be charged at Closing an amount equal to that portion of such taxes and assessments which relates to the period before Closing and Purchaser shall pay the taxes and assessments prior to their becoming delinquent. Any such apportionment made with respect to a tax year for which the tax rate or assessed valuation, or both, have not yet been fixed shall be based upon the tax rate and/or assessed valuation last fixed. To the extent that the actual taxes and assessments for the current year differ from the amount apportioned at Closing, the parties shall make all necessary adjustments by appropriate payments between themselves following Closing. The provisions of this Section 4.4 shall survive Closing.

4.5 Closing Costs. Seller shall pay: (a) the fees of counsel representing it in connection with this transaction; (b) the Georgia Real Property Transfer Tax required in connection with the conveyance of the Property to Purchaser; (c) all cost, if any, required for Seller to convey good and marketable title to the Property to Purchaser; (d) one half (1/2) of any fee charged by Chicago Title Insurance Company as Escrow Agent; and (e) any other cost Seller is obligated to pay under this Agreement. Purchaser shall pay: (i) the fees of counsel representing Purchaser in connection with this transaction; (ii) the fee for the title examination and the Title Commitment as well as the premium for the Owner's Policy of Title Insurance to be issued to Purchaser by the Title Company at Closing; (iii) the fees for the boundary survey and plat of the property obtained by Purchaser and for recording the deed conveying the Property to Purchaser; (iv) any expenses relative to any due diligence work performed by Purchaser relative to this transaction and/or the Property; (v) one-half (1/2) of any fee charged by Chicago Title Insurance Company as Escrow Agent; and (vi) any other costs Purchaser is obligated to pay under this Agreement. All other costs and expenses incident to this transaction and the closing thereof shall be paid by the party incurring same.

Purchaser shall receive credit at the Closing for all the Earnest Money deposit against the Purchase Price at the Closing.

4.6 Contingency. It is a condition precedent to Purchaser's obligations hereunder that Purchaser's Board of Directors approve the purchase contemplated in this Agreement, in accordance with Purchaser's Bylaws. ~~Such contingency shall survive the expiration of the Inspection Period, and shall continue until the Closing is fully consummated.~~

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ARTICLE V

DEFAULT

5.1 Default by Purchaser. If Purchaser fails to perform any of its obligations under this Agreement for any reason other than Seller's default or the permitted termination of this Agreement by either Seller or Purchaser as herein expressly provided, then Seller shall be entitled, as its sole remedy, to terminate this Agreement and receive the Earnest Money deposited by Purchaser to the date of such default as liquidated damages for Purchaser's breach of this Agreement, it being agreed between the parties hereto that the actual damages to Seller in the event of such breach are impractical to ascertain and

the amount of the Earnest Money is a reasonable estimate thereof, and the parties expressly agree to constitute liquidated damages.

5.2 Default by Seller: In the event that Seller fails to perform any of its obligations under this Agreement for any reason other than Purchaser's default or the permitted termination of this Agreement by Purchaser as herein expressly provided, then Purchaser shall be entitled, to either: (a) to receive a return of all the Earnest Money, which return shall operate to terminate this Agreement and release Seller from any and all liability hereunder except as otherwise expressly provided in this Agreement, or (b) take any and all actions permitted by law including, but not limited to, the right to enforce specific performance of Seller's obligations to do all things reasonably necessary to close this transaction, execute the documents required by this Agreement and, to convey good and marketable title to the Property to Purchaser. Purchaser shall be deemed to have elected to terminate this Agreement and receive back the Earnest Money if Purchaser fails to file suit for specific performance against Seller in a court having jurisdiction in the county and state in which the Property is located, on or before One Hundred Fifty (150) days following the date upon which Closing was to have occurred.

ARTICLE VI

COMMISSIONS

6.1 Brokerage Commissions: Each party hereto hereby represents and warrants to the other that they have not involved a real estate agent or broker or other sales representative in this transaction. Each party agrees that should any claim be made for brokerage commissions or finder's fees by any agent, broker or finder by, through or on account of any acts of a party hereto or its representatives, such party will indemnify and hold the other party free and harmless from and against any and all loss, liability, cost, damage and expense in connection therewith. The provisions of this paragraph 6.1 shall survive Closing.

ARTICLE VII

REPRESENTATIONS

7.1 Purchaser's Representations: Purchaser represents and warrants to Seller on this date and through the Closing date, that:

(i) Purchaser is a not for profit corporation validly existing under the laws of the State of Georgia and is authorized to enter into this Agreement subject to approval and consent of its Board of Directors;

(ii) There is no pending or threatened action or proceeding affecting Purchaser before any court or governmental agency or arbitrator which may adversely affect Purchaser's ability to perform this Agreement; and

(iii) All acts, instruments and documents to be done, executed and delivered by Purchaser hereto are legal, valid and binding obligations of Purchaser effective and enforceable in accordance with their respective terms, and this Agreement and the performance hereof do not and will not, to the best of Purchaser's knowledge, contravene any law or contractual restriction binding on Purchaser.

7.2 Zoning: Seller has granted its consent for Purchaser to have the Property rezoned to a zoning category that will permit use and development of the Property in a manner as desired by Purchaser. ~~Rezoning shall be considered complete when the Property rezoning is approved by the~~

~~appropriate governmental agency as requested by Purchaser and all periods provided or permitted by law for the administrative or judicial appeal of such rezoning have expired and all suits, appeals, if any, challenging such rezoning, have been dismissed or finally and conclusively determined in favor of such rezoning.~~

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7.3 Condemnation.

(a) In the event that, prior to the Closing, all or any portion of the Property shall have been affected by any condemnation or taking by eminent domain, or shall be the subject of any condemnation procedure which shall have been filed against Seller, Seller shall immediately notify the Purchaser of such occurrence. In the event that the taking of any part of the Property shall (i) materially impair access to the Property; (ii) cause any material non-compliance with any applicable law, ordinance, rule or regulation of any federal, state or local authority or governmental agencies having jurisdiction over the Property or any portion thereof; (iii) in the opinion of Purchaser in its sole discretion, materially and adversely impair the anticipated use of the Property, or (iv) in the opinion of Purchaser in its sole discretion, results in a reduction in the market value of the Property (hereinafter individually referred to as a "Material Event"), then Purchaser may, at its option:

(i) terminate this Contract by written notice to Seller, in which event all the Earnest Money deposited by Purchaser, shall be returned to Purchaser and all rights and obligations of the parties hereunder with respect to the closing of this transaction will cease, except for Purchaser's obligations to indemnify Seller and restore the Property, as set forth more fully in Section 3.2; or

(ii) proceed with the Closing in which event Seller at Closing shall assign to Purchaser all of Seller's rights, title and interest in and to any award made in connection with such condemnation or eminent domain proceedings.

(b) Purchaser shall then notify Seller, within ten (10) business days after Purchaser's receipt of Seller's notice, whether Purchaser elects to exercise its rights under subparagraph (i) or subparagraph (ii) of this Section 7.3. Closing shall be delayed, if necessary, until Purchaser makes such election. If Purchaser fails to make an election within such ten (10) business day period, Purchaser shall be deemed to have elected to exercise its rights under subparagraph (ii).

(c) Seller, prior to Closing, will not consent to any taking of the Property without the written consent of Purchaser.

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7.4 Seller's Representations. Seller hereby represents that Seller has owned, managed and maintained the Property and all improvements thereon for more than ten (10) years and that Seller is knowledgeable of the condition of the Property. Based on such knowledge without any duty of further on site investigation and inquiry, Seller hereby warrants to Purchaser the following are true and correct as of the Effective Date and will be true and correct as of the Closing Date (collectively, the "Seller Representations"):

7.4.1. Authorization. Seller is a limited liability company duly created and validly existing as such under the Laws of the State of Georgia, and is properly authorized to transact business in the State of Georgia, and has full right, power and authority, and has taken all necessary limited partnership action, to validly execute and deliver this Agreement and to consummate the Closing, and no further consents or approvals from any person or authority are necessary in order to consummate the Closing.

7.4.2. Title. Seller hereby warrants, represents, and covenants with Purchaser

that to Seller's knowledge there are no estates for years, usufructs, leases, subleases, licenses, tenancies or occupancy agreements affecting or encumbering the Property other than the Leases and Permitted Exceptions.

7.4.3. No Conflicts. Neither the execution and delivery of this Agreement, the consummation of the Closing, nor the compliance with any of the provisions hereof shall conflict with, or result in a default (or a condition which upon Notice or lapse of time or both would constitute a default), under any of the terms, conditions or provisions of any agreement or instrument to which Seller is a party or by which Seller is bound.

7.4.4. Pending Litigation. There is not any pending or, to Seller's knowledge, threatened litigation which could in any way adversely affect the Property or become a lien against the title to the Property.

7.4.5. Condemnation. To the best knowledge of Seller's knowledge, there are no Condemnation proceedings pending, nor has Seller received any Notice of any contemplated or threatened Condemnation, within the past ^{has} ~~ninety (90) days~~ ^{information related to said threatened} ~~Seller shall provide copies of all information~~ ^{condemnation to Purchaser} ~~with in five (5) days of the effective~~

7.4.6. Leases. That there are no Leases that affect the Property. ^{Date hereof and shall} ~~cooperate with Purchaser to~~ ^{investigate, negotiate and resolve} ~~any issues related thereto, at~~ ^{Purchaser's request.}

ARTICLE VII

MISCELLANEOUS

8.1 Public Disclosure. Seller shall not disclose any nonpublic information about this transaction, the identity of the Purchaser, or the Purchaser's plans for the Property, without the prior written consent of Purchaser. Seller's obligations under this Section 8.1 shall expire on the earlier of: (a) the date that Purchaser discloses its plans to the public or (b) two years after the Closing.

8.2 Notices. Any notice pursuant to this Agreement shall be given in writing by (a) personal delivery, or (b) reputable overnight delivery service with proof of delivery, or (c) United States Mail, postage prepaid, registered or certified mail, return receipt requested, or (d) legible facsimile transmission sent to the intended addressee at the address set forth below, or to such other address or to the attention of such other person as the addressee shall have designated by written notice sent in accordance herewith, and shall be deemed to have been given either at the time of personal delivery, or, in the case of expedited delivery service or mail, as of the date of first attempted delivery at the address and in the manner provided herein, or, in the case of facsimile transmission, as of the date of the facsimile transmission provided that an original of such facsimile is also sent to the intended addressee by means described in clauses (a), (b) or (c) above. Unless changed in accordance with the preceding sentence, the addresses for notices given pursuant to this Agreement shall be as follows:

If to Seller: Gainesville City Center, LLC
850 Holly Drive, N.E.
Gainesville, GA 30501
Attn: Wendell Starke
Email: wendell.starke@gmail.com
Fax # _____

with a copy to: Lee Caswell
300 West Wieuca Road

Building 1208
Atlanta, GA 30342
Email: leaswell@piedmontcenter.com
Fax # _____

REC 2:00 PM

amv

If to Purchaser: Northeast Georgia Health System, Inc.
743 Spring Street
Gainesville, Georgia 30501
Attn: Tracy Vardeman
Email: tracy.vardeman@nghs.com
Fax # (770) 535-3566

with a copy to: Whelchel & Dunlap, LLP
405 Washington Street
Gainesville, Georgia 30501
Attn: William A. Bagwell
Email: wbagwell@wdlaw.com
Fax # (770) 532-7361

8.3 Modifications. This Agreement cannot be changed orally, and no executory agreement shall be effective to waive, change, modify or discharge it in whole or in part unless such executory agreement is in writing and is signed by the parties against whom enforcement of any waiver, change, modification or discharge is sought.

8.4 Calculation of Time Periods. Unless otherwise specified, in computing any period of time described in this Agreement, the day of the act or event after which the designated period of time begins to run is not to be included and the last day of the period so computed is to be included, unless such last day is a Saturday, Sunday or legal holiday under the laws of the State in which the Property is located, in which event the period shall run until the end of the next day which is neither a Saturday, Sunday or legal holiday. The final day of any such period shall be deemed to end at 4 p.m. EST. A business day is a weekday which is not a federal or state holiday. All days herein are calendar days unless expressly referred to as business days.

8.5 Successors and Assigns. The terms and provisions of this Agreement shall apply to and bind the successors and assigns of the parties hereto. Purchaser may assign its rights and obligations hereunder without the approval of Seller, ~~except to an entity controlled by Purchaser (an "Affiliate Entity")~~ not

8.6 Entire Agreement. This Agreement, including the Exhibits, contains the entire agreement between the parties pertaining to the subject matter hereof and fully supersedes all prior written or oral agreements and understandings between the parties pertaining to such subject matter including, but not limited to, the Letter of Intent dated August 3, 2018.

8.7 Further Assurances. Each party agrees that it will, without further consideration, execute and deliver such other documents and take such other action, prior to Closing, as may be reasonably requested by the other party to consummate more effectively the purposes or subject matter of this Agreement. The provisions of this Section 8.7 shall survive Closing.

8.8 Counterparts. This Agreement may be executed in counterparts, and all such executed counterparts shall constitute the same Agreement. It shall be necessary to account for only one such counterpart in proving this Agreement.

8.9 Severability. If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement shall nonetheless remain in full force and effect.

8.10 Applicable Law. This Agreement is performable in the state of Georgia and shall in all respects be governed by, and construed in accordance with, the substantive federal laws of the United States and the laws of such state. Seller and Purchaser hereby irrevocably submit to the jurisdiction of any state or federal court sitting in the county of the state in which the Property is located in any action or proceeding arising out of or relating to this Agreement and hereby irrevocably agree that all claims in respect of such action or proceeding shall be heard and determined in a state or federal court sitting in the county of the state in which the Property is located. Purchaser and Seller agree that the provisions of this section 8.10 shall survive the Closing of the transaction contemplated by this Agreement.

8.11 No Third Party Beneficiary. The provisions of this Agreement and of the documents to be executed and delivered at Closing are and will be for the benefit of Seller and Purchaser and its assigns only and are not for the benefit of any third party, and accordingly, no third party other than an assignee of Purchaser shall have the right to enforce the provisions of this Agreement or of the documents to be executed and delivered at Closing.

8.12 Exhibits and Schedules. The following schedules or exhibits attached hereto shall be deemed to be an integral part of this Agreement:

Exhibit "A"- Plat of the Property.

8.13 Captions. The section headings appearing in this Agreement are for convenience of reference only and are not intended, to any extent and for any purpose, to limit or define the text of any section or any subsection hereof.

8.14 Construction. The parties acknowledge that the parties and their counsel have reviewed and revised this Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any exhibits or amendments hereto.

8.15 Termination of Agreement. It is understood and agreed that if either Purchaser or Seller terminates this Agreement pursuant to a right of termination granted to such terminating party hereunder, such termination shall operate to relieve Seller and Purchaser from all obligations under this Agreement, except for such obligations as are specifically stated herein to survive the termination of this Agreement.

8.16 Survival. The provisions of this Agreement shall survive Closing or any termination of this Agreement prior thereto and shall not be merged into the execution and delivery of the Deed. The foregoing is in addition and not in exclusion of any survival provisions elsewhere set forth in this Agreement.

8.17 No Recordation. Neither this Agreement nor any memorandum of the terms hereof shall be recorded or otherwise placed of public record and any breach of this covenant shall, unless the party not placing same of record is otherwise in default hereunder, entitle the party not placing same of record to pursue its rights and remedies under Article VI.

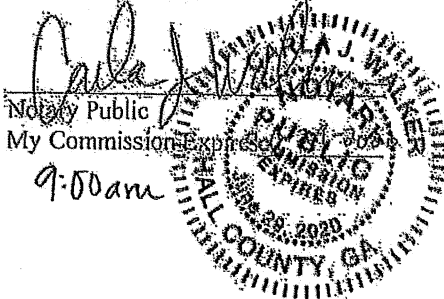
8.18 Effective Date. The date upon which this Agreement is fully executed by both Purchaser and Seller and a fully executed copy hereof has been delivered to both parties shall be the effective date (the "Effective Date") hereof.

IN WITNESS WHEREOF, the proper corporate officers of the respective parties hereto have duly executed this Agreement as of the Effective Date.

PURCHASER:

Signed, sealed and delivered before me
this 17 day of August, 2018.

Alicia K. Aiken
Unofficial Witness



**NORTHEAST GEORGIA HEALTH SYSTEM,
INC.**, a Georgia not-for-profit corporation

By: David M. Jachman
Title: Chief Strategy Executive

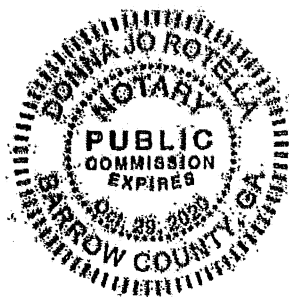
Date Executed by 8/17/18
Purchaser: 8/22/18 dmj

SELLER:

Signed, sealed and delivered before me
this 17 day of August, 2018.

Paula J. Walker
Unofficial Witness:

Donna Jo Rotella
Notary Public
My Commission Expires 10/29/2020



GAINESVILLE CITY CENTER, LLC,
a Georgia limited liability company

By: Robert E. Ree Carroll
Title: Managing Partner

Date Executed by 8/17/18
Seller: 2:00 PM

EXHIBIT "A"

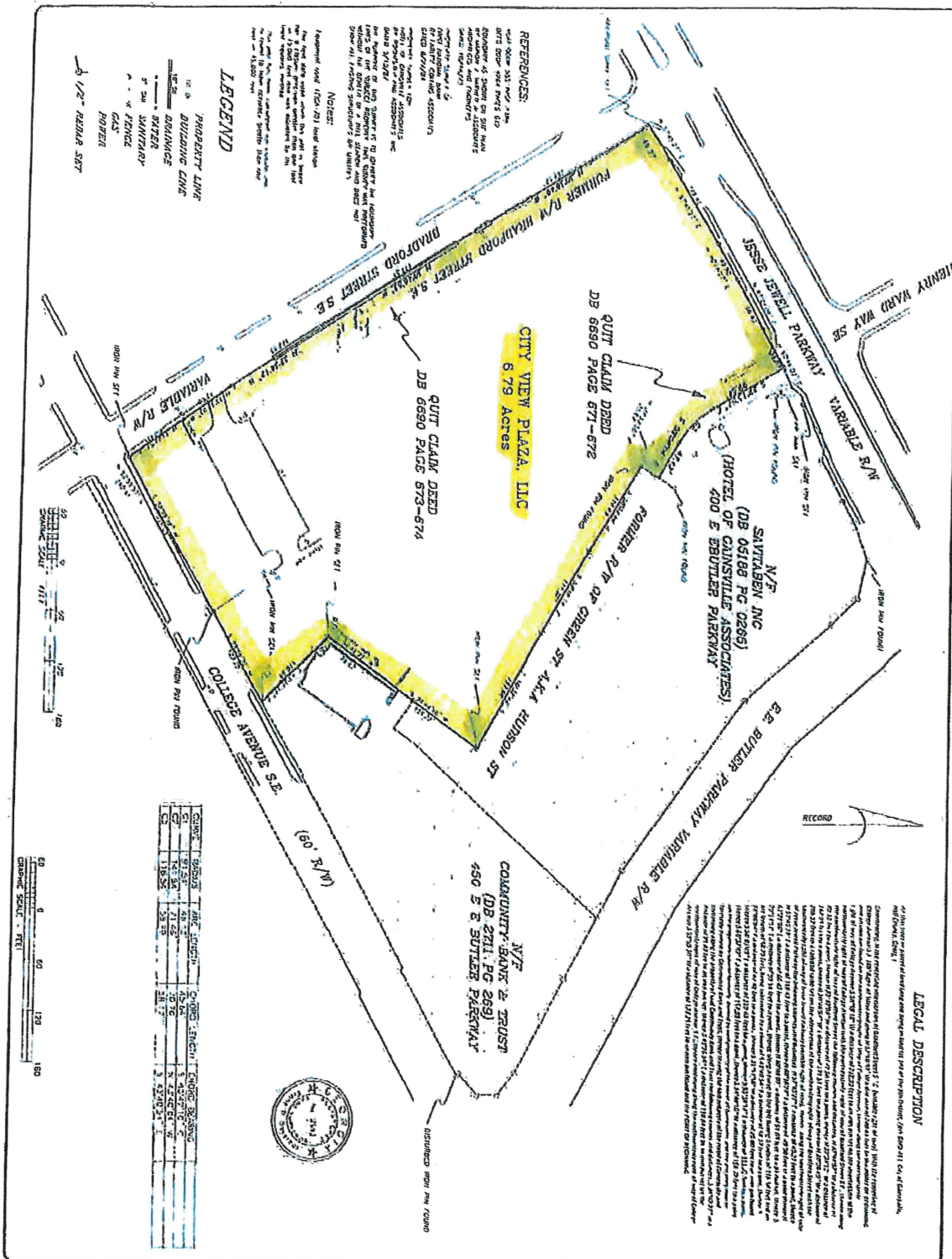


EXHIBIT "B"

Address List for Notices:

If to Assignee: City of Gainesville
300 Henry Ward Way
Gainesville, GA 30501
Attn: Mayor Danny Dunagan
Email: dannydunagan@hotmail.com

With a Copy to: City of Gainesville
300 Henry Ward Way
Gainesville, GA 30501
Attn: Bryan Lackey
Email: blackey@gainesville.org

With a Copy to: Hulsey, Oliver & Mahar, LLP
200 E.E. Butler Pkwy
Gainesville, GA 30501
Attn: Abbott S. Hayes, Jr.
Email: ash@homlaw.com

If to Assignor: Northeast Georgia Health System, Inc.
743 Spring Street
Gainesville, Georgia 30501
Attn: Tracy Vardeman
Email: tracy.vardeman@nghs.com

with a copy to: Welchel & Dunlap, LLP
405 Washington Street
Gainesville, Georgia 30501
Attn: William A. Bagwell
Email: wbagwell@wdjwlaw.com

If to Seller: Gainesville City Center, LLC
850 Holly Drive, N.E.
Gainesville, GA 30501
Attn: Wendell Starke
Email: wendell.starke@gmail.com

with a copy to: Lee Caswell
300 West Wieuca Road
Building 1208
Atlanta, GA 30342
Email: lcaswell@piedmontcenter.com

EXHIBIT “C”



Gainesville - Hall County GIS

Terms of Use |



Layers: Zoning Utilities Fire Services Elections Schools 2015 Photos



EXHIBIT “D”

PARKING, SIGN AND SALE AGREEMENT

This Agreement made and entered into as of the 13 of January, ²⁰¹⁸⁽⁴⁾ 2017, by and between **THE ARTS COUNCIL, INC.**, a Georgia non-profit corporation (hereinafter referred to as the "Arts Council"), and the **CITY OF GAINESVILLE, GEORGIA**, a municipal corporation of the State of Georgia (hereinafter referred to as the "City").

WITNESSETH:

WHEREAS, the Arts Council is the owner of a tract of unimproved property on Broad Street in the City of Gainesville, Hall County, Georgia, which property is described on Exhibit "A", attached hereto and by reference made a part hereof (the "Property"); and

WHEREAS, the Arts Council uses the Property for parking at its events on property known as The Arts Council Smithgall Arts Center at 331 Spring Street, SW Gainesville, Georgia 30501; and

WHEREAS, the Arts Council has had plans prepared to install a large digital kiosk on the Property to advertise its various events at The Arts Council Smithgall Arts Center and other locations in the City of Gainesville; and

WHEREAS, the City desires to purchase the Property as a part of its economic development plan to encourage further development in the downtown area and provide additional public parking; and

WHEREAS, the Arts Council has agreed to convey the Property to the City subject to the terms and conditions set forth in this Agreement;

NOW, THEREFORE, in consideration of the foregoing premises which are incorporated into and shall be deemed a part of this Agreement, the covenants and agreements hereinafter set forth, the sum of TEN AND 00/100 DOLLARS, cash in hand paid by each party hereto to the other, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, agree as follows:

1. **THE PROPERTY.** The Arts Council agrees to sell and the City agrees to buy the Property, AS IS WHERE IS", for Three Hundred Thousand and no/100 Dollars (\$300,000.00) as follows:

- (a) The City shall move promptly and in good faith after acceptance of this Agreement to examine title and determine the marketability of the title to the Property. If it is determined that the property does not have marketability, then at the option of the City, evidenced by written notice to the Arts Council, this Agreement shall be null and void, unless the City elects to accept the Property subject to any defects in the title, which defects shall become "Permitted Exceptions". Marketable title as used herein shall mean title which a title insurance company licensed to do business in the State of Georgia will insure at its regular rates, subject only to standard pre-printed exceptions.
- (b) The Arts Council represents that it presently has title to the Property and agrees; at the time the sale is consummated, to convey title to the Property to the City by limited warranty deed subject to the Permitted Exceptions, if any.
- (c) The City and the Arts Council agree that such papers and documents as may be reasonably necessary to carry out the terms of this Agreement shall be executed and delivered by such parties at the time the sale is consummated.
- (d) "Closing Date" shall be selected by the City but the Closing shall occur within sixty (60) days of the Effective Date of this Agreement, as hereinafter defined. City shall give the Arts Council notice of the date and time of closing at least ten (10) business days prior to the Closing Date.
- (e) Closing shall take place at the office of Hulsey, Oliver & Mahar, LLP or at such other location as chosen by the City in Gainesville, Georgia and all costs and expenses for Closing will be paid by the City.

2. **THE SIGN.** Representatives of the Arts Council will participate in the location and design process for a color high quality digital sign belonging to the City with 50% of the "flips" guaranteed to the Arts Council for the life of the sign but at least twenty five (25) years, whichever is longer (the "Term"). The "flips" guaranteed to the Arts Council will only promote events to be held in the City of Gainesville. The City will maintain, repair and replace, if

necessary, the sign during the Term. Final approval of the design, location, and type of sign installed shall be made at the City's sole discretion, after receiving input from the Arts Council.

3. **THE GRATES.** The City will build and install the grates for the drainage system at the Arts Council with participation by representatives of the Arts Council in the design of the grates. The City will promptly start the installation of the grates and complete the installation within one year of the date of this Agreement. Final approval of the design, location, and type of grates installed shall be made at the City's sole discretion, after receiving input from the Arts Council.

4. **THE BANNERS.** The City authorizes the Arts Council to install and maintain banners (including switching them out or replacing them) on the four posts circled on the aerial picture attached as Exhibit "B." The size of the banners will be no greater than 39.5" by 25.5" and will be limited to one banner per pole. No additional lighting will be installed on the poles and the Arts Council will use the lighting that is already on the poles.

5. **THE PARKING SPACES.** The Arts Council shall have the dedicated use of forty (40) reserved parking spaces twelve (12) times a year for events at The Arts Council Smithgall Arts Center, which reserved parking spaces shall be located on the Property. The forty (40) parking spaces shall remain open to the public, when not dedicated to Arts Council use. The forty (40) reserved parking spaces twelve (12) times a year for events at the Arts Council Smithgall Arts Center shall continue as long as the apartment/retail complex is in operation. If the forty (40) parking spaces are not available to the Arts Council within three (3) years from the date of this Agreement, the City will pay the Arts Council an additional One Hundred Thousand and no/100 Dollars (\$100,000.00). (This however does not relieve the City from building the parking spaces and following through with the agreement with The Arts Council for the 40 spaces allocated 12 times per year.) *Since it may be several years before the Arts Council will have the 40 parking spaces available for its use, the City will review the Arts Council's request for use of the property for parking prior to the 40 parking spaces being provided on a case by case basis.*

6. **THE OTHER AREAS.** The Arts Council and the City pledge to cooperate in each of the following areas:

- (a) The City will notify the Arts Council of any impending street closings, construction, or other activities that may negatively impact programs, events, or rentals of The Arts Council.
- (b) The City and the Arts Council will work together jointly to avoid conflicts in scheduling of activities that require significant parking downtown (such as concerts, festivals, etc.).
- (c) The City will seek to foster the success of capital projects by the Arts Council in the downtown area for the mutual benefit of the Arts Council, the City, and the surrounding community. These capital projects are recognized to be the further conversion of the 201-208 Arts Council Performing Arts Complex (the old church property) into a venue for events, offices, other arts programs and rentals, and the construction of an amphitheater (including a permanent outdoor covered stage) at The Arts Council Smithgall Arts Center property at 331 Spring Street, SW Gainesville, Georgia 30501.
- (d) The City (and its agents such as the Gainesville CVB, Gainesville Main Street) will work to support the Arts Council's events, and the Arts Council will work to support the events of the City and its agents, including tourism opportunities.
- (e) The City will review its Code relating to special use permits and noise permits to streamline the process, eliminate excessive paperwork and increase the length of time for the permit.
- (f) The City invites the Arts Council to make proposals to the City and its agents to co-sponsor events and activities for the benefit of the public (including tourism opportunities).

7. **NOTICES.** All notices, requests, demands and other communications or deliveries required or permitted to be given hereunder shall be in writing and shall be deemed to have been duly given three days after having been deposited for mailing if sent by registered mail, or certified mail return receipt requested, or delivery by courier, to the respective addresses set forth below:

If to City:

Mr. Bryan Lackey
City Manager
City of Gainesville
P. O. Box 2496
Gainesville, GA 30503

With a Copy to:

Hulsey, Oliver and Mahar, LLP
Attention: Abbott S. Hayes, Jr.
200 E. E. Butler Parkway
Gainesville, GA 30501

If to the Arts Council:

The Arts Council
331 Spring Street SW
Gainesville, GA 30501
Attn: Ms. Gladys Wyant

With a Copy to:

Stewart, Melvin & Frost, LLP
J. Randall Frost
P. O. Box 3280
Gainesville, GA 30503

8. **SUCCESSORS AND ASSIGNS.** Wherever, there is a reference in this Agreement to the City or the Arts Council or when personal pronouns are used herein, the singular includes the plural and vice-versa and the masculine includes the feminine and the neuter, as may fit the particular parties and said terms include and bind the heirs, executors, administrators, personal representatives, successors, successors-in-title and assigns of the parties hereto. When the terms "herein, within, hereof, above, below or similar terms" are used in this Agreement, they shall refer to the Agreement as a whole and not just to the sentence and paragraph where they appear in this Agreement.

9. **INTEGRATED CONTRACT.** This Agreement represents the complete and entire understanding and agreement between and among the parties hereto with regard to all

matters concerning the matters described in this Agreement and supersedes any and all prior to contemporaneous agreements, whether written or oral. No covenants, agreements, terms, provisions, warranties, statements, representations or undertakings, whether written or oral, made or executed by any party hereto shall be binding on any party hereto, unless specifically set forth or incorporated in this Agreement.

10. **MODIFICATIONS AND WAIVERS.** This Agreement cannot be changed nor can any provision of this Agreement, or any right or remedy of any party, be waived orally. Changes and waivers can only be made in writing and the change or waiver must be signed by the party against whom the change or waiver is sought to be enforced. Any waiver of any provision of this Agreement, or any right or remedy, given on any one or more occasions shall not be deemed a waiver with respect to any other occasion.

11. **JUDICIAL INTERPRETATION.** Should any of the provisions of this contract require judicial interpretation, it is agreed that the court interpreting or construing the same shall not apply a presumption that the terms of any provisions shall be more strictly construed against one party by reason of the rule of construction that a document is to be construed more strictly against the party who itself or through its agent, prepared the same, it being agreed that all parties and their agents have participated in the preparation and negotiation of this Agreement.

12. **ASSIGNMENT.** Neither this Agreement nor any interest in any part to this Agreement shall be assignable in the absence of a written agreement by and between all the parties to this Agreement, executed with the same formalities as this original Agreement.

13. **COUNTERPARTS.** This Agreement may be executed in several counterparts, each of which will be deemed an original, and all of such counterparts together shall constitute one and the same instrument.

14. **TIME OF THE ESSENCE.** Time is of the essence in the performance of this Agreement.

15. **GOVERNING LAW.** This Agreement shall be governed by the laws of the State of Georgia, without applying any conflict of law principles of such State.

16. **DEFAULT BY THE CITY.** If the City fails to perform any of its obligations under this Agreement for any reason other than the Arts Council's default or the permitted termination of this Agreement by either the Arts Council or the City as herein expressly provided, the Arts Council shall be entitled, to seek to enforce specific performance of the City's promises, obligations and duties under this Agreement.

17. **DEFAULT BY THE ARTS COUNCIL.** In the event that the Arts Council fails to perform any of its obligations under this Agreement for any reason other than the City's default or the permitted termination of this Agreement by either the Arts Council or the City as herein expressly provided, the City shall be entitled, to seek to enforce specific performance of the Arts Council's obligation to do all things reasonably necessary to execute the documents required by this Agreement and to convey marketable title to the Property to the City.

18. **COMMISSIONS.** The City and the Arts Council each warrant and represent to the other that such party has not employed a real estate broker or agent in connection with the transaction contemplated hereby. Each party agrees to indemnify and hold the other harmless from any loss or cost suffered or incurred by it as a result of the other's representation herein being untrue. This provision shall survive the Closing or any termination of this Agreement.

19. **EFFECTIVE DATE.** The parties hereto agree that for all purposes of this Agreement, the "Effective Date" of this Agreement shall be:
January 13, 2018

20. **INSPECTION PERIOD.** The City, at the City's sole cost and expense, shall have the right to conduct an inspection of the Property for a period from the Effective Date, through and including that date which is thirty (30) days after the Effective Date (the "Inspection Period"). The inspection may include economic, engineering, financing, environmental, regulatory, and any other factor relating to the City's use of the Property. During the Inspection Period, and thereafter if the City does not terminate this Agreement, the Arts Council shall give the City and the City's agents and representatives reasonable access to the Property during normal business hours for purposes of inspecting and conducting such tests as are reasonable and necessary for the City to determine if the Property is satisfactory for the City's intended use;

provided, however, the City shall conduct no invasive testing without the Arts Council's prior consent; and the City shall not permit any liens to attach to the Property by reason of the exercise of such rights or tests. Furthermore, the City shall not interfere with the Arts Council or its agents or tenants' use of the Property and shall not violate any law or regulation or any municipality or governmental agency having jurisdiction over the Property. In the event the purchase and sale of the Property as contemplated by this Agreement does not close, the City agrees to restore the Property to as near its original condition as reasonably possible, and within ten (10) days of termination or expiration hereunder, return all copies of any books, files, or records copied by the City. The City hereby indemnifies and holds the Arts Council harmless from and against any and all liens, losses, costs, or expenses by contractors, subcontractors, materialmen, or laborers performing such work, tests, or inspections for the City, as well as any claims, losses, costs, or expenses asserted by third parties for injuries, damages, or attorney fees to said third parties or their property resulting from or arising out of, or incurred in connection with such entry, work or tests for the City. This indemnification shall survive the termination of this Agreement and Closing as set forth herein.

21. RIGHT OF TERMINATION. If the City discovers any matter during the Inspection Period that is unacceptable to the City for any reason, in the City's sole discretion, the City may terminate this Agreement by giving Seller written notice thereof (the "Termination Notice") at any time prior to the expiration of the Inspection Period. If the City fails to timely give the Termination Notice prior to the expiration of the Inspection Period, upon expiration of the Inspection Period, the City shall be deemed to have waived its rights to terminate this Agreement. If the City provides the Termination Notice prior to the expiration of the Inspection

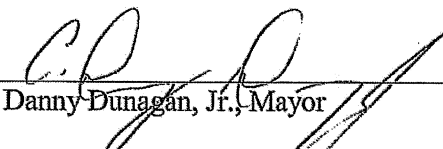
Period, the parties shall have no further right or obligation hereunder. Time is of the essence in regard to termination as set forth herein.

IN WITNESS WHEREOF, the parties have duly executed and sealed this Agreement as of the date first written above.

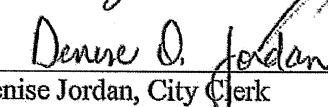
"CITY"

CITY OF GAINESVILLE, GEORGIA

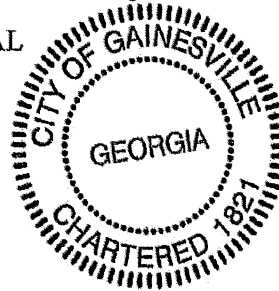
By:


C. Danny Dunagan, Jr., Mayor

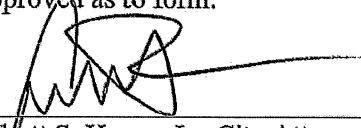
Attest:


Denise Jordan, City Clerk

CITY SEAL



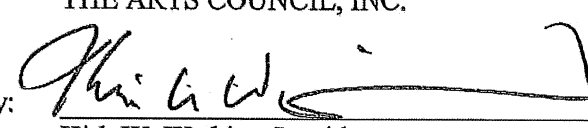
Approved as to form:


Abbott S. Hayes, Jr., City Attorney

"ARTS COUNCIL"

THE ARTS COUNCIL, INC.

By:


Kirk W. Watkins, President

By:

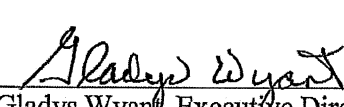

Gladys Wyant, Executive Director

EXHIBIT "A"

All that tract or parcel of land lying and being in the City of Gainesville, Hall County, Georgia, and being more particularly described as follows:

To reach the POINT OF BEGINNING, commence at an iron pin at the intersection of the sidewalks on the Westerly side of Maple Street and the Southerly side of Broad Street; thence South 55°58'09" West 172.52 feet to a concrete monument and the POINT OF BEGINNING; thence South 31°31'12" East 239.97 feet to an iron pin on the North right-of-way line of Jesse Jewell Parkway (formerly Church Street); thence South 60°32'01" West along the North side of Jesse Jewell Parkway 65.14 feet to an iron pin; thence North 40°04'38" West 231.60 feet to an iron pin on the Southerly side of Broad Street; thence North 53°32'03" East 99.94 feet to the POINT OF BEGINNING.

11/28/2017

Google Maps

Google Maps



Imagery ©2017 Google, Map data ©2017 Google 20 ft

Exhibit "B"