

<p>DISTRICT COURT, DENVER COUNTY, STATE OF COLORADO Denver District Court 1437 Bannock St. Denver, CO 80202</p>	
<p>Plaintiff: Chris Mykelbust, Securities Commissioner for the State of Colorado</p> <p>v.</p> <p>Defendant: Gary Dragul, GDA Real Estate Services, LLC, and GDA Real Estate Management, LLC</p>	
<p>Attorneys for Receiver: Patrick D. Vellone, #15284 Michael T. Gilbert, #15009 Rachel A. Sternlieb, #51404 ALLEN VELLONE WOLF HELFRICH & FACTOR P.C. 1600 Stout St., Suite 1100 Denver, Colorado 80202 Phone Number: (303) 534-4499 E-mail: pvellone@allen-vellone.com E-mail: mgilbert@allen-vellone.com E-mail: rsternlieb@allen-vellone.com</p>	<p style="text-align: center;">▲ COURT USE ONLY ▲</p> <p>Case Number: 2018CV33011</p> <p>Division/Courtroom: 424</p>
<p>RECEIVER’S MOTION FOR ORDER AUTHORIZING SALE OF HICKORY CORNERS</p>	

Harvey Sender, the duly-appointed receiver (“Receiver”) for Gary Dragul (“Dragul”), GDA Real Estate Services, LLC, GDA Real Estate Management, LLC, and related entities (collectively, “Dragul and the GDA Entities”), asks the Court to enter an order approving the sale of real property known as the Hickory Corners shopping

center to Nova Capital Partners, LLC for \$13,600,000 pursuant to the Purchase and Sale Agreement submitted as **Exhibit 1** with this motion (the “Nova PSA”).

I. The Receivership Order gives the Receiver the authority to sell Hickory Corners.

1. On August 15, 2018, Gerald Rome, Securities Commissioner for the State of Colorado (the “Commissioner”), filed his Complaint for Injunctive and Other Relief against Dragul and the GDA Entities.

2. On August 29, 2018, the Commissioner, Dragul and the GDA Entities filed a Stipulated Motion for Appointment of Receiver, consenting to the appointment of a receiver over Dragul and the GDA Entities pursuant to COLO. REV. STAT. § 11-51-602(1), C.R.C.P. 66.

3. On August 30, 2018, the Court entered a Stipulated Order Appointing Receiver (the “Receivership Order”), appointing Harvey Sender of Sender & Smiley, LLC as receiver for Dragul and the GDA Entities, and their respective properties and assets, and interests and management rights in related affiliated and subsidiary businesses (the “Receivership Estate” or the “Estate”). Receivership Order at 2, ¶ 5.

4. The Receivership Order grants the Receiver the authority to sell or otherwise dispose of Estate property and obtain Court approval for any sale for greater than \$10,000 (Receivership Order at 12, ¶ 13(t)).

5. Pursuant to paragraph 10 of the Receivership Order, Court approval of any motion filed by the Receiver shall be given as a matter of course within 10 days after the motion is filed and served. As reflected by the certificate of service below,

this Motion is being served on all parties who have appeared in this case and on all interested parties.

II. Hickory Corners: ownership, management, debt

6. Hickory Corners is a retail shopping center located at 1718-1842 Highway 70 Shoppes Entities, Hickory, North Carolina. Hickory Corners consists of two separate but adjacent parcels both owned by Dragul related entities.

A. The Shops

7. The first parcel is a strip mall (the “Shops”). It was purchased for \$12,740,000 on January 27, 2017, by Hickory Corners 16 A, LLC (“Corners 16A”) and Hickory Corners 16B, LLC (“Corners 16B”), which own the property as tenants-in-common, 64.59% and 35.41%, respectively. The Shops was purchased using funds from (1) a \$9.3 million loan from Rialto Mortgage Finance, LLC (“Rialto”), (2) \$2,964,403.00 provided by Hagshama Hickory NC, LLC (“Hagshama Hickory”), (3) \$1,236,447.00 provided by CoFund 6, LLC (“CoFund 6”),¹ and (4) an additional \$170,000 was provided for earnest money and good faith deposits by “Dragul/others.”

8. **Corners 16A**. Corners 16A, an SPE, is owned by Hagshama Hickory (70.57%) and CoFund 6 (29.43%). It is managed by Hickory Management, LLC, whose sole member is Gary J. Dragul. Hickory Management, LLC is managed by GDA Real Estate Management, Inc., whose president and sole owner is also Gary J. Dragul (collectively, the “Manager”).

¹ Hagshama Hickory and CoFund 6 jointly contributed \$4,200,850.

9. **Corners 16B**. The members of Corners 16B, also a SPE, are two other SPE's – GDA Hickory 17, LLC (50.10%) and GDA Hickory Investors, LLC (49.90%). Based on information provided to the Receiver, the members of GDA Hickory 17, LLC are believed to own Gary J. Dragul (50.69%) and eight individual investors who collectively own the remaining 49.31%. The ownership of GDA Hickory Investors, LLC is unclear: Dragul has represented to the Receiver that he holds 100% of the membership interests; on January 28, 2019, Alan C. Fox filed a claim against the Estate asserting that he owns 100% of the Class B membership units. Corners 16B is also managed by Hickory Management, LLC.

10. Upon information and belief, the Shops is approximately 97% leased. It is encumbered by a deed of trust securing a \$9.3 million loan made to Shops 16A and Shops 16B by Rialto Mortgage Finance, LLC, which Rialto declared in default in April 2018. Before the Receiver was appointed, Rialto began to sweep the rents from the property and to apply them to its loan. The payoff demand on the Rialto loan as of February 1, 2019, is \$8,075,886.92 (this amount excludes a prepayment penalty of \$1,667,413.60). The proposed Nova PSA, contemplates NOVA assuming the Rialto loan and avoiding this \$1.6 million penalty.

B. The Box

11. The second parcel to be sold to Nova is a standalone "Box" adjacent to the Shops. The Box is owned as tenants-in-common by Hickory Corners Box 16 A, LLC ("Box 16A") (64.59%) (and Hickory Corners Box 16 B, LLC ("Box 16B") (35.41%).

The Box was purchased on January 27, 2017 for \$1,760,000. It was funded initially with a 90-day \$1 million loan from Investors Title Exchange Corporation, which was later taken out by a June 29, 2017, \$1.1 million loan from Dynasty, LLC, and from additional funds deposited by Hagshama Hickory, CoFund 6, GDA, and hold back funding from the purchase of the Shops.

12. **Box 16A.** Box 16A is owned by same entities that own Shops 16A and in the same percentages. Box 16A is also managed by Hickory Management, LLC, whose sole member is Gary J. Dragul. Hickory Management, LLC is managed by GDA Real Estate Management, Inc., whose president and sole owner is also Gary J. Dragul.

13. **Box 16B.** Box 16B is owned by same Dragul related entities and investors, and in the same respective percentages as Shops 16B. It is also managed by Hickory Management, LLC.

14. At present, the Box is approximately 50% occupied by a single tenant, Guitar Center. On or about August 24, 2018, Guitar Center declared Box 16A, the landlord, in default of a March 1, 2016 lease agreement. Guitar Center commenced self-help remedies and has withheld rent since then to make repairs and tenant improvements the landlord was required to complete. Since the Receiver's appointment, the Estate has not received rent from the Guitar Center.

15. The Box is encumbered by a deed of trust securing a \$1.1 million loan made to Box 16A and Box 16B by Dynasty, LLC on June 29, 2017 (the "Dynasty

Loan”). On or about August 25, 2018, before the Receiver was appointed, Dynasty declared its Loan in default and after the Receiver was appointed Dynasty commenced foreclosure proceedings in North Carolina against the Box. As of October 2018, Dynasty asserted it was owed was \$1,052,365.23, which included legal and late fees. Since it declared its Loan in default, Dynasty has been assessing penalties of approximately \$600 per day.

16. The Hickory Corners property is encumbered by first mortgages of approximately \$9.1 million (disregarding Rialto’s prepayment penalty). On March 13, 2018, Gary Dragul personally borrowed \$500,000 from WBF/CT Associates, LLC and as manager of Box 16A and Box 16B granted WBF/CT a second deed of trust on the Box. It does not appear Box 16A and Box 16B received any value in exchange for that second deed of trust, which may be avoidable under COLO. REV. STAT. § 38-8-105. There is also mechanic’s lien claimant, National Commercial Builders, Inc. which on September 21, 2018 – in violation of the stay imposed by this Court’s Receivership Order – recorded a mechanics’ lien against the Shops for \$586,054.67. Ostensibly there are therefore liens of nearly \$10.2 million against the Hickory Corners property.

III. Sale of Hickory Corners is in the best interests of the Estate and its creditors.

17. There exists little Colorado authority with respect to factors the Court should consider regarding whether to approve a Receiver’s proposed sale. In analogous bankruptcy contexts, approval of a sale of property pursuant to Section

363 of the Bankruptcy Code is warranted where there exists a “sound business reason.” *Committee of Equity Sec. Holders v. Lionel Corp. (In re Lionel Corp.)*, 722 F.2d 1063, 1071 (2d Cir. 1983). “In evaluating whether a sound business purpose justifies the use, sale or lease of property under Section 363(b), courts consider a variety of factors, which essentially represent a ‘business judgment test.’” *Dai-Ichi Kangyo Bank, Ltd. v. Montgomery Ward Holding Corp. (In re Montgomery Ward Holding Corp.)*, 242 B.R. 147, 153 (D. Del. 1999).

18. Factors bearing on whether a sound business reason or purpose supports a proposed sale of estate property include (where applicable): (1) the proportionate value of the asset to the estate as a whole; (2) the amount of elapsed time since the filing; (3) the likelihood that a plan of reorganization will be proposed and confirmed in the near future; (4) the effect of the proposed disposition on the future plans of reorganization; (5) the proceeds to be obtained from the disposition vis-à-vis any appraisals of the property; (6) which of the alternatives of use, sale or lease the proposal envisions; and (7) most importantly perhaps, whether the asset is increasing or decreasing in value. *In re Medical Software Solutions*, 286 B.R. 431, 441 (Bankr. D. Utah 2002) (quoting *Lionel*, 722 F.2d at 1071) (emphasis omitted). Bankruptcy courts are granted considerable discretion in evaluating proposed sales. *Montgomery Ward*, 242 B.R. at 153; see *Moldo v. Clark (In re Clark)*, 266 B.R. 163, 168 (B.A.P. 9th Cir. 2001) (recognizing that “[r]ulings on motions to sell property of

the estate other than in the ordinary course of business pursuant to section 363 are reviewed for abuse of discretion”).

19. In the Receiver’s judgment, the proposed sale of Hickory Corners is in the best interest of the Estate and its creditors. The Receiver has hired the nationally-recognized firm of Marcus & Millichap to market the Property and has negotiated with the Buyer. Closing under the Nova PSA is to occur within 45 days of the date the PSA was executed, or on or before March 22, 2019.

20. Presently, the loans secured by the Hickory Corners property are in default and the Estate lacks cash flow to service them. The Receiver has been using funds from other sources to fund critical expenses for the property.

21. Buyer has acknowledged that Hickory Corners the proposed transaction is subject to a Master Agreement the Receiver executed on February 5, 2019, with Odyssey Acquisitions III, LLC and Hagshama which may result in Odyssey purchasing the Estate’s interest in the entities that own the Hickory Corners property, which would thereby supersede this agreement. If the Nova PSA closes, it is presently uncertain what if any cash the Estate will receive from the proposed sale. A commission of 2.25% (\$306,000) will be due at closing, which would reduce the sales proceeds to \$13,294,000. First mortgage liens against the property are estimated to be \$9.1 million. After paying those and additional closing costs, unpaid taxes, and other claims, the net proceeds from the sale may be somewhere around \$3.9 million. If the WBF/CT \$500,000 lien is valid and paid, that would leave about \$3.4 million.

If the National Commercial Builders lien is valid (which the Receiver disputes) and paid at closing, there would be approximately \$2.8 million in net proceeds. If the net sales proceeds are distributed in accordance with applicable tenants-in-common and operating agreements, Hagshama and CoFund would receive approximately \$1,800,000, and other investors approximately \$240,000. Pending additional analysis and reconciliation, the Estate would receive approximately \$740,000 from the purported Dragul interest in the property. The Receiver has not yet determined whether the tenants-in-common and operating agreements are valid and enforceable or whether the net proceeds should be distributed in accordance with their terms. Alternatively, equity may best be served by disregarding these agreements and retaining the net proceeds in the Estate for distribution to all creditors.

22. Regardless of how the net proceeds from the proposed sale are distributed, the proposed sale is in the best interest of the Estate because absent a timely sale the Hickory Corners property will be lost to foreclosure and the Estate may receive nothing.

WHEREFORE, the Receiver asks the Court to grant this Motion, approve the proposed sale of Hickory Corners in accordance with the terms of the Nova PSA, and authorize the Receiver to take any and all further actions necessary to consummate the sale.

Dated: February 8, 2019.

ALLEN VELLONE WOLF HELFRICH & FACTOR
P.C.

By: */s/ Michael T. Gilbert* _____
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ATTORNEYS FOR THE RECEIVER

CERTIFICATE OF SERVICE

I certify that on February 8, 2019, I served a true and correct copy of the foregoing **RECEIVER'S MOTION FOR ORDER AUTHORIZING SALE OF HICKORY CORNERS** via CCE to the following:

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By: /s/ Rachel A. Sternlieb _____

CERTIFICATION OF E-SERVICE ON CLAIMANTS

A copy of the Motion will be sent out by electronic mail in accordance with the Court's Order regarding same, on all currently known creditors of the Receivership Estate to the addresses set forth on the service list maintained in the Receiver's records.

By: /s/ Terri M. Novoa
Allen Vellone Wolf Helfrich & Factor P.C.

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (this “**Agreement**”) dated as of the 5th day of February, 2019 (the “**Effective Date**”), is made by and between, **Nova Capital Partners, LLC**, having an address of 3717 National Drive, Suite 104, Raleigh, NC 27612 (“**Purchaser**”) and **Harvey Sender, in his capacity as Receiver of the Gary Dragul Receivership Estate** pursuant to the Receivership Order of the Receivership Court (each as defined below) on behalf of those entities designated below (collectively, “**Seller**”)(collectively Seller and Purchaser sometimes referred to as the “**Parties**” or individually as a “**Party**”).

RECITALS:

A. Gary Dragul owned and managed various companies (collectively “Dragul”) for which he solicited investors to acquire residential and commercial real estate.

B. Harvey Sender, the Seller, was appointed Receiver by a Court Order dated August 30, 2018 entered in *Rome v. Dragul, et al.*, Case Number 2018 CV 33011, District Court, Denver, Colorado (the “Receivership Court” and the “Receivership Order”) to take control of all Dragul assets (referred to as “Receivership Property” or “Receivership Estate”). See Receivership Order attached as **Exhibit A**. The Receivership Property includes all the assets of GDA Real Estate Services, LLC (“GDA RES”), a Colorado limited liability company; GDA Real Estate Management, LLC (“GDA REM”), a Colorado limited liability company; Hickory Corners 16 A, LLC and Hickory Corners 16 B, LLC. The Receivership Order authorizes the Receiver to sell assets of the Receivership Estate subject to Court approval.

C. That portion of the Hickory Corners shopping center comprised solely of the land and improvements described on Schedule 1.1.1 attached hereto, which is a commercial property that is the subject matter of this Agreement, is an asset of the Receivership Estate.

D. The Receiver, as and on behalf of Seller, desires to sell and convey, and Purchaser desires to purchase and acquire said portion of Hickory Corners shopping center, pursuant to the terms set forth below.

IN CONSIDERATION of the mutual agreements and covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller and Purchaser agree as follows:

1. THE PROPERTY.

1.1 Description. Subject to the terms and conditions of this Agreement, and for the consideration set forth herein, Seller hereby agrees to sell, assign and convey, and Purchaser hereby agrees to purchase and acquire, all of Seller’s right, title and interest, in and to the following (collectively, the “**Property**”):

1.1.1 That certain parcel of land located in Hickory, North Carolina having a street address of 1718 US Hwy 70, and being more specifically described on

Schedule 1.1.1 attached hereto (the “**Land**”) and currently owned by Hickory Corners 16 A, LLC and Hickory Corners 16 B, LLC (collectively the “**Underlying Land Owner**”);

1.1.2 All buildings (collectively, the “**Building**”) together with all other improvements, parking facilities and fixtures located on the Land (the Building and any and all other improvements located on the Land are hereinafter referred to collectively as the “**Improvements**”);

1.1.3 All easements, licenses, hereditaments, appurtenances, development rights, any and all other rights pertaining to fee simple ownership of the Property, and other benefits, if any, pertaining to or affecting the Land or Building (collectively, the “**Easements**”);

1.1.4 All of the Assumed Contracts (defined in Section 4.5, below);

1.1.5 To the extent assignable (i) all warranties and guaranties issued in connection with the Improvements which remain in effect as of and after Closing (defined in Section 2.4, below), (ii) all consents, authorizations, variances or waivers, licenses, certificates of occupancy, permits and approvals from any governmental or quasi-governmental agency, department, board, commission, bureau or other entity or instrumentality with respect to the Property, which remain valid or in effect as of and after Closing, (iii) all as-built and final plans and specifications, if any, and written operating manuals and user guides for the Property; and (iv) all photographs, drawings and prints of the Property, all marketing materials regarding solely the leasing of the Property and all past, current and potential tenant and resident lists and files, all websites and software related solely to the ownership and operation of the Property, including, without limitation, the property name “_____” and any other name by which the Property is commonly known (collectively, the “**Intangible Property**”);

1.1.6 Any tangible personal property, equipment, machinery and other articles of personal property owned by Seller that is located on or at the Property or is used exclusively in connection with the Land and Building (the “**Personal Property**”);

1.1.7 All right, title and interest of Seller, as landlord, in and to all leases (including, all amendments, guaranties, modifications and substitutions thereof) for any portion of the Property (collectively, the “**Leases**”) in effect as of the Closing Date, including any and all tenant refundable deposits paid by any tenant under any such Lease (each a “**Tenant**” and collectively, the “**Tenants**”) and not returned, released or applied by Seller prior to the Closing Date (collectively, the “**Tenant Deposits**”); and

1.1.8 All other rights, privileges and appurtenances owned by Seller, if any, related to the rights and interests described above in this Section 1.1.

1.2 Agreement to Convey. Seller agrees to convey, and Purchaser agrees to accept, on the Closing Date (defined in Section 2.4, below): (a) good and marketable title to the Land, Building and the Improvements by way of a Bargain and Sale or Special Warranty Deed (as applicable in North Carolina), to be executed and delivered by Seller in respect to the

Property, and which shall be subject only to the Permitted Exceptions (defined in Section 4.6, below) affecting or encumbering the Property; and (b) the remainder of the Property, by way of the assignment and assumption agreements and other instruments of conveyance described in this Agreement.

2. PURCHASE PRICE AND PAYMENT.

2.1 Purchase Price. The purchase price for the Property (the “**Purchase Price**”) is THIRTEEN MILLION SIX HUNDRED THOUSAND AND NO/100 U.S. DOLLARS (\$13,600,000.00), subject to the prorations set forth herein as of the Closing Date.

2.2 Deposit.

2.2.1 Deposit. Within three (3) business days after the Effective Date, Purchaser shall, by federal wire transfer, deposit the sum of FIFTY THOUSAND AND NO/100 U.S. DOLLARS (\$50,000.00) (the “**Initial Deposit**”) to Investors Title Insurance Company (the “**Escrow Agent**”). Within three (3) business days of the PSA Approval Order (as defined in Section 3.2 below), Purchaser shall, by federal wire transfer, deposit the sum of ONE HUNDRED THOUSAND AND NO/100 U.S. DOLLARS (\$100,000.00) (the “**Second Deposit**”) to Escrow Agent; the Initial Deposit and Second Deposit shall be collectively referred to herein as the “**Deposit**”. If Purchaser shall fail to make the Deposit (or any portion thereof) in accordance with the foregoing, this Agreement shall automatically terminate and neither party shall thereafter have any further rights, obligations or liability hereunder, except as otherwise expressly set forth herein. Once posted, the Deposit shall be refundable only in the event that Purchaser terminates this Agreement in accordance with Section 4.7, below or otherwise as expressly provided under the terms of this Agreement, and shall otherwise be non-refundable; provided, however Twenty Thousand and No/100 Dollars of the Initial Deposit (the “**Non-Refundable Deposit**”) shall be non-refundable in all events except for Seller’s breach or default under this Agreement or as otherwise provided herein.

2.2.2 Maintenance of Deposit. The Deposit shall be held by the Escrow Agent in an interest-bearing account or money market account with an FDIC insured national or state bank or in another form of available investment(s) from time to time reasonably acceptable to Purchaser. All interest earned on the Deposit shall be added to the principal held in the escrow and shall constitute a part of the Deposit. All interest and/or other income earned on the Deposit from time to time shall be reported to the Internal Revenue Service as income of Purchaser. Seller and Purchaser timely shall deliver all forms reasonably requested by the Escrow Agent in order to establish and maintain the Deposit as hereby provided for, including, without limitation, joint written investment instructions and an IRS Form W-9 for Purchaser. The Deposit shall be applied or released in accordance with the terms and conditions of this Agreement.

2.2.3 Escrow. Escrow Agent’s duties under this Agreement, as escrow agent under this Agreement, shall be limited to (i) the safekeeping of the money, instruments, documents and other property received by it as the Escrow Agent, (ii) the reasonable accommodation of requests of Seller and/or Purchaser regarding review and confirmation of the

money, instruments, documents and other property held by the Escrow Agent in regard to this Agreement, and (iii) the discharge of its other obligations as the Escrow Agent specified in this Agreement. Seller and Purchaser hereby (1) indemnify and agree to hold harmless and defend the Escrow Agent, as escrow agent under this Agreement, in the good faith performance of its duties under this Agreement as such escrow agent, (2) release such escrow agent from and against any liability to Seller or Purchaser under this Agreement, except for fraud, negligence or willful misconduct, and (3) authorize such escrow agent to rely upon any signature, notice, demand, waiver, consent or other instrument in good faith believed by it to be genuine. The Escrow Agent shall receive no compensation for its service performed pursuant to this Agreement except for (y) closing and/or escrow expenses and (z) such expense or cost charged for investments by the bank or institution holding the cash position of the Deposit (collectively, the “**Escrow Fees**”). Seller, on the one part, and Purchaser, on the other part, shall each pay one-half (½) of the Escrow Fees. Escrow Agent shall also receive reasonable attorneys’ fees or costs incurred by Escrow Agent as a result of any dispute between Seller and Purchaser, in which event such fees, expenses or costs will be reimbursed one-half by Seller and one-half by Purchaser, unless and until Seller or Purchaser is the prevailing party by unappealable judicial decree in such dispute, at which time the nonprevailing party in such dispute shall be fully responsible for such fees, costs and expenses of the Escrow Agent and for all prior payments thereunder by the prevailing party.

2.2.4 Competing Claims. If at any time the Escrow Agent receives a signed written notice from either Seller or Purchaser (the “**Claiming Party**”) stating that the Claiming Party is entitled to receive the Deposit (an any portion thereof) pursuant to the terms of this Agreement and a copy of such notice was sent as provided herein to the other party (the “**Other Party**”) prior to or contemporaneously with the giving of such notice to the Escrow Agent, then the Escrow Agent, within three (3) business days (as hereinafter defined) thereafter, will confirm with the Other Party its receipt of the Claiming Party’s notice claim to the Deposit or, if unable to confirm such receipt with the Other Party, shall send the Other Party a copy of the Claiming Party’s notice claim in accordance with the notice provisions of this Agreement. If the Other Party, as of the end of the tenth (10th) business day after being contacted by the Escrow Agent or after being sent a copy of the Claiming Party’s notice claim by the Escrow Agent, as applicable (the “**Response Period**”), fails to send the Escrow Agent written notice of its objection (stating with reasonable specificity the reasons therefor) to the release of the Deposit to the Claiming Party, then the Escrow Agent shall release such claimed portion of the Deposit, together with all amounts earned thereon, to the Claiming Party, and thereupon the Escrow Agent will be discharged and released from any and all liability under this Agreement with respect to such released amount. In the event the Other Party objects (stating with reasonable specificity the reasons therefor) to the release of such claimed portion of the Deposit to the Claiming Party prior to the end of the Response Period, or conflicting demands are made or notices served upon the Escrow Agent with respect to the Deposit or any other money, instruments, documents and other property held in escrow by the Escrow Agent pursuant to this Agreement, the Escrow Agent shall have, without limitation, the following rights and obligations: (i) withhold and stop all further proceedings in, and performance of, its escrow obligations under this Agreement for a reasonable period of time as determined by the Escrow Agent (not to exceed thirty (30) days) to permit resolution; and thereafter (ii) file a suit in

interpleader and obtain an order from a court of competent jurisdiction requiring the parties to interplead and litigate in such court their several claims and rights amongst themselves. In the event such interpleader suit is brought, and all of the money, instruments, documents and other property held in escrow by the Escrow Agent is paid and/or delivered into court, the Escrow Agent shall ipso facto be fully released and discharged from all obligations to perform any and all duties or obligations relative to such funds which are imposed upon it as escrow agent under this Agreement.

2.2.5 Survival. The terms of this Agreement respecting the application or release of the Deposit shall survive the termination of this Agreement until such time as the Deposit shall have been fully released to Seller or Purchaser without continuing dispute between Seller and Purchaser, or, in the event of a dispute respecting the proper disposition of the Deposit, until such time as the Deposit shall have been released pursuant to judicial, arbitrator or mediator order (with all applicable appeals periods having expired).

2.3 Payment. On the Closing Date, the Deposit, shall be credited towards payment of the Purchase Price. Purchaser shall pay the balance of the Purchase Price at Closing by certified funds or by wire transfer. The Purchase Price shall also be subject to further adjustments for prorations and credits required to be made in accordance with Section 8, below.

2.4 Closing. Recordation of the Deed (defined in Section 9.1.1, below) and payment of the Purchase Price and the closing hereunder (the “**Closing**”) will take place on the date which is the later of (i) fifteen (15) days after expiration of the Due Diligence Period (as defined below) (ii) within five (5) business days following the later of (a) approval of the Loan Assumption (as defined below) or (b) the PSA Approval Order, or (iii) at such other time and place as Seller and Purchaser shall subsequently agree upon in writing (the “**Closing Date**”). Closing shall occur on the Closing Date pursuant to mutually acceptable escrow arrangements between Seller and Purchaser. There shall be no requirement that Seller and Purchaser physically attend the Closing, and all funds and documents to be delivered at Closing shall be delivered into escrow with the Purchaser’s attorney or Escrow Agent prior to the Closing Date unless the parties hereto mutually agree otherwise. Purchaser and Seller hereby authorize their respective attorneys to execute and deliver to the Escrow Agent any additional or supplementary instructions as may be necessary or convenient to implement the terms of this Agreement and facilitate the Closing contemplated hereby; provided, however, that such instructions are consistent with and merely supplement this Agreement and shall not in any way modify, amend or supersede this Agreement. The date of the occurrence of Closing is called the “**Date of Closing**” or “**Closing Date**”.

3. RECEIVERSHIP PROCEEDING

3.1 Court Approval. Within three (3) business days of the Effective Date, Seller shall file a motion with the Receivership Court seeking approval of this Agreement pursuant to a PSA Approval Order. The Receiver will use his reasonable efforts to obtain approval of and will support this Agreement over the objection of any creditors or other interested parties; provided, however, that the Receiver, consistent with his fiduciary duties in

the Receivership Case, shall, until the Receivership Court enters an order approving this Agreement, be free to entertain and to accept any competing offer that he deems in his sole and absolute discretion to be a higher or better offer. If the Receiver accepts and obtains Receivership Court approval of a higher and better offer, then this Agreement shall terminate, the entire Initial Deposit shall be refunded to Purchaser, and Seller shall reimburse Purchaser its reasonable expenses incurred pursuant to this Agreement through the date Purchaser is notified that the Receiver has accepted another offer. The Receiver's foregoing right to entertain and/or accept competing offers shall immediately and automatically terminate upon the Receivership Court's entry of an order approving this Agreement.

3.2 Exclusive Jurisdiction. This Agreement shall be null and void if it is not approved by an order of the Receivership Court in form and substance reasonably acceptable to Purchaser, which shall include, without limitation, specific authorization of the Seller, as Receiver on behalf of each of the applicable Property-owning entities, to execute the Deed conveying the Property and other documents required by Section 9.1 (the "**PSA Approval Order**") on or before August 1, 2019. Seller shall deliver a copy of the PSA Approval Order to Purchaser promptly upon receipt (the date of Seller's delivery to Purchaser of the PSA Approval Order defined as the "**PSA Approval Date**"). The Parties agree that the Receivership Court shall have exclusive jurisdiction to hear and determine all disputes, claims, or other actions arising from or relating to the Agreement. Each Party consents to the Court entering final orders, judgements and/or decrees. In the event that, despite Seller's commercially reasonable, good faith efforts, the PSA Approval Order is not obtained by Seller on or before August 1, 2019, then either Seller or Purchaser may terminate this Agreement by written notice to the other, upon which the parties shall jointly instruct Escrow Agent to promptly return the entire Deposit (or such portion thereof deposited by Purchaser) to Purchaser, and neither party shall have any further obligations or liability hereunder, except for those which expressly survive the termination of this Agreement pursuant to the terms hereof.

4. INSPECTIONS AND APPROVALS.

4.1 Inspections. Purchaser shall have the right, commencing on the Effective Date, to conduct the inspections and studies described in this Section 4.

4.2 Access to the Property and Indemnification by Purchaser. From and after the Effective Date, Seller shall permit Purchaser and Purchaser's agents and representatives access to the Land, Building and Improvements for the purpose of conducting such physical and environmental inspections of the Land, Building and Improvements, and interviewing of tenants and property managers, (collectively, the "**Inspections**") as Purchaser shall deem reasonably necessary to determine the feasibility of the Land, Building and Improvements for Purchaser's intended use; provided, however in no event shall Purchaser be required to conduct any Inspections prior to the PSA Approval Date. Before Purchaser enters the Land, Building and Improvements to perform Inspections, Purchaser shall give Seller at least twenty-four (24) hours advance notice (orally and by either e-mail or in writing) and, at Seller's option, a representative of Seller may accompany Purchaser and/or Purchaser's representative; provided the lack of availability of Seller shall not delay any properly noticed Inspection. Purchaser agrees to be

solely responsible for the conduct of Purchaser's representatives on and adjacent to the Land, Building and Improvements. At all times during the presence of Purchaser or Purchaser's representatives on the Land, Building and Improvements, Purchaser agrees that Purchaser will not allow, and Purchaser's representatives will not conduct, any physically intrusive testing of, on, or under the Land, Building or Improvements. Purchaser shall have no right to conduct invasive testing, boring or drilling typically associated with a Phase 2 Environmental Site Assessment without Seller's prior approval, which may be given or withheld in Seller's sole subjective discretion. Any such testing, solely to the extent approved by Seller pursuant to the foregoing sentence, shall in any event shall be conducted in accordance with standards customarily employed in the industry and in compliance with all governmental laws, rules, and regulations. Purchaser agrees to return the Land, Building and Improvements to substantially the same condition and cleanliness existing before entry and/or occupation by Purchaser's representatives. Purchaser shall use reasonable efforts to minimize interference with Seller's and any Tenants' use and occupancy of the Building and to keep confidential the information resulting from the Inspections in accordance with the terms of Section 14.16 of this Agreement. Purchaser shall indemnify and hold Seller harmless from any loss, injury, liability, damage or expense, including reasonable attorneys' fees and costs, directly caused by Purchaser, or solely arising out of (a) any act or omission of Purchaser or its agents or representatives during the performance of any tests or inspections conducted pursuant to this Section 4.2, or (b) the failure of Purchaser to restore the Property in accordance with this Section 4.2; provided, however, that such indemnity shall not extend to protect Seller from any pre-existing liabilities or matters merely discovered by Purchaser (e.g. latent environmental contamination). Purchaser shall, at its sole expense, keep and maintain (or if Purchaser is using a third party to perform the Inspections, shall cause such third party to keep and maintain) a policy of comprehensive public liability insurance with a contractual liability endorsement that covers Purchaser's indemnity obligation set forth above. Such policy shall have coverage amounts of at least \$1,000,000 and name Seller as an additional insured.

4.3 Inspection of Documents. Within five (5) business days of the Effective Date, Seller will provide Purchaser with electronic or physical copies of all documents set forth on Schedule 3.3 attached hereto ("**Initial Property Documents**"), to the extent such Initial Property Documents are within Seller's possession or control. In addition, Seller shall, to the extent in Seller's possession or control, deliver to Purchaser any additional information or documents reasonably requested by Purchaser within five (5) business days of request (together with the Initial Property Documents, the "**Property Documents**"). Purchaser acknowledges, understands and agrees that the Property Documents may have been prepared by parties other than Seller and that Seller makes no representation or warranty whatsoever, express or implied, as to the completeness, content or accuracy of the Property Documents prepared by others; provided, that, Seller has no actual knowledge that any information contained in any Property Document is inaccurate, untrue or misleading in any material respect. In the event any additional materials or information come within Seller's possession or control after the Effective Date, Seller shall promptly submit true and complete copies of the same to Purchaser.

4.4 Title and Survey.

4.4.1 Purchaser may, prior to expiration of the Due Diligence Period, order a survey for delivery to Purchaser no later than the expiration of the Due Diligence Period (the “**Survey**”). On or before the end of the Due Diligence Period, Purchaser shall deliver to Seller in writing any objections to any matters shown on the Survey, which such objections shall be delivered simultaneous with any objection to the Title Commitment (the “**Objection Letter**”). Purchaser’s failure to object to any such matters within the Due Diligence Period shall be deemed to constitute Purchaser’s approval thereof. If Purchaser objects to any matters shown on the Survey within the Due Diligence Period, then Seller shall have the right, but not the obligation, to agree in writing to cure before Closing such objections, or to decline to cure such objections pursuant to Section 4.4.2.

4.4.2 Seller shall have until 5:00 p.m. on the date which is five (5) days after receipt of the Objection Letter (the “**Cure Date**”) to agree in writing to cure before Closing, or decline to cure, all of Purchaser’s objections to the Survey in a manner reasonably acceptable to Purchaser. If Seller elects not to cure all such objections in a manner reasonably acceptable to Purchaser, or fails to timely respond to Purchaser’s Objection Letter (in either case, “**Seller’s Survey Election**”), Seller shall be deemed to have elected not to cure, in which event, Purchaser shall have three (3) business days from the receipt (or deemed receipt) of Seller’s Survey Election to either (i) terminate this Agreement by delivery of written notice to Seller, whereupon Escrow Agent shall immediately release and return the Deposit (or such portion thereof deposited by Purchaser) to Purchaser except that the Non-Refundable Deposit shall be paid to Seller, or (ii) waive in writing its objection to the Survey. Purchaser’s failure to timely deliver to Seller a written notice of termination or waive its objection to the Survey shall be deemed to constitute Purchaser’s waiver of such objections.

4.4.3 Prior to expiration of the Due Diligence Period, Purchaser, at its sole cost and expense, shall order from Escrow Agent (also referred to herein as the “**Title Company**”), a Commitment for Title Insurance (the “**Title Commitment**”), for delivery to Purchaser no later than the expiration of the Due Diligence Period setting forth the status of title to the Land and Building and all exceptions which would appear in an Owner’s Policy of Title Insurance, specifying the Purchaser as the named insured and showing the Purchase Price as the policy amount. Purchaser shall, on or before the end of the Due Diligence Period, deliver to Seller, the Objection Letter containing any objections to matters shown in the Title Commitment. Subject to Seller’s obligation to pay and satisfy all Liquidated Liens (as defined below), Purchaser’s failure to object to any such matters within the Due Diligence Period shall be deemed to constitute Purchaser’s approval of same, and such shall then become Permitted Exceptions. If Purchaser objects to any item set forth in the Title Commitment within the Due Diligence Period, then Seller shall have the right, but not the obligation, to attempt to cure or cause to be cured before Closing all such disapproved items. Seller shall have until 5:00 p.m. on the Cure Date to agree in writing to cure before Closing all such disapproved items. If Seller elects not to cure all such items in a manner reasonably acceptable to Purchaser, or fails to timely respond to Purchaser’s objections (in either case, “**Seller’s Title Election**”), Seller shall be deemed to have elected not to cure, in which event Purchaser shall have three (3) business days from the receipt (or deemed receipt) of Seller’s Title Election to either (i) terminate this Agreement by delivering to Seller a written notice of termination, whereupon Escrow Agent

shall immediately release and return the Deposit (or such portion thereof deposited by Purchaser) to Purchaser except that the Non-Refundable Deposit shall be paid to Seller, or (ii) waive in writing its objection to the disapproved items, which shall then become Permitted Exceptions subject to Seller's obligation to pay and satisfy all Liquidated Liens. Purchaser's failure to timely deliver to Seller a written notice of termination or waiver of its objection to the disapproved items shall be deemed to constitute Purchaser's waiver of its objection to said items and such items shall become Permitted Exceptions subject to Seller's obligation to pay and satisfy all Liquidated Liens. Notwithstanding anything contained herein to the contrary, Seller shall be responsible to pay and satisfy (or otherwise obtain the discharge and release of the Property therefrom) all Liquidated Liens at Closing (subject to any adjustments of any such items, such as real estate taxes and water and sewer rents, expressly provided for hereunder). "**Liquidated Liens**" means all unpaid mortgages, judgments and mechanic's liens and claims (filed or unfiled), whether or not any of the same shall be contested, and comparable liens, claims, encumbrances and other defects of title of a nature susceptible of satisfaction, discharge, release or removal at or prior to Closing by the payment of an ascertainable and liquidated sum of money or by the posting of a judicial bond for an ascertainable and liquidated sum of money, and otherwise without any judicial or quasi-judicial proceedings on the part of Seller, and all of Seller's share of real estate taxes, assessments and utility charges as otherwise allocated to, and to be borne by, Seller pursuant to the express terms set forth elsewhere in this Agreement. Notwithstanding the foregoing, the term Liquidated Liens shall not include the lien associated with the loan subject to the Loan Assumption.

4.4.4 Purchaser shall have five (5) business days after receipt of any updates to the Title Commitment (including receipt of any documents referenced in such update) to object to any matters disclosed therein which were not disclosed in the original Title Commitment, and the procedure for objecting to such matters and Purchaser's termination right in connection therewith shall be as set forth in Section 4.4.1 and 4.4.3 above.

4.5 Contracts. On or before the last day of the Due Diligence Period, Purchaser shall notify Seller in writing as to which of the Contracts, if any, Purchaser elects to assume at Closing (such Contracts being herein referred to as the "**Assumed Contracts**"). Seller shall terminate all Contracts other than the Assumed Contracts at or prior to Closing. As used herein, the term "**Contracts**" shall mean all service, maintenance, supply, management, leasing, brokerage or other contracts relating to the use or operation of the Property, and all other such contracts or agreements in effect as of the Effective Date, all of which are listed on Schedule 3.5 attached hereto.

4.6 Permitted Exceptions. Purchaser shall accept title to the Property, subject only to the following exceptions (the "**Permitted Exceptions**"):

4.6.1 Other than Liquidated Liens, those matters affecting or relating to the title to, or the survey of, the Property: (a) which are shown on the Title Commitment or the Survey, and which were not included in the Objection Letter given by Purchaser prior to the last day of the Due Diligence Period; (b) which were included in the Objection Letter, but for which (i) Seller have completed the cure thereof in a manner reasonably acceptable to Purchaser; or

(ii) Purchaser has, at Purchaser's sole option waived, or been deemed to have waived, the cure thereof or (iii) Seller has elected to cure and will be cured by the payment of money at Closing; or (c) which Purchaser has otherwise approved in writing; and

4.6.2 The lien of non-delinquent taxes, assessments and other usual and customary charges assessed against the owners of real property in South Carolina.

4.7 Purchaser's Right to Terminate.

4.7.1 Purchaser shall have the absolute right to terminate this Agreement on or before 5:00 p.m., eastern time, on that day which is forty-five (45) days from the Effective Date (such time period being referred to herein as the "**Due Diligence Period**"), for any or no reason whatsoever. In the event that, by such date and time, Purchaser fails to deliver written notice to Seller stating that Purchaser has elected to terminate this Agreement, such failure shall be deemed to be an election by Purchaser to proceed to Closing and the Deposit shall become non-refundable, except as otherwise provided herein; provided, however if Purchaser has given an Objection Letter and the time allowed for the Seller's Survey Election or Seller's Title Election extends beyond the last day of the Due Diligence Period, then Purchaser shall have the right to terminate this Agreement within three (3) business days from the receipt of Seller's Election (in the same manner as provided above) if Seller elects or is deemed to elect not to cure all such objections. If this Agreement is terminated pursuant to the terms of this Section 4.7.1, (i) the Deposit (or such portion thereof deposited by Purchaser) shall be immediately returned to Purchaser except that the Non-Refundable Deposit shall be paid to Seller and (ii) all copies of all of Seller's Property Documents shall be promptly returned to Seller and neither party shall thereafter have any further rights, obligations or liability hereunder, except for those rights and obligations that expressly survive the expiration or termination of this Agreement.

5. SELLER'S OBLIGATIONS PRIOR TO CLOSING. Until Closing, Seller and/or Seller's agents or representatives shall:

5.1 Generally. Seller will not make any commitment on behalf of, or which would be binding upon, Purchaser without first obtaining Purchaser's written consent (except as otherwise expressly provided herein and any commitment made at the written request of or with the written approval of Purchaser).

5.2 Insurance. Maintain in effect and pay all premiums for its current property damage and general liability insurance coverages with respect to the Property. In the case of any casualty damage and provided that this Agreement shall be in full force and effect and the Due Diligence Period has expired, Seller shall not settle or compromise any insurance claims without Purchaser's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed.

5.3 Operation. Maintain the Property in good condition and in the same order, repair and condition as shall exist at the Effective Date, subject to normal wear and tear and

damage by casualty (subject to Section 10 hereof), and make repairs and/or replacements in the ordinary course of business in connection with any damage to the Property.

5.4 Notices. Provide to Purchaser, immediately upon the receipt thereof, any and all written notices relating to the Property received by Seller or its agents or representatives from any governmental or quasi-governmental instrumentality, insurance company, vendor or other party under any of the Contracts, Leases or from any other entity or party, which notices are of a type not normally received in the ordinary course of Seller's business, or which allege a violation or default or which may have a material effect upon the Property or result in a material change in a representation or warranty made by Seller hereunder.

5.5 Compliance with Agreements. Take all commercially reasonable actions necessary to comply with all agreements, covenants, encumbrances and obligations materially affecting or relating to the Property and the ownership, operation and maintenance thereof, including, without limitation, the Leases and Contracts. Seller shall pay all utility bills, tax bills and other invoices and expenses relating to the Property, prior to delinquency, which shall be prorated in accordance with Section 8.3 of this Agreement.

5.6 Compliance with Law. Seller will not cause or permit any change in use or condition of the Property which shall violate or breach any laws, zoning ordinances or building permits nor commit any waste or nuisance

5.7 Contracts. Seller shall not enter into any new Contract, the term of which extends beyond the Closing Date affecting the Property or the maintenance, repair or operation of the Building without the prior written consent of Purchaser. In the event that Purchaser approves in writing any such new Contract, such new Contract shall constitute an Assumed Contract as such term is defined and used in this Agreement. Seller shall not amend any Contract or voluntarily terminate any Contract without the prior written consent of Purchaser or in accordance with Section 4.5 above.

5.8 Leases. From and after the Effective Date, Seller may not enter into any new leases, amend any existing Leases or terminate any existing Leases, in any such case, without Purchaser's prior written consent, which shall not be unreasonably withheld, conditioned or delayed; provided, however, that Seller shall be entitled, without Purchaser's consent (but with notice to Purchaser), to accept the termination of Leases at the end of their existing term or extend, renew or accept the termination of Leases pursuant to extension, renewal or termination rights of the tenants contained in such Leases. Purchaser shall have five (5) business days from its receipt of a proposed new lease, amendment of any existing Lease or termination of any existing Lease (which shall include the amount of any leasing commissions to be paid by Seller and Seller's estimate of tenant improvements costs with respect to any new lease or Lease amendment) to deliver written notice to Seller of an objection to such instrument setting forth specific grounds for such objection, failing which Purchaser shall be deemed to have consented to such instrument and Seller shall be permitted to enter into such instrument. Upon the execution of any Lease amendment or new lease following the Effective Date, the same shall

become a part of the “Leases” hereunder, and upon the termination of any Lease following the Effective Date, the definition of “Leases” hereunder shall be amended to exclude the same.

5.9 Conveyances and Encumbrances. Seller will not sell, assign, or convey any right, title, or interest whatsoever in or to the Property or create or permit to exist any lien, encumbrance, or charge thereon without promptly discharging the same.

5.10 Licenses and Permits. Seller shall observe and keep in full force and effect all licenses and permits now in effect with respect to the Property and shall perform all of its obligations thereunder.

5.11 Lease Guarantors. From and after the Effective Date, Seller shall not release any Lease guarantor without the prior written consent of Purchaser in its sole and absolute discretion.

5.12 Seller shall obtain and deliver to Purchaser prior to the Closing Date executed estoppel certificates in the form attached hereto as Exhibit A, or the form required by any such Tenant’s lease, if applicable, from all tenants of the Property (“**Required Estoppel Certificates**”). Additionally, Seller shall have obtained all Subordination, Non-Disturbance and Attornment Agreements required from Tenants by Purchaser’s lender, or Lender (as defined below) as the case may be (the “**SNDAs**”).

6. REPRESENTATIONS AND WARRANTIES.

6.1 By Seller. Seller was appointed Receiver under the Receivership Order, to exercise ownership rights over the property of the Receivership Estate, including the Property. Seller, as Court appointed Receiver, has the right, power, and authority to enter into this Agreement and to transfer the Property, subject to the PSA Approval Order, to Purchaser or its permitted successors or assigns. The person signing this Agreement on behalf of Seller is authorized to do so.

6.1.1 This Agreement is, and all agreements, instruments and documents to be executed and delivered by Seller pursuant to this Agreement shall be duly authorized, executed and delivered by Seller. This Agreement is, and all agreements, instruments and documents to be executed and delivered by Seller pursuant to this Agreement shall be valid and legally binding upon Seller and enforceable in accordance with their respective terms.

6.1.2 Neither the execution of this Agreement nor the consummation of the transactions contemplated hereby does now constitute or shall result in a breach of, or a default under, any agreement, document, instrument or other obligation to which Seller is a party and by which Seller may be bound.

6.1.3 Annexed hereto as Part I of Schedule 5.1.12 and made a part hereof is a schedule identifying each Lease, together with amendments thereto. Copies of the Leases now existing have been or will be provided to Purchaser by Seller.

6.2 Covenants of Seller. Seller hereby covenants with Purchaser that from the Effective Date hereof until the Closing or earlier termination of this Agreement, Seller: (i) (A) prior to the date three (3) business days prior to expiration of the Due Diligence Period, shall provide Purchaser notice of any renewal, amendment, modification of a Lease or enter into a new lease (a "New Lease") with respect to existing or prospective tenants of the Property; provided, however no such renewal, amendment, modification or New Lease shall provide for any periods of free rent after Closing; and (B) on or after the date three (3) business days prior to expiration of the Due Diligence Period, shall not enter into any renewal, amendment, modification of a Lease or New Lease with respect to existing or prospective tenants of the Property without Purchaser's written consent, which consent shall not be unreasonably withheld, conditioned or delayed beyond five days after requested, and failure to respond within said five-day period shall be deemed consent; and (ii) shall not enter into any material service contracts or other agreements relating to services to be rendered to the Property that will survive Closing without Purchaser's written consent, which consent shall not be unreasonably withheld, conditioned or delayed beyond five days after requested, and failure to respond within said five-day period shall be deemed consent; provided, however, in no event shall Purchaser be liable for or obligated to pay any leasing commissions or tenant / lease upfit amounts associated with any renewal, amendment, modification or New Lease entered into under (i)(A) above unless Purchaser consents in writing to such obligation and Seller agrees to be solely responsible for all such expenses.

RECEIVER (SELLER) DISCLAIMER. EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, THE RECEIVER MAKES NO REPRESENTATION OR WARRANTY TO THE PURCHASER CONCERNING THE PROPERTY, EXPRESS OR IMPLIED, AND ANY SUCH OTHER OR ADDITIONAL REPRESENTATIONS OR WARRANTIES ARE HEREBY SPECIFICALLY AND EXPRESSLY DISCLAIMED. WITHOUT LIMITING THE GENERALITY OF THE PREVIOUS SENTENCE, THE RECEIVER EXPRESSLY DISCLAIMS ANY REPRESENTATION OR WARRANTY RELATED OR WITH RESPECT TO THE VALUE OF THE PROPERTY.

6.3 By Purchaser. Purchaser represents and warrants to Seller as of the Effective Date that:

6.3.1 Purchaser is duly organized and validly existing under and by virtue of the laws of North Carolina. Purchaser has the power, right and authority to enter into and perform all of the obligations required of Purchaser under this Agreement and the instruments and documents referenced herein, and to consummate the transaction contemplated hereby.

6.3.2 Purchaser has taken all requisite action and obtained or will obtain prior to the Date of Closing all requisite consents, releases and permissions in connection with entering into this Agreement and the instruments and documents referenced herein or required under any covenant, agreement, encumbrance, law or regulation with respect to the obligations

required hereunder, and no consent of any other party is required for the performance by Purchaser of its obligations hereunder.

6.3.3 This Agreement is, and all agreements, instruments and documents to be executed and delivered by Purchaser pursuant to this Agreement shall be duly authorized, executed and delivered by Purchaser. This Agreement is, and all agreements, instruments and documents to be executed and delivered by Purchaser pursuant to this Agreement shall be valid and legally binding upon Purchaser and enforceable in accordance with their respective terms.

6.3.4 Neither the execution of this Agreement nor the consummation of the transactions contemplated hereby does now constitute nor shall result in a breach of, or a default under, any agreement, document, instrument or other obligation to which Purchaser is a party or by which Purchaser may be bound, or any law, statute, ordinance, rule, governmental regulation or any writ, injunction, order or decree of any court or governmental body, applicable to Purchaser or to the Property.

6.3.5 No petition in bankruptcy (voluntary or otherwise), assignment for the benefit of creditors, or petition seeking reorganization or arrangement or other action under Federal or state bankruptcy law is pending against or contemplated by Purchaser.

6.3.6 Neither Purchaser nor, to Purchaser's knowledge, any Person who owns a direct or indirect interest in Purchaser (collectively, a "**Purchaser Party**") is now nor shall be at any time until the Closing a Person with whom a U.S. Person, including a Financial Institution, is prohibited from transacting business of the type contemplated by this Agreement, whether such prohibition arises under United States law, regulation, executive orders and lists published by OFAC (including those executive orders and lists published by OFAC with respect to Specially Designated Nationals and Blocked Persons) or otherwise. Neither Purchaser nor, to Purchaser's knowledge, any Purchaser Party, nor any Person providing funds to Purchaser in connection with the transaction contemplated hereby (A) is under investigation by any governmental authority for, or has been charged with, or convicted of, money laundering, drug trafficking, terrorist related activities, any crimes which in the United States would be predicate crimes to money laundering or any violation of any Anti-Money Laundering Laws, (B) has been assessed civil or criminal penalties under any Anti-Money Laundering Laws, or (C) has had any of its funds seized or forfeited in any action under any Anti Money Laundering Laws.

6.4 Survivability. Except as otherwise set forth in this Agreement, all of the representations of Seller and Purchaser made in this Agreement and in any other instrument or agreement entered into in connection herewith, shall survive recordation of the Deed and Closing hereunder for a period of one (1) year.

7. **CONDITIONS PRECEDENT TO CLOSING.**

7.1 Conditions for the Benefit of Purchaser. The obligation of Purchaser to consummate the conveyance of the Property hereunder is subject to the full and complete satisfaction or waiver of each of the following conditions precedent:

7.1.2 Seller shall have materially performed each and every obligation and covenant of Seller to be performed hereunder unless performance thereof is waived by Purchaser.

7.1.3 There has been no material and adverse change to the condition or operation of the Property since the last day of the Due Diligence Period.

7.1.4 On the Date of Closing, Seller's title to the Property shall be as provided for in Section 4.3.

7.1.5 Seller shall have obtained and delivered to Purchaser all of the Required Estoppel Certificates and SNDAs.

7.1.6 As of Closing, Lender has approved the Loan Assumption in accordance with Paragraph 13 below.

7.1.7 The status of the PSA Approval Order must remain unchanged from the date it was granted.

7.2 Waiver of Conditions. Purchaser shall have the right to waive some or all of the foregoing conditions in its sole and absolute discretion.

8. CLOSING COSTS AND PRORATIONS.

8.1 Purchaser's Costs. Purchaser will pay the following costs of closing this transaction:

8.1.1 All recording fees (but not state and county transfer taxes) other than recording fees incurred in connection with releases and other title clearance matters, which shall be paid for by Seller;

8.1.2 All premiums, fees and costs associated with the issuance of any Title Policy as well as for all premiums, fees and costs associated with the issuance of a mortgagee title insurance policy;

8.1.3 the cost of the new Survey;

8.1.4 The fees and disbursements of Purchaser's counsel and any other expense(s) incurred by Purchaser or its representative(s) in inspecting or evaluating the Property or closing this transaction; and

8.1.5 One-half (1/2) of the Escrow Fees.

8.2 Seller's Costs. Seller will pay the following costs of closing this transaction:

8.2.1 Any and all state and county transfer taxes;

8.2.2 Any sales taxes payable with respect to any personal property included within the Property.;

8.2.3 The fees and disbursements of Seller's counsel;

8.2.4 One-half (1/2) of the Escrow Fees;

8.2.5 All charges required to be paid in order to release from the Property the Liquidated Liens and the Lien Filings; and

8.2.6 All charges, fees and expenses associated with obtaining the PSA Approval Order.

8.3 Prorations.

8.3.1 General. All normal and customarily proratable items, including, without limitation, collected rents, operating expenses, personal property taxes, other operating expenses and fees, shall be prorated as of the Date of Closing, Seller being charged or credited, as appropriate, for all of same attributable to the period up to the Closing Date (and credited for any amounts paid by Seller attributable to the period on or after the Closing Date, if assumed by Purchaser) and Purchaser being responsible for, and credited or charged, as the case may be, for all of the same attributable to the period on and after the Closing Date, including all amounts collected by Seller for future expenses, included but not limited to ad valorem taxes and insurance. Prior to Closing, Seller and Purchaser shall cooperate to prepare a mutually acceptable proration schedule (the "**Proration Schedule**") of the adjustments described in this Section 8.3 prior to Closing. The adjustments set forth on the Proration Schedule shall be paid by Purchaser to Seller (if the prorations result in a net credit to Seller) or by Seller to Purchaser (if the prorations result in a net credit to Purchaser), by increasing or reducing the cash to be paid by Purchaser at Closing.

8.3.2 Operating Expenses. All of the operating, maintenance, taxes (other than real estate taxes, such as rental taxes), and other expenses incurred in operating the Property that Seller customarily pays, and any other costs incurred in the ordinary course of business for the management and operation of the Property (including, without limitation, amounts due under the Assumed Contracts), shall be prorated on an accrual basis. Seller shall pay all such expenses that accrue prior to Closing and Purchaser shall pay all such expenses that accrue from and after the Closing Date.

8.3.3 Utilities. The final readings and final billings for utilities will be made if possible as of the Date of Closing, in which case Seller shall pay all such bills as of the Date of Closing and no proration shall be made at the Closing with respect to utility bills. Otherwise, a proration shall be made based upon the parties' reasonable good faith estimate and a readjustment made within 60 days after the Closing, if necessary. Seller shall be entitled to the return of any deposit(s) posted by it, or Underlying Land Owner, with any utility company, and

Seller shall notify each utility company serving the Property to terminate Seller's account, effective as of noon on the Closing Date. The parties shall cooperate with respect to changing the utility services to Purchaser's name as of Closing.

8.3.4 Leases.

8.3.4.1 All collected rent, income and expenses from any portion of the Property shall be prorated as of the Date of Closing (prorated for any partial month). Purchaser shall receive all collected rent attributable to dates from and after the Date of Closing. Seller shall receive all collected rent attributable to dates prior to the Date of Closing. All rents received after Closing will be applied, on a tenant by tenant basis, monthly and otherwise in accordance with the terms and conditions of the applicable Lease in the following order: (i) first, to any rents owed Purchaser for the month in which the rent is collected, (ii) second, to rents owed for the month or months preceding the month in which the rent was received being applied first to the month immediately preceding the month in which it was received and then to other months in a consecutive order, with rents paid for periods prior to Closing paid to Seller within fifteen (15) days of receipt by Purchaser, and (iii) third, to prepaid rent. Seller shall pay any and all costs, expenses and fees paid or incurred by Seller arising from any Lease executed and delivered on or before the Effective Date, including, without limitation, all broker commissions, expenses for tenant improvements, tenant allowances, rental abatements and any other tenant concessions.

8.3.4.2 At Closing, Seller shall transfer to Purchaser an amount equal to the received and unapplied balance of all cash (or cash equivalent) deposits made by Tenants at the Property, including, but not limited to, the Tenant Deposits, security, damage or other refundable deposits or required to be paid by any of the Tenants to secure their respective obligations under their Leases (the "**Tenant Security Deposit Balance**"). The Tenant Security Deposit Balance shall not include any non-refundable deposits or fees paid by Tenants to Seller, either pursuant to the Leases or otherwise.

With respect to operating expenses, taxes, utility charges, other operating cost pass-throughs, retroactive rental escalations, sums or charges payable by Tenants at the Property under their Leases, to the extent that Seller has received as of the Closing payments allocable to periods subsequent to Closing, the same shall be properly prorated with an adjustment in favor of Purchaser, and Purchaser shall receive a credit therefor at Closing.

8.4 Taxes. General real estate taxes and special assessments relating to the Property payable during the year in which Closing occurs shall be prorated with respect to the Property as of the Date of Closing. If Closing shall occur before the actual taxes and special assessments payable during such year are known, the apportionment of taxes shall be upon the basis of taxes for the Property payable during the immediately preceding year; provided that, if the taxes and special assessments payable during the year in which Closing occurs are thereafter determined to be more or less than the taxes payable during the preceding year (after any appeal of the assessed valuation thereof is concluded), Seller and Purchaser promptly shall adjust the proration of such taxes and special assessments, and Seller or Purchaser, as the case may be, shall pay to the other any amount required as a result of such adjustment and this covenant shall

not merge with the Deed delivered hereunder but shall survive the Closing. If, as the result of an appeal of the assessed valuation of the Property for any real estate tax year prior to (or including) the Closing, there is issued after Closing an administrative ruling, judicial decision or settlement by which the assessed value of the Property for such tax year is reduced, and a real estate tax refund issued, Seller shall be entitled to all such refunds relating to the period prior to Closing and Purchaser shall be entitled to all such refunds relating to the period after Closing, net of any costs incurred in obtaining the refund. Any costs incurred by Purchaser in obtaining any real estate tax refund for the period of time prior to Closing shall be repaid to Purchaser out of the refund. If any proceeding for reduction of the assessed valuation of the Property has been or hereafter is filed for a tax period covering both the period of Seller's ownership and the period of Purchaser's ownership, then (i) after the end of the Due Diligence Period and prior to the Date of Closing, such proceeding shall not be settled or discontinued by Seller without Purchaser's prior written consent, which consent shall not be unreasonably withheld and shall be deemed given if objection thereto in writing shall not be given within five (5) business days of request therefor, and (ii) after the Date of Closing, such proceeding shall not be settled or discontinued by Purchaser without Seller's prior written consent, which consent shall not be unreasonably withheld and shall be deemed given if objection thereto in writing shall not be given within five (5) business days of request therefor.

8.5 In General. Any other costs or charges of closing this transaction not specifically mentioned in this Agreement shall be paid and adjusted in accordance with local custom or ordinance in the area in which the Property is located.

8.6 Purpose and Intent. Except as expressly provided herein, the purpose and intent as to the provisions of prorations and apportionments set forth in this Section 8 and elsewhere in this Agreement is that Seller shall bear all expenses of ownership and operation of the Property and shall receive all income therefrom accruing through midnight of the day preceding the Closing and Purchaser shall bear all such expenses and receive all such income accruing thereafter.

8.7 Survival. The provisions of this Section 8 shall survive the Closing and the delivery of the Deed of conveyance under this Agreement for a period of one (1) year measured from the Date of Closing, provided that no limitation on such survival shall apply to any appeal of the assessed value of the Property for a tax period covering both the period of Seller's ownership and the period of Purchaser's ownership.

9. CLOSING AND ESCROW.

9.1 Seller's Deliveries. Seller shall deliver either at the Closing or by making available at the Property, as appropriate, the following original documents, each executed and, if required, acknowledged:

9.1.1 A bargain and sale or special warranty deed, as applicable in North Carolina, (the "**Deed**"), conveying title to Purchaser of the Property, subject only to the

Permitted Exceptions, along with a non-warranty deed, if requested by Purchaser, conveying title in accordance with the property description provided on the Survey.

9.1.2 Originals or copies of all of the Assumed Contracts relating to the Property which Purchaser has elected to assume pursuant to the terms hereof; and an assignment of such Assumed Contracts to Purchaser by way of an assignment and assumption agreement, (the “**Assignment of Contracts**”), conveying to Purchaser Seller’s rights, title and interest in and to the Assumed Contracts attributable to the Property.

9.1.3 Originals or copies of all Warranties then in effect, if any, with respect to the Property or to the Improvements or any repairs or renovations to such Improvements and an assignment of all such warranties and guarantees being conveyed hereunder, conveying to Purchaser Seller’s rights, title and interests in and to the Warranties attributable to the Property.

9.1.4 An affidavit pursuant to the Foreign Investment and Real Property Tax Act.

9.1.5 Evidence of Seller’s authority, and the authority of the person executing the Deed and the other documents at Closing on behalf of Seller, acceptable to Purchaser, to enter into the transactions contemplated by this Agreement.

9.1.6 A settlement statement mutually acceptable to Seller and Purchaser (the “**Settlement Statement**”).

9.1.7 A quit claim bill of sale (the “**Bill of Sale**”) transferring to Purchaser all of Seller’s right, title and interest in the Personal Property, and physical possession of all keys, security codes, and other forms of entry devices to secured access areas of the Property that are in the possession or control of Seller.

9.1.8 An Assignment and Assumption of Leases and Security Deposits (the “**Assignment of Leases**”), together with delivery of all Leases (which may be delivered at the Property).

9.1.9 Written notices to Tenants under the Leases advising them of the sale of the Property to Purchaser and to whom future rent payments are to be forwarded, duly executed by Seller.

9.1.10 A standard owner’s affidavit acceptable to the Title Company together with delivery by Seller of such reasonable and customary affidavits and other instruments reasonably requested by the Title Company.

9.1.11 An updated rent roll for the Property, schedule of the Leases then in effect and schedule of Tenant Deposits, certified by Seller to be true and correct as of the Date of Closing .

9.1.12 In the event Purchaser shall be entitled to receive any proceeds of insurance, or the proceeds of any award arising out of any condemnation or eminent domain proceeding, or any unpaid claim(s) for such award or proceeds, under Section 10 of this Agreement, Seller shall execute and deliver to such proper instruments as shall be reasonably required for the transfer to Purchaser of all right, title and interest, if any, of Seller in and to any such award, proceeds or claim to the full extent of Purchaser's entitlement thereto.

9.1.13 Any Required Estoppel Certificates and SNDAs as required herein which have not previously been delivered.

9.1.14 If required by Title Company, a broker's lien waiver executed by the Broker, in the form required by the Title Company.

9.1.15 All keys and lock combinations to the Property.

9.1.16 Any documents required by Title Company in order to evidence the PSA Approval Order.

9.1.17 Any other document which Seller is required to deliver pursuant to this Agreement.

9.2 Purchaser's Deliveries. At the Closing, Purchaser shall (a) pay Seller the Purchase Price as required by, and in the manner described in, Section 2 hereof, and (b) execute and deliver the following documents:

9.2.1 The Assignment of Assumed Contracts and the Assignment of Leases.

9.2.2 Evidence of Purchaser's authority, and the authority of the person executing any documents at Closing on behalf of Purchaser, acceptable to Seller, to enter into the transactions contemplated by this Agreement.

9.2.3 The Settlement Statement.

9.2.4 Any other document which Purchaser is required to deliver pursuant to this Agreement.

9.3 Further Assurances. From time to time after the Date of Closing, Seller and Purchaser, without charge to the other, shall perform such other acts, and shall execute and acknowledge and shall furnish such other documents, instruments, materials and/or information in such party's possession that the other party or the Escrow Agent reasonably may request in order to effect the intent of, and the consummation of the transactions provided in, this Agreement.

9.4 Possession. Purchaser shall be entitled to possession of the Property at the conclusion of the Closing.

10. DAMAGE, DESTRUCTION AND CONDEMNATION.

10.1 Casualty. Except as provided herein, Seller assumes all risk of loss or damage to the Property by fire or other casualty until the Deed is properly recorded among the appropriate public records. If at any time on or prior to the Date of Closing any portion of the Property is destroyed or damaged as a result of fire or any other cause whatsoever, Seller shall promptly give written notice thereof and an estimate of the cost of repair to Purchaser. If such casualty shall constitute a Material Loss (as defined below) then Purchaser shall have the right to terminate this Agreement by written notice to Seller within fifteen (15) days (and Closing shall be delayed, as applicable) following the date upon which Purchaser receives Seller's written notice of the estimated cost of repair whereupon the entire Deposit (or such portion thereof deposited by Purchaser) shall be immediately returned to Purchaser. If Purchaser does not elect to so terminate this Agreement within said fifteen (15) day period, this Agreement shall remain in full force and effect and the parties shall proceed to Closing without any reduction or adjustment in the Purchase Price, except that all insurance proceeds together with all of Seller's right, title and interest in and to any unpaid claim Seller has under the insurance policies covering the Property (including, without limitation, any unpaid claim arising under any policies of rent-loss insurance applicable to the period on and after the Closing Date), and any unpaid claim Seller has against any other third party as a result of the loss or damage shall be assigned to Purchaser, and Seller shall pay Purchaser the amount of any deductible applicable to any such insurance policies. "**Material Loss**" shall mean any loss or damage (x) as to which Purchaser's architect, acting in good faith and in the exercise of his or her professional judgment, determines is anticipated to cost in excess of \$100,000.00 to fully restore or replace (including the costs of property protection, licenses, permits, architectural fees and other "soft costs", in addition to actual costs of materials and labor), or (y) by reason of which any Tenants cumulatively occupying more than ten percent (10%) of the Property terminate their Leases or have the unexpired and unwaived but unexercised (as of the Closing Date or, if earlier, the last date on which Purchaser may exercise Purchaser's termination right as it may be extended with Seller's written approval) right to terminate their Leases by reason of such loss or damage.

10.2 Condemnation. In the event, at any time on or prior to the Date of Closing, any action or proceeding is filed, under which the Property, or any portion thereof, may be taken pursuant to any law, ordinance or regulation or by condemnation or the right of eminent domain, Seller shall promptly give written notice thereof (which notice shall describe the type of action being taken against the Property, and which portions of the Property will be affected thereby) to Purchaser. If such condemnation shall constitute a Material Taking (as defined below) then Purchaser shall have the right to terminate this Agreement by written notice to Seller within fifteen (15) days (and Closing shall be delayed, as applicable) following the date upon which Purchaser receives Seller's written notice of such action or proceeding whereupon the entire Deposit (or such portion thereof deposited by Purchaser) shall be immediately returned to Purchaser. If Purchaser does not elect to so terminate this Agreement within said fifteen (15) day period, this Agreement shall remain in full force and effect and the parties shall proceed to closing without any reduction or adjustment in the Purchase Price, except that all condemnation proceeds including Seller's right to receive such proceeds shall be assigned to Purchaser. A "**Material Taking**" shall mean any condemnation, taking by eminent domain or any similar

proceeding which (y) adversely affects the Property by: (i) reducing the total rentable area of any existing building on the Property; (ii) eliminating access to the Property from any public roads abutting the Property; (iii) materially diminishing the number of parking spaces available on the Property (after reasonable relocation thereof), or reducing the number of such spaces below that required by applicable zoning and/or other governmental requirements and such reduction would constitute a violation in the absence of a valid waiver, exception or variance from such applicable zoning and/or other governmental requirements; or (iv) materially reducing the permitted square footage of buildings which otherwise may potentially be developed on the Land in accordance with otherwise applicable governmental requirements; or (z) otherwise materially and adversely affects the utility of the Property for occupancy for lawful residential purposes. If Purchaser does not elect (or does not have the right to elect) to terminate this Agreement pursuant to this Section 10.2, then Seller shall not consent to a negotiated or compromise settlement of any condemnation, eminent domain or other similar proceeding without the prior written consent of Purchaser, which consent shall not be unreasonably withheld, conditioned or delayed.

11. FAILURE OF CONDITIONS PRECEDENT; DEFAULT AND REMEDIES.

11.1 Failure of Conditions Precedent. Provided Seller is not then in default under this Agreement (in which case Section 11.3 shall control), if any of the conditions precedent stated in Section 7 have not occurred or been satisfied on or before the Closing Date, Purchaser may: (a) terminate this Agreement by written notice to Seller on or before the Closing Date, in which event Purchaser shall be entitled to a full refund of the entire Deposit, or (b) waive such conditions precedent and proceed to Closing.

11.2 Default by Purchaser. IF THE SALE IS NOT CONSUMMATED DUE TO ANY DEFAULT BY PURCHASER HEREUNDER, THEN SELLER'S SOLE REMEDY SHALL BE THE RIGHT TO RETAIN THE DEPOSIT (OR SUCH PORTION THEREOF DEPOSITED BY PURCHASER) AS LIQUIDATED DAMAGES. THE PARTIES HAVE AGREED THAT SELLER'S ACTUAL DAMAGES, IN THE EVENT OF A FAILURE TO CONSUMMATE THIS SALE DUE TO PURCHASER'S DEFAULT, WOULD BE EXTREMELY DIFFICULT OR IMPRACTICABLE TO DETERMINE. AFTER NEGOTIATION, THE PARTIES HAVE AGREED THAT, CONSIDERING ALL THE CIRCUMSTANCES EXISTING ON THE DATE OF THIS AGREEMENT, THE AMOUNT OF THE DEPOSIT (OR SUCH PORTION THEREOF DEPOSITED BY PURCHASER) IS A REASONABLE ESTIMATE OF THE DAMAGES THAT SELLER WOULD INCUR IN SUCH EVENT AND SELLER HEREBY EXPRESSLY WAIVES ITS RIGHT TO ANY ADDITIONAL DAMAGES OTHER THAN AS SET FORTH IN SECTION 4.2 ABOVE. THE FOREGOING IN NO WAY LIMITS SELLER FROM SEEKING INDEMNIFICATION FROM BUYER UNDER THE TERMS OF THE AGREEMENT.

11.3 Default by Seller. IN THE EVENT THAT SELLER DEFAULTS OR FAILS TO CONSUMMATE THIS AGREEMENT FOR ANY REASON, PURCHASER SHALL BE ENTITLED EITHER (A) TO RECEIVE THE RETURN OF THE DEPOSIT (OR SUCH PORTION THEREOF DEPOSITED BY PURCHASER), WHICH RETURN SHALL OPERATE TO TERMINATE THIS AGREEMENT, OR (B) TO ENFORCE SPECIFIC

PERFORMANCE OF SELLER'S OBLIGATION TO EXECUTE THE DOCUMENTS REQUIRED TO CONVEY THE PROPERTY TO PURCHASER. PURCHASER SHALL BE DEEMED TO HAVE ELECTED TO TERMINATE THIS AGREEMENT AND RECEIVE RETURN OF THE DEPOSIT (OR SUCH PORTION THEREOF DEPOSITED BY PURCHASER) IF PURCHASER FAILS TO FILE SUIT FOR SPECIFIC PERFORMANCE AGAINST SELLER IN A COURT HAVING JURISDICTION IN THE COUNTY AND STATE IN WHICH THE PROPERTY IS LOCATED, ON OR BEFORE NINETY (90) DAYS FOLLOWING THE DATE UPON WHICH CLOSING WAS TO HAVE OCCURRED. IN EITHER EVENT PURCHASER SHALL RETAIN THE RIGHT TO PURSUIT OF, AND SELLER SHALL BE LIABLE FOR AND SHALL PROMPTLY REIMBURSE PURCHASER ALL OF ITS, OUT OF POCKET EXPENSES AND DAMAGES INCURRED BY PURCHASER FROM AND AFTER THE EFFECTIVE DATE AND SHALL BE ENTITLED TO RECOVERY FROM SELLER, AND SELLER SHALL PROMPTLY REIMBURSE PURCHASER OF ALL OF PURCHASER'S COSTS AND EXPENSES INCURRED IN PURSUIT OF THE PURCHASE CONTEMPLATED HEREIN (INCLUDING, WITHOUT LIMITATION, ALL REASONABLE LEGAL FEES IN PREPARATION, NEGOTIATION AND REVIEW OF DOCUMENTS, REPORTS AND INSPECTION ITEMS, AND ALL THIRD PARTY COSTS INCURRED IN CONNECTION WITH INSPECTION OF THE PROPERTY).

11.4 Termination. Upon any termination of this Agreement pursuant to any right of a party to terminate set forth in this Agreement, in addition to the other rights and obligations provided herein, (a) the Deposit (or such portion thereof deposited by Purchaser) shall be paid over to the party entitled to the same, and (b) all copies of all Property Documents provided to Purchaser by Seller shall be returned to Seller, whereupon the parties will have no continuing liability to each other unless otherwise expressly stated in any provision of this Agreement.

11.5 Attorneys' Fees. Notwithstanding anything to the contrary in this Agreement, in the event that Seller or Purchaser, as the case may be, shall bring a lawsuit against the other party for breach of such party's obligations under this Agreement, the losing party shall pay the prevailing party's costs and expenses incurred in connection with such litigation, including without limitation reasonable attorneys' fees. The "prevailing party" shall be determined by the court hearing such matter.

12. NOTICES. Any notice required or permitted to be given hereunder may be served by a party or its attorney and must be in writing and shall be deemed to be given when (a) hand delivered, or (b) one (1) business day after pickup by United Parcel Service (Overnight) or Federal Express, or another similar overnight express service, or (c) transmitted by email telecopy or facsimile, provided that confirmation of the receipt of same is noted upon transmission of same by the sender's telecopy machine, and a counterpart of such notice is also delivered by first class mail or overnight delivery service, in any case addressed to the parties at their respective addresses set forth below:

If to Seller: Harvey Sender, Esq.
Sender & Smiley, LLC
600 17th Street, Suite 2800
Denver, CO 80202
Telephone: (303) 454-0540
Email: hsender@sendersmiley.com

w/ a copy to: Matthew J. Roth, Esq.
Allen Vellone Wolf Helfrich & Factor, PC
1600 Stout Street, Suite 1100
Denver, CO 80202
Telephone: (303) 534-4499
Email: mroth@allen-vellone.com

If to Purchaser: Nova Capital Partners, LLC
3717 National Drive, Suite 104
Raleigh, NC 27612
Attn: Andy English
Phone: (919) 307-8381
Fax: _____
Email: andy@novacap.net

With a copy to: Ragsdale Liggett PLLC
2840 Plaza Place
Suite 400
Raleigh, North Carolina 27612
Attn: Richard Bolton
Phone: (919) 881-2233
Fax: (919) 783-8991
Email: rbolton@rl-law.com

If to Escrow Agent: Investors Title Insurance Company
308 Rosemary Street, Suite 105
Chapel Hill, NC 27516
Attn: Dana Austin
Telephone: (919) 945-2565
Facsimile: (919) 968-2225
Email: daustin@invititle.com

or in each case to such other address as either party may from time to time designate by giving notice in writing pursuant to this Section 12 to the other party. Telephone and facsimile numbers are for informational purposes only. Effective notice will be deemed given only as provided above, except as otherwise expressly provided in this Agreement.

13. LOAN ASSUMPTION.

13.1 The parties hereto acknowledge and agree that the Property serves as collateral for an existing loan from _____ (the “Lender”) in the initial principal amount of \$9,300,000 (the “Loan”), evidenced by that certain Loan Agreement dated _____ (the “Loan Agreement”), between the Underlying Land Owner and Lender. For the purposes of this Agreement, the term “Loan Assumption” shall mean an assumption of the Loan, including a complete release of Seller of any obligations thereto, with respect to the Property pursuant to Section ____ of the Loan Agreement. Within two (2) business days following the later of (i) the PSA Approval Date, (ii) the expiration of the Due Diligence Period, or (iii) the date Purchaser receives both the Pre-Negotiation Letter Agreement and the Retainer Request Letter from Lender or its servicer, Purchaser and Seller shall notify the Lender and/or its servicer or servicers (“Mortgagee”) of the proposed Loan Assumption in a manner sufficient to initiate Mortgagee’s process for approving the Loan Assumption (the “Initial Mortgagee Request”). Thereafter, Purchaser, at Purchaser’s sole expense, shall use commercially reasonable and diligent efforts, in good faith, to obtain all approvals for and satisfy all conditions of Purchaser to cause the Loan Assumption as required by Mortgagee, and to complete the Loan Assumption at Closing. Purchaser agrees to use its good faith efforts to obtain Mortgagee’s approval of the Loan Assumption. Purchaser shall be solely responsible for any and all fees, costs and expenses related to the Loan Assumption, including without limitation any assumption fees (expressly including the assumption fee equal to _____ as described in Section ____ of the Loan Agreement), application fees and one-half (1/2) of the Lender’s and/or Mortgagee’s legal fees. Purchaser and Seller each agree to use commercially reasonable diligent efforts to cause the Loan Assumption to be consummated in the most timely and efficient manner.

13.2 As part of the Initial Property Documents Seller will provide Purchaser with copies of the Loan Agreement and the documents described in the Loan Agreement as “the Loan Documents” (collectively, the “Existing Loan Documents”).

13.3 In the event that, despite Purchaser’s commercially reasonable, good faith efforts, Mortgagee fails to approve the Loan Assumption and execute such documentation as may be required of Mortgagee in connection with the Loan Assumption within sixty (60) days of the Initial Mortgagee Request (“Loan Assumption Approval Date”), then either Seller or Purchaser may terminate this Agreement by written notice to the other, upon which the parties shall jointly instruct Escrow Agent to promptly return the entire Deposit (or such portion thereof deposited by Purchaser) to Purchaser, and neither party shall have any further obligations or liability hereunder, except for those which expressly survive the termination of this Agreement pursuant to the terms hereof. Purchaser shall be given a thirty (30) day extension for Loan Assumption approval upon advance written notice to Seller at least five (5) days prior to the expiration of the Loan Assumption Approval Date, and provided that Purchaser deposits \$25,000 with the Escrow Agent as additional funds to be held as part of the Non-Refundable Deposit pursuant to Section 2.2.1. This additional deposit shall be refundable in the event that Purchaser fails to secure Loan Assumption approval from Mortgagee within this extended period through no fault of Purchaser.

13.4 Seller shall use commercially reasonable and diligent efforts to assist Purchaser's efforts to obtain approval for, satisfy conditions of, and complete the Loan Assumption ("Seller's Cooperation"). Seller will be responsible for the fees of Seller's attorneys and consultants, if any, with respect to Seller's Cooperation. To the extent any new escrows, reserves or impounds are required by Mortgagee in connection with the Loan Assumption, Purchaser shall deposit such amounts as are required by Mortgagee in accordance with Mortgagee's requirements. Seller assigns to Purchaser all of its existing escrows, reserves and impounds with Mortgagee; provided, however, that if Mortgagee instead requires Seller's existing escrows, reserves and/or impounds (or portions thereof, as applicable) to be refunded to Seller, then Seller shall reimburse Purchaser at Closing in the amount of such refunded escrows, reserves and impounds.

14. MISCELLANEOUS.

14.1 Entire Agreement. This Agreement, together with the Schedules and Exhibits attached hereto, all of which are incorporated by reference, is the entire agreement between the parties with respect to the subject matter hereof, and no alteration, modification or interpretation hereof shall be binding unless in writing and signed by both parties.

14.2 Severability. If any provision of this Agreement or its application to any party or circumstances shall be determined by any court of competent jurisdiction to be invalid and unenforceable to any extent, the remainder of this Agreement or the application of such provision to such person or circumstances, other than those as to which it is so determined invalid or unenforceable, shall not be affected thereby, and each provision hereof shall be valid and shall be enforced to the fullest extent permitted by law.

14.3 Applicable Law. This Agreement shall be construed and enforced in accordance with the internal laws of the State of North Carolina.

14.4 Assignability. Purchaser may assign or transfer Purchaser's rights, obligations and interests under this Agreement to any partnership (general or limited), limited liability company, corporation or other business entity or business trust controlled (directly or indirectly) by Purchaser or its principals. Nothing herein shall release Purchaser from obligations, duties, covenants, agreements, indemnities, representations and warranties made by Purchaser and/or accruing prior to the effective date of the assignment and assumption.

14.5 Successors Bound. This Agreement shall be binding upon and inure to the benefit of Purchaser and Seller and their respective successors and permitted assigns.

14.6 No Public Disclosure. Prior to Closing, all press releases or other dissemination of information to the media or responses to requests from the media for information relating to the transaction contemplated herein shall be subject to the prior written consent of Purchaser and Seller.

14.7 Captions; Interpretation. The captions in this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope of

this Agreement or the scope or content of any of its provisions. Whenever the context may require, words used in this Agreement shall include the corresponding feminine, masculine, or neuter forms, and the singular shall include the plural and vice versa. Unless the context expressly indicates otherwise, all references to “Section” are to sections of this Agreement.

14.8 No Partnership. Nothing contained in this Agreement shall be construed to create a partnership or joint venture between the parties or their successors in interest or permitted assigns.

14.9 Counterparts. This Agreement may be executed and delivered in any number of counterparts, each of which so executed and delivered shall be deemed to be an original and all of which shall constitute one and the same instrument.

14.10 Proper Execution. This Agreement shall have no binding force and effect on either party unless and until both Purchaser and Seller shall have executed and delivered this Agreement.

14.11 Waiver. No waiver of any breach of any agreement or provision contained herein shall be deemed a waiver of any preceding or succeeding breach of any other agreement or provision herein contained. No extension of time for the performance of any obligation or act shall be deemed an extension of time for the performance of any other obligation or act.

14.12 Business Days. If any date herein set forth for the performance of any obligations by Seller or Purchaser or for the delivery of any instrument or notice as herein provided should fall on a Saturday, Sunday or Legal Holiday (hereinafter defined), the compliance with such obligations or delivery shall be deemed acceptable on the next business day following such Saturday, Sunday or Legal Holiday. As used herein, the term “**Legal Holiday**” shall mean any federal holiday on which post offices are closed in Raleigh, North Carolina.

14.13 1031 Exchange. Seller and Purchaser acknowledge and agree that the purchase and sale of the Property may be part of a tax-free exchange under Section 1031 of the Internal Revenue Code for either Purchaser or Seller. Each party hereby agrees to take all reasonable steps on or before the Closing to facilitate such exchange if requested by the other party, provided that (a) no party making such accommodation shall be required to acquire any substitute property, (b) such exchange shall not affect the representations, warranties, liabilities and obligations of the parties to each other under this Agreement, (c) no party making such accommodation shall incur any additional cost, expense or liability in connection with such exchange, and (d) no dates in this Agreement will be extended as a result thereof.

[SIGNATURES BEGIN ON NEXT SUCCEEDING PAGE]

IN WITNESS WHEREOF, Purchaser and Seller have executed this Agreement on the dates set forth below, effective as of the date first set forth above.

ATTEST:

SELLER:

Harvey Sender, in his capacity as Receiver of the Gary Dragul Receivership Estate

DocuSigned by:
By: Harvey Sender
Name: 2494E37B34E843C... Harvey Sender
Its: _____

PURCHASER:

Nova Capital Partners, LLC

DocuSigned by:
By: J. Andrew English
Name: J. Andrew English, Manager
E04AD0053CDA49C...

ACKNOWLEDGED AND AGREED by the undersigned party solely with respect to Sections 2, 11 and 13 above:

ESCROW AGENT:

Investors Title Insurance Company

By: _____
Name: _____
Title: _____

EXHIBIT A

Receivership Order

SCHEDULE 1.1.1

Land Description

SCHEDULE 3.3
Initial Property Documents

- Boundary and ALTA surveys
- As-built drawings of entire building (each suite)
- Phase I and II environmental
- Rent roll
- Copies of all current leases including all amendments
- 2018 and 2019 Tenant statements- all transactions
- Three years financials (2016, 2017, 2018) and year to date 2019
- 2017 & 2018 and year to date 2019 collections and expenses
- 2017 & 2018 and year to day 2019 general ledgers
- 2017 & 2018 and year to date 2019 bank statements and deposit slips
- Copies of 2018 and year to date 2019 vendor invoices and bills
- All vendor contracts (if no contract, then the latest invoice)
- Roof maintenance contract and roof report
- Title insurance policy
- Detailed report on any one-time expenses/repairs over \$1,000 in the past 3 years
- Any known or needed capital expenses over next three years
- Existing easements
- Pending assessments or easements
- Property management contract
- Security deposit ledger
- Most recent appraisal
- TI/CAM reconciliations
- Collections report as of 2/1/2019
- 2018 Utility bills and YTD 2019
- Insurance Loss Runs (past 5 years)
- Property tax notices for current and prior year
- Title Insurance Policies for the Land
- Security Reports regarding all security incidents since January 1, 2016
- All underwriting information on any new tenant during Seller's ownership of the Property, including but not limited to financial and guarantor information, whether publicly or privately obtained
- Existing Loan Documents

SCHEDULE 3.5

Schedule of Contracts

SCHEDULE 5.1.12

Schedule of Leases/Rent Roll

Part I: Leases and Modifications; Security Deposits; Prepaid Rents

See attached schedule.

Part II: Claims and Offsets by Tenants; Improvements and Repairs to be Performed by

Part III: Tenant Defaults and Bankruptcies

Part IV: Rent Concessions, Free Rent, Refunds and Rebates to Tenants

Part V: Commission Obligations

Part VI: Commission Agreements

EXHIBIT A

Form of Tenant Estoppel Certificate

Loan No. [_____]

ESTOPPEL AGREEMENT

Tenant's Trade Name: _____

This ESTOPPEL AGREEMENT ("Agreement") is made as of the date set forth below, by _____, a _____ ("Tenant"), based upon the following facts and understandings of Tenant:

RECITALS

- A. _____, LLC, a North Carolina limited liability company, or its successors or assigns ("Owner") is or is about to become the owner of the land and improvements commonly known as _____, located at _____ (the "Property").
- B. Tenant is the owner of the tenant's interest in that lease dated _____, _____, which has been amended by instrument(s) dated _____ and _____, and which was originally executed by _____, as landlord, and by _____, as tenant. (Said lease and the referenced amendments thereto are collectively referred to herein as the "Lease".)
- C. Owner, as borrower or as co-borrower with one or more other co-borrower(s), has applied to _____ (together with its successors and assigns, "Lender") for a loan ("Loan"), which will be secured by, among other things, a mortgage, deed of trust, trust indenture or deed to secure debt encumbering the Property ("Mortgage"). For purposes of this Agreement, the term "Lender" shall also refer to any other lenders or mortgagees of Owner with respect to the Property or other noteholders of the Loan, together with their respective successors and/or assigns.
- D. As a condition to making the Loan, Lender has required that Tenant furnish certain assurances to, and make certain agreements with, Lender, as set forth below.

THEREFORE, as a material inducement to Lender to make the Loan, Tenant warrants and represents to, and agrees with, Lender and Owner as follows:

1. ESTOPPEL. Tenant warrants and represents to Lender and Owner, as of the date hereof, that:

1.1 Lease Effective. The Lease is attached hereto as Schedule B. The Lease has been duly executed and delivered by Tenant and, subject to the terms and conditions thereof, the

Lease is in full force and effect, the obligations of Tenant thereunder are valid and binding, and there have been no modifications or additions to the Lease, written or oral, other than those, if any, which are referenced above in Recital B. There are no other promises, agreements, understandings or commitments between Owner and Tenant relating to the Property, and Tenant has not given Owner any notice of termination under the Lease.

1.2 No Default. To the best of Tenant's knowledge: (a) there exists no breach, default, or event or condition which, with the giving of notice or the passage of time or both, would constitute a breach or default under the Lease either by Tenant or the current landlord; and (b) Tenant has no existing claims, defenses or offsets against rental due or to become due under the Lease.

1.3 Entire Agreement. The Lease constitutes the entire agreement between the current landlord and Tenant with respect to the Property, and Tenant claims no rights of any kind whatsoever with respect to the Property, other than as set forth in the Lease.

1.4 No Sublet. There has not been and is presently no subletting of the Property, or any part thereof, or assignment by Tenant of the Lease, or any rights therein, to any party.

1.5 Minimum Rent. The current monthly minimum base rent under the Lease is \$_____, subject to any escalation, percentage rent and/or common area maintenance charges provided in the Lease, and such rent is current as of the date hereof.

1.6 Rental Payment Commencement Date. The rent stated in Section 1.5 above will begin or began on _____, ____.

1.7 Rentable Area. The rentable area of the leased premises is _____ square feet.

1.8 Commencement Date. The term of the Lease commenced or will commence on _____, ____.

1.9 Expiration Date. The term of the Lease will expire on _____, ____ (unless sooner terminated in accordance with the Lease).

1.10 Options to Renew or Extend. Tenant has no option to renew or extend the lease term, except as follows: _____.

1.11 No Commission. To the best of Tenant's knowledge and belief, there are no rental, lease or similar commissions payable with respect to the Lease.

1.12 No Deposits or Prepaid Rent. No deposits, including security deposits, or prepayments of rent have been made in connection with the Lease, except as follows: _____. None of the rent has been paid more than one (1) month in advance and Tenant agrees not to pay rent more than one (1) month in advance unless otherwise specified in the Lease.

1.13 No Other Assignment. Tenant has received no notice, and is not otherwise aware of, any other assignment of the landlord’s interest in the Lease.

1.14 No Purchase Option or Preferential Right to Purchase. Tenant does not have any option or preferential right to purchase all or any part of the Property.

1.15 Possession. Tenant is in full and complete possession of the Property and has accepted the Property, including any tenant improvements or other work of Owner performed thereon pursuant to the terms and provisions of the Lease, and the Property is in compliance with the Lease. There are no contributions, credits, free rent, rent abatements, deductions, concessions, rebates, unpaid or unreimbursed construction allowances, offsets or other sums due to Tenant from Owner under the Lease, except _____ .

1.16 Open and Operating. Tenant is open for business and in operation on the Property.

1.17 Authority. The undersigned representative of Tenant is duly authorized and fully qualified to execute this instrument on behalf of Tenant thereby binding Tenant.

2. HEIRS, SUCCESSORS AND ASSIGNS. The covenants herein shall be binding upon, and inure to the benefit of, the heirs, successors and assigns of the parties hereto. Whenever necessary or appropriate to give logical meaning to a provision of this Agreement, the term “Owner” shall be deemed to mean the then current owner of the Property and the landlord’s interest in the Lease.

3. NOTICE OF CHANGES. Tenant acknowledges and agrees that Owner and Lender shall be entitled to rely on Tenant’s certifications set forth herein. Tenant hereby further agrees for a period of ninety (90) days from the date hereof to notify Owner and Lender in writing of any material changes in the truth and accuracy of any of the certifications contained herein promptly upon Tenant’s learning of each such change. For purposes of this section, Owner’s and Lender’s addresses are as follows unless otherwise notified by Owner and Lender:

Owner:

Lender:

Tel. No.: _____
Fax No.: (757) _____

Tel. No.: _____
Fax No.: _____

IN WITNESS WHEREOF, Tenant has executed this instrument as of _____, 2019.

TENANT:

_____,
a _____

SCHEDULE A

Summary of Lease Terms

(1) Name of Tenant: _____

(2) Lease Date: _____

(3) Amendment Dates, Separate Agreements, if any:

Lease / License Agreement	Date
_____	_____
_____	_____
_____	_____
_____	_____

(4) Square Footage: _____ Suite No. _____

(5) Lease Commencement Date: _____;

Current Lease Expiration: _____

(6) Current Monthly Base Rent: _____ paid through: _____

Current Monthly Expense Reimbursement: \$ _____ paid through: _____

Other Current Monthly Rent Not Otherwise Identified Above: \$ _____ paid through: _____

Current Total Monthly Rent: \$ _____

Tenant has the following abatement(s) remaining: _____

(7) Security Deposit: \$ _____

(8) Percentage Rent: _____

(9) Assignees/Subtenants: _____

(10) Lease Guarantor(s): _____

SCHEDULE B

Copy of Lease

ACKNOWLEDGEMENT

This Acknowledgement, effective as of this 7th day of February, 2019, by **Nova Capital Partners, LLC**, having an address of 3717 National Drive, Suite 104, Raleigh, North Carolina, 27612 (“**Buyer**”), who hereby acknowledges that on February 5, 2019, **Harvey Sender**, in his capacity as Receiver of the Gary Dragul Receivership Estate, pursuant to the Receivership Order of the Court (the “**Receiver**”) entered into a certain Master Agreement with Odyssey Acquisitions III, LLC (“Odyssey”, a Nevada limited liability company of Odyssey Real Estate Partners (the “**Master Agreement**”), which is attached hereto.

Buyer further hereby acknowledges that pursuant to the Master Agreement, Odyssey is granted certain rights, including, among others, the right to elect whether it wishes to exclude the Hickory Corners Property from the Master Agreement within 14 days of the date on which it received a copy of the executed Purchase and Sale Agreement (“PSA”), or February 6, 2019. *See* Master Agreement, at ¶ 7. If no such election is made by Odyssey within the 14-day period, the Property shall be deemed included in the scope of the Master Agreement.

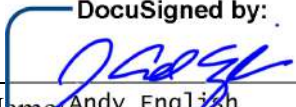
Dated: This 7th day of February 2019.

BUYER:

SELLER:

Nova Capital Partners, LLC

Harvey Sender, in his capacity as Receiver of the Gary Dragul Receivership Estate

DocuSigned by:
By: 
Name: Andy English
Title: E04AD0053CDA49C...

By: 