

**REAL ESTATE PURCHASE AGREEMENT  
BETWEEN  
CITY OF MERIDIAN AND THE MERIDIAN DEVELOPMENT CORPORATION  
CIVIC BLOCK PROPERTIES**

THIS PURCHASE AND SALE AGREEMENT (this "Agreement"), is entered into and made effective on June \_\_, 2022 (the "Effective Date"), by and between the City of Meridian, an Idaho Municipal Corporation, whose address is 33 E. Broadway Ave, Meridian, ID 83642 (herein the "**Seller**" or "**CITY**"), and Meridian Development Corporation, and whose address is 104 E. Fairview Ave #239, Meridian, ID 83642, (herein the "**Buyer**" or "**MDC**").

**WHEREAS**, CITY and MDC have selected a proposal to redevelop portions of downtown Meridian, including the Property as defined below (the "Proposal"); and,

**WHEREAS**, the Proposal includes a provision that MDC would acquire the Property from CITY and then transfer the Property to Meridian Caddis, LLC, ("Meridian Caddis") pursuant to a purchase and sale agreement between Meridian Caddis and MDC, and an Owner Participation Agreement ("OPA") for purposes in furtherance of its mission to stimulate and expand Downtown Meridian into a thriving area that provides opportunities in which to live, work, and play; and,

**WHEREAS**, when it is determined by the City Council to be in the City's best interest, the Council may by Ordinance duly enacted, authorize the transfer or conveyance of real property to any tax supported governmental entity with or without compensation; and,

**WHEREAS**, City Council is satisfied that the Project elements as proposed by the third party developer will be a benefit to the community, that the third party developer has the resources and experience to complete the Project in a timely manner, and that the transfer of the Property is in the best interest of the City; and,

**WHEREAS**, a public hearing was held at the regular meeting of the Meridian City Council on JUNE 7, 2022 and at the conclusion of said hearing, the City Council approved Ordinance 22-\_\_\_\_\_ authorizing the conveyance subject to certain terms and conditions; and,

WHEREAS, CITY wishes to sell the following described Property to MDC and MDC desires to purchase the Property under the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the promises, covenants, representations, and warranties set forth in this Agreement, and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, CITY (Seller) and MDC (Buyer) agree as set forth below.

1. **Definitions.** The following terms have the following meanings when used in this Agreement:

**"Agreement"**. This Purchase and Sale Agreement, including all exhibits attached to this Agreement.

**"Business Day"**. A day other than a Saturday, Sunday, or any federal holiday.

**"Closing"**. The consummation of the Transaction, as evidenced by the delivery of all required funds and documents to Escrow Agent and the disbursement or delivery of such funds and documents by Escrow Agent in accordance with this Agreement and any other consistent instructions.

**"Closing Date"**. Closing of this transaction shall occur at a date agreed to by the parties, and simultaneous with the Closing set forth in the Purchase Agreement to be entered into by and between Meridian Caddis and MDC.

**"Effective Date"**. The date this Agreement is signed by all parties.

**"Escrow"**. The escrow to be created in accordance with this Agreement.

**"Escrow Agent"**. First American Title and Escrow Company, whose address is 2150 S. Bonito Way, Suite 100, Meridian, ID 83642, Attn: Ruth Rubel.

**"Property"**. The land commonly known as "The Civic Block City Parcels" or "Community Center and Centennial Park", Meridian, Idaho and more particularly identified as Ada County Parcel #R5672000856, 201 E Idaho; Parcel #R7596000080, 223 E. Idaho; Parcel #R7596000075, 231 E. Idaho; and Parcel #R7596000065, 237 E. Idaho and Legally Described as:

Lots 5 and 10, and the North 90 feet of Lot 6, 7 and 8, and the East 8.5 feet of the South 30 feet of Lot 6, All in Block 6 of the Amended Plat of the ORIGINAL TOWNSITE OF MERIDIAN, as shown on the plat thereof, filed in Book 1 of Plats at Page 30, records of Ada County, Idaho.

AND

Lots 1, 2, 3, 4 and 5 in Block 2 of the Amended Plat of ROWAN ADDITION TO MERIDIAN, according to the plat thereof, filed in book 2 of Plats at Page 52, records of Ada County, Idaho.

**"Purchase Price"**. The total purchase price to be paid by Buyer for the Property, as set forth in Section 3 of this Agreement.

**"Transaction"**. The purchase and sale of the Property contemplated by this Agreement.

**2. Definitive Agreement for Purchase and Sale of Property.** Upon full execution, this Agreement will be a binding agreement between Buyer and Seller for the purchase and sale of the Property on the terms, conditions and provisions set forth in this Agreement. This Agreement supersedes all other written or oral agreements between Buyer and Seller concerning the Transaction. If Buyer and Seller execute any separate escrow instructions with respect to the Transaction on Escrow Agent's form, as may be modified by Buyer and/or Seller in the sole discretion of each, and if there is any conflict or inconsistency between any provision of such escrow instructions and any provision of this Agreement, the provision of this Agreement will control.

**3. Purchase Price and Method of Payment.** The Purchase Price shall be **\$335,000.00** to be paid in full at Closing.

**4. Title Commitment.** Within three (3) days from the date this Agreement is signed by all parties, Escrow Agent shall issue and deliver to Buyer and Seller a commitment for title insurance with respect to the Property disclosing all matters of record and other matters of which Escrow Agent has knowledge which relate to the title to the Property, detailing Escrow Agent's requirements for closing the Escrow, committing to issue to Buyer an ALTA Standard Owner's Policy of Title Insurance with respect to the Property, and providing legible copies of all instruments referred to in the report (collectively, the "Commitment").

Buyer has ten (10) days after the Effective Date or after receipt of the Commitment, whichever occurs later, to review and to object in writing to any easements, liens, encumbrances or other exceptions or requirements in the Commitment (the "Title Objections"). If Buyer does not approve the Commitment or object within the time specified, then the condition of title to the Property reflected on the Commitment will be deemed approved. If the Title Objections are made within the time specified, Seller may, but shall not be required to, attempt to eliminate the matters covered by the Title Objections by or before the Closing Date. If Seller is unable or unwilling, in their sole discretion, to eliminate the matters covered by the Title Objections by or before the Closing Date upon terms acceptable to Buyer, Seller shall so notify Buyer, and Buyer may either waive the Title Objections that Seller was unable or unwilling to eliminate or terminate this Agreement.

**4.1 Amendments to Title Commitment.** If the Commitment is amended by Escrow Agent, Escrow Agent shall immediately deliver to Buyer and Seller the amendment and provide legible copies of all additional instruments referred to in the amendment (collectively, the "Amendment"). Buyer has five (5) days from the date of Buyer's receipt of the Amendment or through the Closing Date, whichever occurs earlier, to review and to object in writing to any easements, liens, encumbrances, or other exceptions or requirements in the Amendment which were not disclosed by the Commitment or a previous Amendment ("Additional Title Objections").

If Buyer does not approve the Amendment or object within the time specified, then the condition of title to the Property reflected on the Amendment will be deemed approved. If the Additional Title Objections are made within the time specified, Seller may attempt to eliminate the matters covered by the Additional Title Objections by or before the Closing Date. If Seller is unable or unwilling to eliminate the

matters covered by the Additional Title Objections by or before the Closing Date upon terms acceptable to Buyer, Seller shall so notify Buyer, and Buyer may either waive the Additional Title Objections that Seller was unable or unwilling to eliminate or terminate this Agreement.

**4.2 Title Insurance Policy.** At Closing, Escrow Agent shall commit to issue to and in favor of Buyer or its assigns a Standard Owner's Policy of Title Insurance with respect to the Property in the amount of the Purchase Price, insuring fee simple title to the Property in Buyer effective on the Closing Date, subject to the standard exclusions and exceptions in such form of policy and subject to the Permitted Exceptions (the "Title Policy").

**4.3 Inspection and Seller's Property Disclosure Statement.** Buyer has one hundred eighty (180) days after the Effective Date ("Inspection Review Period"), together with any Extension Options as defined below, to inspect the Property and to conduct, review and approve any investigations, tests, analyses or studies deemed necessary by Buyer to determine the condition and feasibility of the Property for Buyer's purpose (the "Inspection Review"). The Inspection Review Period will automatically extend for three (3) periods of sixty (60) days each (each, an "Extension Option" and collectively, the "Extension Options") at the end of the then-current Inspection Review Period, unless the Buyer delivers written notice to Seller on or before the expiration of the then-current Inspection Review Period that the current period shall not be extended in which case the Inspection Review Period shall not be extended. Seller hereby grants to Buyer and Meridian Caddis and their agents, employees, and contractors a nonexclusive right and license to enter upon the Property after giving reasonable advance notice to Seller to conduct the Inspection. Upon completion of the Inspection Review, Buyer shall restore the Property to its condition existing immediately prior to the Inspection Review. Buyer and Meridian Caddis shall each indemnify and hold Seller harmless from any loss incurred by Seller resulting from damage to the Property caused by the Inspection Review. If for any reason Buyer determines that the Property is not in a suitable condition or not feasible for Buyer's purpose, Buyer may terminate this Agreement within the Inspection Review Period and in such event any Earnest Money Deposit paid shall be returned to Buyer and this Agreement shall be terminated. If Buyer does not either approve or disapprove the Inspection Review, or otherwise terminate this Agreement prior to the expiration of the Inspection Review Period, then the Inspection Review will be deemed approved and any Earnest Money Deposit shall be non-refundable to Buyer, subject only to Seller's default under this Agreement.

## **5. Closing.**

**5.1 Time and Place.** Closing will take place in the offices of Escrow Agent on the Closing Date (defined above) or on such date as may be mutually agreed to by the Parties to coordinate a simultaneous closing of the Purchase Agreement between Meridian Caddis and MDC.

**5.2 Seller's Closing Deliveries.** At Closing, Seller shall deliver to Escrow Agent:

**5.2.1** A Warranty Deed fully executed and properly acknowledged by Seller, conveying the Property to Buyer, free and clear of any mortgages or deeds of trust.

**5.2.2** As a prerequisite to Seller's delivery of the Warranty Deed, Buyer must have provided sufficient proof to Seller that Buyer has entered into a Purchase and Sale Agreement for the

Property with the third party developer identified in the Proposal, and that all of the contingencies and conditions under that agreement have been satisfied or waived.

**5.3 Buyer's Closing Deliveries.** At Closing, Buyer shall deliver to Escrow Agent:

**5.3.1** Payment in full for the Purchase Price.

**5.4 Closing Costs.** Buyer shall pay the premium for the standard owner's Title Policy. Buyer will pay the additional premiums required for any extended coverage or endorsements requested by Buyer. Escrow and Closing fees will be split equally between Buyer and Seller. All costs associated with the Transaction must be borne by the parties in accordance with custom in Ada County, Idaho, as determined by Escrow Agent, unless otherwise specified in this Agreement.

**5.5 Possession.** Buyer will be entitled to possession of the Property on the Closing Date.

**5.6 Right to Repurchase.** Buyer intends to sell or transfer the Property to a third party for development purposes as outlined in the premises to this Agreement. Buyer may also enter into a Development Agreement or OPA with the third-party developer which may include certain rights of reverter. In the event that Buyer exercises or benefits from its right of reverter and retakes possession of the Property, Seller may exercise its option to repurchase the Property by delivering written notice of such intent within 90 days of Buyer retaking possession of the Property. If Seller exercises its repurchase rights as set forth herein, the price for such repurchase shall be the same purchase price as set forth in Section 3 of this Agreement. The repurchase of the Property shall be consummated through the Escrow Agent, at a time determined by Seller no later than 90 days after the delivery of Seller's notice that it intends to exercise its repurchase rights. The repurchase price shall be payable in cash or other immediately available funds. Title to the Property shall be conveyed by warranty deed, and any mortgage or liens, including any potential mechanics liens or other liens outstanding on the Property shall be discharged by Buyer prior to closing under this Seller's repurchase provision. Taxes shall be prorated prior to closing. Escrow and Closing fees will be split equally between Buyer and Seller.

**6. Seller's Representations and Warranties.** Seller represents and warrants to Buyer that:

**6.1 Authority.** Seller has full power and authority to enter into this Agreement and complete the Transaction.

**6.2 Binding Agreement.** Upon Seller's execution of this Agreement, this Agreement will be binding and enforceable against Seller in accordance with its terms, and upon Seller's execution of the additional documents contemplated by this Agreement, they will be binding and enforceable against Seller in accordance with their terms.

**6.3 Title.** Seller has fee title to the Property. Seller represents that Seller owns the property free and clear of any mortgages or deeds of trust.

**6.4 No Violations.** Seller has not received notice of any violation with regard to any applicable law, regulation, ordinance, requirement, covenant, condition or restriction relating to the present use,

occupancy or condition of the Property from any person, authority or agency having jurisdiction over the Property.

**6.5 Compliance with Law; Municipal Ordinances.** Seller has not received any notices of violation of any law, regulation, condition of permit or license, order, ordinance, or any requirement noted in or issued by any federal, state, or local department having jurisdiction over or affecting Property which has not been corrected, resolved, or withdrawn, and to the knowledge of Seller, the Property is in compliance with all applicable federal, state, and local laws and regulations in all material respects.

**7. Buyer's Representations and Warranties.** Buyer represents and warrants to Seller that:

**7.1 Authority.** Buyer has full power and authority to enter into this Agreement and complete the Transaction.

**7.2 Binding Agreement.** Upon Buyer's execution of this Agreement, this Agreement will be binding and enforceable against Buyer in accordance with its terms, and upon Buyer's execution of the additional documents contemplated by this Agreement, they will be binding and enforceable against Buyer in accordance with their terms.

**7.3 Investigation of Property.** Buyer has been or will be permitted access to the Property and will have actually inspected the Property prior to Closing. Buyer's consummation of the Transaction is based upon such inspection and not on any representations or warranties of Seller.

**7.4 No Oral Representations.** Buyer hereby acknowledges that neither Seller nor any person acting on behalf of Seller has made any representation, warranty, guaranty or promise concerning the Property, whether oral or written.

**8. Broker's Commission.** Seller and Buyer warrant, each to the other, that they have not dealt with any broker, realtor or finder in connection with the Transaction.

**9. Risk of Loss.** The risk of loss will be upon Seller until Closing. In the event of any material loss or damage to or condemnation of the Property prior to Closing, Buyer may terminate this Agreement. If Buyer waives any material loss or damage to or condemnation of the Property and proceeds to consummate this Transaction, or in the event of an immaterial loss, damage or condemnation, Seller shall, at Closing and as a condition precedent to Closing, pay to Buyer the amount of any insurance or condemnation proceeds attributable to the Property which have been received by Seller and assign to Buyer as of Closing all rights or claims to proceeds payable thereafter.

**10. Remedies.**

**10.1** If Seller fails to perform any of Seller's obligations under this Agreement and that failure continues for five (5) days after Seller's receipt of written notice from Buyer, Buyer may, as Buyer's sole remedy for Seller's failure, either: (i) terminate this Agreement in accordance with Section 11, or (ii) bring an appropriate action for specific performance of this Agreement.



**10.2** If Buyer fails to perform any of Buyer's obligations under this Agreement and that failure continues for five (5) days after Buyer's receipt of written notice from Seller, Seller may, as Seller's sole remedy for Buyer's failure bring an appropriate action for specific performance of this Agreement.

**10.3** If the Purchase and Sale Agreement between Meridian Caddis and Buyer is terminated due to Meridian Caddis' (i) failure to meet the Financing Condition as defined in the Purchase and Sale Agreement between Meridian Caddis and Buyer; or (ii) default, as declared by Buyer under the Purchase and Sale Agreement between Meridian Caddis, beyond all applicable notice and cure periods, Buyer or Seller may, as its sole remedy, terminate this Agreement in accordance with Section 11. Seller hereby acknowledges and agrees that the termination right set forth in this Section 10.3 represents its sole and exclusive right to terminate this Agreement.

**11. Termination.** If Buyer or Seller elects to terminate this Agreement as provided under this Agreement, the terminating party shall give written notice of the termination to the other party and Escrow Agent. Upon termination by a party as provided in this Agreement, Escrow Agent shall return all documents deposited in the Escrow to the Seller. Upon delivery of such documents, this Agreement and the Escrow will be deemed terminated, and except as provided in this Agreement neither party will have any further liability or obligation under this Agreement.

**12. Attorneys' Fees.** If there is any litigation or other action taken by any party to enforce or interpret any provisions of or rights arising under this Agreement, the defaulting party shall pay to the other party all costs and expenses, including but not limited to reasonable attorney fees and costs, which the other party may incur in enforcing this Agreement or in pursuing any remedy allowed by law, whether such is incurred by the filing of suit or otherwise.

**13. Omitted.**

**14. Escrow Cancellation Charges.** If the Escrow fails to close because of Buyer's default, Buyer will be liable for any escrow and title commitment cancellation charges by Escrow Agent. If the Escrow fails to close because of Seller's default, Seller will be liable for any such cancellation charges by Escrow Agent. If the Escrow fails to close through no fault of either Seller or Buyer, any such cancellation charges by Escrow Agent shall be divided equally between Seller and Buyer.

**15. Additional Acts.** The parties agree to execute promptly all other documents and perform all other acts as may be reasonably necessary to carry out the purpose and intent of this Agreement.

**16. Business Days.** If this Agreement requires any act to be done or action to be taken on a date which is not a Business Day, that act or action will be deemed to have been validly done or taken if done or taken on the next succeeding Business Day.

**17. Waiver.** The waiver by any party to this Agreement of any right granted to it under this Agreement is not a waiver of any other right granted under this Agreement, nor may any waiver be deemed to be a waiver of a subsequent right obtained by reason of the continuation of any matter previously waived.

**18. Survival.** All of the covenants, agreements, representations and warranties set forth in this Agreement survive Closing, and do not merge into any deed, assignment or other instrument executed or delivered under this Agreement.

**19. Counterparts/Facsimile.** This Agreement may be executed in counterparts, each of which is deemed an original but all of which constitute one and the same instrument. The signature pages may be detached from each counterpart and combined into one instrument. This Agreement may be signed and delivered by facsimile which shall be effective as an original.

**20. Successors and Assigns.** This Agreement is binding upon and inures to the benefit of the parties to this Agreement and their respective successors and assigns.

**21. Entire Agreement.** This Agreement sets forth the entire understanding of the parties with respect to the matters set forth in this Agreement as of the Effective Date; it supersedes all prior oral or written agreements of the parties as to the matters set forth in this Agreement; and it cannot be altered or amended except by an instrument in writing, signed by Buyer and Seller.

**22. Construction.** This Agreement is the result of negotiations between the parties, neither of whom has acted under any duress or compulsion, whether legal, economic or otherwise. Accordingly, the terms and provisions of this Agreement must be construed in accordance with their usual and customary meanings. Seller and Buyer hereby waive the application of any rule of law which otherwise would be applicable in connection with the construction of this Agreement that ambiguous or conflicting terms or provisions should be construed against the party who (or whose attorney) prepared the executed Agreement or any earlier draft of this Agreement.

**23. Headings.** The headings in this Agreement are for reference only and do not limit or define the meaning of any provision of this Agreement.

**24. Third-Party Beneficiary.** Except as set forth herein, no term or provision of this Agreement or the exhibits to this Agreement is intended to be, nor may any term or provision be construed to be, for the benefit of any person, firm, corporation or other entity not a party to this Agreement (including, without limitation, any broker), and no other person, firm, corporation or entity has any right or cause of action under this Agreement. Meridian Caddis, LLC is hereby named as an express and intended third-party beneficiary of this Purchase Agreement, such that if the Seller fails to close the transaction contemplated by this Agreement, Meridian Caddis, LLC shall be permitted to either seek the remedy of specific performance to ensure that both the Seller and Buyer perform their respective obligations under this Agreement or Meridian Caddis, LLC shall be permitted to seek damages against the Seller equal to Meridian Caddis, LLC's Pre-Closing Expenses (including, without limitation, the Lateral Relocation Expenses), as set forth in the April 12, 2022 Memorandum of Agreement between Meridian Caddis, LLC, Seller, and Buyer.

**25. Severability.** If any provision of this Agreement or any portion of any provision of this Agreement is determined to be invalid, illegal or unenforceable, the invalidity, illegality or unenforceability may not alter the remaining portion of such provision, or any other provision of this Agreement, as each provision of this Agreement is deemed severable from all other provisions of this Agreement.



**26. Time of Essence.** Time is of the essence in the performance of this Agreement.

**27. Governing Law.** This Agreement is governed by, and construed and enforced in accordance with, the laws of the State of Idaho.

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective as of the date first written above.

**SELLER:**  
CITY OF MERIDIAN

\_\_\_\_\_  
Robert E. Simison, Mayor

\_\_\_\_\_  
Attest, City Clerk

**BUYER:**  
MERIDIAN DEVELOPMENT CORPORATION

\_\_\_\_\_  
**By:**