RESOLUTION 19-87

A RESOLUTION OF THE CITY OF PANAMA CITY BEACH, FLORIDA, AND EX-OFFICIO AS THE GOVERNING BODY OF THE PANAMA CITY BEACH COMMUNITY REDEVELOPMENT AGENCY; APPROVING THE SALE OF 3.85 ACRES LOCATED IN THE FRONT BEACH ROAD REDEVELOPMENT AREA TO RECOVERY COMMUNITIES, INC. FOR $6,000,000, FOR REDEVELOPMENT OF SUCH LAND IN A MANNER CONSISTENT WITH THE FRONT BEACH ROAD REDEVELOPMENT PLAN.

WHEREAS, on April 29, 2019, the City received an unsolicited offer from Recovery Communities, Inc. to purchase a 3.85 acre parcel of City land located at 9941 Thomas Drive within the Front Beach Road Redevelopment Area; and

WHEREAS, pursuant to Section 163.380, Florida Statutes, the City properly published notice of its receipt of the offer and intent to consider the disposition of this property, and invited interested persons to submit proposals for redevelopment of the property; and

WHEREAS, the City finds and determines that the disposition of this property for redevelopment is in the public interest, as the City's intention of developing the site as a Multi-Modal facility will not be realized in the near future and the goals of the Front Beach Road Community Redevelopment Plan will be furthered by the redevelopment of this land sooner rather than later; and

WHEREAS, the City finds and determines that the proposed purchase price of $6,000,000 is fair and reasonable, and is equal to or greater than the fair market value of the land; and

WHEREAS, Pursuant to Article VIII, Section 2(b) of the Florida Constitution, and Sections 166.021 and 166.041, Florida Statutes, the City of Panama City Beach (the "City") has all powers of local self-government to perform municipal functions, render municipal services and budget and appropriate funds for the same. Pursuant to Section 163.358, Florida Statutes, the City Council of the City, acting ex officio as the governing body

Resolution 19-87
of the Panama City Beach Community Redevelopment Agency (the "Agency"), has all the powers necessary or convenient to carry out and effectuate the purposes and provisions of Part III of Chapter 163, Florida Statutes (the "Community Redevelopment Act"), including the disposition of CRA land.

NOW THEREFORE, BE IT RESOLVED that the appropriate officers of the City are authorized to accept and deliver on behalf of the City that certain Agreement and Addendum between the City and Recovery Communities, Inc., relating to the sale of land located at 9941 Thomas Drive in the Front Beach Road Community Redevelopment Area, in the basic amount of Six Million Dollars ($6,000,000), in substantially the form attached and presented to the Council today, with such changes, insertions or omissions as may be approved by the City Manager and whose execution shall be conclusive evidence of such approval.

THIS RESOLUTION shall be effective immediately upon passage.

PASSED in regular session this 13th day of June, 2019.

CITY COUNCIL OF PANAMA CITY BEACH, FLORIDA, AND EX-OFFICIO AS THE GOVERNING BODY OF THE PANAMA CITY BEACH COMMUNITY REDEVELOPMENT AGENCY

By: _____________________________
    Mike Thomas, Mayor, and Ex-Officio as Chair of the Agency

ATTEST:

Mary Jan Bossert, City Clerk, and Ex-Officio as Clerk to the Agency

Resolution 19-87
163.380 Disposal of property in community redevelopment area.—The disposal of property in a community redevelopment area which is acquired by eminent domain is subject to the limitations set forth in s. 73.013.

1. Any county, municipality, or community redevelopment agency may sell, lease, dispose of, or otherwise transfer real property or any interest therein acquired by it for community redevelopment in a community redevelopment area to any private person, or may retain such property for public use, and may enter into contracts with respect thereto for residential, recreational, commercial, industrial, educational, or other uses, in accordance with the community redevelopment plan, subject to such covenants, conditions, and restrictions, including covenants running with the land, as it deems necessary or desirable to assist in preventing the development or spread of future slums or blighted areas or to otherwise carry out the purposes of this part. However, such sale, lease, other transfer, or retention, and any agreement relating thereto, may be made only after the approval of the community redevelopment plan by the governing body. The purchasers or lessees and their successors and assigns shall be obligated to devote such real property only to the uses specified in the community redevelopment plan and may be obligated to comply with such other requirements as the county, municipality, or community redevelopment agency may determine to be in the public interest, including the obligation to begin any improvements on such real property required by the community redevelopment plan within a reasonable time.

2. Such real property or interest shall be sold, leased, otherwise transferred, or retained at a value determined to be in the public interest for uses in accordance with the community redevelopment plan and in accordance with such reasonable disposal procedures as any county, municipality, or community redevelopment agency may prescribe. In determining the value of real property as being in the public interest for uses in accordance with the community redevelopment plan, the county, municipality, or community redevelopment agency shall take into account and give consideration to the long-term benefits to be achieved by the county, municipality, or community redevelopment agency resulting from incurring short-term losses or costs in the disposal of such real property; the uses provided in such plan; the restrictions upon, and the covenants, conditions, and obligations assumed by, the purchaser or lessee or by the county, municipality, or community redevelopment agency retaining the property; and the objectives of such plan for the prevention of the recurrence of slum or blighted areas. In the event the value of such real property being disposed of is for less than the fair value, such disposition shall require the approval of the governing body, which approval may only be given following a duly noticed public hearing. The county, municipality, or community redevelopment agency may provide in any instrument of conveyance to a private purchaser or lessee that such purchaser or lessee is without power to sell, lease, or otherwise transfer the real property without the prior written consent of the county, municipality, or community redevelopment agency until the purchaser or lessee has completed the construction of any or all improvements which he or she has obligated himself or herself to construct thereon. Real property acquired by the county, municipality, or community redevelopment agency which, in accordance with the provisions of the community redevelopment plan, is to be transferred shall be transferred as rapidly as feasible in the public interest, consistent with the carrying out of the provisions of the community redevelopment plan. Any contract for such transfer and the community redevelopment plan, or such part or parts of such contract or plan as the county,
municipality, or community redevelopment agency may determine, may be recorded in the land records of the clerk of the circuit court in such manner as to afford actual or constructive notice thereof.

(3)(a) Prior to disposition of any real property or interest therein in a community redevelopment area, any county, municipality, or community redevelopment agency shall give public notice of such disposition by publication in a newspaper having a general circulation in the community, at least 30 days prior to the execution of any contract to sell, lease, or otherwise transfer real property and, prior to the delivery of any instrument of conveyance with respect thereto under the provisions of this section, invite proposals from, and make all pertinent information available to, private redevelopers or any persons interested in undertaking to redevelop or rehabilitate a community redevelopment area or any part thereof. Such notice shall identify the area or portion thereof and shall state that proposals must be made by those interested within 30 days after the date of publication of the notice and that such further information as is available may be obtained at such office as is designated in the notice. The county, municipality, or community redevelopment agency shall consider all such redevelopment or rehabilitation proposals and the financial and legal ability of the persons making such proposals to carry them out; and the county, municipality, or community redevelopment agency may negotiate with any persons for proposals for the purchase, lease, or other transfer of any real property acquired by it in the community redevelopment area. The county, municipality, or community redevelopment agency may accept such proposal as it deems to be in the public interest and in furtherance of the purposes of this part. Except in the case of a governing body acting as the agency, as provided in s. 163.357, a notification of intention to accept such proposal must be filed with the governing body not less than 30 days prior to any such acceptance. Thereafter, the county, municipality, or community redevelopment agency may execute such contract in accordance with the provisions of subsection (1) and deliver deeds, leases, and other instruments and take all steps necessary to effectuate such contract.

(b) Any county, municipality, or community redevelopment agency that, pursuant to the provisions of this section, has disposed of a real property project with a land area in excess of 20 acres may acquire an expanded area that is immediately adjacent to the original project and less than 35 percent of the land area of the original project, by purchase as provided in this chapter, and negotiate a disposition of such expanded area directly with the person who acquired the original project without complying with the disposition procedures established in paragraph (a), provided the county, municipality, or community redevelopment agency adopts a resolution making the following findings:

1. It is in the public interest to expand such real property project to an immediately adjacent area.
2. The expanded area is less than 35 percent of the land area of the original project.
3. The expanded area is entirely within the boundary of the community redevelopment area.

(4) Any county, municipality, or community redevelopment agency may temporarily operate and maintain real property acquired by it in a community redevelopment area for or in connection with a community redevelopment plan pending the disposition of the property as authorized in this part, without regard to the provisions of subsection (1), for such uses and purposes as may be deemed desirable, even though not in conformity with the community redevelopment plan.

(5) If any conflict exists between the provisions of this section and s. 159.61, the provisions of this section govern and supersede those of s. 159.61.

(6) Notwithstanding any provision of this section, if a community redevelopment area is established by the governing body for the redevelopment of property located on a closed military base within the governing body's boundaries, the procedures for disposition of real property within that community redevelopment area shall be prescribed by the governing body, and compliance with the other provisions of this section shall not be required prior to the disposal of real property.

History.—s. 11, ch. 69-305; s. 9, ch. 77-391; s. 13, ch. 84-356; s. 1, ch. 92-162; s. 906, ch. 95-147; s. 1, ch. 96-254; s. 9, ch. 98-314; s. 12, ch. 2006-11.
State of Florida
County of Bay

Before the undersigned authority personally appeared Susan Collins, who on oath says that she is a Legal Advertising Representative of The News Herald, a newspaper published at Panama City in Bay County, Florida; that the attached copy of advertisement, being a Legal Advertisement #23390 in the matter of NOTICE OF DISPOSAL OF PROPERTY - City of Panama City Beach in the Bay County Court, was published in said newspaper in the issue of May 2, 2019.

Affiant further says that the said The News Herald is a newspaper published at Panama City, in said Bay County, Florida, is a direct successor of the Panama City News and that the said newspaper, together with its direct predecessor, has heretofore been continuously published in said Bay County, Florida, each day (except that the predecessor, Panama City News, was not published on Sundays) and has been entered as periodicals matter at the post office in Panama City, in said Bay County, Florida, for a period of one year next preceding the first publication of the attached copy of advertisement, and affiant further says that (s)he has neither paid nor promised any person, firm or corporation any discount, rebate, commission or refund for the purpose of securing this advertisement for publication in said newspaper.

Susan Collins

Notary Public, State of Florida at Large

Notary Public State of Florida
Melissa Elaine Clemmons
My Commission #280558
Expires 01/30/2023
1. PARTIES AND PROPERTY: Recovery Communities, Inc., ("Buyer")
   agrees to buy and City of Panama City Beach FL ("Seller")
   agrees to sell the property at:
   Street Address: 9941 Thomas Dr., Panama City Beach, FL 32408

2. PURCHASE PRICE:
   (a) Deposit held in escrow by: SETCO SERVICES LLC
      ("Escrow Agent") $10,000.00
      Escrow Agent's address: 7714 Front Beach Road, Unit C, 32407 Phone: 233-5466

3. TIME FOR ACCEPTANCE; EFFECTIVE DATE; COMPUTATION OF TIME: Unless this offer is signed by Seller
   and Buyer and an executed copy delivered to all parties on or before May 3, 2019, this offer
   will be withdrawn and the Buyer's deposit, if any, will be returned. The time for acceptance of any counter offer will be
   3 days from the date the counter offer is delivered. The "Effective Date" of this Contract is the date on which the
   last one of the Seller and Buyer has signed or initialed and delivered this offer or the final counter offer or
   ______. Calendar days will be used when computing time periods, except time periods of 5
   days or less. Time periods of 5 days or less will be computed without including Saturday, Sunday, or national legal
   holidays. Any time period ending on a Saturday, Sunday, or national legal holiday will extend until 5:00 p.m. of the next
   business day. Time is of the essence in this Contract.

4. CLOSING DATE AND LOCATION:
   (a) Closing Date: This transaction will be closed on July 3, 2019 (Closing Date), unless
      specifically extended by other provisions of this Contract. The Closing Date will prevail over all other time periods
      including, but not limited to, Financing and Due Diligence periods. In the event insurance underwriting is suspended

Buyer (_____) and Seller (_____)(_____) acknowledge receipt of a copy of this page, which is Page 1 of 8 Pages.
on Closing Date and Buyer is unable to obtain property insurance, Buyer may postpone closing up to 5 days after the insurance underwriting suspension is lifted.

(b) Location: Closing will take place in ______ Bay ______ County, Florida. (If left blank, closing will take place in the county where the property is located.) Closing may be conducted by mail or electronic means.

5. THIRD PARTY FINANCING:
BUYER’S OBLIGATION: On or before _____ days (5 days if left blank) after Effective Date, Buyer will apply for third party financing in an amount not to exceed _____% of the purchase price or $_________________, with a fixed interest rate not to exceed _____% per year with an initial variable interest rate not to exceed _____%, with points or commitment or loan fees not to exceed _____% of the principal amount, for a term of _____ years, and amortized over _____ years, with additional terms as follows:

Buyer will timely provide any and all credit, employment, financial and other information reasonably required by any lender. Buyer will use good faith and reasonable diligence to (i) obtain Loan Approval within _____ days (45 days if left blank) from Effective Date (Loan Approval Date), (ii) satisfy terms and conditions of the Loan Approval, and (iii) close the loan. Buyer will keep Seller and Broker fully informed about loan application status and authorizes the mortgage broker and lender to disclose all such information to Seller and Broker. Buyer will notify Seller immediately upon obtaining financing or being rejected by a lender. CANCELLATION: If Buyer, after using good faith and reasonable diligence, fails to obtain Loan Approval by Loan Approval Date, Buyer may within _____ days (3 days if left blank) deliver written notice to Seller stating Buyer either waives this financing contingency or cancels this Contract. If Buyer does not, then Seller may cancel this Contract by delivering written notice to Buyer at any time thereafter. Unless this financing contingency has been waived, this Contract shall remain subject to the satisfaction, by closing, of those conditions of Loan Approval related to the Property. DEPOSIT(S) (for purposes of Paragraph 5 only): If Buyer has used good faith and reasonable diligence but does not obtain Loan Approval by Loan Approval Date and thereafter either party elects to cancel this Contract as set forth above or the lender fails or refuses to close on or before the Closing Date without fault on Buyer’s part, the Deposit(s) shall be returned to Buyer, whereupon both parties will be released from all further obligations under this Contract, except for obligations stated herein as surviving the termination of this Contract. If neither party elects to terminate this Contract as set forth above or Buyer fails to use good faith or reasonable diligence as set forth above, Seller will be entitled to retain the Deposit(s) if the transaction does not close. For purposes of this Contract, “Loan Approval” means a statement by the lender setting forth the terms and conditions upon which the lender is willing to make a particular mortgage loan to a particular buyer. Neither a pre-approval letter nor a prequalification letter shall be deemed a Loan Approval for purposes of this Contract.

6. TITLE: Seller has the legal capacity to and will convey marketable title to the Property by [ ] statutory warranty deed [ ] special warranty deed [ ] other _______ WARRANTY DEED ________, free of liens, easements and encumbrances of record or known to Seller, but subject to property taxes for the year of closing; covenants, restrictions and public utility easements of record; existing zoning and governmental regulations; and (list any other matters to which title will be subject)

provided there exists at closing no violation of the foregoing and none of them prevents Buyer’s intended use of the Property as ______________ Income Producing Property as Zoning Permits

(a) Evidence of Title: The party who pays the premium for the title insurance policy will select the closing agent and pay for the title search and closing services. Seller will, at (check one) [ ] Seller’s [X] Buyer’s expense and within _____ days after Effective Date or at least 30 days before Closing Date deliver to Buyer (check one) [X] (i) a title insurance commitment by a Florida licensed title insurer setting forth those matters to be discharged by Seller at or before Closing and, upon Buyer recording the deed, an owner’s policy in the amount of the purchase price for fee simple title subject only to exceptions stated above. If Buyer is paying for the evidence of title and Seller has an owner’s policy, Seller will deliver a copy to Buyer within 15 days after Effective Date [ ] (ii) an abstract of title, prepared or brought current by an existing abstract firm or certified as correct by an existing firm. However, if such an abstract is not available to Seller, then a prior owner’s title policy acceptable to the proposed insurer as a base for reissuance of coverage may be used. The prior policy will include copies of all policy exceptions and an update in a format acceptable to Buyer from the policy effective date and certified to Buyer or

Buyer ( ) and Seller ( ) ( ) acknowledge receipt of a copy of this page, which is Page 2 of 8 Pages.
Buyer's closing agent together with copies of all documents recited in the prior policy and in the update. If such an abstract or prior policy is not available to Seller then (i) above will be the evidence of title.

(b) Title Examination: Buyer will, within 15 days from receipt of the evidence of title deliver written notice to Seller of title defects. Title will be deemed acceptable to Buyer if (1) Buyer fails to deliver proper notice of defects or (2) Buyer delivers proper written notice and Seller cures the defects within _____ days from receipt of the notice ("Curative Period"). Seller shall use good faith efforts to cure the defects. If the defects are cured within the Curative Period, closing will occur on the latter of 10 days after receipt by Buyer of notice of such curing or the scheduled Closing Date. Seller may elect not to cure defects if Seller reasonably believes any defect cannot be cured within the Curative Period. If the defects are not cured within the Curative Period, Buyer will have 10 days from receipt of notice of Seller's inability to cure the defects to elect whether to terminate this Contract or accept title subject to existing defects and close the transaction without reduction in purchase price.

(c) Survey: (check applicable provisions below)

- [X] Seller will, within __45__ days from Effective Date, deliver to Buyer copies of prior surveys, plans, specifications, and engineering documents, if any, and the following documents relevant to this transaction:

- [ ] Buyer will, at Seller's expense and within the time period allowed to deliver and examine title evidence, obtain a current certified survey of the Property from a registered surveyor. If the survey reveals encroachments on the Property or that the improvements encroach on the lands of another, Buyer will accept the Property with existing encroachments such encroachments will constitute a title defect to be cured within the Curative Period.

(d) Ingress and Egress: Seller warrants that the Property presently has ingress and egress.

7. PROPERTY CONDITION: Seller will deliver the Property to Buyer at the time agreed in its present "as is" condition, ordinary wear and tear excepted, and will maintain the landscaping and grounds in a comparable condition. Seller makes no warranties other than marketability of title. In the event that the condition of the Property has materially changed since the expiration of the Due Diligence Period, Buyer may elect to terminate the Contract and receive a refund of any and all deposits paid, plus interest, if applicable, or require Seller to return the Property to the required condition existing as of the end of Due Diligence period, the cost of which is not to exceed $________________(1.5% of the purchase price, if left blank). By accepting the Property "as is", Buyer waives all claims against Seller for any defects in the Property. (Check (a) or (b))

- [ ] (a) As Is: Buyer has inspected the Property or waives any right to inspect and accepts the Property in its "as is" condition.

- [X] (b) Due Diligence Period: Buyer will, at Buyer's expense and within __60__ days from Effective Date ("Due Diligence Period"), determine whether the Property is suitable, in Buyer's sole and absolute discretion. During the term of this Contract, Buyer may conduct any tests, analyses, surveys and investigations ("Inspections") which Buyer deems necessary to determine to Buyer's satisfaction the Property's engineering, architectural, environmental properties; zoning and zoning restrictions; flood zone designation and restrictions; subdivision regulations, soil and grade; availability of access to public roads, water, and other utilities; consistency with local, state and regional growth management and comprehensive land use plans; availability of permits, government approvals and licenses; compliance with American with Disabilities Act; absence of asbestos, soil and ground water contamination; and other inspections that Buyer deems appropriate. Buyer will deliver written notice to Seller prior to the expiration of the Due Diligence Period of Buyer's determination of whether or not the Property is acceptable. Buyer's failure to comply with this notice requirement will constitute acceptance of the Property in its present "as is" condition. Seller grants to Buyer, its agents, contractors and assigns, the right to enter the Property at any time during the term of this Contract for the purpose of conducting Inspections, upon reasonable notice, at a mutually agreed upon time; provided, however, that Buyer, its agents, contractors and assigns enter the Property and conduct Inspections at their own risk. Buyer will indemnify and hold Seller harmless from losses, damages, costs, claims and expenses of any nature, including attorneys' fees at all levels, and from liability to any person, arising from the conduct of any and all inspections or any work authorized by Buyer. Buyer will not engage in any activity that could result in a mechanic's lien being filed against the Property without Seller's prior written consent. In the event this transaction does not close, (1) Buyer will repair all damages to the...
Property resulting from the Inspections and return the Property to the condition it was in prior to conduct of the Inspections, and (2) Buyer will, at Buyer's expense release to Seller all reports and other work generated as a result of the Inspections. Should Buyer deliver timely notice that the Property is not acceptable, Seller agrees that Buyer's deposit will be immediately returned to Buyer and the Contract terminated.

(c) Walk-through Inspection: Buyer may, on the day prior to closing or any other time mutually agreeable to the parties, conduct a final "walk-through" inspection of the Property to determine compliance with this paragraph and to ensure that all Property is on the premises.

8. OPERATION OF PROPERTY DURING CONTRACT PERIOD: Seller will continue to operate the Property and any business conducted on the Property in the manner operated prior to Contract and will take no action that would adversely impact the Property after closing, as to tenants, lenders or business, if any. Any changes, such as renting vacant space, that materially affect the Property or Buyer's intended use of the Property will be permitted only with Buyer's consent [x] without Buyer's consent.

9. CLOSING PROCEDURE: Unless otherwise agreed or stated herein, closing procedure shall be in accordance with the norms where the Property is located.

(a) Possession and Occupancy: Seller will deliver possession and occupancy of the Property to Buyer at closing. Seller will provide keys, remote controls, and any security/access codes necessary to operate all locks, mailboxes, and security systems.

(b) Costs: Buyer will pay Buyer's attorneys' fees, taxes and recording fees on notes, mortgages and financing statements and recording fees for the deed. Seller will pay Seller's attorneys' fees, taxes on the deed and recording fees for documents needed to cure title defects. If Seller is obligated to discharge any encumbrance at or prior to closing and fails to do so, Buyer may use purchase proceeds to satisfy the encumbrances.

(c) Documents: Seller will provide the deed; bill of sale; mechanic's lien affidavit; originals of those assignable service and maintenance contracts that will be assumed by Buyer after the Closing Date and letters to each service contractor from Seller advising each of them of the sale of the Property and, if applicable, the transfer of its contract, and any assignable warranties or guarantees received or held by Seller from any manufacturer, contractor, subcontractor, or material supplier in connection with the Property; current copies of the condominium documents, if applicable; assignments of leases, updated rent roll; tenant and lender estoppels letters (if applicable); tenant subordination, non-disturbance and attornment agreements (SNDAs) required by the Buyer or Buyer's lender; assignments of permits and licenses; corrective instruments; and letters notifying tenants of the change in ownership/rental agent. If any tenant refuses to execute an estoppels letter, Seller, if requested by the Buyer in writing, will certify that information regarding the tenant's lease is correct. If Seller is an entity, Seller will deliver a resolution of its governing authority authorizing the sale and delivery of the deed and certification by the appropriate party certifying the resolution and setting forth facts showing the conveyance conforms to the requirements of local law. Seller will transfer security deposits to Buyer. Buyer will provide the closing statement, mortgages and notes, security agreements, and financing statements.

(d) Taxes and Prorations: Real estate taxes, personal property taxes on any tangible personal property, bond payments assumed by Buyer, interest, rents (based on actual collected rents), association dues, insurance premiums acceptable to Buyer, and operating expenses will be prorated through the day before closing. If the amount of taxes for the current year cannot be ascertained, rates for the previous year will be used with due allowance being made for improvements and exemptions. Any tax proration based on an estimate will, at request of either party, be readjusted upon receipt of current year's tax bill; this provision will survive closing.

(e) Special Assessment Liens: Certified, confirmed, and ratified special assessment liens as of the Closing Date will be paid by Seller. If a certified, confirmed, and ratified special assessment is payable in installments, Seller will pay all installments due and payable on or before the Closing Date, with any installment for any period extending beyond the Closing Date prorated, and Buyer will assume all installments that become due and payable after the Closing Date. Buyer will be responsible for all assessments of any kind which become due and owing after Closing Date, unless an improvement is substantially completed as of Closing Date. If an improvement is substantially completed as of the Closing Date but has not resulted in a lien before closing, Seller will pay the amount of the last estimate of the assessment. This subsection applies to special assessment liens imposed by a public body and does not apply to condominium association special assessments.

(f) Foreign Investment in Real Property Tax Act (FIRPTA): If Seller is a "foreign person" as defined by FIRPTA, Seller and Buyer agree to comply with Section 1445 of the Internal Revenue Code. Seller and Buyer will complete, execute, and deliver as directed any instrument, affidavit, or statement reasonably necessary to comply

Buyer ( ), Seller ( ) acknowledge receipt of a copy of this page, which is Page 4 of 8 Pages.
with the FIRPTA requirements, including delivery of their respective federal taxpayer identification numbers or Social Security Numbers to the closing agent. If Buyer does not pay sufficient cash at closing to meet the withholding requirement, Seller will deliver to Buyer at closing the additional cash necessary to satisfy the requirement.

10. ESCROW AGENT: Seller and Buyer authorize Escrow Agent or Closing Agent (collectively "Agent") to receive, deposit, and hold funds and other property in escrow and, subject to collection, disburse them in accordance with the terms of this Contract. The parties agree that Agent will not be liable to any person for misdelivery of escrowed items to Seller or Buyer, unless the misdelivery is due to Agent's willful breach of this Contract or gross negligence. If Agent has doubt as to Agent's duties or obligations under this Contract, Agent may, at Agent's option, (a) hold the escrowed items until the parties mutually agree to its disbursement or until a court of competent jurisdiction or arbitrator determines the rights of the parties or (b) deposit the escrowed items with the clerk of the court having jurisdiction over the matter and file an action in interpleader. Upon notifying the parties of such action, Agent will be released from all liability except for the duty to account for items previously delivered out of escrow. If Agent is a licensed real estate broker, Agent will comply with Chapter 475, Florida Statutes. In any suit in which Agent interpleads the escrowed items or is made a party because of acting as Agent hereunder, Agent will recover reasonable attorney's fees and costs incurred, with these amounts to be paid from and out of the escrowed items and charged and awarded as court costs in favor of the prevailing party.

11. CURE PERIOD: Prior to any claim for default being made, a party will have an opportunity to cure any alleged default. If a party fails to comply with any provision of this Contract, the other party will deliver written notice to the non-complying party specifying the non-compliance. The non-complying party will have ____ days (5 days if left blank) after delivery of such notice to cure the non-compliance. Notice and cure shall not apply to failure to close.

12. FORCE MAJEURE: Buyer or Seller shall not be required to perform any obligation under this Contract or be liable to each other for damages so long as performance or non-performance of the obligation, or the availability of services, insurance, or required approvals essential to Closing, is disrupted, delayed, caused or prevented by Force Majeure. "Force Majeure" means: hurricanes, floods, extreme weather, earthquakes, fire, or other acts of God, unusual transportation delays, or wars, insurrections, or acts of terrorism, which, by exercise of reasonable diligent effort, the non-performing party is unable in whole or in part to prevent or overcome. All time periods, including Closing Date, will be extended a reasonable time up to 7 days after the Force Majeure no longer prevents performance under this Contract, provided, however, if such Force Majeure continues to prevent performance under this Contract more than 30 days beyond Closing Date, then either party may terminate this Contract by delivering written notice to the other and the Deposit shall be refunded to Buyer, thereby releasing Buyer and Seller from all further obligations under this Contract.

13. RETURN OF DEPOSIT: Unless otherwise specified in the Contract, in the event any condition of this Contract is not met and Buyer has timely given any required notice regarding the condition having not been met, Buyer's deposit will be returned in accordance with applicable Florida Laws and regulations.

14. DEFAULT:
(a) In the event the sale is not closed due to any default or failure on the part of Seller other than failure to make the title marketable after diligent effort, Buyer may elect to receive return of Buyer's deposit without thereby waiving any action for damages resulting from Seller's breach and may seek to recover such damages or seek specific performance. If Buyer elects a deposit refund, Seller may be liable to Broker for the full amount of the brokerage fee.
(b) In the event the sale is not closed due to any default or failure on the part of Buyer, Seller may either (1) retain all deposit(s) paid or agreed to be paid by Buyer as agreed upon liquidated damages, consideration for the execution of this Contract, and in full settlement of any claims, upon which this Contract will terminate or (2) seek specific performance. If Buyer fails to timely place a deposit as required by this Contract, Seller may either (1) terminate the Contract and seek the remedy outlined in this subparagraph or (2) proceed with the Contract without waiving any remedy for Buyer's default.

15. ATTORNEY'S FEES AND COSTS: In any claim or controversy arising out of or relating to this Contract, the prevailing party, which for purposes of this provision will include Buyer, Seller and Broker, will be awarded reasonable attorneys' fees, costs, and expenses.

16. NOTICES: All notices will be in writing and may be delivered by mail, overnight courier, personal delivery, or electronic means. Parties agree to send all notices to addresses specified on the signature page(s). Any notice, document, or item given by or delivered to an attorney or real estate licensee (including a transaction broker) representing a party will be as effective as if given by or delivered to that party.
17. DISCLOSURES:

(a) Commercial Real Estate Sales Commission Lien Act: The Florida Commercial Real Estate Sales
Commission Lien Act provides that a broker has a lien upon the owner's net proceeds from the sale of
commercial real estate for any commission earned by the broker under a brokerage agreement. The lien upon
the owner's net proceeds is a lien upon personal property which attaches to the owner's net proceeds and does not
attach to any interest in real property. This lien right cannot be waived before the commission is earned.

(b) Special Assessment Liens Imposed by Public Body: The Property may be subject to unpaid special
assessment lien(s) imposed by a public body. (A public body includes a Community Development District.) Such
liens, if any, shall be paid as set forth in Paragraph 9(e).

(c) Radon Gas: Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in
sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that
exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon
and radon testing may be obtained from your county public health unit.

(d) Energy-Efficiency Rating Information: Buyer acknowledges receipt of the information brochure required by
Section 553.996, Florida Statutes.

18. RISK OF LOSS:

(a) If, after the Effective Date and before closing, the Property is damaged by fire or other casualty, Seller will
bear the risk of loss and Buyer may cancel this Contract without liability and the deposit(s) will be returned to
Buyer. Alternatively, Buyer will have the option of purchasing the Property at the agreed upon purchase price and
Seller will credit the deductible, if any and transfer to Buyer at closing any insurance proceeds, or Seller's claim
to any insurance proceeds payable for the damage. Seller will cooperate with and assist Buyer in collecting any
such proceeds. Seller shall not settle any insurance claim for damage caused by casualty without the consent of
the Buyer.

(b) If, after the Effective Date and before closing, any part of the Property is taken in condemnation or under the
right of eminent domain, or proceedings for such taking will be pending or threatened, Buyer may cancel this
Contract without liability and the deposit(s) will be returned to Buyer. Alternatively, Buyer will have the option of
purchasing what is left of the Property at the agreed upon purchase price and Seller will transfer to the Buyer at
closing the proceeds of any award, or Seller's claim to any award payable for the taking. Seller will cooperate
with and assist Buyer in collecting any such award.

19. ASSIGNABILITY; PERSONS BOUND: This Contract may be assigned to a related entity, and otherwise is not
assignable. If this Contract may be assigned, Buyer shall deliver a copy of the assignment agreement
to the Seller at least 5 days prior to Closing. The terms "Buyer," "Seller" and "Broker" may be singular or plural. This
Contract is binding upon Buyer, Seller and their heirs, personal representatives, successors and assigns (if
assignment is permitted).

20. MISCELLANEOUS: The terms of this Contract constitute the entire agreement between Buyer and Seller.
Modifications of this Contract will not be binding unless in writing, signed and delivered by the party to be bound.
Signatures, initials, documents referenced in this Contract, counterparts and written modifications communicated
electronically or on paper will be acceptable for all purposes, including delivery, and will be binding. Handwritten or
typewritten terms inserted in or attached to this Contract prevail over preprinted terms. If any provision of this Contract
is or becomes invalid or unenforceable, all remaining provisions will continue to be fully effective. This Contract will be
construed under Florida law and will not be recorded in any public records.

21. BROKERS: Neither Seller nor Buyer has used the services of, or for any other reason owes compensation to, a
licensed real estate Broker other than:

(a) Seller's Broker: Realty Pro Real Estate Centers

121 Gwyn Drive, STE B, (32408) 8502587647 Rollin Ryan

Licensee: rollinryan1@gmail.com

(b) Buyer's Broker: Realty Pro Real Estate Centers

121 Gwyn Dr., STE B, 32408 8502587647 Rollin Ryan

Licensee: rollinryan1@gmail.com

Buyer ( ) and Seller ( ) acknowledge receipt of a copy of this page, which is Page 6 of 8 Pages.
who □ is a single agent □ is a transaction broker □ has no brokerage relationship and who will be compensated by

[ ] Seller's Broker [ ] Seller [ ] Buyer □ both parties pursuant to □ an MLS offer of compensation □ other (specify)

Broker is not charging a Broker Fee for Either Buyer or Seller

(collectively referred to as "Broker") in connection with any act relating to the Property, including but not limited to
inquiries, introductions, consultations, and negotiations resulting in this transaction. Seller and Buyer agree to

indemnify and hold Broker harmless from and against losses, damages, costs and expenses of any kind, including
reasonable attorneys' fees at all levels, and from liability to any person, arising from (1) compensation claimed which is
inconsistent with the representation in this Paragraph, (2) enforcement action to collect a brokerage fee pursuant to
Paragraph 10, (3) any duty accepted by Broker at the request of Seller or Buyer, which is beyond the scope of
services regulated by Chapter 475, Florida Statutes, as amended, or (4) recommendations of or services provided and
expenses incurred by any third party whom Broker refers, recommends, or retains for or on behalf of Seller or Buyer.

22. OPTIONAL CLAUSES: (Check if any of the following clauses are applicable and are attached as an addendum to this Contract):

[ ] (A) Arbitration [ ] (B) Section 1031 Exchange [ ] (C) Property Inspection and Repair
[ ] (D) Seller Representations [ ] (E) Seller Warranty [ ] (F) Coastal Construction Control
[ ] (G) Flood Area Hazard Zone [ ] (H) Seller Financing [ ] (I) Existing Mortgage
[ ] (J) Buyer's Attorney Approval [ ] (K) Seller's Attorney Approval
[ ] Other

23. ADDITIONAL TERMS:

Buyer's initial deposit of $10,000 along with the additional $90,000 deposit is due within 60 days of the effective date.

Seller Reserves the Right to Accept Back Up Offers Throughout the Due Diligence Period.

_________________________

Buyer ( ) and Seller ( ) ( ) acknowledge receipt of a copy of this page, which is Page 7 of 8 Pages.
ADVICE. BUYER ACKNOWLEDGES THAT BROKER DOES NOT OCCUPY THE PROPERTY AND THAT ALL
REPRESENTATIONS (ORAL, WRITTEN OR OTHERWISE) BY BROKER ARE BASED ON SELLER
REPRESENTATIONS OR PUBLIC RECORDS UNLESS BROKER INDICATES PERSONAL VERIFICATION OF
THE REPRESENTATION. BUYER AGREES TO RELY SOLELY ON SELLER, PROFESSIONAL INSPECTORS AND
GOVERNMENTAL AGENCIES FOR VERIFICATION OF THE PROPERTY CONDITION, SQUARE FOOTAGE AND
FACTS THAT MATERIALLY AFFECT PROPERTY VALUE.

Each person signing this Contract on behalf of a party that is a business entity represents and warrants to the other
party that such signatory has full power and authority to enter into and perform this Contract in accordance with its
terms and each person executing this Contract and other documents on behalf of such party has been duly authorized
to do so.

(Signature of Buyer) Date: 01/29/19
(Typed or Printed Name of Buyer) Tax ID No.: 59-2045549

Title: __________________________________________ Telephone: ____________________________

Date: __________________________________________

(Signature of Buyer) Date: _______________________
(Typed or Printed Name of Buyer) Tax ID No.: __________________

Title: __________________________________________ Telephone: ____________________________

Buyer’s Address for purpose of notice: ______________________________________________________
Facsimile: __________________________________________ Email: _______________________________

(Signature of Seller) Date: _______________________
(Typed or Printed Name of Seller) Tax ID No.: __________________

Title: __________________________________________ Telephone: ____________________________

Date: __________________________________________

(Signature of Seller) Date: _______________________
(Typed or Printed Name of Seller) Tax ID No.: __________________

Title: __________________________________________ Telephone: ____________________________

Seller’s Address for purpose of notice: ______________________________________________________
Facsimile: __________________________________________ Email: _______________________________

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Buyer ( ) and Seller ( ) acknowledge receipt of a copy of this page, which is Page 8 of 8 Pages.
ADDENDUM ONE
TO COMMERCIAL CONTRACT

SELLERS: THE CITY OF PANAMA CITY BEACH, FLORIDA
BUYERS: RECOVERY COMMUNITIES, INC.

NOTWITHSTANDING ANY OF THE PROVISIONS SET FORTH IN THE PURCHASE AND
SALE AGREEMENT TO THE CONTRARY, THE FOLLOWING TERMS AND
CONDITIONS SHALL PREVAIL, AND THIS RIDER SHALL BE ATTACHED TO THE
SUBJECT AGREEMENT AND MADE A PART THEREOF:

This Addendum entered into this ________ day of June, 2019, modifies and amends that
certain Purchase and Sale Agreement dated ____________, by and between THE CITY OF
PANAMA CITY BEACH, FLORIDA ("CITY") as Seller, and RECOVERY COMMUNITIES,
INC. as Buyer. It is agreed as follows:

I. Section 3—TIME FOR ACCEPTANCE; EFFECTIVE DATE; COMPUTATION
   OF TIME. Line 29 shall be amended to required acceptance on or before June
   14, 2019. This agreement and purchase is wholly contingent upon the Panama
   City Beach City Council voting to approve this Contract on or before June 13,
   2019. If the decision is "yes," this Contract shall continue in full force and
   effect. If the decision is "no," this Contract shall terminate and neither party
   shall have any further obligations hereunder.

II. Section 4—CLOSING DATE AND LOCATION.
   Line 38 shall be amended to provide a Closing Date of August 12, 2019.

III. Section 5—THIRD PARTY FINANCING. This Section shall be struck from the
   Agreement. The Purchase Price shall be paid by Buyer at Closing in cash, plus
   or minus net adjustments as provided in the Agreement.

IV. Section 6—TITLE. The City will convey title by statutory warranty deed. City’s
   conveyance will be subject to the following conditions:
   a. BUYER SHALL BE OBLIGATED TO DEVOTE THE PROPERTY TO
      COMPATIBLE TOURISM AND RELATED DEVELOPMENT, AS
      SPECIFIED IN THE COMMUNITY REDEVELOPMENT PLAN. As
      such, the Property shall not be developed with the following land uses:
      low income residential housing; Cannabis Dispensary Facility; Nursing
      Homes or convalescent homes; Institutional facilities and Licensed
      Facilities; Sexually Oriented Businesses or Body Altering Businesses.
   b. Until such time as Buyer receives a Building Permit to commence
      redevelopment of the Property pursuant to a Development Order issued by
      the City, or such other time approved in writing by the City Manager,
      Buyer may continue to maintain the Property as a community parking lot.
   c. Line 79 shall be amended to state: "Income Producing Property as Zoning
      and the Front Beach Road Redevelopment Plan permits. Notwithstanding
      zoning that may otherwise permit such use, the property shall not be used
      or developed with the following land uses: low income housing; Cannabis
      Dispensary Facility; Nursing Homes or convalescent homes; Institutional
facilities and Licensed Facilities; Sexually Oriented Businesses or Body Altering Businesses.

V. Section 10—ESCROW AGENT. In the event that Escrow Agent shall receive a written claim of default by either Buyer or Seller against the other, then Escrow Agent shall not release the Deposit from escrow unless and until Escrow Agent shall have received joint written instructions from Seller and Buyer as to the proper delivery of the Deposit.

VI. Section 19—ASSIGNABILITY, PERSONS BOUND. This Contract may be assigned to a related entity, but no other, with the prior written consent of the City Council, which will not be unreasonably withheld. If Buyer desires to assign this Contract, Buyer shall promptly deliver to the City a copy of the proposed assignment agreement, together with evidence of the assignee’s relationship to Buyer.

V. Section 21—BROKERS. The City has not used the services of any real estate Broker, has no brokerage relationship with any person to whom it will compensate under this Agreement, and this Section shall be amended to so reflect.

Except as expressly modified by this Addendum, all other provisions of the Agreement remain unchanged.

SELLER:
CITY OF PANAMA CITY BEACH, FLORIDA

__________________________________________ Date:_______________________
Mario Gisbert, City Manager

PURCHASER:
RECOVERY COMMUNITIES, INC.

__________________________________________ Date:_______________________
By:_____________________________________
Its: