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RESOLUTION NO.: R-2019-026

Authorizing the City Manager to execute a Purchase Agreement between the City of Columbia and Honolulu Rapid Transit Company, Limited now known as HRT Realty, LLC for the purchase of 1601 Assembly Street, Richland County TMS #09014-01-02

BE IT RESOLVED by the Mayor and City Council this 7th day of May, 2019, that the City Manager is authorized to execute the attached Purchase Agreement, or on a form approved by the City Attorney, between the City of Columbia and Honolulu Rapid Transit Company, Limited now known as HRT Realty, LLC for the purchase of 1601 Assembly Street, Richland County TMS #09014-01-02 for the purchase prices of Three Million Eight Hundred Fifty and No/100 ($3,850,000.00) Dollars.

(*Funding Source: 4039999-659100)*

Requested by:

Assistant City Manager Gentry

Approved by:

City Manager

Approved as to form:

City Attorney

Introduced: 5/7/2019
Final Reading: 5/7/2019

Mayor

ATTEST:

City Clerk

Last revised: 3/21/2019
18001186

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (the "**Agreement**") is made to be effective as of the date executed by the last party hereto (the "**Effective Date**"), between HRT REALTY, LLC, a Maryland limited liability company (successor by merger to HRT, LTD.) ("**Seller**"), and City of Columbia, South Carolina ("**Buyer**"). Burr & Forman LLP ("**Escrow Agent**") joins in this Agreement for the purposes set forth below.

1. Sale of Property.

1.01 Description of the Property. In consideration of the Purchase Price (as defined in Section 2.01), the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and upon the terms and conditions hereinafter set forth, Seller shall sell to Buyer and Buyer shall purchase from Seller all of the following described property (collectively, the "**Property**"):

(a) the land in Richland County, South Carolina, which is described on Exhibit A attached hereto (the "**Land**"), together with all rights and appurtenances pertaining to such Land, including without limitation any and all right, title, and interest of Seller in and to (i) adjacent streets, roads, alleys, easements and rights-of-way and any adjacent strips or gores of land, (ii) utilities and entitlements serving the Property, and (iii) rights of ingress and egress;

(b) all buildings, structures and other improvements located on the Land and owned by Seller, and all fixtures owned by Seller and other items of real estate attached thereto (collectively, the "**Improvements**", together with the Land, sometimes hereinafter collectively referred to as the "**Real Property**");

(c) all of Seller's rights, title and interest in and to that lease dated June 16, 1966 (as amended) by and between Seller, as landlord, and the United States of America (doing business as the U.S. Postal Service), as tenant (the "**Tenant**"), providing for the occupancy and use of the Real Property, together with any amendments or modifications thereto or any lease guarantees thereof (if any) (collectively, the "**Lease**"), and all security deposits, if any, paid by Tenant thereunder; and

(d) all (i) mechanical systems and related equipment owned by Seller attached to the Improvements or located upon the Land, including, but not limited to, electrical systems, plumbing systems, heating systems and air conditioning systems, (ii) maintenance equipment, supplies, tools, other machinery, equipment, supplies and other tangible personal property owned by Seller and located on the Land or in the Improvements, and (iii) the business records owned by Seller pertaining to such Land and Improvements to the extent in Seller's possession and reasonably available (collectively, the "**Personal Property**").

Notwithstanding the foregoing, the "**Property**" shall not include (i) any deposits of Seller held by utility companies with respect to utilities furnished to the Property, which deposits Seller may withdraw immediately after Closing (as defined in Section 7.1), (ii) any accounts receivable payable for the period prior to Closing (subject to Section 8 hereof), (iii) any drafts of any reports

prepared for the Property by any third party or any third-party correspondences with respect to such drafts, (iv) any materials that Seller is prohibited by applicable contracts or law from disclosing, (v) any attorney-client privileged materials, and (vi) any internal appraisals, pro-forma financial statements, internal correspondence, internal reports, internal memoranda and other proprietary or confidential information (collectively, "**Excluded Property**")

2. Price and Deposit.

2.01 Purchase Price. The purchase price for the Property (the "**Purchase Price**") shall be $3,850,000.00.

2.02 Payment. The Purchase Price shall be paid as follows:

(a) Within two (2) Business Days following the end of the Study Period, unless Buyer has terminated this Agreement as provided herein, Buyer shall deposit with Escrow Agent the amount of $100,000.00 in immediately available funds (the "**Deposit**"). If Buyer fails to deposit the Deposit within five (5) Business Days after the time period described above, upon written notice from Seller given prior to Escrow Agent's receipt of the Deposit, Seller may elect, but shall have no obligation, to terminate this Agreement. Any portion of the Deposit paid to the Escrow Agent shall be held by the Escrow Agent in accounts approved by Seller and applied in accordance with the terms of this Agreement. Any interest earned on the Deposit shall be deemed part of the Deposit and paid together with the principal portion of the Deposit according to the terms hereof. The Deposit shall be non-refundable to Buyer except as otherwise expressly provided herein.

(b) Upon closing under this Agreement, the Deposit and the remainder of the Purchase Price, subject to closing adjustments provided herein, shall be paid by wire transfer of immediately available funds to Seller's account.

3. Review of Property.

3.01 Due Diligence Materials. Within three (3) Business Days after the Effective Date, Seller shall

(a) deliver to Buyer copies of the following documents to the extent in the Seller's actual physical possession or control

(i) The Lease; and

(ii) The title commitment prepared by Stewart Title Guaranty Company with respect to the Real Property (the "**Stewart Title Commitment**", and together with the Lease, the "**Due Diligence Materials**"); and

(b) request from the Tenant copies of information relating to (i) the structure of Improvements, (ii) the condition of operating, mechanical, electrical and HVAC systems on the Property, (iii) the roof condition and warranties, (iv) the monitoring wells on the Property, and (iv) any other condition of the Property. Buyer acknowledges and agrees that Seller shall use commercially reasonable efforts to

obtain, but shall not be obligated to deliver, or cause to be delivered, to Buyer the information or materials in this Section 3.01(b).

Buyer acknowledges and agrees that Buyer shall be responsible for verifying through Buyer's own due diligence the accuracy and completeness of all documents and information, including the foregoing Due Diligence Materials, provided by Seller to Buyer, and any reliance by Buyer on such documents and information shall be at Buyer's own risk and expense. In addition, Buyer expressly acknowledges and agrees that Seller shall not be obligated to furnish, nor shall Buyer be entitled to review or have access to, any confidential, proprietary or privileged documents or information connected with the Property, including but not limited to opinions, appraisals, audits, internal memoranda or other documents, internal work product or other similar documents, which are in the possession or control of Seller. Buyer agrees that in connection with its purchase of the Property, Buyer shall review and approve the Due Diligence Materials, as well as title to the Property, the physical condition of the Property, all zoning, land use, building, environmental and other statutes, rules or regulations applicable to the Property, and any other matters relevant to acquisition, ownership and operation of the Property (collectively the "**Property Information**"), all subject to Section 3.02 and Section 3.04 hereof. LIKEWISE, NOTWITHSTANDING ANYTHING TO THE CONTRARY HEREIN, EXCEPT AS PROVIDED IN SECTION 4.01(I), SELLER HAS NOT UNDERTAKEN ANY INDEPENDENT INVESTIGATION OF, AND MAKES NO REPRESENTATION OR WARRANTY WHATSOEVER AS TO THE TRUTH, ACCURACY OR COMPLETENESS OF, ANY MATERIALS OR INFORMATION, INCLUDING BUT NOT LIMITED TO THE DUE DILIGENCE MATERIALS AND ANY OTHER MATERIALS RELATING TO THE PROPERTY INFORMATION, DELIVERED OR MADE AVAILABLE BY SELLER TO BUYER IN CONNECTION WITH THE TRANSACTION CONTEMPLATED HEREIN.

3.02 Study Period.

(a) Buyer shall have a period, commencing upon the Effective Date and extending through and expiring at 5:00 p.m. Eastern time on Monday, May 20, 2019 (as may be extended as provided below, the "**Study Period**"), in which to review the Due Diligence Materials and the other Property Information, and to determine in its sole discretion if the Property supports the Purchase Price. If Buyer determines that the Property is not acceptable to Buyer, Buyer shall have the right to terminate this Agreement by notifying Seller of such termination in writing on or before the expiration of the Study Period. Upon such termination, the Deposit shall be returned to Buyer, Buyer shall pay any cancellation fees or charges of the Escrow Agent and the parties shall have no further liability hereunder (except as may be expressly provided herein upon termination). If Buyer fails to so notify Seller of Buyer's termination of this Agreement prior to the expiration of the Study Period, then Buyer shall have waived its right to terminate this Agreement pursuant to this Section 3.02 the parties shall proceed to closing in accordance with the terms set forth herein. In the event this Agreement terminates pursuant to this Section 3.02(a), the amount of $100.00 shall be withheld from the Deposit and delivered to Seller. The parties have bargained for and agreed that the amount described in the preceding sentence, along with the expenditures of time and resources and possible loss of opportunity by Buyer, constitute adequate consideration for Seller's remaining bound by this Agreement notwithstanding such termination rights of Buyer.

(b) If during the Study Period any representations and warranties made by Seller and contained in Section 4.01 are, or have become, not true and correct or incomplete in any material respect, Seller shall not be in breach of this Agreement with respect thereto, and Buyer's sole and exclusive remedy (Buyer hereby waiving all other remedies it may have, whether at law or in equity or otherwise) with respect thereto shall be (i) to waive same and consummate the transaction contemplated in this Agreement, or (ii) to terminate this Agreement by furnishing written notice thereof to the Seller on or prior to the last day of the Study Period, in which event this Agreement shall terminate, neither party shall have any further rights or obligations under this Agreement (except for those provisions which expressly survive termination of the Agreement), and the Deposit shall be returned to the Buyer in the manner described in and in accordance with Section 3.02(a).

(c) Buyer shall have the right to extend the Study Period for an additional period to Monday, June 3, 2019, and such right may be exercised by Buyer delivering written notice thereof to Seller prior to 5:00 p.m. Eastern time on Monday, May 20, 2019.

3.03 Right of Entry. During the Study Period, Buyer and its contractors and agents shall have the right to enter the Property, subject to the rights of the existing Tenant, during normal business hours for the purpose of examining the environmental, structural and other physical conditions of the Property. Such right of entry shall be governed by the following provisions:

(a) In exercising such right of entry, Buyer agrees to not unreasonably interfere with the operation of the Property or the rights of the Tenant therein. Buyer shall provide to Seller written notice of the intention of Buyer and/or its agents to enter the Property or interview tenants at least three (3) Business Days prior to such intended entry and specify the intended purpose therefor including the inspections and examinations and tenant interviews contemplated to be made. The foregoing inspections or interviews shall be scheduled with Seller at a time approved by Seller and Tenant, such approval not to be unreasonably withheld. Seller shall provide Buyer with the name(s) and contact information of Seller's contact(s) with the Tenant; such contact(s) shall include the person at Tenant currently responsible for making payments under the Lease. Furthermore, Buyer shall not take any core samples, install any monitoring wells or undertake any other invasive tests or studies, or communicate with any government agencies or officials (other than the Purchaser and its employees and Columbia City Council) with respect to environmental matters (except to the extent required by law), without the Seller's prior written consent which shall not be unreasonably withheld, conditioned or delayed. In all events, Buyer shall fully repair and restore any physical damage to the Property caused by the exercise of such rights.

(b) Except to the extent required by law, Buyer shall not communicate with any officials at environmental, zoning, assessment or other government agencies regarding the Property or the Seller by name without the Seller's prior consent (which consent may be withheld by Seller for any reason, or may be conditioned upon Seller's participation in any such communications).

(c) Prior to entering onto the Property, Buyer, as well as any consultants or other third parties performing tests and studies of the Property, shall deliver to Seller certificates evidencing (1) commercial general liability insurance coverage against injury (including death)

and property damage with a limit reasonably acceptable to Seller and Buyer and naming Seller as additional insured, (2) worker's compensation insurance coverage with limits of not less than that required by law, (3) employer's liability insurance coverage against accident and disease with a limit reasonably acceptable to Seller and Buyer for each employee, and (4) contractual liability insurance.

(d) [Intentionally deleted]

(e) Buyer agrees that if the transaction contemplated by this Agreement does not occur due to termination by Buyer prior to Closing for any reason other than a default by Seller hereunder, Buyer shall deliver to Seller within fifteen (15) days after such termination copies of all engineering, environmental and other studies, reports and inspections prepared by or at the request of Buyer in connection with the Property (excluding confidential, proprietary, financial and internal analysis and reports), at no expense to Buyer and without any representation or warranty by Buyer and without any express right of Seller to rely thereon.

(f) Buyer shall promptly return to Seller or destroy all copies, including any electronic copies, Buyer has made of any Due Diligence Materials containing any confidential information before or after the execution of this Agreement, not later than five (5) Business Days following the date this Agreement is terminated for any reason, and provide Seller with a notice of the completion of such destruction; provided, however, Buyer will be entitled to retain one copy of the Due Diligence Materials for compliance purposes or for purposes of defending or maintaining litigation or threatened litigation.

EXCEPT WITH RESPECT TO SELLER'S REPRESENTATIONS AND WARRANTIES SET FORTH IN SECTION 4.01(o) BELOW, BUYER ACKNOWLEDGES AND AGREES THAT SELLER MAKES NO REPRESENTATIONS OR WARRANTIES OF ANY KIND REGARDING THE PHYSICAL (INCLUDING ENVIRONMENTAL AND STRUCTURAL) CONDITION OF THE PROPERTY AND BUYER SHALL RELY ENTIRELY ON BUYER'S OWN EXAMINATIONS AND INSPECTIONS OF THE PROPERTY IN DETERMINING WHETHER TO PURCHASE THE PROPERTY.

3.04 Legal Review Period. Buyer may obtain, at its expense, a title insurance commitment with respect to the Real Property ("**Title Commitment**"). Buyer may, at Buyer's expense, obtain an ALTA survey of the Real Property. On or before the date that is ten (10) days prior the expiration of the Study Period, Buyer shall notify Seller in writing ("**Buyer's Notice**") of any defect in title to the Property or of any other matter which is indicated on the Survey or Title Commitment to which Buyer reasonably objects. If Buyer does so notify Seller of a defect in title or other matter reasonably objectionable to Buyer within the prescribed time, Seller shall have five (5) days after receipt of Buyer's Notice to determine whether to cure the defect or other matter so objected to by Buyer and to notify Buyer of Seller's decision in this regard; however, Seller shall not be required or obligated to expend any amount of money or take any other action to cure such defect or other matter. Seller's failure to respond within such five (5) day period shall be deemed to be Seller's election not to cure any such item(s). If Seller is unable to cure the defect or other matter so objected to by Buyer to the reasonable satisfaction of Buyer or if Seller elects not to cure such matter (or is deemed to have elected not to cure such matter), Buyer shall have the right, as its sole remedy on account thereof, to elect prior to the expiration of the Study Period

either (i) waive such defect or other matter and take title to the Property without any adjustment to the Purchase Price, or (ii) terminate this Agreement and receive a return of the Deposit. In the event that Buyer fails to initially notify Seller in writing of a defect or other objectionable matter within the prescribed time as described above, or Buyer fails to terminate the Agreement within the prescribed time upon Seller's failure to cure the defect or other matter to Buyer's reasonable satisfaction, Buyer shall be deemed to have automatically elected to terminate this Agreement.

4. Representations and Warranties.

4.01 Seller's Representations and Warranties. Seller hereby covenants, represents and warrants that to Seller's knowledge:

(a) Seller is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, and is qualified to do business under the laws of the jurisdiction where the Property is located. Seller has or will have all necessary power and authority to enter into this Agreement and to consummate all of the transactions contemplated herein. Seller's performance of its obligations under this Agreement will not result in any breach of, or constitute any default under, any material agreement or other instrument to which Seller is a party or by which Seller might be bound.

(b) There are no pending tax appeals commenced by Seller with respect to the Property.

(c) This Agreement has been, and all the documents to be delivered by Seller to Buyer at Closing will be, duly authorized and shall constitute binding obligations, enforceable against Seller in accordance with the terms thereof, subject to equitable principles and laws applicable generally to creditors' rights.

(d) The Seller is not a "foreign person" within the meaning of §1445(f)(3) of the Internal Revenue Code of 1986, as amended (the "**Code**").

(e) There are no service contracts concerning the Property to which Seller is a party.

(f) There are no court actions or other legal proceedings pending against Seller before any court or administrative agency that would have a material adverse impact on the Property, including, without limitation, condemnation, takings or similar proceedings; and there are no pending or threatened challenges relating to any licenses or permits relating to the Property.

(g) Except for the Lease with Tenant, Seller has not executed or otherwise entered into any leases, tenancies, license or concession agreements, occupancy agreements, rights of first refusal, options to purchase, or other agreements with respect to rights affecting possession or occupancy of the Property or any portion thereof.

(h) Seller has not (i) made a general assignment for the benefit of creditors, (ii) filed any voluntary petition in bankruptcy or suffered the filing of any involuntary petition by Seller's creditors, (iii) suffered the appointment of a receiver to take possession of all,

or substantially all, of Seller's assets, (iv) suffered the attachment or other judicial seizure of all, or substantially all, of Seller's assets, (v) admitted in writing its inability to pay its debts as they come due, or (vi) made an offer of settlement, extension or composition to its creditors generally. To Seller's knowledge, none of the foregoing are pending or threatened.

(i) Seller has no knowledge that any of the Due Diligence Materials provided by Seller to Buyer have been modified in any material respect from the form of same received by Seller.

(j) The Lease is in full force and effect; the Seller is not in default of any of its obligations under the Lease and the Tenant is not in default under the Lease; the Seller has not received written notice of any pending claims asserted by the Tenant for offsets against rent or security deposits or any other monetary claims made by the Tenant against the Seller; the Seller has paid all agents' and brokers' commissions and fees incurred in connection with the Lease; there is no "free rent" in effect or to be in effect under the Lease; and all tenant improvement allowances under the Lease have been paid in full and there are no tenant improvement allowances that may become due in the future.

(k) To Seller's knowledge, there are no pending or threatened actions, suits or proceedings materially affecting the Property.

(n) To Seller's knowledge, Seller has received no written notice from any government authority of any violation of any laws, rules or ordinances applicable to the Property, which violation has not been corrected prior to the Closing Date.

(o) To Seller's knowledge, neither Seller nor Tenant has received any notice from any governmental authority seeking to investigate, or claiming the existence of, any Hazardous Materials on the Property. Seller has not developed, discharged, buried, released, produced, disposed of, stored, spilled, leaked, dumped, emitted or transported upon the Property any Hazardous Materials in material violation of any applicable federal, state or local law or regulation As used in this Agreement, the term "**Hazardous Materials**" shall mean any substance (i) which is or becomes defined as a "hazardous waste", "hazardous substance", pollutant or contaminant under any federal, state or local law or regulation relating to the protection of human health or the environment including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. Section 9601, *et. seq.*) and the Resource Conservation and Recovery Act (42 U.S.C. Section 6903, *et. seq.*), (ii) the presence of which requires investigation or remediation under any federal, state or local law or regulation relating to the protection of human health or the environment; (iii) which is toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic, or mutagenic; (iv) which poses or threatens to pose a hazard to the health or safety of persons on or about the Property; or (v) which contains gasoline, diesel fuel, other petroleum hydrocarbons, asbestos, asbestos-containing materials, formaldehyde, or polychlorinated biphenyls.

(p) Seller agrees that the Escrow Agent for the transaction contemplated herein is the Buyer's counsel for this transaction and the owner of the title agency for the title insurance company providing title insurance for Buyer.

Any reference in this Agreement to "knowledge," "actual knowledge" or "best of knowledge" of Seller, or the receipt of notices or other communications by Seller, shall be deemed to mean the actual knowledge of, or receipt of notice or communication by, Craig Mellendick, who serves as the CFO of the Harry and Jeannette Weinberg Foundation and not any implied, imputed or constructive knowledge of such individual or of Seller, and without any independent investigation or inquiry having been made. Buyer acknowledges and agrees that neither such party(ies) nor any other employee or agent of Seller shall have any duty or obligation under this Agreement or other law to make any affirmative investigation or inquiry of the matters covered by the foregoing provisions in order to determine the accuracy or truthfulness thereof. IN ADDITION, BUYER HEREBY ACKNOWLEDGES AND AGREES THAT EXCEPT WITH RESPECT TO THE FOREGOING REPRESENTATIONS AND WARRANTIES SET FORTH IN SECTION 4.01 ABOVE, OR THAT WHICH MAY BE EXPRESSLY SET FORTH ELSEWHERE IN THIS AGREEMENT (IF AT ALL), THE PROPERTY IS TO BE CONVEYED BY SELLER TO BUYER IN "AS-IS, WHERE-IS" CONDITION WITHOUT WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, AS TO ZONING, PHYSICAL CONDITION, ENVIRONMENTAL CONDITION, SUITABILITY FOR A PARTICULAR PURPOSE OR ANY OTHER MATTER WHATSOEVER.

4.02 Buyer's Representations and Warranties. Buyer hereby covenants, represents and warrants to Seller as follows:

(a) Buyer is a municipality created under the laws of the State of South Carolina. Buyer has or will have all necessary power and authority to enter into this Agreement and to consummate all of the transactions contemplated herein. This Agreement constitutes the legal, valid and binding obligation of Buyer enforceable in accordance with its terms, subject to equitable principles and laws applicable generally to creditor's rights. The execution, delivery and performance of its obligations under this Agreement will not result in any breach of, or constitute any default under, any material agreement or other material instrument to which Buyer is a party or by which Buyer might be bound.

(b) This Agreement has been, and all the documents to be delivered by Buyer to Seller at Closing will be, duly authorized and executed.

(c) Buyer has, or will have, sufficient funds available and committed for the transaction contemplated hereby, including but not limited to, closing on the purchase of the Property; provided, that nothing herein shall constitute a general obligation or indebtedness of the Buyer or a pledge of the full faith and credit of the Buyer.

(d) Buyer has not (i) made a general assignment for the benefit of creditors, (ii) filed any voluntary petition in bankruptcy or suffered the filing of any involuntary petition by Buyer's creditors, (iii) suffered the appointment of a receiver to take possession of all, or substantially all, of Buyer's assets, (iv) suffered the attachment or other judicial seizure of all, or substantially all, of Buyer's assets, (v) admitted in writing its inability to pay the majority of its debts as they come due, or (vi) made an offer of settlement, extension or composition to its largest creditors or substantially all of its creditors generally. To Buyer's knowledge, none of foregoing are pending or threatened.

(e) Buyer is in compliance with the requirements of Executive Order No. 13224, 66 Fed. Reg. 49079 (Sept. 25, 2001) (the "**Order**") and other similar requirements contained in the rules and regulations of the Office of Foreign Assets Control, Department of the Treasury ("**OFAC**") and in any enabling legislation or other Executive Orders or regulations in respect thereof (the Order and such other rules, regulations, legislation or orders are collectively hereinafter referred to as the "**Orders**"). Neither the Buyer nor any of its affiliates (i) is listed on the Specially Designated Nationals and Blocked Persons List maintained by OFAC pursuant to the Order and/or on any other list of terrorists or terrorist organizations maintained pursuant to any of the rules and regulations of OFAC or pursuant to any other applicable Orders (such lists are collectively referred to as the "**Lists**"), (ii) is a Person (as defined in the Order) who has been determined by competent authority to be subject to the prohibitions contained in the Orders, or (iii) is owned or controlled by (including without limitation by virtue of such person being a director or owning voting shares or interests), or acts for or on behalf of, any person on the Lists or any other person who has been determined by competent authority to be subject to the prohibitions contained in the Orders. Buyer is not acting, directly or indirectly for, or on behalf of, any person, group, entity or nation named by any Executive Order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism) or the United States Treasury Department as a terrorist, "Specially Designated National and Blocked Person," or other banned or blocked person, entity, or nation pursuant to any Law that is enforced or administered by the Office of Foreign Assets Control, and is not engaging in the transactions contemplated herein, directly or indirectly, on behalf of, or instigating or facilitating the transactions contemplated herein, directly or indirectly, on behalf of, any such person, group, entity or nation.

(f) Buyer is not (i) a plan which is subject to Title I of the Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), as defined in §3(3) of ERISA, nor a plan as defined in §4975(e)(1) of the Internal Revenue Code of 1986, as amended (each of the foregoing hereinafter referred to collectively as a "**Plan**"), (ii) a "governmental plan" as defined in §3(32) of ERISA, or (iii) a "party in interest," as defined in §3(14) of ERISA, to a Plan, except with respect to plans, if any, that cover the Buyer's employees, nor do the assets of Buyer constitute "plan assets" of one or more of such Plans within the meaning of Department of Labor Regulations §2510.3-101. Buyer is acting on its own behalf and not on account of or for the benefit of any Plan. Buyer has no present intent to transfer the Property to any entity, person or Plan which will cause a violation of ERISA. Buyer has not assigned, and shall not assign, its interest under this Agreement to any entity, person or Plan in a manner which will cause a violation of ERISA.

(g) Buyer agrees that the Escrow Agent for the transaction contemplated herein shall be the title insurer and underwriter providing title insurance for Buyer.

5. Pre-Closing Obligations.

5.01 Actions Affecting Property. Between the Effective Date and the Closing Date hereunder, Seller shall (a) not, without the prior written approval of the Buyer, execute (i) any documents, agreements or instruments affecting title to the Property, (ii) any leases, or amendments to or cancellations of the Lease, or (iii) any service contracts for the Property (except to the extent such contract can be terminated without penalty on thirty (30) days' notice), and (b) maintain the Property in the ordinary course of business. In the event that Buyer fails to respond

within ten (10) Business Days after any request for approval of any such document, then Buyer's approval shall be deemed granted.

5.02 Marketing of Property. After the Study Period and until Closing or earlier termination of this Agreement, Seller shall not market the Property for sale.

5.03 [Intentionally deleted]

5.04 Tenant's Consent. Buyer acknowledges and agrees that the sale of the Property to Buyer is conditioned upon Seller obtaining Tenant's consent to the assignment of the Lease to Buyer (**"Tenant's Consent"**). Seller shall use good faith efforts to obtain Tenant's Consent prior to the Closing Date; provided, however, in no event shall Seller be in default hereunder if it has used good faith efforts to obtain such Tenant's Consent but Tenant fails to deliver. In the event Seller is unable to obtain Tenant's Consent at or prior to Closing, then either Seller or Buyer shall have the right to extend the Closing Date for fifteen (15) days to allow additional time in which Seller may seek Tenant's Consent. In the event Seller is unable to receive Tenant's Consent on or before such extended Closing Date, Buyer, at its sole option, may elect to either terminate this Agreement whereupon Buyer shall receive a refund of its Deposit or proceed to Closing.

5.05 Tenant Estoppel. Seller shall use commercially reasonable efforts to obtain an estoppel certificate (**"Tenant Estoppel"**) from Tenant relating to the Lease in form and substance satisfactory to Buyer and dated within thirty (30) days of the Closing Date; provided, however, in no event shall Seller be in default hereunder if it has used commercially reasonable efforts to obtain such Tenant Estoppel but Tenant fails to deliver.

6. Closing and Settlement.

6.01 Conditions to Buyer's Closing. The satisfaction of each of the following conditions by the Closing Date hereunder shall be a condition to the Buyer's obligation to close hereunder:

(a) Seller shall have performed, in all material respects, all of its obligations to be performed prior to Closing and not be in breach or default hereunder beyond any applicable cure period.

(b) The continued accuracy and completeness in all material respects of all of the representations and warranties set forth in Section 4.01 above.

(c) The Tenant's Consent.

(d) The Tenant Estoppel.

To the extent that any one or more of the foregoing conditions is not satisfied in full by the Closing Date, unless waived in writing by Buyer, Buyer may, as its sole remedy on account thereof, terminate this Agreement and receive a return of its Deposit, in which event the parties shall have no further liability hereunder (except as may be expressly provided herein upon termination).

6.02 Conditions to Seller's Closing. The satisfaction of each of the following conditions by the Closing Date hereunder shall be a condition to the Seller's obligation to close hereunder:

(a) Buyer shall have performed, in all material respects, all of its obligations to be performed prior to Closing and not be in breach or default hereunder beyond any applicable cure period.

(b) The continued accuracy and completeness in all material respects of all of the representations and warranties set forth in Section 4.02 above.

To the extent that any one or more of the foregoing conditions is not satisfied in full by the Closing Date, unless waived in writing by Seller, Seller may, as its sole remedy on account therefor, terminate this Agreement and receive the Deposit in which event the parties shall have no further liability hereunder (except as may be expressly provided upon termination).

6.03 Survival of Representations. Absent any such termination, upon Closing hereunder the covenants, representations and warranties set forth in Section 4.01 above shall be deemed remade as of the date of Closing hereunder and shall survive the Closing for a period of nine (9) months thereafter ("**Survival Period**"). Except with respect to any covenants, representations or warranties set forth herein which are expressly to survive closing hereunder, any and all covenants, representations and warranties contained in this Agreement shall merge in the deed and the other documents delivered at closing and shall not survive closing hereunder.

6.04 Closing Date. The closing of the sale contemplated herein (the "**Closing**") shall be held on a date determined by Buyer no later than Tuesday, June 11, 2019 (as may be extended as provided below, the "**Closing Date**"). Closing shall be held at the offices of the Escrow Agent through escrow under the supervision of Buyer's and Seller's South Carolina attorneys, or at such other location as may be acceptable to Seller and Buyer. If Buyer extends the Study Period to June 3, 2019 as provided in Section 3.02 hereinabove, then the Closing Date shall be automatically extended to a date determined by Buyer no later than Tuesday, June 25, 2019.

6.05 Seller's Closing Deliveries. At Closing, the Seller shall deliver (or cause to be delivered) to the Escrow Agent in escrow (unless otherwise noted below) the following documents and instruments, each duly executed and acknowledged by Seller:

(a) A special warranty deed (the "**Deed**") dated as of the Closing Date, conveying the real property to Buyer, subject to the Permitted Exceptions, in the form of **Exhibit C** attached hereto. The phrase "**Permitted Exceptions**" includes (i) liens securing payment of taxes, assessments and other public charges imposed in connection with the Property but which are not yet due as of the Closing Date, (ii) all matters indicated on the Title Commitment which are not objected to by Buyer in accordance with Section 3.04 above and those that Seller elects not to cure (or is deemed to have elected not to cure), and (iii) any matters which could be disclosed by an accurate survey of the Property which are not objected to by Buyer in accordance with Section 3.04 above, and (iv) any zoning, subdivision or other public laws and regulations.

(b) A Bill of Sale and Blanket Assignment (the "**Assignment**") dated as of the Closing Date, conveying (among other things) the landlord's interest in the Lease to Buyer, in the form of **Exhibit D** attached hereto.

(c) Evidence reasonably acceptable to the Escrow Agent and Buyer, of Seller's power and authority to enter into this transaction, including without limitation a certificate of merger of HRT, LTD. into Seller and a certificate of name change from Honolulu Rapid Transit, Limited to HRT, LTD., both in form to be recorded in the Richland County, South Carolina Register of Deeds Office.

(d) A tenant notification letter (the "**Tenant Notification Letter**"), dated as of the Closing Date, containing Seller's authorization to the Tenant of the Property for future payments of rental directly to Buyer or Buyer's managing agent, in a form reasonably acceptable to Buyer.

(e) An executed certificate with respect to Seller's non-foreign status sufficient to comply with the requirements of Section 1445 of the Code, commonly known as the Foreign Investment in Real Property Tax Act of 1980, and regulations applicable thereto, in the form attached hereto as **Exhibit E**.

(f) An executed copy of Internal Revenue Service Form 1099 as required by the Tax Reform Act of 1986, and all regulations applicable thereto.

(g) Any applicable transfer tax forms or conveyance forms required to be executed by Seller pursuant to applicable law.

(h) Such documents or affidavits as are customary and reasonably requested by the Escrow Agent, to induce the Escrow Agent to insure Buyer against (i) any so-called "gap" risk between the time of Closing and the recordation of the Deed, (ii) liens for non-payment of taxes or work performed by contractors, suppliers and brokers at any time before Closing, and (iii) rights of parties in possession other than pursuant to the Lease.

(i) South Carolina Withholding Tax Affidavit.

(j) South Carolina Department of Revenue Tax Compliance letter dated within thirty (30) days of the Closing Date.

(k) Tenant's Consent.

(l) Tenant Estoppel.

(m) A settlement statement showing all of the payments, adjustments and prorations provided for in Section 6.08 and otherwise agreed upon by Seller and Buyer (the "**Settlement Statement**").

(n) Such other documents as are reasonably requested or required by Buyer to consummate the transaction contemplated hereby.

6.06 Buyer's Closing Deliveries. At Closing, Buyer shall deliver (or cause to be delivered) to Escrow Agent in escrow (1) the Purchase Price (net of the Deposit and any

adjustments set forth herein) and (2) the following items, documents and instruments, each duly executed and acknowledged by Buyer:

(a) the Assignment;

(b) the Tenant Notification Letter;

(c) the Settlement Statement;

(d) any applicable transfer tax forms or conveyance forms required to be executed by Seller pursuant to applicable law

(e) evidence reasonably acceptable to Escrow Agent, authorizing the consummation by Buyer of the purchase and sale transaction contemplated hereby and the execution and delivery of the closing documents on behalf of Buyer; and

(f) such other documents as are reasonably requested or required by Seller, Tenant or Escrow Agent to consummate the transaction contemplated hereby.

6.07 Possession. At Closing, Seller shall deliver possession of the Property to Buyer subject to the rights of Tenant pursuant to the Lease and other Permitted Exceptions and shall provide to Buyer all keys to the Improvements in Seller's possession. To the extent not previously delivered by Seller to Buyer, following Closing the parties shall reasonably coordinate to transfer: (a) records and files which are in Seller's possession or control relating to the current operation and maintenance of the Property, including, without limitation, repair and maintenance records and the like which affect or relate to the Property, and (b) all architectural and engineering plans and specifications relating to the Property in Seller's possession or control.

6.08 Closing Costs. Seller shall pay (i) the cost of any documentary stamp or transfer tax imposed due to such deed transfer, and (ii) fifty percent (50%) of the escrow fees. Buyer shall pay (i) all costs of the examination of title, all title premiums and all title insurance endorsements, (ii) any costs of obtaining a current survey of the Property, (iii) fifty percent (50%) of the escrow fees, (iv) the fees of recording the deed, (v) the costs and expenses incurred by Buyer in connection with any financing it may obtain and any lender expenses, fees or charges, and (vi) any other costs of Buyer's due diligence with respect to the Property. Seller and Buyer shall each pay the costs of its own counsel.

7. Prorations.

7.01 Operating Expenses and Rents Generally. At Closing, all costs and expenses not paid directly by the Tenant under the Lease shall be prorated between Seller and Buyer such that Seller be responsible for all costs and expenses for the Property not paid directly by the Tenant imposed on and before 11:59 pm on the date before the Closing Date, and Buyer shall be responsible for all costs and expenses for the Property imposed on and after the Closing Date. Additionally, all rents collected by Seller under the Lease shall be prorated as of the Closing Date. After Closing, Buyer will pay to Seller in cash the pro rata portion of any rents that are not past due collected by Buyer after Closing and which are identified by Tenant as relating to the period prior to Closing Date, and such payments shall be made to Seller within thirty (30) days

after Buyer's receipt of same. To the extent Seller receives any rents after Closing, Seller shall forward such payments to Buyer within thirty (30) days after Seller's receipt of same and Buyer shall apply such rents pursuant to this Section and Section 8.02 in connection with Delinquent Rents; provided, however, if after Closing Seller receives any rent payment for the month in which the Closing occurs (as opposed to any rent for prior months), then to the extent that such rent was not included in the prorations at Closing, Seller may retain its pro rata share of such rent payment and forward the balance (for the period from the Closing Date through the end of the month) to Buyer.

If information required to calculate any such proration is not available to Seller and Buyer at Closing, they shall calculate the proration at Closing on the basis of the best estimates then available to them, and after Closing Seller and Buyer shall promptly adjust the proration (by a payment from one to the other) when the necessary information becomes available.

7.02 Past Due Rents. Rents reserved in the Lease that are past due at Closing for a period prior to Closing ("**Delinquent Rents**") shall not be prorated at Closing, but rather shall be paid to Seller when, and if, collected by Buyer after Closing, and such payments shall be made to Seller within thirty (30) days after Buyer's receipt of same. Buyer's obligation to pay any Delinquent Rents collected by it after Closing shall not merge with the Deed, but shall survive Closing.

8. Casualty and Condemnation.

8.01 Substantial Event. If between the Effective Date and the Closing Date, (a) any improvements on the Property are destroyed or damaged to such an extent that the costs to repair are in excess of $200,000.00 (as determined by estimates of Seller's insurer), or (b) condemnation proceedings are commenced against the Property or any part thereof which involve the elimination of rentable space or points of access to the Property without substitute space or alternative access being available, or (c) the Tenant under the Lease has the right to terminate the Lease, or a termination of the Lease occurs, as a result of an event described in Section 8.01(a) or Section 8.01(b), Buyer may terminate this Agreement and receive a return of its Deposit. However, in such event, Buyer shall have the right to elect not to terminate this Agreement, in which case any proceeds of insurance or condemnation awards payable by reason of such damage or condemnation shall be paid or assigned to Buyer.

8.02 Insubstantial Event. If between the Effective Date and the Closing Date, the improvements on the Property are damaged to such an extent that the costs to repair are equal to or less than $200,000.00 (as determined by estimates of Seller's insurer), or if any improvements on the Property are destroyed or damaged to such an extent that the costs to repair are in excess of $200,000.00 but Buyer elects not to terminate the Agreement, or condemnation proceedings are commenced against the Property or any part thereof which do not involve the elimination of rentable space or points of access to the Property or with respect to which substitute space or alternative access is available, then any proceeds of insurance or condemnation awards payable by reason of such damage or condemnation shall be paid or assigned to Buyer, and Buyer shall proceed to closing.

9. Default/Remedies.

9.01 Default by Seller. If Seller breaches or defaults in any covenant or obligation under this Agreement prior to Closing (but not including the breach of any representation or warranty set forth in Section 4.01 hereof, which shall be addressed in Section 6.01 above), and such breach or default is not cured within ten (10) Business Days after written notice from Buyer, then Buyer shall have, in its sole discretion, (i) the right to terminate this Agreement and receive a return of the Deposit and upon written notice of the exercise of such right from Buyer to the Escrow Agent, the Escrow Agent shall pay to Buyer the full amount of the Deposit then held by Escrow Agent, whereupon Buyer and Seller shall have no further rights or obligations under this Agreement except for those provisions which expressly survive termination of this Agreement, or (ii) the right to seek specific performance of this Agreement, provided that any such specific performance action is filed within ninety (90) days of the Closing Date.

9.02 Default by Buyer. If prior to Closing, Buyer breaches any covenant or obligation under this Agreement (but not including the breach of any representation or warranty set forth in Section 4.02 hereof which shall be addressed in Section 6.02 above), then Seller shall have the right to retain the full amount of the Deposit hereunder, as Seller's sole remedy and liquidated damages on account of the Buyer's default, and upon written notice of the exercise of such right from Seller to the Escrow Agent, the Escrow Agent shall pay to Seller the full amount of the Deposit then held by Escrow Agent. The parties agree that the Seller's actual damages would be difficult to ascertain and that the total Deposit is the parties' best and good faith estimate of such damages and not a penalty.

10. Provisions Regarding Escrow Agent.

10.01 Administration of Deposit. The Escrow Agent agrees to hold and either forfeit to Seller, return to Buyer or apply at closing the Deposit in accordance with the terms and conditions of this Agreement.

10.02 Limitation on Liability. The following provisions shall control with respect to the rights, duties and liabilities of the Escrow Agent:

(a) The Escrow Agent acts hereunder as a depository only and is not responsible or liable in any manner whatsoever for the (i) sufficiency, correctness, genuineness or validity of any written instrument, notice or evidence of a party's receipt of any instruction or notice which is received by the Escrow Agent, or (ii) identity or authority of any person executing such instruction, notice or evidence.

(b) The Escrow Agent shall have no responsibility hereunder except for the performance by it in good faith of the acts to be performed by it hereunder, and the Escrow Agent shall have no liability except for its own breach of this Agreement, willful misconduct or gross negligence.

(c) The Escrow Agent shall not be responsible for the solvency or financial stability of any financial institution with which Escrow Agent is directed to invest funds escrowed hereunder.

(d) The Escrow Agent shall be reimbursed on an equal basis by Buyer and Seller for any reasonable expenses incurred by the Escrow Agent arising from a dispute with

respect to the amount held in escrow, including the cost of any legal expenses and court costs incurred by the Escrow Agent, should the Escrow Agent deem it necessary to retain an attorney with respect to the disposition of the amount held in escrow.

(e) In the event of a dispute between the parties hereto with respect to the disposition of the amount held in escrow, the Escrow Agent shall be entitled, at its own discretion, to deliver such amount to an appropriate court of law pending resolution of the dispute and/or interplead the parties hereto with regard to such amount.

11. [Intentionally deleted]

12. Miscellaneous.

12.01 Assignment. Buyer shall not assign or transfer this Agreement or any interest herein to any third party without the prior written consent of the Seller; provided, however, that Buyer may assign this Agreement prior to closing to a single asset entity formed solely for the purpose of holding title to the Property for benefit of Buyer without the consent of Seller. Likewise, Seller may withhold its consent to, and Buyer hereby agrees to not undertake, any assignment for the purpose of transferring directly or indirectly the rights to purchase the Property in return for monetary consideration. Upon any assignment, the original named Buyer herein shall not be released but shall remain primarily responsible for all duties, obligations and liabilities of the Buyer hereunder. This Agreement shall inure to the benefit of, and be binding upon, the successors and assigns of the parties hereto.

12.02 No Personal Liability. No employee, officer, director, trustee, partner, member, shareholder, affiliate or other owner of Seller or Buyer, or any investment manager or other agent of Seller or Buyer or such party's respective constituent employee, officer, director, trustee, partner, member, shareholder, affiliate or other owner, shall be personally liable or responsible for any duties, obligations or liabilities of the Seller or Buyer, respectively, hereunder or in any other connection with the Property or this transaction.

12.03 Limitation of Liability. Notwithstanding anything to the contrary contained herein, if the Closing of the transactions hereunder shall have occurred: (1) Seller shall have no liability (and Buyer shall make no claim against Seller) for a breach of any representation or warranty or any other obligation of Seller or for indemnification under this Agreement or any document executed by Seller in connection with this Agreement unless (a) the claim is brought prior to the expiration of the Survival Period, and (b) valid claims for all such breaches and indemnifications collectively aggregate to more than $10,000; (2) the liability of Seller under this Agreement and such documents shall not exceed, in the aggregate, an amount (the "**Maximum Liability Amount**") equal to $270,000 (it being understood that, notwithstanding anything to the contrary in this Agreement or any other document, Seller's liability under this Agreement and the documents executed by Seller in connection herewith shall in no event exceed, in the aggregate, the Maximum Liability Amount); and (3) in no event shall Seller be liable for any special, consequential or punitive damages. Notwithstanding the foregoing, the Maximum Liability Amount provided by Section 12.03(b) shall not apply to any claims, damages, actions, losses or expenses arising from any fraudulent or intentional misrepresentation made by Seller.

No constituent member or partner in or agent of Seller, nor any advisor, trustee, director, officer, employee, beneficiary, shareholder, member, partner, participant, representative or agent of any partnership, limited liability company, corporation, trust or other entity that has or acquires a direct or indirect interest in Seller, shall have any personal liability, directly or indirectly, under or in connection with this Agreement or any agreement made or entered into under or pursuant to the provisions of this Agreement, or any amendment or amendments to any of the foregoing made at any time or times, heretofore or hereafter, and Buyer and its successors and assigns and, without limitation, all other persons and entities, shall look solely to Seller's assets for the payment of any claim or for any performance, and Buyer, on behalf of itself and its successors and assigns, hereby waives any and all such personal liability. Notwithstanding anything to the contrary contained in this Agreement, neither the negative capital account of any constituent member or partner in Seller (or in any other constituent member or partner of Seller), nor any obligation of any constituent member or partner in Seller (or in any other constituent member or partner of Seller) to restore a negative capital account or to contribute capital to Seller (or to any other constituent member or partner of Seller), shall at any time be deemed to be the property or an asset of Seller or any such other constituent member or partner (and neither Buyer nor any of its successors or assigns shall have any right to collect, enforce or proceed against or with respect to any such negative capital account or a member's or partner's obligation to restore or contribute).

The foregoing shall be in addition to, and not in limitation of, any further limitation of liability that might otherwise apply (whether by reason of Buyer's waiver, relinquishment or release of any applicable rights or otherwise).

12.04 Limitation of Claims. No statutory or other legal rights under federal, state or local laws and/or regulations shall apply between the parties with respect to the Property and the transactions contemplated by this Agreement, and the parties are liable only pursuant to the covenants, representations and/or warranties expressly stated in this Agreement and no other agreements, laws or regulations. Without limitation on the foregoing, upon Closing hereunder and after expiration of the Survival Period, Buyer shall be deemed to have automatically released and discharged forever the Seller and all employees, officers, directors, trustees, partners, members, shareholder, affiliates and other owners of Seller, as well as any investment manager and other agents of Seller, from any and all demands, claims, legal or administrative proceedings, losses, liabilities, damages, penalties, fines, liens, judgments, costs or expenses whatsoever (including but not limited to court costs and reasonable attorneys' fees and disbursements), whether direct or indirect, known or unknown, foreseen or unforeseen, that may arise on account of or in any way be connected with (i) the physical condition of the Property including, without limitation, all structural and seismic elements, all mechanical, electrical, plumbing, sewage, heating, ventilating, air conditioning and other systems, the environmental condition of the Property and the presence of hazardous or dangerous materials or substances on, under or about the Property, or (ii) any law or regulation applicable to the Property, including but not limited to any environmental statutes, rules and regulations, any zoning laws, building codes or other regulations, and any other federal, state or local law.

12.05 Notices. All notices given in connection with this Agreement shall be effective as of the date personally delivered, one (1) day after the date delivered to overnight courier, upon receipt if delivered by electronic mail as attached in portable document format

("PDF"), or three (3) days after being mailed by U.S. Mail (postage prepaid), as the case may be, if sent to the parties at the following addresses:

Seller's notice address:

HRT Realty, LLC
c/o The Harry and Jeanette Weinberg Foundation
7 Park Center Court
Owings Mills, MD 21117
Attn: Craig Mellendick
Email: cmellendick@hjweinberg.org

With a copy to:

Venable LLP
Attn: Kelly Shubic Weiner
750 East Pratt Street, Suite 900
Baltimore, Maryland 21202
Email: ksweiner@venable.com

Buyer's notice address:

City of Columbia
1737 Main Street (P.O. Box 147)
Columbia, South Carolina 29201 (20217)
Attn: Teresa Wilson, City Manager
E-mail: Teresa.Wilson@columbiasc.gov

With a copy to:

Burr Forman McNair
1221 Main Street, Suite 1800
Columbia, South Carolina 29201
Attn: Judith L. McInnis, Esquire
E-mail: jmcinnis@burr.com

Escrow Agent's notice address:

Burr Forman McNair
1221 Main Street, Suite 1800
Columbia, South Carolina 29201
Attn: Judith L. McInnis, Esquire
E-mail: jmcinnis@burr.com

12.06 Entire Agreement. This Agreement contains all agreements of the parties with respect to the Property and supersedes any prior discussions, contracts or other agreements with respect thereto. No modifications to this Agreement or waivers of any rights or benefits

provided herein shall be binding unless signed by the party against whom such modification or waiver is sought to be enforced. Notwithstanding the foregoing, in the event that the Seller and Buyer agree to and execute any written amendment or other document modifying this Agreement, which does not directly modify the obligations of the Escrow Agent hereunder, the Escrow Agent shall not be required to execute such amendment or other agreement in order for the document to be fully effective and enforceable.

12.07 Broker. Each of Seller and Buyer represents and warrants to the other that it has not dealt with any broker or finder in connection with the transaction contemplated by this Agreement, except for CBRE, Inc. ("**Seller's Broker**"), to whom Seller shall pay a commission at Closing according to separate agreement. Seller indemnifies and holds the Buyer harmless from and against any losses, damages, costs or expenses (including attorneys' fees) incurred by such other party due to a breach of the foregoing warranty and representation. The foregoing indemnity shall survive closing.

12.08 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of South Carolina and federal law applicable within such state.

12.09 Attorney's Fees. If either party hereto fails to perform any of its obligations under this Agreement or if any dispute arises between the parties hereto concerning the meaning or interpretation of any provision of this Agreement, whether prior to or after closing, then the defaulting party or the party not prevailing in such dispute, as the case may be, shall pay any and all costs and expenses incurred by the other party on account of such default and/or in enforcing or establishing its rights hereunder, including, without limitation, court costs and reasonable attorneys' fees and disbursements.

12.10 Severability. No determination by any court, governmental body or otherwise that any provision of this Agreement or any amendment hereof is invalid or unenforceable in any instance shall affect the validity or enforceability of any other such provision or such provision in any circumstance not controlled by such determination. Each such provision shall be valid and enforceable to the fullest extent allowed by, and shall be construed wherever possible as being consistent with, applicable law.

12.11 Recording. This Agreement may not be recorded among the land records or among any other public records without the Seller's prior written consent (which consent may be withheld for any reason).

12.12 Counterparts. This Agreement may be signed in counterparts and shall be fully enforceable when signed in such manner. The parties hereby acknowledge and agree that facsimile signatures or signatures transmitted by electronic mail in so-called "PDF" format shall be legal and binding and shall have the same full force and effect as if an original of this Agreement had been delivered. Seller and Buyer (i) intend to be bound by the signatures on any document sent by facsimile or electronic mail, (ii) are aware that the other party will rely on such signatures, and (iii) hereby waive any defenses to the enforcement of the terms of this Agreement based on the foregoing forms of signature.

12.13 Exchange. Each of Buyer and Seller shall have the right, at its respective election, to treat the transaction contemplated by this Agreement as a like-kind exchange pursuant to Section 1031 of the Internal Revenue Code and Seller and Buyer shall cooperate with the electing party in all reasonable respects in the event of such an election; provided, however, that in no event shall (i) the Closing Date be postponed in connection with any such election and (ii) the non-requesting party be required to take title to any other real property or to incur any additional expenses or liability in order to effectuate the like-kind exchange. Seller agrees to indemnify, defend and hold the Buyer harmless from and against any and all costs, expenses, claims and other liabilities of any kind arising with regard to the effectuation of a tax-free exchange as described herein. Notwithstanding anything to the contrary provided herein, the non-requesting party makes no representations or warranties as to the tax treatment for the transaction contemplated hereby or the ability of the transaction contemplated to qualify for like-kind exchange treatment pursuant to Section 1031 of the Internal Revenue Code. In the event both parties desire to effectuate a like-kind exchange as described herein, each party shall pay any and all costs associated with their respective transactions.

12.14 1099-S; Real Estate Reporting Person. In order to comply with information reporting requirements provided by Section 6045(e) of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder, the parties hereby designate Escrow Agent as the party who shall be responsible for reporting to the Internal Revenue Service (the "**IRS**") the sale of the Property on IRS form 1099-S. The parties shall provide Escrow Agent with the information necessary to complete Form 1099-S. Escrow Agent shall provide all the parties with a copy of the IRS Form 1099-S filed with the IRS and with any documentation used to complete IRS Form 1099-S. The parties agree to retain this Agreement for 4 years following December 31 of the calendar year in which the closing hereunder occurs.

12.15 Timing. The phrase "Business Days" as used herein shall mean the days of Monday through Friday, excepting only federal holidays and City of Columbia, South Carolina holidays. The phrase "calendar days" as used herein shall mean all days of the week, including all holidays. The term "days" without reference to calendar or business days shall mean calendar days. If any date upon which an obligation is to be performed hereunder, or a period described herein expires, falls on a Saturday, Sunday, or other legal holiday recognized by national banks in the State of South Carolina or the City of Columbia, South Carolina, then the date for such performance or the expiration of such period, as applicable, shall be extended to the next following day which is not a Saturday, Sunday or such legal holiday. Time is of the essence of this Agreement.

12.16 [Intentionally deleted]

12.17 Discharge of Seller's Obligations Except as otherwise expressly provided in this Agreement, Buyer's acceptance of the Deed shall be deemed a discharge of all of the obligations of Seller hereunder and all of Seller's representations, warranties, covenants and agreements in this Agreement shall merge in the documents and agreement executed at the Closing and shall not survive the Closing, except to the extent that, pursuant to the express provisions of this Agreement, any of such representations, warranties, covenants or agreements are to survive the Closing.

12.18 Waiver of Trial By Jury. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, EACH OF BUYER AND SELLER (A) COVENANTS NOT TO AND WILL NOT ELECT A TRIAL BY JURY WITH RESPECT TO ANY ISSUE ARISING OUT OF THIS AGREEMENT OR ANY OTHER DOCUMENT DELIVERED IN CONNECTION HEREWITH, OR THE RELATIONSHIP BETWEEN THE PARTIES AS BUYER AND SELLER, THAT IS TRIABLE OF RIGHT BY A JURY AND (B) WAIVES ANY RIGHT TO TRIAL BY JURY WITH RESPECT TO SUCH ISSUE TO THE EXTENT THAT ANY SUCH RIGHT EXISTS NOW OR IN THE FUTURE. THIS WAIVER OF RIGHT TO TRIAL BY JURY IS SEPARATELY GIVEN BY EACH PARTY, KNOWINGLY AND VOLUNTARILY WITH THE BENEFIT OF COMPETENT LEGAL COUNSEL. THE TERMS OF THIS SECTION 12.18 SHALL SURVIVE THE CLOSING.

(Remainder of Page Left Intentionally Blank)

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the last signature hereto.

SELLER:

HRT REALTY, LLC,
a Maryland limited liability company

By: _____
Name: Craig Mellendrick
Title: Treasurer

Date: 5/2/2019

(Signatures continue on following pages)

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the last signature hereto.

BUYER:

City of Columbia, South Carolina

By: Teresa Wilson
Name: Teresa Wilson
Title: City Manager

Date: 5/8/2019

(Signatures continue on following pages)

APPROVED AS TO FORM

Legal Department, City of Columbia, SC

The undersigned hereby acknowledges receipt of this Agreement fully signed by Seller and Buyer on the date stated below, accepts this Agreement and agrees to perform the functions and services of Escrow Agent for the closing contemplated herein.

ESCROW AGENT:

Burr & Forman LLP

By: Judith McInnis
Name: Judith McInnis
Title: Partner

Date: 5-10-19

(Signature Page to Purchase and Sale Agreement)

Exhibit A

Legal Description

[TO BE CONFIRMED]

All that piece, parcel or lot of land situate, lying and being in the City of Columbia, County of Richland, State of South Carolina, beginning at a point eight-tenths (0.8') of one foot N 20°-00' W of the northwestern corner of the intersection of Taylor and Assembly Streets; thence S 71°-00' W a distance of six hundred eleven and two-tenths (611.2') feet along the northern right-of-way line of Taylor Street to an iron pin located seven and four-tenths (7.4') feet north of the old northern line of Taylor Street; thence running N 20°-00 W a distance of five hundred twelve and seven-tenths (512.7') feet to an "X" mark in a concrete slab; thence N 37°-41' E a distance of five hundred fifty-nine and seven-tenths (559.7') feet to an iron on the northeastern property line of the property herein conveyed, and continuing a distance of five and three-tenths (5.3') feet to an offset line. Bearings and distance along the offset line:

S 71°-50' E Eleven and seven-tenths (11.7') feet;
S 67°-50' E Fifty-four and five-tenths (54.5') feet;
S 65°-37' E Forty-five and seven-tenths (45.7') feet;
S 57°-26' E Fifty-two and five-tenths (52.5') feet;
S 52°-51' E Forty-one and six-tenths (41.6') feet;
S 20°-00' E Nine and two-tenths (9.2') feet

to an iron on the eastern line of the property, the same being the western line of Assembly Street; thence continuing along the eastern property line and the western right-of-way line of Assembly Street S 14°-42' E a distance of fifty-six and twenty-four one-hundredths (56.24') feet to an iron; thence S 5°-54' W a distance of thirty-eight and ninety-one one-hundredths (38.91') feet to an iron; thence S 26°-51' E a distance of one hundred and seventy-two one-hundredths (100.72') feet to an iron; thence S 22°-17' E a distance of one hundred and seventeen one-hundredths (100.17') feet to an iron; thence S 20°-00' E a distance of one hundred (100') feet to an iron; thence S 18°-51' E a distance of one hundred and two one-hundredths (100.2') feet to an iron; thence S 18°-20' E a distance of sixty-nine and three one-hundredths (69.03') feet to an iron; thence N 70°-00' E a distance of ten and five-tenths (10.5') feet to an iron; thence S 20°-00' E a distance of one hundred two and seven-tenths (102.7') feet to an iron, the point of beginning.

The lot of land herein described, containing approximately nine and fifty-three one-hundredths (9.53) acres, is more clearly shown and delineated on a "Plat of Property Surveyed for City of Columbia, Richland County, S.C." made by William Wingfield, Registered Surveyor, dated December 1, 1961 and revised January 10, 1963 to show changes to eastern lines.

Exhibit C

Form of Special Warranty Deed

STATE OF SOUTH CAROLINA)
) SPECIAL WARRANTY DEED
COUNTY OF RICHLAND)

HRT REALTY, LLC, a Maryland limited liability company ("**Grantor**"), for and in consideration of the sum of TEN AND NO/100 DOLLARS ($10.00) cash and other good and valuable consideration to it paid by CITY OF COLUMBIA, SOUTH CAROLINA, a _____ ("**Grantee**"), the receipt and sufficiency of which are hereby acknowledged and confessed, has GRANTED, BARGAINED, SOLD, and CONVEYED, and by these presents does GRANT, BARGAIN, SELL, and CONVEY unto the Grantee that certain tract of land described in **Exhibit A** attached hereto and incorporated herein, together with all improvements and fixtures thereon and all rights and appurtenances appertaining thereto (collectively, the "**Property**").

This conveyance is being made subject to the permitted exceptions set forth on **Exhibit B** attached hereto and incorporated herein (collectively, the "**Permitted Exceptions**").

DERIVATION: BEING the same property conveyed to Grantor by deed from _____, dated _____, and recorded in the Office of the Register of Deeds for Richland County in Book _____, at Page _____;

TAX MAP #:

GRANTEE'S ADDRESS:

TO HAVE AND TO HOLD all and singular the Property unto Grantee, its successors and assigns; and Grantor does hereby bind itself, its successors and assigns to WARRANT AND FOREVER DEFEND all and singular the Property, unto Grantee, its successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof by, through, or under Grantor, but not otherwise, subject to the Permitted Exceptions.

IN WITNESS WHEREOF, Grantor has caused these presents to be executed, sealed and delivered in its name as of the _____ day of _____, 2019.

GRANTOR:

Signed, sealed and delivered in the presence of:

HRT REALTY, LLC

By: _____
Name: _____
Title: _____

_____
Witness #1

_____
[Print Name]

_____
Witness #2

_____
[Print Name]

STATE OF _____)
) ss.
COUNTY OF _____)

I _____, do hereby certify that _____, as _____ of HRT REALTY, LLC, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal this the _____ day of _____, 2019.

_____
Notary Public
Print Name:_____
My commission expires:_____

(NOTARIAL SEAL)

22121842-v10
1946943v10

EXHIBIT A TO SPECIAL WARRANTY DEED

Legal Description

EXHIBIT B TO SPECIAL WARRANTY DEED

Permitted Exceptions

1. Liens securing the payment of taxes, assessments and other public charges imposed in connection with the Property but which are not yet due as of the date hereof;

2. [Insert all matters indicated on the Title Commitment];

3. All matters disclosed on the [define Survey]; and

4. Any zoning, subdivision or other public laws and regulations.

STATE OF _____)
COUNTY OF _____)

Affidavit

PERSONALLY appeared before me the undersigned, who being duly sworn, deposes and says:

1. I have read the information on this affidavit and I understand such information.

2. The property being transferred is located in the County of Richland, and was transferred by HRT REALTY, LLC to City of Columbia, South Carolina, on _____ 2019 with the following TMS Number: _____.

3. Check one of the following: The deed is

(a) ☒ subject to the deed recording fee as a transfer for consideration paid or to be paid in money or money's worth.

(b) ☐ subject to the deed recording fee as a transfer between a corporation, a partnership, or other entity and a stockholder, partner, or owner of the entity, or as a transfer to a trust or as a distribution to a trust beneficiary.

(c) ☐ exempt from the deed recording fee because _____ (see information section of affidavit):

(If exempt, please skip items 4 – 7 and go to item 8 of this affidavit.)

4. Check one of the following if either item 3(a) or item 3(b) above has been checked (see information section of this affidavit):

(a) ☒ The fee is computed on the consideration paid or to be paid in money or money's worth in the amount of $_____.

(b) ☐ The fee is computed on the fair market value of the realty which is $_____.

(c) ☐ The fee is computed on the fair market value of the realty as established for property tax purposes which is _____.

5. Check Yes ☐ or No ☐ to the following: A lien or encumbrance existed on the land, tenement, or realty before the transfer and remained on the land, tenement, or realty after the transfer. If "yes" the amount of the outstanding balance of this lien or encumbrance is: $_____.

6. The deed recording fee is computed as follows:

(a) Place the amount listed in item 4 above here: $_____

(b) Place the amount listed in item 5 above here: $_____
(If no amount is listed, place zero here)

(c) Subtract line 6(b) from line 6(a) and place result here: $_____

7. The deed recording fee due is based on the amount listed on line 6(c) above and the deed recording fee due is $_____.

8. As required by Code Section 12-24-70, I state that I am a responsible person who was connected with the transaction as:

9. I understand that a person required to furnish this affidavit who willfully furnishes a false or fraudulent affidavit is guilty of a misdemeanor and, upon conviction, must be fined not more than one thousand dollars or imprisoned not more than one year, or both.

[_____]:

_____

By: _____
Name:
Title:

SWORN to before me this
_____ day of _____, 2019.

_____
Notary Public for _____
My Commission Expires: _____

Exhibit D

Form of Assignment

BLANKET TRANSFER, ASSIGNMENT AND BILL OF SALE

THIS BLANKET TRANSFER, ASSIGNMENT AND BILL OF SALE (this "**Bill of Sale and Assignment**"), made and entered into as of this ___ day of _____, 20___, by and between HRT REALTY, LLC, a Maryland limited liability company (hereinafter referred to as "**Assignor**"), and City of Columbia, South Carolina, a _____ (hereinafter referred to as "**Assignee**");

W I T N E S E T H:

"**Lease**" means that certain lease dated June 16, 1966 (as amended) by and between Assignor, as landlord, and the United States of America (doing business as the U.S. Postal Service), as tenant (the "**Tenant**"), providing for the occupancy and use of the Property, together with any amendments or modifications thereto or any lease guarantees thereof (if any).

For and in consideration of the sum of TEN AND NO/100 DOLLARS ($10.00), the conveyance by Assignor to Assignee of the improved real property described on **Exhibit A** attached hereto and incorporated herein by this reference (hereinafter referred to as the "**Property**"), and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the parties hereto, Assignor hereby transfers, grants, conveys and assigns to Assignee the following, to-wit:

(1) the Lease together with all security deposits and all escrows for taxes, insurance and CAM charges deposited by Tenant;

(2) all Personal Property;

EXCEPT WITH RESPECT TO THE REPRESENTATIONS AND WARRANTIES SET FORTH IN THE CONTRACT, THE LEASE AND PERSONAL PROPERTY CONVEYED BY ASSIGNOR IS CONVEYED TO THE ASSIGNEE IN "AS-IS, WHERE IS" CONDITION, WITHOUT WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, AS TO ZONING, PHYSICAL CONDITION, ENVIRONMENTAL CONDITION, SUITABILITY FOR A PARTICULAR PURPOSE OR ANY OTHER MATTER WHATSOEVER.

As of the date hereof, Assignee hereby assumes the Lease.

Initially capitalized terms used herein and not otherwise defined shall have the meaning set forth in the Purchase and Sale Agreement by and between Assignor and Assignee dated _____, 2019 (the "**Contract**").

This Bill of Sale shall be governed by, and construed under, the laws of the State of South Carolina.

This Bill of Sale shall inure to the benefit of, and be binding upon, the respective legal representatives, successors and assigns of the parties hereto.

(Signature Page Follows)

IN WITNESS WHEREOF, Assignor has executed this instrument under seal the day and year first above written.

Signed, sealed and delivered in the presence of:

ASSIGNOR:

HRT REALTY, LLC,
a Maryland limited liability company

By:_____
Name: _____
Title: _____

_____
Witness #1

_____
[Print Name]

_____
Witness #2

_____
[Print Name]

STATE OF _____)
) ss.
COUNTY OF _____)

I _____, do hereby certify that _____, as _____ of HRT REALTY, LLC, a Maryland limited liability company, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal this the _____ day of _____, 2019.

_____
Notary Public
Print Name:_____
My commission expires:_____

(NOTARIAL SEAL)

IN WITNESS WHEREOF, Assignor has executed this instrument under seal the day and year first above written.

Signed, sealed and delivered
in the presence of:

_____
Witness #1

_____
[Print Name]

_____
Witness #2

_____
[Print Name]

ASSIGNEE:

City of Columbia, South Carolina,
a _____

By:_____
Name: _____
Title: _____

STATE OF _____)
) ss.
COUNTY OF _____)

I _____, do hereby certify that _____, as _____ of City of Columbia, South Carolina, a _____ personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal this the _____ day of _____, 2019.

_____
Notary Public
Print Name:_____
My commission expires:_____

(NOTARIAL SEAL)

(Signature Page to Blanket Transfer, Assignment and Bill of Sale)

(Signature Page to Blanket Transfer, Assignment and Bill of Sale)

EXHIBIT A TO BILL OF SALE

Property Description

Exhibit E

Form of FIRPTA

FIRPTA

Section 1445 of the Internal Revenue Code provides that a transferee of a U.S. real property interest must withhold tax if the transferor is a foreign person. For U.S. tax purposes (including section 1445), the owner of a disregarded entity (which has legal title to a U.S. real property interest under local law) will be the transferor of the property and not the disregarded entity. To inform **HRT Realty, LLC**, a Maryland limited liability company ("**Transferee**"), that withholding of tax is not required upon the disposition of a U.S. real property interest by **City of Columbia**, a _____ ("**Transferor**"), the undersigned hereby certifies the following on behalf of Transferor:

1. Transferor is not a foreign corporation, foreign partnership, foreign trust, or foreign estate (as those terms are defined in the Internal Revenue Code and Income Tax Regulations);

2. Transferor is not a disregarded entity as defined in § 1.1445-2(b)(2)(iii);

3. Transferor's U.S. employer identification number is [_____]; and

4. Transferor's office address is: _____.

Transferor understands that this certification may be disclosed to the Internal Revenue Service by Transferee and that any false statement contained herein could be punished by fine, imprisonment, or both.

Under penalties of perjury, Transferor declares that it has examined this certification and to the best of its knowledge and belief it is true, correct, and complete, and further declares that the person executing this document on behalf of Transferor has all requisite authority and is duly authorized.

Date: _____ __, 20____

[Signature appears on the following page.]

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

TRANSFEROR:

HRT REALTY, LLC,
a Maryland limited liability company

By: _____
Name: _____
Title: _____

(Signature Page to FIRPTA)