



JOHN J. TECKLENBURG
MAYOR

City of Charleston
South Carolina
Clerk of Council Department

VANESSA TURNER MAYBANK
CLERK OF COUNCIL

NOTICE OF MEETING

A meeting of the Committee on Real Estate will be held beginning at 3:30 p.m. Monday, April 13, 2020, **Conference Call: 1-929-205-6099; Access Code: 835678884**. The agenda will be as follows:

AGENDA

Invocation – Councilmember Waring

Approval of Minutes:

March 9, 2020

March 23, 2020

- a. Approval to authorize the Mayor to execute the Agreement of Purchase and Sale between the City of Charleston and Peter Lewis Buck conveying the property located at 87 Cooper Street for the purchase price of \$201,834. This property is being sold subject to the City of Charleston Single Family Affordable Housing Restrictive Covenants with an affordability period of 90 years. Peter has also applied for a \$10,000 loan and \$2,000 grants from the City's Employer Assisted Housing (EAH) Program. The grant and loan are provided through the Community Development Block Grant (CDBG). (TMS: 459-05-04-122) [Ordinance]
- b. Authorize the Mayor to execute the necessary documents between the City of Charleston and 1776 LLC for the acquisition of a vacant parcel known as the Fenwick Property measuring 12.647 acres with 10.4 acres of usable land and located on River Road in the City of Charleston, Charleston County, South Carolina, depicted in that certain plat recorded in Plat Book L19, Page 0505 as Tract B-2-1 and bearing Charleston County Tax Map No. 346-00-00-004, for a purchase price of \$3.5 million (TMS: 346-00-00-004)
- c. Authorize the Mayor to execute on behalf of the City of Charleston ("City") any and all documents necessary to quitclaim Grants Court (Peninsula) (District 3) to Manx Holdings, LLC, in exchange for an easement permitting access over a portion of Grants Court from Nunan Street to 4 Grants Court (Charleston County TMS No. 460-07-02-222) (Peninsula) (District 3) and 4 Nunan Street (Charleston County TMS No. 460-07-02-221) (Peninsula) (District 3), upon approval of any such documents by Corporation Counsel (TMS: 460-07-02-222 and 460-07-02-221; 4 Grants Court and 4 Nunan Street) [Ordinance]

In accordance with the Americans with Disabilities Act, people who need alternative formats, ASL (American Sign Language) Interpretation or other accommodation please contact Janet Schumacher at (843) 577-1389 or email to schumacherj@charleston-sc.gov three business days prior to the meeting.

a.)

REAL ESTATE COMMITTEE
GENERAL FORM

TO: John J. Tecklenburg, Mayor DATE: April , 2020

FROM: Geona Shaw Johnson DEPT: Housing and Community Development

ADDRESS: 87 Cooper Street, Charleston, SC 29403

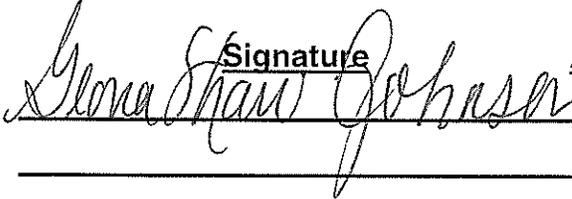
TMS: 459-05-04-122

Authorize the Mayor to execute the Agreement of Purchase and Sale between the City of Charleston and Peter Lewis Buck conveying the property located at 87 Cooper Street for the purchase price of \$201,834.00. This property is being sold subject to the City of Charleston Single Family Affordable Housing Restrictive Covenants with an affordability period of 90 years. Peter has also applied for a \$10,000 loan and \$2,000 grants from the City's Employer Assisted Housing (EAH) Program. The grant and loan are provided through the

ACTION REQUEST: Community Development Block Grant (CDBG)

COORDINATION: The request has been coordinated with:

All supporting documentation must be included

	<u>Signature</u>	<u>Attachments</u>
Department Head		<input checked="" type="checkbox"/>
Legal Dept	_____	<input type="checkbox"/>
Property Coordinator	_____	<input type="checkbox"/>
Property Manager	_____	<input type="checkbox"/>
_____	_____	<input type="checkbox"/>

FUNDING: Was funding needed? Yes No

If yes, was funding previously approved? Yes No

*If approved, provide the following: Dept/Div. _____

Balance in Account _____ Amount needed for this item _____

NEED: Identify any critical time constraint(s).

ORIGINATING OFFICE PLEASE NOTE: A FULLY STAFFED/APPROVED PACKAGE IS DUE IN THE CLERK OF COUNCIL'S OFFICE NO LATER THAN 10:00AM THE DAY OF THE CLERK'S AGENDA MEETING.

*Commercial Property and Community & Housing Development have an additional form.

COMMERCIALREAL ESTATE FORM

TO: John J. Tecklenburg, Mayor DATE: April 6, 2020

FROM: Geona Shaw Johnson DEPT: Housing and Community Development

ADDRESS: 87 Cooper Street, Charleston, SC 29403

TMS: 459-05-04-122

Authorize the Mayor to execute the Agreement of Purchase and Sale between the City of Charleston and Peter Lewis Buck conveying the property located at 87 Cooper Street for the purchase price of \$201,834.00. This property is being sold subject to the City of Charleston Single Family Affordable Housing Restrictive Covenants with an affordability period of 90 years. Peter has also applied for a \$10,000 loan and \$2,000 grants from the City's Employer Assisted Housing (EAH) Program. The grant and loan are provided through the

ACTION REQUEST: Community Development Block Grant (CDBG).

ACTION: What action is being taken on the Property mentioned?

ACQUISITION BY

DONATION/TRANSFER

Donated By: _____

FORECLOSURE

Terms: _____

PURCHASE

Terms: _____

CONDEMNATION

Terms: _____

OTHER

Terms: _____

SALE TO

NON-PROFIT ORG, *please name* _____

Terms: _____

OTHER

Terms: As outlined in Agreement of Purchase and Sale

LEASE

COMMERCIALREAL ESTATE FORM

INITIAL
Lessor: _____ Lessee: _____
Terms: _____

RENEWAL
Lessor: _____ Lessee: _____
Terms: _____

AMENDMENT
Lessor: _____ Lessee: _____
Terms: _____

Improvement of Property
Owner: _____
Terms: _____

BACKGROUND CHECK: If Property Action Request is for the sale or lease of city property, has a background check been completed?

Yes No

A background check will be requested.

Results: _____

Signature: _____

Property Manager

ADDITIONAL: Please identify any pertinent detail (Clauses, Agreement Terms, Repeals, etc.) regarding City Property.

NEED: Identify any critical time constraint(s).



Ratification
Number _____

A N O R D I N A N C E

AUTHORIZING THE MAYOR TO EXECUTE ON BEHALF OF THE CITY OF CHARLESTON ("CITY") AN AGREEMENT OF PURCHASE AND SALE, IN WHICH THE CITY AGREES TO SELL TO PETER LEWIS BUCK THE PROPERTY LOCATED AT 87 COOPER STREET (CHARLESTON COUNTY TMS NO. 459-05-04-122) (PENINSULA) (DISTRICT 4) FOR \$201,834.00, SUBJECT TO THE CITY OF CHARLESTON SINGLE-FAMILY AFFORDABLE HOUSING RESTRICTIVE COVENANTS, WITH AN AFFORDABILITY PERIOD OF NINETY (90) YEARS.

BE IT ORDERED AND ORDAINED BY THE MAYOR AND COUNCILMEMBERS OF CHARLESTON, IN CITY COUNCIL ASSEMBLED:

Section 1. The Mayor is hereby authorized to execute on behalf of the City an Agreement of Purchase and Sale, a copy of which is attached to this Ordinance and incorporated herein by reference, in which the City agrees to sell to Peter Lewis Buck the City's property located at 87 Cooper Street (Charleston County TMS No. 459-05-04-122) (Peninsula) (District 4) for a total purchase price of \$201,834.00, subject to the City of Charleston Single-Family Affordable Housing Restrictive Covenants, with an affordability period of ninety (90) years.

Section 2. The Mayor is hereby authorized to execute a deed and other documents necessary to consummate the sale in accordance with the Agreement of Purchase and Sale, including all documents necessary to provide for the City to provide a subsidy of \$50,000.00 to apply as a down payment toward the purchase price.

Section 3. This Ordinance shall become effective upon ratification.

Ratified in City Council this ___ day of _____ in
the year of Our Lord, 2020, in the ___ Year of
the Independence of the United States of America.

By: _____
John J. Tecklenburg, Mayor
City of Charleston

ATTEST: By: _____
Vanessa Turner Maybank
Clerk of Council

AGREEMENT OF PURCHASE AND SALE

This **AGREEMENT OF PURCHASE AND SALE** (this "**Agreement**") is made as of the _____ day of April, 2020, by and between **CITY OF CHARLESTON**, having a notice address of 80 Broad Street, Charleston, South Carolina 29401 (hereinafter referred to as the "**Seller**"), and Peter Lewis Buck having a notice address of 45 Chapel Street, Apt. C, Charleston, South Carolina 29403 (hereinafter referred to as the "**Buyer**").

WITNESSETH

1. SALE OF THE PROPERTY. Subject to the terms and conditions of this Agreement, the Seller agrees to sell and the Buyer agrees to purchase on the terms hereafter stated all of the Seller's right, title, and interest as of the Closing Date (hereafter defined), in and to the real property located in Charleston County, South Carolina, and known generally as 87 Cooper Street, Charleston, South Carolina 29403 bearing Charleston County Tax Map No. 459-05-04-122, together with all improvements located thereon and appurtenances thereto, if any (the "**Property**").

2. PURCHASE PRICE. Subject to the adjustments and the prorations hereafter described, the total purchase price to be paid by the Buyer to the Seller on the Closing Date for the Property (the "**Purchase Price**") is the sum of Two Hundred One Thousand Eight Hundred Thirty-Four and No/100 Dollars (\$201,834.00), payable, in cash, as follows:

2.1 Earnest Money Deposit. The sum of \$2,500 is enclosed by the Buyer to the Seller (the "**Earnest Money**"). The Earnest Money shall be held in escrow by the Seller's attorney, Haynsworth Sinkler Boyd, P.A. (the "**Escrow Agent**"), in a non-interest bearing account, until the Closing Date and then shall be applied against the Purchase Price on the Closing Date, unless otherwise disposed of in accordance with the terms and provisions of this Agreement.

2.2 Cash at Closing. On the Closing Date, the Buyer shall pay to the Seller a further sum in immediately available funds which, together with the Earnest Money, will be equal to the Purchase Price.

3. TITLE. At closing, Seller shall convey the Property to the Buyer in accordance with the requirements set forth in Paragraph 4.3.1 below and subject to all matters appearing of record in Charleston County.

4. CLOSING. The Buyer and the Seller agree that the purchase will be consummated as follows:

4.1 Title Transfer. The Seller agrees to convey title to the Property to the Buyer, subject to the items set forth in Paragraph 4.3 below and subject to the Single Family Affordable Housing Restrictive Covenants (the "**Restrictive**

Covenants”), the form of which is attached hereto as Exhibit A, on or before the close of business on the Closing Date. The parties hereto agree and acknowledge that Seller is providing Buyer with a subsidy (in the form of down payment assistance) in the amount of \$50,000.00; in consideration thereof, the foregoing subsidy shall be reflected in the Restrictive Covenants.

- 4.2 Closing Date and Location. Unless otherwise agreed by the parties in writing, this transaction shall close on or before the date that is thirty (30) days after the expiration of the Inspection Period (as hereinafter defined) (the “*Closing Date*”). **TIME IS OF THE ESSENCE**. The closing shall occur at a time and place in Charleston County, South Carolina, to be designated by the Buyer and approved by the Seller; provided, however, unless the parties otherwise agree, closing shall occur at the offices of Buyer’s counsel in Charleston, South Carolina, at 2:00 PM on the Closing Date.
- 4.3 Seller’s Instruments. At closing, the Seller will deliver or cause to be delivered to the Buyer the following items:
- 4.3.1 Limited Warranty Deed. A limited warranty deed (the “*Deed*”) executed by the Seller conveying to the Buyer all of the Seller’s right, title and interest, as of the Closing Date, in and to the Property, subject to the following:
- (a) General real estate taxes not yet due and payable for the year of closing and subsequent years;
 - (b) The Restrictive Covenants; and
 - (c) All easements and all other matters of record, all existing federal, state, county, municipal, and local governmental statutes, ordinances, rules, and regulations, including, without limitation, zoning ordinances.
- 4.3.2 Additional Documents. Such additional documents as might be reasonably required by the Buyer to consummate the purchase of the Property by the Buyer.
- 4.4 Buyer’s Instruments. At closing, the Buyer will deliver to the Seller the following items:
- 4.4.1 Purchase Price. The payment required by Paragraph 2 hereof.

4.4.2 Additional Documents. Such additional documents as might be reasonably required by the Seller to consummate the sale of the Property to the Buyer.

4.5 Closing Costs. With respect to the conveyance of the Property, the Seller shall pay its own legal expenses, deed preparation costs, and any sum necessary to correct any title deficiency that is raised by Buyer in writing prior to expiration of the Inspection Period, and that that Seller agrees, in writing, to pay. Buyer shall pay all other closing costs, including without limitation, any survey costs and all other recording costs, fees and/or deed stamps associated with the sale of the Property. All property taxes (if any) on the Property shall be prorated as of the date of closing, with the Buyer being solely responsible for any property taxes that are imposed on the Property after the date of closing. Buyer agrees to be responsible for any real estate commission or other fee resulting from a sale of the Property; however, the Seller acknowledges that it has not engaged nor shall engage a real estate agent to sell the Property. Roll back taxes, if any, shall be the responsibility of the Buyer.

5. **POSSESSION.** Subject to any limitations set forth in this Agreement, possession of the Property shall be delivered to the Buyer on the Closing Date. Upon delivery of the Deed to Buyer, beneficial ownership and the risk of loss of the Property will pass from the Seller to the Buyer.

6. **DEFAULT; REMEDY.** In the event that either party fails to perform its obligations under this Agreement, the non-defaulting party shall deliver written demand for performance to the defaulting party. If the Seller defaults and fails to comply with such written demand within ten (10) days after receipt thereof, the Buyer, as its sole and exclusive remedy under this Agreement, shall have the right to terminate this Agreement and receive a refund of the Earnest Money. Except to enforce its rights under the foregoing sentence, the Buyer shall not have, and hereby waives, the right to bring suit for damages against Seller for breach of this Agreement. If the Buyer defaults and fails to comply with such written demand within ten (10) days after receipt thereof, the Seller's sole remedy shall be to terminate this Agreement and retain the Earnest Money as liquidated damages, it being agreed between Seller and Buyer that damages are liquidated due to the difficulty, inconvenience and uncertainty of ascertaining actual damages for failure to perform under this Agreement.

7. **AS-IS PURCHASE.** BUYER ACKNOWLEDGES THAT THIS IS AN "AS-IS" PURCHASE AND REPRESENTS AND WARRANTS THAT AS OF THE CLOSING DATE BUYER SHALL BE FAMILIAR WITH THE PROPERTY AND SHALL HAVE MADE SUCH INDEPENDENT INVESTIGATIONS AS BUYER DEEMS NECESSARY OR APPROPRIATE CONCERNING THE PROPERTY. IF BUYER ELECTS TO PROCEED WITH THE PURCHASE OF THE PROPERTY, ANY OBJECTIONS WHICH BUYER MAY HAVE WITH RESPECT TO THE PROPERTY SHALL BE WAIVED BY BUYER. SELLER MAKES NO REPRESENTATIONS OR WARRANTIES AND SPECIFICALLY DISCLAIMS ANY REPRESENTATION, WARRANTY, OR GUARANTY, ORAL OR WRITTEN, PAST, PRESENT OR FUTURE WITH RESPECT TO THE PHYSICAL CONDITION OR ANY OTHER ASPECT

OF THE PROPERTY, THE CONFORMITY OF THE PROPERTY TO PAST, CURRENT OR FUTURE APPLICABLE ZONING, THE FINANCIAL EARNING CAPACITY OR HISTORY OR EXPENSE HISTORY OF THE OPERATION OF THE PROPERTY, THE NATURE AND EXTENT OF ANY RIGHT-OF-WAY, LEASE, POSSESSION, LIEN ENCUMBRANCE, LICENSE, RESERVATION, CONDITION, OR OTHERWISE, THE EXISTENCE OF SOIL INSTABILITY, PAST SOIL REPAIRS, SOIL ADDITIONS OR CONDITIONS OF SOIL FILL, SUSCEPTIBILITY TO LANDSLIDES, SUFFICIENCY OF UNDERSHORING, SUFFICIENCY OF DRAINAGE, WHETHER THE PROPERTY IS LOCATED WHOLLY OR PARTIALLY IN A FLOOD PLAIN OR A FLOOD HAZARD BOUNDARY OR SIMILAR AREA, THE EXISTENCE OR NON-EXISTENCE OF HAZARDOUS WASTE OR OTHER TOXIC MATERIALS OF ANY KIND OR ANY OTHER MATTER AFFECTING THE STABILITY OR INTEGRITY OF THE PROPERTY. BUYER ACKNOWLEDGES AND AGREES THAT CERTAIN CHEMICALS AND OTHER POTENTIALLY HAZARDOUS MATERIALS HAVE BEEN STORED ON THE PROPERTY IN THE PAST AND BUYER AGREES TO HOLD SELLER HARMLESS FROM ANY LIABILITY ARISING OUT OF THE SAME. THE PROVISIONS OF THIS PARAGRAPH 7 SHALL SURVIVE CLOSING.

8. **BUYER'S RIGHT OF INSPECTION.** Buyer, at its own expense, shall have the privilege of inspecting, or causing to be inspected, the title to the Property and the Property itself, which may include, without limitation, environmental concerns, including but not limited to hazardous waste and radon gas; from the Effective Date (as hereinafter defined) until the date that is thirty (30) days thereafter (the "*Inspection Period*"); provided, however, that Buyer may not perform or cause to be performed on the Property a Phase II Environmental Site Assessment without the prior written consent of Seller (which consent may be withheld in Seller's sole discretion). In the event that the results of the foregoing inspections are not satisfactory to Buyer, in Buyer's sole discretion, Buyer shall have the option, which shall be exercised by written notice to Seller prior to the expiration of the Inspection Period, to either (a) terminate this Agreement, in which event (1) this Agreement shall be deemed canceled, void, and of no further effect; (2) neither Buyer or Seller shall have any obligations of any nature to the other under this Agreement or by reason of this Agreement; and (3) the Earnest Money shall promptly be returned to the Buyer; or (b) proceed to closing without reduction or abatement of the Purchase Price, in which event all such objections shall be deemed waived by Buyer.

9. **LEAD BASED PAINT. Residential Dwellings Built before 1978:** (check one of the following)

This contract is contingent upon a risk assessment or inspection of the Property for the presence of lead-based paint and/or lead-based paint hazards which shall be done, at the Buyer's expense, by midnight on the tenth day after ratification of this Agreement or by midnight on _____, 20____. (**Intact lead-based paint that is in good condition is not necessarily a hazard. See EPA pamphlet "Protect Your Family From Lead in Your Home" for more information.**) This contingency will terminate at the above predetermined deadline unless the Buyer (or Buyer's agent) delivers to the Seller (or Seller's agent) a written contract addendum listing the specific existing deficiencies and corrections needed, together with a copy of the inspection and/or risk assessment report. The Seller may, at the Seller's option, within _____ days after delivery of the

addendum, elect in writing whether to correct the condition(s) prior to closing. If the Seller will correct the condition, the Seller shall furnish the Buyer with certification from a risk assessor or inspector demonstrating that the condition has been remedied before the Closing Date. If the Seller does not elect to make the repairs or if the Seller makes a counter-offer, the Buyer shall have _____ days to respond to the counter-offer or remove this contingency and take the property in "as-is" condition or this Agreement shall become void. Upon such termination, the Earnest Money of Buyer shall be returned to Buyer and neither party shall have any further rights hereunder. The Buyer may remove this contingency at any time without cause; or

[X] Buyer waives the opportunity to conduct a risk assessment or inspection for lead-based paint and/or lead-based paint hazards.

10. **REAL PROPERTY DISCLOSURE STATEMENT.** The Buyer and Seller agree, in accordance with South Carolina Code Ann. Section 27-50-30(13), that no Real Property Disclosure Statement shall be provided with this transaction.

11. **COASTAL TIDELANDS & WETLANDS ACT.** In the event the Property is affected by the provisions of the South Carolina Coastal Tidelands & Wetlands Act (Section 48-39-10, et seq., South Carolina Code of Laws), an addendum will be attached to this Agreement incorporating the required disclosures at Buyer's expense.

12. **MEGAN'S LAW.** The Buyer and Seller agree that the Seller is not responsible for obtaining or disclosing any information contained in the South Carolina Sex Offender Registry. The Buyer and Seller agree that no course of action may be brought for failure to obtain or disclose any information contained in the South Carolina Sex Offender Registry. The Buyer agrees that the Buyer has the sole responsibility to obtain any such information. The Buyer understands that Sex Offender Registry information may be obtained from the local sheriff's department or other appropriate law enforcement officials.

13. **MISCELLANEOUS.** It is further agreed as follows:

13.1 **Notice.** All notices required hereunder will be in writing and served by certified mail, return receipt requested, postage prepaid, at the addresses shown above, until notification of a change of such addresses. Notice may also be sent by a nationally recognized overnight courier service to the addresses set forth above.

13.2 **Entire Agreement.** This Agreement, together with the attachments hereto, constitutes the entire agreement between the Buyer and the Seller and there are no agreements, understandings, warranties or representations between the Buyer and the Seller except as set forth herein. The Agreement cannot be amended except in writing executed by the Buyer and the Seller.

- 13.3 Binding Effect. This Agreement will inure to the benefit of and bind the respective successors and permitted assigns of the parties hereto.
- 13.4 Assignment. This Agreement shall not be assigned by either party without first obtaining the other party's written consent, which consent may be withheld with or without cause.
- 13.5 South Carolina Law. This Agreement shall be governed, enforced and construed in accordance with the laws of the State of South Carolina.
- 13.6 Time is of the Essence. Seller and Buyer expressly agree that time is of the essence with respect to each provision of this Agreement.
- 13.7 Counterparts / Electronic Transmittal. This Agreement may be executed by all parties in counterparts, each of which will be deemed an original, but all of such counterparts taken together will constitute one and the same agreement. Facsimile or e-mail copies of this Agreement containing signatures of the parties shall be deemed to be originals and shall be binding.
- 13.8 Agreement to Survive Closing. This Agreement, and each obligation of the parties hereto, shall survive the Closing of the transfer of the Property from Seller to Buyer.
- 13.9 Attorneys' Fees/ Costs. In the event of any dispute arising under this Agreement, the prevailing party shall be entitled to recover reasonable attorney's fees and costs incurred in connection therewith.
- 13.10 Business Days. If any date herein set forth for the performance of any obligations by Seller or Buyer or for the delivery of any instrument or notice as herein provided should fall on a Saturday, Sunday or a day on which banking institutions in the State of South Carolina are required or authorized by law (including executive orders) to close, the compliance with such obligations or delivery shall be deemed acceptable on the next business day.
- 13.11 Forum Selection. Any action or proceeding to enforce or interpret this Agreement and any action or proceeding arising from or relating to this Agreement or its breach shall be brought exclusively in the federal or state courts located in Charleston County, South Carolina, and the parties hereto consent to the exercise of personal jurisdiction over them by any such courts for purposes of any such action or proceeding.
- 13.12 Effective Date. This Agreement will not be binding on or effective until approved by Seller's City Council and until all parties have signed it, with the

“Effective Date” being the date this Agreement is signed by the last party to sign it (as indicated by the date associated with that party’s signature).

*****Remainder of Page Intentionally Left Blank*****
[Signatures on Following Page]

IN WITNESS WHEREOF, this Agreement has been executed by the parties as of the Effective Date.

WITNESSES:

SELLER:

CITY OF CHARLESTON

By: _____
John T. Tecklenburg
Its: Mayor
Date: _____, 2020

WITNESSES:

BUYER:

PETER LEWIS BUCK
Date: _____, 2020

EXHIBIT A
Form of Single Family Affordable Housing Restrictive Covenants

[see attached.]

Single Family Affordable Housing Restrictive Covenants

City of Charleston

1. Covenant and Purpose. The deed to which these Single Family Affordable Housing Restrictive Covenants are attached (the “*Deed*”) is hereby subject to each and every one of the conditions, covenants, restrictions and limitations set forth below (collectively, the “*Restrictive Covenants*”). The Restrictive Covenants shall be considered as covenants running with the land, and shall be binding on the grantee named in the Deed, its heirs, successors and assigns, together with all successors in title to the Property (collectively referred to herein the “*Owner*”). Each Owner covenants and agrees, in the event the Property is sold, conveyed or otherwise disposed of, the Property shall be sold subject to these Restrictive Covenants and that the recording information for this deed shall be inserted in the deed of conveyance or other instrument disposing of the Property.

2. Definitions. As used in these covenants, conditions, and restrictions the following terms shall have the meaning set forth:

2.1. “*Area Median Income*” shall mean and have reference to the median family income, based upon applicable family size of a Qualified Purchaser (or of a Qualified Renter, if applicable), for the Charleston-North Charleston metropolitan statistical area as published by the United States Department of Housing and Urban Development. If the United States Department of Housing and Urban Development should no longer compile and publish such statistical information, the most similar information compiled and published by said Department or any other branch or department of the federal government or by the State of South Carolina shall be used for the purpose of determining Area Median Income.

2.2. “*Base AMI*” shall mean the Area Median Income for a family of four persons as of the date of the deed from the Owner to the first Qualified Purchaser of the Property. The Base AMI for this deed is \$77,900.00.

2.3. “*Consumer Price Index*” shall mean and have reference to the Consumer Price Index for All Urban Consumers (CPI-U) for the South urban area, All Items, (Base Period: 1982-84 = 100), as published by the United States Department of Labor. If the United States Department of Labor should no longer compile and publish such statistical information, the most similar information compiled and published by said Department or any other branch or department of the federal government or by the State of South Carolina shall be used for the purpose of determining the Consumer Price Index.

2.4. “*Base CPI*” shall mean the most recent published Consumer Price Index **as of** the date of the deed from the Owner to the first Qualified Purchaser of the Property. The Base CPI for this deed is TBD (based on closing date).

2.5. “**AMI Increase**” shall mean the Area Median Income for a family of four persons at the date of calculation divided by the Base AMI. By way of example only and solely for purposes of illustration, if the Owner conveyed the Property in July, 2002 to the first Qualified Purchaser and the Area Median Income for a family of four persons was \$49,200 in July, 2002 (the “Base AMI” for purposes of this illustration only) and if the Area Median Income for a family of four persons was \$55,900 in September, 2005 when an Owner proposed to sell the Property, the AMI Increase would be \$55,900 divided by \$49,200 or 1.136 (rounded) (i.e. 113.6%).

2.6. “**CPI Increase**” shall mean the most recent published Consumer Price Index **as of** the date of calculation divided by the Base CPI. By way of example only and solely for purposes of illustration, if the Owner conveyed the Property in July, 2002 to the first Qualified Purchaser and the most recent published Consumer Price Index **as of** July, 2002 was 173.5 (the “Base CPI” for purposes of this illustration only) and if the most recent published Consumer Price Index **as of** September, 2005 was 189.4 when an Owner proposed to sell the Property, the CPI Increase would be 189.4 divided by 173.6 or 1.091 (rounded) (i.e. 109.1%).

2.7. “**Base Purchase Price**” shall mean the gross purchase price paid to the Owner by the first Qualified Purchaser of the Property. The Base Purchase Price for this deed is \$201,834.00

2.8. “**City**” shall mean and have reference to the City of Charleston, a municipal corporation, duly organized and existing under the laws of South Carolina.

2.9. “**Qualified Purchaser**” shall mean and have reference to a proposed purchaser of the Property whose household income is between fifty percent (50%) and one hundred and twenty percent (120%) of Area Median Income as of the anticipated date of purchase of the Property by the Qualified Purchaser and who is certified in writing by the City as having the requisite income.

2.10. “**Owner**” shall mean and have reference to, at any particular point in time, the owner in fee simple of the Property, and the owner’s heirs, successors and assigns. Owner shall include any party that acquires fee simple ownership of the property by virtue of foreclosure of mortgage or deed of trust conveying the Property as security for an obligation or any transfer in lieu of such foreclosure.

2.11. “**Property**” shall mean and have reference to that certain tract or parcel of land conveyed by this deed, together with all improvements, fixtures and equipment located thereon.

2.12. “**Resale Price**” shall mean and have reference to (i) an amount determined as the product of the Base Purchase Price multiplied by the greater of the AMI Increase or the CPI Increase, or (ii) such higher amount as may be determined in accordance with Section 5 herein. By way of example and solely for purposes of illustration, if the Base Purchase Price were \$140,000 (solely for purposes of this illustration only) when the Owner transferred the Property to the first Qualified Purchaser in July, 2002 and the AMI Increase was 1.136 at the time of a proposed sale in September, 2005 and the CPI Increase was 1.091 at the time of a proposed sale in September, 2005 the Resale Price would be \$140,000 times 1.136 (i.e. 113.6%) or \$159,040.

2.13. “*City Subsidy*” shall mean \$50,000.00.

2.14. “*City Subsidy Percentage*” shall mean the City Subsidy divided by the Base Purchase Price. By way of example only and solely for purposes of illustration, if the Base Purchase Price were \$140,000 and the City Subsidy were \$21,000, the City Subsidy Percentage would be \$21,000 divided by \$140,000 or 15%.

2.15. “*Lien Limitation Percentage*” shall mean 100% minus the City Subsidy Percentage. By way of example only and solely for purposes of illustration, if the City Subsidy Percentage were 15%, the Lien Limitation Percentage would be 85%.

2.16. “*Lien Limit*” shall mean the amount that equal the Lien Limitation Percentage times the Resale Price as calculated by the City immediately prior to the execution of the mortgage. By way of example and solely for the purposes of illustration, if the Owner wanted to mortgage the Property in September, 2005 and the Resale Price in September, 2005 were \$159,040, the City Subsidy Percentage were 15%, the Lien Limitation Percentage were 85% , then the Lien Limit would be \$159,040 times 85% or \$135,184.

2.17. “*Adjusted City Subsidy*” shall mean the City Subsidy Percentage times the Resale Price as calculated at the time of determining the Adjusted City Subsidy. By way of example and solely for purposes of illustration, if the Resale Price in September, 2005 were \$159,040 and the City Subsidy Percentage were 15%, the Adjusted City Subsidy in September, 2005 would be \$159,400 times 15% or \$23,910.

2.18. “*Non-City Share of the Resale Price*” shall mean the Resale Price as calculated at the time of determining the Non-City Share of Resale Price minus the Adjusted City Subsidy. By way of example and solely for purposes of illustration, if the Resale Price were \$159,040 and the Adjusted City Subsidy were \$23,910 in September, 2005, the Non-City Share of Resale Price would be \$159,040 minus \$23,910 or \$135,130. In the event the Property is sold to the City for the Default Option Price, the Non-City Share of the Resale Price shall mean the Default Option Price minus the Adjusted City Subsidy. By way of example and solely for purposes of illustration, if the Resale Price were \$159,040 and the Adjusted City Subsidy were \$23,910 in September, 2005 and the Default Option Price applied, the Non-City Share of the Resale Price would be \$159,040 times 80% or \$127,232 minus \$23,910 or \$103,322.

2.19. “*Default Option Price*” shall mean 80% of the Resale Price as calculated at the time of the City’s written notice of default under Section 13.1. By way of example and solely for the purposes of illustration, if the City gave notice of default in September, 2005 and the Resale Price were \$159,040 at that time, the Default Option Price would be \$159,040 times 80% or \$127,232.

2.20. “*Option Term*” shall mean 90 years from the date of the deed from the Owner to the first Qualified Purchaser. All provisions relating to the City’s Right of First Refusal and the City’s right to purchase the Property for the Default Option Price shall automatically terminate upon the expiration of the Option Term. If the South Carolina Uniform Statutory Rule Against Perpetuities (Section 27-6-10 et seq., Code of Laws Of South Carolina, 1976, as amended) is

amended, the Option Term shall automatically be modified to the longest period authorized by South Carolina law.

2.21. “*Qualified Renter*” shall mean and have reference to a proposed renter of the Property whose household income does not exceed eighty percent (80%) of Area Median Income and who is certified by the City as having the requisite income for the applicable household size.

2.22. “*Qualified Rent*” shall mean the monthly rent approved by the City as affordable rent in accordance with applicable federal guidelines.

2.23. “*Qualified Lease*” means a written lease approved by the City from the Owner to a Qualified Renter for a Qualified Rent. The lease must be for a term approved by the City and must include periodic recertification by the City of the income of the tenant, if the lease is for more than 12 months to insure that the tenant continues to be a Qualified Renter.

2.24. “*City Transfer Certificate*” shall mean the written certification to be provided by the City in connection with each transfer of the Property and each granting of a mortgage on the Property. In the event of a transfer, the City Transfer Certificate shall be in a recordable form and shall state the maximum Resale Price as of the date of the specific transfer, the names of the approved Qualified Purchaser(s), the amount of the Adjusted City Subsidy, the amount of the Non-City Share of the Resale Price, each as of the date of the particular transfer and the City’s waiver of its right of first refusal. In the event of a mortgage, the City Transfer Certificate shall be in a recordable form and shall state the amount of the Resale Price as of the date of the mortgage, the Lien Limit Percentage, the Lien Limit as of the date of the mortgage, the City Subsidy Percentage, the Adjusted City Subsidy as of the date of the mortgage, together with the City’s approval of the new mortgage. In the event that the City has given a one time waiver of any requirements in accordance with the procedures set forth in these Restrictive Covenants, the City Transfer Certificate shall set forth the existence and terms of such waiver. If there is a change in any address listed in Section 16 for notice to the City, the City Transfer Certificate shall provide the new address. An illustration of a City Transfer Certificate based on theoretical facts is attached as an exhibit to these Restrictive Covenants

2.25. “*Taxes*” means ad valorem taxes on the Property, together with all fees, assessments, penalties and accrued interest charged against the Property or owed by the Owner by reason of its ownership of the Property.

2.26. “*City Maintenance Lien*” shall have the meaning ascribed in Section 9.

2.27. “*City Tax Lien*” shall have the meaning ascribed in Section 10.

2.28. “*City Lease Lien*” shall have the meaning ascribed in Section 13.2.

3. City Subsidy. The City has made an investment in the Property equal to the City Subsidy and the City has agreed that each successive Owner of the Property shall have the benefit of the Adjusted City Subsidy for so long as these Restrictive Covenants remain in effect.

3.1. City's Equitable Interest in the Property. Each Owner covenants and agrees that the City has an equitable interest in the Property equal to the Adjusted City Subsidy. Each Owner covenants and agrees that the portion of any Resale Price as equals the Adjusted City Subsidy Amount belongs to the City and that the Owner's interest in the Resale Price is limited to the Non-City Share of the Resale Price. If these Restrictive Covenants are terminated for any reason, the City shall be entitled to receive payment in full of the Adjusted City Subsidy within thirty (30) days of such termination.

3.2. Transfer and Mortgage Procedures. All transfers of, and all mortgages on, the Property shall be made in accordance with these Restrictive Covenants.

(A) In the event that an Owner wishes to transfer or mortgage the Property, the Owner shall provide written notice of such proposed transfer or mortgage to the City. Such written notice shall request assistance from the City to identify potential Qualified Purchasers and shall request the City to calculate the maximum Resale Price, if a transfer and shall request the City to calculate the current Lien Limit, if a mortgage. *(See the illustration contained in the definition of Resale Price contained in Section 2.10)* The Owner may transfer the Property for less than the Resale Price but a lower purchase price will not change the amount of the Adjusted City Subsidy. The Owner agrees that it will not mortgage the Property unless there is a monthly escrow for insurance and taxes that is reasonably acceptable to the City.

(B) Each Owner covenants and agrees that no transfer of the Property shall take place and no mortgage of the Property shall be granted unless it is in conformance with these Restrictive Covenants and unless the City has delivered a City Transfer Certificate. Each Owner agrees to record the City Transfer Certificate with the transferring deed and with any mortgage.

(C) The aggregate proceeds that the Owner and its mortgagees may receive, and the maximum amount that a Qualified Purchaser may pay, upon the transfer of the Property shall be limited to the lesser of (i) the Non-City Share of the Resale Price and (ii) the purchase price minus the Adjusted City Subsidy. By way of example and solely for purposes of illustration, if the Resale Price were \$159,040 and the Adjusted City Subsidy were \$23,910, the Qualifying Purchaser would pay \$135,130 and the maximum amount that would be available to pay closing costs, to satisfy any mortgages or other outstanding liens and to pay the selling Owner would be the Non-City Share of the Resale Price or \$135,130.

3.3. City Subsidy Lien. The City shall have a continuing lien against the Property in the amount of the Adjusted City Subsidy which lien shall survive the foreclosure of any mortgage or other lien on the Property and shall survive any other transfers of the Property.

4. Resale Only to Qualified Purchasers. Each Owner covenants and agrees that the Property shall be sold, transferred and conveyed only to such individual, party, or entity as described in this paragraph.

4.1. Qualified Purchasers. The Property shall be conveyed only to Qualified Purchasers who are certified by the City in accordance with subparagraph 4.4 (City Certification) or to such persons, parties or entities who are deemed Qualified Purchasers in accordance with subparagraphs 4.2 (Inheritance), 4.3 (Foreclosure), or 4.5 (City Waiver) of this paragraph or in accordance with Paragraph 6 (City Right of First Refusal).

4.2. Inheritance. A transfer that occurs by virtue of the death of an Owner, and testate or intestate administration of the estate of the Owner shall be deemed a transfer to a Qualified Purchaser.

4.3. Foreclosure. A transfer that occurs by virtue of foreclosure of a mortgage encumbering the Property or a transfer that occurs by reason of a deed in lieu of foreclosure shall be deemed to be a transfer to a Qualified Purchaser or a transfer by an institutional mortgagee that acquires the Property in foreclosure or by a deed in lieu of foreclosure.

4.4. City Certification. An Owner shall submit, or cause to be submitted, to the City for certification as a Qualified Purchaser, any proposed purchaser of the Property. An Owner shall transfer the Property only to a purchaser who has been certified by the City as a Qualified Purchaser in a City Transfer Certificate. The City shall not decline, refuse or fail to certify as a Qualified Purchaser any potential purchaser of the Property except on the sole ground that the City is unable to verify that the income of such proposed purchaser is within the income limits required of a Qualified Purchaser.

4.5. City Waiver. The City shall have the right to waive, in its sole discretion, the requirement for a specific purchaser that the purchaser be a Qualified Purchaser. A waiver shall apply to only one transfer and shall not apply to subsequent transfers. Upon receipt of a City Transfer Certificate that contains the written waiver from the City, the specific purchaser shall be deemed to be a Qualified Purchaser.

5. Resale Price. No Owner shall transfer the Property for an amount in excess of the Resale Price. The gross proceeds payable to the Owner on the transfer of the Property shall be limited to the lesser of (i) the Non-City Share of the Resale Price and (ii) the purchase price minus the Adjusted City Subsidy.

5.1. Adjustment to Resale Price. The Resale Price may be adjusted upward by the City to a higher amount if the City determines in its sole discretion that the nature and circumstances of the Owner, and the nature and condition of the Property, warrant such a higher amount and that such higher amount will not preclude the ability to certify a potential purchaser as a Qualified Purchaser. The determination of any such upward adjustment in the Resale Price shall be in the sole discretion of the City which may elect to refuse to increase the Resale Price for any reason.

5.2. Documentation of Adjustment. No increase in the Resale Price shall be permitted or authorized unless the basis for the increase, and the amount of the Resale Price as adjusted, is set forth in the City Transfer Certificate. Such an increase to the Resale Price shall

apply only for a period of 12 months from the date of the City Transfer Certificate and shall not apply to subsequent transfers.

6. Right of First Refusal. In the event that an Owner shall receive an offer to purchase the Property from a Qualified Purchaser or a person who is deemed to be a Qualified Purchaser pursuant to Section 4 for an amount equal to or less than the Resale Price which is acceptable to the Owner (the “Offer”), the City shall have a right to purchase the Property from the Owner for the price set forth in the Offer (the “*Right of First Refusal*”). Upon the receipt of an Offer, the Owner shall promptly forward a copy of the Offer to the City. In the event that the City elects to exercise the Right of First Refusal, the City shall give written notice thereof to the Owner within sixty (60) days of the City’s receipt of the Offer and the closing of such purchase shall occur no later than ninety (90) days following the City’s receipt of the Offer. In such circumstances, the sale and transfer of the Property to the City shall be subject to all other provisions of these Restrictive Covenants, and the City shall be deemed to be a Qualified Purchaser. In the event that the City does not exercise its Right of First Refusal within the time periods set forth above, the City Transfer Certificate shall include a waiver of the City’s Right of First Refusal. This Right of First Refusal shall be a continuing right that applies to each proposed transfer of the Property. This Right of First Refusal shall automatically terminate upon the expiration of the Option Term.

7. Single Family Use and Leases. The Owner covenants and agrees that the Property shall be used and occupied solely as an Owner occupied, single family residential dwelling. The Owner shall not lease, nor permit to be leased, the Property, except as expressly authorized by this Section 7.

7.1. City Inspection. The City shall have the right to inspect the Property from time to time to insure compliance with these Restrictive Covenants. The Owner shall furnish the City upon request with copies of paid Tax receipts, insurance policies, termite bonds and other documents required by these Restrictive Covenants.

7.2. Obligation to Sell. If an Owner ceases to occupy the Property, the Owner agrees to give prompt written notice to the City that the Property is no longer Owner occupied and the Owner agrees to sell the Property to a Qualified Purchaser for the Resale Price. The Owner agrees to actively list and market the Property and agrees that the City and its agents shall be entitled to show the Property to prospective purchasers at reasonable times of the day upon 24 hours notice.

7.3. Obligation to Rent to Qualified Renter. If an Owner ceases to occupy the Property, the Property may be occupied only by a Qualified Renter pursuant to a Qualified Lease for a Qualified Rent during the period of time that the Property is being marketed for resale to a Qualified Purchaser.

8. Lien Limit. The equity in the Property represented by the Adjusted City Subsidy shall not be mortgaged or otherwise encumbered by the Owner. The Owner agrees that the aggregate liens on the Property shall not exceed the Lien Limit. The Lien Limit includes any City Tax Lien, City Lease Lien and City Maintenance Lien but does not include the City’s lien for the Adjusted City Subsidy. The Owner agrees that City shall have the right to review any proposed mortgage or

other encumbrance on the Property and that no lien shall be placed on the Property unless the City delivers a City Transfer Certificate approving such lien. The City may in the exercise of its sole discretion authorize a higher level of encumbrances on the Property in the City Transfer Certificate. Any lien amount waiver by the City shall apply only to the current level of indebtedness of the existing encumbrances and shall not apply to any new obligations, judgments or debts.

9. Maintenance and Insurance Obligations. The exterior appearance of the Property shall be maintained in an attractive and orderly condition and shall be kept free from trash, salvage, junk cars, rubbish, garbage, and other unsightly or offensive material. The buildings now or hereafter located on the said premises shall be maintained in an attractive and sound condition and repairs as necessary to prevent damage to the building(s) or any part thereof shall be made promptly. The Owner shall maintain flood insurance and "All Risk" insurance on the Property for the lesser of the replacement value and its insurable value. All insurance policies shall name the City as an additional insured. The Owner shall maintain a current termite bond on the Property. In the event that the Owner shall breach the obligations contained in this Section, the City shall have the right (but not the obligation) to enter the property to make repairs, to remove material and to otherwise correct the Owner's breaches and the City shall have the right (but not the obligation) to purchase such insurance and terminate bonds as are required by these Restrictive Covenants. The Owner shall promptly reimburse the City upon written demand for the costs incurred by the City to correct the Owner's breaches under this Section and the City shall have a continuing lien against the Property in the amount of such costs until paid in full which is separate and distinct from the City's lien for the Adjusted City Subsidy ("*City Maintenance Lien*").

10. Payment of Taxes. The Owner shall promptly pay each year the Taxes on the Property and shall deliver a copy of the paid receipt for such Taxes to the City within 30 days of payment. In order to protect the City's equitable interest in the Property, the City shall have the right (but not the obligation) to pay any delinquent Taxes on the Property and in such event, the Owner shall promptly reimburse the City for such Taxes upon written demand of the City. The City shall have a continuing lien against the Property for the amount of such Taxes paid by the City which is separate and distinct from the City's lien for the Adjusted City Subsidy ("*City Tax Lien*").

11. No Subdivision. Without the prior express written consent of the City, the Property shall not be subdivided, nor converted to any form of horizontal property regime, nor any portion less than all the Property be conveyed, nor shall any form of interval ownership of or time sharing of the Property be permitted.

12. Prevention of Heirs Property. The Owner shall maintain a current last Will and Testament and will use reasonable efforts to prevent the Property from transferring upon the Owner's death pursuant to the laws of intestacy.

13. Enforcement of Covenants. Each Owner hereby acknowledges and agrees that the covenants, conditions and restrictions set forth herein are imposed for the benefit of the City of Charleston, and that the City has interests in real property and social, cultural and economic

interests that benefit from the imposition of these covenants and restrictions. The benefits of these covenants, conditions and restrictions run with the Property, and bind and burden the Property. These Restrictive Covenants shall be enforceable by the City. Each Owner further acknowledges and agrees that a breach of the covenants, conditions, and restrictions set forth herein shall potentially result in a broad range of economic, social, cultural and residential damages to a large number of parties, that such damages are difficult if not impossible to determine, and that the City shall be entitled to seek such remedies as may be available at law or in equity including but not limited to injunctive relief and specific performance. The City shall be entitled to recover reasonable attorney fees and costs from the Owner in the event of a breach by the Owner of these Restrictive Covenants.

13.1. Default Option Price. During the Option Term and as an additional remedy in the event of an Owner's breach of these Restrictive Covenants, the City shall have the right to purchase the Property for the Default Option Price from the then current Owner:

(A) if a selling Owner sells the Property to a purchaser who is not a Qualified Purchaser or who is not deemed to be a Qualified Purchaser under the provisions of these Restrictive Covenants; or

(B) if a selling Owner sells the Property for a purchase price in excess the Resale Price and the City has not agreed in writing to an increased purchase price pursuant to Section 5.

If the City purchases the Property for the Default Option Price, the then current Owner will be required to sell the Property to the City for a purchase price that is less than the price such Owner paid for the Property. The City shall have no obligation to the current Owner or its mortgagee to provide legal assistance in seeking redress against an Owner whose breach resulted in the City's exercising its right to purchase the Property at the Default Option Price. Purchasers and mortgagees can protect themselves from the losses resulting from the City's purchase at the Default Option Price by requiring a City Transfer Certificate as a condition of a sale or of a mortgage.

13.2. Unauthorized Leasing. In the event that the Owner leases the Property pursuant to a lease that is not a Qualified Lease, or leases the Property to someone who is not a Qualified Renter, or receives rent in excess of the Qualified Rent, the City shall have the remedies provided by this Section, in addition to any other remedies provided by law or equity. In the event that the Owner receives rent from a person who is not a Qualified Renter, or receives rent that is not Qualified Rent or receives rent pursuant to any lease other than a Qualified Lease, the Owner shall promptly remit all such unauthorized rent to the City upon written demand. The City shall have a lien against the Property in the amount of such unauthorized rent ("*City Lease Lien*"). In the event that the Owner leases the Property to a person who is not a Qualified Renter, the Owner shall cause such person to vacate the Property within ten (10) days of written notice from the City.

13.3. City Liens. In addition to any other remedies provided by law or equity for the breach of these Restrictive Covenants, the City shall have the right to foreclose on a City Tax Lien, a City Lease Lien and a City Maintenance Lien in the event that the Owner fails to reimburse the City within sixty (60) days of written notice from the City. In such foreclosure action, the

City shall be entitled to add to the amount of the liens, and to recover, its reasonable attorney fees and the costs of such a foreclosure action. All City Tax Liens, City Lease Liens and City Maintenance Liens shall be subordinate to any mortgage approved by the City in a City Transfer Certificate. If the Owner and the City mutually agree, the Owner and the City can elect to modify these Restrictive Covenants to add the amount of any outstanding City Tax Lien, City Lease Lien and/or City Maintenance Lien to the amount of the Adjusted City Subsidy; any such amendment must be in compliance with Section 14 (Duration and Amendment) and neither party has any obligation to consent to such an amendment.

14. Duration and Amendment. This Restrictive Covenants shall bind all persons claiming any interest in the Property and run with the land for a period of ninety (90) years from the date of recording, after which time these Restrictive Covenants shall be automatically extended for successive periods of ten (10) years unless amended as provided in this Section. These Restrictive Covenants may be amended only by a writing executed by both the then current Owner and the City which is filed in the land records office of the County where the Property is located.

15. Severability. Whenever possible, each provision of these Restrictive Covenants shall be interpreted in such manner as to be effective and valid, but if the application of any provision of these Restrictive Covenants shall be prohibited or held invalid, such prohibition or invalidity shall not affect any other provision or the application of any provision which can be given effect without the invalid provision or application, and, to this end, the provisions of these Restrictive Covenants are declared to be severable. Notwithstanding anything contained herein to the contrary, if any of provision of these Restrictive Covenants shall be unlawful, void, or voidable for violation of the rule against perpetuities, then such provision shall continue only until ninety (90) years from the date of first recordation.

16. Notices. Any written notice, required by these Restrictive Covenants shall be in writing, and shall be delivered either (i) in person, or (ii) by first-class, certified mail, return receipt requested, postage prepaid, or (iii) by Federal Express (or other nationally recognized overnight courier), return receipt requested, with postage or delivery charge prepaid. If the notice is to the Owner, it shall be addressed to the Owner at the street mailing address for the Property. If the notice is to the City, it shall be addressed to the City at the three addresses set forth below, or as corrected in the last recorded City Transfer Certificate. In addition, either party may designate another address by notice to the other. Any notice shall be deemed to be given to and received by the other party on the date of delivery if personally delivered, and two (2) days after the date of mailing if mailed as described above, and one (1) day after it was placed with the overnight courier as described above. Notice to the City shall be complete only after City Hall, the Housing Director (or the equivalent successor) and Corporation Counsel have each received delivery of the notice:

The City of Charleston
Attention: Clerk of Council
City Hall
80 Broad Street
Charleston, SC 29401

Copy to: The City of Charleston
Department of Housing and Community Development
75 Calhoun Street, Suite 3200
Charleston, SC 29401-3506

City of Charleston
Attention: Corporation Counsel
Legal Department
50 Broad Street
Charleston, SC 29401

EXHIBIT

TO

SINGLE FAMILY AFFORDABLE HOUSING RESTRICTIVE COVENANTS

Example of City Transfer Certificate

(This is an illustration of a City Transfer Certificate based on theoretical facts and is provided solely for purposes of illustration)

STATE OF SOUTH CAROLINA)	CITY TRANSFER CERTIFICATE
)	FOR SINGLE FAMILY
COUNTY OF CHARLESTON)	AFFORDABLE HOUSING
Property		<i>25 ABC Street Charleston SC TMS 123-00-00-456</i>
Current Owners		<i>Richard and Susan Jones</i>
First Deed		<i>Recorded in Book ____, Page ____ and dated July 5, 2002</i>
Base Purchase Price		<i>\$140,000</i>
AMI Increase		<i>113.6% from July 5, 2002 to September 15, 2005</i>
CPI Increase		<i>109.1% from July 5, 2002 to September 15, 2005</i>
Resale Price		<i>\$159,040 as of September 15, 2005</i>
City Subsidy		<i>\$21,000</i>
City Subsidy Percentage		<i>15%</i>
Adjusted City Subsidy Amount		<i>\$23,910 as of September 15, 2005</i>
Non-City Share of Resale Price		<i>\$135,130 as of September 14, 2005</i>
Lien Limitation Percentage		<i>85%</i>
Lien Limit		<i>\$135,184 as of September 15, 2005</i>

The City approves the transfer of the Property for \$159,040 to John and Mary Smith as Qualified Purchasers; provided that the gross proceeds paid by the Qualified Purchasers (inclusive of any financing) do not exceed \$135,130. The City waives its right of first refusal to purchase the Property. The City approves the mortgaging of the Property to XYZ Savings & Loan to secure a loan in the amount of \$135,184.

Date: September 15, 2005

City of Charleston Department of Housing
and Community Development

(first witness)

BY: _____
Housing Development Officer

(second witness)

b.)

**REAL ESTATE COMMITTEE
GENERAL FORM**

FROM: Geona Shaw Johnson **DEPT:** Housing and Community Development

ADDRESS: Fenwick Property (see description below)

TMS: 346-00-00-004

ACTION REQUEST: _____

Authorize the Mayor to execute the necessary documents between the City of Charleston and 1776 LLC for the acquisition of a vacant parcel known as the Fenwick Property measuring 12.647 acres with 10.4 acres of usable land and located on River Road in the City of Charleston, Charleston County, South Carolina, depicted in that certain plat recorded in Plat Book L19, Page 0505 as Tract B-2-1 and bearing Charleston County Tax Map No. 346-00-00-004, for a purchase price of \$3.5 million

COORDINATION: The request has been coordinated with:
All supporting documentation must be included

	<u>Signature</u>	<u>Attachments</u>
Department Head		<input checked="" type="checkbox"/>
Legal Dept	_____	<input type="checkbox"/>
Real Estate Manager	_____	<input type="checkbox"/>
Property Manager	_____	<input type="checkbox"/>
_____	_____	<input type="checkbox"/>

FUNDING: Was funding needed? Yes No

If yes, was funding previously approved? Yes No

*If approved, provide the following: Dept/Div. 410000

Balance in Account \$3,500,000 Amount needed for this item \$3,500,000

Fee in-lieu funding and LDC funds established for affordable housing.

NEED: Identify any critical time constraint(s).

ORIGINATING OFFICE PLEASE NOTE: A FULLY STAFFED/APPROVED PACKAGE IS DUE IN THE CLERK OF COUNCIL'S OFFICE NO LATER THAN 10:00AM THE DAY OF THE CLERK'S AGENDA MEETING.

*Commercial Property and Community & Housing Development have an additional form.

COMMERCIAL REAL ESTATE FORM

TO: John J. Tecklenburg, Mayor DATE: April 14, 2020

FROM: Geona Shaw Johnson DEPT: Housing and Community Development

ADDRESS: Fenwick Property (see description below)

TMS: 346-00-00-004

Authorize the Mayor to execute the necessary documents between the City of Charleston and 1776 LLC for the acquisition of a vacant parcel known as the Fenwick Property measuring 12.647 acres with 10.4 acres of usable land and located on River Road in the City of Charleston, Charleston County, South Carolina, depicted in that certain plat recorded in Plat Book L19, Page 0505 as Tract B-2-1 and bearing Charleston County Tax

ACTION REQUEST: Map No. 346-00-00-004, for a purchase price of \$3.5 million.

ACTION: What action is being taken on the Property mentioned?

ACQUISITION BY

DONATION/TRANSFER

Donated By: _____

FORECLOSURE

Terms: _____

PURCHASE

Terms: As outlined in the Purchase and Sales Agreement

CONDEMNATION

Terms: _____

OTHER

Terms: _____

SALE TO

NON-PROFIT ORG, *please name* _____

Terms: _____

OTHER

Terms: _____

LEASE

INITIAL

Lessor: _____ Lessee: _____

COMMERCIAL REAL ESTATE FORM

Terms: _____

RENEWAL

Lessor: _____ Lessee: _____

Terms: _____

AMENDMENT

Lessor: _____ Lessee: _____

Terms: _____

Improvement of Property

Owner: _____

Terms: _____

BACKGROUND CHECK: If Property Action Request is for the sale or lease of city property, has a background check been completed? N/A

Yes No

Results: _____

Signature: _____

Director, Real Estate
Management

ADDITIONAL : Please identify any pertinent detail (Clauses, Agreement Terms, Repeals, etc.) regarding City Property.

NEED: Identify any critical time constraint(s).

AGREEMENT OF PURCHASE AND SALE

This **AGREEMENT OF PURCHASE AND SALE** ("*Agreement*") is made as of the 27th day of July, 2020 by and between the **CITY OF CHARLESTON**, a South Carolina municipal corporation, having a notice address of 80 Broad Street, Charleston, South Carolina 29401 (hereinafter referred to as the "*Buyer*") and **1776, LLC**, a South Carolina limited liability company, having a notice address of 36 Prioleau St., Unit N, Charleston, South Carolina 29401 (hereinafter referred to together as the "*Seller*").

W I T N E S S E T H

1. **SALE OF THE PROPERTY.** The Seller agrees to sell and the Buyer agrees to purchase on the terms hereafter stated all of the Seller's right, title, and interest as of the Closing Date (hereafter defined), in and to the real property measuring approximately 11.73 acres and located on River Road in the City of Charleston, Charleston County, South Carolina, depicted in that certain plat recorded in Plat Book 119, Page 0505 as Tract B-2-1 and bearing Charleston County Tax Map No. 346-00-00-004, together with all improvements located thereon and appurtenances thereto, if any (the "*Property*")

2. **PURCHASE PRICE.** Subject to the adjustments and the prorations hereafter described, the total purchase price to be paid by the Buyer to the Seller on the Closing Date for the Property (the "*Purchase Price*") is the sum of Three Million Five Hundred Thousand and No. 100 Dollars (\$3,500,000.00).

3. **TITLE.** At the closing of the transfer of the Property from Seller to Buyer (the "*Closing*"), Seller shall convey good and marketable fee simple title to the Property by limited warranty deed free and clear of all judgments, leases, liens, and security interests. Buyer shall cause the title to the Property to be examined, and at the Buyer's option, shall cause a survey to be performed, all at the Buyer's expense. Prior to the expiration of the Inspection Period as set forth in Paragraph 9, the Buyer shall submit to Seller notice in writing of its reasonable objections to title, including but not limited to any matters shown on any survey of the Property (the "*Title Objections*"). If Seller elects to attempt to cure such Title Objections, Seller shall have until the Closing to cure, at Seller's sole cost and expense, the Title Objections. If Seller elects to attempt to cure such Title Objections but such Title Objections are not cured prior to Closing, or if Seller elects not to cure such Title Objections, then Buyer may terminate this Agreement.

4. **CONDITIONS PRECEDENT TO CLOSING BY BUYER.** The obligation of the Buyer to consummate this Agreement is subject to and conditioned upon the satisfaction, at or prior to the Closing Date, of each of the following conditions:

4.1. The representations and warranties of Seller made herein shall be deemed

to have been made again on the Closing Date and then be true and correct, subject to any changes contemplated by this Agreement:

- 4.2. All terms, covenants, and conditions to be complied with and performed by Seller under this Agreement on or before the Closing Date shall have been duly complied with and duly performed; and
- 4.3. No matters affecting title to which the Buyer objects shall have occurred between the time of the Buyer's examination of title and the date of Closing.

5. **CLOSING.** The Buyer and the Seller agree that the purchase shall be consummated as follows:

- 5.1. Title Transfer. The Seller agrees to convey title to the Property to the Buyer on or before the close of business on the Closing Date and, effective on the delivery of such deed by Seller to the Buyer, beneficial ownership and the risk of loss of the Property shall pass from Seller to the Buyer
- 5.2. Closing Date and Location. Unless otherwise agreed by the parties in writing, the date of the Closing (the "*Closing Date*") shall be on or before the date that is ten (10) days after the expiration of the Inspection Period **TIME IS OF THE ESSENCE.** Unless otherwise agreed in writing, Closing shall take place at the offices of Buyer's attorney in Charleston, South Carolina.
- 5.3. Seller's Instruments. At Closing, the Seller shall deliver or cause to be delivered to the Buyer the following items:
 - 5.3.1. Limited Warranty Deed. A limited warranty deed (the "*Deed*") executed by the Seller conveying the Property to the Buyer
 - 5.3.2. Affidavits. Any and all affidavits, certificates or other documents reasonably required by the title insurer in order to cause it to issue an owner's title insurance policy in a form and condition reasonably acceptable to Buyer.
 - 5.3.3. Authorizations. A certified copy of the resolutions adopted by the Seller and such other evidence of Seller's power and authority to enter into this Agreement and to convey the Property as Buyer reasonably requests.

5.3.4. Non-Foreign Affidavit. Seller's affidavit stating, under penalty of perjury, Seller's U.S. taxpayer identification number and that Seller is not a foreign person within the meaning of Paragraph 1445 of the Internal Revenue Code.

5.3.5. Additional Documents. Such additional documents as might be reasonably required by Buyer or Buyer's title insurer in order to perfect the conveyance, transfer, and assignment of the Property to Buyer and issue an owner's title insurance policy

5.4. Buyer's Instruments. At Closing, the Buyer shall deliver to the Seller the following items:

5.4.1. Purchase Price. The payment required by Paragraph 2 hereof.

5.4.2. Additional Documents. Such additional documents as might be reasonably required by the Seller to consummate the sale of the Property to the Buyer

5.5. Closing Costs. With respect to the conveyance of the Property, the Seller shall pay its own legal expenses, deed, and other seller document preparation costs, any sum necessary to correct any Title Objections raised by Buyer in writing prior to expiration of the Inspection Period (if so agreed by Seller pursuant to Paragraph 3.), and any recording fees or stamps applicable to the Deed. The Buyer shall pay its own legal expenses, any applicable recording charges, title insurance costs, and all other costs incurred by the Buyer.

6. **POSSESSION.** Possession of the Property shall be delivered to the Buyer on the Closing Date free and clear of parties claiming rights to possession of the Property

7. **DEFAULT; REMEDY.** In the event that the Seller or the Buyer fails to perform its obligations hereunder, the party claiming default shall make written demand for performance. If Seller defaults and fails to comply with such written demand within ten (10) days after receipt thereof, the Buyer shall be entitled to seek either remedy as set forth in Paragraphs 3.1 and 3.2 herein or as otherwise required at law or in equity. If the Buyer defaults and fails to comply with such written demand within ten (10) days after receipt thereof, Seller's sole remedy shall be to terminate this Agreement

8. **ADJUSTMENTS AND PRORATIONS.** All receipts and disbursements of the Property, if any, shall be prorated on the Closing Date and the Purchase Price shall be adjusted on the following basis:

- 8.1. Property Taxes. All real and personal property ad valorem taxes and installments of special assessments and user fees, if any, for the calendar year 2019 and prior years shall be paid by Seller. All real and personal property ad valorem taxes and special assessments and user fees, if any, whether payable in installments or not, for the calendar year in which the Closing occurs shall be prorated to the Closing Date, based on the latest available tax rate and assessment valuation.

9. BUYER'S RIGHT OF INSPECTION. Buyer shall have forty five (45) days from the Approval Date to inspect the Property to determine its suitability for purchase (the "*Inspection Period*"). As used herein, the "*Approval Date*" shall mean March 12, 2020, which is the date that the Letter of Intent provided by the Buyer to the Seller was executed by both parties. Buyer shall use its best efforts to complete all inspections and approvals promptly. If necessary, the Buyer may unilaterally extend the Inspection Period for an additional fifteen (15) days to complete an appraisal or an environmental study. If, in its sole and absolute discretion, the Buyer is not satisfied with the inspection for any reason, Buyer, at its option and its sole discretion, may terminate this Agreement by notifying Seller, in writing, of its intention to terminate which must occur on or before the expiration of the Inspection Period. Upon termination by Buyer in accordance with this Paragraph 9, all rights and obligations set forth under the terms of this Agreement shall automatically become null and void.

10. REPRESENTATIONS AND WARRANTIES OF SELLER. Seller hereby represents and warrants to Buyer as follows.

- 10.1 Now and at the Closing, Seller shall be the sole owner of the Property to be sold pursuant to this Agreement and Seller shall possess all requisite right, authority, and power to execute and perform this Agreement in accordance with its terms.
- 10.2 Seller has good and marketable title in fee simple to the Property which shall be conveyed to Buyer at Closing by limited warranty deed, free and clear of any and all judgments, liens, leases, security interests, and any Title Objections which Seller has agreed to cure.
- 10.3 There are no actions, suits or proceedings pending or threatened against Seller or the Property affecting any portion of the Property, at law or in equity or before or by any federal, state, municipal or other governmental department, commission, board, bureau, agency, entity or instrumentality, domestic or foreign.

- 10.4. There are not presently pending any condemnation actions or special assessments of any nature with respect to the Property or any part thereof, nor has Seller received any notices of any condemnation actions or special assessments being contemplated, nor does Seller have any knowledge of any being contemplated.
- 10.5. Seller has not received any notice of any violation of any ordinance, regulation, law or statute of any governmental agency pertaining to the Property or any portion thereof which has not been complied with.
- 10.6. All of the Property has direct access to public streets.
- 10.7. Seller has taken all necessary action in connection with the execution of this Agreement and the consummation of the transactions contemplated hereby. The Agreement, and the agreements contemplated herein, upon execution, shall be a legal and binding obligation of Seller and shall be enforceable against Seller in accordance with their terms. Seller has the right, power, legal capacity, and authority to enter into and perform Seller's obligations under this Agreement, and no approvals or consents of any other persons are necessary in connection with the sale of the Property.
- 10.8. Seller agrees to cooperate with Buyer as may be necessary in the pursuit of soil and environmental testing, property inspections and the like, to include without limitation, providing Buyer with copies of previous reports, inspections, etc. Buyer shall not obtain a Phase II environmental survey without first obtaining the consent of Seller, which may be withheld at Seller's sole and absolute discretion.

11. **MISCELLANEOUS.** It is further agreed as follows:

- 11.1. Notice. All notices required hereunder shall be in writing and served by certified mail, return receipt requested, postage prepaid, at the addresses shown above, until notification of a change of such addresses. Notice may also be sent by a nationally recognized overnight courier service to the addresses set forth above.
- 11.2. Entire Agreement. This Agreement, together with the attachments hereto,

constitutes the entire agreement between the Buyer and the Seller and there are no agreements, understandings, warranties or representations between the Buyer and the Seller except as set forth herein. The Agreement cannot be amended except in writing executed by the Buyer and the Seller.

- 11.3. Binding Effect. This Agreement shall inure to the benefit of and bind the parties and the respective successors and permitted assigns of the parties hereto.
- 11.4. Assignment. This Agreement shall not be assigned by either party without first obtaining the other party's written consent, which consent may be withheld with or without cause.
- 11.5. South Carolina Law. This Agreement shall be governed, enforced and construed in accordance with the laws of the State of South Carolina.
- 11.6. Survival. All representations made within this Agreement, or in instruments, certificates, opinions, or other writings provided for in this Agreement, shall survive the Closing for a period of one (1) year and shall not merge with the deed.
- 11.7. Counterparts. Electronic Transmittal. This Agreement may be executed by all parties in counterparts, each of which shall be deemed an original, but all of such counterparts taken together shall constitute one and the same agreement. Facsimile or e-mail copies of this Agreement containing signatures of the parties shall be deemed to be originals and shall be binding.
- 11.8. Attorney's Fees. Costs. In the event of any dispute arising under this Agreement, the prevailing party shall be entitled to recover reasonable attorney's fees and costs incurred in connection therewith.
- 11.9. Brokerage Fees. Costs. Buyer and Seller each represent that there is no broker or agent that has any claim to a commission with respect to the sale contemplated hereby except Commercial Investment Group, LLC (the "Broker"). Broker shall receive a fee of four percent (4%) of the gross sales price at Closing. Seller and Buyer agree to each pay two percent (2%) of the Broker's fee, which is due and payable from each party at Closing. Each party shall indemnify and hold the other harmless from and against and in respect to any and all liability and expense, including attorney's fees, resulting from, or in connection with, real estate fees, claims or commissions alleged to be due to any person or entity as a result of the transactions contemplated hereby and caused

by said party's actions. The Broker is not qualified to render property inspections, surveys, engineering studies, environmental assessments, or inspections to determine compliance with zoning, governmental regulations, or laws. The Buyer should seek its own advisors to render such services. Selection of inspectors is the responsibility of the Buyer. **NO REPRESENTATION OR RECOMMENDATION IS MADE BY THE BROKER OR ITS AGENTS OR EMPLOYEES AS TO THE LEGAL SUFFICIENCY, LEGAL EFFECT, OR TAX CONSEQUENCES OF THIS DOCUMENT OR TRANSACTION. BOTH SELLER AND BUYER SHOULD CONSULT WITH THEIR LEGAL AND TAX ADVISORS BEFORE SIGNING.**

IN WITNESS WHEREOF, this Agreement has been executed by the parties as of the date first written above.

WITNESSES:

SELLER:

1776, LLC,
a South Carolina limited liability company

By: The Eugene J. Zurlo Living Trust dated
December 11, 1997

[Signature]

By: [Signature]

Name: Eugene J. Zurlo

Title: Trustee

Date: _____, 2020

[Signature]

By: _____

Name: Charlotte R. Zurlo

Title: Trustee

Date: _____, 2020

WITNESSES,
S.

BUYER

THE CITY OF CHARLESTON

By: _____

John J. Tecklenburg

Its: Mayor

C.)

REAL ESTATE COMMITTEE
GENERAL FORM

TO: John J. Tecklenburg, Mayor DATE: April 6, 2020

FROM: Geona Shaw Johnson DEPT: Housing and Community Development

ADDRESS: 4 Grants Court and 4 Nunan Street

TMS: 460-07-02-222 and 460-07-02-221

AUTHORIZING THE MAYOR TO EXECUTE ON BEHALF OF THE CITY OF CHARLESTON ("CITY") ANY AND ALL DOCUMENTS NECESSARY TO QUITCLAIM GRANTS COURT (PENINSULA) (DISTRICT 3) TO MANX HOLDINGS, LLC, IN EXCHANGE FOR AN EASEMENT PERMITTING ACCESS OVER A PORTION OF GRANTS COURT FROM NUNAN STREET TO 4 GRANTS COURT (CHARLESTON COUNTY TMS NO. 460-07-02-222) (PENINSULA) (DISTRICT 3) AND 4 NUNAN STREET (CHARLESTON COUNTY TMS NO. 460-07-02-221) (PENINSULA) (DISTRICT 3), UPON APPROVAL OF ANY SUCH DOCUMENTS BY CORPORATION COUNSEL.

ACTION REQUEST: _____

COORDINATION: The request has been coordinated with:

All supporting documentation must be included

	<u>Signature</u>	<u>Attachments</u>
Department Head	_____	<input checked="" type="checkbox"/>
Legal Dept	_____	<input type="checkbox"/>
Property Coordinator	_____	<input type="checkbox"/>
Property Manager	_____	<input type="checkbox"/>
_____	_____	<input type="checkbox"/>

FUNDING: Was funding needed? Yes No

If yes, was funding previously approved? Yes No

*If approved, provide the following: Dept/Div. _____

Balance in Account _____ Amount needed for this item _____

NEED: Identify any critical time constraint(s).

*Commercial Property and Community & Housing Development have an additional form.

REAL ESTATE COMMITTEE
GENERAL FORM

ORIGINATING OFFICE PLEASE NOTE: A FULLY STAFFED/APPROVED PACKAGE IS DUE IN THE CLERK OF COUNCIL'S OFFICE NO LATER THAN 10:00AM THE DAY OF THE CLERK'S AGENDA MEETING.

***Commercial Property and Community & Housing Development have an additional form.**

COMMERCIAL REAL ESTATE FORM

TO: John J. Tecklenburg, Mayor DATE: April 6, 2020

FROM: Geona Shaw Johnson DEPT: Housing and Community Development

ADDRESS: 4 Grants Court & 4 Nunan Street

TMS: 460-07-02-222 and 460-07-02-221

AUTHORIZING THE MAYOR TO EXECUTE ON BEHALF OF THE CITY OF CHARLESTON ("CITY") ANY AND ALL DOCUMENTS NECESSARY TO QUITCLAIM GRANTS COURT (PENINSULA) (DISTRICT 3) TO MANX HOLDINGS, LLC, IN EXCHANGE FOR AN EASEMENT PERMITTING ACCESS OVER A PORTION OF GRANTS COURT FROM NUNAN STREET TO 4 GRANTS COURT (CHARLESTON COUNTY TMS NO. 460-07-02-222) (PENINSULA) (DISTRICT 3) AND 4 NUNAN STREET (CHARLESTON COUNTY TMS NO. 460-07-02-221) (PENINSULA) (DISTRICT 3), UPON APPROVAL OF ANY SUCH DOCUMENTS BY CORPORATION COUNSEL.

ACTION REQUEST: _____

ACTION: What action is being taken on the Property mentioned?

ACQUISITION BY

DONATION/TRANSFER

Donated By: _____

FORECLOSURE

Terms: _____

PURCHASE

Terms: _____

CONDEMNATION

Terms: _____

OTHER

Terms: _____

SALE TO

NON-PROFIT ORG, *please name* _____

Terms: _____

OTHER

Terms: Terms and Conditions as outlined in the Quit Claim Deed

COMMERCIALREAL ESTATE FORM

LEASE

INITIAL

Lessor: _____ Lessee: _____

Terms: _____

RENEWAL

Lessor: _____ Lessee: _____

Terms: _____

AMENDMENT

Lessor: _____ Lessee: _____

Terms: _____

Improvement of Property

Owner: _____

Terms: _____

BACKGROUND CHECK: If Property Action Request is for the sale or lease of city property, has a background check been completed? N/A

Yes No

Results: _____

Signature: _____

Property Manager

ADDITIONAL : Please identify any pertinent detail (Clauses, Agreement Terms, Repeals, etc.) regarding City Property.

NEED: Identify any critical time constraint(s).



Ratification
Number _____

A N O R D I N A N C E

AUTHORIZING THE MAYOR TO EXECUTE ON BEHALF OF THE CITY OF CHARLESTON ("CITY") ANY AND ALL DOCUMENTS NECESSARY TO QUITCLAIM GRANTS COURT (PENINSULA) (DISTRICT 3) TO MANX HOLDINGS, LLC, IN EXCHANGE FOR AN EASEMENT PERMITTING ACCESS OVER A PORTION OF GRANTS COURT FROM NUNAN STREET TO 4 GRANTS COURT (CHARLESTON COUNTY TMS NO. 460-07-02-222) (PENINSULA) (DISTRICT 3) AND 4 NUNAN STREET (CHARLESTON COUNTY TMS NO. 460-07-02-221) (PENINSULA) (DISTRICT 3), UPON APPROVAL OF ANY SUCH DOCUMENTS BY CORPORATION COUNSEL.

BE IT ORDERED AND ORDAINED BY THE MAYOR AND COUNCILMEMBERS OF CHARLESTON, IN CITY COUNCIL ASSEMBLED:

Section 1. The Mayor is hereby authorized to execute on behalf of the City any and all documents necessary to quitclaim Grants Court to Manx Holdings, LLC, in exchange for an easement permitting access over a portion of Grants Court from Nunan Street to 4 Grants Court (TMS No. 460-07-02-222) and 4 Nunan Street (TMS No. 460-07-02-221).

Section 2. Without limiting Section 1, the Mayor is hereby authorized to execute a quitclaim deed, the general form of which is attached hereto as Exhibit 1, and an access easement agreement, the general form of which is attached hereto as Exhibit 2, upon approval of the final form by Corporation Counsel and without further action by City Council.

Section 3. This Ordinance shall become effective upon ratification.

Ratified in City Council this ___ day of _____
in the year of Our Lord, 2020, in the ___ Year
of the Independence of the United States of
America.

By: _____
John J. Tecklenburg, Mayor
City of Charleston

ATTEST: By: _____
Vanessa Turner Maybank
Clerk of Council

AGREEMENT OF PURCHASE AND SALE

This **AGREEMENT OF PURCHASE AND SALE** ("*Agreement*") is made as of the day of June, 2020 by and between the **CITY OF CHARLESTON**, a South Carolina municipal corporation, having a notice address of 80 Broad Street, Charleston, South Carolina 29401 (hereinafter referred to as the "*Buyer*") and **1776, LLC**, a South Carolina limited liability company, having a notice address of 36 Prioleau St., Unit N, Charleston, South Carolina 29401 (hereinafter referred to together as the "*Seller*").

W I T N E S S E T H

1. **SALE OF THE PROPERTY.** The Seller agrees to sell and the Buyer agrees to purchase on the terms hereafter stated all of the Seller's right, title, and interest as of the Closing Date (hereafter defined), in and to the real property measuring approximately 11.73 acres and located on River Road in the City of Charleston, Charleston County, South Carolina, depicted in that certain plat recorded in Plat Book 119, Page 0505 as Tract B-2-1 and bearing Charleston County Tax Map No. 346-00-00-004, together with all improvements located thereon and appurtenances thereto, if any (the "*Property*").

2. **PURCHASE PRICE.** Subject to the adjustments and the prorations hereafter described, the total purchase price to be paid by the Buyer to the Seller on the Closing Date for the Property (the "*Purchase Price*") is the sum of Three Million Five Hundred Thousand and No. 00 Dollars (\$3,500,000.00).

3. **TITLE.** At the closing of the transfer of the Property from Seller to Buyer (the "*Closing*"), Seller shall convey good and marketable fee simple title to the Property by limited warranty deed free and clear of all judgments, leases, liens, and security interests. Buyer shall cause the title to the Property to be examined, and at the Buyer's option, shall cause a survey to be performed, all at the Buyer's expense. Prior to the expiration of the Inspection Period as set forth in Paragraph 9, the Buyer shall submit to Seller notice in writing of its reasonable objections to title, including but not limited to any matters shown on any survey of the Property (the "*Title Objections*"). If Seller elects to attempt to cure such Title Objections, Seller shall have until the Closing to cure, at Seller's sole cost and expense, the Title Objections. If Seller elects to attempt to cure such Title Objections but such Title Objections are not cured prior to Closing, or if Seller elects not to cure such Title Objections, then Buyer may terminate this Agreement.

4. **CONDITIONS PRECEDENT TO CLOSING BY BUYER.** The obligation of the Buyer to consummate this Agreement is subject to and conditioned upon the satisfaction, at or prior to the Closing Date, of each of the following conditions:

4.1. The representations and warranties of Seller made herein shall be deemed

to have been made again on the Closing Date and then be true and correct, subject to any changes contemplated by this Agreement:

- 4.2. All terms, covenants, and conditions to be complied with and performed by Seller under this Agreement on or before the Closing Date shall have been duly complied with and duly performed; and
- 4.3. No matters affecting title to which the Buyer objects shall have occurred between the time of the Buyer's examination of title and the date of Closing.

5. **CLOSING.** The Buyer and the Seller agree that the purchase shall be consummated as follows:

- 5.1 Title Transfer. The Seller agrees to convey title to the Property to the Buyer on or before the close of business on the Closing Date and, effective on the delivery of such deed by Seller to the Buyer, beneficial ownership and the risk of loss of the Property shall pass from Seller to the Buyer
- 5.2 Closing Date and Location. Unless otherwise agreed by the parties in writing, the date of the Closing (the "*Closing Date*") shall be on or before the date that is ten (10) days after the expiration of the Inspection Period. **TIME IS OF THE ESSENCE.** Unless otherwise agreed in writing, Closing shall take place at the offices of Buyer's attorney in Charleston, South Carolina.
- 5.3. Seller's Instruments. At Closing, the Seller shall deliver or cause to be delivered to the Buyer the following items:
 - 5.3.1 Limited Warranty Deed. A limited warranty deed (the "*Deed*") executed by the Seller conveying the Property to the Buyer.
 - 5.3.2. Affidavits. Any and all affidavits, certificates or other documents reasonably required by the title insurer in order to cause it to issue an owner's title insurance policy in a form and condition reasonably acceptable to Buyer.
 - 5.3.3. Authorizations. A certified copy of the resolutions adopted by the Seller and such other evidence of Seller's power and authority to enter into this Agreement and to convey the Property as Buyer reasonably requests.

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5.3.5. Additional Documents. Such additional documents as might be reasonably required by Buyer or Buyer's title insurer in order to perfect the conveyance, transfer, and assignment of the Property to Buyer and issue an owner's title insurance policy.

5.4. Buyer's Instruments. At Closing, the Buyer shall deliver to the Seller the following items:

5.4.1. Purchase Price. The payment required by Paragraph 2 hereof.

5.4.2. Additional Documents. Such additional documents as might be reasonably required by the Seller to consummate the sale of the Property to the Buyer.

5.5. Closing Costs. With respect to the conveyance of the Property, the Seller shall pay its own legal expenses, deed, and other seller document preparation costs, any sum necessary to correct any Title Objections raised by Buyer in writing prior to expiration of the Inspection Period (if so agreed by Seller pursuant to Paragraph 3.), and any recording fees or stamps applicable to the Deed. The Buyer shall pay its own legal expenses, any applicable recording charges, title insurance costs, and all other costs incurred by the Buyer.

6. **POSSESSION.** Possession of the Property shall be delivered to the Buyer on the Closing Date free and clear of parties claiming rights to possession of the Property.

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- 8.1. Property Taxes. All real and personal property ad valorem taxes and installments of special assessments and user fees, if any, for the calendar year 2019 and prior years shall be paid by Seller. All real and personal property ad valorem taxes and special assessments and user fees, if any, whether payable in installments or not, for the calendar year in which the Closing occurs shall be prorated to the Closing Date, based on the latest available tax rate and assessment valuation.

9. **BUYER'S RIGHT OF INSPECTION.** Buyer shall have forty five (45) days from the Approval Date to inspect the Property to determine its suitability for purchase (the "*Inspection Period*"). As used herein, the "*Approval Date*" shall mean March 12, 2020, which is the date that the Letter of Intent provided by the Buyer to the Seller was executed by both parties. Buyer shall use its best efforts to complete all inspections and approvals promptly. If necessary, the Buyer may unilaterally extend the Inspection Period for an additional fifteen (15) days to complete an appraisal or an environmental study. If, in its sole and absolute discretion, the Buyer is not satisfied with the inspection for any reason, Buyer, at its option and its sole discretion, may terminate this Agreement by notifying Seller, in writing, of its intention to terminate which must occur on or before the expiration of the Inspection Period. Upon termination by Buyer in accordance with this Paragraph 9, all rights and obligations set forth under the terms of this Agreement shall automatically become null and void.

10. **REPRESENTATIONS AND WARRANTIES OF SELLER.** Seller hereby represents and warrants to Buyer as follows:

- 10.1. Now and at the Closing, Seller shall be the sole owner of the Property to be sold pursuant to this Agreement and Seller shall possess all requisite right, authority, and power to execute and perform this Agreement in accordance with its terms.
- 10.2. Seller has good and marketable title in fee simple to the Property which shall be conveyed to Buyer at Closing by limited warranty deed, free and clear of any and all judgments, liens, leases, security interests, and any Title Objections which Seller has agreed to cure.
- 10.3. There are no actions, suits or proceedings pending or threatened against Seller or the Property affecting any portion of the Property, at law or in equity or before or by any federal, state, municipal or other governmental department, commission, board, bureau, agency, entity or instrumentality, domestic or foreign.

- 10.4. There are not presently pending any condemnation actions or special assessments of any nature with respect to the Property or any part thereof, nor has Seller received any notices of any condemnation actions or special assessments being contemplated, nor does Seller have any knowledge of any being contemplated.
- 10.5. Seller has not received any notice of any violation of any ordinance, regulation, law or statute of any governmental agency pertaining to the Property or any portion thereof which has not been complied with.
- 10.6. All of the Property has direct access to public streets.
- 10.7. Seller has taken all necessary action in connection with the execution of this Agreement and the consummation of the transactions contemplated hereby. The Agreement, and the agreements contemplated herein, upon execution, shall be a legal and binding obligation of Seller and shall be enforceable against Seller in accordance with their terms. Seller has the right, power, legal capacity, and authority to enter into and perform Seller's obligations under this Agreement, and no approvals or consents of any other persons are necessary in connection with the sale of the Property.
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11. **MISCELLANEOUS.** It is further agreed as follows:

- 11.1. Notice. All notices required hereunder shall be in writing and served by certified mail, return receipt requested postage prepaid, at the addresses shown above, until notification of a change of such addresses. Notice may also be sent by a nationally recognized overnight courier service to the addresses set forth above.
- 11.2. Entire Agreement. This Agreement, together with the attachments hereto,

constitutes the entire agreement between the Buyer and the Seller and there are no agreements, understandings, warranties or representations between the Buyer and the Seller except as set forth herein. The Agreement cannot be amended except in writing executed by the Buyer and the Seller.

- 11.3. Binding Effect. This Agreement shall inure to the benefit of and bind the parties and the respective successors and permitted assigns of the parties hereto.
- 11.4. Assignment. This Agreement shall not be assigned by either party without first obtaining the other party's written consent, which consent may be withheld with or without cause.
- 11.5. South Carolina Law. This Agreement shall be governed, enforced and construed in accordance with the laws of the State of South Carolina.
- 11.6. Survival. All representations made within this Agreement, or in instruments, certificates, opinions, or other writings provided for in this Agreement, shall survive the Closing for a period of one (1) year and shall not merge with the deed.
- 11.7. Counterparts. Electronic Transmittal. This Agreement may be executed by all parties in counterparts, each of which shall be deemed an original, but all of such counterparts taken together shall constitute one and the same agreement. Facsimile or e-mail copies of this Agreement containing signatures of the parties shall be deemed to be originals and shall be binding.
- 11.8. Attorney's Fees. Costs. In the event of any dispute arising under this Agreement, the prevailing party shall be entitled to recover reasonable attorney's fees and costs incurred in connection therewith.
- 11.9. Brokerage Fees. Costs. Buyer and Seller each represent that there is no broker or agent that has any claim to a commission with respect to the sale contemplated hereby except Commercial Investment Group, LLC (the "Broker"). Broker shall receive a fee of four percent (4%) of the gross sales price at Closing. Seller and Buyer agree to each pay two percent (2%) of the Broker's fee, which is due and payable from each party at Closing. Each party shall indemnify and hold the other harmless from and against and in respect to any and all liability and expense, including attorney's fees, resulting from, or in connection with, real estate fees, claims or commissions alleged to be due to any person or entity as a result of the transactions contemplated hereby and caused

by said party's actions. The Broker is not qualified to render property inspections, surveys, engineering studies, environmental assessments, or inspections to determine compliance with zoning, governmental regulations, or laws. The Buyer should seek its own advisors to render such services. Selection of inspectors is the responsibility of the Buyer. **NO REPRESENTATION OR RECOMMENDATION IS MADE BY THE BROKER OR ITS AGENTS OR EMPLOYEES AS TO THE LEGAL SUFFICIENCY, LEGAL EFFECT, OR TAX CONSEQUENCES OF THIS DOCUMENT OR TRANSACTION. BOTH SELLER AND BUYER SHOULD CONSULT WITH THEIR LEGAL AND TAX ADVISORS BEFORE SIGNING.**

IN WITNESS WHEREOF, this Agreement has been executed by the parties as of the date first written above.

WITNESSES:

[Signature]

[Signature]

SELLER:

1776, L.L.C.,

a South Carolina limited liability company

By: The Eugene J. Zurlo Living Trust dated December 11, 1997

By: [Signature]

Name: Eugene J. Zurlo

Title: Trustee

Date: 12/11/20, 2020

By: _____

Name: Charlotte R. Zurlo

Title: Trustee

Date: 12/11/20, 2020

WITNESSES,
S.

BUYER

THE CITY OF CHARLESTON

By: _____

John J. Tecklenburg

Its: Mayor

interest it may have, if any, including any rights created by one or more implied easements inuring to the benefit of Grantor, in the Property as a private right-of-way; and

WHEREAS, simultaneously with the recordation hereof, (i) Grantee has executed and shall record in the Charleston County Register of Deeds Office (the “**ROD**”) an access easement granting to Grantor, its successors and assigns, a non-exclusive easement for vehicular and pedestrian ingress and egress over, upon, and across the Property, as more particularly set forth therein (the “**Access Easement**”), and (ii) Grantor and Grantee shall record in the ROD a plat depicting the Property as a separate parcel (distinct from the Grantor Parcels and the Grantee Parcels), along with the area of the Access Easement.

KNOW ALL MEN BY THESE PRESENTS, THAT **GRANTOR**, for no consideration, has, **SUBJECT TO the Permitted Exceptions** (as hereinafter defined), remised, released and forever quit-claimed, and by these presents does, subject to the Permitted Exceptions, remise, release and forever quit-claim unto the said Grantee, its successors and assigns forever, all of Grantor’s right, title, and interest, if any, in and to the below-described real property, to wit:

SEE EXHIBIT A FOR LEGAL DESCRIPTION

GRANTEE’S ADDRESS: 164 Market Street, Suite 263
Charleston, South Carolina 29401

THIS CONVEYANCE IS MADE SUBJECT TO the list of permitted exceptions set forth on Exhibit B attached hereto and incorporated herein by reference (collectively, the “**Permitted Exceptions**”).

TOGETHER with all and singular, the rights, members, hereditaments and appurtenances to the said premises belonging, or in anywise incident or appertaining.

TO HAVE AND TO HOLD, subject to the Permitted Exceptions, all and singular, the said premises before mentioned unto the said Grantee, its successors and assigns forever, so that neither the Grantor, its successors or assigns, nor any other person or persons claiming under it or them, shall at any time hereafter, by any way or to claim the same, or means have, claim or demand any right or title to the aforesaid premises or appurtenances, or any part thereof, forever.

*****Remainder of Page Intentionally Left Blank*****
[Signatures on Following Page]

EXHIBIT A
Legal Description

ALL that certain piece, parcel or lot of land, situate, lying and being in the City of Charleston, State of South Carolina, and shown and designated as _____ on that certain plat titled “ _____ ” by Atlantic Surveying SC, Inc. dated _____, 2020 and recorded _____ 2020, in Plat Book _____, at Page _____, in the Register of Deeds Office for Charleston County. Said lot having such size, shape, dimensions, butting’s and bounding as will by reference to said plat more fully and at large appear.

EXHIBIT B
Permitted Exceptions

1. Ad valorem real property taxes and user fees for the year of conveyance (provided same are not yet due and payable) and all subsequent years.
2. All applicable building and zoning laws and regulations.
3. Any and all existing public utility rights of user, reservations, encumbrances, easements, rights of way, control of access, restrictions, and protective covenants that may appear on record or on the premises.

the Easement Area for the purpose of gaining access, ingress and egress to and from the Grantee Parcels to Nunan Street (the "*Access Easement*").

2. **Benefit of Access Easement to Grantee.** The Access Easement shall be for the sole benefit of Grantee and shall run with the title to the Grantee Parcels. The Grantor acknowledges and agrees that the Access Easement provides necessary and vital access to and from the Grantee Parcels and is integral to the use, enjoyment and operation of the Grantee Parcels.

3. **Use of Access Easement.** It is expressly agreed by and between the Grantor and Grantee that the Access Easement shall be for the use of the Grantee and its Permittees, but that Grantee's right to use the Access Easement is non-exclusive. Grantor reserves for itself and its successors and assigns the right to use all or a part of the Access Easement in conjunction with Grantee provided that Grantor's use does not interfere with Grantee's use of the Access Easement. It is further agreed by Grantor that the Access Easement shall be kept clear at all times of debris and no buildings or structural improvements of any kind shall be erected or permitted to remain on the Access Easement (without the prior written consent of the Grantor), and that the Access Easement shall be used exclusively for pedestrian and vehicular access, ingress and egress (including commercial vehicular access, ingress and egress). The parties hereto hereby agree to use commercially reasonable efforts to ensure that none of their respective Permittees use the Access Easement in contravention of this Agreement, including without limitation, using the other party's real property for parking.

4. **Utility Easement.** Either Grantor or Grantee, their successors and assigns, shall have the right to place utility easements within the Easement Area; provided, however, any such utilities shall be placed underground and any equipment as a part of such utility which must lie above ground shall be placed in a location reasonably consented to by Grantor.

5. **Easements and Restrictions to Run with the Land.** It is intended that each of the easements, covenants, conditions, restrictions, rights and obligations set forth and granted herein shall run with the land and create equitable servitudes in favor of the Grantee, shall bind every person having any fee, leasehold or other interest therein and shall inure to the benefit of the respective parties and their successors, assigns, heirs, and personal representatives.

6. **Condition and Maintenance of Access Easement.**

- a. Grantee agrees to accept the Access Easement in its current condition.
- b. Grantor agrees to maintain the Access Easement at Grantor's sole expense. Both parties agree to keep the Access Easement free of litter and debris.

7. **Amendment.** This Agreement may be amended at any time by mutual consent of the parties hereto, with any such amendment to be invalid unless in writing, signed by all of the parties hereto, their respective heirs, successors and/or assigns, and said amendment shall be effective upon recording the same in the Register of Deeds Office for Charleston County, South Carolina.

8. **Governing Law.** This instrument shall be governed by the laws of the State of South Carolina.

9. **Miscellaneous.**

a. **No Waiver.** No waiver of any default of any obligation by any party hereto shall be implied from any omission by the other party to take any action with respect to such default.

b. **No Agency.** Nothing in this Agreement shall be deemed or construed by either party or by any third party person to create the relationship or principal and agent or of limited or general partners or of joint venturers or of any other association between the parties.

c. **Grantee's Acceptance.** Any grantee of the Grantor Parcel or the Grantee Parcels or any portion thereof, by acceptance of a deed conveying title thereto or the execution of a contract for the purchase thereof, whether from an original party or from a subsequent owner of such property, shall accept such deed or contract upon and subject to each and all of the easements, covenants, conditions, restrictions and obligations contained herein. By such acceptance, any such grantee shall for itself and its successors, assigns, heirs, and personal representatives, covenant, consent, and agree to and with the other party, to keep, observe, comply with, and perform the obligations and agreements set forth herein with respect to the property so acquired by such grantee.

d. **Severability.** Each provision of this Agreement is hereby declared to be independent of and severable from the remainder of this Agreement. If any provision contained herein shall be held to be invalid or to be unenforceable or not to run with the land, such holding shall not affect the validity or enforceability of the remainder of this Agreement. In the event the validity or enforceability of any provision of this Agreement is held to be dependent upon the existence of a specific legal description, the parties agree to promptly cause such legal description to be prepared. Ownership of the entire Property by the same person or entity shall not terminate this Agreement nor in any manner affect or impair the validity or enforceability of this Agreement.

e. Time of Essence. In regards to the prompt execution and recording of this Agreement, and any future amendment or termination of the same, time is of the essence.

f. Notices. Notices or other communication hereunder shall be in writing and shall be sent certified or registered mail, return receipt requested, or by other national overnight courier company, or personal delivery. Notice shall be deemed given upon receipt or refusal to accept delivery.

g. Entire Agreement. This Agreement contains the entire agreement and understanding by and between the parties and no representations, promises, agreements, or understandings, written or oral, relating thereto and not contained herein shall be of any force or effect.

*****Remainder of Page Intentionally Left Blank*****

[Signatures on Following Page]

EXHIBIT A

Legal Description of Grantor Parcel

ALL that certain piece, parcel or lot of land, situate, lying and being in the City of Charleston, State of South Carolina, and shown and designated as _____ on that certain plat titled “ _____ ” by Atlantic Surveying SC, Inc. dated _____, 2020 and recorded _____ 2020, in Plat Book _____, at Page _____, in the Register of Deeds Office for Charleston County. Said lot having such size, shape, dimensions, butting’s and bounding as will by reference to said plat more fully and at large appear.

TMS No. _____

EXHIBIT B
Legal Description of Grantee Parcels

4 Nunan Street

ALL that lot, piece or parcel of land, with the buildings thereon, situate, lying and being on the Northeast corner of Nunan Street and Grants Court, in the City of Charleston, State of South Carolina and known as No. 4 Nunan Street.

MEASURING and Containing 39 feet 5 inches on the North and South lines, and 42 feet 4 inches on the East and West lines.

BUTTING and Bounding to the North on lands formerly of Catherine Lewis, East on lands formerly of Henry Muller, South on Nunan Street, and West on Grants Court.

SAID property also being more specifically shown and described on that certain plat by George A.Z. Johnson, Jr., Inc., Land Surveyors, dated January 15, 2001, entitled "PLAT OF 4 NUNAN STREET, CITY OF CHARLESTON, CHARLESTON COUNTY, SOUTH CAROLINA," a copy of which plat is attached as Exhibit "A" to the Order of Judgment dated May 29, 2001., and filed in the Clerk of Court's Office for Charleston County on May 30, 2001, in the condemnation case entitled The City of Charleston v. Clyde E. Strickland. et al., Charleston County of Common Pleas Case Number 01-CP-10-0882.

BEING the same property conveyed to the City of Charleston by deed from Episcopal Diocese of South Carolina Community Housing Development Organization dated December 16, 2016 and recorded on January 24, 2017 in Book 0612 at Page 249 in the Register of Deeds Office for Charleston County.

TMS No. 460-07-02-221

AND ALSO

4 Grants Court

ALL that lot, piece or parcel of land with the buildings thereon, situate, lying and being on the East side of Grants Court in the City of Charleston, State of South Carolina, and known as No. 4 Grants Court; Measuring and Containing 39 feet, 2 inches on the North and South lines, and 48 feet on the East and West lines; Butting and Boundings to the North on lands of Maggie Truesdale, East on Lands of _____, South on Lands of Taddie Miller, and West on Grants Court.

BEING the same property conveyed to the City of Charleston by deed from Episcopal Diocese of South Carolina Community Housing Development Organization dated December 16, 2016 and recorded on January 24, 2017 in Book 0612 at Page 253 in the Register of Deeds Office for Charleston County.

TMS No. 460-07-02-222

EXHIBIT C

Legal Description of Easement Area

The **New Ingress/ Egress Easement** shown and depicted on that certain plat titled “_____” by Atlantic Surveying SC, Inc. dated _____, 2020 and recorded _____ 2020, in Plat Book _____, at Page _____, in the Register of Deeds Office for Charleston County.