



City of Ketchum

CITY COUNCIL MEETING AGENDA MEMO

Meeting Date:	February 12, 2025	Staff Member/Dept:	Jade Riley – Administration Carissa Connelly – Housing
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Agenda Item:	Resolution 25-007; authorizing the purchase of 291 North Second Ave for Community Housing
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Recommended Motion:

“I move to approve Resolution 25-007 and instruct staff to complete closing on the property”
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Policy Analysis and Background:

- Goal One of the city’s adopted Housing Action Plan calls for the preservation and construction of approximately 600 housing units over the next decade. Over 300 long-term rental units were lost in Ketchum during the last decade.
- The City Council authorized making an offer on 291 North Second Ave and place under contract to complete due diligence (inspections, repair estimates and redevelopment). All due diligence has been completed and contingencies release based on credits agreed to by the seller.
- The property consists of three existing 2 bedroom/2 bathroom condo units which will be sold to members of the community with a permanent deed restriction to preserve as community housing. The back underdeveloped property can be developed in the future for additional housing units (estimated 5) under current zoning rules.

Sustainability Impact:

Increase in community housing units within town reduces the amount commuter vehicle miles.
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Financial Impact:

None OR Adequate funds exist in account:	Initially the property was priced at \$2,400,000. Upon completion of the inspection process, the final purchase price will be \$2,248,346. These funds will be drawn from the General Fund reserve account and will be repaid upon selling the three condo units.
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Attachments:

- | |
|---|
| 1. Resolution 25-007 |
| 2. Copy of Purchase and Sale document and addendums |

**CITY OF KETCHUM
RESOLUTION 25-007**

**A RESOLUTION OF CITY COUNCIL OF THE CITY OF KETCHUM, IDAHO, TO
AUTHORIZE THE PURCHASE OF 291 NORTH SECOND (2nd) AVENUE FOR THE
PURPOSE OF COMMUNITY HOUSING.**

WHEREAS, GOAL ONE of the adopted Housing Action Plan is to create and preserve housing affordable for our local workforce and community.

WHEREAS, THE PURCHASE of the 3-unit property and adjacent lot will be utilized via the Ownership and Preservation program conducted by the Housing Department.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF KETCHUM, IDAHO:

Purchase authorization of 291 North 2nd Avenue, Ketchum, Idaho, on closing date of Wednesday, February 19, 2025.

This resolution will be in full force and effect upon this 12th day of February 2025.

APPROVED:

Neil Bradshaw, Mayor

ATTEST:

Trent Donat, City Clerk



Real Estate Purchase And Sale Agreement

1. Purchase Price \$2,400,000.00 Two Million Four Hundred Thousand Dollars And Zero Cents

2. Buyer: City of Ketchum, and/or assigns

Seller: KKC Props, LLC

Property Address: 291 N 2nd Avenue Units 1, 2, 3, 4, & Common Area

Legal Description: Hyperborean Condo Units 1 (.33), 2 (.33), 3 (.33), 4, & Hyperborean Condos Common Area

City: Ketchum County: Blaine State: Idaho

3. Buyer hereby offers to purchase the above described Property on the following terms and conditions:

Terms The Purchase Price is payable as follows:

\$ 2,400,000.00 Cash, cashier's check, loan proceeds, or certified funds at Closing, including Earnest Money

\$ Seller Financing – See Financing Contingency "Other Financing Terms"

\$ Other – See Financing Contingency "Other Financing Terms"

\$ 2,400,000.00 Total Purchase Price – Not including Closing costs

4. Earnest Money \$50,000.00 Fifty Thousand Dollars And Zero Cents

Form: To be Held By: Other Remarks: Promissory Note to be converted to cash via a wire transfer within 3 business days of release of Due Diligence Contingency.
[] Personal Check [] Listing Broker
[] Cashier's Check [] Selling Broker
[] Wire Transfer [x] Title Company

Earnest Money to be delivered within three (3) Business Days, unless otherwise stated, after Acceptance and deposited into a trust account upon receipt.

5. Offer Expires On: Date: December 13, 2024 Time: 3pm MT

6. Closing Date: Ninety Cal. Days after Mutual Acceptance In the event the specified Closing Date is not a Business Day, the Closing shall occur on the next Business Day following the specified Closing Date.

Possession Date: [x] On Closing date OR [] Other:

7. Responsible Closing Broker: Matt Bogue / Office: Paul Kenny & Matt Bogue Real Estate, LLC
Responsible Closing Agency: Sun Valley Title / Title Co: Sun Valley Title

8. New Construction or Recent Improvements: [] Yes [x] No
If "YES", see Standard Terms, paragraph 6, of this Agreement.

9. Inspection Contingency [x] Yes [] No

- 1) This offer is contingent upon Buyer's acceptance of the condition of the Property, subject to paragraph 7, below, in writing on or before 30 Cal Days from Accept (if blank, 10 Business Days after Acceptance). This Inspection Contingency is intended to provide the Buyer a reasonable opportunity to investigate all material conditions affecting the Property with the expectation that the Buyer will, in good faith, make reasonable inquiry and not rely on the Inspection Contingency to object to conditions that are not material or that relate to Buyer's personal preferences or taste. If Buyer does not provide notice pursuant to paragraph 7, below, on or before the date set forth above, Buyer shall be deemed to have accepted the condition of the Property.
2) Buyer shall have the right to, and is strongly advised to, conduct inspections, tests, boundary verification, surveys and other studies ("inspections") at Buyer's sole cost to confirm all information provided to Buyer, and to thoroughly inspect the Property. Notwithstanding the foregoing, Buyer shall not engage inspections by any governmental agency or government inspector without the prior written consent of Seller.
3) Square footage verification: Buyer is aware that any reference to the square footage of the Property or its improvements has not been verified. Alternative methods of measurement and calculation may vary significantly. If square footage is material to the Buyer, Buyer must verify same during the inspection period.

Inspection Contingency – Continued

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Inspection Contingency - Continued

- 4) Water Rights verification: It is strongly advised that the Buyer contact a knowledgeable attorney of the Buyer's choice, experienced in water law, to advise the Buyer of the validity, quality, and quantity of any water right acquired with real estate described in this Agreement. Buyer must verify same during the inspection period.
- 5) Buyer to select own professionals with appropriate qualifications to conduct all inspections and verifications.
- 6) Seller shall provide reasonable access for such inspections; Buyer shall indemnify Seller and hold Seller harmless from all injury, loss or liability arising from such inspections.
- 7) If Buyer objects to the condition of the Property, Buyer shall, prior to the expiration of the inspection contingency period, give one of the following written notices to Seller:
 - A. Notice of the condition(s) and/or defect(s) to which Buyer objects and declaring this Agreement null and void, in which case the Earnest Money shall be refunded to Buyer (less any unpaid expenses incurred on behalf of Buyer pursuant to the "Costs To Be Paid By" section); or
 - B. Notice of the condition(s) and/or defect(s) to which Buyer objects and Buyer's desired remedy shall be set forth in writing, in which case this Agreement shall remain in effect, subject to sub-paragraph C, below.
 - C. Upon receipt of notice under paragraph B, above, Seller shall have ____ Business Days (if blank, 3) to give Buyer written notice (by signing the Buyer's Contingency Release form) that Seller will correct all such condition(s) and/or defect(s), or identify such condition(s) and/or defect(s) that will or will not be corrected. If Seller does not sign the Buyer's Contingency Release form, or modifies the corrections requested by Buyer, Buyer may, within ____ Business Days (if blank, 3) following Seller's notice period, above, release the contingency in writing in its entirety or as modified by Seller, or this Agreement shall be null and void, in which case the Earnest Money shall be refunded to Buyer (less any unpaid expenses incurred on behalf of Buyer pursuant to the "Costs To Be Paid By" section). In the event the Contingency Release is subject to corrections to be performed by Seller, Buyer shall be entitled to conduct a walkthrough prior to Closing to confirm completion of the agreed upon corrections. Buyer's closing of the transaction shall constitute acceptance of the condition of the Property, unless otherwise stated in writing signed by both parties.
- 8) FHA INSPECTION REQUIREMENT, if applicable: "For Your Protection: Get a Home Inspection", HUD 92564-CN must be signed on or before execution of this agreement.

10. CC&R/Association Documents Contingency Yes No

Buyer shall have the right to review any Declarations, CC&Rs, Plats and/or Owner Association documents impacting the Property.

If Buyer has not released this contingency in writing on or before 30 Cal. Days after Mut. Accept. (if blank, 10 Business Days after Acceptance), this Agreement shall terminate and the Earnest Money shall be refunded to Buyer (less any unpaid expenses incurred on behalf of Buyer pursuant to the "Costs To Be Paid By" section of this Agreement).

11. Lead-Based Paint Disclosure / Contingency The Subject Property is "Target Housing" (built prior to 1978) regarding lead-based paint and/or lead-based hazards, regardless of the source of the lead: Yes No If "YES", Buyer has been provided with Seller's completed and signed "Disclosure of Information and Acknowledgment: Lead-Based Paint and / or Lead-Based Paint Hazards" ("Disclosure") and a copy of the pamphlet "Protect Your Family From Lead in Your Home" ("Pamphlet"), and one of the following boxes must be checked:

Buyer shall be allowed (10) days after Acceptance to conduct an inspection for lead-based paint hazards and shall have the unconditional right to cancel this Agreement within that time period, in which case the Earnest Money shall be refunded to Buyer (less any unpaid expenses incurred on behalf of Buyer pursuant to the "Costs To Be Paid By" section); OR

Buyer hereby acknowledges receipt of the Disclosure and Pamphlet and hereby waives the right to conduct a lead-based paint inspection.

12. Financing Contingency Yes No

This offer is contingent upon the Property appraising at no less than the Purchase Price.

This offer is contingent upon Buyer securing the following financing:

Assume Existing Loan:

New Loan: Type of Loan: Conv. , FHA , VA , Other

ds Financing Contingency – Continued

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Serial#: 061468-900173-3850377

Prepared by: Matthew Bogue | Paul Kenny & Matt Bogue Real E | matt@kenny-bogue.com | 2087261918



Financing Contingency - Continued

Amount \$/Percent % _____ Maximum % Rate: _____ Fixed Rate Adj. Rate
Years: _____ Maximum Points: _____ Institutional Lender Lender Private

If FHA or VA, it is expressly agreed that notwithstanding any other provisions of this contract, the Buyer shall not be obligated to complete the purchase of the Property, or to incur any penalty by forfeiture of earnest money deposits, or otherwise, unless the Buyer has been given, in accordance with HUD/FHA or VA requirements, a written statement by the Federal Housing Commissioner, Department of Veterans Affairs, or a Direct Endorsement lender setting forth the appraised value of the Property of not less than \$ _____. The Buyer shall have the privilege and option of proceeding with consummation of the contract without regard to the amount of the appraised valuation. The appraised valuation is arrived at to determine the maximum mortgage the Department of Housing and Urban Development will insure. HUD does not warrant the value nor the condition of the Property. The Buyer should satisfy himself/herself that the price and condition of the Property are acceptable.

Other Financing Terms: Buyer to obtain financing for purchase of the Property acceptable to Buyer, at Buyer's sole discretion.

Buyer agrees to make a best effort to obtain such financing and to make written application to the lender within _____ Business Days (if blank, 5) after Acceptance.

Preliminary Approval: Buyer shall, on or before _____ (if blank, 10 Business Days after Acceptance) provide Seller with a letter from Buyer's lender evidencing preliminary approval of Buyer's ability to qualify for the loan amount and terms set forth above, subject only to such reasonable and customary conditions as the lender typically imposes on such preliminary approval letters.

If Buyer has not released this Contingency in writing on or before 60 Cal. Days after Mutual Acceptance, this Agreement shall terminate. In such case, upon delivery to Seller of written confirmation from the lender or lending institution that a loan is not approved for Buyer at the terms set forth above, the Earnest Money shall be refunded to Buyer (less any unpaid expenses incurred on behalf of Buyer pursuant to the "Costs To Be Paid By" section of this Agreement). In the event no such written confirmation is delivered to Seller within _____ Business Days (if blank, 5) of the termination under this paragraph, the Earnest Money shall be paid to the Seller (less any unpaid expenses incurred on behalf of Buyer pursuant to the "Costs To Be Paid By" section of this Agreement).

13. Sale of Buyer's Property Contingency Yes No

This offer is contingent on the closing of a sale of Buyer's property located at: _____

Listed with: _____ Listing Agent: _____

Phone: _____ If Buyer has not released this contingency in writing on or before _____, this Agreement shall terminate and the Earnest Money shall be refunded to Buyer (less any unpaid expenses incurred on behalf of Buyer pursuant to the "Costs To Be Paid By" section of this Agreement).

14. Seller's Right to Accelerate Buyer's Contingency Releases Yes No

Should Seller receive another acceptable offer to purchase, prior to the release of all contingencies, or the Sale of Buyer's Property Contingency only, Seller shall give Buyer written notice of such new offer.

In the event the Buyer does not release the required contingencies in writing within _____ Business Days (if blank, 3) after the receipt of such notice this Agreement shall terminate and the Earnest Money shall be returned to Buyer (less any unpaid expenses incurred on behalf of Buyer pursuant to the "Costs To Be Paid By" section of this Agreement). In the event the Buyer does release the contingencies, the Buyer shall proceed to purchase the Property under the remaining terms and conditions of this Agreement, notwithstanding that the terms of the new offer may be more or less favorable.

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15. Other Contingencies

Yes No See Addendum(s)

Due Diligence Contingency: Seller understands that Buyer is pursuing the purchase of this Property for a particular purpose connected to housing needs within the public interest. Buyer's due diligence and inspection contingencies are specifically understood to be inclusive of the Buyer's financial options, use, and feasibility for housing provision and development, within the review and discretion of the Buyer, as material conditions affecting the Property that may be considered in good faith under the Inspection Contingency. Buyer's evaluation of the Property for this desired use is explicitly deemed a material condition, and not a matter of personal preferences or taste.

If Buyer has not released this / these contingency(ies) in writing on or before 60 Cal. Days after Mutual Accept. this Agreement shall terminate and the Earnest Money shall be refunded to Buyer (less any unpaid expenses incurred on behalf of Buyer pursuant to the "Costs To Be Paid By" section of this Agreement).

16. Additional Terms

Yes No See Addendum(s)

- 1) Security deposits and prorated rents shall be transferred to Buyer at Closing.
2) Seller to provide executed estoppel certificates from Tenants prior to expiration of Due Diligence Contingency.
3) Seller shall request approval from Buyer prior to signing any new lease with a term exceeding six (6) months.
4) Paragraph 9-6 shall be replaced with the following language: Buyer will remain solely responsible and liable for all Buyer actions and participation in such inspections.

17. Included Items (In addition to Standard Terms, paragraph 4) Excluded Items

Table with 2 columns: Included Items (Not applicable), Excluded Items (Tenant's personal property).

18. Title Insurance

Standard Title Insurance - Seller shall make a reasonable effort to furnish to the Buyer a preliminary commitment for title insurance within five (5) Business Days after Acceptance showing the condition of the title to the Property. Buyer shall have five (5) Business Days after the receipt of the commitment within which to object to the condition of the title as set forth in the commitment. If the Buyer does not object, the Buyer shall be deemed to have accepted the conditions of the title. In the event Buyer objects, Seller shall have five (5) Business Days, or until twenty-four (24) hours prior to the Closing, whichever first occurs, to make title marketable or this Agreement shall terminate and the Earnest Money shall be refunded to Buyer (less any unpaid expenses incurred on behalf of Buyer pursuant to the "Costs To Be Paid By" section of this Agreement). The Seller shall, within a reasonable time after Closing, furnish to the Buyer a title insurance policy in the amount of the Purchase Price of the Property showing marketable and insurable title subject to the liens, encumbrances and defects elsewhere set out in this Agreement to be discharged or assumed by the Buyer.

Extended and Other Coverage Title Policies - A standard policy of title insurance does not cover certain potential problems or risks such as liens (i.e., a legal claim against property for payment of some debt or obligation), boundary disputes, claims of easement, and other matters of claims if they are not of public record at the time of Closing. However, under Idaho law such potential claims against the property may have become a legal obligation before the purchase of the home and may not yet be of public record until after the purchase. Title Insurance companies may be able to issue an "extended coverage" policy for an additional premium. In addition to the premium for an extended coverage title policy, there may be other costs involved, i.e., survey or additional Closing fees. Such a policy may protect the Buyer against such problems. It is recommended that the Buyer talk to a title insurance company about what it offers in the way of extended coverage and other coverages that may be appropriate. Only the policy itself shows exactly what type of coverage is offered, so contact a title company for particulars.

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19. Costs To Be Paid By	Appraisal	Standard Title Ins.	Closing Escrow Fee	Assessments	Well Insp.	Septic Insp.	Septic Pumping	Other:
Buyers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sellers	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Share Equally	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
N / A	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
See Addl. Terms	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

20. Broker working with Seller

Broker's Name: Matt Bogue
 Listing Agent: Kenny-Bogue Team
 Brokerage: Paul Kenny & Matt Bogue RE, LLC
 Mailing Address: _____
 City, State, Zip: _____
 Office Phone: 208-720-7948
 Fax: _____
 E-Mail: matt@kenny-bogue.com

Broker working with Buyer

Broker's Name: Matt Bogue
 Listing Agent: Kenny-Bogue Team
 Brokerage: Paul Kenny & Matt Bogue RE, LLC
 Mailing Address: _____
 City, State, Zip: _____
 Office Phone: _____
 Fax: _____
 E-Mail: matt@kenny-bogue.com

21. REPRESENTATION CONFIRMATION AND ACKNOWLEDGMENT OF DISCLOSURE

Check one (1) box in Section 1 below and one (1) box in Section 2 below to confirm that in this transaction, the brokerage(s) involved had the following relationship(s) with the BUYER(S) and SELLER(S).

Section 1:

- The brokerage working with the BUYER(S) is acting as an AGENT for the BUYER(S).
- The brokerage working with the BUYER(S) is acting as a LIMITED DUAL AGENT for the BUYER(S), without an ASSIGNED AGENT.
- The brokerage working with the BUYER(S) is acting as a LIMITED DUAL AGENT for the BUYER(S) and has an ASSIGNED AGENT acting solely on behalf of the BUYER(S).
- The brokerage working with the BUYER(S) is acting as a NONAGENT for the BUYER(S).

Section 2:

- The brokerage working with the SELLER(S) is acting as an AGENT for the SELLER(S).
- The brokerage working with the SELLER(S) is acting as a LIMITED DUAL AGENT for the SELLER(S), without an ASSIGNED AGENT.
- The brokerage working with the SELLER(S) is acting as a LIMITED DUAL AGENT for the SELLER(S) and has an ASSIGNED AGENT acting solely on behalf of the SELLER(S).
- The brokerage working with the SELLER(S) is acting as a NONAGENT for the SELLER(S).

Each party signing this document confirms that he has received, read and understood the Agency Disclosure Brochure adopted or approved by the Idaho real estate commission and has consented to the relationship confirmed above. In addition, each party confirms that the brokerage's agency office policy was made available for inspection and review.

EACH PARTY UNDERSTANDS THAT HE IS A "CUSTOMER" AND IS NOT REPRESENTED BY A BROKERAGE UNLESS THERE IS A SIGNED WRITTEN AGREEMENT FOR AGENCY REPRESENTATION.

22. COMPENSATION FOR BROKER WORKING WITH BUYER

Unless otherwise expressly included in this Agreement as an Additional Term, compensation for the Broker working with the Buyer is NOT addressed in this Agreement.

23. Standard Terms. All parties are advised to carefully review the following:

1. **Withdrawal of Offer/Counteroffer** – By delivery of a written notice of withdrawal to the office of the broker working with the Seller or Offeree (whether Buyer or Seller), (A) Buyer can withdraw this offer at any time prior to Buyer's receipt of Seller's written acceptance of this Agreement, and (B) an Offeror (whether Buyer or Seller) may withdraw their Counteroffer at any time prior to Offeror's receipt of Offeree's written acceptance of such Counteroffer.
2. **Closing Date** – On or before the Closing Date, Buyer and Seller shall deposit with the closing agency all funds and instruments necessary to complete the sale. Closing means the date on which all documents are either recorded or accepted by an escrow agent and the sale proceeds are available to Seller. Taxes, insurance, dues, assessments (using the last available assessment as a basis), rent, interest and reserves, liens, encumbrances or obligations assumed and utilities shall be pro-rated as of the Closing Date.

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3. **Closing Costs** – Costs in addition to those listed may be incurred by Buyer and Seller. Unless otherwise agreed herein, or provided by law or required by lender, Buyer shall purchase Seller's reserve account if Seller's loan is assumed.
4. **Included Items** - If present at time of offer, all items attached, including but not limited to, floor coverings, television mounting brackets, satellite dishes, attached plumbing, bathroom and lighting fixtures, window screens, window coverings, screen doors, storm windows, storm doors, garage door opener(s), transmitter(s), electronic doorbells and locks, keys to all lockable doors, exterior trees, plants, shrubbery, water heating apparatus and fixtures, attached fireplaces and free-standing fireplaces, awnings, ventilating, cooling and heating systems, built-in and drop-in ranges (but excepting all other ranges), built-in dishwasher(s), any alarms (burglar, fire, etc.), fences and gates, fuel tanks, mineral rights, irrigation fixtures and equipment, any and all water and water rights, and all ditches and ditch rights that are appurtenant thereto, shall be included in the sale unless otherwise provided herein.
5. **Final Walkthrough / Condition of Property at Closing.** Unless otherwise stated in this Agreement, Seller shall deliver the Property at Closing in a condition substantially similar to the Property's condition at the time of Buyer's offer. Buyer shall have the right to conduct a walkthrough of the Property _____ Business Days (if blank, 3) prior to Closing to confirm the condition. Said walkthrough shall not be deemed a contingency, unless otherwise stated. Prior to Closing, Seller shall cause all personal property not specified to be transferred to Buyer under this Agreement to be removed from the Property and ensure Property is free of debris.
6. **Seller's Property Disclosure** – If required by the Idaho Property Condition Disclosure Act, Idaho Code §55-2501 et.seq. ("IPCD"), Seller shall, within ten (10) days after Acceptance, provide to the Buyer a completed and up-to-date "Seller's Property Disclosure Form" and if Buyer objects to any disclosure therein, Buyer shall have three (3) Business Days following receipt of the form to provide notice of rescission in accordance with the IPCDA.
7. **Disclaimer re Mold** – Buyer acknowledges that mold and/or other microorganisms may exist on the Property and, as of the Closing Date accepts full responsibility and assumes the risk for any and all matters that may result from mold and/or any other microorganisms and holds Seller harmless from any damages or other liability associated therewith.
8. **New Construction or Recent Improvements** - If Residential Property is newly constructed or has a recent improvement of over \$2,000.00, the General Contractor is required by Title 45, Chapter 5, Idaho Code, to provide certain disclosures to the prospective residential real property purchaser. If applicable, Buyer should obtain such completed forms from the General Contractor. Such disclosure is the responsibility of the General Contractor and it is not the duty of your agent to obtain this information on your behalf. You are advised to consult with any General Contractor subject to Idaho Code §45-525 *et seq.* regarding the General Contractor Disclosure Statement.
9. **Existing Loans** - Within three (3) Business Days after Acceptance, Seller shall provide Buyer with all Notes and Deeds of Trust or other financing documents to be assumed or taken subject to. Within five (5) Business Days after receipt thereof, Buyer shall in writing notify Seller of their approval or disapproval of the terms of said documents. Buyer's approval shall not be unreasonably withheld.
10. **Definitions - "Business Day"** shall mean Monday through Friday, excluding Saturday and Sunday, and excluding holidays as defined by Idaho Code, §73-108. Business Days extend through 5:00 PM in the time zone in which the Property is located. Any time the term "day" is used without identifying it as a Business Day, it shall be deemed to be a Calendar Day. **"Calendar Day"** shall mean Sunday through Saturday without any exclusion, Calendar Days extend through 11:59 PM in the time zone in which the Property is located. **"Notice(s)"** shall mean a written document specifying the necessary information. **"Delivery"** shall mean transmittal of information by mail, facsimile transmission, courier, hand delivery, or e-mail, to the addresses stated herein. **"Receipt"** shall mean possession of the item of information by the named recipient or within the office of the appropriate broker. **"Acceptance"** shall mean receipt of a document signed and dated by ALL undersigned parties, specifying a certain Offer or Counteroffer. **"Signed"** shall mean a document containing the original, facsimile, electronic, photocopied or scanned signature of a party, any of which shall be binding on the signatory.
11. **Counterparts / Electronic Signatures / Facsimile Transmission / E-mail** – This Agreement may be executed in one or more counterparts, each is deemed to be the original hereof, and all of which together constitute one and the same instrument. Seller and Buyer hereby consent to conduct this transaction by and through electronic means in accordance with Idaho Code §54-2052 and the Idaho Uniform Electronic Transactions Act, Idaho Code §§28-50-101 *et seq.* unless otherwise prohibited by law. Facsimile or email transmission of any signed original document, and retransmission of any signed facsimile or email transmission shall be the same as personal delivery of the original. At the request of either party or the Closing Agency, the parties will confirm electronic, facsimile or email transmitted signatures by signing an original document.

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Serial#: 061468-900173-3850377

Prepared by: Matthew Bogue | Paul Kenny & Matt Bogue Real E | matt@kenny-bogue.com | 2087261918



- 12. **Title Conveyance** – Title of Seller is to be conveyed by warranty deed, unless otherwise provided, and is to be marketable and insurable except for rights reserved in federal patents, state or railroad deeds, building or use restrictions, building and zoning regulations and ordinances of any governmental unit, and rights of way and easements established or of record. Liens, encumbrances or defects to be discharged by Seller may be paid out of purchase money at date of Closing. No liens, encumbrances, defects, except those which are to be discharged or assumed by Buyer or to which title is taken subject to, shall exist unless otherwise specified in this Agreement.
- 13. **Default by Buyer** – If the Buyer defaults in the performance of this Agreement, Seller will have the option of (1) accepting the Earnest Money as liquidated damages and this Agreement shall terminate; or (2) pursuing any other lawful right or remedy to which the Seller may be entitled, which may include specific performance. In the case of option (1), Seller shall make demand in writing upon the holder of the Earnest Money, upon which demand said holder shall pay from the Earnest Money any unpaid costs incurred by or on behalf of Seller and Buyer related to the transaction, as set forth in the "Costs To Be Paid By" section above, and said holder shall pay any remaining balance of the Earnest Money to the Seller. Notwithstanding the foregoing, if, pursuant to the terms of this Agreement, the Earnest Money has become non-refundable (except in the case of Default by Seller), the receipt of Earnest Money by Seller shall not be considered an election of remedies by Seller and the non-refundable Earnest Money shall not constitute liquidated damages, nor a waiver of other lawful remedies which may be available to Seller; it may, however, be used to offset any damages incurred by Seller. Seller and Buyer specifically acknowledge and agree that if Seller elects to accept the Earnest Money as liquidated damages, such shall be the Seller's sole and exclusive remedy, and such shall not be considered a penalty or forfeiture.
- 14. **Default by Seller** – It is agreed that if the title of said property is not marketable, or cannot reasonably be made so within twenty (20) Business Days after notice containing a written statement of defects is delivered to the Seller, or if the Seller defaults in the performance of this Agreement including Seller's obligations (if any) to correct defects pursuant to paragraph (7) C of the Inspection Contingency (Section 9), the Buyer has the option of (1) having the Earnest Money returned to the Buyer and this Agreement shall terminate; or (2) pursuing any other lawful right or remedy to which the Buyer may be entitled, including specific performance. In the case of option (1), the Buyer shall make demand in writing upon the holder of the Earnest Money. Upon such demand, and provided there is no dispute as to the Seller's default, said holder shall refund the Earnest Money to the Buyer. Seller shall pay for the unpaid costs incurred of title insurance and escrow fees, if any, and any unpaid costs incurred by or on behalf of the Seller and the Buyer related to the transaction, as set forth in this Agreement.
- 15. **Interpleader** – If a dispute arises as to Buyer's or Seller's default and entitlement to the Earnest Money, and such dispute is not resolved within ten (10) Business Days after a demand for payment of the Earnest Money by the Buyer or the Seller, the holder of the Earnest Money may file an interpleader action in a court of competent jurisdiction, and shall be entitled to recover their attorneys' fees and costs therefore, as provided by Idaho Code § 5-321.
- 16. **Attorney's Fees** – If either party initiates or defends any arbitration or legal action or proceedings, which are in any way connected with this Agreement, the prevailing party shall be entitled to recover from the non-prevailing party reasonable costs and attorneys' fees including such costs and fees on appeal and in any bankruptcy proceeding.
- 17. **Risk of Loss** – Prior to Closing of this sale, all risk of loss shall remain with Seller. In addition, should the Property be materially damaged by fire or other cause prior to the Closing, this Agreement shall be voidable at the option of the Buyer. Buyer shall give written notice of intent to void the Agreement to Seller or Seller's Agent and shall be entitled to a full refund of the Earnest Money.
- 18. **Entire Agreement/Severability/Governing Law** – This Agreement, including all addendums hereto, constitutes the entire agreement of the parties with respect to the purchase and sale of the Property. All prior or contemporaneous agreements, understandings, representations, warranties and statements, whether oral or written, are superseded and shall not be binding on either party. If any provision of this Agreement is held to be illegal or invalid for any reason, the remaining provisions shall nevertheless be given full force and effect. This Agreement shall be interpreted and governed by the laws of the State of Idaho.
- 19. **EXCEPT AS EXPRESSLY STATED IN THIS AGREEMENT, SELLER MAKES NO WARRANTY OR REPRESENTATION OF ANY NATURE, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, THOSE OF HABITABILITY (WHICH PROTECTS BUYERS AGAINST MAJOR DEFECTS WHICH ARE NOT READILY REMEDIABLE AND MAY RENDER A DWELLING UNINHABITABLE) WORKMANLIKE CONSTRUCTION, DESIGN, CONDITION, OR QUALITY AS TO THE PROPERTY, OR THE IMPROVEMENTS ON THE PROPERTY, AND SELLER HEREBY EXPRESSLY DISCLAIMS ANY SUCH REPRESENTATIONS OR WARRANTIES.**

Document # KBR 600 Buyer's Initials MB Date 12/11/2024 Seller's Initials KM Date 12/11/2024 | 2:53 PM PST
 Date of Document: Dec 5, 2024 Buyer's Initials _____ Date _____ Seller's Initials _____ Date _____

20. **Time is of the Essence in this Agreement.**

- 21. **Agent Representations** – The Agents representing the Buyer and Seller in this transaction relay information to Buyers and Sellers that has been received from third parties. However, Agents do not make any representations regarding flood plain, wetlands, avalanche zone, hazardous waste, environmental or health hazards, including, but not limited to, mold and radon, code compliance, survey data, finished square footage, property size, zoning or other physical factors nor do the Agents make any representations regarding law or taxation, unless specifically set forth in writing in this Agreement. The Buyer and Seller specifically waive all claims against the Agents regarding any of these matters which are not specifically included in this Agreement. It may be diligent and prudent for the Seller and/or Buyer to employ the services of qualified independent professionals who perform services or provide opinions regarding these matters, and the Agents may, during the course of this transaction, identify such individuals or entities. However, Agents are not warranting in any way the services or opinions provided by such individuals or entities, and the Buyer and Seller specifically waive any and all claims against the Agents regarding such identification.
- 22. **FIRPTA – Tax Withholding at Closing** – The parties agree that they shall fully comply with the Foreign Investment in Real Property Tax Act ("FIRPTA"). If Seller is not a "foreign person" under FIRPTA, at Closing, Seller shall sign an affidavit stating the same. If Seller is a "foreign person" under FIRPTA, at Closing the Closing Agent shall withhold from the sale proceeds the appropriate tax amount and submit such amount and any required forms to the Internal Revenue Service. Seller hereby indemnifies and holds Buyer and Closing Agent harmless from any and all liability, including attorney's fees, related to Seller's taxes under FIRPTA, or otherwise, which indemnification and hold harmless shall survive Closing of the transaction.
- 23. **AUTHORITY OF SIGNATORY:** If BUYER or SELLER is a corporation, partnership, trust, estate, or other entity, the person executing this agreement on its behalf warrants his or her authority to do so and to bind BUYER or SELLER.

In the event this form is received by electronic transmission and / or email, the parties hereto confirm and acknowledge that they have not changed or altered the content of this form template

24. **WIRE FRAUD WARNING** When wiring funds, never rely exclusively on an email, fax, text, or social media message communication. Always personally call the receiving party to confirm that the transaction instructions are legitimate. Wiring money to a fraudulent address may result in the permanent loss of said funds without recourse and liability for failure to perform your obligations under the contract. The parties hereto agree that in the event a party uses, or authorizes the use of, wire transfers or other electronic transfers of money, that party hereby holds Broker, the Brokerage any of its agents harmless from any and all claims arising out of inaccurate instructions, fraudulent interception of funds, and/or any other damages arising from the transfer process or misappropriation of funds.

25. **Buyer(s) Acceptance** Buyer hereby acknowledges having read this Agreement in its entirety, including the Standard Terms and all addendum(s), and having received a copy of this Agreement. _____ # of Addendum(s) attached

Document # KBR 600 Buyer's Initials MB Date 12/11/2024 Seller's Initials KM Date 12/11/2024 | 2:53 PM PST
 Date of Document: Dec 5, 2024 Buyer's Initials _____ Date _____ Seller's Initials _____ Date _____

THIS IS INTENDED TO BE A LEGALLY BINDING CONTRACT. IF NOT UNDERSTOOD, THE PARTIES ARE ADVISED TO SEEK THE ADVICE OF AN ATTORNEY.

Buyer's Signature

X *Neil Bradshaw* 12/11/2024
 Signature Date

Printed Name: Neil Bradshaw
 Physical Address: 191 5th St. West
 Mailing Address: PO Box 2315
 City, State, Zip: Ketchum ID 83340
 Home Phone: (208) 721-2162
 Business Phone: (208) 727-5087
 E-Mail: nbradshaw@ketchumidaho.org

Buyer's Signature

X _____
 Signature Date

Printed Name: _____
 Physical Address: _____
 Mailing Address: _____
 City, State, Zip: _____
 Home Phone: _____
 Business Phone: _____
 E-Mail: _____

26. **Seller(s) Acceptance** On the specified date, Seller acknowledges having read this Agreement in its entirety, including the Standard Terms and all addendum(s), and Seller hereby approves and accepts the offer to purchase set forth in the above Agreement

"AS-IS" Subject to attached Counteroffer

Seller agrees to carry out all of the terms thereof on the part of the Seller and acknowledges receipt of a true copy of this Agreement signed by all parties.

Seller's Signature

DocuSigned by:
 X *Katherine Mora* 12/11/2024 12:53 PM PST
 Signature Date

Printed Name: Katherine Mora
 Physical Address: _____
 Mailing Address: _____
 City, State, Zip: _____
 Home Phone: _____
 Business Phone: 310-489-0992
 E-Mail: kathy@kkbeachhomes.com

Seller's Signature

X _____
 Signature Date

Printed Name: _____
 Physical Address: _____
 Mailing Address: _____
 City, State, Zip: _____
 Home Phone: _____
 Business Phone: _____
 E-Mail: _____



Addendum # 1 Date of Addendum: January 12, 2025



This is an ADDENDUM to the Real Estate Purchase and Sale Agreement, identified as:
Document # KBR 600 Date of Document December 5, 2024 Page 1 of 1

Property Address: 291 N 2nd Avenue Units 1, 2, 3, 4 & Common Area

Buyer(s): City of Ketchum, and/or assigns

Seller(s): KKC Props, LLC
[Signature] 1/15/2025 | 12:58 PM PST

The undersigned Parties hereby agree as follows: \$2,230,000 (Two Million Two Hundred Thirty Thousand Dollars)

1. The Purchase Price shall be ~~\$2,300,000 (Two Million Three Hundred Thousand Dollars)~~. Buyer's Inspection and CC&R Contingencies shall hereafter be satisfied/waived.

This ADDENDUM, upon its execution by both parties, is made an integral part of the aforementioned Agreement. In the event of any conflict or inconsistency between the provisions of this Addendum and the aforementioned Agreement, the provisions of this Addendum shall control in all respects.

Buyer's Signature		Buyer's Signature	
<input checked="" type="checkbox"/>	<i>[Signature]</i> Date	<input checked="" type="checkbox"/>	1/15/2025 12:58 PM PST Date

Seller's Signature		Seller's Signature	
<input checked="" type="checkbox"/>	<u>Katherine Mora</u> Signature	<input checked="" type="checkbox"/>	<u>01/12/2025</u> Date

This Form is designed for use with other Sun Valley Board of Realtors' Forms.

Addendum # 2 Date of Addendum: January 16, 2025



This is an ADDENDUM to the Real Estate Purchase and Sale Agreement, identified as:
Document # KBR 600 Date of Document December 5, 2024 Page 1 of 1
Property Address: 291 N 2nd Avenue Units 1, 2, 3, 4 & Common Area
Buyer(s): City of Ketchum, and/or assigns
Seller(s): KKC Props, LLC

The undersigned Parties hereby agree as follows:

1. The Purchase Price shall be \$2,265,000 (Two Million Two Hundred Sixty Five Thousand Dollars). Buyer's Section 9 Inspection Contingency and Section 10 CC&R Contingency shall hereafter be satisfied/waived.
2. Regarding the terms of Section 9.7)C. of the Purchase Agreement, the Purchase Agreement remains in full force and effect. Buyer shall have 3 Business Days to give Seller written notice of acceptance of the modified terms in this Addendum.
3. Closing Shall occur no later than 5 Business Days following release of the Section 12. Finance Contingency and Section 15.Other / Due Diligence Contingency.

This ADDENDUM, upon its execution by both parties, is made an integral part of the aforementioned Agreement. In the event of any conflict or inconsistency between the provisions of this Addendum and the aforementioned Agreement, the provisions of this Addendum shall control in all respects.

Buyer's Signature		Buyer's Signature	
<u>X</u> _____	_____	<u>X</u> _____	_____
Signature	Date	Signature	Date

Seller's Signature		Seller's Signature	
<u>X</u> <u>Katherine Mora</u>	<u>01/16/2025</u>	<u>X</u> _____	_____
Signature	Date	Signature	Date

This Form is designed for use with other Sun Valley Board of Realtors' Forms.




Addendum # 3 Date of Addendum: January 22, 2025


This is an ADDENDUM to the Real Estate Purchase and Sale Agreement, identified as:
Document # KBR 600 Date of Document December 5, 2024 Page 1 of 1
Property Address: 291 N 2nd Avenue Units 1, 2, 3, 4 & Common Area
Buyer(s): City of Ketchum, and/or assigns
Seller(s): KKC Props, LLC

The undersigned Parties hereby agree as follows:

1. The Purchase Price shall be \$2,247,500 (Two Million Two Hundred Forty-Seven Thousand Five Hundred Dollars). Buyer's Section 9 Inspection Contingency and Section 10 CC&R Contingency shall hereafter be satisfied/waived.
2. Regarding the terms of Section 9.7)C. of the Purchase Agreement, the Purchase Agreement remains in full force and effect. Seller shall respond to this Addendum no later than Friday, January 24, 2025 at 5pm with written notice of acceptance of the modified terms in this Addendum.
3. Closing Shall occur no later than 5 Business Days following release of the Section 12. Finance Contingency and Section 15.Other / Due Diligence Contingency.

This ADDENDUM, upon its execution by both parties, is made an integral part of the aforementioned Agreement. In the event of any conflict or inconsistency between the provisions of this Addendum and the aforementioned Agreement, the provisions of this Addendum shall control in all respects.

Buyer's Signature		Buyer's Signature	
	<u>01/22/20</u>	X	
X Signature	<u>Date</u>	X Signature	<u>Date</u>

Seller's Signature		Seller's Signature	
DocuSigned by: 		1/22/2025 10:28 AM PST	
X Signature	<u>67328EBFFB3740E...</u>	X Signature	<u>Date</u>

Addendum SBR Form © 2018 Sun Valley Board of Realtors Version 9.1 * 2/2024

This Form is designed for use with other Sun Valley Board of Realtors' Forms.



Addendum # 4 Date of Addendum: February 7, 2025

This is an ADDENDUM to the Real Estate Purchase and Sale Agreement, identified as:
Document # KBR 600 Date of Document December 5, 2024 Page 1 of 1
Property Address: 291 N 2nd Avenue Units 1, 2, 3, 4 & Common Area
Buyer(s): City of Ketchum, and/or assigns
Seller(s): KKC Props, LLC

The undersigned Parties hereby agree as follows:

- 1) Buyer has satisfied, and hereby releases, Buyer's Due Diligence and Financing Contingencies.
- ~~2) Closing Date shall be February 18, 2025.~~
- 2) Closing Date shall be wednesday, February 19, 2025.

DS

DS

2/10/2025 | 10:45 AM PST 2/10/2025 | 1:28 PM PST

This ADDENDUM, upon its execution by both parties, is made an integral part of the aforementioned Agreement. In the event of any conflict or inconsistency between the provisions of this Addendum and the aforementioned Agreement, the provisions of this Addendum shall control in all respects.

Buyer's Signature

Buyer's Signature

X 02/07/20
Signature Date

X _____
Signature Date

Seller's Signature

Seller's Signature

DocuSigned by:
X 2/7/2025 | 12:45 PM PST
Signature Date

X _____
Signature Date

This Form is designed for use with other Sun Valley Board of Realtors' Forms.