

Prepared By:
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Spearfish, SD 57783
(605) 642-2757

PURCHASE AGREEMENT

THIS AGREEMENT made and entered into this ___ day of _____, 2021, by and between **Stage Barn Properties, LLC**, a South Dakota limited liability company, of 1010 Ball Park Road, Sturgis, SD 57785, hereinafter jointly referred to as "Seller"; and **Meade School District 46-1**, a political subdivision of the State of South Dakota, 1230 Douglas Street, Sturgis, South Dakota 57785, hereinafter referred to as "Buyer":

WITNESSETH:

Seller agrees to sell and Buyer agrees to purchase the following real property (hereinafter referred to as the "Purchased Property"), upon the following terms and conditions mutually understood and agreed to by and between the parties:

Tract 2R of Stage Stop Subdivision, City of Summerset, Meade County, South Dakota, as shown on the plat filed in Plat Book 26 on Page 138.

The parties acknowledge that this legal description may be amended in order to be exactly compliant with the legal description provided by Black Hills Title in the title commitment to be prepared pursuant to this Agreement.

1. Purchase Price and Payment. The total Purchase Price for the Purchased Property of **One Million Dollars (\$1,000,000.00)** shall be payable as follows:

1.1 Earnest Money Deposit. No earnest money deposit shall be required.

1.2 Balance Due at Closing. The balance shall be paid in cash by Buyer to Seller at closing by cashier's check or other certified payment.

2. Date of Closing and Possession. Closing shall occur on January 3, 2022, unless it is extended by the mutual written agreement of the parties. Buyer shall be entitled to possession as of the date and time of closing.

The parties designate Black Hills Title, Inc., of Sturgis, South Dakota, to act as the closing agent for this transaction, and the Closing shall take place at the office of the Closing Agent in Sturgis, South Dakota.

3. Liens or Encumbrances. Seller agrees to sell and convey the Purchased Property to Buyer free of any mortgages, claims, liens or encumbrances on the date of closing.

4. Survey and Appraisal.

4.1 Survey. Buyer is purchasing the same based upon its legal description. Buyer hereby assumes full responsibility for the risk of loss, if any, due to not having a survey done on the Purchased Property and further acknowledges the existing apparent property lines may not be accurate and that any acreage calculations or amounts related to the Purchased Property discussed between Seller and Buyer are merely estimates.

4.2 Appraisal. This Agreement is not contingent upon the Purchased Property appraising for at least the amount of the Purchase Price.

5. Sign Lease. The parties agree a portion of the Purchased Property is subject to a third party sign lease. At closing, Seller shall assign to Buyer all right and title in such lease, and Buyer shall be entitled to all rent payments accruing under the lease on and after the date of closing.

6. Taxes and Assessments. Seller agrees to pay all real estate taxes, levies and assessments (special and general) and any road district or homeowner's association fees and assessments (special and general) on the Purchased Property, if any, prorated to the date of closing based upon the most recent assessment information available from the taxing or assessing authority, or upon a good faith estimate if prior tax, assessment or fee information is not available. All subsequent taxes, levies, assessments and fees shall be paid by Buyer as they become due and payable. The Seller will **not** pay all special assessments prior to closing, and they shall be prorated to the date of closing as provided above.

7. Conveyance. Seller shall convey the Purchased Property to Buyer by a good and sufficient Warranty Deed, which instrument shall be delivered to Buyer at closing.

8. Title Insurance. The parties shall obtain an Owner's title insurance policy in the amount of the sale price certified to a current date showing good and merchantable title in Seller. Buyer shall have a reasonable time in which to have the title insurance commitment examined and shall furnish to Seller, in writing, any objections which Buyer has to the title which renders the title unmerchantable. If defects exist, Seller agrees to cause said defects to be cured as expeditiously as possible at Seller's expense. The title insurance commitment and policy shall be issued by Black Hills Title on its standard form, with printed exceptions as appear on the forms. The standard printed exceptions, any filed Covenants, Conditions or Restrictions, any filed articles and bylaws of the homeowner's association, and the exceptions and encumbrances agreed to herein, and whether or not there exists any mineral interest to be conveyed, shall not constitute conditions of unmerchantable title. If Seller cannot cure bonafide title defects, this Agreement shall, at Buyer's election, either (a) be null and void and the Buyer's earnest money deposit shall be then returned in full, less any expenses incurred on Buyer's behalf, without interest, or, (b) Buyer's may elect to proceed with closing and waive the title defects.

9. Inspections; Condition of Property. Buyer acknowledges Buyer has fully examined the Purchased Property and any improvements related thereto, or has obtained an independent inspection of the Purchased Property to Buyer's satisfaction, and agree to accept the Purchased Property in its present condition, "as is." Seller will provide no inspections. **Except for the title warranties contained in the Warranty Deed, Seller makes no warranties, express or implied, to Buyer or anyone concerning any aspect of the Purchased Property.** Buyer hereby assumes any and all responsibility to investigate the topography, soils, suitability, condition, adequacy and all other aspects of the Purchased Property, any Covenants, Conditions and Restrictions, and any homeowner's association documents, for the use intend by the Buyer.

10. Insurance and Risk of Loss. Seller shall bear the risk of loss, destruction, or damage to the Purchased Property at all times prior to delivery on date of closing, and shall maintain in force all current casualty and/or liability insurance policies on the Purchased Property up to and including the date and time of closing. In the event the Purchased Property is damaged or destroyed before closing, the Buyer may elect to terminate this *Agreement* without liability.

11. Utilities. Buyer shall be responsible for the costs related to all utilities serving the Purchased Property on and after the date of closing.

12. Indemnification. Seller agrees to indemnify and save harmless Buyer of and from all liabilities, losses, claims or damages occurring on or before the date of closing arising out of **(1)** injury or damage of or to any person or property arising out of or in any way connected with the Purchased Property; and **(2)** from and against all costs, attorney's fees, and expenses and liabilities incurred in the defense of any such claim, action, or proceeding brought against the Seller by reason of such claim.

13. Fees and Costs. Seller and Buyer shall each pay and be responsible for one-half of: **(a)** the cost of the Owner's Title Insurance Policy; **(b)** the cost of recording the Warranty Deed and any transfer tax required to file the Warranty Deed; **(c)** the cost of the preparation of the this Purchase Agreement and the Warranty Deed; **(d)** the closing fee to close this transaction charged by Black Hills Title.

14. Other Documents. The parties hereby mutually agree to execute any and all other documents necessary or needed in order to effectuate the purposes of this Agreement.

15. Default Provision. Time is declared to be of the essence of this Agreement and should either party default in any way or fail to perform any of the obligations required hereunder, then the nondefaulting party shall give the defaulting party written notice of the nature of the default and the defaulting party shall have a period of FIVE DAYS thereafter in which to cure the default. In the event that a default has occurred and the notice of default has been given, then and in that event, the nondefaulting party may then exercise any and all rights available in law and/or equity to the nondefaulting party.

16. Notices. All notices of default shall be in writing and may be given by: (1) certified mail, postage prepaid, addressed to the defaulting party's last known post office address; (2) hand delivery; or, (3) process server, civil deputy or other official. All notices shall be deemed to be received by the defaulting party on the earlier of (1) two days after the date of posting by certified mail; or (2) the date of actual receipt if delivered by hand or by personal service.

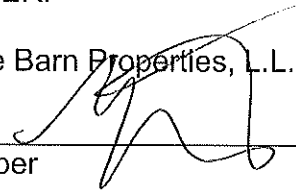
17. Representation. This Agreement was prepared by Buyer's attorney and Seller acknowledges Seller was advised to seek independent legal advice concerning this Agreement. Both parties have been advised to seek tax advice concerning this Agreement.

18. Severability of Provisions. The invalidity or unenforceability of any term, phrase, paragraph, restriction, covenant, agreement or other provision hereof shall in no way affect the validity or enforcement of any other provision, or any part thereof.

19. Written Memorandum. This Agreement constitutes a memorandum of the final meeting of the minds between the parties hereto of all prior negotiations had by the parties in reference to all matters covered herein; and, this Agreement is to be binding upon the respective heirs, executors, administrators and assigns of the parties hereto.

20. Assignability. This Agreement and the rights hereunder may not be assigned by Buyer to any other person or entity without the written consent of Seller.

IN WITNESS WHEREOF, the parties have hereunto set their hands effective the day and year first above written.

SELLER:
Stage Barn Properties, L.L.C.
By:  _____
Member

BUYER:
Meade School District 46-1
By: _____
School Board President

ATTEST:
By: _____
Business Manager
(SEAL)