

**AGREEMENT FOR ECONOMIC DEVELOPMENT AND PURCHASE/ SALE OF REAL
PROPERTY**

(0 Clear Acre)

Between

City of Reno as Seller

And

Northern Nevada Building and Construction Trades Council Development Corporation,

a 501c(3) Nevada non profit corporation, as Buyer

Dated as of _____



Attachment A Property Description

Art. 1 PARTIES; TERMS AND DEFINITIONS.

§1.01 Schedule of Information

THIS AGREEMENT is by and between and involves the following Property:

<i>a.</i>	<i>Buyer</i>	Northern Nevada Building and Construction Trades Council Development Corporation(“Dev Corp”) 1819 Hymer Ave., Suite 106 Sparks, Nevada 89431 Authorized Representative: Rob Benner, Secretary/Treasurer
<i>b.</i>	<i>City/ Seller</i>	City of Reno, Nevada, a municipal corporation One East First Street P.O. Box 1900 Reno, Nevada 89509 Authorized Agent: Property Agent
<i>c.</i>	<i>Escrow Agent</i>	TBD
<i>d.</i>	<i>Real Estate Agents</i>	None.
<i>e.</i>	<i>Appraiser</i>	Johnson, Perkins, Griffin Real Estate Appraisers Reese Perkins Completed May 21, 2024 Date of Valuation May, 17, 2024
<i>e.</i>	<i>Property</i>	See Attachment A.
<i>f.</i>	<i>Street Address/ APN</i>	0 Clear Acre APN 004-082-18, 004-061-29, 004-061-20, 004-061-26, 004-061-22 and 035-033-02
<i>g.</i>	<i>Economic Development Project</i>	Buyer to purchase the Property and construct one or more structures which, altogether, include at least 400 Affordable housing units and 240 Workforce housing units and provide training during construction to workers as apprentices, in order to retain or expand existing commercial enterprises that will create and retain opportunities for employment for residents of the City.
<i>h.</i>	<i>Purchase Price</i>	\$2,256,000.00
<i>i.</i>	<i>Earnest money deposit amount</i>	\$\$25,000

Art. 2 RECITALS

A. The Property is surplus left over from property acquired by Seller from the Regional Transportation Commission (“RTC”) for use in the construction of RTC’s US 395/Clear Acre/Sutro Interchange Improvement Project in the City of Reno.

B. Buyer proposes to purchase the Property from City to build Affordable and Workforce Housing in order to retain and expand existing commercial enterprises that will create and retain opportunities for employment for City of Reno residents. For the purpose of this Agreement, Affordable Housing shall be defined as “housing for a household (a) Which has a total monthly gross income that is equal to not more than 60 percent of the median monthly gross household income for the county in which the housing is located; and (b) Which costs not more than 30 percent of the total monthly gross household income of a household whose income equals 60 percent of the median monthly gross household income for the county in which the housing is located, including the cost of utilities.” Workforce Housing shall be defined as “housing for a household (a) Which has a total monthly gross income that is equal to more than 80 percent but not more than 120 percent of the median monthly gross household income for the county in which the housing is located; and (b) Which costs not more than 30 percent of the total monthly gross household income of a household whose income equals 120 percent of the median monthly gross household income for the county in which the housing is located, including the cost of utilities. For purposes of these definitions, median gross household income must be determined based upon the estimates of the United States Department of Housing and Urban Development of the most current median gross family income for the county in which the housing is located.

C. Under NRS 268.063 City may sell the Property without offering it to the public for an “Economic Development Project” to retain or expand existing commercial enterprises that will create and retain opportunities for employment for residents of the city as defined in NRS 268.063(4). As required by NRS 268.063(2), appraisals have been obtained and the City Council has adopted a resolution setting the value of the Property as appraised and determining that it is in the best interest of the City to sell the Property at its full value to Buyer without offering the Property to the public in exchange for an agreement to build and operate the Economic Development Project for at least thirty (30) years.

NOW THEREFORE in exchange for the mutual covenants expressed herein and the sale of the Property to Buyer without public auction, the parties agree as follows.

Art. 3 ECONOMIC DEVELOPMENT PROJECT

§3.01 Description of Economic Development Project.

a. Buyer shall use the Property to construct one or more structures comprising, in total, approximately 400 units of Affordable Housing, and approximately 240 units of Workforce Housing, which shall be used for the same for at least thirty (30) years. Seller and Buyer understand that such density may require a zone change. If a zone change is required, Buyer agrees to file an application for a zone change within 240 two hundred forty (240) days of the Closing Date and to use best efforts to obtain the zoning required for the proposed density. In the event that Buyer is unable to obtain a zone change for the residential density set forth herein, Buyer and Seller agree to confer as to a reduced number of units and will amend the covenant accordingly. The Buyer will also provide training opportunities for apprentices during the construction of the Project. This is of particular importance to the City in that it supports and retains opportunities for employment for the residents of the City.

b. With the permission of the City Manager of City, which shall not be unreasonably withheld, conditioned or delayed, Buyer may change its use of the Property provided that the new use is a commercial enterprise that contributes to the economic development of the City and will create and retain substantially the same opportunities for employment for residents of the City.

c. If it purchases the Property, Buyer shall construct the Workforce and Affordable Housing described in this §3.01 within fifteen (15) years from the Closing Date, of which 240 units shall commence construction within seven (7) years, and it shall be used for Affordable and Workforce Housing for a period of at least thirty (30) years from the date the first certificate of occupancy is issued. This obligation shall be a covenant running with Buyer and any successors, assigns, or subsequent owners of the land. The deed from Seller to Buyer will reserve this covenant. Upon issuance of a certificate of occupancy for the contemplated Affordable and Workforce housing units (or reduced number pursuant to Section 3.01(a)), Buyer may request from the City Manager approval of termination of the covenant on those parcels of land included in the Property upon which the Affordable and Workforce housing is not situated.

§3.02 Remedies if Property is not used for Economic Development Project.

- a. Both parties independently believe that the Project qualifies as an Economic Development project within the meaning of NRS 268.063. If there is a challenge to this sale, the parties agree to cooperate to defend the challenge, and each party may employ counsel and participate in the defense. Each party shall bear its own expenses. Each party independently assumes the risk of loss and in the event that the sale is voided by court order, each party shall hold the other harmless, agrees not to sue the other, and agrees to assume its own losses. If this sale is voided by a court

order, unless another remedy is specified in the court order, title will revert to the Seller and Seller shall reimburse Buyer for the purchase price actually paid by the Buyer plus all Closing Costs Buyer has incurred , such reimbursement to be made within one year from the Date of Court Order.

b. If there is a breach, after proper notice and expiration of the cure period as defined in §5.06, in the covenant running with the land set out in §3.01, the City of Reno shall have the following remedies:

(1) City shall have an option to repurchase the Property for the purchase price paid under this Agreement together with all closing costs. The option must be exercised by notice in writing within sixty (60) days after the expiration of the cure period specified in Article 5 or otherwise agreed, and shall be accomplished through an escrow with the Escrow Agent.

(2) City may bring an action for specific performance or other judicial relief, it being understood and agreed that the sale of this Property was conditioned upon and for the express purpose of furthering a significant governmental interest.

c. It is understood and agreed, however, that the covenant running with the land does not constitute a lien on the Property which is enforceable by foreclosure, nor will the covenant running with the land be extinguished by foreclosure of a deed of trust or other lien upon the land created subsequent to the recording of the deed. This provision shall survive Close of Escrow.

Art. 4 PURCHASE AND SALE OF PROPERTY.

§4.01 General.

a. Seller hereby agrees to sell and Buyer agrees to purchase the Property according to the following terms.

b. Seller agrees not to seek any offers or enter into any negotiations with a third party for the sale of the Property while this Agreement remains in force and effect up until the Notice to Proceed deadline specified in Attachment B.

§4.02 Grant/Reservation of Easements

a. [Intentionally Deleted]

§4.03 Opening of Escrow; Earnest Money Deposit.

a. Opening of escrow. Within five (5) business days following the Effective Date, the Parties will open an escrow to consummate the purchase and sale of the Property pursuant to this Agreement. The parties will deposit with the Escrow Agent an executed copy of this agreement, which will serve as the Parties' joint escrow instructions for this transaction, together with such additional instructions as may be executed by the Parties and delivered to the Escrow Agent. Any additional escrow instructions must be consistent with the terms of this Agreement. In the event of a conflict between this Agreement and subsequent escrow instructions, this Agreement will control. Following the completion of Buyer's due diligence, the joint escrow instructions may be amended to reflect permitted title exceptions and conditions of closing.

b. Earnest Money Deposit. Upon opening of escrow, Buyer shall deposit into escrow the Earnest Money Deposit specified in §1.01 above. The Earnest Money Deposit shall be placed in an interest bearing account with the Escrow Officer for the benefit of the Seller. The Earnest Money Deposit and any interest earned thereon will be applied to the Purchase Price at the Close of Escrow. The Earnest Money Deposit shall become nonrefundable following the expiration of the Due Diligence Period except in the event of a Seller Default which prevents the Closing or the failure of any of Buyer's Conditions to be satisfied.

1. If, for any reason, the Escrow Officer is given conflicting instructions, is unsure as to whom the Earnest Money Deposit should be paid, or does not want to hold the Earnest Money Deposit pending resolution of any disputes, the Escrow Officer may interplead the Earnest Money Deposit and interest into court, less earned but unpaid escrow costs and charges plus the costs of bringing the interpleader.

§4.04 Due Diligence/Title Review.

a. Title Review. Within ten (10) business days of the opening of escrow, Buyer, at Buyer's expense, will obtain a preliminary title report (the "Preliminary Report") on the Property issued by the Title Company, setting forth all liens encumbrances, easements, restrictions, conditions, judgments, administrative proceedings, and other matters of record affecting Seller's title to the Property, together with copies of all documents relating to exceptions referred to in the Preliminary Report and complete and legible copies of all instruments referred to in the Preliminary Report, as requested by Buyer. Buyer will have ten (10) business days from the receipt of the Preliminary Report to report in writing any reasonable objections to it. Any exceptions to title to the Property shown in the Preliminary Report will be deemed to be accepted by Buyer unless objected to in writing by Buyer to Seller within the ten (10) day period.

b. Inspections. Buyer shall promptly arrange for all desired inspections of the Property, including environmental investigations, asbestos inspections, pest control inspections, soils analysis, geotechnical inspections, and the like, to be conducted at Buyer's expense, unless otherwise agreed.

- c. Indemnifications. Buyer shall indemnify Seller and hold Seller harmless from all costs, claims or liability of any kind resulting from all acts or omissions of Buyer, its contractors, agents and employees during or as a result of inspections. This provision shall survive the termination of this Agreement.
- d. Objections to condition; extension of Due Diligence Deadline. Seller and Buyer shall meet and confer during the due diligence process and shall, to the extent practical, attempt to work out remedies for objections to the condition of the Property, it being understood that reductions or adjustments to the sale price are not contemplated and must be approved by the City Council. If Buyer requests a price adjustment or other remedy which requires approval by the City Council, the “Due Diligence Deadline” shall be extended until ten (10) calendar days after the decision by the City Council.
- e. Notice to proceed. If Buyer has completed due diligence to its satisfaction, it shall give a written notice to proceed to Seller before the Due Diligence Deadline.
- f. Rescission of Agreement. If Buyer has not served notice to proceed to Seller by the Due Diligence Deadline, this Agreement is automatically rescinded unless otherwise agreed by the parties.
- g. Due Diligence Deadline. The Due Diligence Deadline shall be **November 11, 2024**.

§4.05 Price and costs of closing

- a. Base Price. The base price of the Property shall be as set forth in §1.01.
- b. Credits, Holdbacks and Adjustments. No credits, holdbacks or adjustments are anticipated.
- c. Allocation of Closing Costs; Apportionment of certain payments. Buyer and Seller agree to the following allocation of closing costs:

Title Report	Paid 100% by Buyer.
Title Insurance	Buyer pays 100% for a 2006 Standard Form of ALTA Owners Insurance. Buyer pays for extended coverage or endorsements.

Survey (if needed)	Paid 100% by Buyer.
Building Inspection	Paid 100% by Buyer.
Appraisals and reviews	Paid 100% by Buyer.
Pest Inspection	Paid 100% by Buyer.
Soils Analysis	Paid 100% by Buyer.
Environmental Assessments	Paid 100% by Buyer.
Transfer Tax	Paid 100% by Buyer.
Property Taxes	Property currently exempt from property taxes; Buyer pays 100% of any prorated installments needed to be paid to close.
Special Assessments (if any)	Buyer will assume balance, if any.
Sewer	Paid 100% by Buyer.
Advance utility payments	Paid 100% by Buyer.
Escrow Agent Fees	Paid 100% by Buyer.
Recording Fees	Paid 100% by Buyer.

In addition, Buyer will reimburse Seller in full for any closing costs incurred by Seller in acquiring the Property from the Reno Transportation Commission.

d. Payment of real estate commissions. Except as disclosed in §1.01 above, Seller represents to Buyer that there are no real estate or brokerage commissions payable in connection with this sale to any party claiming through Seller, or arising out of the actions of Seller. Except as disclosed in §1.01 above, Buyer represents to Seller that there are no real estate or brokerage commissions payable in connection with this sale to any party claiming through Buyer or arising out of actions of Buyer. Each party shall indemnify and hold the other harmless from all costs, claims, damages, or liability of any kind in connection with the breach of this representation. The representations and indemnities in this paragraph shall survive the closing or earlier termination of this Agreement.

e. Payment of Purchase Price. Buyer agrees to pay the purchase price and its share of expenses by wire into escrow.

§4.06 Title Warranties and Insurance.

a. Title to be Delivered. Upon closing, Seller shall deliver insurable fee title to the Property to Buyer free of all encumbrances, liens, conditions, reversionary rights or other exceptions to or

defects in title except for permitted exceptions agreed upon and set forth in the joint escrow instructions. If the parties cannot agree on permitted exceptions, this Agreement may be rescinded by either party.

b. Title Warranties and Representations. Seller represents and warrants to Buyer as of the Closing, that:

1. Except (i) as disclosed on the above described preliminary title report provided to Buyer, or (ii) otherwise disclosed in writing to and approved by Buyer, or (iii) as is actually known to Buyer, Seller holds and will convey good and marketable title to Buyer without encumbrances, liens, restrictions, covenants, conditions, rights of redemption, or other title exceptions. Buyer acknowledges that Seller will acquire the Property by quitclaim deed from RTC.

2. There are no contracts of sale, installment sale contracts, or options for the sale of all or any part of the Property to which Seller is a party and which remain in effect, except to Buyer.

3. There are no leases, rental contracts, billboard contracts, contracts of employment, management contracts, maintenance contracts, service contracts, or supply contracts to which Seller is a party which affect any portion of the Property that will survive the closing.

4. All improvements and materials supplied to the Property by Seller have been paid for in full.

c. Title Insurance. Seller shall, at Buyer's expense, deliver a 2006 Standard Form of ALTA Owners insurance without any endorsements, subject to permitted exceptions agreed upon under paragraph a above. If Buyer wishes extended coverage or endorsements, Buyer shall pay the cost.

§4.07 Property Warranties; Condition and Risk of Loss.

a. Warranties and Representations. Seller makes no representations or warranties as to the condition of the Property, and Buyer shall accept the Property AS IS WITH ALL ITS FAULTS.

b. Intentionally Omitted.

c. Risk of Loss due to Eminent Domain. If proceedings under power of eminent domain are commenced before the Closing Deadline to take any portion of the Property, Seller shall promptly inform Buyer and Buyer may rescind this Agreement at any time before Closing. If Buyer chooses to go forward with the acquisition, unless otherwise agreed, Buyer may appear in

any eminent domain proceedings and the parties shall proceed to closing upon the original terms stated herein and Buyer shall be paid all eminent domain proceeds, except relocation benefits.

d. To the extent that the above provisions are inconsistent with the Uniform Vendor and Purchaser Act (NRS 113.030 – 113.050), they are intended to replace the provisions of the Act.

§4.08 *Seller's Conditions Precedent.*

a. In addition to any other conditions stated herein, Seller's obligation to sell the Property is conditioned on the accomplishment of the following requirements to the satisfaction of Seller:

- (i) The sale must be authorized and meet all the conditions of Nevada law;
- (ii) [Intentionally Omitted].
- (iii) All of the documents and other items required to be delivered by Buyer to Seller under this Agreement must have been delivered in form and substance reasonably satisfactory to Seller;
- (iv) Buyer must have given a notice to proceed in accordance with §4.04 and complied with, fulfilled and performed, in all material respects, each of the covenants, terms, and conditions hereunder to the reasonable satisfaction of Seller;
- (v) Title Company shall be irrevocably committed to issue a 2006 Standard Form of ALTA Owner's Insurance without any endorsements upon Buyer's payment of the premium therefore on the Close of Escrow;
- (vi) Buyer must have paid the purchase price and its share of expenses as provided herein;
- (vii) All of the representations and warranties made by Buyer in this Agreement and in any closing certificate must be true in all material respects as of Closing Date; and
- (viii) The legality of sale must not have been challenged by a third party.
- (ix) All conditions precedent to the Purchase and Sale Agreement between RTC and the City shall have been satisfied or waived by the parties thereto and the transaction contemplated by the Purchase and Sale Agreement is in a position to close and shall close concurrently on the Closing Date.

b. Should any of the conditions fail to occur before the Close of Escrow, excepting any such conditions that have been waived by Seller, Seller shall have the right, exercisable by giving notice to Buyer and Escrow Agent, to cancel the escrow and terminate this Agreement. This is

Seller's sole right and remedy should Seller's Conditions not be satisfied by Close of Escrow and Seller hereby waives its rights to damages or specific performance; provided, however, if Seller's Conditions fail to be satisfied due to a Buyer Default, then Seller shall have the rights and remedies set forth in Section 5.02 of this Agreement.

§4.09 *Buyer's Conditions Precedent.*

a. Buyer's obligation to purchase the Property is conditioned on the accomplishment of the following requirements to Buyer's satisfaction:

- (i) Buyer, in its sole discretion, must be satisfied as to the legal description, the status of title to and the condition of and the suitability of the Property for its intended use, and has issued to Seller a Notice to Proceed as provided in §4.04;
- (ii) [Intentionally Omitted.]
- (iii) Seller must have performed all of its requirements under this Agreement;
- (iv) All of Seller's representations and warranties must remain true and complete in all material respects as of Closing;
- (v) Seller must have delivered into escrow all deeds and supporting documentation necessary to convey title as required by this agreement to all real and personal property being purchased hereunder;
- (vi) All of Seller's conditions of closing have been satisfied; and
- (vii) Buyer funding must be available.

b. Should any of the Buyer's Conditions fail to be satisfied before the Close of Escrow, excepting any such conditions that have been waived by Buyer, Buyer shall have the right, exercisable by giving notice to Seller and Escrow Agent, to cancel the escrow, terminate this Purchase Agreement, and recover any amounts paid by Buyer to Seller or to the Escrow Agent, including the Deposit and any interest earned thereon. This is Buyer's sole right and remedy should Buyer's Conditions not be satisfied by Close of Escrow and Buyer hereby waives its rights to damages; provided, however, if Buyer's Conditions fail to be satisfied due to a Seller Default, then Buyer shall have the rights and remedies set forth in Section 5.02 of this Agreement.

§4.10 *Preclosing.*

On the preclosing call of Escrow Agent: (i) Buyer and Seller shall have duly executed and delivered to each other or to the Escrow Agent all the documents listed in the escrow instructions or otherwise required or contemplated by this Agreement, including closing

certificates, and each receiving party shall have reviewed and approved the document; (ii) all documents necessary to accomplish any financing of the sale shall have been delivered and approved by the parties; (iii) Escrow Agent shall prepare and deliver to both parties a settlement statement indicating funds received or to be received and allocating such funds to payments to the parties, taxes, assessments, closing expenses, and both parties must approve the settlement statement; (iv) Seller shall have delivered all documents or agreements required by the Escrow Agent to insure title to the extent requested by Buyer; and (v) Escrow Agent shall be irrevocably committed to issue or cause to be issued the title insurance required by Buyer and Lender. At preclosing, the parties shall instruct the Escrow Agent whether or not to close the escrow. If preclosing is not accomplished, the foregoing actions shall be accomplished at closing.

§4.11 Closing; Delays in closing

- a. Closing Deadline. The Closing Deadline shall be **December 11, 2024**.
- b. Closing Conditions. Escrow shall not close until all conditions and provisions stated in §§4.08 and 4.09 shall have been met, waived or reserved.
- c. Closing. If conditions have been met, closing shall occur on the Closing Deadline established in Exhibit B or another date agreed upon by the parties. Closing shall occur at the offices of Escrow Agent. When all conditions of closing have been met: (i) Buyer and Seller shall execute and deliver Escrow Agent all documents listed in the escrow instructions or otherwise required to complete the intents and purposes of this Agreement, (ii) Buyer and Seller shall deliver into escrow in collected funds the purchase price and all funds necessary to close the sale; (iii) the Escrow Agent shall record and distribute all documents as provided in the escrow instructions; and (iv) Escrow Agent shall disburse all funds as provided in the escrow instructions and settlement statements approved by both parties. When all the foregoing events have been completed, “Closing” shall have occurred.
- d. Escrow Agent Delays. Provided that Buyer and Seller shall have accomplished all that has been required of them as indicated in this Agreement, a delay in the settlement or closing caused by Escrow Agent or factors beyond the control of Escrow Agent shall not be considered as a default by Buyer or Seller, and the Closing Deadline shall automatically be extended for a reasonable period of time not to exceed thirty (30) days to close. If escrow does not close within thirty (30) days from Closing Date through no fault of either Seller or Buyer, the parties shall appoint a substitute who shall serve as the Escrow Agent for all purposes under this Agreement and the escrow instructions.
- e. Failure to close. Except as provided above, if closing does not occur by the Closing Deadline due to the default, actions or inactions of a party, the nondefaulting party may terminate this Agreement in accordance with Article 5 of this Agreement.

§4.12 *Delivery of Possession of Property.*

Upon closing, Seller shall deliver possession of the Property together all documents necessary for Buyer to obtain and permanently enjoy full exclusive possession and title to the Property.

Art. 5 *DEFAULT AND REMEDIES*

§5.01 *Excuse due to Force Majeure.*

a. Except as provided elsewhere herein, if an event of force majeure makes performance of an obligation or cure of a breach or default impossible, such performance or cure is excused for the duration of the event of force majeure provided that the obligated party (i) within a reasonable time after the commencement of the force majeure notifies the other party of the nature of the event of force majeure, when it commenced, why it makes performance or cure impossible, and the expected duration (if known), and (ii) agrees to and does in fact diligently pursue remediation of the effects of the force majeure, and (iii) agrees to notify the other party immediately when it becomes possible to commence efforts to cure the default.

b. An event of force majeure is defined as (i) without the fault of and beyond the reasonable control of the obligated party, a war; insurrection; riot; flood; earthquake; fire; casualty; act of God; act of a public enemy; quarantine restriction or other effect of epidemic or disease; freight embargo; delay caused by unusually severe or extreme weather; lack of transportation attributable to any of these; or (ii) labor strikes, boycotts or picketing (unless the labor action is taken because of an alleged violation of the prevailing wage provisions in this Agreement, if any); (iii) provided, however, that if the breach or default is the failure to pay money, the force majeure must actually prevent access to or payment from a bank account or payment mechanism, such as during a banking holiday, moratorium, or sabotage of wire or automated transfer systems. A force majeure does not include general economic or market conditions, or the financial condition of a party even if they are influenced by any of the foregoing.

c. A force majeure is deemed to cease for purposes of this Agreement and a party is deemed to be in breach of an obligation or cure on the earlier of (i) five (5) business days after it becomes possible for the obligated party to commence to perform the obligation or cure and the obligated party fails to so commence the obligation to perform or cure, or (ii) one year from the commencement of the event of force majeure.

§5.02 *Default and Liquidated Damages*

a. The occurrence of any of the following prior to the Close of Escrow shall be a “Seller Default”: (i) the failure of Seller to timely deliver the documents required to be delivered by Seller under this Agreement; (ii) the failure by Seller to perform any act required to be performed by Seller under this Agreement or the Purchase and Sale Agreement with RTC which is not cured by Seller within five (5) business days after receipt of written notice from Buyer; or (iii) any of Seller’s representations and warranties under this Agreement shall be untrue in any material way as of the Closing Date. For the avoidance of doubt, failure of City to close on the Property pursuant to the Purchase and Sale Agreement with RTC for any reason occasioned by RTC shall not be a Seller Default.

b. The occurrence of any of the following prior to the Close of Escrow shall be a “Buyer Default”: (i) the failure of Buyer to timely deliver the Purchase Price, its share of the closing costs, or documents required to be delivered by Buyer under this Agreement; (ii) the failure by Buyer to perform any act required to be performed by Buyer prior to Close of Escrow under this Agreement which failure is not cured by Buyer within five (5) business days after receipt of written notice from Seller; (iii) any of Buyer’s representations and warranties under this Agreement shall be untrue in any material way as of the Closing Date. For the avoidance of doubt, failure of Buyer to close on the Property due to the City’s failure to close on the Property pursuant to the Purchase and Sale Agreement with RTC for any reason occasioned by RTC shall not be a Seller or Buyer Default.

c. The parties agree that it would be impractical or extremely difficult to fix actual damages if Buyer fails to close the escrow due to a Buyer Default, and that the amount of the Deposit plus interest earned thereon is a reasonable estimate of such damages. In the event the Close of Escrow fails to occur solely due to a Buyer Default, Seller shall be entitled to terminate the Agreement and retain the Deposit, plus any interest accrued thereon, as Seller’s sole and exclusive remedy. The foregoing will not limit the Seller’s right to exercise any rights to indemnification, if any, it may have under this Agreement.

d. In the event the Close of Escrow fails to occur due to a Seller Default, then Buyer shall have the right to i) terminate this Agreement and receive a refund of the Deposit and any interest earned thereon, ii) waive the default and proceed with the Close of Escrow; or iii) seek specific performance of the terms of this Agreement against Seller.

e. The Seller does not waive and intends to assert available NRS Chapter 41 liability limitations in all litigation and claims arising from this Agreement and the subject matter of this Agreement.

§5.03 *Waivers.*

Any forbearance, inaction, or failure to promptly pursue any remedy (whether intentional or negligent) shall not be deemed a waiver of any default or remedy and shall not be construed as in any manner estopping any party from enforcing in full the provisions hereof. Waivers must be

expressed in writing signed by the waiving party, and a waiver of a default is limited to the specific default identified in the written waiver and does not constitute a course of dealing or implication that similar defaults will be waived in the future. A party's acceptance of partial performance shall not be deemed to be an accord and satisfaction or a waiver of or change to any term, covenant or condition of this Agreement.

§5.04 *Attorney's fees and costs.*

If an action is brought to interpret or enforce this Agreement, each party shall bear its own attorney's fees and costs, including for any action to cure a default by the non-defaulting party.

§5.05 *Notice of Post-Closing Breach.*

Unless otherwise provided in Section 5, a breach of the terms or believed breach of the terms of this Agreement, must first be detailed in written notice from City to Buyer ("Notice of Breach"). Upon receipt of the Notice of Breach, Buyer shall have 30 days to respond to such breach claim in writing to City ("Breach Claim Response Letter"). The City shall have 30 days after receipt of the Breach Claim Response Letter to provide a written notice to Buyer confirming that the Notice of Breach remains in effect and Buyer has 180 days to cure the breach. If City does not provide Buyer a written response to the Breach Claim Response Letter, the breach claim will be considered resolved between the parties and no further action will be required by either party under the Notice of Post-Closing Breach.

Art. 6 Environmental Condition of the Property.

a. *Definitions*

1. Hazardous Substances

"Hazardous Substances" means any chemical, compound, material, mixture, or substance that is now or may in the future be defined or listed in, or otherwise classified pursuant to any Environmental Laws (defined below) as a "hazardous substance", "hazardous material", "hazardous waste", "extremely hazardous waste", infectious waste", toxic substance", "toxic pollutant", or any other formulation intended to define, list or classify substances by reason of deleterious properties such as ignitability, corrosivity, reactivity, carcinogenicity, or toxicity. The term "hazardous substances" shall also include asbestos or asbestos-containing materials, radon, chrome and/or chromium, polychlorinated biphenyls, petroleum, petroleum products or by-products, petroleum components, oil, mineral spirits, natural gas, natural gas liquids, liquefied natural gas, and synthetic gas usable as fuel, whether or not defined as a hazardous waste or hazardous substance in the Environmental Laws.

2. Environmental Laws

“Environmental Laws” means all present and future federal, state and local laws (whether under common law, statutes, ordinances, regulations, rules, administrative rules and policies, judicial and administrative orders and decrees, or otherwise), and all other requirements of governmental authorities relating to the protection of human health or the environment.

b. ***Environmental Disclosure.*** Seller agrees to make available to Buyer within five (5) business days following the Effective Date, any and all information, studies, reports, investigations and other obligations concerning or relating to the Property which are in Seller's possession or which are reasonably available to Seller, including without limitation surveys, studies, reports and investigations concerning the Property's physical, environmental or geological condition, habitability, or the presence or absence of Hazardous Materials in, on or under the Property and the compliance by the Property with Environmental Laws. Buyer may obtain no later than thirty (30) days prior to the Close of Escrow a Phase I and/or Phase II environmental assessment of the Property. Buyer shall have access to all data and information on the Property available to Seller, but without warranty or representation by Seller as to the completeness, correctness or validity of such data and information, except as otherwise set forth in this Agreement.

c. ***Right of Entry.*** During the Due Diligence Period, Buyer shall be entitled to enter upon and conduct further reviews and assessments of the physical and environmental condition of the Property. Buyer hereby agrees to notify the Seller twenty-four (24) hours in advance of its intention to enter the Property and will provide workplans, drawings, etc. of any intrusive sampling it intends to do. Prior to conducting any intrusive sampling or investigation, Buyer will enter into a right of entry agreement with the Seller, in a form reasonably acceptable to the Buyer and Seller. Buyer shall indemnify, defend and protect the Seller and the City of Reno against any claims, causes of action, damages, expenses or injury related directly or indirectly to Buyer's entry onto the Property under this Agreement during the Due Diligence Period. Buyer likewise agrees to return the Property to the same condition it was in prior to Buyer's entry onto the Property in the event the transaction contemplated in this Agreement does not occur. Buyer will not permit any mechanics liens or other liens to be placed against the Property prior to Close of Escrow. This Section will survive the termination of this Agreement for any reason.

d. ***Seller and Buyer not a Responsible Party.*** The Parties to this Agreement recognize and agree that the Seller and Buyer are not a responsible party for any contamination on the Property released prior to the Closing Date. In the event a contamination release is discovered on the Property prior to the Closing Date, Buyer's sole remedy shall be to terminate this Agreement and receive a refund of the Deposit and any interest earned thereon.

Art. 6 GENERAL TERMS

§6.01 *Warranties of authority and valid Obligation.*

a. Each person who signs this Agreement represents and warrants that he/she has obtained all necessary approvals and has actual authority to execute this Agreement with the effect of binding his/her principal.

b. Each party represents and warrants to the other that it is duly organized and in good standing and authorized to do business in Nevada with full power and authority to enter into, deliver and perform this agreement and that this agreement, together with closing documents placed into escrow, constitutes the legal, valid and binding obligation of the Party, enforceable against it in accordance with its terms.

§6.02 Time Frames and Deadlines

The parties agree to accomplish the actions within the time frames or deadlines stated above. Time is of the essence in the performance of the obligations in this Agreement. Unless otherwise specified: (i) the term “days” means calendar days; (ii) the term “business days” means days that both parties are open for business –generally excluding weekends and holidays recognized by the State of Nevada; (iii) if a deadline falls on a weekend or holiday, then performance is due on the next following business day of the recipient of the performance; and (iv) performance is due by 5 p.m. on the day of deadline.

§6.03 Assignment, Binding Effect

a. Neither party may delegate any duties or assign any rights under this Agreement without the written approval of the other party.

b. For the avoidance of any doubt, after the Closing Date, Buyer or its assignee may sell, assign or lease the Property, subject to the covenant identified in §3.01. Subject to all of the foregoing, this Agreement shall be binding on the heirs, successors, trustees, representatives and permitted assigns of the parties.

§6.04 Standards for Approvals; Further acts and assurances.

a. Unless otherwise specified (such as with the words "sole discretion") wherever this Agreement requires the approval of a party, or any of a party’s officers, agents or employees, such approval shall not be unreasonably withheld delayed or conditioned.

b. The City Council of the City of Reno is a governmental body whose decisions are legislative functions that may be subject to public hearings and input, and, except as otherwise provided herein, shall have sole and absolute discretion to approve or disapprove any matter submitted to it provided, however, that decisions are not procured by fraud or bribery, or are arbitrary, capricious or an abuse of discretion.

c. Each party agrees to take all reasonable actions and enter into, execute and deliver all documents reasonably required by the other party to document and accomplish the sale as contemplated herein and carry out the terms of this Agreement. This provision survives the termination of this Agreement.

§6.05 Notices.

Notices hereunder must be in writing which shall be mailed or personally delivered to each party at the address specified in Section 1.01. Notice is deemed received by the other party when (i) actually received if sent by first class mail or personally delivered, or (ii) three business days after delivered to and accepted by the U.S. Postal Service if sent by certified or registered mail.

§6.06 Severability

a. In the event that any word, clause, or provision herein is declared by a court of competent jurisdiction to be invalid, unenforceable, or contrary to public policy, then such offending provision shall be deemed, from the very beginning, to have been modified to the extent to bring it within the limits of validity or enforceability, so long as it is reasonably consistent with the parties' intent. If, however, such offending provision cannot be so modified, then it shall be severed from this agreement. In either event (modification or severance), all remaining words, phrases, clauses and provisions herein remain fully enforceable.

b. If it is determined that this Agreement is invalid under NRS 268.063, the parties agree to hold each other harmless from liability.

§6.07 Applicable law; Jurisdiction.

The interpretation and enforcement of this agreement shall be governed by the laws of Nevada. Actions to enforce this Agreement shall be brought in the Second Judicial District Court in and for Washoe County, Nevada.

§6.08 Interpretation of this Agreement.

Titles and headlines of this agreement are intended for editorial convenience and are not to be construed as a part of this agreement. The word "include" or "including" is not intended as a limitation and shall be construed to include the words "but not limited to." Unless otherwise specified, the word "herein" means anywhere in this Agreement or the attachments. Any reference to the masculine genders includes, where appropriate in the context, the feminine gender. Any term in the singular includes, where appropriate in the context, the plural. The Parties hereto were each advised by counsel in drafting and negotiating this agreement, and each Party contributed to its contents. No presumptions against or in favor of any party are appropriate based on who drafted this Agreement or any provision herein.

§6.09 Modifications; Authority to administer and approve changes.

- a. This agreement may not be modified or amended and no waivers are effective unless expressed in writing and duly signed by the party to be bound by the modification, amendment or waiver.
- b. In addition to the Authorized Representative specified in §1.01 above, the City Manager of the City of Reno shall have the authority to act as an Authorized Representative. Each Authorized Representative, acting alone, shall have the authority to (i) execute all deeds (except all deeds of Seller must be signed by the Mayor), escrow instructions, settlement statements, title insurance instructions, agreements, notices and other instruments necessary to accomplish closing and to effectuate the purposes of this Agreement; (ii) accept all performances, (iii) waive or negotiate remedies for defaults (iv) extend time for performance; (v) approve contract assignments; and (vi) negotiate and execute all amendments or modifications to this Agreement *EXCEPT* (a) as otherwise provided in this Agreement; and (b) except that any action that (w) materially or substantially changes the terms of this Agreement; (x) reduces the amount owed to or adds to the cost incurred by a party in an amount that exceeds \$50,000; (y) agrees to the payment of money that has not been appropriated by the City Council; or (z) waives or relinquishes any real property interest or right shall require the consideration of and written consent of the governing body of the party.

§6.10 Entire Agreement; Signature in counterparts; Effective Date; Recording.

- a. This Agreement may be executed in counterparts and shall be effective on the last date it is duly executed by all of the parties.
- b. The parties agree that this Agreement, together with its attachments, contains the entire agreement of the parties and supersedes any written or oral representations, promises, warranties, or other undertakings made during the negotiation of this Agreement.

Attachments

- A. Property Description

EXECUTED on the dates indicated below:

[SIGNATURE PAGES FOLLOW]

Agreement for Economic Development and Purchase/ Sale of Real Property
(0 Clear Acre)

Counterpart Signature Page

Buyer

Northern Nevada Building and Construction Trades Council Development Corporation,
A Nevada non-profit corporation

By _____
[NAME and TITLE]

Date _____

Agreement for Economic Development and Purchase/ Sale of Real Property
(0 Clear Acre)

Counterpart Signature Page

City/ Seller

City of Reno, a municipal corporation

By _____
Hillary Schieve, Mayor

Date _____

Attest:

By: _____
Mikki Huntsman, City Clerk

Date _____

Approved as to Legal Form
KARL HALL, City Attorney

By _____
Jasmine Mehta, Deputy

Attachment A

Property Description

All that certain real property situate in the County of Washoe, State of Nevada, described as follows:

