

PURCHASE AGREEMENT

The CITY OF FOLEY ("the City") and VAMONOS, LLC ("Vamonos") agree as follows:

1. **Property.** Contingent upon Vamonos's successful purchase of that certain real property known as the H. T. Barnes Building located at 21775 US Highway 98, Foley, Alabama, Vamonos will convert said property to the two-unit commercial condominium more particularly described below, and the City will purchase, and Vamonos will sell, Unit 2 of said condominium.

2. **Purchase Price.** The Purchase Price shall be \$350,000.00 payable via certified funds or electronic transfer at Closing.

3. **Condominium.** Vamonos's attorney will draft condominium documents for review and approval by the City, and the parties will work cooperatively either to have the condominium approved by Baldwin County in accordance with the applicable subdivision regulations or to have the larger property annexed into the City of Foley and otherwise to finalize mutually acceptable documents to provide that:

- (a) Unit 2, generally, will be the portion of the building north of the east-west line on which the floor area in the warehouse starts its upward slope to the north.
- (b) Unit 1 will be the portion of the building south of Unit 2.
- (c) Common Elements will include the structural portions of the building and the septic system. A portion of the grounds will be a Limited Common Element appurtenant to Unit 2, and the remaining grounds will be a Limited Common Element appurtenant to Unit 1; Exhibit "A" attached hereto shows the dividing line between the two Limited Common Elements.
- (d) Assessments and Condominium Owners Association voting shall be equal, and each Owner is obliged to act in good faith and apply commercially reasonable judgment for the benefit of the entire property in voting on issues that come before the Association, with any impasse to be decided by a independent arbitrator selected by the parties.
- (e) The Association will be responsible for building property insurance and maintaining the Common Elements.
- (f) Electrical power will be separately billed and paid; unless the parties elect to install separate water meters, water for the entire property will be a Common Expense.

4. **AS IS; Construction of Dividing Wall.** The City shall accept Unit 2 in its then "as is" condition, except that prior to recording of the Declaration of Condominium, Vamonos will, at its initial expense, construct a wall separating the two Units in accordance with the following specifications: 2 hour

fire separation wall consisting of 3 5/8" metal studs, R-13 batt insulation and 2 layers of 5/8" type x drywall on both side (4 total layers).

5. **Closing.** Closing shall occur within five (5) days after recording of the Declaration of Condominium. At Closing, Vamonos shall deliver a general warranty deed and an owner's policy of title insurance in favor of the City in the amount of the Purchase Price in customary form issued by Professional Land Title. The deed and the title policy will be subject to current ad valorem taxes, outstanding mineral interests, the Baldwin County Health Department (septic tank) covenants recorded at Miscellaneous Book 94, Page 188, and, of course, the Declaration of Condominium and related customary documents.

6. **Closing Costs; Prorations.** Vamonos shall be responsible for preparing the closing documents, the aforesaid owner's title policy, and any cost incurred to satisfy any requirements of the title company. Ad valorem taxes will be prorated at Closing, based upon an assumption that each Unit is responsible for one-half of the taxes due the following October 1, prorated for time. The City shall be responsible for recording costs and the title company's closing fee. Each party shall be responsible for its own legal fees and such other expenses as such party shall incur.

7. **Risk of Loss and Possession.** Risk of loss and possession shall shift from Vamonos to the City at closing.

8. **Real Estate Agents.**

The listing company Coastal Real Estate & Development, Inc. is: (Two blocks may be checked)

- ☒ An agent of Vamonos.
- ☐ An agent of the City.
- ☐ An agent of both Vamonos and the City and is acting as a limited consensual dual agent.
- ☐ Assisting the City as a transaction broker.

The selling company, NONE. is: (Two blocks may be checked)

- ☐ An agent of Vamonos.
- ☐ An agent of the City.
- ☐ An agent of both Vamonos and the City and is acting as a limited consensual dual agent.
- ☐ Assisting the City as a transaction broker.

_____ the City's Initials

_____ Vamonos's Initials

9. **Miscellaneous.** Time shall be of the essence under this Agreement. This Agreement contains the entire understanding between the parties, and supersedes any prior or contemporaneous oral or

written agreements, representations, etc. No amendment to this Purchase Agreement shall be binding unless same is in writing and signed by both parties. The captions or paragraph headings are for convenient reference only and shall not be used in the interpretation of this Agreement. Faxed copies or electronically transmitted images photocopies of signed documents shall have the same force and effect as originals. Any notices given hereunder shall be in writing and shall be deemed given when hand delivered by or on behalf of the party giving the notice to either party at the address set forth below such party's signature line; further, any notice to the City shall be emailed to jcp@helmsinglaw.com, and any notice to Vamonos shall be simultaneously emailed to rdavis@davis-fields.com.

10. **Post-Closing Reimbursement.** The City shall, within thirty (30) days after Vamonos' submission to the City of reasonable documentation showing the cost incurred by Vamonos in constructing the aforesaid dividing wall, drafting and recording the aforesaid condominium documents, and processing either the aforesaid annexation or subdivision approval, reimburse Vamonos 50% of such cost, subject to the City's not being required to pay Vamonos more than \$25,000.00 pursuant to this paragraph.

THE CITY OF FOLEY

By: _____
As Manager or Mayor

Address: _____

VAMONOS, LLC

By: _____
As Manager

Address: _____

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