

REAL ESTATE SALES CONTRACT

This Real Estate Sales Contract is between Texarkana Arkansas School District #7, an Arkansas school district and body corporate established pursuant to Section 6-13-102 of the Arkansas Code (“Seller”) and the City of Texarkana, Arkansas. (“Purchaser”).

ARTICLE 1 PURCHASE AND SALE

1.01 Seller hereby sells and shall convey, and Purchaser hereby purchases and shall pay for, the tract of land, identified as the Union School campus containing approximately 9.27 acres of land with all improvements including buildings, administration/multi-use building, parking lots and playgrounds, located at 1701 Line Ferry Road in Texarkana, Miller County, Arkansas, as further described in **Exhibit A (“Property”)**. Save and except the Seller’s security cameras, access control equipment, internet equipment, servers and _____ in the buildings, which Seller shall remove prior to the close of escrow, this sale and purchase includes all rights and appurtenances pertaining to the Property.

ARTICLE 2 PURCHASE PRICE

Amount and Terms of Payment

2.01 The total purchase price of the Property is \$150,000.00, payable by Purchaser to Seller at the close of escrow.

ARTICLE 3 ESCROW

Opening of Escrow

3.01 Seller and Purchaser shall within three (3) business days open an escrow account to consummate the sale of the Property pursuant to the terms of this Real Estate Sales Contract with _____ as Escrow Agent. Seller and Purchaser shall also deposit with the Escrow Agent all instruments, documents, and other items required by the Escrow Agent to close the sale of the Property on the closing date.

Closing Date

3.02 The escrow will close thirty (30) days after the effective date of this contract or on a date mutually agreed upon in writing by Seller and Purchaser.

Closing Costs

- 3.03 Subject to Paragraphs 4.01 and 4.02 of this Real Estate Sales Contract, normal closing costs, including any transfer taxes, the cost of preparing, executing, acknowledging, and recording the grant deed and all other instruments necessary to convey title to the Purchaser, escrow fees, and any similar closing costs will be divided between Seller and Purchaser and Seller and Purchaser shall pay their shares of these normal closing costs as those costs become payable.

Vesting of Title

- 3.05 Purchaser shall advise the Escrow Agent before the close of escrow of the manner in which title will vest.

ARTICLE 4 ADDITIONAL TERMS AND CONDITIONS

Title Review

- 4.01 A survey of the property shall not be required.
- 4.02 Title Company is hereby directed by the parties to produce as soon as reasonably possible, but in no event longer than _____ days from the date of execution of this Contract, an initial commitment for title insurance (the "Commitment") describing the land comprising the Property, which description as modified or replaced shall be incorporated into this Contract and used in all documents delivered at Closing and in the Owner's Policy of Title Insurance (the "Title Policy") issued by the Title Company. The cost of the Commitment and Title Policy shall be borne by the Seller. The Title Company is directed to provide both parties with a copy of the Commitment, and all revisions made thereto, together with true and legible copies of all items and documents referred to in the Commitment. Purchaser shall have until ten (10) days after receipt of the Commitment (the "Title Review Period") to investigate and review the Commitment, and all related documents and all title issues affecting or regarding the Property, and in the event Purchaser finds any matters or items respecting the Commitment or title of the Property to be objectionable, Purchaser shall during the Title Review Period, notify Seller in writing of such objectionable matters. Purchaser's failure to object to any such matters prior to expiration of the Title Review Period shall constitute a waiver of Purchaser's right to object to matters then revealed by the Commitment, and such waived matters shall be included in the term Permitted Exceptions (hereinafter defined). In the event that Purchaser objects to any matters within the Title Review Period, Seller shall have ten (10) days after the end of the Title Review Period (the "Cure Period") within which to eliminate, cure or address, or agree to eliminate, cure or address, any such matters to the reasonable satisfaction of Purchaser, however, Seller shall not have any obligation whatsoever to attempt to eliminate, cure, modify or address any such objectionable matters, except as hereinafter expressly provided to the contrary. In the event that Seller is unable or unwilling to eliminate or cure any objectionable matters respecting title to the

satisfaction of Purchaser at the expiration of the Cure Period, or at such time Seller is unwilling to agree to eliminate or cure such matters to the satisfaction of Purchaser by the time of Closing, Purchaser shall on or before five (5) days after expiration of the Cure Period (the "Title Acceptance Date"), elect to either (a) waive such objections which Seller has not agreed to cure, and accept title to the Property subject to such matters (and such matters shall then be deemed to constitute part of the Permitted Exceptions), or (b) terminate this Contract and the parties hereto shall have no further obligation or liability to each other hereunder. If Purchaser fails to properly terminate this Contract on or before the Title Acceptance Date it will be conclusively presumed that Purchaser has waived the right to terminate this Contract under this Paragraph for such matters that were revealed by the Commitment and all uncured objectionable matters shall be included in the term Permitted Exceptions, except as to (a) all those matters and items that Seller may have agreed to eliminate or cure by the time of Closing, and (b) matters first revealed on an updated Commitment. As used herein, the term "Permitted Exceptions" means all matters and items that Purchaser either affirmatively approves or is deemed to have approved hereunder. Notwithstanding, and without limiting Purchaser's rights under, any of the foregoing, at any time prior to Closing, Purchaser shall have the right to notify Seller of any objection first appearing on any subsequent or updated Commitment, in which event any such objections will be handled in the same manner as an objection set forth in this Paragraph 4.02. Notwithstanding any contrary provision contained herein, Seller shall be obligated to satisfy, on or before Closing, all monetary liens and encumbrances affecting the Property (or otherwise release the Property from the lien thereof) and in the event Seller fails to accomplish the foregoing as of Closing, Purchaser may elect to terminate the Contract or may direct the Title Company to pay at Closing, from the proceeds of the Purchase Price, such amounts as are necessary to satisfy or release the Property from all such liens.

Conditions To Closing

- 4.03 The close of escrow, the Seller's obligation to convey the Property, and the Purchaser's obligation to purchase the Property pursuant to this Real Estate Sales Contract are subject to the satisfaction of the following conditions:
- (a) The conveyance to Purchaser by general warranty deed of good and indefeasible title to the Property, as evidenced by a current Owner's Title Policy obtained by the Seller and provided to the Purchaser in the full amount of the purchase price, insuring that title to the Property is vested in Purchaser free and clear of all title defects, liens, encumbrances, conditions, restrictions, covenants, and other adverse interests of record or known to the Seller, subject only to the Permitted Exceptions set forth in Paragraph 4.02 above. Seller shall pay for the base Owner's Title Policy, and Purchaser shall pay for any endorsements to the Owner's Title Policy;
 - (b) Buyer obtaining the approval of the transaction contemplated by this Real Estate Sales Contract from the City of Texarkana, Arkansas's Board of Directors;

- (c) Seller obtaining the approval of the transaction contemplated by this Real Estate Sales Contract from the Texarkana Arkansas School District's Board of Directors.

ARTICLE 5
Default

- 5.01 If Purchaser fails to close on the Property in accordance with the terms and provisions of this Contract for any reason, or fails to cure any discovered breach hereof or misrepresentation contained herein on or before Closing, except for Seller's default or the termination of this Contract pursuant to a properly exercised right of termination granted to Purchaser herein, Seller may terminate this Contract, and the parties will be released of any further obligations or liability. If Seller fails to close on the Property in accordance with the terms and provisions of this Contract for any reason, other than Seller's refusal or inability to cure title as set forth in Paragraph 4.02 above, or fails to cure any discovered breach hereof or misrepresentation contained herein on or before Closing, except for Purchaser's default or the termination of this Contract pursuant to a properly exercised right of termination granted to Seller herein, Purchaser may terminate this contract, and the parties will be released of any further obligations or liability. The parties acknowledge and agree that the remedies provided for in this Contract are for the mutual convenience of and benefit to all the parties and are supported by adequate and valuable consideration, notwithstanding that they may be entitled to additional and/or greater rights were it not for the provisions of this Paragraph.

ARTICLE 6
Property "AS IS"

- 6.01 Purchaser acknowledges that, except for the warranties made in this Real Estate Sales Contract, Purchaser will, upon satisfaction of the conditions to Purchaser's obligations contained in this Real Estate Sales Contract, take title to the Property "AS IS" and in its present condition, status, and state of repair.

ARTICLE 7
MISCELLANEOUS PROVISIONS

Risk of Loss

- 7.01 The parties agree that the following provisions govern the risk of loss:
 - (a) If, before Seller transfers legal title or possession of the Property to Purchaser, all, or a material part (**defined as 10% of the property and structures to be conveyed**) of the Property is destroyed without the fault of the Purchaser, Seller and Purchaser will have no further obligations to each other, and this Real Estate Sales Contract will be deemed null and void;
 - (b) If, after Seller transfers legal title or possession of the Property to the Purchaser, all or any part of the Property is destroyed without fault of the Seller, Purchaser will not be

relieved of Purchaser's obligation under this Real Estate Sales Contract to pay the full price for the Property, nor is Purchaser entitled to recover any portion of the purchase price that Purchaser has paid; and

Insurance

- 7.02 Subject to Seller's obligations set forth in Paragraph 4.02, Seller may cancel all policies of insurance on the Property as of the close of escrow. Purchaser is responsible for obtaining insurance on the Property as of the close of escrow.

Confidentiality

- 7.03 Seller and Purchaser acknowledge this Contract is subject to the provisions of the Arkansas Freedom of Information Act.

Assignment

- 7.04 Purchaser may not assign this Real Estate Sales Contract without Seller's prior written consent. A valid assignment of this Real Estate Sales Contract will not relieve the Purchaser of any of its obligations set forth in this Real Estate Sales Contract.

Time of Essence

- 7.05 Time is of the essence for this Real Estate Sales Contract

Notices

- 7.06 Any notice, tender, delivery, or other communication pursuant to this Real Estate Sales Contract must be in writing and delivered by personal delivery, mail, facsimile, or other electronic means with verified receipt to the following persons:

(a) If to Seller: Texarkana Arkansas School District, C/O Dr. Becky Kesler, 3435 Jefferson Ave, Texarkana, Arkansas 71854; and

(b) If to Purchaser: The City of Texarkana, Arkansas, C/O Tyrhonda Henderson, Acting City Manager, 216 Walnut Street, Texarkana, Arkansas 71854.

Either party may change that party's address for these purposes by giving written notice of the change to the other party in the manner provided in this Paragraph.

If sent by mail, any notice, delivery, or other communication is effectively delivered once deposited in the United States mail, duly registered or certified, with postage prepaid, and addressed as set forth above.

Entire Agreement

- 7.07 This Real Estate Sales Contract constitutes the entire agreement between the parties relating to the sale of the Property. Any prior agreements, promises, negotiations, or representations not expressly set forth in this Real Estate Sales Contract are of no force and effect. Any amendment to this Real Estate Sales Contract will have no force and effect unless it is in writing and signed by the Purchaser and Seller.

Attorney's Fees

- 7.08 If any action or proceeding arising out of or relating to this Real Estate Sales Contract is commenced by either party to this contract or by the Escrow Agent, then as between the Purchaser and the Seller, the prevailing party will be entitled to receive from the other party, in addition to any other relief that may be granted, the reasonable attorney's fees, costs, and expenses incurred in the action, proceeding, or arbitration by the prevailing party.

Binding Effect

- 7.09 This Real Estate Sales Contract is binding upon and will inure to the benefit of the parties to this contract and their heirs, personal representatives, successors, and assigns, except as otherwise provided in this contract.

Governing Law

- 7.10 The parties agree that the laws of the State of Arkansas govern any construction or interpretation of the provisions of this Real Estate Sales Contract.

Choice of Venue

- 7.11 The parties agree that any dispute arising under or in connection with this Real Estate Sales Contract are subject to the exclusive jurisdiction of the state courts located in Miller County, Arkansas. The Parties consent to jurisdiction and venue before the state courts located in Miller County, Arkansas.

Waiver

- 7.12 The waiver by any party to this Real Estate Sales Contract of a breach of any provision of this contract is not a continuing waiver or a waiver of any subsequent breach of that or any other duty provision of this contract.

Severability

- 7.13 In the event any provision in this Real Estate Sales Contract is held invalid or otherwise unenforceable, the remaining provisions of this agreement will remain in effect, as if the invalid or enforceable provision had never been included.

Counterparts

7.14 This Real Estate Sales Contract may be executed in counterparts (each of which will be deemed to be an original but all of which taken together will constitute one and the same agreement) and will become effective when one or more counterparts have been signed by each of the parties and delivered to the other party.

SELLER:

TEXARKANA ARKANSAS SCHOOL DISTRICT #7

By:

_____ Date
Dr. Becky Kesler, Superintendent

PURCHASER:

City of Texarkana, Arkansas

By: _____ Date
Tyrhonda Henderson, Acting City Manager