

June 23, 2022

David Woods
CBRE

RE: Letter of Intent to Purchase Property (LOI)
Approximately 1 Acre of Land and Improvements
APN: 570-271-05

Dear David,

It is my pleasure to present you the following Letter of Intent (LOI) to purchase the above referenced property. The terms and conditions under which Buyer proposes to purchase ("Purchase Contract") this property are as follows:

Buyer: City of Reno, a Nevada Municipality ("Buyer").

Seller: Van S Buchanan ("Seller")

Purchase Price: Eight hundred seventy thousand and 0/100 dollars (\$870,000.00)

Property: 1 Acre1 (43,560 sq. ft.).

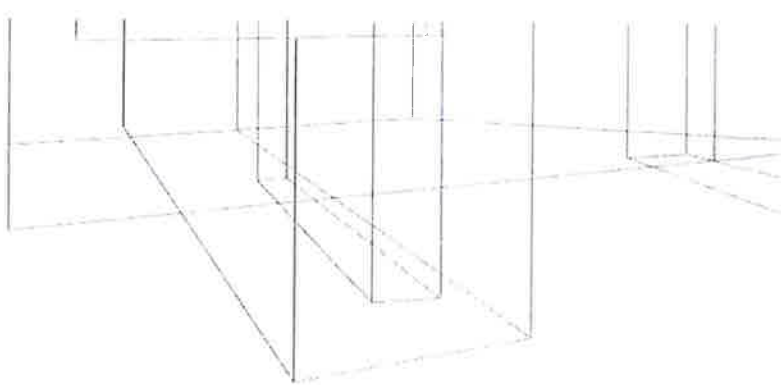
Terms: All Cash to Seller at Close of Escrow.

Purchase Contract: Within Five (5) business days from signing this LOI, Buyer shall prepare Purchase Contract for a mutual execution by Buyer and Seller. Said Purchase Contract is to be executed within (5) business days from Seller's receipt of Buyer's form Purchase Contract.

Earnest Money: Within Two (2) business days following the complete execution of the Purchase Contract ("the Effective Date"), Buyer shall deposit ten thousand and no/100 dollars (\$10,000.00) ("Earnest Money Deposit") in Escrow which will be applicable to the Purchase Price. Said Earnest Money Deposit shall be placed in an interest-bearing account with all interest credited to Buyer.

Due Diligence Period: Buyer shall have the right to conduct the following items which shall be contingent on the purchase:

- a.) Within ten (10) day from Opening of Escrow, Seller shall deliver to Buyer a Preliminary Title Report, with copies of all underlying documents referenced or described therein.



- b.) Buyer shall have thirty (30) days from the Opening of Escrow to conduct any and all physical, economic and environmental evaluations that may include, but not limited to, hazardous materials, soils and ground water testing, utilities, other engineering feasibility studies, review of any and all governmental regulations and improvements conditions to Buyer's satisfaction ("Due Diligence Period").
- c.) Earnest Money Deposit shall become non-refundable at the expiration of the Due Diligence Period unless buyer provides written instructions to cancel the escrow.

Escrow Agent: Within five (5) business days after the date that the Purchase Agreement has been executed by Buyer and Seller, an escrow shall be opened Luan Barnes, Senior Escrow Officer ("Escrow Agent").
Ticor Title Company of Nevada
5441 Kietzke Lane, Suite 100
Reno, Nevada 89511
(775) 324-7400
luann.barnes@ticortitle.com

Close of Escrow: Close of Escrow will be completed within thirty (30) days from the expiration of the Due Diligence Period.

Closing Documents: On or before the Closing Date, Seller shall deposit with the Escrow Agent a Grant Bargain & Sale Deed sufficient to convey Fee Simple Title of the Property to Buyer.

Title Insurance: On the Closing Date, the title company shall deliver to Buyer an ALTA extended coverage Owner's Policy of Title Insurance at Seller's cost, insuring Buyer in the amount of the Purchase Price that indefeasible fee title is vested in Buyer only subject to the items disclosed by a current Preliminary Title Report and specifically approved by Buyer.

Prorations & Costs: All closing, escrow fee, recording shall be shared between Buyer & Seller equally. Real Estate Taxes will be prorated as of the Closing Date. Seller shall pay Real Property Transfer Taxes.

Seller's Reports: Within Ten (10) business days following the Effective Date, Seller shall deliver to Buyer, dated with the last Five (5) years to the extent they exist, copies of any and all soils reports, surveys, environmental studies, bonds,

governmental correspondence and other reports, and studies to or affecting the Property, which is in the Seller's possession.

Right of Entry: Buyer shall be granted right of entry upon the Property for the purposes of conducting soil & environmental tests, and any other engineering studies Buyer deems necessary; provided, however, that Buyer may not perform any invasive testing, and provided that, Buyer shall repair and damage to the Property caused by any such entry and inspection. Buyer shall keep the results of its inspections confidential, Buyer shall deliver a copy of all such reports to Seller, Buyer shall maintain liability insurance in an amount not less than \$1,000,000.00, naming Seller as an additional insured, and Buyer shall indemnify and hold Seller harmless from any liability, cost or damage arising out of any such entry or inspection by Buyer.

Brokers: Buyer is represented by Troy Keeney, Mark Keyzers, and Ted Stover of Kidder Mathews (Buyer's Broker). Seller is represented by David Woods of CBRE (Seller's Broker).

Commissions: Seller shall compensate Brokers six percent (6%) of the sale price which shall be split 50/50 between Buyer's Broker and Seller's Broker.

Acknowledgment: This (LOI) is intended solely and exclusively as a preliminary discussion to purchase the Property. **This LOI is not intended by either party to be a binding contractual obligation to the other**, unless and until a formal written Purchase Contract has been prepared and has been fully executed and duly delivered by the parties. This LOI shall be valid until **4:00 p.m. PST, July 1, 2022**.

(signature page to follow)

It is expressly understood by both parties that this Proposal is not a binding contract between the parties but is intended only to outline the terms and conditions under which both parties would consider entering a Sale of the Premises. Until such time as a definitive Purchase and Sale Agreement is negotiated, executed and delivered by both parties, each party shall have the right to terminate negotiations for any reason and for no reason whatsoever. Buyer acknowledges that Seller is marketing the Premises to other potential users and will be evaluating all proposals submitted.

Sincerely,

Troy Keeney
Kidder Mathews

ACKNOWLEDGED AND ACCEPTED:

SELLER:

Van S Buchanan

By: _____

Its: _____

Date: _____

BUYER:

City of Reno, a Nevada Municipality

By:  _____

Its: CITY MANAGER

Date: 6/23/2002

Exhibit A
Property

