

REAL ESTATE SALE AND DONATION AGREEMENT

THIS REAL ESTATE SALE AND DONATION AGREEMENT (“Agreement”) is entered into at North Little Rock, Arkansas, by and between the North Little Rock School District, a public school district organized and operating pursuant to Arkansas law (“Donor”), and the City of North Little Rock, a municipality organized and existing pursuant to Arkansas law (“Donee”).

1. Agreement to Convey and Donate. Donor agrees to sell, convey and donate, and Donee agrees to purchase and accept all of that property (the “Property”), including all buildings and improvements situated thereon, described in Exhibit “A” attached hereto and incorporated by reference herein, together with all of Donor’s right, title and interest in and to the Property. Donee’s purchase and acceptance of the Property is for purposes of using the Property to provide affordable residential housing and public recreational facilities.

2. Purchase Price. The total purchase price for the playground equipment shall be Ten Dollars (\$10.00), payable as follows:

(a) \$0.00 delivered to Donor concurrently with the execution hereof, to be held by Donor as earnest money and applied as part of the purchase price, subject to the provisions of paragraph 4.

(b) \$10.00 to be paid at the date of closing (the “Closing”), as hereinafter defined.

3. Donor Expenses. At Closing, Donee shall reimburse Donor all costs for legal, surveying and other expenses incurred by Donor incident to the donation of Property.

4. Delivery of Possession. Donor shall deliver possession of the Property to Donee upon the date of the transfer of title. Donee and its agents or employees may enter upon the

Property before Closing in order to cause inspections, surveys, or tests at Donee's expense. Any such agents shall provide proof of insurance to Donor prior to accessing the Property.

5. Proration of Taxes. Taxes and assessments for prior years and those currently due on or before Closing, if any, shall be paid by Donor. Taxes and assessments for the current year, both general and special, if any, shall be prorated as of the date of Closing.

6. Title. Donor shall convey the Property to Donee by good and sufficient quitclaim deed, free and clear of all liens and encumbrances, except applicable zoning ordinances, and other government restrictions or limitations affecting or restricting said Property.

7. Conditions Precedent to Donee's Obligation to Accept the Property. The following shall be conditions of Donee's obligation to accept title to the Property subject to the conditions of this Agreement:

(a) Board of Directors Approval. It is understood and agreed that this Agreement is subject to the approval and ratification by the Board of Directors of Donor.

8. Closing Date. The Closing shall occur no later than November 30, 2017. It being expressly understood by Donor and Donee that failure of Donee to close by November 30, 2017, regardless of the reason for such failure, including without limitation the non-occurrence of any condition to Donee's obligations set forth elsewhere in this Agreement, shall entitle Donor, at the option of Donor, to terminate this agreement by written notice to Donee, with time being expressly of the essence regarding this paragraph 8.

9. Donor's Representation and Warranty. Donor represents and warrants that Donor is the sole owner of good, fee simple, unencumbered, marketable title to all of the real property to be conveyed to Donee under this Agreement.

10. Donee Representations and Warranties. Donee makes the following representations and warranties which are material and relied upon by Donor:

- (a) Conflict of Interest. Donee represents and warrants that no director, board member or employee of Donor is in any manner interested directly or indirectly in this Agreement or in any of the expected profits or uses which might arise therefrom; further, that no attempt has been made by Donee to influence or gain favorable advantage by communicating directly or indirectly with any official of Donor.
- (b) Non-Collusion. Donee and the individual personally signing this Agreement represent and warrant that this Agreement is neither collusive nor made for or on behalf of any person not named.
- (c) Indemnification and Legal Compliance. Donee agrees to save, hold harmless and to indemnify Donor and its agents, employees, officers and board members against any and all liability, losses, claims or costs of whatsoever kind or nature relative to the performance of the Agreement or any occurrence or accident in connection with the Property, whether to property or persons. Further, Donee shall indemnify, hold harmless and defend Donor, its agents, employees, officers and board members from any lawsuits, causes of action, claims, liabilities and damages, of any kind and nature, including but not limited to, attorney's fees and costs, in connection with the Property or arising out of the performance of this Agreement whether attributable in whole or in part to any act, omission or negligence of Donor, its agents, board members or employees, including, but not limited to, any and all lawsuits, causes of

action, claims, liabilities, and damages which Donor, its agents, board members or employees may sustain by reason of any failure by Donee to indemnify as provided herein, or any failure by Donee to otherwise perform its obligations pursuant to this Agreement, or by reason of the injury to or death of any person or persons or the damage to, loss of use of or destruction of any property in connection with the Property or this Agreement.

- (d) Donee's purchase and acceptance of the Property is for purposes of using the Property to provide services to at-risk school age children and youth in Pulaski County, Arkansas.

11. Donor's Right of First Refusal.

- (a) In the event that Donee subsequently decides to sell or otherwise convey the Property to a third party, Donee shall provide notice of such sale or conveyance to Donor, and Donor shall thereupon have the right to repurchase or reacquire the Property from Donee at a price that (a) shall not exceed the price, if any, paid by Donee to Donor for the Property; and (b) shall not include any compensation to Donee for improvements made, if any, to the Property by Donee.
- (b) In the event that Donor subsequently decides that repurchase or reacquisition of the Property is in the best interests of the Donor, Donor shall provide notice to Donee of Donor's intent to repurchase the Property from Donee at a Price that shall not exceed the sum of the Purchase Price and Donor Expenses paid by Donee as set forth in sections 2 and 3, respectively, in this Agreement.

12. Return of Property to Donor. In the event Donee is unable to obtain funding for the demolition of buildings on the Property, Donee shall transfer ownership of the Property back to Donor.

13. Brokerage Fees. Each party represents to the other that it has not engaged the services of any real estate broker or agent in connection with the Property and/or this Agreement.

14. Notice. All notices under this Agreement shall be deemed given when deposited in the United States Mail, postage prepaid, and marked registered or certified mail, return receipt requested, and addressed to the parties at the following addresses:

To Donor: Kelly Rodgers
Superintendent of Schools
North Little Rock School District
2700 Poplar Street
North Little Rock, AR 72114

With a copy to: Jay Bequette
Bequette & Billingsley, P.A.
425 West Capitol Avenue, Suite 3200
Little Rock, AR 72201

To Donee: Joe A. Smith
Mayor
City of North Little Rock
300 Main Street
North Little Rock, AR 722119
(501) 975-5601

With a copy to: Danny Bradley
City of North Little Rock
300 Main Street
North Little Rock, AR 722119
(501) 975-5601

15. Entire Agreement; Modification. This instrument constitutes the entire agreement between the parties with respect to the Property. It may not be modified except by an agreement duly executed by both parties.

16. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, successors, and assigns.

17. Nonwaiver. No delay or failure by either party to exercise any right hereunder, and no partial or single exercise of such right, shall constitute a waiver of that or any other right, unless otherwise expressly provided herein.

18. Headings. Headings in this Agreement are for convenience and reference only and shall not be used to interpret or construe its provisions.

19. Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Arkansas.

20. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

21. Time of Essence. Time is of the essence with respect to the performance of all obligations hereunder.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of this _____ day of September, 2017.

DONOR:

NORTH LITTLE ROCK SCHOOL DISTRICT

By: _____

Kelly Rodgers

Title: Superintendent

DONEE:

CITY OF NORTH LITTLE ROCK

By: _____
Joe A. Smith
Title: Mayor

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STATE OF ARKANSAS)
) ss. ACKNOWLEDGMENT
COUNTY OF PULASKI)

On this _____ day of September, 2017, before me, a Notary Public duly commissioned, qualified and acting, within and for said County and State, appeared in person the within named Kelly Rodgers, to me personally well known, who stated that he was the Superintendent of the North Little Rock School District, a public school district organized and operating pursuant to Arkansas law, and was duly authorized in said capacity to execute the foregoing instrument for and in the name and behalf of said school district, and further stated and acknowledged that he had so signed, executed and delivered the foregoing instrument for the consideration, uses and purposes therein mentioned and set forth.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal this _____ day of September, 2017.

Notary Public

My commission expires:

(SEAL)

STATE OF ARKANSAS)
) ss. ACKNOWLEDGMENT
COUNTY OF PULASKI)

On this _____ day of September, 2017, before me, a Notary Public duly commissioned, qualified and acting, within and for said County and State, appeared in person the within named Joe A. Smith, to me personally well known, who stated that he was the Mayor of the City of North Little Rock, a municipality organized and operating pursuant to Arkansas law, and was duly authorized in said capacity to execute the foregoing instrument for and in the name and behalf of said municipality, and further stated and acknowledged that he had so signed, executed and delivered the foregoing instrument for the consideration, uses and purposes therein mentioned and set forth.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal this _____ day of September, 2017.

Notary Public

My commission expires:

(SEAL)

EXHIBIT A

Legal Description