

OPTION TO SELL
HISTORIC HOSPITAL

HAYWOOD COUNTY
NORTH CAROLINA

This option to sell is made effective the 7 day of January, 2019 between Haywood County, a body politic and corporate ("County") and Landmark Asset Services, Inc., a North Carolina corporation ("Buyer") [The designations "County" and "Buyer" shall include the parties, their respective heirs, successors and assigns. In this document gender and number shall be interchangeable as required by context.] and witnesses:

1. Grant of option and description of property. The County, in consideration of the sum of Ten Dollars (\$ 10.00) to it in hand paid by the Buyer, receipt of which is hereby acknowledged, grants to the Buyer, its successors or assigns, the exclusive right and option to purchase all of that parcel of land, together with all improvements located thereon, in the Town of Waynesville, County of Haywood, North Carolina, more particularly described as follows:

Lot 1, containing 3.02 acres, as shown on the survey entitled "Historic Hospital," recorded in Plat Cabinet C, Slot 6051, Haywood County Registry.

2. Term. This option shall be for a period commencing with the date it is last signed by the parties and ending September 15, 2019 at 5:00 p.m.

3. Exercise. At any time during the option period, Buyer may exercise this option by hand delivery, fax, email or deposit of written notice by certified mail to County at the following address:

County's address: Haywood County
Attn: David B. Francis
215 N. Main Street
Waynesville NC 28786
david.francis@haywoodcountync.gov
fax: (828) 452-6715

4. Contract Upon Exercise. Upon exercise, the terms of purchase and sale shall be as set forth on Exhibit A attached hereto, and incorporated herein by reference.

5. Other Conditions.

A. The sale of the property is SUBJECT TO the existing lease in favor of Haywood County Consolidated School system which ends, by its terms, December 31, 2020. Upon Buyer's exercise of this option, County will notify the School System of the non-renewal of the lease, in accordance with its terms.

B. This sale is being authorized and conducted pursuant to NC Gen. Stat. 153A-176 and 160A-267 as a private sale, under the authority of NC Gen. Stat. 153A-176, 160A-279, and 153A-378. County will comply with those provisions and Buyer will cooperate when requested. The deed will include appropriate covenants and conditions that the property will be developed or held by the recipient entity for sale or lease as affordable housing to persons of low and moderate income.

C. The property will be sold "as is, where is" without warranties of its physical condition, environmental status, or suitability for the Buyer's intended purpose. The details of the sale are further described in the attached Offer to Purchase and Sell, Exhibit A, which shall become effective only upon the exercise of this option.

IN WITNESS WHEREOF the parties have caused this instrument to be signed by their duly authorized officers, effective the day and year first written above.

County:

Haywood County

Attest:

Elizabeth C. Way

By: J. Kim Enslay
Title: Chairman

Buyer:

Landmark Asset Services, Inc. ,

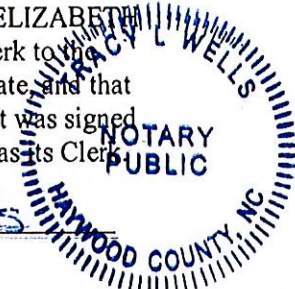
By: Lisa A. Sari
Title: President / CEO

Haywood County – North Carolina

I, the undersigned Notary Public of the State and County aforesaid, certify that ELIZABETH C. Way personally appeared before me this day and acknowledged that she is Clerk to the Board of County Commissioners of Haywood County, a body politic and corporate, and that by authority duty given and as the act of the said Board, the foregoing instrument was signed in its name by its Chairman, sealed with its corporate seal and attested by herself as its Clerk. Witness my hand and notarial stamp or seal, this 7th day of January, 2019.

11-14-2021
My commission expires

Tracy L. Wells
Notary Public



Haywood County – North Carolina

I, a Notary Public of the State and County aforesaid, certify that Lisa A. Sari (name), the duly authorized President / CEO (officer) of Landmark Asset Services, Inc. personally appeared before me this date and acknowledged the due execution of the foregoing instrument. Witness my hand and notarial stamp or seal, this 7th day of January, 2019.

11-14-2021
My commission expires

Tracy L. Wells
Notary Public

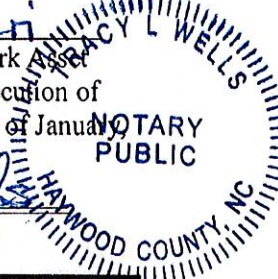


EXHIBIT A

AGREEMENT FOR THE PURCHASE AND SALE OF COMMERCIAL PROPERTY

This Agreement shall become effective only upon the exercise by Buyer of the Option to Sell to which it is attached as Exhibit A.

THIS AGREEMENT, including any and all addenda attached hereto ("Agreement"), is between

Landmark Asset Services, Inc., a North Carolina corporation ("Buyer"), and

Haywood County, a body politic and corporate ("Seller").

FOR AND IN CONSIDERATION OF THE MUTUAL PROMISES SET FORTH HEREIN AND OTHER GOOD AND VALUABLE CONSIDERATION, THE RECEIPT AND SUFFICIENCY OF WHICH ARE HEREBY ACKNOWLEDGED, THE PARTIES HERETO AGREE AS FOLLOWS:

Section 1. Terms and Definitions: The terms listed below shall have the respective meaning given them as set forth adjacent to each term.

(a) "**Property**": 1230 N. Main Street, Waynesville NC 28786 as further described on the plat recorded in Plat Cabinet C, Slot 6051, Haywood County Registry together with all buildings and improvements thereon and all fixtures and appurtenances thereto.

\$ 225,000.00 (b) "**Purchase Price**" shall mean the sum of Two Hundred Twenty Five Thousand Dollars,
payable on the following terms:

\$ 500.00 (i) "**Earnest Money**" shall mean Five Hundred Dollars. Upon this Agreement becoming a contract, which is when the Option to Sell to which it is attached is exercised, the Buyer shall deposit the Earnest Money, in escrow with Haywood County Finance Office, attn.: Julie Davis, Director ("Escrow Agent"), to be applied as part payment of the Purchase Price of the Property at Closing, or disbursed as agreed upon under the provisions of Section 10 herein.

\$224,500.00 (ii) **Cash**, balance of Purchase Price, at Closing in the amount of two hundred twenty four thousand five hundred Dollars.

(c) "**Closing**" shall mean the date of completion of the process detailed in Section 11 of this Agreement. Closing shall occur on or before March 15, 2020 ("Closing Date").

Extension of closing date: At Buyer's option, the Closing Date may be extended a maximum of two times, upon these terms: I. First extension - upon the payment of a non-refundable Extension Payment of \$7,000.00 prior to March 15, 2020, (with the Extension Payment to be applied toward the purchase price if Closing takes place, otherwise to be forfeited to Seller upon Buyer's failure to close) the Closing Date may be extended until June 15, 2020. II. Second extension - upon the payment of a non-refundable Extension Payment of \$7,000.00 prior to June 15, 2020, (with the Extension Payment to be applied toward the purchase price if Closing takes place, otherwise to be forfeited to Seller upon Buyer's failure to close) the Closing Date may be extended until September 15, 2020.

(d) "**Contract Date**" means the date this Agreement becomes effective, which is the date the Option to Sell is exercised by the Buyer giving notice to Seller in accordance with the Option to Sell.

- (e) **"Examination Period"** shall mean the period beginning on the first day after the Contract Date and extending through 5:00pm (based upon time at the locale of the Property) on the Closing Date, as that Closing Date may be extended.

TIME IS OF THE ESSENCE AS TO THE EXAMINATION PERIOD.

- (f) RESERVED.

- (g) **"Seller's Notice Address"** shall be as follows:

Haywood County
Attn: David B. Francis
215 N. Main Street
Waynesville NC 28786
david.francis@haywoodcountync.gov
fax: (828) 452-6715

except as same may be changed pursuant to Section 12.

- (h) **"Buyer's Notice Address"** shall be as follows:

Landmark Asset Services, Inc.
Attn: Samuel J. Sari
406 E. Fourth Street
Winston Salem NC 27101
sam@landmarkdevelopment.biz

except as same may be changed pursuant to Section 12.

Section 2. Sale of Property and Payment of Purchase Price: Seller agrees to sell and Buyer agrees to buy the Property for the Purchase Price.

Section 3. Proration of Expenses and Payment of Costs: Seller and Buyer agree that all property taxes (on a calendar year basis), leases, rents, and utilities shall be prorated as of the date of Closing. Seller shall pay for preparation of a deed and all other documents necessary to perform Seller's obligations under this Agreement, excise tax (revenue stamps), any deferred or rollback taxes, and other conveyance fees or taxes required by law.

Buyer shall pay recording costs, costs of any title search, title insurance, survey, the cost of any inspections or investigations undertaken by Buyer under this Agreement.

Each party shall pay its own attorney's fees.

Section 4. Deliveries: Seller agrees to use best efforts to deliver to Buyer as soon as reasonably possible after the Contract Date copies of all material information relevant to the Property in the possession of Seller, including but not limited to: title insurance policies (and copies of any documents referenced therein), surveys, soil test reports, environmental surveys or reports, site plans, civil drawings, building plans, maintenance records and copies of all presently effective warranties or service contracts related to the Property. Seller authorizes (1) any attorney presently or previously representing Seller to release and disclose any title insurance policy in such attorney's file to Buyer and both Buyer's and Seller's agents and attorneys; and (2) the Property's title insurer or its agent to release and disclose all materials in the Property's title insurer's (or title insurer's agent's) file to Buyer and both Buyer's and Seller's agents and attorneys. If Buyer does not consummate the Closing for any reason other than Seller default, then Buyer shall return to Seller all materials delivered by Seller to Buyer pursuant to this Section 4 (or Section 7, if applicable), if any, and shall, upon Seller's request, provide to Seller copies of (subject to the ownership and copyright interests of the preparer thereof) any and all studies, reports, surveys and other information relating directly to the Property prepared by or at the request of Buyer, its employees and agents, and shall deliver to Seller, upon the release of the Earnest Money, copies of all of the foregoing without any warranty or representation by Buyer as to the contents, accuracy or correctness thereof.

Section 5. Evidence of Title: Seller agrees to convey fee simple insurable title to the Property without exception for mechanics' liens, free and clear of all liens, encumbrances and defects of title other than: (a) zoning ordinances affecting the Property, (b) Leases (as defined in Section 7, if applicable) and (c) specific instruments on the public record at the Contract Date agreed to by Buyer (not objected to by Buyer prior to the end of the Examination Period), which specific instruments shall be enumerated in the deed referenced in Section 11 (items 5(a), 5(b) and 5(c) being collectively "Permitted Exceptions"); provided that Seller shall be required to satisfy, at or prior to Closing, any encumbrances that may be satisfied by the payment of a fixed sum of money, such as deeds of trust, mortgages or statutory liens. Seller shall not enter into or record any instrument that affects the Property after the Contract Date without the prior written consent of Buyer, which consent shall not be unreasonably withheld, conditioned or delayed.

Section 6. Conditions: This Agreement and the rights and obligations of the parties under this Agreement are hereby made expressly conditioned upon fulfillment (or waiver by Buyer, whether explicit or implied) of the following conditions:

(a) **New Loan:** DOES NOT APPLY.

(b) **Qualification for Assumption:** DOES NOT APPLY.

(c) **Title Examination:** After the Contract Date, Buyer shall, at Buyer's expense, cause a title examination to be made of the Property before the end of the Examination Period. In the event that such title examination shall show that Seller's title is not fee simple insurable, subject only to Permitted Exceptions, then Buyer shall promptly notify Seller in writing of all such title defects and exceptions, in no case later than the end of the Examination Period, and Seller shall have thirty (30) days to cure said noticed defects. If Seller does not cure the defects or objections within thirty (30) days of notice thereof, then Buyer may terminate this Agreement and receive a return of Earnest Money (notwithstanding that the Examination Period may have expired). If Buyer is to purchase title insurance, the insuring company must be licensed to do business in the state in which the Property is located. Title to the Property must be insurable at regular rates, subject only to standard exceptions and Permitted Exceptions.

(d) **Same Condition:** If the Property is not in substantially the same condition at Closing as of the date of the offer, reasonable wear and tear excepted, then the Buyer may (i) terminate this Agreement and receive a return of the Earnest Money or (ii) proceed to Closing whereupon Buyer shall be entitled to receive, in addition to the Property, any of the Seller's insurance proceeds payable on account of the damage or destruction applicable to the Property.

(e) **Inspections:** Buyer, its agents or representatives, at Buyer's expense and at reasonable times during normal business hours, shall have the right to enter upon the Property for the purpose of inspecting, examining, conducting timber cruises, and surveying the Property; provided, however, that Buyer shall not conduct any invasive testing of any nature without the prior express written approval of Seller as to each specific invasive test intended to be conducted by Buyer. Buyer shall conduct all such on-site inspections, examinations, testing, timber cruises and surveying of the Property in a good and workmanlike manner, at Buyer's expense, shall repair any damage to the Property caused by Buyer's entry and on-site inspections and shall conduct same in a manner that does not unreasonably interfere with Seller's or any tenant's use and enjoyment of the Property. In that respect, Buyer shall make reasonable efforts to undertake on-site inspections outside of the hours Seller's or any tenant's business is open to the public. Buyer shall provide Seller or any tenant (as applicable) reasonable advance notice of and Buyer shall cause its agents or representatives and third party service providers (e.g. inspectors, surveyors, etc.) to give reasonable advance notice of any entry onto the Property. Buyer shall be obligated to observe and comply with any terms of any tenant lease which conditions access to such tenant's space at the Property. Upon Seller's request, Buyer shall provide to Seller evidence of general liability insurance. Buyer shall also have a right to review and inspect all contracts or other agreements affecting or related directly to the Property and shall be entitled to review such books and records of Seller that relate directly to the operation and maintenance of the Property, provided, however, that Buyer shall not disclose any information regarding this Property (or any tenant therein) unless required by law and the same shall be regarded as confidential, to any person, except to its attorneys, accountants, lenders and other professional advisors, in which case Buyer shall obtain their agreement to maintain such confidentiality. Buyer assumes all responsibility for the acts of itself, its agents or representatives in exercising its rights under this Section 6(e) and agrees to indemnify and hold Seller harmless from any damages resulting therefrom. This indemnification obligation of Buyer shall survive the Closing or earlier termination of this Agreement. Except as provided in Section 6(c) above, Buyer shall have from the Contract Date through the end of the Examination Period to perform the above inspections, examinations and testing. **IF BUYER CHOOSES NOT TO PURCHASE THE PROPERTY, FOR ANY REASON OR NO REASON, AND PROVIDES WRITTEN NOTICE TO SELLER THEREOF PRIOR TO THE EXPIRATION OF THE EXAMINATION PERIOD, THEN THIS AGREEMENT SHALL TERMINATE, AND BUYER SHALL RECEIVE A RETURN OF THE EARNEST MONEY, EXCEPT FOR THE EXTENSION PAYMENT(S), WHICH ARE NON-REFUNDABLE.**

Section 7. Lease. The property is SUBJECT TO a written lease for the offices of the Haywood County Consolidated School System. Buyer has been provided with a copy of that lease. Buyer will honor that lease through its expiration date of December 31, 2020.

Section 8. Environmental: Seller disclaims any representation about the environmental condition of the Property. Buyer has undertaken a Phase I evaluation of the Property previously. Seller sells the Property and Buyer accepts the Property "as is, where is" on the date of Closing.

Section 9. Risk of Loss/Damage/Repair: Until Closing, the risk of loss or damage to the Property, except as otherwise provided herein, shall be borne by Seller. Except as to maintaining the Property in its same condition, Seller shall have no responsibility for the repair of the Property, including any improvements, unless the parties hereto agree in writing.

Section 10. Earnest Money Disbursement: In the event that any condition hereto is not satisfied, then the Earnest Money shall be refunded to Buyer. In the event of breach of this Agreement by Seller, the Earnest Money shall be refunded to Buyer upon Buyer's request, but such return shall not affect any other remedies available to Buyer for such breach. In the event of breach of this Agreement by Buyer, the Earnest Money Deposit shall be paid to Seller as liquidated damages and as Seller's sole and exclusive remedy for such breach, but without limiting Seller's rights under Section 6(e) or Section 22 of this Agreement. It is acknowledged by the parties that payment of the Earnest Money to Seller in the event of a breach of this Agreement by Buyer is compensatory and not punitive, such amount being a reasonable estimation of the actual loss that Seller would incur as a result of such breach. The payment of the Earnest Money to Seller shall not constitute a penalty or forfeiture but actual compensation for Seller's anticipated loss, both parties acknowledging the difficulty determining Seller's actual damages for such breach.

Seller and Buyer hereby agree and acknowledge that the Escrow Agent assumes no liability in connection with the holding of the Earnest Money pursuant hereto except for negligence or willful misconduct of Escrow Agent. Escrow Agent shall not be responsible for the validity, correctness or genuineness of any document or notice referred to under this Agreement. Seller and Buyer hereby agree to indemnify, protect, save and hold harmless Escrow Agent and its successors, assigns and agents pursuant to this Agreement, from any and all liabilities, obligations, losses, damages, claims, actions, suits, costs or expenses (including attorney fees) of whatsoever kind or nature imposed on, incurred by or asserted against Escrow Agent which in any way relate to or arise out of the execution and delivery of this Agreement and any action taken hereunder; provided, however, that Seller and Buyer shall have no such obligation to indemnify, save and hold harmless Escrow Agent for any liability incurred by, imposed upon or established against it as a result of Escrow Agent's negligence or willful misconduct.

Section 11. Closing: At or before Closing, Seller shall deliver to Buyer a special warranty deed, an owner's affidavit, lien waiver forms (and such other lien related documentation as shall permit the Property to be conveyed free and clear of any claim for mechanics' liens) and a non-foreign status affidavit (pursuant to the Foreign Investment in Real Property Tax Act), and Buyer shall cause to be delivered the funds necessary to pay to Seller the Purchase Price. The Closing shall be conducted by Buyer's attorney or handled in such other manner as the parties hereto may mutually agree in writing. Possession shall be delivered at Closing, unless otherwise agreed herein. The Purchase Price and other funds to be disbursed pursuant to this Agreement shall not be disbursed until the Buyer's attorney's (or other designated settlement agent's) receipt of authorization to disburse all necessary funds.

Section 12. Notices: Unless otherwise provided herein, all notices and other communications which may be or are required to be given or made by any party to the other in connection herewith shall be in writing (which shall include electronic mail) and shall be deemed to have been properly given and received (i) on the date delivered in person or (ii) the date deposited in the United States mail, registered or certified, return receipt requested, to the addresses set out in Section 1(g) as to Seller and in Section 1(h) as to Buyer, or at such other addresses as specified by written notice delivered in accordance herewith, (iii) upon the sender's receipt of evidence of complete and successful transmission of electronic mail or facsimile to the electronic mail address or facsimile number, if any, provided in Section 1(g) as to Seller and in Section 1(h) as to Buyer or (iv) on the date deposited with a recognized overnight delivery service, addressed to the addresses set out in Section 1(g) as to Seller and in Section 1(h) as to Buyer, or at such other addresses as specified by written notice delivered in accordance herewith. If a notice is sent by more than one method, it will be deemed received upon the earlier of the dates of receipt pursuant to this Section.

Section 13. Counterparts; Entire Agreement: This Agreement may be executed in one or more counterparts, which taken together, shall constitute one and the same original document. Copies of original signature pages of this Agreement may be exchanged via facsimile or e-mail, and any such copies shall constitute originals. This Agreement and the Option To Sell to which it is Exhibit A constitute the sole and entire agreement among the parties hereto and no modification of this Agreement shall be binding unless in writing and signed by all parties hereto. The invalidity of one or more provisions of this Agreement shall not affect the validity of any other provisions hereof and this Agreement shall be construed and enforced as if such invalid provisions were not included.

Section 14. Enforceability: This Agreement shall become a contract when signed by both Buyer and Seller and such signing is communicated to both parties; it being expressly agreed that the notice described in Section 12 is not required for effective communication for the purposes of this Section 14. This Agreement shall be binding upon and inure to the benefit of the parties, their heirs, successors and assigns and their personal representatives.

Section 15. RESERVED.

Section 16. Survival of Representations and Warranties: All representations, warranties, covenants and agreements made by the parties hereto shall survive the Closing and delivery of the deed. Seller shall, at or within six (6) months after the Closing, and without further consideration, execute, acknowledge and deliver to Buyer such other documents and instruments, and take such other action as Buyer may reasonably request or as may be necessary to more effectively transfer to Buyer the Property described herein in accordance with this Agreement.

Section 17. Applicable Law: This Agreement shall be construed under the laws of the state in which the Property is located. This form has only been approved for use in North Carolina.

Section 18. Assignment: Buyer shall have the right to assign this Agreement at any time without the consent of the Seller to a single-purpose entity for which Buyer is the managing member. Any other assignment of this agreement by the Buyer will require the prior written consent of the Seller. Seller shall not assign this agreement without the prior written consent of the Buyer.

Section 19. RESERVED.

Section 20. RESERVED.

Section 21. Authority: Each signatory to this Agreement represents and warrants that he or she has full authority to sign this Agreement and such instruments as may be necessary to effectuate any transaction contemplated by this Agreement on behalf of the party for whom he or she signs and that his or her signature binds such party. This sale is being authorized and conducted pursuant to NC Gen. Stat. 153A-176 and 160A-267 as a private sale, under the authority of NC Gen. Stat. 153A-176, 160A-279, and 153A-378. Seller will comply with those provisions and Buyer will cooperate when requested. The deed will include appropriate covenants and conditions that the property will be developed or held by the recipient entity for sale or lease as affordable housing to persons of low and moderate income.

Section 22. Brokers: DOES NOT APPLY.

Section 23. Attorneys Fees: If legal proceedings are instituted to enforce any provision of this Agreement, the prevailing party in the proceeding shall be entitled to recover from the non-prevailing party reasonable attorneys fees and court costs incurred in connection with the proceeding.

BUYER:

Landmark Asset Services, Inc.

By: Lisa A. Sari
Name: Lisa A. Sari
Title: President : CEO
Date: 1/7/19

SELLER:

Haywood County

By: L. Kevin Enslin
Name: L. Kevin Enslin
Title: Chairman Board of Commissioners
Date: January 7, 2019

The undersigned hereby acknowledges receipt of the Earnest Money set forth herein and agrees to hold said Earnest Money in accordance with the terms hereof.

Date: 1/7/19

Haywood County Finance Office
By: Julie [Signature]