

**PURCHASE AGREEMENT**

THIS AGREEMENT is made effective the \_\_\_\_ day of \_\_\_\_\_, 2018, between the Norman Economic Development Coalition, Inc., a not for profit corporation, having a notice address of 128 East Main Street, Norman, OK 73069 (“NEDC”), and the Norman Municipal Authority, having a notice address of 201 W. Gray, P. O. Box 370, Norman, OK 73070 (“NMA”).

**WITNESSETH:**

WHEREAS, NEDC is the owner of that certain real property located at 710 Asp Avenue, Norman, OK (the “E-Tec lot”), located in the City of Norman, State of Oklahoma.

WHEREAS, the building located on the E-Tec lot was damaged by a fire in October of 2016 rendering it not economically feasible to repair resulting in NEDC and its tenants at the E-Tec building relocating their offices to other locations in Norman.

WHEREAS, NEDC has taken steps to demolish and remove the building at the from the E-Tec lot, and is interested in offering the property for sale at the appraised price of one million fifty-eight thousand dollars as valued by an appraisal completed by Artman Appraisal Services in May 12, 2017.

WHEREAS, the Norman City Council adopted the Center City Form Based Code (“CCBFC”) in May of 2017, that contemplates inclusion of the Campus Corner retail area at some time in the future once a parking solution for this area is implemented.

WHEREAS, one of the possible future parking areas contemplated for the Campus Corner retail area in connection with the CCFBC is in the vicinity of the E-Tech lot.

WHEREAS, the City of Norman, acting thorough NMA would like to test market demand for additional parking in conjunction with CCFBC and Center City/Campus Corner development.

WHEREAS, NEDC desires sell to NMA, and NMA desires purchase from NEDC, that certain real property and premises commonly described as the E-Tec lot and the surrounding areas, located 710 Asp Avenue, as depicted in Exhibit A and more particularly described in Exhibit B.

WHEREAS, the parties desire to enter into this Purchase Agreement to define their respective rights, duties, and liabilities.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties, it is agreed as follows:

## I. PROPERTY

NMA hereby agrees to purchase from NEDC the Property, together with all the improvements and appurtenances, if any thereunto belonging, subject to existing zoning ordinances, restrictions easements, and mineral rights previously reserved, or conveyed of record upon the following terms and conditions:

- A. **MINERAL RIGHTS:** Mineral Rights are excluded from this transaction.
- B. **TERMS:** NMA shall pay for Property the sum of one million fifty-eight thousand dollars and no/100 dollars (\$1,058,000.00) payable as follows:
1. A payment of sixty-two thousand dollars (\$62,000.00) due at Closing; and
  2. A payment of sixty-two thousand dollars (\$62,000.00) on the anniversary date of Closing; and
  3. A final payment due on the 30<sup>th</sup> month after the date of Closing of nine hundred fifty-four thousand dollars (\$934,000), plus an amount (projected to be \$71,550) equal to interest accrued on a certain loan with First United Bank and Trust taken out by NEDC for the purpose of providing building demolition costs and refinancing NEDC debt on the property.
  4. A portion of the final payment will be paid first to First United Bank and Trust to satisfy the outstanding balance of the aforementioned NEDC loan, with the remainder of the final payment being made to NEDC.
- C. **CONDITION OF PROPERTY:**
1. Property is being purchased "AS IS". NMA waives all inspections.
  2. Until Closing or transfer of possession, the risk of loss to the Property by fire, casualty or otherwise (ordinary wear and tear excepted) shall be on NEDC. After Closing or transfer of possession, such risk shall be upon NMA.
  3. Unless otherwise agreed upon in writing, NMA, by Closing, or taking possession of the Property, shall be deemed to have accepted the Property, including fixtures and equipment in the condition existing at Closing. NMA is purchasing the Property based on NMA's own inspection, unless waived, and NO WARRANTIES are expressed or implied by NEDC or any of their agents that will survive the Closing in reference to the condition of the Property or any fixture or equipment.
  4. NEDC shall deliver the Property in its condition on the date of acceptance of the Contract, ordinary wear and tear excepted. Prior to Closing, NMA shall have the right to a walk-through of Property to verify such condition.
- D. **INSPECTION AGREEMENT:** NMA is granted the right to enter onto said property at reasonable times for inspection, surveying, soil samples, or other inspection activities prior to the closing date, without the requirement for additional notification or permission to or from NEDC.

## II. TITLE

- A. **TITLE EVIDENCE:** NEDC shall furnish NMA title evidence covering the Property, which shows marketable title vested in NEDC according to the title standards adopted by the Oklahoma Bar Association.
1. **Abstract of Title.** NEDC, at NEDC's expense, shall provide an abstract of title certified to date subsequent to the date of Contract (including a current Uniform Commercial Code Certification). NMA shall, at NMA's expense, obtain an Owner's Title Policy including a Title Examination by an attorney acceptable to the Title Insurer
  2. When a survey or a Mortgage Inspection Certificate, whichever is applicable, satisfactory to the title insurer is furnished showing no encroachment and/or boundary disputes, any title insurance policies shall provide usual encroachment coverage. In the event the survey or Mortgage Inspection Certificate discloses any encroachment(s) and/or boundary dispute(s), such policies shall provide encroachment coverage with exception(s) for matters disclosed by such survey or Mortgage Inspection Certificate, which exception(s) shall be subject to acceptance in writing.
  3. NEDC shall make existing title evidence (base abstract of title or Owner's Title Insurance Policy) available to the escrow closing agent within a reasonable time after the date of acceptance of this Contract.
  4. Upon delivery to NMA of the last of the current Commitment for Owner's Title Insurance Policy, the certified abstract or the certified survey or Mortgage Inspection Certificate, whichever are to be provided under this Contract, NMA shall have a reasonable time, not to exceed 10 days, to examine same and return to NEDC with a written report specifying any objections or defects in the title or such right to object shall be deemed waived. NEDC shall have 30 days after receipt of such report to correct such defects and perfect title unless such time is extended in writing by NMA. If NEDC is unable or unwilling to cure any defects within such period, and NMA does not waive such defects in writing, this Contract will terminate as provided in Paragraph 9(b) below.
  5. The title to the Property shall be conveyed to NMA by General Warranty Deed in recordable form. Upon Closing, the existing abstract of title shall become the property of NMA.

## III. TAXES, ASSESSMENTS AND PRORATIONS

NEDC shall pay all expenses owing to the date of Closing including, but not limited to, real estate ad valorem taxes, matured or unmatured special assessments, insurance, all utility bills in NEDC's name, and any other expenses related to the Property. If the amount of taxes cannot be ascertained, such proration shall be on the basis of the taxes paid for the preceding year. All other expenses shall be prorated on the basis of thirty days to the month on the basis of such expense paid for the previous month.

#### IV. CLOSING/POSSESSION

This transaction shall be closed on or before April 30, 2018 (the "Closing"), unless closing is extended by written agreement of NEDC and NMA with legal possession due to purchase of the premises to be delivered to NMA at the time of Closing and actual and complete possession of the Property due to purchase to be given at closing.

#### V. REVERSIONARY CLAUSE

In the event NMA opts to not make the final payment of the purchase price for the property as set out in paragraph I.B.3, then NMA shall instead forthwith tender to NEDC a deed to the property free and clear of any liens or encumbrances on the property that were filed against the property at the direction of NMA. NEDC shall accept the property in an "as is" condition. NMA shall not be entitled to any reimbursement for payments made in accordance with paragraphs I.B.1 or I.B.2, nor shall NMA be entitled to reimbursement for the cost of any other improvements made to the property during NMA's possession of the property.

#### VI. DEFAULT

- A. If NMA wrongfully refuses to close, NEDC and NMA agree that since it is impractical and extremely difficult to fix the actual damages sustained, NMA agrees to pay any documented costs expended by NEDC to accomplish transfer of property. NEDC may, at NEDC's option, seek specific performance.
- B. If NEDC's title defects cannot be corrected as herein provided, or if NEDC wrongfully refuses to close, NEDC shall be liable for other expenses incurred on NMA's behalf as provided in this contract. NMA may, at NMA's option, seek specific performance.
- C. In the event a suit for specific performance is instituted, the prevailing party shall have the right to recover all of such party's expenses and costs incurred by reason of such litigation including, but not limited to, attorney's fees, court costs, and costs of suit preparation.

#### VII. MEDIATION

Any dispute arising under, out of, in connection with, or in relation to this Contract, or the making or validity thereof, or its interpretation or any breach thereof, shall be submitted to mediation through an Oklahoma State Certified Mediator.

#### VIII. BINDING EFFECT

This Contract, when executed by both NEDC and NMA, shall be binding upon and inure to the benefit of NEDC and NMA, their respective heirs, legal representatives, successors and permitted assigns. This Contract sets forth the complete understanding of NEDC and NMA and supersedes all previous negotiations, representations, and agreements between them and their agents. This Contract can only be amended, modified, or assigned by written agreement signed by both NEDC and NMA.

## IX. ACCEPTANCE, TIMING, AND CLOSING COSTS

- A. This Contract shall be considered accepted upon approval by the Trustees of the Norman Municipal Authority and the Board of NEDC by proper vote at a duly called meeting of each governing body with a scheduled Agenda item for consideration of such. Notices regarding such actions shall be evidenced by proper signatures and faxing the document to (405) 366-5425 or emailing a scanned document to [jeff.bryant@normanok.gov](mailto:jeff.bryant@normanok.gov) and then placing originals in the mail to Attn. Jeff Bryant, City Attorney's Office PO Box 370, Norman, OK 73070 on behalf of the NMA; and providing similar documentation in a similar manner to [Jason@selectnorman.com](mailto:Jason@selectnorman.com) and then placing originals in the mail Attn. Jason Smith, NEDC 128 East Main Street, Norman, OK 73069 on behalf of NEDC.
- B. **TIME IS OF THE ESSENCE.**
- C. **CLOSING COSTS:** NEDC's responsibility shall be for bringing the Abstract up to date, interim title report, providing an attorney opinion for an Owner's title policy, documentary tax stamps, filing fees, and one-half (1/2) of the closing fee. NMA's responsibility shall be one-half (1/2) of the closing fee, a survey of the property, an environmental audit and report, and the premium for the Owner's title policy.
- D. Upon approval by the governing bodies, the General Manager and General Counsel shall be authorized to execute necessary documents to effectuate the intent of this Real Estate Sale Contract.

## IX MISCELLANEOUS

The Parties further agree as follows:

- A. Headings. The paragraph headings contained in this Agreement are for reference purposes only and are not intended to affect in any way the meaning or interpretation of this Agreement.
- B. Entire Agreement. This Agreement, any related agreement, and any document executed in connection herewith or therewith on or after the date of this Agreement constitute the entire agreement between the parties with respect to the subject matters hereof, and that there are no prior or contemporaneous oral promises or agreements which affect the parties' rights or agreements herein.
- C. Severability. If any clause or provision of this Agreement shall be determined to be illegal, invalid, or unenforceable under any present or future law, the remainder of this Agreement will not be affected thereby. It is the intention of the parties that if any provision is held to be illegal, invalid or unenforceable, there will be added in lieu thereof a provision as similar in terms to such provision as is possible, which provision will be legal, valid, and enforceable.
- D. Binding Effect. The provisions of this Agreement will be binding on and inure to the benefit of NEDC and NMA and their respective heirs, personal representatives, successors, and permitted assigns.

- E. Amendment. Neither this Agreement, nor any provision herein can be changed, waived, discharged, or terminated, except by an instruction in writing signed by the party against whom enforcement of the change, waiver, discharge, or termination is sought.
- F. Waiver. Waiver of performance of any obligation or term contained in this Agreement by any party, or waiver by one party of the other's default hereunder, will not operate as a waiver of performance of any other obligation or term of this Agreement or a future waiver of the same obligation or a waiver of any future default.
- G. Choice of Law. This Agreement will be interpreted, construed, and enforced in accordance with the laws of the State of Oklahoma. The parties consent to jurisdiction and exclusive venue in the District Court of Cleveland County, Oklahoma.
- H. Authority. NEDC and NMA represent and warrant that they have the right and authority to enter into this Agreement, and to carry out the terms and conditions it is required to perform hereunder.
- I. Execution in Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered will be deemed an original and which together will constitute one and the same instrument. This document will not be binding on or constitute evidence of a contract between the parties until such time as a counterpart of this document has been executed by each party and a copy thereof delivered to the other party to this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Effective Date first above written.

**NORMAN MUNICIPAL AUTHORITY**

\_\_\_\_\_  
Lynne Miller, Chairperson

ATTEST:

\_\_\_\_\_  
Brenda Hall, City Clerk/Secretary

APPROVED as to form and legality this \_\_\_\_ day of \_\_\_\_\_, 2018.

\_\_\_\_\_  
City Attorney / General Counsel

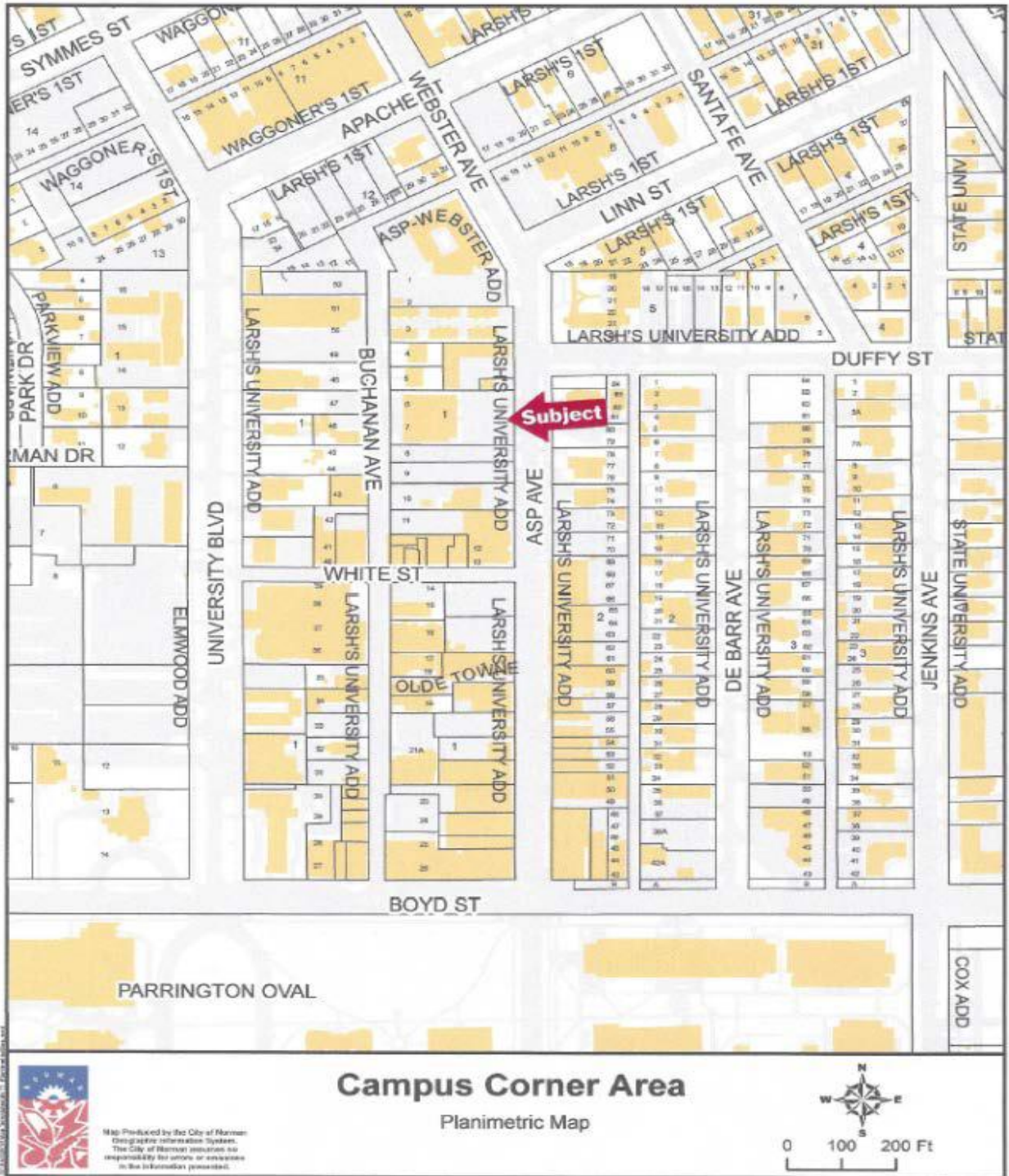
**NORMAN ECONOMIC DEVELOPMENT COALITION, INC.**

By \_\_\_\_\_  
Dan Quinn, Chairman

ATTEST:

By \_\_\_\_\_  
Jason Smith, CEO

EXHIBIT A  
(Depiction)





**EXHIBIT B**  
**(Legal description)**

All of Lots Six(6) and Seven(7) and the North 15 feet of Lot Eight(8), in Block One(1), of Larsh's University Addition, to Norman, Cleveland County, Oklahoma, according to the recorded plat thereof.