

**PURCHASE AND SALE AGREEMENT AND
ESCROW INSTRUCTIONS**

THIS PURCHASE SALE AGREEMENT AND ESCROW INSTRUCTIONS ("Agreement") is made and entered into this ___ day of _____ 2023, by and between Pony Express Stations, LLC, a Nevada Limited Liability Company Series C ("Seller"), and the CITY OF FALLON, a political subdivision located within Churchill County, Nevada ("Buyer").

RECITALS:

WHEREAS, Seller is the owner of certain real property situated in the City of Fallon, County of Churchill, State of Nevada, commonly referred to as 1110 W. Williams Avenue, and identified by Churchill County Assessor's Parcel Number 001-231-59.

WHEREAS, Seller desires to sell and Buyer desires to purchase a portion of the above-described parcel which is more particularly described as set forth in Exhibit "A" attached hereto (the "Real Property") and incorporated hereby.

WHEREAS, Seller desires to sell and Buyer desires to purchase the Real Property together with all its improvements, tenements, hereditaments and appurtenances.

NOW THEREFORE, IN CONSIDERATION OF THE FOREGOING and the mutual agreements hereinafter contained, Seller and Buyer agree as follows:

ARTICLE 1

Escrow Instructions

Section 1.1 Agreement to Constitute Escrow Instructions. This Agreement shall constitute escrow instructions to _____ (the "Escrow Agent"), upon acceptance by the Escrow Agent of this Agreement as instructions to it and shall govern the close of escrow as set forth below. The Escrow Agent may

Sellers Initials: _____

Buyers Initials: _____

supplement these instructions with its usual and customary escrow instructions provided, however, that any additional instructions do not contradict the terms set forth herein.

ARTICLE 2

Purchase and Sale of Real Property

Section 2.1 Purchase. Seller agrees to sell and Buyer agrees to purchase the Real Property on the terms and conditions set forth in this Agreement.

Section 2.2 Consideration. The purchase price for the Real Property ("Purchase Price") shall be EIGHTY-EIGHT THOUSAND ONE HUNDRED EIGHTY-FIVE DOLLARS (\$88,185.00) which shall be paid by Buyer to Seller upon acceptance of the terms of this agreement, outside of escrow.

ARTICLE 3

Survey, Parcel Division, and Buyer Improvements

Section 3.1 Parcel Division. Buyer shall, at its sole and separate cost complete a parcel division map to be prepared dividing the Churchill County Assessor's Parcel No. 001-231-59 in order to create the Real Property which is the subject of this Agreement. Following the close of escrow, Buyer intends to create a public road upon the Real Property. Seller acknowledges that the Real Property Description set forth in Exhibit A is derived from preliminary survey work, is an approximation of the intended, final property boundary description, and that the final property boundary line may deviate from this initial description. Buyer agrees that upon its construction of the public road it will provide Seller with two access points in to parcel 001-231-59. Buyer further agrees to relocate, at its sole cost, such fixtures and landscaping to parcel 001-231-59 as necessary to

Sellers Initials: _____

Buyers Initials: _____

accommodate the public road. The obligations of Buyer under this Article shall survive the Close of Escrow.

///

///

ARTICLE 4

Title

Section 4.1 Title to Real Property. Title to the Real Property shall be evidenced by a Grant, Bargain and Sale Deed conveying good and marketable title to the Real Property to Buyer in fee simple, free and clear of all liens and encumbrances subject only to the title exceptions approved by Buyer during the Investigation Period described below. Buyer shall pay for a standard ALTA owner's policy of title insurance issued by title insurance agents of Escrow Agent in favor of Buyer in the amount of the Purchase Price, insuring title to the Real Property.

Section 4.2 Permitted Exceptions. Within three (3) days after the recording of a parcel map creating the Real Property, Buyer shall open an escrow with the Escrow Agent and Buyer shall order a preliminary title report ("Title Report") on the Real Property with instructions to provide a copy of said report to Seller and Buyer upon its completion. Buyer shall be allowed twenty (20) days from the receipt of the Title Report to examine the title to the Real Property and to give notice to Seller of any objections thereto. All exceptions to the title contained in the Title Report (other than monetary liens) shall be deemed permitted exceptions unless written notice of objection is given by Buyer to Seller within said twenty (20) days. If Buyer objects to any exceptions to the title, Seller shall use

Sellers Initials:_____

Buyers Initials:_____

due diligence to the extent possible, to remove such exceptions at Seller's own expense before the Closing Date. If such exceptions cannot be removed before the Closing Date, all rights and obligations hereunder may, at the election of Buyer, terminate. If Seller is unwilling or unable to remove such Buyer objections, Seller shall so notify Buyer within ten (10) days of receipt of said objections and in that event Buyer may terminate this Agreement.

Section 4.3 No Further Encumbrances. While this Agreement is in effect, Seller shall not do any of the following without the prior written consent of Buyer: (a) make or allow to be made, extend or allow to be extended any leases, contracts, options or agreements whatsoever affecting the Real Property; (b) cause or permit any lien, encumbrance, mortgage, deed of trust, right, restriction or easement to be placed upon the Real Property; or (c) permit any mortgage, deed of trust or other lien to be foreclosed upon due to Seller's actions or omissions, including failure to make a required payment or failure to obtain the consent of a beneficiary under any deed of trust and/or mortgage under any mortgagee under any mortgage on the Real Property to enter into this Agreement, if such consent is required under the terms of such deed of trust and/or mortgage.

ARTICLE 5

Closing Date and Closing Date Obligation

Section 5.1 Closing Date. The "Closing Date" shall be at such time as the parcel division creating the Real Property shall be completed and Escrow Agent can provide an ALTA policy of title insurance in favor of Buyer in the amount of the Purchase Price, subject only to the exceptions described in Section 4.1 above.

Sellers Initials: _____

Buyers Initials: _____

///

///

Section 5.2 Apportionment of Certain Times; Deferred Taxes. All real and personal property taxes, assessments, and utility charges of whatsoever nature shall be apportioned as of the Closing Date.

In making apportionments, all property taxes, assessments and similar items will be prorated on the basis of the number of days in the period in question before and after the Closing Date. The amounts to be apportioned under the provisions of this Section shall be apportioned and paid as soon as they can be calculated.

Section 5.3 Buyer's Obligations. On or before the Closing Date, Buyer shall deliver to the Escrow Agent the following:

- a) An amount equal to all of the escrow fees and closing costs;
- b) An amount equal to the premium on a standard ALTA owner's policy of title insurance;
- c) An amount equal to the cost of recording the Grant, Bargain and Sale Deed;
- d) An amount equal to the Real Property Transfer Tax;
- e) An amount equal to Buyer's share of items to be apportioned as provided in Section 5.2.

Section 5.4 Seller's Obligations. On or before the Closing Date, Seller shall:

- a) Deliver to the Escrow Agent the executed Grant, Bargain and Sale Deed to be recorded at the recorder's office of the County of Churchill, State of Nevada;

Sellers Initials: _____

Buyers Initials: _____

b) An amount equal to Seller's share of items to be apportioned as provided in Section 4.2;

c) Any writing that may be required evidencing Seller's receipt of the Purchase Price outside escrow.

Section 5.5 Escrow Agent's Obligations. On the Closing Date, the Escrow Agent shall:

a) Issue and deliver to Buyer its ALTA owner's policy of title insurance in favor of Buyer in the amount of the Purchase Price;

b) Record the original of the Grant, Bargain and Sale Deed and deliver a copy of the same to the Buyer;

c) Pay the Real Property Transfer Taxes;

e) Make the apportionment required by Section 5.2 of this Agreement;

f) Pay itself its escrow fee and its premium on its title policy; and

g) Close the Escrow.

ARTICLE 6

Seller's Representations, Warranties and Covenants

Seller Represents that as of the date of this Agreement and through the Closing Date that:

Section 6.1 Seller is the sole owner of the Real Property and has good and marketable fee title thereto, subject only to the conditions and exceptions set forth herein.

Section 6.2 This Agreement is a legal, valid and binding obligation of Seller and is enforceable against Seller in accordance with all material terms.

Sellers Initials: _____

Buyers Initials: _____

Section 6.3 To the best of Seller's knowledge there are no claims, litigations, actions, suits or proceedings, administrative or judicial, filed or pending against Seller with respect to the Real Property, this Agreement or the transactions contemplated hereby, at law or in equity, before any federal, state or local court, regulatory agency, or other government agency; there are no claims that Seller's operation of the Real Property has not complied with all applicable laws that are now in effect that pertain to the Real Property.

ARTICLE 7

Miscellaneous

Section 7.1 Breach of Representations, Warranties and Covenants. All representations, warranties and covenants made as part of this Agreement are material and are relied upon by the parties.

Section 7.2 Successors and Assigns, No Assignment. This Agreement shall be binding not only upon the parties but also upon their respective heirs, personal representatives, assigns, and other successors in interest. The parties acknowledge and agree that this Agreement shall not be assignable by Buyer without the prior written acknowledgment and permission of Seller.

Section 7.3 Time. Time is of the essence of this Agreement.

Section 7.4 Execution of Additional Documents. In addition to documents and other matters specifically referenced in this Agreement, Seller and Buyer agree to execute and/or deliver, or cause to be executed and/or delivered such other documents and /or materials, including additional escrow instructions carrying out the terms and conditions of this Agreement, as may be reasonably necessary to effect the transaction contemplated by this Agreement.

Sellers Initials: _____

Buyers Initials: _____

Section 7.5 Notices and Other Communications. Every notice or other communication required or contemplated by this Agreement by any party shall be in writing delivered either by a) personal delivery, b) prepaid overnight delivery service or c) facsimile addressed to the party for whom intended at the address specified in this Section.

To Seller: Pony Express Stations, LLC
Attn: Charles and Debra Frey, Member/Managers
3065 Natalie St
Reno, NV 89509

To Buyer: City of Fallon
55 W. Williams Ave.
Fallon, Nv. 89406

Notices by overnight delivery service shall be effective on the date they are officially recorded as delivered to the intended recipient. All notices delivered in person or sent by facsimile shall be deemed to have been delivered to and received by the addressees and shall be effective on the date of personal delivery or on the date sent, respectively. Notice not given in writing shall be effective only if acknowledged in writing by a duly authorized representative of the party to whom it was given.

Section 7.6 Governing Law/Venue. The validity, construction and enforceability of this Agreement shall be governed in all respects by the laws of Nevada applicable to agreements negotiated, executed and performed in Nevada, by Nevada residents, whether one or more of the parties shall now be or hereafter become a resident of another state and venue for any action brought to enforce the terms of this Agreement shall be exclusively in the Tenth Judicial District Court of the State of Nevada in and for Churchill County.

Sellers Initials: _____

Buyers Initials: _____

Section 7.7 Entire Agreement; Modification; Waiver. This Agreement constitutes the entire agreement between Buyer and Seller pertaining to the subject matter contained in it and supersedes all prior and contemporaneous agreements, representations, and understandings. No supplement, modifications, or amendments of this Agreement shall be binding unless executed in writing by all the parties. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver. No waiver shall be binding unless executed in writing by the party making the waiver.

Section 7.8 Counterparts. This Agreement may be executed in one or more counterparts, and each counterpart shall constitute an original instrument but all such counterparts shall only constitute one and the same instrument.

Section 7.9 Captions. The captions of this Agreement do not in any way limit or amplify the terms and provisions of this Agreement.

Section 7.10 Attorney's Fees In the event of any litigation between the parties hereto arising out of this Agreement, or if one party seeks to judicially enforce the terms of this Agreement, the prevailing party shall be reimbursed for all reasonable costs, including, but not limited to, reasonable attorney's fees.

Section 7.11 Severability. Each provision of this Agreement is severable from any and all other provisions of this Agreement. Should any provision(s) of this Agreement be for any reason unenforceable, the balance shall nonetheless be of full force and effect.

Section 7.12 Agents. The parties acknowledge and agree that the Seller has not listed the Real Property for sale with any real estate broker or agent, that Buyer is entering into

Sellers Initials: _____

Buyers Initials: _____

this Agreement directly with Seller and that no commission, fee, or compensation of any kind is owed by Seller to any real estate broker or agent.

Section 7.13 Signatures. Each of the signatories hereto warrants and represents that it is competent and authorized to enter into this Agreement and to bind its respective party.

IN WITNESS WHEREOF, the Seller and Buyer have executed this Agreement on the date first above written.

BUYER:

SELLER:

KEN TEDFORD, Mayor
City of Fallon

CHARLES FREY, MEMBER
Pony Express Stations, LLC

SEAN RICHARDSON, Clerk
City of Fallon

DEBRA FREY, MEMBER
Pony Express Stations, LLC

Sellers Initials:_____

Buyers Initials:_____

EXHIBIT A
REAL PROPERTY LEGAL DESCRIPTION

All that certain real property lying within a portion of the South One-Half S(1/2) of Section Twenty-Five (25), Township Nineteen (19) North, Range Twenty-Eight (28) East, Mount Diablo Base and Meridian, in the City of Fallon, County of Churchill, State of Nevada, being a portion of Lots 1 and 3, according to that Record of Survey 291099, recorded on July 12, 1995, as shown on Record of Survey 504361 recorded on October 17, 2023, in the Official Records of said county, being that portion of the following described right-of-way, lying within Lot 1:

BEGINNING at the southwest corner of Lot 3, also being the northerly right-of-way of Williams Avenue (also known as US Highway 50), according to that Record of Survey 291099, recorded July 12, 1995, in the official records of said county;

THENCE South 89°55'38" West, 39.91 feet, to a point of cusp;

THENCE departing said northerly right-of-way, the following five (5) courses and distances:

1) With a curve concave to the northwest having a radius of 20.00 feet and to which point a radial line bears North 33°53'43" West, 196.6 feet along said curve through a central angle of 56°20'09";

2) North 00°13'52" West, 113.76 feet, to the beginning of a tangent curve to the right;

3) 69.98 feet along the arc of a 152.00 foot radius curve, through a central angle of 26°22'44";

4) North 26°08'52" East, 32.76 feet to the beginning of a tangent curve;

5) From a radial which bears North 63°51'08" West, 18.21 feet along the arc of a 20.00 foot radius curve to the left, through a central angle of 52°10'53", to the southerly right-of-way of Auction Road;

THENCE South 63°17'33" East, 67.02 feet along the said southerly right-of-way and to a point of cusp;

THENCE departing said southerly right-of-way, the following five (5) courses and distances:

1) With a curve concave to the southeast having a radius of 20.00 feet and to which point a radial line bears South 13°21'00" East, 17.63 feet along said curve through a central angle of 50°30'08";

Sellers Initials: _____

Buyers Initials: _____

- 2) South 26°08'52" West, 32.47 feet, to the beginning of a tangent curve to the left;
- 3) 46.04 feet along the arc of a 100.00 foot radius curve, through a central angle of 26°22'44";
- 4) South 00°13'52" East, 114.09 feet, to the beginning of a tangent curve to the left;
- 5) 19.42 feet along the arc of a 20.00 foot radius curve, through a central angle of 55°37'31", to a point of cusp, also being the northerly right-of-way of Williams Avenue (also known as US Highway 50);

THENCE along said northerly right-of-way, South 89°55'38" West, 29.71 feet, to the POINT OF BEGINNING.

Containing 6,056 square feet of land, more or less;

The Basis of Bearings for this description is said Record of Survey 504361 recorded on October 17, 2023, in the Official Records of said county and prepared by Jon Loder, P.L.S., J-U-B Engineers, Inc.

Sellers Initials: _____

Buyers Initials: _____