

PURCHASE AGREEMENT

This Purchase Agreement, made and entered into on the _____ day of _____, 2021, by and between **Cappo Real Estate Holdings, LLC**, a Tennessee Limited Liability Company, having its principal place of business at 5496 W Andrew Johnson HWY, Morristown, TN 37814, hereinafter collectively referred to as (“Seller”), and **The City of Crossville, Tennessee**, a Municipal Corporation, having its principal place of business at 392 North Main Street, Crossville, Tennessee 38555, hereinafter referred to as (“Buyer”).

WITNESSETH:

WHEREAS, subject to the terms and conditions set forth herein, the Seller desires to sell and the Buyer desires to purchase the real estate at **North Main Street, Crossville, TN 38555** and specifically identified as **Map 100N – Group A – Parcel 005.00 and Parcel 015.00**.

NOW therefore, for and in consideration of the mutual promises herein, and intending to be legally bound hereby, the parties hereto, covenant, stipulate, represent, warrant and agree as follows:

1. DEFINITIONS.

1.1. CLOSING DATE. This transaction shall be closed on or before the 28th day of January, 2022 at First Crossville Title Company. Possession and occupancy of the property shall be transferred at closing. Any extension of these dates must be agreed to by the parties in writing, which shall not be unreasonably withheld if circumstances should arise which warrant said extension.

1.2. PURCHASED PROPERTY. All of that tract or parcel of land, with all such improvements as are located thereon, known as North Main Street, Crossville, Tennessee 38555 and further identified as Map 100N – Group A – Parcel 005.00 and Parcel 015.00, together with all easements, encumbrances, fixtures, landscaping, improvements, and appurtenances thereto, all being hereinafter collectively referred to as the “Real Property.

2. PURCHASE PRICE AND PAYMENT.

2.1. PURCHASE PRICE. The purchase price for the transfer of the purchased property shall be **One Million Dollars (\$1,000,000.00)** less the earnest money in the amount of **Ten Thousand Dollars (\$10,000.00)** to be paid directly to First Crossville Title Company.

2.2. PAYMENT OF PURCHASE PRICE. Buyer and Seller agree the purchase price will be paid as follows:

2.2.1. Upon both party’s acceptance and signing of this contract, (“the Binding Agreement Date”), Buyer shall pay the sum of Ten Thousand Dollars (\$10,000.00), which shall be held by First Crossville Title Company, hereinafter the “Holder”, as an earnest money deposit to Seller. The earnest money deposit will be credited against payment of the purchase price and will serve as a guarantee of the performance of the terms of this contract, except as is herein otherwise provided.

2.2.1.1. In the event Buyer or Seller notifies Holder of a dispute regarding the disposition of the earnest money that Holder cannot resolve, the Buyer and Seller agree that the Holder shall interplead the earnest money into a court of competent jurisdiction in the Cumberland County Chancery Court. Holder shall be reimbursed for, and may deduct from, any funds interpleaded, its costs and expenses, associated with interpleading said monies. The prevailing party in the interpleader action shall be entitled to collect from the other party the costs and expenses reimbursed to the Holder, and upon payment of such funds into the court registry, Holder shall be released from all further liability in connection with the funds delivered.

2.2.2. Upon closing, Buyer shall pay approximately Nine Hundred Ninety Thousand Dollars (\$990,000.00) toward the purchase price in certified funds.

3. CONTINGENCIES. Seller and Buyer agree that this Contract is directly contingent upon the following:

3.1 ENVIRONMENTAL INSPECTION. The parties agree that the buyer shall obtain a clean phase 1 environmental report within ninety (90) days of the effective date of this Contract unless extended by the written agreement of both parties. In the event that the Buyer is unable to obtain a clean phase 1 environmental report, the Contract shall become null and void, and the earnest money shall be returned to the Buyer. While conducting environmental type testing, buyer or its agent may be required to disturb the soils or general subsurface to obtain samples. In the event that this transaction does not close, the Buyer will return the property to the same or similar condition repairing such disturbance. Buyer and its agents are hereby granted the full right of entry for purposes of making inspections during the 90 day due diligence period.

3.2. ADJOINING PROPERTIES. The parties agree that the closing of this property is contingent upon a successful closing of the properties listed below. In the event that the Buyer is unable to obtain a successful closing with any of the below listed properties, the Contract shall become null and void, and the earnest money shall be returned to the Buyer.

- 3.2.1. Map 100N – Group A – Parcel 009.01
- 3.2.2. Map 100N – Group A – Parcel 010.00
- 3.2.3. Map 100N – Group A – Parcel 009.00

4. EFFECTIVE DATE. The effective date of this Agreement shall be the date when the last party signs.

5. AGENCY AND BROKERAGE. Seller and Buyer each acknowledge that they are not represented by a Broker in this transaction and they are each solely responsible for their own interests. In the event Seller has any obligation to pay a real estate or brokerage fee, it shall be Seller's sole responsibility, and Buyer shall be held harmless for the same.

6. AS-IS. Buyer acknowledges that the conveyance of the real property, equipment fixtures, and assets is made in “as-is” and “where-is” condition without any representations or warranties, express or implied (except as to title or any express representations and warranties set forth in this Contract), including, without limitation, implied warranties of fitness for any particular purpose or merchantability or any other warranties contained in or created by the Uniform Commercial Code or otherwise. Buyer acknowledges that, except as expressly provided in this Contract, neither Seller nor any of its agents have made any representations, warranties, covenants, agreements or guaranties of any kind of character, whether express or implied, oral or written, concerning (i) the value, nature, quality or condition of the property, (ii) the suitability of the property for any uses which may be conducted thereon, (iii) the compliance of the property with any laws, rules, ordinances or regulations of any applicable governmental authority, (iv) the habitability, merchantability, marketability, profitability or fitness for a particular purpose of the property, or (v) any other matter with respect to the property, and that neither Seller nor any of its agents have made (except for the representations and warranties expressly set for this in this Contract) any representations or warranties regarding compliance of the property with any environmental requirements. Buyer shall rely solely on its own investigation of the property and not on any information provided or to be provided by Seller or its agents, except as expressly set forth in this Contract. The provisions of this section shall survive closing or any termination of this Contract.

7. EXISTING LIABILITIES OF SELLER. Buyer does not assume any existing liabilities of the Seller. All debts of the Seller, as they exist on or before the date of Closing, shall be paid by the Seller.

8. AUTHORITY. As of the date of this Agreement and the Closing Date, Seller represents and warrants to Buyer that Seller has the right, power and authority to enter into this Agreement and to consummate the transaction contemplated by the terms and conditions of this Agreement; and the person executing this Agreement on behalf of Seller has been duly and validly authorized by Seller to execute and deliver this Agreement and shall have the right, power and authority to enter into this Agreement and bind Seller.

8.1 MARKETABLE TITLE. The Seller is the owner of, with full power to sell, and has good and marketable title to, all property to be purchased, transferred, or assigned to the Buyer as specified herein and that said property is free and clear of all liens or encumbrances of any kind or nature whatsoever. Seller warrants that at the time of closing, Seller shall convey or cause to be conveyed to Buyer all real property by good, marketable and insurable title to said Property by Warranty Deed.

8.2 THIRD PARTY CONSENT. Seller has obtained all the necessary consents from third parties required to transfer the business assets.

8.3 REPRESENTATIONS OF BUYER. As of the date of this Agreement and the Closing Date, Buyer represents and warrants to Seller that Buyer has the right, power and authority to enter into this Agreement and to consummate the transaction contemplated by the terms and conditions of this Agreement; and the person executing this Agreement on behalf of Buyer

has been duly and validly authorized by Buyer to execute and deliver this Agreement and shall have the right, power and authority to enter into this Agreement and bind Buyer.

9. RISK OF LOSS. On or after the Date of Closing the risk of loss to any of the assets being purchased shall be the Buyer's.

10. MODIFICATION. No modification or amendment of this Agreement shall be effective unless the modification or amendment shall be in writing and signed by all parties hereto.

11. TAXES/CLOSING EXPENSES.

11.1. **PAYMENT OF TAXES.** The current year's real estate taxes and personal property taxes assessed against the real property shall be prorated as of the date of closing.

11.2. **DOCUMENT PREPARATION AND CLOSING FEES.** Each party shall be responsible for paying their own attorney's fees. Buyer and Seller shall split the costs associated with closing this transaction including document preparation fees. Real property taxes shall be pro-rated at the time of closing.

11.3. The closing of this transaction shall occur at First Crossville Title Company at 396 South Main Street, Crossville, TN 38555.

12. SURVIVAL OF WARRANTIES. The warranties, representations, and agreements set forth herein shall continue in full force and effect and shall survive the closing hereunder.

13. FURTHER ASSURANCES. At any time on or after the closing date, the Seller will execute, acknowledge, and deliver any further documents or instruments of transfer that may be reasonably requested by the Buyer, and will take any other action consistent with the terms of this Agreement that may be reasonably requested by Buyer for the purpose of transferring to Buyer any or all other rights and benefits intended to be conveyed by this Agreement.

14. NOTICES. Any notice to be given hereunder shall be given in writing and delivered personally or by registered or certified mail, postage prepaid, as follows:

SELLER:

Cappo Real Estate Holdings, LLC
5496 W Andrew Johnson HWY
Morristown, TN 37814

BUYER:

William T. Ridley, City Attorney
157 Lantana Road
Crossville, TN 38555

15. WAIVER. It is agreed by all parties that this document has been prepared by the Law Office of William T. Ridley and that the Law Office of William T. Ridley, its attorneys, or employees, have not made any representations of any nature whatsoever to any party including, but not limited to the profit and/or loss potential for the purchased property, the potential tax consequences and liability, or other similar data for the purchased property.

16. DAMAGES. Each party hereto shall indemnify the other party against any and all claims, demands, losses, and liabilities, including interest penalties, and reasonable attorney's fees, that

the other party shall incur or suffer by reason of that party's breach of any representation, warranty, covenant, promise, or agreement contained herein.


17. ENTIRE AGREEMENT. This Agreement supersedes all prior written agreements, negotiations and discussions between the parties concerning the subject matter of this Agreement, including, but not limited to, written and oral agreements.

18. BINDING EFFECT. This Agreement shall be binding upon and inure to the benefit of the parties, their heirs, successors, and assigns.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and date written below.

SELLER:

Cappo Real Estate Holdings, LLC

By:  _____
Jeffrey Cappo

Its: MGR. _____

Date: 9/21/21 _____

BUYER:

City of Crossville, Tennessee

By: _____
James S. Mayberry

Its: Mayor

Date: _____