

AGREEMENT FOR PURCHASE AND SALE OF REAL ESTATE

STATE OF MISSISSIPPI

CITY OF TUPELO

This Agreement for Purchase and Sale of Real Estate is made this 6 day of August, 2019 and entered into by and between the **Tupelo Redevelopment Agency**, an urban renewal agency of the City of Tupelo, Mississippi, organized and existing under the laws of the State of Mississippi (hereinafter referred to as SELLER) and **The Thrash Group, LLC**, a Mississippi limited liability company (hereinafter referred to as PURCHASER). The full agreement is as follows:

STATEMENT OF BACKGROUND INFORMATION

1. SELLER owns all that tract or parcel of land described as an approximately 0.5+/- acre parcel of undeveloped land located in the Fairpark Development on Main Street in the City of Tupelo and State of Mississippi. The full legal description of the property to be conveyed is Lot 6A and Lot 6B Fairpark District – Phase Three-B as described in metes and bounds on the plat attached by SELLER as Exhibit “B”.
2. SELLER desires to sell and PURCHASER desires to purchase all the real estate on the terms and conditions set forth in this Agreement.

STATEMENT OF AGREEMENT

Now, therefore, in consideration of the Earnest Money paid and the mutual covenants and conditions set forth herein, PURCHASER and SELLER agree as follow:

ARTICLE 1

Definitions

As used herein, the terms below shall have the definitions set forth as follow:

- 1.01 Broker – There are no brokers involved in this transaction.
- 1.02 Closing Agent – Commonwealth Title of Dallas 2651 N. Harwood Street, Suite 260, Dallas, TX 75201, Attn: Sharon Cooper-(214)-855-8429.
- 1.03 Closing or Closing Date – The date on which the delivery and exchange of all documents and other items required by this Agreement, will take place, and disbursements of the proceeds of the sale, issuance of the title policy, and consummation of the transaction contemplated herein will all occur.
- 1.04 Escrow Agent – Commonwealth Title of Dallas 2651 N. Harwood Street, Suite 260, Dallas, TX 75201, Attn: Sharon Cooper-(214)-855-8429.
- 1.05 Property – tract or parcel of land described as an approximately 0.5+/- acre parcel of undeveloped land located in the Fairpark Development on Main Street in the City of Tupelo and State of Mississippi. The full legal description of the property to be conveyed is attached by SELLER as Exhibit “B”
- 1.06 Purchase Price –The price to be paid by PURCHASER for the property, as determined pursuant to Article 3 of this Agreement.
- 1.07 Permitted Exceptions – See Article 7
- 1.08 SELLER – Tupelo Redevelopment Agency
- 1.09 PURCHASER – The Thrash Group, LLC
- 1.10 Survey- Should the purchaser desire to commission and pay for an ALTA survey under Article 9 of this Agreement, the parcel to be sold under this Agreement will have a survey completed and included, unless disputed by the seller, as a replacement Exhibit “B” to this Agreement.
- 1.11 ADDITIONAL INDUCER – City of Tupelo, Mississippi

- 1.12 Effective Date – The date upon which this Agreement has been executed by both parties as evidenced by the date next to their executions on the signature page of this Agreement.

ARTICLE 2
Purchase and Sale of Property

Upon the terms and conditions set forth in this Agreement, SELLER agrees to sell, transfer and convey to PURCHASER, and PURCHASER agrees to purchase from SELLER the Property.

ARTICLE 3
Purchase Price

The Purchase Price for the Property shall be Three Hundred Thousand and No/100 (\$300,000.00) Dollars paid in cash at Closing.

ARTICLE 4
Earnest Money

Upon acceptance of this Agreement by PURCHASER, PURCHASER shall immediately remit to the Escrow Agent the sum of Fifty Thousand and No/100 Dollars (\$50,000.00) in Earnest Money. This Earnest Money is fully refundable to PURCHASER at any time prior to the end of the Inspection Period. After the expiration of the Inspection Period, the Earnest Money shall be returned to PURCHASER only if SELLER defaults under this Agreement. The Escrow Agent shall promptly deposit such Earnest Money and additional amounts received in an account.

Escrow Agent shall make disbursements of the Earnest Money in accordance with this Agreement and the Title Company "Earnest Money Escrow Agreement" of even date herewith between the parties and the Title Company. Should any controversy arise between or among the SELLER, PURCHASER and/or Escrow Agent with respect to (i) this Agreement, or (ii) any rights to the payment, application or delivery of the Earnest Money, the Escrow Agent shall have the right to institute a Bill of Interpleader in any court in the State of Mississippi to determine the rights of the parties. The Earnest Money and the interest earned thereon (if any) shall be applied to the Purchase Price at Closing.

ARTICLE 5
Closing

The consummation of the sale and purchase of the Property pursuant to the terms of this Agreement (the "Closing") shall be consummated on or before the 30 days from the end of the Inspection Period. The Earnest Money deposit of \$50,000 shall apply to the Purchase Price at Closing. The Earnest Money deposit shall be non-refundable after 5 p.m. on the expiration of the Inspection Period for any reason other than the SELLER being unable to meet the formal requirements of this Agreement.

ARTICLE 6
Title Conveyance

At Closing, SELLER shall convey to PURCHASER a good, indefeasible, and insurable title to the Property free and clear of encumbrances except for the Permitted Exceptions. Title to the Property shall be marketable and free from defects, other than roadways, easements, and restrictive covenants of record, and the Permitted Exceptions, which PURCHASER agrees to accept as of Closing.

ARTICLE 7
Title Examination

On or before the end of the Inspection Period, SELLER shall obtain and deliver to PURCHASER an Owner's Title Insurance Commitment as to the Property through the Closing Agent. On or before the end of the Inspection Period (or such later date which is mutually acceptable to the parties hereto), PURCHASER and SELLER shall agree on those exceptions to title which shall survive the Closing, which "Permitted Exceptions" shall include matters listed on Exhibit "D" attached hereto and by this reference made a part hereof, which may be revised subject to PURCHASER's and SELLER's agreement (the "Permitted Exceptions") as well as those exceptions to title which shall be removed prior to the Closing (the "Other Exceptions"). The list of Permitted Exceptions shall be attached to this Agreement as Exhibit "D" and the list of Other Exceptions shall be attached to this Agreement as Exhibit "E". All title examination costs and premiums shall be split between PURCHASER and SELLER. PURCHASER shall pay for any required survey updates or third-party reports.

- 7.01.1 If PURCHASER and SELLER are not able to agree upon the Permitted Exceptions within five days of issuance of Title Commitment, PURCHASER may terminate this Agreement and immediately recover the Earnest Money (and any interest, if applicable).
- 7.01.2 If PURCHASER and SELLER are not able to agree upon the Permitted Exceptions within five days of issuance of Title Commitment (or such later date which is mutually acceptable to the parties hereto) and PURCHASER does not terminate this Agreement, then the list of Permitted Exceptions shall include, in addition to those items agreed to by PURCHASER and SELLER, those exceptions to title which PURCHASER and SELLER were not able to agree upon.
- 7.01.3 SELLER shall have a reasonable time (but not later than Closing) to satisfy the Other Exceptions. If SELLER fails to satisfy the Other Exceptions by Closing or deliver title as required by Article 6, PURCHASER's sole remedy at law or in equity shall be to terminate this Agreement and receive a refund of the Earnest Money (and any interest, if applicable). PURCHASER acknowledges that SELLER has no obligation to cure any of the Other Exceptions.

ARTICLE 8
Proration of Taxes/Property Obligations

Real Property Taxes and Personal Property Taxes for the year of the Closing and Property operating expenses, including any other taxes, shall be prorated as of the date of the Closing and prorated and shared equally for the day of Closing. In the event the current year's taxes are not available at the time of Closing, the proration shall be based upon the amount of taxes for 2018 as agreed by the taxing municipality, and PURCHASER and SELLER agree to adjust between themselves any differences in the tax proration after the tax bill for the year of Closing is available. All bills, insurance, management fees, and all other similar obligations related to the operation of the property prior to closing are to be paid current through closing by SELLER. This Article 8 shall survive the Closing.

ARTICLE 9
Survey

No later than five (5) days after the date of this Agreement, SELLER shall deliver to PURCHASER any existing surveys of the property in its possession. After receipt of current survey, PURCHASER may order, at PURCHASER's expense, a current ALTA survey of the Property certified by a licensed surveyor of PURCHASER's choice. Unless disputed by SELLER, this survey shall replace the legal description in Exhibit "B" of this Agreement and shall include: the legal description of the Property, location of on-site access to all the usual utility services, and the dimensions and total size of the parcel.

ARTICLE 10
Warranty Deed and Bill of Sale

SELLER agrees to convey title to Property by warranty deed in a form customarily utilized in Mississippi. Title to the personal property which is located on the Property shall be conveyed by a Blanket Bill of Sale, without warranty covering and conveying all furnishings, fixtures, equipment, inventory, general chattels, and personal property, if any.

ARTICLE 11
Owner's Affidavit and Other documents

SELLER agrees to furnish PURCHASER with an Owner's Affidavit in such form as title insurer shall reasonably require, including but not limited to showing that all debts for labor and materials used in improving the Property have been paid in full and that there are not any outstanding claims, suits, debts, liens or judgments against the Property except for the Permitted Exceptions and matters insured over by the title insurer. PURCHASER and SELLER shall also execute such other documents as are reasonably required to consummate the transaction contemplated by this Agreement.

ARTICLE 12
Notices

Any notice, demand, or document which either party is required or may desire to give or deliver to or make upon the other party shall, in the case of a notice or demand, be in writing and sent by facsimile transmission, by hand delivery, by commercial delivery service (such as Federal Express) or sent by United States registered or certified mail, postage prepaid, return receipt requested, addressed to such party at its address set forth herein below, subject to the right of either party to designate a different address by notice similarly given. Any notice, demand, or document so given shall be deemed delivered or made upon receipt at such address, or on the date of delivery by a hand delivery or by a commercial delivery service (if guaranteed overnight for next day delivery by such commercial delivery service), if mailed, three (3) days after postmarked by the U.S. Postal Service, or if faxed, upon transmission as evidenced by a transmission confirmation report.

As to SELLER: Tupelo Redevelopment Authority
 P.O. Box 468
 Tupelo, MS 33802
 662-841-6598 office

As to PURCHASER: The Thrash Group, LLC
 59 98 Place Blvd.
 Hattiesburg, MS 39402
 (601) 271-2290 office
 (601) 271-2292 fax

PURCHASER and SELLER have the right from time to time, to designate by written notice to the other parties, such other person or persons and such other addresses in the United States as PURCHASER or SELLER may desire written notices to be delivered or sent in accordance herewith; provided, however at no time shall any party be required to send more than an original and two copies of any such notice, demand or request required or permitted hereunder.

ARTICLE 13
Contingencies/Inspection Period

13.1 The following contingencies shall be satisfied within the Inspection Period: (1) Proper Zoning and permitting to allow for a hotel development of at least 80 rooms and 4 stories of 50-foot of height (2) Proof that all utilities will be available to the Property prior to Closing and that the utilities provided are adequate for the development and agreement to bring all utilities (water, sewer, storm drainage, phone cable) to the back of the curb (3) PURCHASER's acceptance of parking arrangement with at least 40 off site designated spaces and the delineation of the parcel between the PURCHASER and SELLER as shown in Exhibit "C" and (4) For a period of Five (5) years, SELLER will not sell any additional sites that it owns south of Main Street in Fairpark for another hotel development without PURCHASER's written approval.

13.2 The Inspection Period shall run for a period of ninety (90) days from the Effective Date of this Agreement. If the contingencies included under Section 13.1 are not satisfied within (90) days from the execution of this Agreement, then the Agreement shall automatically terminate, in which case the PURCHASER shall be refunded the earnest money and the parties shall be relieved of any further obligations under this Agreement. PURCHASER and SELLER can agree to extend the Inspection Period if all the contingencies are not yet complete if agreed to in writing by both SELLER and PURCHASER. SELLER agrees to cooperate with PURCHASER and/or his representatives during the Inspection Period in making the Property available to PURCHASER and/or his representatives during reasonable business hours. PURCHASER shall be granted access at any time during this contract for third party reports (environmental engineering report, lender's inspection, survey, historical survey, and appraisal). PURCHASER may elect to terminate this agreement at its sole discretion during the Inspection Period or upon SELLER's default by notifying SELLER of such in writing with a full refund of the Earnest Money and interest (if any) being made to PURCHASER. If PURCHASER fails to give SELLER and Escrow Agent notice of PURCHASER's election to terminate this Agreement on or before the expiration of the Inspection Period, then PURCHASER shall be deemed conclusively to have irrevocably waived its right to terminate this Agreement pursuant to this Section 13.2.

13.3 To the extent in their possession, SELLER shall provide PURCHASER with all of the available items described in Exhibit "A".

13.4 PURCHASER is acquiring the Property "AS IS" and "WHERE IS" without representation or warranty, except as expressly provided in this Agreement. Except as expressly set forth in this Agreement, SELLER hereby specifically disclaims any representation or warranty, expressed or implied, including without limitations those concerning (a) the nature and condition of the Property and the suitability of the Property for any and all activities and uses which PURCHASER may elect to conduct thereon; (b) the manner, construction, condition and state of repair or lack of repair of any improvement located on, or comprising, the Property or part thereof, and (c) the compliance of the Property or its operation with any laws, rules, ordinances, or regulations of any government or other body, including, but not limited to, the Americans with Disabilities Act and other laws regarding access for handicapped persons, it being understood that PURCHASER has had the full opportunity to determine for itself the condition of the Property. The sale of the Property is made on an "AS IS" and "WHERE IS" basis and PURCHASER expressly acknowledges that, in consideration of the agreements of SELLER herein, except as otherwise expressly set forth herein, SELLER HAS NOT MADE, AND DOES NOT MAKE, ANY WARRANTY OR REPRESENTATION, EXPRESSED OR IMPLIED OR ARISING BY OPERATION OF LAW, INCLUDING WITHOUT LIMITATION, ANY WARRANTY OF THE QUANTITY, QUALITY, CONDITION, HABITABILITY, MERCHANTABILITY, SUITABILITY, OR FITNESS FOR A PARTICULAR PROPERTY, SOIL CONDITION, OR THE PRESENCE OR RELEASE OF HAZARDOUS MATERIALS.

ARTICLE 14
Indemnification During Inspection

It is understood that PURCHASER, upon notice to SELLER shall have the right from and after the date of this Agreement through the date of Closing to complete such surveys, including but not limited to environmental inspections and surveys, and other inspections as are deemed necessary by PURCHASER. PURCHASER agrees to

indemnify and hold SELLER harmless from and against loss or damage SELLER may incur and any and all liens that may arise as a result of PURCHASER's activities or the activities of PURCHASER's agents, representatives or persons or properties arising out of or connected with PURCHASER's (or its agents, representatives, or designees) going upon the Property pursuant to the provisions of Article 13 or otherwise, and against all costs, expenses, and liabilities occurring in or in connection with any such claim or proceeding brought thereon, including, without limitation, court costs and reasonable attorneys' fees, (specifically excluding, however, any violations of law or other circumstances relating to the Property which are merely discovered by PURCHASER during its inspections). This indemnity shall survive the Closing or any termination of this Agreement.

ARTICLE 15

Broker

This Agreement was not brought about directly, or indirectly, by any real estate agency or broker. There will be no real estate fees incurred as a result of this transaction.

ARTICLE 16

Warranties of SELLER

Prior to the closing of the transaction contemplated by this Agreement and the title company's insuring of title in PURCHASER, SELLER warrants and represents to the best knowledge and belief of the SELLER, without any independent investigation, that:

- (a) SELLER has good and indefeasible fee simple title to the Property subject only to the exceptions set forth in Exhibit "D" attached hereto and made a part hereof. Breach of any one or more clauses of this warranty shall permit the PURCHASER to terminate this Agreement. PURCHASER's sole remedy at law or in equity for the breach of any warranty by the SELLER shall be the termination of this Agreement and a full refund of the Earnest Money deposited in escrow.
- (b) SELLER has full authority to sell the Property
- (c) Executing this Agreement will not cause a breach of any other agreements to which SELLER is a party
- (d) SELLER has no knowledge of any actual or threatened litigation with respect to the Property, including governmental agencies under condemnation authority or proceeding similar thereto. SELLER will disclose any knowledge of the actual or threatened litigation with the due diligence items attached to this Agreement.
- (e) To the best of SELLER's knowledge, SELLER has not received any notice that the Property is in violation of any codes or ordinances. SELLER will disclose any notice with the due diligence items attached to this Agreement.
- (f) To the best of SELLER's knowledge, without investigation, all assessments that are liens against the Property are shown in the official records of the taxing authorities in whose jurisdiction the Property is located.
- (g) So long as PURCHASER has not breached this Agreement, SELLER will not sell, encumber, convey, assign or contract to sell, encumber, convey or assign all or any part of the Property nor take or cause to be taken any action in conflict with this Agreement at any time during the pendency thereof.

ARTICLE 17

Default – Rights of Parties

If the sale and purchase of the Property contemplated by this Agreement is not consummated because of PURCHASER's default, SELLER shall retain the Earnest Money as SELLER's sole and exclusive remedy hereunder, as full liquidated damages for such default of PURCHASER and not as a penalty; the parties hereby

acknowledging and agreeing that it is difficult or impossible to estimate accurately the damages that might be suffered by SELLER upon PURCHASER's default and that the amount of the Earnest Money is a reasonable estimate of the probable amount of such damages.

If the sale and purchase of the Property contemplated by this Agreement is not consummated because of SELLER's default, failure or refusal to perform hereunder (including inability to deliver the title required herein), PURCHASER, as its sole and exclusive remedies, may either (i) terminate this Agreement and the Escrow Agent shall pay to PURCHASER or PURCHASER's demand the Earnest Money deposited with the Escrow Agent, and neither party shall have any further right or obligation under this Agreement, or (ii) to seek specific performance.

ARTICLE 18

Time of Essence and Incentives

Time is of the essence of this Agreement. PURCHASER has committed to construct and complete a minimum of an 80-room boutique hotel that meets or exceeds a private investment of Sixteen Million Dollar (\$16,000,000). The SELLER and City of Tupelo acknowledges that the PURCHASER's commitment would not have been made but for the SELLER and City of Tupelo providing the following incentives. (1) As allowed by State of Mississippi laws, the City of Tupelo would grant a real and personal property tax exemption for seven years. The City shall further take such actions as appropriate to encourage Lee County to participate in an ad valorem tax exemption pursuant to the established policies of the county. (2) SELLER shall rebate to the PURCHASER the sum of Twenty-Five Thousand Dollars (\$25,000.00) in the event the groundbreaking on the hotel takes place within thirty days of receiving a building permit, but no later than April 1, 2020, and an additional Twenty-Five Thousand Dollars (\$25,000.00) in the event a certificate of occupancy is obtained by Purchaser within Eighteen (18) months of groundbreaking. (3) SELLER and City of Tupelo agree to support PURCHASER's application to the Mississippi Development Authority for approval of the project for participation in the State of Mississippi Tourism Rebate Program.

ARTICLE 19

Severability

If any term, covenant or condition of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement or the application of such terms, covenants and conditions to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each term, covenant or condition of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

ARTICLE 20

Attorney's Fees

Each party shall pay its own attorney's fees.

ARTICLE 21

Mississippi Law

This Agreement shall be construed and interpreted under the laws of the State of Mississippi.

ARTICLE 22

Successors and Assigns

PURCHASER, upon written notice to SELLER at least five (5) days prior to Closing, may assign the obligations under this Agreement to an entity controlled by the PURCHASER without SELLER's consent, provided that the assignee shall assume all obligations of PURCHASER under this Agreement but PURCHASER shall

remain primarily liable for the performance of PURCHASER's obligations under this Agreement. No other assignments of the formal Agreement by PURCHASER shall be permitted without the prior consent of SELLER, which may be withheld in SELLER's sole discretion. This Agreement may not be assigned by PURCHASER except to an entity controlled by the PURCHASER. The provisions of this Agreement shall be binding upon and shall inure to the benefit of PURCHASER and SELLER and their respective heirs, executors, administrators, successors, permitted assigns and the legal representatives of their estates.

ARTICLE 23

Risk of Loss and Condemnation

Until Closing, the risk of loss shall be upon SELLER. If condemnation proceedings are threatened or commenced against the Property between the date of the Agreement and the Closing, then this Agreement shall, at PURCHASER's sole election, immediately terminate and be null and void, and the Earnest Money shall be returned to PURCHASER. If PURCHASER does not elect to terminate this Agreement pursuant to its right in the foregoing sentence, then this Agreement shall be consummated, and the condemnation proceeds, or rights to receive condemnation proceeds, less costs, shall be assigned to PURCHASER without recourse, and SELLER shall have no obligation or liability with respect to the amount and sufficiency thereof.

ARTICLE 24

Costs

PURCHASER agrees to pay the costs of any and all closing costs involved in this transaction not specifically allocated previously in the Agreement for either SELLER or PURCHASER. Any costs related to surveying, engineering reports, environmental reports, or other third-party testing for PURCHASER or PURCHASER's Lender shall be the responsibility of PURCHASER.

ARTICLE 25

Schematic Designs

Prior to the end of the Inspection Period, PURCHASER shall produce a comprehensive schematic design of the hotel to SELLER for review by the collective city offices having authority over planning and design. SELLER shall gain approvals from those parties as to the general schematic plan and design of the hotel prior to Closing.

ARTICLE 26

Agreement of the Parties

This contract incorporates all prior agreements between the parties, contains the entire final agreement of the parties, and cannot be changed except by the written consent of both parties. Neither party has relied upon any statement or representation made by the other party not contained herein. Neither party shall be bound by any terms, conditions, oral statements, warranties, or representations not herein contained. Each party acknowledges reading and understanding of this contract. The provisions of this contract shall apply to and bind the heirs, executors, administrators, successors and assigns of the respective parties hereto. Gender and number, as herein used, shall be changed as the context may require.

ARTICLE 27

Counterparts and Electronic Signature

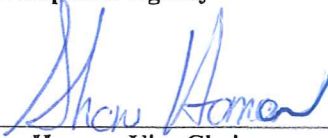
The parties may execute this Agreement in one or more identical counterparts, all of which when taken together will constitute one and the same instrument. If so executed, each of such counterparts is to be deemed an original for all purposes, and all such counterparts shall, collectively, constitute one agreement, but in making proof of this Assignment, it shall not be necessary to produce or account for more than one such counterpart. Electronic and facsimile signatures, using Adobe, DocuSign, or any other similar software, shall be permitted for all purposes

and shall be treated as an original.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals, or caused this Agreement to be executed by a duly authorized offer, as the case may be, on the day and year first above written.

SELLER:

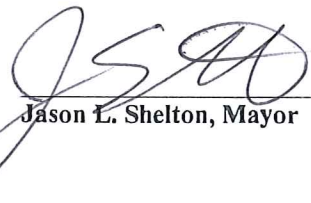
Tupelo Redevelopment Agency

By: 
Shane Homan, Vice Chairman

DATE: 8/15/19

ADDITIONAL INDUCER:

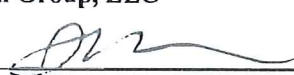
City of Tupelo, Mississippi

By: 
Jason L. Shelton, Mayor

DATE: _____

PURCHASER:

The Thrash Group, LLC

By: 
Ike W. Thrash, Member

DATE: 8/6/19

EXHIBIT "A"
SCHEDULE OF DUE DILIGENCE MATERIALS

1. Last two years tax bills
2. Any existing surveys
3. Any existing environmental studies
4. Any existing engineering studies or property condition reports
5. Any plans drawn for the site

EXHIBIT "B"
LEGAL DESCRIPTION

EXHIBIT "C"

PARKING SITE PLAN: Article 13.1

(To be completed during Inspection Period)

EXHIBIT "D"
PERMITTED EXCEPTIONS

(To be completed during Inspection Period)

EXHIBIT "E"
OTHER EXCEPTIONS

(To be completed during Inspection Period)