

## REAL ESTATE PURCHASE AGREEMENT

This "Agreement" is made and entered into as of \_\_\_\_\_, 2015 (the "Effective Date") by and between **Veterans of Foreign of the United States, Tri-Community Post No. 4719**, an Ohio nonprofit corporation (the "Seller"), and the **City of Gahanna**, an Ohio municipal corporation (the "Buyer"), and in consideration of the mutual covenants and conditions contained herein, the parties agree as follows:

### 1. PROPERTY:

- 1.1 Seller desires to sell and Buyer desires to purchase the "Property," as more fully defined below, on the terms and conditions as set forth in this Agreement.
- 1.2 Seller represents that Seller owns approximately 6.097 acres of real property located at 75 West Johnstown Road in the City of Gahanna, Franklin County, Ohio (Franklin County Auditor Parcel Numbers 025-000942, 025-000951, 025-000952 and 025-000958), of which Buyer desires to purchase, together with all associated improvements, easements, rights-of-way and appurtenances belonging or in any way appertaining thereto, (the "Property"), as more particularly identified on **Exhibit A** attached hereto. The exact location and boundaries of the Property will be determined by the Survey as described in Section 4 below.

### 2. PURCHASE PRICE:

- 2.1 The purchase price for the Property will be \$425,000 based on the appraisal by Robert Weiler Company dated March 28, 2014. The Purchase Price will be paid to Seller as follows:
  - 2.1.1 \$250,000, subject to adjustments as provided herein, shall be payable at the Closing.
  - 2.1.2 One half of the remaining balance of the Purchase Price shall be payable on the first anniversary of the date of the Closing (\$87,500).
  - 2.1.3 The remaining balance of the Purchase Price shall be payable on the second anniversary of the date of the Closing (\$87,500).

### 3. INSPECTIONS AND CONTINGENCIES:

- 3.0 This Purchase Agreement is contingent upon the successful execution of a leaseback agreement from the buyer to the seller for the use of selected areas of this the described property for the purposes of continuing operations of the Veterans of Foreign of the United States, Tri-Community Post No. 4719, within its current facilities.
- 3.1 Buyer has until the date which is 30 days after the Effective Date (the "Election Date") by which to perform or confirm the following items at its sole election (collectively, the "Contingencies"):
  - 3.1.1 Buyer determining, in its sole discretion, that, at the time of Closing, there will be no liens and restrictions, including, but not limited to, deed restrictions, private easements, protective covenants, building restrictions, outstanding permits,

licenses or governmental approvals, and zoning ordinances which would adversely affect Buyer's use of the Property.

- 3.1.2 Buyer receiving, within five (5) business days from the Effective Date, to the extent that same are in Seller's possession and control, copies of existing surveys, title reports, geotechnical and engineering information, environmental studies (such as Phase I, Phase II, names of environmental consultants previously used, and any notices from State and Federal regulators), site plans, declarations, easement agreements (including cross easements and other easements for vehicular access), environmental agreements, detention / underground storm water management system documents, papers regarding previous or pending legal action associated with the Property, and any other information relating to the Property. In the event that Seller fails to furnish such information to Buyer, then the Election Date shall be extended equivalent to each day which Seller delays in furnishing such information to Buyer.
- 3.1.3 Buyer determining, in its sole discretion, the availability of appropriate ingress and egress to the Property (as determined by Buyer) from all lanes of traffic on all streets or highways on which the Property abuts.
- 3.1.4 Buyer receiving a commitment to issue an owner's title insurance policy at Seller's expense, which shall be satisfactory to Buyer in its sole discretion, with such endorsements as are selected by Buyer in its sole discretion (collectively the "Title Policy"). In the event that the title commitment or the Survey, as defined below in Section 4, as the case may be, discloses matters objectionable to Buyer, Buyer shall notify Seller of such objections no later than the Election Date. Seller shall have fourteen (14) days after receipt of notice to remove the same. In the event that Seller is unwilling or unable to remove or discharge such objectionable matters, Buyer may deliver written notice to Seller stating that Buyer desires to terminate this Agreement, whereupon this Agreement shall be of no further force or effect and Buyer shall be released from all liability hereunder.

Buyer shall be entitled to obtain updated title searches for the Title Policy after the Election Date through and including the time of Closing. In the event that any matters objectionable to Buyer are disclosed thereby, which matters are not due to the action or inaction of Buyer, then Buyer shall be entitled to notify Seller of such matters and to cause Seller to remedy the same. Seller shall have fourteen (14) days after receipt of notice to remove the same. In the event that Seller is unwilling or unable to remove or discharge such objectionable matters, Buyer may deliver written notice to Seller stating that Buyer desires to terminate this Agreement, whereupon this Agreement shall be of no further force or effect and Buyer shall be released from all liability hereunder.

Notwithstanding the foregoing, Seller shall be responsible for causing all matters of a monetary nature, including without limitation, deeds of trust, mortgages, judgment liens, mechanic's liens and delinquent taxes, assessments and penalties, to be released at or prior to Closing. In the event that Seller is unable or unwilling to remedy such matters prior to Closing, Buyer shall be entitled to deduct the cost to discharge the same from the Purchase Price on the closing statement at Closing; provided that in the event such costs are unreasonable in Buyer's sole discretion, then Buyer may terminate this Agreement, and Seller shall be in default hereunder.

- 3.1.5 Buyer performing, at its election, environmental tests, studies and other investigations of the Property which do not disclose adverse environmental conditions affecting the Property, in Buyer's sole discretion, and which do not prevent the Property from being used for Buyer's intended use, nor shall such results include any environmental liabilities associated with the Property. Seller acknowledges and agrees that Buyer may cause a Phase I and/or Phase II site assessment to be performed on the Property.
- 3.1.6 Buyer confirming adequate parking for the Property consistent with an acceptable site plan layout designed and approved by Buyer.
- 3.1.7 Buyer obtaining approval for the purchase of the Property at the Purchase Price from the Gahanna City Council.
- 3.1.8 Buyer performing geotechnical, traffic, marketing, and such other studies, inspections and tests as Buyer deems appropriate.
- 3.1.9 Buyer receiving and reviewing the Survey discussed in Section 4 of this Agreement and determining that the Survey discloses conditions satisfactory to Buyer for its use of the Property.
- 3.1.10 Buyer reviewing and approving, and Seller entering into, all easement agreements, including but not limited to access, driveway, parking, utility, drainage, storm water management, and/or grading, as may be required by Buyer for Buyer's use of the Property.
- 3.1.11 Buyer confirming that, as of the Closing, the Property is a separate validly created tax parcel, and all subdivision plats and other plats required by law have been properly executed and recorded.
- 3.1.12 Buyer conducting any other inspections or examinations of the Property as deemed necessary by Buyer, and acceptable to Buyer in its sole discretion.
- 3.2 If any Contingencies are not met to Buyer's reasonable satisfaction, in its sole and absolute discretion, by the Election Date, and if Buyer desires to terminate this Agreement, then Buyer may deliver written notice to Seller stating that Buyer desires to terminate this Agreement (the "Termination Notice"), whereupon this Agreement shall be of no further force or effect and Buyer shall be released from all liability hereunder.
- 3.3 In the event Buyer is unable to complete the Contingencies contained in Section 3.1 on or before the Election Date, Buyer has the right to extend the Election Date up to sixty (60) days (which shall then be considered the Election Date for purposes of this Agreement), by giving written notice of its intention to extend the Election Date to Seller.
- 3.4 Seller agrees to reasonably cooperate with Buyer in the prosecution of all of its activities related to satisfying the conditions set forth in Section 3.1.
- 3.5 Buyer and Buyer's designees shall be entitled to access the Property at reasonable times to undertake studies, inspections, tests, and other activities as part of Buyer's satisfaction of the Contingencies.

4. **SURVEY:**

- 4.1 Buyer shall obtain a certified ALTA/ACSM Survey of the Property prepared by a registered land surveyor licensed in the State where the Property is located (i) showing the boundaries of the Property and the locations of all easements, right-of-ways, curb cuts, structures and other improvements, encroachments, overlaps, bodies of water, officially designated flood hazard areas, nearest public streets or highways, public utilities, and building set back lines, on, under or affecting the Property, if any, (ii) showing adjoining property owners, (iii) staking the corners of the Property with permanent iron stakes, (iv) containing a complete legal description of the Property, (v) certifying the exact acreage of the Property, exclusive of any portion used or dedicated for public right-of-ways, (vi) certifying that the Property has direct and insurable access to public rights of way, as required by Buyer, (vii) stating whether all or any part of the Property lies within a flood hazard area, and (viii) any other matters reasonably required by Buyer (the "Survey"). In all other respects the Survey shall meet the requirements of any governmental agency having jurisdiction over the Property and any requirements of the Closing Agent necessary to issue Buyer's Title Policy.
- 4.2 If the Survey (i) shows any encroachment or overlap affecting the Property, (ii) does not show the Property to be contiguous along all boundaries which are common to the Property, (iii) shows a variance in acreage of five percent or more from that stated in Section 1.2, or (iv) shows any other matters which, in Buyer's sole discretion, would affect the intended use of the Property by Buyer, then Buyer may terminate this Agreement, by written notice to Seller, prior to the Election Date, whereupon this Agreement shall be of no further force or effect and Buyer shall be released from all liability hereunder.

5. **CLOSING DOCUMENTS:**

- 5.1 At Closing, Seller shall deliver the following to Buyer:
- 5.1.1 A general warranty deed, in recordable form conveying good and marketable fee simple title to the Property, free and clear of all deeds of trust, mortgages, liens, encumbrances, restrictions and conditions, except any permitted exceptions, as accepted by Buyer in writing.
- 5.1.2 Any easement agreements required for Buyer's use of the Property as described in Section 3.1.10 above.
- 5.1.3 Such customary title affidavit and all other documents, including organizational and authority documents, reasonably requested by Buyer's title insurance underwriter.
- 5.1.4 Any other documents required by this Agreement to be delivered by Seller, including such other documents or instruments as may be reasonably requested by Buyer or Closing Agent to effectuate this transaction.
- 5.1.5 Possession of the Property free and clear of any tenancies or occupancies, other than those described in the leaseback agreement.
- 5.2 At Closing, Buyer shall deliver the following to Seller:

- 5.2.1 The portion of the Purchase Price payable at Closing as described in Section 2.1.1 above.
- 5.2.2 Other documents required by this Agreement to be delivered by Buyer, including such other documents or instruments as may be reasonably requested by Seller or Closing Agent to effectuate this transaction.

6. **TAXES AND ASSESSMENTS:** At the Closing, the Seller and Buyer shall prorate taxes and assessments and make appropriate credits and adjustments so that (a) Seller pays all real estate taxes and assessments charged or to be charged for the time period before and through the date of Closing and receives a credit for any prepaid amounts, and (b) Buyer receives credit for any expenses that will be due after Closing but that are allocable to the time period prior to and through the date of Closing. Seller shall pay all delinquent taxes and assessment, if any. Current taxes and assessment shall be prorated and adjusted as of Closing using the latest information available. If the Property is taxed as part of a larger tax parcel, then, at Closing, the ad valorem property taxes shall be prorated based on the amount of ad valorem property taxes per acre multiplied by the number of acres located with the Property. Buyer shall also receive a credit at Closing for the estimated amount of the Current Agricultural Use Value recoupment payment which will be due following Closing. Once actual bills are issued for the tax year during which the Closing occurs, and once the actual amount of the Current Agricultural Use Value recoupment payment (if any) is determined, Buyer and Seller shall make such adjustments as are necessary to effectuate an accurate proration of the actual amount of taxes and assessments charged for the year during which Closing occurs, and Seller's post-Closing payments of the remaining balance of the Purchase Price, as described in Sections 2.1.2 and 2.1.3 above, shall be adjusted as necessary to effectuate such a proration. The foregoing provision shall expressly survive the Closing and the execution and delivery of the deed and shall not be merged therein.

7. **REPRESENTATIONS, WARRANTIES, AND ADDITIONAL COVENANTS:**

Seller represents and warrants to Buyer and covenants with Buyer as follows:

- 7.1 There has not been any release of Hazardous Substances on or about the Property; there are no asbestos containing materials within, on the exterior or about the Property; and the Property is in full compliance with all local, state and federal laws, including without limitation all Environmental laws. "Environmental Laws" means any local, state or federal law, rule, regulation, or ordinance pertaining to environmental regulation, contamination or clean-up, including, without limitation, the Comprehensive Environmental Response Compensation and Liability Act, the Resource Conservation Recovery Act, or other federal or state superlien or environmental clean-up statutes, as amended and all Environmental Regulations. "Hazardous Substances" means and includes all hazardous and toxic substances, wastes or materials, any pollutants or contaminants, or other similar substances, or materials which are included under or regulated by Environmental Laws, as well as PCB's, petroleum hydrocarbons and materials containing any measurable quantity of asbestos fiber. "Environmental Regulations" means all applicable federal, state and local governmental agency environmental statutes, ordinances, rules, notices, regulations, standards, permits, orders and any other governmental requirements relating, by way of example and not limitation, to the following: (i) the spill, leak, discharge, emission or release of any Hazardous Substances, to the air, surface water, groundwater or soil; (ii) the storage, treatment, disposal or handling of any Hazardous Substances and (iii) the construction, operation, maintenance, repair or closing of aboveground or underground storage tanks, containers, piping or impoundments containing Hazardous Substances.

- 7.2 That Seller has good and marketable fee simple title to the Property, and the same is or will be unencumbered at Closing, except for matters of record, which shall be subject to Buyer's approval, or otherwise will be addressed in accordance with the terms and conditions of this Agreement, and the matters to be created as contemplated by this Agreement. There are no encroachments of buildings or improvements on the Property from adjacent property and there are no encroachments of improvements from the Property onto adjacent property; and there are no boundary disputes or other matters affecting title to or the description of the Property.
- 7.3 There is no litigation, condemnation or similar proceeding, administrative proceeding or investigation, claim, dispute or any matter pending or threatened against the Property.
- 7.4 No work has been performed or is in progress at, and no materials have been furnished to, the Property which might give rise to, mechanics', materialmen's or other liens against all or any part of the Property.
- 7.5 No parties will be in possession of the Property on the date of Closing, except in accordance with easements of record, which are subject to Buyer's approval in accordance with the terms of this Agreement.
- 7.6 Seller has authority to enter into this Agreement and there is no agreement, covenant, indenture or other prohibition against Seller's conclusion of the transactions covered by this Agreement and/or Buyer's proposed use of the Property.
- 7.7 Seller shall not alter, remove, or make additions to, any portion of the Property, except as contemplated by this Agreement.
- 7.8 The Property is in material compliance with all applicable local, state and federal building code, zoning, land use and other laws.
- 7.9 There are no brokerage fees or commissions now or hereafter due and payable with respect to the Property as a result of actions taken by Seller, except as disclosed in this Agreement.
- 7.10 Except for the matters contemplated to be created prior to Closing by the terms of this Agreement, there are not on the Effective Date of this Agreement and will not be on the date of Closing any unrecorded easements, options, rights of first refusal, leases, licenses, agreements relating to the lease, purchase or development of the Property, or other unrecorded agreements of any kind relating to the Property that would interfere with or adversely affect this Agreement.
- 7.11 Prior to Closing, Seller shall not, without the prior consent of Buyer, sell, lease, subdivide, convey, grant, transfer, mortgage or otherwise dispose of or encumber all or any portion of the Property or any interest therein. The term "encumber" as used in the preceding sentence includes, but is not limited to, the recording of any restriction, covenant, easement or condition affecting the Property. Seller shall not solicit offers for sale or lease of the Property; shall not cause or permit any circumstances to occur that would detract from Buyer's intended use of the Property; shall maintain the Property in good condition and repair until the earlier of (a) Buyer accepts possession of the Property at Closing; or (b) termination of this Agreement; and shall keep the provisions of this Agreement confidential, disclosing the same only to Seller's lenders, attorneys or others with a

legitimate need to know, and only if those parties agree to keep such information confidential.

- 7.12 The truth and accuracy of the foregoing representations and warranties shall be a condition precedent to the Closing. Seller hereby indemnifies and agrees to defend and hold harmless Buyer and its officers, directors, employees and agents from and against all claims, actions, obligations, losses, liabilities, damages and expenses, including, but not limited to, interest, attorneys' fees and court costs, directly or indirectly resulting from or arising out of or in connection with a breach of Seller's representations and warranties set forth in this Agreement. This indemnification and agreement shall survive the Closing.

8. **CLOSING:** After Buyer has notified Seller, in writing, that the Contingencies have been satisfied or waived or mutually agreed by the parties, the Closing shall take place fifteen (15) days after the Election Date, or such earlier date as may be elected by Buyer, with at least five (5) days advance notice to Seller. Closing services and Buyer's Title Policy will be provided by ACS Gahanna Title, 142 Granville Street, Gahanna, Ohio 43230 (the "Closing Agent"). The Closing shall occur at a time and place designated by Buyer to the Closing Agent. Seller shall pay the cost of Buyer's Title Policy, deed preparation, any costs associated with the release of monetary items, the excise / transfer taxes, Seller's own attorney's fees and recording fees, as well as one half (1/2) of escrow and closing fees. Buyer shall pay for Buyer's Survey, Buyer's own attorney's fees, recording fees, and one half (1/2) of escrow and closing fees. All other costs shall be handled as addressed otherwise in this Agreement.

9. **RISK OF LOSS:** Seller agrees that it will deliver the Property to Buyer at Closing in the same condition and repair as of the date of this Agreement, except for reasonable wear and tear. Seller will give immediate written notice to Buyer of any damage to or destruction of the Property and/or any condemnation proceedings pending or threatened against the Property. All risk of loss to the Property from fire, wind, hail, theft, water, or any other peril causing damage to the Property, as well as all risk of loss by reason of condemnation or threat thereof, shall be borne by Seller until Closing. In the event that any property damage or destruction occurs to the Property, other than normal wear and tear, and/or any condemnation affects the Property, then Buyer shall be entitled to terminate this Agreement or to perform its obligations and enforce its rights under this Agreement. If in such events Buyer elects to proceed with the Closing, Buyer shall be entitled to receive (a) any and all insurance and/or condemnation proceeds payable and/or awarded in relation to or for the Property, and Seller shall assign all right, title and interest thereto to Buyer at the Closing, and (b) Seller further agrees to make additional payment to Buyer at Closing for any amounts of property damage or destruction not covered by insurance and/or not paid by condemnation proceeds; or alternatively to (a) and (b) of this Section, Seller agrees to reduce the Purchase Price in an amount equivalent to the amount of insurance proceeds that are payable by insurance coverage plus any amounts for damage or destruction to the Property, other than normal wear and tear, that are not payable by insurance coverage. If Buyer elects to terminate the Agreement pursuant to this Section, Buyer will so notify Seller in writing within ten (10) business days after Seller's written notice and whereupon this Agreement shall be of no further force or effect and Buyer shall be released from all liability hereunder.

10. **DEFAULT:**

- 10.1 If Seller fails or refuses to timely perform its obligations when obligated to do so or breaches any of its covenants or agreements under this Agreement, or if any representation or warranty made by Seller in this Agreement proves to be untrue, incorrect or misleading, in whole or in part, Buyer may terminate this Agreement by giving written notice to Seller in addition to pursuing any other rights and remedies at law and in equity, including the right to specific performance.

- 10.2 If Buyer fails to close when required to do so under this Agreement, Seller shall, as its sole and exclusive remedy, terminate this Agreement by giving written notice to Buyer, whereupon Buyer and Seller shall be relieved from all further liability, responsibility or obligation under this Agreement.
- 10.3 In the event a dispute arises under this Agreement, all reasonable attorneys' fees and court costs incurred by the prevailing party in such litigation shall be promptly reimbursed by the other party hereto.

11. **CONSULTANTS:** Buyer and Seller each represents to the other that it has not contacted, contracted with or entered into any agreement with any real estate broker, agent or consultant in connection with the sale of the Property. Buyer and Seller each agree to indemnify, defend and hold the other harmless from and against all claims, losses, liabilities and expenses, including reasonable attorneys' fees, arising out of any claim by any real estate broker, agent or consultant with whom such party has dealt or negotiated.

12. **NOTICES:** Any notices under this Agreement shall be personally delivered, delivered by the deposit thereof in the U.S. Postal Service, postage prepaid, registered, or certified, return receipt requested, or by nationally recognized overnight courier service to the party at the address listed below or at another address hereafter designated by notice from the parties to this Agreement. Any such notice shall be deemed to have been delivered and given upon personal delivery or delivery by overnight courier service, or deposit with the U. S. Postal Service:

TO SELLER:

**Veterans of Foreign of the United States, Tri-Community Post No. 4719**  
PO Box 30843  
Gahanna, Ohio 43230

TO BUYER:

City of Gahanna  
200 South Hamilton Road  
Gahanna, Ohio 43230

13. **ASSIGNMENT:** Buyer may assign this Agreement without the consent of Seller.

14. **MISCELLANEOUS:**

- 14.1 This Agreement shall inure to the benefit of and bind the parties hereto and their successors, heirs, and assigns.
- 14.2 This Agreement shall constitute the entire Agreement between the parties and shall supersede all prior contracts and agreements.
- 14.3 This Agreement may be amended or supplemented only by a written instrument signed by both parties hereto.
- 14.4 This Agreement may be executed in any number of identical counterparts each of which shall be considered an original but which together shall constitute one and the same Agreement.



- 14.5 The captions or paragraph headings are for convenience and ease of reference only and shall not be construed to limit or alter the terms of this Agreement.
- 14.6 This Agreement shall be governed by the laws of the State of Ohio.
- 14.7 Time is of the essence for all terms and conditions of this Agreement. If a date specified for performance by either party falls on a weekend or legal holiday, the date for such performance shall be extended to the next business day.
15. **Deadline.** This offer will remain open for acceptance by Seller until 5:00 PM Gahanna, Ohio time on November 30, 2015. If this offer is not accepted on or before such time, it will be considered revoked. Seller will accept this offer, if at all, by signing below and returning to Buyer a fully executed copy of this Agreement. When and if this offer is accepted, it will constitute a contract for the Purchase of the Property under the terms and conditions herein provided.

*[signature page follows]*

**BUYER:**

**CITY OF GAHANNA**

By: \_\_\_\_\_  
Print Name: Rebecca W. Stinchcomb, Mayor

**SELLER:**

**Veterans of Foreign of the United States, Tri-  
Community Post No. 4719**

By: \_\_\_\_\_  
Print Name: Jerry Kerr, Commander

This Agreement is executed as of the date first above written.

**SELLER:**

**Veterans of Foreign of the United States, Tri-Community Post No. 4719**

By: \_\_\_\_\_  
Jerry Kerr, Commander

The foregoing instrument was acknowledged before me on the \_\_\_\_ day of \_\_\_\_\_, 2015, by \_\_\_\_\_, of the **Veterans of Foreign of the United States, Tri-Community Post No. 4719**, an Ohio nonprofit corporation, on behalf of the corporation.

My Commission Expires:

\_\_\_\_\_  
Notary Public

**CITY OF GAHANNA**

By: \_\_\_\_\_  
Rebecca W. Stinchcomb, Mayor

The foregoing instrument was acknowledged before me on the \_\_\_\_ day of \_\_\_\_\_, 2015, by \_\_\_\_\_, the \_\_\_\_\_ of the City of Gahanna, an Ohio municipal corporation, on behalf of the corporation.

My Commission Expires:

\_\_\_\_\_  
Notary Public

**Exhibit A**

*to be attached*