HOSPITAL RE-DEVELOPMENT AND PURCHASE AGREEMENT

THIS HOSPITAL RE-DEVELOPMENT AND PURCHASE AGREEMENT (this "Agreement"), is entered into as of the 25th day of February, 201X (the “Effective Date”), by and between CITY OF NEWNAN, GEORGIA, ("Seller"), a Georgia Municipal corporation, and the BOARD OF REGENTS OF THE UNIVERSITY SYSTEM OF GEORGIA ("Purchaser" or “BOR”), a Department in the executive branch of the government of the State of Georgia. Seller and Purchaser are sometimes referred to individually as a "Party" and collectively as the "Parties".

RECATALS

A. Pursuant to that certain agreement dated ____________, 2012 by and between Seller, Newnan Hospital Foundation, Inc., and Newnan Hospital, Inc. (the “NH, Inc.”), Seller has contracted to receive the transfer of ownership from NH, Inc. in fee simple of that certain 6.13 acres of real property located at 80 Jackson Street in Newnan, Georgia and currently improved with the 119,275 square foot “Old Newnan Hospital” (the “Hospital”), the real property being legally described on Exhibit A (the "Property").

B. Once Seller has taken ownership and possession of the Property, Seller has agreed to perform certain demolition, construction and re-development activities in accordance with that certain plan for renovation and reuse first developed as “Scenario 2” in the Property Reuse Feasibility Study dated November 18, 2011, revised December 2, 2011 and April 11, 2012 for the University of West Georgia and subsequently adapted and revised in conjunction with Seller pursuant to the terms of this Agreement (collectively referred to herein as the "Re-development Plan") attached as Exhibit B.

C. Once Seller and Purchaser have completed the Re-development Plan, Seller has agreed to sell and Purchaser has agreed to purchase the Property upon verification of the satisfaction and completion of the conditions and contingencies set forth in this Agreement, in the Re-development Plan and in those certain construction plans and specifications developed pursuant to the Re-development Plan to be attached hereto as developed and made a part hereof as Exhibit B.

D. Upon receipt of a Limited Warranty Deed effectively transferring fee simple title to the Property in accordance with all conditions and requirements of this Agreement, Purchaser shall use the renovated facility for educational purposes. Although all academic programming is based on market demand, faculty resources and the approval of the BOR and accrediting agencies, BOR intends to move its current academic programs from Shanandoah to the Property. This additional space will allow for the expansion of the nursing program and core curriculum offerings. BOR shall commit to study market demands to see what additional programs could succeed at the Newnan Center and is committed to an increased marketing effort to support program growth.
AGREEMENT

To provide for the purchase and sale of the Property, for good and valuable consideration, the receipt and sufficiency of which are acknowledged, Purchaser and Seller agree as follows:

1. PROPERTY TO BE CONVEYED; ACCESS.

1.1 Purchase and Sale. Seller shall sell to Purchaser, and Purchaser shall purchase from Seller, upon the terms and conditions herein set forth, the Property.

1.2 Rights and Interests Included. The purchase of the Property by Purchaser shall include (i) all consents, authorizations, variances, waivers, licenses, permits and approvals from any federal, state, county, municipal or other governmental or quasi-governmental agency, department, board, commission, bureau or other entity or instrumentality with respect to the Property; and (ii) comprehensive rights including but not limited to all development rights and air rights relating to the Property. It is acknowledged that the Property is currently owned by NH, Inc. and will be transferred in fee simple to Seller. After complete transfer, acceptance and occupation by Seller then Seller will begin the Re-development Plan while the Property is in its full ownership and possession. Upon Seller’s completion of the Re-development Plan then Seller will sell the Property containing the redeveloped Hospital in fee simple including all rights in and to the Property and the renovated Hospital to Purchaser in exchange for the Purchase Price (defined below).

1.3 Access.

1.3.1 From and after the Effective Date and at any time prior to the Closing, provided that this Agreement has not been terminated pursuant to the provisions hereof, Purchaser, its agents and representatives shall have the right to enter upon the Property for all lawful purposes, including, without limitation, to conduct such tests, inspections, examinations, structural measurements, surveys, analyses, investigations and inquiries with respect to the Property, the Hospital and Re-development Project, as Purchaser, in its sole and absolute discretion, deems necessary or desirable; provided, however, Seller shall not be required to pay any costs incurred in making any such inspections, tests, analyses and investigations.

1.3.2 Seller shall furnish to Purchaser all information concerning the Property, the Hospital and the Re-development Project that Purchaser may reasonably request. On reasonable advance notice to Seller, Seller grants Purchaser free and complete access during normal business hours to all documentation, agreements and other information in the possession of Seller or any employee, agent or independent contractor of Seller pertaining to the Property, the Hospital and Re-development Project; and Purchaser shall have the right to make copies of same at the expense of Purchaser. Purchaser or its representative shall have the right to be present to observe any activity related to the Property, the Hospital and Re-development Project.

2. PURCHASE PRICE AND CONSIDERATION.

The purchase price for the Property shall be Five Million Dollars ($5,000,000.00) (herein called the “Purchase Price”). The Purchase Price shall be paid by Purchaser to Seller at the Closing.
3. **TITLE TO THE PROPERTY.**

Seller covenants to convey to Purchaser at Closing good and marketable fee simple title in and to the Property. For the purposes of this Agreement “good and marketable fee simple title” shall mean fee simple ownership which is: (i) free of all claims, liens and encumbrances of any kind or nature whatsoever and (ii) insurable by a title insurance company reasonably acceptable to Purchaser at then current standard rates under the standard form ALTA ownership policy of title insurance in effect at the time of Closing.

4. **CONTINGENCIES.**

4.1 **Satisfaction of Contingencies.** Seller and Purchaser acknowledge and agree that Seller’s obligation to perform the Work (as defined in Section 5.1) and Purchaser’s obligation to purchase the Property are contingent upon the following contingencies being satisfied:

4.1.1 Preparation and delivery by Seller and approval by Purchaser of plans and specifications, including elevations and basic design, architectural, site and engineering plans and specifications ("Plans"), prepared by Seller’s Design Professional ("Design Professional"). The Design Professional shall be selected by Seller with participation by Purchaser in the selection process and subject to Purchaser’s approval, which shall not be unreasonably withheld conditioned or delayed. The Plans prepared by the Design Professional, once approved, shall become part of the Re-development Plan (collectively herein the “Re-development Plan”). Seller hereby agrees the Plans will produce a first-class facility using new or like new materials, in full compliance with all laws, ordinances and regulations of all duly constituted governmental authorities. Seller and Purchaser shall at any time prior to Closing have the right to deliver Notice to the other Party for the purpose of reasonably revising and modifying the Plans. Any such revisions and modifications shall be subject to the reasonable approval of both Seller and Purchaser; however, any change requested by Purchaser that would delay construction or increase cost will be subject to approval by Seller, which approval shall not be unreasonably withheld, conditioned or delayed. Seller and Purchaser shall, at all times, act in good faith and use reasonably diligent efforts to agree upon any revisions and modifications to the Plans. In the event Seller and Purchaser are not able to reach agreement on the Plans then either shall have the right to terminate this Agreement in which case Purchaser shall have no further obligations pursuant to this Agreement.

4.1.2 Preparation and delivery by Seller and approval by Purchaser of a budget (the "Project Budget") for all costs associated with Work, as mutually agreed upon by Seller and Purchaser. Any adjustments to the Project Budget shall be subject to the reasonable approval of both Seller and Purchaser. Seller and Purchaser shall, at all times, act in good faith and use reasonably diligent efforts to agree upon any adjustments to the Project Budget. Notwithstanding the foregoing, the Project Budget (and monies expended by Seller to accomplish the Work) shall be no less than $15,000,000.00. Seller shall have sole responsibility for any costs incurred or expenditures exceeding the Project Budget.
4.1.3 Preparation and delivery by Seller and approval by Purchaser of a project schedule ("Project Schedule") which sets forth a detailed and specific schedule and order of progress for each element of Work. Any adjustments to the Project Schedule shall be subject to the reasonable approval of both Purchaser and Seller. Seller and Purchaser shall, at all times, act in good faith and use reasonably diligent efforts to agree upon the Project Schedule.

4.2 Contingencies to be Satisfied. Purchaser's obligation to purchase the Property is contingent upon the contingencies set forth herein and in Exhibit C being satisfied or waived, in either case in Purchaser's sole and absolute discretion. If Purchaser determines, in Purchaser's sole and absolute discretion that any of the contingencies set forth herein and in Exhibit C will not be satisfied, Purchaser may terminate this Agreement on or prior to Closing by written notice to Seller. The contingencies set forth herein and in Exhibit C shall be deemed not to be satisfied unless Purchaser notifies Seller in writing that such contingency has been satisfied or waived. In the event any contingency is deemed not satisfied, this Agreement shall automatically terminate if the contingency in question remains not satisfied thirty (30) days following the receipt by either party of notice of termination by failure of contingency from the other party. Upon the termination of this Agreement, neither party shall have any further rights or obligations hereunder except for those which are expressly stated to survive the termination of this Agreement.

Seller's obligations, likewise, are contingent under this Agreement as and to the extent provided in Exhibit C.

5. THE WORK.

5.1 The Work. Under and pursuant to the Re-development Plan, Seller shall perform demolition, construction, and renovation activities at its sole cost and expense on the Property in accordance with the Re-development Plan, all of which shall constitute the “Work.”

5.2 Commencement of the Work. Promptly following transfer of title from NH, Inc. to Seller, Seller shall commence the performance of the Work in accordance with the Project Schedule and the Re-development Plan.

6. REPRESENTATIONS, WARRANTIES AND COVENANTS.

6.1 Seller’s Representations, Warranties and Covenants. Seller represents, warrants and covenants to Purchaser:

6.1.1 Seller is a municipal corporation, in good standing, duly formed and validly existing under the laws of the State of Georgia. Seller has the authority and power to enter into this Agreement and, subject to the contingencies set forth herein and in Exhibit C, to consummate the transaction provided for herein. This Agreement and all other documents executed and delivered by Seller constitute legal, valid, binding and enforceable obligations of Seller, and there are no claims or defenses, personal or otherwise, or offsets whatsoever to the enforceability or validity of this Agreement. The person executing this Agreement on behalf of Seller has been duly authorized to do so.
6.1.2 The execution, delivery and performance by Seller of its obligations under this Agreement will not conflict with or result in a breach of any law, governmental rule, regulation, judgment, decree or order by which Seller is bound, or any contract to which Seller is a party or by which Seller is bound, or Seller's articles of organization, declaration of trust, certificate of incorporation, bylaws, partnership agreement or other organizational documents, as the case may be. There is no action, suit or proceeding pending, or to Seller's knowledge threatened, before any agency, court or other governmental entity which relates to the Property or the use thereof.

6.1.3 Seller is not a foreign person, nonresident alien, foreign corporation, foreign partnership, foreign trust or foreign estate, as those terms are defined in the Internal Revenue Code and the Income Tax Regulations promulgated thereunder.

6.1.4 Seller has not made a general assignment for the benefit of creditors, filed any voluntary petition in bankruptcy or suffered the filing of an involuntary petition by its creditors, suffered the appointment of a receiver to take possession of substantially all of its assets, suffered the attachment or other judicial seizure of substantially all of its assets, admitted its inability to pay its debts as they come due or made an offer of settlement, extension or compromise to its creditors generally.

6.1.5 Seller is not, and shall not become, a person or entity with whom Purchaser is restricted from doing business under, without limitation, Executive Order No. 13224 (Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism), the list of Specially Designated and Blocked Persons promulgated by the Department of Treasury Office of Foreign Assets Control or any other similar laws, orders, regulations or other directives (collectively, the "Terrorism Laws").

6.1.6 Any loans, grants, mortgages, security deeds or other financing incurred by Seller in any way related to the Property or the Hospital shall be paid and discharged prior to the Closing Date.

6.1.7 To the best of Seller's actual knowledge, Seller has made no untrue statements or representations in connection with this Agreement, and all items delivered to Purchaser on or before the Closing are true, correct and complete copies of what they purport to be. Said items have not been amended or modified, other than as also delivered to Purchaser, and no items that should have been set forth as exhibits thereto or delivered to Purchaser on or before the Closing have not been so set forth or delivered. Seller has not failed to state or disclose any material fact in connection with the transaction contemplated by this Agreement.

6.2 **Purchaser's Representations.** Purchaser represents to Seller:

6.2.1 Purchaser has the authority and power to enter into this Agreement and, subject to the contingencies set forth herein and in Exhibit C, to consummate the transaction provided for herein. This Agreement and all other documents executed and delivered by Purchaser constitute legal, valid, binding and enforceable obligations of Purchaser, and there are no claims or defenses, personal or otherwise, or offsets whatsoever to the enforceability or
validity of this Agreement. The person executing this Agreement on behalf of Purchaser has been duly authorized to do so.

6.2.2 The execution, delivery and performance by Purchaser of its obligations under this Agreement will not conflict with or result in a breach of any law, governmental rule, regulation, judgment, decree or order by which Purchaser is bound, or any contract to which Purchaser is a party or by which Purchaser is bound.

6.3 **Survival.** All of the representations, warranties and covenants of Seller and Purchaser contained in this Agreement shall be true and correct as of the Effective Date and shall, as a condition to Closing, be true and correct in all material respects as of the Closing Date. The parties' rights to enforce such representations, warranties and covenants shall survive the Closing and such rights to enforce shall not be merged into any documents delivered at the Closing for a period of one (1) year post Closing. It is expressly agreed and understood that no examination or investigation of the Property or the Hospital by or on behalf of Purchaser prior to the Closing shall in any way modify, affect or diminish Seller's obligations under the representations, warranties, covenants and agreements contained in this Agreement or the Re-development Plan.

6.4 Purchaser acknowledges and agrees that:

6.4.1 Purchaser has or shall conduct such due diligence as Purchaser has deemed or shall deem necessary or appropriate.

6.4.2 Except as otherwise spelled out in this agreement, the Property shall be sold, and Purchaser shall accept possession as of the Closing, "AS IS, WHERE IS, WITH ALL FAULTS", with no right of setoff or reduction in the Purchase Price, except as expressly set forth to the contrary in this Agreement.

6.4.3 Except for the representations and warranties of Seller set forth in this Agreement, the Re-development Plan or the Closing Documents, Seller has not made, nor shall be deemed to have made, any verbal or written representations, warranties, promises or guarantees (whether express, implied, statutory or otherwise) to Purchaser (i) with respect to the Property or the Hospital, (ii) any matter set forth, contained or addressed in the materials delivered or made available to Purchaser (whether at a designated location, electronically, or online), including, but not limited to, the accuracy and completeness thereof, or (iii) the results of Purchaser's due diligence.

6.5 **Liabilities after Closing.** Upon Closing and acceptance of the Property by Purchaser, Purchaser acknowledges that Seller shall have no liability or responsibility for, attributable to, or in connection with the Property, whether arising or accruing before, on or after the Closing and whether attributable to events or circumstances which arise or occur before, on or after the Closing, including, without limitation, the following: (i) any and all statements or opinions heretofore or hereafter made, or information furnished, by Seller to Purchaser or its representatives; (ii) any and all liabilities, claims or actions with respect to the structural, physical, or environmental condition of the Hospital; and (iii) any implied or statutory warranties or guaranties of fitness, merchantability or any other statutory or implied warranty or guaranty of
any kind or nature regarding or relating to any portion of the Hospital. Notwithstanding the foregoing, this Section 6.5 is not intended and shall not be construed as affecting, waiving, limiting or impairing any rights or remedies that Purchaser may have against Seller with respect to (i) a breach of any of the representations and warranties of Seller set forth in this Agreement or the Re-development Plan, (ii) any of the obligations of Seller under this Agreement or the Re-development Plan that expressly survive the Closing, (iii) any obligations of Seller under the Closing Documents, or (iv) any acts of fraud by Seller.

Without limitation of Seller’s duties and responsibilities under the Re-development Plan, Seller shall engage and contract with design professionals, architects, engineers, contractors, subcontractors, specialists and consultants (collectively “Contractors”) under and pursuant to contractual arrangements which provide for standard forms of Contractor performance bonds, payment bonds, roof, wall and similar bonds, and warranties and guarantees (collectively “Warranties”). Seller shall select Contractors who are qualified and able to perform the Work in accordance with applicable professional standards, appropriate standards of care and applicable legal or regulatory requirements. Seller shall not be liable for any act, error, omission, mistake of law or fact, negligence, gross negligence, bad faith or intentional misconduct of any Contractor in performing the Work. At Closing, Seller shall assign and transfer to Purchaser, Seller’s right and interest in and to any and all Warranties and rights of action against any Contractor, and upon request of Purchaser, shall cooperate with and assist Purchaser in the prosecution of any claim against any Contractor, including, but not limited to, breach of any contract or agreement between Seller and any Contractor. Nothing in this paragraph shall be deemed to relieve Seller from liability for its fraud, gross negligence, willful misconduct or a breach by Seller of its obligations under this Agreement.

7. SELLER’S OBLIGATIONS PENDING CLOSING.

From and after the Effective Date until the Closing or termination of this Agreement as herein provided, Seller covenants to perform in accordance with the following obligations:

7.1 Sell or Encumber Property. Seller shall not sell, assign or convey any right, title or interest whatever in or to the Hospital or the Property to any third party or create or permit to exist any lien, encumbrance or charge on the Hospital or the Property which will not be paid in full at the Closing.

7.2 Representations and Warranties. Seller shall not take any action, or omit to take any action, which action or omission would have the effect of violating or rendering untrue any representation, warranty, covenant or agreement contained herein. Seller shall give Purchaser prompt written notice of any change in any of Seller's representations or warranties set forth in Section 6.

7.3 Financing. Seller shall make and continue to make all payments required under the terms of any financing related in any manner to the Property or the Hospital including but not limited to the ownership, demolition, construction and redevelopment of the Hospital and shall not suffer or permit a default to arise thereunder.
7.4 Governmental Orders: Compliance with Laws. Seller shall not violate any lawful order or directive of a governmental agency with respect to the Hospital and the Property and shall at all times comply with all laws applicable to the Hospital and the Property. Seller shall promptly, and in any event prior to Closing, correct any violation of which Seller becomes aware.

7.5 Exclusive Agreement. Seller shall not negotiate with third parties for the transfer of any interest in the Hospital and/or the Property, whether as a back-up offer or otherwise.

8. RESERVED.

9. CLOSING DELIVERIES.

Drafts of all documents to be executed and delivered at the Closing shall be prepared by Purchaser's counsel and submitted to Seller's counsel for review prior to the date of the Closing. At the Closing, the following documents and items shall be delivered as indicated below (collectively, the "Closing Documents"):  

9.1 Seller's Deliveries. Seller shall deliver the following items to Purchaser, duly executed and acknowledged by Seller, as applicable:

9.1.1 A certificate of nonforeign status in form required by federal income tax regulations and reasonably acceptable to Purchaser. In the event Seller does not deliver such certificate to Purchaser at the Closing, or does not otherwise sufficiently evidence Seller's exemption from withholding requirements, Purchaser may withhold such amounts as may be required under applicable law in order for Purchaser to avoid any liability for Seller's tax obligations.

9.1.2 Certificates, duly adopted resolutions, incumbency certificates, good standing certificates and other evidence satisfactory to Purchaser of the authorization of the sale of the Hospital and Property to Purchaser and of the person(s) executing and delivering documents at the Closing on behalf of Seller.

9.1.3 A certificate certifying that each and every warranty and representation made by Seller in this Agreement is true and correct in all material respects as of the Closing as if made by Seller at such time, except as shall have been disclosed to and waived by Purchaser in writing.

9.1.4 A closing statement setting forth in reasonable detail the financial transaction contemplated by this Agreement, including, without limitation, the Purchase Price, any prorations, the allocation of costs specified herein and the source, application and disbursement of all funds (the "Closing Statement").

9.1.5 Copies of all other surveys, plans (including but not limited to the Redevelopment Plan) and specifications, permits and approvals and other similar documents which pertain to the Hospital and/or the Property which may be in Seller's possession or under its control.
9.1.6 Such other items, documents, affidavits, instruments and certificates as Purchaser reasonably requires or as may be necessary or desirable to consummate the sale of the Hospital and the Property, including, without limitation a Limited Warranty Deed conveying all right, title and interest of Seller in and to the Hospital and the Property in form and substance reasonably acceptable to Purchaser.

9.1.7 Transfer and assignment of any and all warranties, covenants and rights of action by, from or against any design professional, architect, engineer, contractor, subcontractor, specialist or consultant relating to the Hospital and Property.

9.2 Purchaser's Deliveries. Purchaser shall deliver at the Closing the Purchase Price, an executed counterpart of the Closing Statement, and a certificate regarding Purchaser's representations in the same form as Seller (as provided in 9.1.3 above).

9.3 Possession. Seller shall deliver full, sole, vacant and exclusive possession of the Hospital and the Property to Purchaser, subject to no tenancies, leasehold interests, occupations or other similar interests.

10. **TIME AND PLACE OF CLOSING.**

10.1 Closing Date. The closing of the transaction set forth in this Agreement shall take place on a date defined in the Re-development Plan, but in any event on or before July 1, 2014 (said event being referred to herein as “Closing” and the date thereof as the "Closing Date") subject to delays caused by force majeure. Notwithstanding the foregoing, in the event the Closing Date is scheduled to occur on a Monday or the day following a federal, state or legal holiday in Atlanta, Fulton County, Georgia, the Closing Date shall, at Purchaser's option, occur on the next business day that does not immediately follow a weekend or federal, state or legal holiday in Atlanta, Fulton County, Georgia. For the purposes of this Agreement, "force majeure" shall mean failure as a result of Acts of God (including fire, flood, earthquake, storm, hurricane or other natural disaster), war, invasion, act of foreign enemies, hostilities (regardless of whether war is declared), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation, terrorist activities, nationalization, government sanction, blockage, embargo, labor dispute, strike, lockout or interruption or failure of electricity or telephone service, or any events or circumstances outside the reasonable control of either party. Lack of funds is not an event of "force majeure".

10.2 Closing Date Extension. Notwithstanding any provision of this Agreement to the contrary, in the event that Purchaser is prepared to close this transaction pursuant to the terms of this Agreement, and if Seller has not fully performed its obligations hereunder, then Purchaser, in its sole and absolute discretion, and in addition to all other rights and remedies it may have, may, from time to time, notify Seller that Purchaser extends the Closing Date to such date or dates as Purchaser may elect to provide Seller with the additional time necessary for Seller to fully perform its obligations hereunder. In such event, Purchaser may defer making Purchaser's Closing deliveries (including deposit of the balance of the Purchase Price) pending Seller's performance. Seller's failure to fully perform by such extended Closing Date(s) shall constitute a default by Seller under this Agreement.
11. **CLOSING COSTS.**

   Each party shall pay the fees of its own attorneys, accountants and other professionals.

12. **CASUALTY LOSS.**

   If, prior to the Closing, all or any portion of the Hospital and/or Property is damaged as the result of fire or other casualty (a "Casualty"), Seller shall promptly notify Purchaser in writing of such event. Upon the occurrence of a Casualty and subject to the Project Budget, Seller will promptly proceed with construction and the Project Schedule will be adjusted as necessary. The above notwithstanding, in the event of a Casualty, Purchaser, in its sole and absolute discretion may decide to terminate this agreement. Notice of such decision to terminate must be provided to Seller prior to the tenth (10th) business day following notice to Purchaser of the Casualty. Should Purchaser decide to terminate for the Casualty then neither party shall have further obligation to the other hereunder except those that expressly survive.

13. **REMEDIES.**

   In the event of a breach of this Agreement by either Party, the non-defaulting party shall have the right to pursue all rights and remedies now or hereafter available at law or in equity or by statute, including, without limitation, enforcing specific performance of this Agreement and bringing suit for monetary damages; however, except as otherwise provided by this Agreement, Purchaser shall not have the right to terminate this Agreement. Except as limited in the preceding sentence, each remedy shall be cumulative and shall be in addition to any other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute. Either Party, at its option, may elect to waive the performance of any condition, contingency or provision in its favor set forth in this Agreement.

14. **NOTICES.**

   All notices, demands, consents, approvals and other communications (the "Notices") which are required or desired to be given by either party to the other under this Agreement shall be in writing and shall be (i) hand delivered, (ii) sent by U.S. registered or certified mail, postage prepaid, return receipt requested, (iii) sent by reputable overnight courier service, or (iv) transmitted by facsimile machine (with a copy, including the transmission sheet indicating successful transmission of the Notice by facsimile machine, to follow by regular mail), addressed to the appropriate party at its address set forth below, or at such other address as such party shall have last designated by Notice to the other. Notices shall be deemed given when delivered, if delivered by hand, by U.S. mail or by overnight courier, or at the time and on the date of machine transmittal, if given by facsimile. Rejection or other refusal by the addressee to accept a Notice or the inability to deliver the Notice because of a changed address of which no Notice was given shall be deemed to be receipt of the Notice sent. Notice addresses for the parties are as follows:

   To Seller:  City of Newnan, Georgia
               Newnan, Georgia
               Attention:
With a copy to:  

To Purchaser:  

Board of Regents of the University System of Georgia  
270 Washington Street S.W.  
Atlanta, Georgia  30334  
Attn: Vice Chancellor for Facilities  

With copies to:  

University of West Georgia  
1601 Maple Street  
Carrollton, Georgia 30118  
Attn:  Vice President for Business and Finance.  

Notice may be given by counsel for the parties, and such Notice shall be deemed given by Seller or Purchaser, as the case may be, for all purposes under this Agreement.  

15.  MISCELLANEOUS.  

15.1 Entire Agreement; No Oral Modifications; Waiver. This Agreement and the exhibits to this Agreement constitute the final and complete agreement between the parties with respect to the transaction contemplated herein, and supersede all prior correspondence, memoranda and agreements (oral or written) between the parties relating to the subject matter hereof. This Agreement cannot be changed or modified other than by a written agreement executed by both parties. No waiver of any of the provisions of this Agreement shall constitute or be deemed to constitute a waiver of any other provision (whether or not similar), nor shall any waiver constitute a continuing waiver unless otherwise expressed or provided.  

15.2 Successors Bound. Subject to the restrictions on assignment contained in Section 15.3 hereof, the provisions of this Agreement shall extend to, bind and inure to the benefit of the parties to this Agreement and their respective personal representatives, heirs, successors and assigns.  

15.3 Assignment. Neither Purchaser nor Seller shall assign this Agreement, or any rights or obligations under or relating to this Agreement, whether voluntarily, involuntarily or by operation of law, without the prior written consent of the other party, and any such purported assignment shall be void.  

15.4 Brokers. Seller represents and warrants that with respect to the Hospital and/or Property, any obligations of Seller incurred by or for real estate brokers for commissions or finder's fees, whether disclosed or not, shall be the sole responsibility of Seller.  

15.5 Governing Law; Governing Jurisdiction. This Agreement shall be governed by and construed in accordance with the laws of the State of Georgia applicable to agreements made or to be performed in such jurisdiction without regard to any conflicts of law.
15.6 Counterparts; Facsimile Signatures. This Agreement may be executed in more than one counterpart, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument. Facsimile or other electronically transmitted signatures on this Agreement shall constitute originals signatures of the parties.

15.7 Severability. If any term or provision of this Agreement shall, to any extent, be held invalid or unenforceable, the remaining terms and provisions of this Agreement shall not be affected thereby, but each remaining term and provision shall be valid and enforced to the fullest extent permitted by law.

15.8 Captions. The captions of this Agreement are inserted solely for convenience of reference only and do not define, describe or limit the scope or intent of this Agreement or any term hereof.

15.9 Construction. Seller and Purchaser acknowledge that each party and its counsel have reviewed and revised this Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement (including the exhibits) or any amendments hereto, and the same shall be construed neither for nor against Seller or Purchaser, but shall be given a reasonable interpretation in accordance with the plain meaning of its terms and the intent of the parties.

15.10 Computation of Time. If the time for performance of any provision of this Agreement ends on a Saturday, Sunday or federal, state or legal holiday in Atlanta, Fulton County, Georgia, then such date shall automatically be extended until 5:00 p.m. on the next day which is not a Saturday, Sunday or federal, state or legal holiday in Atlanta, Fulton County, Georgia.

15.11 Survival of Terms. The terms and provisions of this Agreement shall survive the Closing and shall remain in full force and effect thereafter unless otherwise specifically provided in this Agreement.

15.12 Recitals. The recitals set forth at the beginning of this Agreement are true and correct, and are incorporated herein as terms of this Agreement by this reference.

15.13 No Third-Party Beneficiary. Nothing in this Agreement, whether express or implied, is intended to confer upon any other party other than the parties hereto and their respective successors and assigns, any right or interest whatsoever. No party other than the parties hereto is entitled to rely in any way upon the warranties, representations, obligations, indemnities or limitations of liability whatsoever in this Agreement.

15.14 Exhibits. All exhibits and appendices attached to this Agreement are incorporated into this Agreement by this reference and made a part of this Agreement as if fully set forth herein. The following constitute the exhibits to this Agreement:

Exhibit A  Legal Description of Property
Exhibit B  Hospital Re-development Plan
Exhibit C    Contingencies

[Balance of this page intentionally left blank; signatures appear on the following pages.]
SIGNATURE PAGE

FOR

HOSPITAL RE-DEVELOPMENT AND PURCHASE AGREEMENT

IN WITNESS WHEREOF, the parties have executed and sealed this Hospital Re-
development and Purchase Agreement, intending to be legally bound hereby as of the Effective
Date.

SELLER: CITY OF NEWNAN, GEORGIA, a
Georgia municipal corporation

By: ________________________________

Name: Keith Brady

Title: Mayor

Date: ______________________________

(SEAL)

[Signatures continue on following page.]
SIGNATURE PAGE

FOR

HOSPITAL RE-DEVELOPMENT AND PURCHASE AGREEMENT

IN WITNESS WHEREOF, the parties have executed and sealed this Hospital Re-
development and Purchase Agreement, intending to be legally bound hereby as of the Effective
Date.

PURCHASER:

BOARD OF REGENTS OF THE UNIVERSITY
SYSTEM OF GEORGIA

By: [Signature]

Vice Chancellor for Facilities

Attest: [Signature]

Associate Vice Chancellor

(SEAL)
EXHIBIT A

TO HOSPITAL RE-DEVELOPMENT AND PURCHASE AGREEMENT

LEGAL DESCRIPTION OF PROPERTY

Property as depicted on that certain survey of Newnan Hospital by Christopher Brothers Land Surveying LLC for University of West Georgia dated July 13, 2012.

Legal Description to follow.

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EXHIBIT B

TO HOSPITAL RE-DEVELOPMENT AND PURCHASE AGREEMENT

RE-DEVELOPMENT PLAN

SELLER'S WORK/CONSTRUCTION PROCESS.

1. Seller's Work shall be performed in accordance with the Re-development Plan and in compliance with all laws, ordinances, regulations and rules of appropriate governmental authorities and insurance rating agencies. Seller agrees that it will timely satisfy or bond over any mechanics, laborers or other construction liens to be asserted against the Property or the Hospital.

2. Seller shall engage a contractor or subcontractor that is licensed in the State of Georgia and acceptable to Purchaser, approval by Purchaser shall not be unreasonably withheld conditioned or delayed, to perform the Work. Any construction contract shall contain a provision requiring the contractor and its subcontractors to comply with the laws of the State of Georgia, including but not limited to, the Illegal Immigration Reform and Enforcement Act of 2011 set forth at O.C.G.A. § 13-10-90 et seq., the "Drug-Free Workplace Act" set forth at O.C.G.A. § 50-24-1 et seq., O.C.G.A. § 45-10-20 et seq., regarding conflicts of interest, and O.C.G.A. § 50-5-60 et seq., regarding products manufactured or produced in Georgia, and shall name Purchaser as a third-party beneficiary.

3. Seller shall designate and appoint a manager ("Seller's Program Manager") for the Work. Seller's Program Manager shall coordinate with a representative of Purchaser, who shall be designated and appointed by Purchaser ("Purchaser's Program Manager"), as may be necessary to comply with the provisions and requirements of this Agreement and the Re-development Plan, including, but not limited to, the following duties:

   (a) Provide Purchaser's Project Manager with weekly informal progress reports so as to keep the Purchaser fully apprised of the progress, and provide Purchaser's Project Manager with monthly written progress reports which reflect status of progress toward delivery date and status of Project Budget during the preceding month;

   (b) Prepare and submit to Purchaser's Project Manager supplements and refinements to the Project Budget for the Purchaser's review and approval as the demolition, construction and renovation moves through its various phases to completion;

   (c) Notify Purchaser's Project Manager of any actual or anticipated change in the Re-development Plan of which Seller becomes aware;

   (d) Notify Purchaser's Project Manager of any actual or anticipated increase in a budgeted category within the Project Budget of which Seller becomes aware;

   (e) Notify Purchaser's Project Manager of any known, actual, potential, or anticipated claims against Seller, Purchaser, or any design professional, architect, engineer, specialist, contractor, subcontractor or consultant involving the Hospital and/or the Property;

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(f) Supervise the performance of design professionals, architects, engineers, contractors, subcontractors, specialists and consultants under their respective contracts with Seller;

(g) Take whatever actions are appropriate to accomplish completion of the demolition, construction and renovation in accordance with the approved Project Schedule, within the approved Project Budget, and in accordance with standards and specifications approved by Purchaser's Project Manager; and

(h) Prior to Final Milestone, cooperate to prepare a punch list of open items yet to be satisfied to be completed by the contractor. Unless the Seller and Purchaser expressly agree otherwise, all such punchlist and minor incomplete items must be completed to the satisfaction of Purchaser prior to Closing.

(i) Provide control and management of the Project Budget, as the same may be modified from time to time.

Without limitation of and in addition to the foregoing, once demolition, construction or renovation commences, Seller's Program Manager shall also perform the following duties:

(a) Make periodic visits to the job site to inspect and review the work and progress of construction, including matters of infrastructure such as roads and utilities, with the design professional, architect, engineers, contractors, specialists, consultants and governmental entities involved;

(b) Consult with Purchaser's Project Manager regarding proposed changes and modifications to the Re-development Plan (including but not limited to the Plans) and coordinating issuance of change orders if and when changes are approved by Seller and Purchaser, design professional, architect, engineers, contractors, and other necessary parties and governmental entities;

(c) Respond to any questions from Purchaser's Project Manager regarding the work or progress of construction, construction methods, scheduling, and the like;

(d) Coordinate the turnover of the Hospital and the Property, as and when the same is appropriately completed, to Purchaser;

(e) Coordinate efforts by all appropriate parties to complete the demolition, construction and renovation in accordance with Re-development Plan (including but not limited to the Plans) therefor, as the same may be amended from time to time with the approval of all necessary parties, such efforts to include, without limitation, assisting in the scheduling of inspections and the preparation of punch-lists;

(f) Obtain, or cause the design professional, architect or contractor to obtain, on behalf of Purchaser, a permanent certificate of occupancy with respect to the Hospital;

(g) Provide within ninety (90) days after Final Milestone, a complete set of marked up drawings and specifications showing the actual location of all utilities and all
changes or additions during the construction, including one (1) set of full-size reproducible documents, three (3) sets of full-size blue or black line prints and electronic media (CD-ROM including CADD) files in “.PDF” format or AutoView format or Autocad format or other format acceptable to Purchaser.

PROJECT SCHEDULE.

1. Seller shall perform Seller’s Work in accordance with the Project Schedule and in incremental steps (the “Milestones”) as follows:

(a) Initial Milestone: Completion of Preliminary design.

(b) Second Milestone: Completion of Demolition and Remediation activities.

(c) Third Milestone: Completion of Renovation activities.

(d) Fourth Milestone: Completion of Construction activities (Material Completion).

(e) Final Milestone: Completion of renovation and construction activities with inspection by State Fire Marshall, installation of traffic flow improvements and directional signage (Final Completion).

INSURANCE AND INDEMNITY.

1. **Insurance.** It is the intent of the parties that all risk of loss for demolition, construction and renovation be shifted to insurance to the maximum extent practicable. Accordingly, Seller shall maintain, or cause to be maintained, insurance covering the following risks to the extent stated. Such insurance shall be written on an occurrence basis unless the Purchaser otherwise consents in writing, which consent shall not be unreasonably withheld or delayed, but for errors and omissions insurance issued on a claims made basis. The Purchaser may condition such consent on the purchase of a three year tail policy with such limits as Purchaser may reasonably determine appropriate. Such insurance shall insure Purchaser and the State of Georgia, including its officers, officials, and employees subject to the provisions of paragraph 3 of this Section, and shall contain (i) a waiver of subrogation endorsement, (ii) an endorsement deleting the property damage exclusion as to explosion, underground and collapse hazards, (iii) an endorsement covering contractual liability, and (iv) an endorsement providing incidental malpractice coverage. Copies of certificates (on a standard ACORD form) showing insurance coverage shall be provided to Purchaser upon request and from time to time. The policy shall provide that such insurance shall be primary coverage without reduction or right of offset or contribution on account of any insurance provided by Purchaser to itself or its officers, officials or employees; and shall provide that such insurance shall not be altered or cancelled without thirty (30) days written notice to Purchaser and will not be cancelled without ten (10) days notice to Purchaser.

(a) Workmen's Compensation Insurance covering all employees on the Property and involved in the demolition, construction and renovation as provided by the laws of the State of Georgia;
(b) All Risk and Builder's Risk Property Insurance in a commercially customary form covering the physical loss or damage to the Hospital and/or Property in an amount not less than full replacement value.

(c) Commercial General Liability insurance covering all claims for bodily injury and property damage in an amount not less than $2,000,000.00 per person and $3,000,000.00 per occurrence, to include personal and advertising injury, general aggregate, products and completed operations aggregate insurance beginning at the completion of each project component and continuing for a minimum of 5 years after Final Completion, and contractual liability coverage in a commercially customary form. Coverage shall be specific for the Work or, upon approval of the Purchaser, covered under umbrella or pooled policies. Purchaser agrees that Seller (or its contractor) may cover this insurance under an umbrella policy.

(d) Business automobile insurance covering liability arising out of the use of any Seller vehicle for such vehicles used in conjunction with the demolition, construction and renovation, whether owned or leased.

(e) Professional Errors and Omissions Insurance covering all design professionals, architects, engineers, specialists, and consultants in the amount of $5,000,000.00. Coverages shall be specific for the Work and not aggregated with insurance for other undertakings of the insureds unless approved by Purchaser. Purchaser agrees that Seller (or its architect) may cover this insurance under an umbrella policy.

2. Payment and Performance Bonds. Seller shall provide or cause to be provided payment and performance bonds in accordance with O.C.G.A. §§ 13-10-1(b), 36-82-100, 101 and 102, to include requiring the contractor and appropriate subcontractors to provide payment and performance bonds meeting the statutory requirements, as well as other appropriate bonds such as roof and wall bonds. The bonds shall be payable and in favor of Seller as Obligee and the Purchaser as Additional Obligee. Cost of bonds furnished by Seller shall be a cost category in the Project Budget.

3. Georgia Tort Claims Act. The Purchaser and its employees, officers and officials are covered by the Georgia Tort Claims Act, O.C.G.A. § 50-21-21 et seq. ("Act"), and to the extent they are exempt from suit pursuant to the Act, shall not be a named insured on any public liability insurance policy. In addition, such insurance shall provide that the defense of any claim made against the Purchaser, the State, or their officers, officials or employees shall be provided by the Attorney General of Georgia where the defense of such claim is vested by law in such office, and that the administration of claims shall be provided by the Department of Administrative Services, State of Georgia.

4. Premiums and Deductibles. Premiums for insurance, payment and performance bonds, fidelity bonds, and umbrella and tail coverage shall be included within the Project Budget.
SURVEY.

Seller agrees to provide Purchaser, at Purchaser’s cost and expense, an as-built survey of the Hospital and Property within ninety (90) days after the Final Milestone with a surveyor’s certificate to Purchaser containing the following items:

(a) that the drawing is a representation of a true and accurate survey;
(b) that the perimeter of the survey was established by actual field measurements;
(c) that the monuments were bound or set as shown on the survey;
(d) that the Property is entirely enclosed within the perimeters described therein; and
(e) that there are no buildings or other structures of any kind, monuments, iron pins, encroachments or easements upon the Property other than those shown thereon.

ADDITIONAL REQUIREMENTS FOR FINAL MILESTONE

Operation and Maintenance Training in the operation and maintenance of all mechanical, electrical and other operating systems and equipment to Purchaser designated Personnel.

Operating and Maintenance Manuals, Brochures and Data as prepared and published by the manufacturers covering details of operation and maintenance for all items equipment, systems or apparatus installed which require operation or maintenance after occupancy.

Test and balance Report. A copy of the initial test and balance report on the heating, ventilating and air conditioning system. Two additional Test and Balance Reports (Seasonal) are required after Milestone/Phase completion and Occupancy.

A non-influence affidavit in the exact form presented (To be provided to Seller).

A statutory affidavit in the exact form presented (To be provided to Seller).

A Five Year Bond of Roofs and Walls written by a surety authorized to do business in the State of Georgia and in the penal sum of the actual cost of the walls, wall cladding, wall insulation, roof, insulation and roof deck.

Any Bonds to Discharge Claim issued to Trade Contractors and suppliers.

Written Guarantees and Warranties. All written guarantees or warranties as called for in the specifications. Each written guarantee or warranty shall specify the term and contact information
for enforcement and shall be in such form as to permit direct enforcement by the Owner against any Trade Contractor, subcontractor, materialmen, or manufacturer related to the guarantee.

**Warranty Periods.** All warranties begin to run from the date of Closing and the warranty period should be for at least one year.

**Manufacturer's Certification of Building Systems' Operations,** stating that all building systems specified were started up, tested and are operational.

**Certificates of Manufacturers for Major Components Including Installation Instructions** in which the manufacturer(s) certifies or certify that "the equipment has been installed in strict compliance with the recommendations of the manufacturer(s) and is operating properly.

**Certificates of Manufacturers for Products** where required by the specifications, Certificates of Manufacturers for products and other materials (not Major Components) shall be provided using the manufacturer's certificate format.

**Operation and Maintenance Manuals** shall be in three ring binders or manufacturer's binder. If documents are provided on electronic format (ED/DVD), one printed copy is required plus two (2) disks.

**Keys with tags** attached indicating number and/or description of door or room each key is intended to fit, including an itemized key schedule.

**Attic Stock and Loose Equipment** if the Contract Documents provide for the furnishing of any loose equipment or furnishings or attic stock or materials.

Elevator and Boiler Certificate (if applicable)

100% Fire Marshal Inspection with TCO or Certificate of Occupancy.
EXHIBIT C

HOSPITAL RE-DEVELOPMENT PURCHASE AGREEMENT

CONTINGENCIES

1. For Purchaser’s or Seller’s obligations to begin hereunder NH, Inc. shall enter into an agreement with Seller whereby NH, Inc. shall gift the Property to Seller along with a gift of cash of Four Million Two hundred and Forty Thousand Dollars ($4,240,000.00).

2. For Purchaser’s or Seller’s obligations to begin hereunder Coweta County, Georgia shall enter into an agreement whereby they shall agree to provide $500,000.00 to Seller for the redevelopment of the Property as well as to quit claim any rights in Purchaser’s current Coweta County location occupied by UWG at 7 Solar Circle within ninety (90) days of Closing; such that Purchaser shall have the right to sell the 7 Solar Circle property in its entirety or in portions in Purchaser’s sole and absolute discretion. Notwithstanding the foregoing, Purchaser shall use its best reasonable efforts to use any proceeds from such a sale to enhance its operations in Newnan / Coweta County.

3. Prior to accepting any gift of property from NH, Inc. Seller will perform its own comprehensive due diligence upon the Hospital and the Property. Seller will retain the option to terminate this Agreement should its anticipated costs of remediation as determined in Seller’s sole discretion make the project cost prohibitive. If the Seller terminates the Agreement pursuant to this option then all Purchaser obligations will also terminate. If, upon completion of its due diligence Seller declines to terminate this Agreement in accordance with this provision then Seller shall remediate any and all environmental hazards from the Hospital and the Property unless such full remediation is expressly waived by Purchaser in its sole and absolute discretion. Seller shall promptly notify Purchaser of the availability of any and all information and documentation related in any way to hazardous materials on the Property and the remediation and proper disposal of those hazardous materials. As a condition of Closing, Seller shall certify that the property is free of hazardous materials.

4. All Work will be designed and conducted in accordance with the specifications and building standards mutually agreed upon by Seller and Purchaser including all applicable building codes including review and approval (and ultimately a Certificate of Occupancy for occupancy by State agencies) by the State Fire Marshall as a condition precedent to purchase the Property.

5. Seller will set aside no less than $1.75 million for “loose equipment” and “FFE”.

6. Coweta County and Seller will cooperate and jointly fund adequate (according to the reasonable discretion of Purchase) way finding signage in both Coweta County and the City of Newnan to direct students and others to the Property.

7. Prior to Final Milestone the Parties will cooperate to prepare a punch list of open items yet to be satisfied to be completed by the contractor. Unless the parties agree otherwise, all such punchlist and minor incomplete items must be completed to the satisfaction of Seller and Purchaser prior to Closing.
8. Upon receipt of a Limited Warranty Deed effectively transferring fee simple title to the Property in accordance with all conditions and requirements of this Agreement, Purchaser shall use the renovated facility for educational purposes. Although all academic programming is based on market demand, faculty resources and the approval of the Board of Regents and accrediting agencies, BOR intends to move its current academic programs from the 7 Solar Circle facility to the Property. This additional space will allow for the expansion of the nursing program and core curriculum offerings. BOR commits to study market demands to see what additional programs could succeed at the Newnan Center and is committed to an increased marketing effort to support program growth.

9. Seller acknowledges that traffic flow in the area of the Property requires improvement and does hereby commit to provide reasonable improvements to prevent adverse impacts on the establishment of Purchaser’s proposed use of the property. Seller and Purchaser hereby acknowledge that permanent solutions may require the participation of Coweta County and the Georgia Department of Transportation (GDOT) and could take up to five (5) years to implement. Seller hereby agrees to diligently pursue permanent solutions to traffic flow issues in the area but shall, in the interim, use its best efforts to improve traffic flow until permanent solutions can be installed. These interim measures could include but are by any means limited to the manual direction of traffic by police officers or other equivalent measures. No later than 120 days from the date of this Agreement Seller shall, at its sole cost, retain a traffic engineer to perform a Traffic Impact Analysis (TIA) for the said Project and together with Purchaser shall develop a plan using the TIA which addresses traffic flow issues in the area which could adversely impact the establishment of Purchaser’s proposed use of the Property and results in a traffic improvement plan and an agreed upon improvement schedule. Seller shall commit to the implementation of the resulting improvement schedule (to include the following as necessary: GDOT’s approval, inclusion in the statewide transportation improvement plan and financial participation by others excluding Purchaser. This obligation of Seller is hereby expressly intended to survive Closing. The above notwithstanding, until 12:00 noon on the day that is sixty (60) days prior to Closing, Seller will have the option to terminate this Agreement should its anticipated cost of traffic improvements, as determined in Seller’s sole discretion, make the obligations referenced above cost prohibitive. If the Seller terminates the Agreement pursuant to this option then all Purchaser obligations will also terminate.