

PURCHASE AGREEMENT

This Purchase Agreement is entered into by and between:

Seller: THE GUARANTEE GROUP, L.L.C., a Nebraska Limited Liability Company
Seller's address: 1912 West Anna Street, Grand Island, NE 68803
Seller's taxpayer ID number:
Buyer: CITY OF GRAND ISLAND, a body politic and corporate and a political subdivision of the State of Nebraska.
Buyer's Address 100 East First Street, P.O. Box 1968, Grand Island, NE 68802
Purchase Price: \$110,000.00
Earnest Money Deposit: \$0.00 (none)
Closing date and place: January 31, 2017 at Grand Island Abstract Escrow & Title Co.
Title Insurance Commitment Due Date: January 17, 2017
Real Estate Taxes: All taxes related to the Property for 2016 and all prior years shall be paid by Seller at or prior to closing. Any tax related to the Property for 2017 shall be prorated to the date of Closing based on the most recent property valuation and the most recent mill levy.
Certified or Cashiers Check due at Closing from Buyer: \$110,000.00
"Property" Legal Description: A tract of land comprising a part of the Northwest Quarter (NW1/4) of Section Twenty Three (23), Township Eleven (11) North, Range Ten (10) West of the 6th P.M., in the City of Grand Island, Hall County, Nebraska, more particularly described as follows:
Beginning at the southwest corner of said Northwest Quarter (NW1/4); thence running northerly on the westerly line of said Northwest Quarter (NW1/4), on an Assumed Bearing of N00°19'24"E, a distance of Five Hundred Fifty Nine and Eighty Five Hundredths (559.85) feet; thence running S89°42'40"E, a distance of Four Hundred Thirty One and Sixty Nine Hundredths (431.69) feet; thence running S00°37'21"W, a distance of Five Hundred Sixty Five (565.00) feet, to a point on the southerly line of said Northwest Quarter (NW1/4); thence running N89°01'26"W, a distance of Four Hundred Twenty Eight and Seventy Seven Hundredth (428.77) feet to the Point of Beginning and containing 5.555 acres more or less.

RECITALS

Seller is the owner and developer of certain real property (the "Property") legally described above; and Seller desires to sell and Buyer desires to acquire the Property, subject to the terms and conditions set forth herein. NOW, THEREFORE, in consideration of, and based on, the foregoing Recitals and the mutual promises and agreements

set forth below, the parties agree as follows:

1 TRANSFER OF PROPERTY.

- 1.1 SALE AND PURCHASE. At Closing (as hereinafter defined), Seller shall sell to Buyer, and Buyer shall purchase from Seller the Property.
- 1.2 PURCHASE PRICE AND PAYMENT. Buyer shall pay to Seller the "Purchase Price" above stated of which the "Earnest Money Deposit" has been received by Seller on the date hereof with a balance payable at Closing, subject to adjustments and prorations as herein provided.
- 1.3 CLOSING. The closing of the purchase and sale of the Property shall take place upon the date and at the place designated above; provided, however, closing shall be automatically extended until the appropriate governing bodies have approved or rejected the license and permits contemplated by Section 2 hereof, or at such other time, date and place as the parties may mutually agree (the "Closing").
- 1.4 TITLE AND POSSESSION. Seller agrees to deliver at Closing a general warranty deed to the Property conveying to Buyer marketable title to the Property, free and clear of all mortgages, deeds of trusts, leases, encumbrances, liens, statutory rights, assessments, covenants, charges or adverse claims of any kind or character whatsoever, except for easements and restrictions of record that are acceptable to Buyer and its counsel. Seller shall deliver possession to the Property to Buyer at the time of Closing.
- 1.5 TITLE INSURANCE. On the Title Insurance Commitment due date designated above Seller shall furnish Buyer and its counsel with a commitment for an owner's policy of title insurance in the amount of the purchase price which insures marketable title to the Property, subject only to the easements, restrictions and other matters of record that are acceptable to the Buyer and its counsel. Written notice of any easement, restriction or other matter affecting title to the Property that is unacceptable to Buyer or its counsel shall be delivered to Seller within two (2) weeks from receipt of the commitment. Written notice of any easement, restriction or other matter affecting title to the Property contained in the updated commitment that is unacceptable to Buyer or its counsel shall be delivered to Seller within ten (10) days from receipt of such commitment. Seller shall have a reasonable period, not exceeding thirty (30) days, to cure any unacceptable easement, restriction or other matter affecting title to the Property. The premium for the title insurance policy shall be paid by the Seller.
- 1.6 ENVIRONMENTAL AFFIDAVIT. Seller represents that its members and officers have no knowledge of any adverse environmental conditions which affect the Property, the value thereof, or liability in connection therewith, except such environmental conditions as have been fully disclosed to the Buyer. Seller shall provide an affidavit at closing, affirming the statement made in the prior sentence as of the date of closing, directed to Buyer and to Buyer's lender. If Seller is unable to provide such an affidavit at closing because of facts discovered or made known to Seller after the date of this Agreement, Buyer may elect, in Buyer's sole discretion, to either (i) accept the Property based upon such affidavit as Seller can provide based upon the facts then known; or (ii) terminate this Agreement, in which event all sums paid to Seller pursuant to this Agreement shall be returned to Buyer within five business days and neither party shall have any further obligation or liability to the other.
- 1.7 TAXES, ASSESSMENTS AND OTHER COSTS. All taxes related to the Property as stated above shall be paid by Seller at or prior to closing. Any tax related to the Property as stated above shall be prorated to the date of Closing based on the most recent property valuation and the most recent mill levy. Any special assessment arising out any improvement completed or under construction prior to Closing, whether then levied or unlevied, assessed or unassessed, shall be borne by Seller. Seller shall pay any and all transfer taxes or similar fees which are payable upon the recording of the warranty deed from Seller to Buyer.
The costs of the preparation of all documents and other related expenses in connection with the sale of the Property and the closing of the sale shall be paid by the Buyer.

2 REPRESENTATIONS AND WARRANTIES.

- 2.1 REPRESENTATIONS AND WARRANTIES OF SELLER. Seller represents and warrants to Buyer as follows:

- 2.1.1.1 ORGANIZATION; POWER; GOOD STANDING. Seller is a limited liability company duly organized and validly existing in good standing under the laws of the State of Nebraska and has all requisite power and authority to own and operate its property and carry on its business as now being conducted and to enter into this Agreement and perform the obligations hereunder. The Company Secretary shall certify the sale is in the usual and regular course of business pursuant to the terms and conditions determined by its members.
- 2.1.2 AUTHORITY RELATIVE TO AGREEMENT. This Agreement has been duly executed and delivered by Seller and constitutes a legal, valid and binding obligation of Seller, enforceable against Seller in accordance with its terms, except as the same may be limited by bankruptcy, insolvency, reorganization or other laws affecting the enforcement of creditor's rights generally, or by judicial discretion in connection with the application of equitable remedies. Seller is the owner of the Property and no other persons have any interest in such real estate, except as set forth in this Agreement.
- 2.1.3 EFFECT OF AGREEMENT. The execution, delivery and performance of this Agreement by Seller and the consummation of the transactions contemplated hereby have been duly authorized by all necessary action by Seller and will not require the consent, waiver, approval, license or authorization of any person or public authority on the part of Seller to be obtained; and will not violate, with or without the giving of notice and/or the passage of time, any provision of law applicable to Seller, and will not conflict with or result in a breach or termination of any provision of, or constitute a default under, or result in the creation of any lien, charge or encumbrance upon the Property pursuant to any mortgage, deed of trust, indenture or other agreement or instrument or any order, judgment, decree, statute, regulation or any other restriction of any kind or character whatsoever, to which Seller is a party or by which the Property may be bound.
- 2.1.4 BROKERS. Seller has not entered into any contract, arrangement or understanding with any person or firm which may result in the obligation of Buyer to pay any finder's fee, brokerage or agent's commission or other like payment in connection with the negotiations leading to this Agreement or the consummation of the transactions contemplated hereby, and Seller is not aware of any claim or basis for any claim for payment of any finder's fee, brokerage or agent's commission or other like payment in connection with the negotiations leading to this Agreement or the consummation of the transactions contemplated hereby.
- 2.1.5 HAZARDOUS MATERIAL. No hazardous or toxic material, substance, pollutant, contaminant, waste, asbestos, or petroleum product has been released into the environment, discharged, placed or disposed of at, near, or on the Property. The Property has not been used at any time by any person as a landfill or waste disposal site. No claims, litigation, administrative proceedings, are pending or threatened, and no judgments or orders have been entered relating to any hazardous substance, hazardous waste, discharge, emission or other form of pollution relating in any way to the Property. No hazardous substance or hazardous waste, as defined by the Resource Conservation Recovery Act, as amended, 42 U.S.C. section 6901 *et seq.*, or the Comprehensive Environmental Response, Compensation and Liability Act, as amended, 42 U.S.C. section 9601 *et seq.*, has been generated, manufactured, refined, transported, treated, stored, handled or disposed of on, at or near the Property.
- 2.1.6 SPECIAL ASSESSMENTS AND LIENS. No costs or expenses of any kind or character whatsoever associated with the construction or maintenance of any street, sidewalk, parking area or utility improvement surrounding or serving the area adjacent to the Property, including, without limitation, the costs and expenses attributable to paving, extension of water, sanitary sewer, storm sewer lines, street and parking lot lighting, street signs, engineering design and city engineering will be assessed against the Property.
- 2.1.7 FLOODPLAIN. The property is not located in a designated floodplain.

- 2.1.8 ENDANGERED SPECIES. Seller is unaware of the property being a home to an endangered species.
- 2.2 REPRESENTATIONS AND WARRANTIES OF BUYER. Buyer represents and warrants to Seller as follows:
 - 2.2.1 ORGANIZATION; POWER; GOOD STANDING. Buyer is a body politic and corporate and a political subdivision of the State of Nebraska and is duly organized and validly existing under the laws of the State of Nebraska and has all requisite power and authority to own properties and to enter into this Agreement and perform the obligations hereunder.
 - 2.2.2 AUTHORITY RELATIVE TO AGREEMENT. This Agreement has been duly executed and delivered by Buyer and constitutes a legal, valid and binding obligation of Buyer, enforceable against Buyer in accordance with its terms, except as the same may be limited by bankruptcy, insolvency, reorganization, or other laws affecting the enforcement of creditor's rights generally, or by judicial discretion in connection with the application of equitable remedies.
 - 2.2.3 EFFECT OF AGREEMENT. The execution, delivery, and performance of this Agreement by Buyer and the consummation of the transactions contemplated hereby have been duly authorized by all necessary action by Buyer and, except as contemplated hereby, will not require the consent, waiver, approval, license, or authorization of any person or public authority on the part of Buyer to be obtained; and will not violate, with or without the giving of notice and/or the passage of time, any provision of law applicable to Buyer, and will not conflict with or violate any instrument, agreement, order, judgment, decree, statute, regulation, or any other restriction of any kind or character to which Buyer is a party.
 - 2.2.4 BROKERS. Buyer has not entered into any contract, arrangement or understanding with any person or firm which may result in the obligation of Seller to pay any finder's fee, brokerage or agent's commission, or other like payment in connection with the negotiations leading to this Agreement or the consummation of the transactions contemplated hereby, and Buyer is not aware of any claim or basis for any claim for payment of any finder's fee, brokerage or agent's commission, or other like payment in connection with the negotiations leading to this Agreement or the consummation of the transactions contemplated hereby.
- 3 OTHER AGREEMENTS.
 - 3.1 INDEMNIFICATION.
 - 3.1.1 INDEMNIFICATION BY SELLER. Upon the terms and subject to the conditions set forth in this Agreement, Seller agrees to indemnify and hold Buyer harmless against, and will reimburse Buyer upon demand for, any payment, loss, cost or expense (including reasonable professional fees and reasonable costs of investigation incurred in defending against such payment, loss, cost or expense or claim therefore) made or incurred by or asserted against Buyer in respect of any and all damages or deficiencies resulting from:
 - 3.1.1.1 any omission, misrepresentation, breach of warranty, or non-fulfillment of any term, provision, covenant, or agreement on the part of Seller contained in this Agreement;
 - 3.1.1.2 any environmental matter which is related to the Property and involves an event occurring or condition existing prior to Closing; and
 - 3.1.1.3 any deed, exhibit, certificate, instrument or other agreement furnished or to be furnished by Buyer pursuant to this Agreement or any other agreement involving the parties hereto and contemplated hereby.
 - 3.1.2 INDEMNIFICATION BY BUYER. Upon the terms and subject to the conditions set forth in this Agreement, Buyer agrees to indemnify and hold Seller harmless against, and will reimburse Seller upon demand for, any payment, loss, cost or expense (including reasonable professional fees and reasonable costs of investigation incurred in defending against such payment, loss, cost or expense or claim therefore) made or incurred by or asserted against Seller in respect of any and all damages or deficiencies resulting from any omission, misrepresentation, breach of

warranty, or non-fulfillment of any term, provision, covenant, or agreement on the part of Buyer contained in this Agreement or any exhibit, certificate, instrument, or other agreement furnished or to be furnished to Seller pursuant to this Agreement or any other agreement involving the parties hereto and contemplated hereby.

3.1.3 CONDITIONS OF INDEMNIFICATION. With respect to any actual or potential claim, any written demand, commencement of any action, or the occurrence of any other event which involves any matter or related series of matters (a "Claim") against which a party hereto is indemnified (the "Indemnified Party") by another party (the "Indemnifying Party") under this Agreement:

3.1.3.1 Promptly after the Indemnified Party first receives written documents pertaining to the Claim, or if such Claim does not involve a third party Claim, promptly after the Indemnified Party first has actual knowledge of such Claim, the Indemnified Party shall give notice to the Indemnifying Party of such Claim in reasonable detail and stating the amount involved, if known, together with copies of any such written documents; and

3.1.3.2 If the Claim involves a third party Claim, then the Indemnifying Party shall have the right, at its sole cost, expense and ultimate liability regardless of outcome, through counsel of its choice, to litigate, defend, settle, or otherwise attempt to resolve such Claim, except that the Indemnified Party may elect, at any time and at the Indemnified Party's sole cost, expense and ultimate liability, regardless of outcome, and through counsel of its choice, to litigate, defend, settle, or otherwise attempt to resolve such Claim. If the Indemnified Party so elects (for reasons other than the Indemnifying Party's inability, failure, or refusal to provide a defense to such Claim), then the Indemnifying Party shall have no obligation to indemnify the Indemnified Party with respect to such Claim. In any event, all parties hereto shall fully cooperate with any other party and their respective counsel in connection with any such litigation, defense, settlement, or other attempt at resolution.

3.2 INSPECTION AND TESTING. At any time after the date of this Agreement, Buyer and its employees and agents shall have the right to enter upon the Property and perform such tests and inspections as it deems necessary to determine suitability of the Property for its intended use. Buyer shall restore the Property to original condition if such tests alter the grade, compaction, or vegetation.

4 CONDITIONS OF CLOSING.

4.1 BUYER'S CONDITIONS OF CLOSING. Unless waived by Buyer in writing, the obligations of Buyer under this Agreement are subject to fulfillment of the following conditions:

4.1.1 WARRANTY DEED AND TITLE INSURANCE COMMITMENT. Buyer shall receive at Closing a warranty deed for the Property and a commitment for title insurance in accordance with this Agreement.

4.1.2 CONDITION OF PROPERTY. Within sixty (60) days from the date of this Agreement, Buyer has approved the soil condition of the Property and all conditions, limitations, requirements, rules, and regulations of any governmental agency having jurisdiction over the Property or its intended use.

4.1.3 ADVERSE CONDITIONS. As of Closing, there are no adverse conditions or circumstances which may interfere with Buyer's intended use or ability to encumber the Property.

4.1.4 REPRESENTATIONS AND WARRANTIES. There have been no material inaccuracies in the representations and warranties of Seller and such representations and warranties shall be true as of Closing as though made on and as of such date and Buyer shall have received a certificate dated as of Closing to that effect.

4.2 SELLER'S CONDITIONS OF CLOSING. Unless waived by Seller in writing, the obligations of Seller under this Agreement are subject to fulfillment of the following conditions:

- 4.2.1 PAYMENT. At Closing, Seller shall receive from Buyer a certified or cashier's check as designated above..
- 4.2.2 REPRESENTATIONS AND WARRANTIES. There have been no material inaccuracies in the representations and warranties of Buyer and such representations and warranties shall be true as of Closing as though made on and as of such date and Seller shall have received a certificate dated as of Closing to that effect.
- 4.3 TERMINATION. If the conditions of Closing for a party have not been materially complied with or performed and such noncompliance or nonperformance shall not have been waived by the other, such other party may terminate this Agreement and upon such termination neither Buyer nor Seller shall have any liability one to the other, except that Seller shall return the Earnest Money Deposit to Buyer.
- 4.4 RISK OF LOSS. All risk of loss or damage to the property by fire or other casualty until the delivery of the deed is assumed by the Seller, and in such event, the Buyer shall have the right and option to cancel this Agreement and receive all monies paid under the Agreement.

5 MISCELLANEOUS.

- 5.1 BINDING EFFECT; BENEFITS. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns. Notwithstanding anything contained in this Agreement to the contrary, nothing in this Agreement, expressed or implied, is intended to confer on any person other than the parties hereto or their respective successors and assigns any right, remedy, obligation, or liability under or by reason of this Agreement.
- 5.2 COUNTERPARTS. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original but all of which shall constitute one and the same instrument.
- 5.3 FURTHER ASSURANCES. Each of the parties hereto, without further consideration, agrees to execute and deliver such other documents and take such other action, whether prior to or subsequent to Closing, as may be necessary to more effectively consummate the intent and purpose of this Agreement.
- 5.4 GOVERNING LAW. This Agreement shall be governed by and construed in accordance with the laws of the State of Nebraska.
- 5.5 NOTICES. All notices, requests, demands, and other communications under this Agreement shall be in writing and shall be deemed to have been duly given when delivered personally or 48 hours after being mailed registered or certified mail, return receipt requested, postage prepaid, to the party at the address designated above.
- 5.6 SEVERABILITY. If for any reason whatsoever, any one or more of the provisions of this Agreement shall be held or deemed to be inoperative, unenforceable, or invalid as applied to any particular case or in all cases, such circumstances shall not have the effect of rendering such provision invalid in any other case or of rendering any of the other provisions of this Agreement inoperative, unenforceable, or invalid.
- 5.7 SURVIVAL AND NONMERGER. All terms, conditions, representations, and warranties contained in this Agreement shall survive the execution hereof and the Closing hereunder, including, but not limited to, the execution and delivery of any deed related to the Property to be conveyed hereunder, and shall not merge into any deed.
- 5.8 TIME OF ESSENCE. The parties agree that time is of the essence in the performance of their respective obligations hereunder.
- 5.9 WAIVER. Either Buyer or Seller may, by written notice to the other, (a) extend the time for the performance of any of the obligations or other actions of the other under this Agreement; (b) waive any inaccuracies in the representations or warranties of the other contained in this Agreement or in any document delivered pursuant to this Agreement; (c) waive compliance with any of the conditions or covenants of the other contained in this Agreement; or (d) waive performance of any of the obligations of the other under this Agreement. Except as provided in the preceding sentence, no action taken pursuant to this Agreement, including, without limitation, any investigation by or on behalf of any party, shall be deemed to constitute a waiver by the party taking such action of compliance with any representations, warranties, covenants, or agreements contained in this Agreement. The waiver by any

party hereto of a breach of any provision hereunder shall not operate or be construed as a waiver of any prior or subsequent breach of the same or any other provision hereunder.

5.10 CONSTRUCTION. The parties hereto acknowledge and agree that each party has participated in the drafting of this Agreement and that this document has been reviewed by the respective legal counsel for the parties hereto and that the normal rule of construction to the effect that any ambiguity is to be resolved against the drafting party shall not apply to the interpretation of this Agreement. No inference in favor of, or against, any party shall be drawn by the fact that one party has drafted any portion hereof.

Executed:



THE GUARANTEE GROUP, L.L.C., Seller

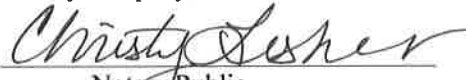


CITY OF GRAND ISLAND, Buyer

State of Nebraska)
) ss.
County of Hall)

State of Nebraska - General Notary
CHRISTY LESHNER
My Commission Expires
September 12, 2019

The foregoing Purchase Agreement was acknowledged before me on December ~~22~~ 2016 by member on behalf of Guarantee Group, L.L.C., a limited liability company, as Seller.



Notary Public

My commission expires: 9-12-19

State of Nebraska)
) ss.
County of Hall)

The foregoing Purchase Agreement was acknowledged before me on December ~~27~~ 2016 by Jeremy L. Jensen, Mayor, on behalf of the City of Grand Island, as Buyer.



Notary Public

My commission expires: 12/29/2018

GENERAL NOTARY - State of Nebraska
RANAE EDWARDS
My Comm. Exp. Dec. 29, 2018

Prepared by:

City Attorney