

LETTER OF INTENT

THIS LETTER OF INTENT (the "Document") made this 26 day of JUNE, 2019 (the "Execution Date"),

BETWEEN:

Seller
FERNLEA NURSERIES, INC.
3806 SW 96th Street
Palm City, Florida 34990

-AND-

Potential Buyer
Martin County Board of County Commissioners
2401 SE Monterey Rd.
Stuart, Florida 34996

BACKGROUND:

- A. The Seller is the owner of residential property that is available for sale.
- B. The Potential Buyer wishes to purchase residential property from the Seller.

This document will establish the basic terms to be used in a future real estate contract for sale (the "Contract") between the Seller and the Potential Buyer. The terms contained in this Document are not comprehensive and it is expected that additional terms will be added, and existing terms may be changed or deleted. The basic terms are as follows:

Non-Binding

- 1. This Document does not create a binding agreement between the Potential Buyer and the Seller and will not be enforceable. Only the future Contract for Sale, duly executed by the Seller and the Buyer, will be enforceable. The terms and conditions of any future contract will supersede any terms and conditions contained in this Document. The Seller shall not initiate or carry on negotiations for the sale of the Property with any party other than Potential Buyer unless either; (1) Buyer and Seller fail to enter into a binding Purchase Agreement by July 15, 2019, or (2) Buyer and Seller agree in writing to abandon this Letter of Intent.

Transaction Description

- 2. The property (the "Property") that is the subject of this Document is located at:
 - 1704 SE Darling Street
Stuart, Florida 34997

- 25 acre - located on the NE corner of Willoughby Blvd. and Darling Street
- PCN#'s: 55-38-41-000-063-00080-9
55-38-41-000-063-00010-4
55-38-41-000-062-00080-1
- With option to purchase an additional 3.12 acre parcel- located on the NW corner of Willoughby Blvd. and Darling Street for \$686,400 under the same terms and conditions
- PCN#55-38-41-000-063-00070-1

Offer Price

3. The Potential Buyer offers to the Seller the amount of \$5,500,000 USD as payment in full for the 25 +/- acre parcel upon final Closing of the property. Costs to be paid by Potential Buyer include Potential Buyer's Counsel, inspection reports obtained by Potential Buyer, current Survey, and Title Policy. Costs to be paid by Seller include Seller's Counsel, any and all Broker fees, and all recording fees and documentary stamps in accordance with Florida law.
4. Potential Buyer shall be allowed a thirty (30) day Due Diligence Period for review of the Survey and Title Commitment and performance of any inspections deemed necessary by the Potential Buyer. During the Due Diligence Period Potential Buyer shall have the sole, absolute, complete and unconditional right for any reason whatsoever, and without cause or obligation to state a cause, to terminate this Contract by delivering written notice of such termination to the Seller prior to the expiration of the Due Diligence Period.
5. The Potential Buyer will take possession of the Property on the 30th day of September, 2019.

Real Property Disclosure

6. The Seller does not know of any material facts that would affect the value of the Property, except those observable by the Potential Buyer or known to the Seller and stated in this Document. Seller will provide any previous survey of the Property to Potential Buyer. The Seller hereby discloses to the Potential Buyer that the subject property has been in operation as a farm and in agricultural operations for decades. As such, various fertilizers, pesticides, and other chemicals have been in long term use on the property, as well as the operation and maintenance of farm vehicles and equipment. It is the responsibility of the Potential Buyer, during the Due Diligence Period, to determine what, if any, impact these agricultural operations have had on the subject property for the purpose of the Potential Buyer's decision to purchase the property. Should the Potential Buyer find any unsafe conditions or damage, the Seller shall contribute a matching amount up to \$75,000 towards any cleanup.

Lease Back Option

7. The Seller shall lease back the property from the Potential Buyer beginning on the date of closing and continuing until August 1, 2020 for a total gross rent of

\$50,000 under the terms of a standard commercial agricultural lease to be negotiated between the parties and attached as an exhibit to the Purchase Agreement.

Representations

8. The Seller represents and warrants that the Property is free and clear of any liens, charges, encumbrances or rights of others which will not be satisfied out of the sales proceeds. If the representations of the Seller are untrue upon the Closing Date, the Potential Buyer may terminate any future agreement without penalty. The Potential Buyer will provide a Title Insurance Commitment acceptable to Seller from the Law Offices of Robert A. Burson, P.A., in the amount of the Offer Price.

Terms and Conditions

9. After the final acceptance of a binding Purchase Agreement, during the Due Diligence Period, Buyer may have the Real Estate inspected by a person of Buyer's choice to determine if there are any unsafe conditions or other damage, as may be required by law. In the event that the Potential Buyer or its inspectors determine that any unsafe conditions or damage exists, the Potential Buyer shall have the option to terminate the Purchase Agreement.

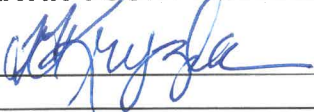
Standard Provisions

10. The Purchase Agreement will include the standard provisions that are customary to the locality and/or that are required by law.

This Letter of Intent shall be conditionally executed by the Martin County Administrator, the Deputy or Assistant County Administrator, or any other authorized person on behalf of the Buyer. The condition shall be the acceptance by Seller and subsequent approval by the Martin County Board of County Commissioners (MCBOCC).

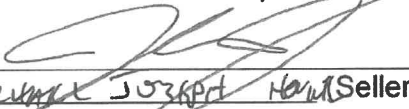
This Document accurately reflects the understanding between the Seller and the Potential Buyer, signed this 26 day of June, 2019.

MARTIN COUNTY BOARD OF COUNTY COMMISSIONERS



(Potential Buyer)

FERNLEA NURSERIES, INC.

BY: 

Michael Joseph Hart (Seller)
U.P.

ATTEST:

MARTIN COUNTY BOARD OF COUNTY
COMMISSIONERS

CAROLYN TIMMANN, CLERK OF THE
CIRCUIT COURT AND COMPTROLLER

EDWARD V. CIAMPI, CHAIRMAN

APPROVED AS TO FORM & LEGAL
SUFFICIENCY:

_____, COUNTY ATTORNEY

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