

PREPARED BY City Attorney's Office
 300 Sixth Street
 Rapid City, SD 57701
 (605) 394-4140

**REAL ESTATE PURCHASE AGREEMENT BETWEEN
THE CITY OF RAPID CITY AND M. G. OIL COMPANY
FOR 108 E. MAIN STREET**

1. PARTIES: The parties to this Real Estate Sale Agreement (hereinafter the "Agreement") are M. G. Oil Company, of P.O. Box 1006, Rapid City, South Dakota, 57709, (hereinafter "Seller"), and the City of Rapid City, of 300 Sixth Street, Rapid City, SD 57701, (hereinafter "Buyer").

2. PURPOSE: The purpose of this Agreement is to fix the terms and conditions under which the Seller agrees to sell and the Buyer agrees to buy the property described in Section 3.

3. PROPERTY: The property which is the subject of this agreement is located at 108 E. Main Street in Rapid City, South Dakota and is legally described as follows:

Ulland Outlot Revised of Park Addition No. 2 in the City of Rapid City, as shown by the Plat recorded in Book 22 of Plats on Page 53 in the Office of the Register of Deeds, Pennington County, South Dakota.

4. CONSIDERATION: In addition to the mutual covenants contained herein, the purchase price of the real property described in this Agreement is One Million Four Hundred and Eleven Thousand Dollars and Zero Cents (\$1,411,000.00). The Buyer will pay to the Seller the purchase price at the time of closing.

5. TITLE: The Seller warrants that he has or will have prior to the date of closing good

and merchantable title to all of the property described in Part 3 hereof according to the title standards adopted by the State of South Dakota, subject only to such easements, covenants, rights-of-way, restrictions and reservations as are acceptable to Buyer. The parties shall request a Commitment for Title Insurance, which shall be delivered to Buyer at least ten (10) days prior to closing. Buyer shall inform Seller of any objections to the title of said property at least five (5) days prior to closing. If Buyer does not provide such notice of any objections to the Seller, then it will be presumed that Buyer will accept title to said property as provided in the Commitment for Title Insurance, subject to the satisfaction of any mortgages and other encumbrances and payment of taxes as provided herein, all to be accomplished from the seller's proceeds at closing.

6. TITLE INSURANCE PREMIUM: The Buyer agrees to pay the title insurance premium for the policy of title insurance required by Section 5 hereof.

7. TAXES AND ASSESSMENTS: All taxes and other assessments for the year 2011 and prior years shall be paid by the Seller at or before closing. All taxes and other assessments for the year 2012 shall be prorated to the date of closing. Seller warrants there are no unpaid assessments, recorded or unrecorded, on the property.

8. APPRAISAL: Prior to closing, the Seller agrees to furnish the Buyer with an appraisal prepared by a certified appraiser licensed in the State of South Dakota establishing the value of the property identified in paragraph 3 of this Agreement. If the value of the property is less than the agreed upon purchase price, the Buyer may rescind and terminate this Agreement.

9. WARRANTY DEED: Seller shall convey title to the Buyer at closing in conformance with the requirements hereof by a good and sufficient Warranty Deed. Buyer shall pay the

recording fees for the Deed.

10. POSSESSION: Buyer shall receive possession of the property at time of closing.

11. CLOSING: The closing of this transaction shall take place at the office of Pennington County Title Company at such time as mutually agreed within thirty (30) days of the approval of this Agreement. The Buyer agrees to pay all closing costs.

12. ENVIRONMENTAL WARRANTY: Seller warrants that it has not stored, released or discharged, nor does it have any knowledge of the storage, release or discharge of any pollutants, contaminants or hazardous wastes on the property.

13. AGENTS AND ATTORNEYS: No realtor, broker or agent was enlisted for the sale of this property, and no commission or fees are owing to any person relative to this Agreement. Each party shall be responsible for their own attorney's fees incurred relative to this Agreement.

14. SELLER'S DEFAULT: In the event Seller fails to close the transaction, or in any other way defaults under this Agreement, and provided Buyer is not in default, Buyer shall give ten (10) days written notice of such default to Seller. If Seller does not cure such default within such ten (10) day period, Buyer shall have the right to maintain and exercise all legal and equitable rights available to them under the laws of the State of South Dakota for Seller's breach, including the right to specific performance.

15. INTEGRATION: This writing constitutes the entire Agreement between the parties and there are no other oral or collateral agreements or understandings of any kind or character except those contained herein.

16. AMENDMENTS: The provisions hereof may be modified only by written agreement signed by the parties.

17. BINDING EFFECT: This Agreement shall extend to and be binding upon the heirs, administrators, personal representatives, successors, and assigns of the parties hereto.

18. HEADINGS: The paragraph headings contained herein are inserted for convenience only and do not constitute a part of this Agreement.

19. VENUE AND CHOICE OF LAWS: The parties' rights and obligations under this Agreement shall be governed by, and construed in accordance with, the laws of the State of South Dakota. Any dispute concerning this Agreement shall be venued and litigated in the Circuit Court for the Seventh Judicial Circuit, located in Rapid City, Pennington County, South Dakota.

20. SURVIVAL: The terms of this Agreement shall survive closing of the transaction.

Dated this ____ day of _____, 2012.

SELLER:

M. G. OIL COMPANY

By: _____

Its: _____

BUYER:

CITY OF RAPID CITY

Mayor

ATTEST:

Finance Officer

(SEAL)

