

PURCHASE AGREEMENT

This **Purchase Agreement** (this "Agreement"), dated **May 27, 2020**, is made by and between **Southeast Ventures, LLC** ("Purchaser"), and **The City of Tupelo, Mississippi** ("Seller").

In consideration of the mutual covenants herein contained, Purchaser and Seller agree as follows:

PURCHASE TERMS

Purchase and Sale. Subject to the terms and conditions of this Agreement, Purchaser hereby agrees to purchase from Seller, and Seller hereby agrees to sell to Purchaser, Seller's interest in the following described property (herein collectively called the "Property"):

(a) "Property" shall mean all of that certain tract or parcel of Property lying and being in Lee County, City of Tupelo, Mississippi, more particularly described on Exhibit A, attached hereto and incorporated herein by this reference.

(b) Improvements. All right, title and interest in all improvements on the Property, if any, (the "Improvements").

(c) Easements. All easements benefiting the Property, if any.

(d) Rights and Appurtenances. All rights and appurtenances pertaining to the foregoing, if any.

PURCHASE PRICE

Purchase Price. The purchase price for the Property shall be **Two Hundred Seven Thousand Five Hundred and No/100 Dollars (\$207,500.00)** (the "Purchase Price") shall be paid by Purchaser to Seller at the Closing.

EARNEST MONEY

Earnest Money. Purchaser has delivered to a mutually agreed upon escrow agent (the "Escrow Agent"), the sum of **Five Thousand and No/100 Dollars (\$5,000.00)** in cash ("Earnest Money"), to be held by Mitchell McNutt & Sams, PA, Escrow Agent, in an account selected by Escrow Agent in the exercise of its reasonable discretion. If the purchase of the Property is consummated pursuant to the terms of this Agreement, the Earnest Money shall be paid to Seller at Closing and applied to the payment of the Purchase Price.

INSPECTION & COVENANTS OF SELLER

Inspection Period.

(a) Purchaser's Inspection Period. Purchaser shall have through and until the date that is thirty (30) days after the Effective Date of this Agreement (the "Inspection

Period") within which to undertake any and all inspections of the Property as Purchaser deems advisable. If Purchaser determines, in Purchaser's sole and absolute discretion, that the Property or the Improvements are not suitable for its purposes, Purchaser shall have the right to terminate this Agreement by written notice to Seller given on or prior to the expiration of the Inspection Period, in which event the Earnest Money shall be released and transferred unto Seller, all rights and obligations of the parties under this Agreement shall terminate, and except as expressly set forth herein to the contrary, this Agreement shall be of no further force or effect.

(b) Title Commitment and Survey. At Purchaser's option, Purchaser may obtain a title commitment (a "Title Commitment") for an Owner's Policy of Title Insurance issued by Escrow Agent (the "Title Company"). Prior to the expiration of the Inspection Period (as defined herein), Purchaser may obtain, at Purchaser's option, a current survey of the Property (the "Survey") prepared by a licensed surveyor. Purchaser may also obtain an environmental study of the Property.

(c) Title, Environmental and Survey Objections. Purchaser will have an opportunity to review the Title Commitment, any environmental study and Survey during the Inspection Period. If Purchaser determines, in Purchaser's sole and absolute discretion, that the title to the Property is not marketable or insurable or the Survey or study results shows that the Property is not suitable for its purposes, Purchaser shall have the right to terminate this Agreement by written notice to Seller given on or prior to the expiration of the Inspection Period, in which event the Earnest Money shall be released and transferred unto Seller, all rights and obligations of the parties under this Agreement shall terminate, and except as expressly set forth herein to the contrary, this Agreement shall be of no further force or effect. From the execution hereof up to and until closing, Seller shall not permit any liens, objections or encumbrances to be created which are not disclosed on the Title Commitment.

Covenants of Seller With Respect to Property.

(a) While this Agreement is pending and not terminated, Seller shall not negotiate with, any other person or entity with respect to the sale of the Property.

(b) Prior to Closing, unless this Agreement is terminated, Seller shall not: (i) enter into material agreements with respect to the Property which would survive Closing without the prior written consent of Purchaser; which approval shall not be unreasonably withheld, delayed or conditioned; (ii) sell, encumber or grant any interest in or place or cause to be placed any restrictions on the Property; or (iii) permit the recordation or filing of a mechanic's lien against the Property.

REPRESENTATIONS AND WARRANTIES

Seller's Representations and Warranties. To induce Purchaser to purchase the Property from Seller, Seller represents and warrants to Purchaser as follows:

(a) Seller has the capacity and authority to execute this Agreement and perform the obligations of Seller under this Agreement, or will obtain and take all action necessary to authorize the execution, delivery and performance of this Agreement by Seller.

(b) Seller now has, and as of Closing, shall have, fee simple, record title to the Property.

(c) To the best of Seller's knowledge, neither the execution of this Agreement nor the consummation of the transactions contemplated herein by Seller will constitute a breach under any contract or agreement to which Seller is a party or by which Seller is bound or affected.

(d) No consent or approval of any third party (including, without limitation any governmental authority) is or was required in connection with Seller's execution and delivery of this Agreement or its consummation of the transaction contemplated herein. Notwithstanding, Seller shall provide a waiver of its right of first refusal from Tupelo Airport Authority prior to Closing, if applicable.

(e) On the Closing Date, Seller will not be indebted to any contractor, laborer, mechanic, materialman, architect or engineer for work, labor or services performed or rendered, or for materials supplied or furnished, in connection with the Property for which any such person could claim a lien against the Property, except for matters for which the settlement agent is paying at Closing from the Seller's proceeds of sale of the Property.

(f) Seller has no knowledge of any threatened or pending litigation, arbitration or similar action which has been filed against Seller that arises out of the ownership of the Property and which would materially affect the Property or use or development thereof, or Seller's ability to perform hereunder.

(g) Except as disclosed to Purchaser in writing on or before the Effective Date, including disclosures in the Due Diligence Materials, Seller has no knowledge of the existence or prior existence on the Property of any Hazardous Materials, as defined below. As used in this Agreement, "Hazardous Materials" means any material, substance or waste designated as hazardous, toxic, radioactive, injurious or potentially injurious to human health or the environment, or as a pollutant or contaminant, including, but not limited to, petroleum and petroleum products, asbestos, polychlorinated biphenyls, urea formaldehyde, radon gas, radioactive matter, medical waste, and chemicals which may cause cancer or reproductive toxicity.

Purchaser's Representations and Warranties. To induce Seller to sell the Property to Purchaser, Purchaser represents and warrants to Seller as follows:

(a) Purchaser is validly existing pursuant to the laws of the State of Mississippi.

(b) Purchaser has the capacity and authority to execute this Agreement and perform the obligations of Purchaser under this Agreement.

(c) To the best of Purchaser's knowledge, Purchaser is not subject to any judgment or decree of a court of competent jurisdiction or governmental agency that would limit or restrict Purchaser's right to enter into and carry out this Agreement.

(d) To the best of Purchaser's knowledge, neither the execution of this Agreement nor the consummation of the transactions contemplated herein by Purchaser will

constitute a breach under any contract or agreement to which Purchaser is a party or by which Purchaser is bound or affected.

(e) No consent or approval of any third party (including, without limitation any governmental authority) is or was required in connection with Purchaser's execution and delivery of this Agreement or its consummation of the transaction contemplated herein.

CLOSING

Closing. Unless the parties mutually agree upon another time or date, the closing (the "Closing" or the "Closing Date") shall be held at 2:00 p.m. on the date that is thirty (30) days after the expiration of the Inspection Period. The Closing shall be held at the office of Mitchell, McNutt and Sams, PA, unless the parties hereto mutually agree upon another place or manner for Closing.

Proration; Taxes. Any real property taxes due for prior years shall be paid at or prior to Closing, and real property taxes due for 2020, if any, shall be prorated based upon the amounts paid in the prior year.

Closing Costs. Purchaser shall pay (i) the costs of the title insurance policies to be issued in favor of Purchaser; (ii) the cost of preparing this contract; (iii) the cost of preparing the Survey and environmental assessments and reports, and (iv) the costs of recording the Deed(s). Seller shall pay (i) the cost of preparation of the Deed; and (ii) the costs of the Closing. Except as otherwise provided herein, each party shall pay its own attorneys' fees and expenses.

Seller's Obligations at the Closing. At the Closing, Seller shall deliver to Purchaser the Seller Closing Documents being the following:

(a) Deed. A Warranty Deed (the "Deed") executed by Seller conveying the Property and Improvements located thereon to Purchaser subject to the permitted exceptions, if any. The Deed shall be subject to Purchaser's prior approval, such approval not to be unreasonably withheld.

(b) Closing Statement. A closing statement, to be prepared by Escrow Agent and approved by Purchaser, setting forth the allocation of closing costs, purchase proceeds, etc.

(c) Evidence of Authority. Such consents and authorizations as may be reasonably satisfactory to Purchaser's title insurer to evidence authorization of Seller for the sale of the Property, the execution and delivery of any documents required in connection with Closing and the taking of all action to be taken by Seller in connection with Closing.

(d) Owner's Affidavit. An owner's affidavit, in form and substance reasonably acceptable to Purchaser's title insurer, with respect to the Property which shall among other things, allow Purchaser to obtain title insurance deleting standard or pre-printed exceptions for policies written in the State of Mississippi and without exception for construction, material or mechanic's liens.

(e) Other Documentation. Such other documents as may be reasonable and necessary in the opinion of the Title Company, Purchaser or its counsel to consummate and

close the purchase and sale contemplated herein pursuant to the terms and provisions of this Agreement.

Purchaser's Obligations at the Closing. At the Closing, Purchaser shall deliver to Seller the following:

(a) Purchase Price. The balance of the Purchase Price by certified check, bank check or wire transfer of immediately available U.S. funds.

(b) Closing Statement. An executed copy of the closing statement prepared by Escrow Agent.

(c) Certificate of Existence/Good Standing. A certificate stating that the Purchaser, as of the date of closing, in existence and in good standing.

(d) Evidence of Authority. Such consents and authorizations as Seller may reasonably deem necessary to evidence authorization of Purchaser for the purchase of the Property, the execution and delivery of any documents required in connection with Closing and the taking of all action to be taken by Purchaser in connection with Closing.

(e) Other Documentation. Such other documents as may be reasonable and necessary in the opinion of the Title Company to consummate and close the purchase and sale contemplated herein pursuant to the terms and provisions of this Agreement.

DEFAULT

Breach by Seller. If Seller breaches this Agreement, Purchaser shall be entitled to:
(i) terminate this Agreement and thereupon be entitled to receive the return of the Earnest Money; or
(ii) seek specific performance of this Agreement and any other remedy available at law or in equity.

Breach by Purchaser. If Purchaser breaches this Agreement, Seller may, as Seller's sole remedy and relief hereunder, terminate this Agreement and thereupon be entitled to receive as its liquidated damages the Earnest Money.

MISCELLANEOUS

Real Estate Commissions. Purchaser and Seller represent and warrant that neither Purchaser nor Seller are otherwise represented by a real estate broker in connection with this transaction and no Broker's Fees have been paid or are due and owing to any person or entity by Seller or Purchaser.

Entire Agreement. This Agreement embodies the entire agreement between the parties relative to the subject matter hereof, and there are no oral or written agreements between the parties, nor any representations made by either party relative to the subject matter hereof, which are not expressly set forth herein. This Agreement supersedes in its entirety any prior agreement between the parties pertaining to the subject matter hereof.

Amendment. This Agreement may be amended only by a written instrument executed by the party or parties to be bound thereby.

Governing Law; Construction. This Agreement shall be governed by the laws of the State of Mississippi.

Date of this Agreement. This Agreement shall not be effective unless signed by both Purchaser and Seller. As used in this Agreement, the terms "date of this Agreement" or "date hereof" shall mean the date first set forth above in this Agreement.

For good and valuable consideration, the Parties hereto have caused this Agreement to be executed by persons duly empowered to bind the parties to perform their respective obligations hereunder the day and year set forth beside their respective signatures.

Southeast Ventures, LLC

By: _____

Name: _____

Title: _____

The City of Tupelo, Mississippi

By: _____

Name: _____

Title: _____

EXHIBIT "A"

East Tract Legal:

Commencing at a concrete marker at the Southeast corner of the Southeast Quarter of Section 34, Township 9 South, Range 5 East, City of Tupelo, Lee County, Mississippi and run thence South 89 degrees 50 minutes 21 seconds West for 1969.30 ft.; thence run North 00 degrees 04 minutes 26 seconds West for 289.00 ft. to a point on the North right of way line of Mississippi State Highway No. 6 or West Main Street; thence run North 01 degree 04 minutes 00 seconds West along the East line of the Hancock Fabrics Inc. property for 154.50 ft. to a mag nail (set); thence run North 08 degrees 39 minutes 00 seconds East for a distance of 154.50 ft.; thence run North 88 degrees 20 minutes 01 seconds East for a distance of 1.79 ft. to an iron pin (set) on the east line of Convention Drive for a point of beginning; thence run North 01 degrees 04 minutes 00 seconds West along the East line of Convention Drive for a distance of 356.08 ft. to a mag nail (set); thence run along the South line of the Hancock Fabrics INC. property as follows: thence run North 83 degrees 59 minutes 44 seconds East for a distance of 132.75 ft. to an iron pin (found); thence run North 88 degrees 35 minutes 53 seconds East for a distance of 324.70 ft. to an iron pin (found); thence run South 89 degrees 49 minutes 46 seconds East for a distance of 123.96 ft. to an iron pin (found) on the West Boundary of the Natchez Trace Parkway; thence run South 29 degrees 21 minutes 00 seconds West along the West Boundary of the Natchez Trace Parkway, which is the reference line of the record bearing used in this survey and legal description, for a distance of 400.71 ft. to an iron pin (found); thence run South 87 degrees 41 minutes 23 seconds West along the north edge of a parking lot for a distance of 212.54 ft. to an iron pin (found); thence run South 14 degrees 20 minutes 42 seconds East for a distance of 15.17 ft. to an iron pin (found); thence run South 88 degrees 20 minutes 01 seconds West for a distance of 169.02 ft. to the point of beginning.

All lying and being in the Southeast Quarter of Section 34, Township 9 South, Range 5 East, City of Tupelo, Lee County, Mississippi, and contains 3.894 acres.

West Tract:

Commencing at a concrete marker at the Southeast corner of the Southeast Quarter of Section 34, Township 9 South, Range 5 East, City of Tupelo, Lee County, Mississippi and run thence South 89 degrees 50 minutes 21 seconds West for 1969.30 ft.; thence run North 00 degrees 04 minutes 26 seconds West for 289.00 ft. to a point on the North right of way line of Mississippi State Highway

No. 6 or West Main Street; Thence run North 01 degree 04 minutes 00 seconds West along the East line of the Hancock Fabrics Inc. property for 154.50 ft. to a mag nail (set); thence run South 88 degrees 56 minutes 00 seconds West along the North line of the Hancock Fabrics INC. Property for a distance of 2.07 ft. for a point of beginning; thence run South 88 degrees 56 minutes 00 seconds West for a distance of 185.95 ft. to a ½ inch rebar (set); thence run North 01 degrees 04 minutes 00 seconds West for a distance of 372.13 ft. to a mag nail (set); thence run North 86 degrees 34 minutes 00 seconds East for a distance of 186.11 ft. to a mag nail (set) on the West line of Convention Drive; thence run South 01 degrees 04 minutes 00 seconds East along the West line of Convention Drive for a distance of 379.81 ft. to the point of beginning.

All lying and being in the Southeast Quarter of Section 34, Township 9 South, Range 5 East, City of Tupelo, Lee County, Mississippi, and contains 1.605 acres.

Also an easement for the purpose of ingress and egress that is that certain property consisting of a paved 30 foot street known as Convention Drive and the Northward extension thereof, that has been more particularly described as follows: Commencing at the Southeast corner of the Southeast Quarter of Section 34, Township 9 South, Range 5 East, and run thence West 1789.09 feet; thence run North 392.9 ft. to the North right of way line of Mississippi State Highway No. 6; thence run South 68 degrees 09 minutes West along said right of way line, 163.3 feet to the POINT OF BEGINNING; thence run North 01 degree 04 minutes West 544.0 feet to a located 49.0 feet bearing North 01 degree 04 minutes West from the Northwest corner of the Property conveyed by Harold R. Russell to S. A. Hancock, Jr. by Deed recorded in Book 505, Page 68, Deed Records of Lee County, Mississippi; thence continue in a Northerly direction along the Easter side of said paved road or street as the same now exists to the southern boundary of the S. A. Hancock, Jr. home lot, referred to above; thence run in a westerly direction along the said Southern Boundary of the S. A. Hancock Jr. Home lot, 30.0 feet to the Western Boundary of said paved street or road; thence in a southerly direction along the Western boundary of said street of road to a point located by proceedings from the Northwest corner of said lot conveyed from Harold R. Russell to S. A. Hancock, Jr. on a bearing of North 01 degree 04 minutes West for a distance of 49.0 feet and thence on a bearing of South 88 degrees 56 minutes West for a distance of 30.0 feet to said point; thence run South 01 degrees 04 minutes East along the West side of said road or Street, 554.5 feet to the North right of way line of

Mississippi State Highway No. 6; thence run North 68 degrees 09 minutes East, 32.0 feet to the point of beginning.

Lying and being AND TO BE INDEXED in the Southeast Quarter of Section 34, Township 9 South, Range 5 East, in the City of Tupelo, Lee County, Mississippi.