

REAL ESTATE PURCHASE AGREEMENT

THIS REAL ESTATE PURCHASE AGREEMENT, herein the "Agreement," is made and entered into as of the _____ day of _____, 2015, by and between Questar Service Corporation, a Utah corporation (herein the "Seller") and West Valley City, a municipal corporation of the State of Utah (herein the "Buyer").

RECITALS:

- A. The Seller owns a parcel of property located at 4575 South 6400 West, in West Valley City, Salt Lake County, State of Utah, herein the "Property." The Property is more particularly described and depicted on the attached Exhibit "A," which is incorporated herein. For purposes of this Agreement, the term "Property" shall include the Property purchased pursuant to the terms of this Agreement and all of the Seller's right, title, and interest in and to all leases, privileges, rights-of-way, easements, and appurtenances, and all other rights appurtenant to or connected with the beneficial use or enjoyment of the Property, including, without limitation, any of the Seller's right, title, and interest in and to immediately adjacent public streets, roads, alleys, or rights-of-way; all mineral rights, if any; all surveys in the Seller's possession or control relating to the Property; and all soils and other geological or environmental studies, investigations, and reports, engineering studies and reports, wetlands information and reports, and landscaping plans and specifications in the Seller's possession or control relating to the Property.
- B. The Seller desires to sell the Property to the Buyer, and the Buyer desires to purchase the Property from the Seller, upon the terms and conditions contained in this Agreement.

NOW, THEREFORE, in consideration of the covenants and promises contained in this Agreement, the Buyer and the Seller agree as follows:

AGREEMENT:

1. **Purchase of Property.** Subject to the terms and conditions of this Agreement, the Seller agrees to sell the Property to the Buyer, and the Buyer agrees to purchase the Property from the Seller. The Seller hereby agrees to effect this purchase and sale transaction through the use of a Quit-Claim Deed in the form attached as Exhibit "B" to this Agreement, subject only to those title matters which are acceptable to the Buyer.
2. **Purchase Price.**
 - a. Purchase Price. The Purchase Price shall be Forty Thousand Dollars (\$40,000.00) payable in United States dollars.
 - b. Balance of Purchase Price. The Buyer shall pay the entire Purchase Price in cash at the Closing.

3. **Conditions to Closing.** The Closing shall not occur until each one of the following conditions precedent has been satisfied, in the Buyer's sole discretion, prior to the Closing; provided, however, that the Buyer is entitled to waive any of the conditions in writing.
 - a. Approval of Title. At the Closing, the title to the Property shall be in a condition that is acceptable to the Buyer in its sole discretion.
 - b. Water Rights. The parties agree that all water rights, water shares, or stock owned by the Seller and associated with the property, if any, shall be conveyed to the Buyer.
 - c. Mineral Rights. The sale includes all mineral rights owned by the Seller to the Property, if any.
 - d. Approval. Purchase of Property is contingent upon the West Valley City Council approving the terms and conditions of this Agreement.
 - e. Inspection. For a period of 10 days from the execution of this Agreement ("Inspection Period"), Buyer shall have the right to perform a physical inspection (the "Inspection") of the Property at Buyer's expense. The Inspection may include the collection of samples for environmental testing as well as any other testing, sampling or study that Buyer determines appropriate. Purchase of Property shall be contingent upon the results of the Inspection at Buyer's sole and absolute discretion. Buyer may terminate this Agreement at any time prior to the expiration of the Inspection Period.

4. **Closing.** The term "Closing" is used in this Agreement to mean the time at which First American Title records the Deed in the office of the Salt Lake County Recorder. The Closing shall occur on or before October 29, 2015, unless the Buyer and the Seller mutually agree in writing to close the transaction on an alternate date.
 - a. Buyer Deliveries. On or before the Closing Date, the Buyer shall deliver payment of the balance of the cash Purchase Price.
 - b. Seller Deliveries. On or before the Closing Date, the Seller shall deliver the following to the Buyer:
 - (i) The duly executed and acknowledged Quit-Claim Deed in favor of the Buyer, conveying fee title to the Property, free and clear of all liens and encumbrances which are unacceptable to the Buyer.
 - (ii) Within 5 days of contract execution Seller shall deliver to Buyer Original copies, of all leases, current rent roll, 3 years of rental history, 3 years of expenses, subleases and contracts relating to the Property, if any. If applicable, all such leases, subleases and contracts shall be assigned to the

Buyer at Closing.

- (iii) All security deposits of current tenants, if any.
 - (iv) Half of all closing costs, including title insurance, escrow and recording costs.
- c. Buyer's Costs. The Buyer shall pay the following items at or before the Closing:
- (i) The Purchase Price.
 - (ii) Half of closing costs, including title insurance, escrow and recording costs.
- d. Failure to Deliver.
- (i) If the Buyer fails or refuses to deliver the required funds at the Closing, the Seller may, at the Seller's option, extend the time for the Closing, or may commence an action for damages, or bring an action to compel specific performance by the Buyer. All costs shall be borne by the party incurring the cost. The Seller expressly agrees that the action for damages, or action for specific performance pursuant to this section shall be the Seller's sole remedies for the Buyer's failure to perform or deliver at the Closing.
 - (ii) If the Seller fails or refuses to deliver a valid and acceptable Deed, or such other documents as may be necessary for the Seller to perform at the Closing, the Buyer may, at the Buyer's option, extend the time for the Closing, or may take any legal action necessary to enforce the Buyer's rights, to be made whole for damages caused by the Seller's default, and/or to compel specific performance by the Seller.
- e. Prorations. The parties shall prorate, as of the date of Closing, all charges, expenses and receivables applicable to the Property, including but not limited to the following:
- (ii) 2015 General Property Taxes, however, if for any reason the Salt Lake County Treasurer determines that taxes are due on the property for 2015, it is the responsibility of the Seller to pay said taxes since the Buyer is tax exempt.
 - (iii) All levied or pending assessments affecting the Property.
 - (iv) Current rents received from the Property.

Seller shall be responsible for and entitled to all charges, expenses and receivables accruing prior to or attributable to the period preceding Closing, and Buyer shall be

responsible for and entitled to all charges, expenses and receivables accruing from or attributable to the period subsequent to Closing.

The Seller shall furnish to the Buyer sufficient information to enable the Buyer and the Seller to make the prorations required under this Agreement.

5. Seller's Representations, Warranties and Covenants.

- a. The parties expressly understand that each of the following representations, warranties, and covenants made herein is material, and that the Buyer is relying upon each of such representations, warranties, and covenants as true and correct as of the date on which the parties executed this Agreement and as of the Closing Date, as though such representations, warranties and covenants had been made on each of such dates. As a condition to the Closing, the Seller hereby makes the following representations and warranties, in addition to any others made in this Agreement:
 - (i) To the knowledge of Seller, there is no pending claim, suit, or litigation that involves the Property. To the knowledge of Seller, no ownership interest in the Property is held by any party other than the Seller.
 - (ii) At the Closing, there will be no unpaid bills or claims in connection with the Property.
 - (iii) Between the date of this Agreement and the Closing date, the Seller, without the Buyer's prior written consent, shall not subject any right, title, or interest in the Property to any mortgage, pledge, lien, or other encumbrance.
 - (iv) This Agreement and the consummation of this transaction do not and will not contravene any provision of any judgment, order, decree, writ, or injunction, and will not result in a breach of, constitute a default under, or require consent pursuant to any credit agreement, lease, indenture, mortgage, deed of trust, purchase agreement, guaranty, or other instrument to which any of the persons or entities comprising the Seller are presently a party or by which any of the same or their respective assets are presently bound or affected.
 - (v) All documents delivered to the Buyer by the Seller pursuant to this Agreement are true, correct, and complete originals or accurate copies of originals.
 - (vi) To the knowledge of the Seller, no hazardous waste or toxic substances have been stored on, released into, generated on, or deposited upon the Property or into any water systems on or below the surface of the

Property, and the Property complies with all local, state, and federal hazardous waste laws, rules, and regulations.

(vii) The Seller hereby agrees and covenants that the Purchase Price being paid by the Buyer constitutes full and adequate consideration for the Property and rights being acquired by the Buyer.

b. These representations, warranties, and covenants of the Seller shall survive the Closing on the Property.

b. Except as otherwise provided in this Section, the Buyer acknowledges and agrees that: (a) the Buyer is acquiring the Property in its “as-is” condition without expressed or implied warranties of any kind; (b) the Buyer shall have, prior to Closing, an opportunity to completely inspect and evaluate the condition of the Property; and (c) if the Buyer elects to proceed with the purchase of the Property, the Buyer is relying wholly on its own judgment and that of any contractors or inspectors engaged by the Buyer to review, evaluate and inspect the Property.

6. **Brokerage Commissions.** The parties are not represented by Real Estate Agents and/or Brokers in this transaction. The Buyer and Seller each represent that no commission is owed to any individual for the transaction contemplated hereunder.

7. **Notices.** All notices, requests, demands, and other communications required under this Agreement, except for normal, daily business communications, shall be in writing. Such written communication shall be effective upon personal delivery to any party or upon being sent by overnight mail service; by telecopy (with verbal confirmation of receipt); or by certified mail, return receipt requested, postage prepaid, and addressed to the respective parties as follows:

If to the Seller: Questar Service Corporation
Attn: David Ingleby
333 S. State St.
Salt Lake City, Utah 84145

If to the Buyer: West Valley City
Attn: Kevin Astill
3600 Constitution Blvd
West Valley City, Utah 84119

With a copy to: J. Eric Bunderson
City Attorney
West Valley City
3600 Constitution Boulevard
West Valley City, Utah 84119

Either party may change its address for purposes of this Agreement by giving written notice to the other party.

8. **Attorney's Fees.** Should it become necessary for either party to enforce its rights under this Agreement, whether in suit or otherwise, the prevailing party shall be entitled to recover from the unsuccessful party reasonable attorney's fees and costs, in addition to any other relief to which the party attempting to enforce its rights hereunder may be entitled.
9. **Modification.** Neither party to this Agreement may amend or modify this Agreement, except in a writing executed by the parties hereto.
10. **Risk of Loss.** If, prior to the Closing Date, the Property or any portion thereof is damaged by fire, acts of God, or other casualty or cause, the Buyer shall have the right to terminate this Agreement.
11. **Entire Agreement.** The parties expressly agree that this Agreement and the exhibits attached hereto constitute the full and complete understanding and agreement of the parties, and that this Agreement supersedes all prior understandings, agreements, and conversations between the parties, whether oral or written. Any prior negotiations, correspondence, or understandings related to the subject matter of this Agreement shall be deemed to be merged into this Agreement and the attached exhibits.
12. **Severability.** If any term or provision of this Agreement is invalid or unenforceable for any reason whatever, such invalidity or unenforceability shall not affect the validity or enforceability of the remaining provisions of this Agreement.
13. **Captions and Headings.** The section headings or captions appearing in this Agreement are for convenience only, are not a part of this Agreement, and are not to be considered in interpreting this Agreement.
14. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be an original for all purposes, but all of which shall constitute but one and the same instrument.
15. **Governing Law and Venue.** This Agreement shall be construed in accordance with the laws of the State of Utah. Any actions arising from or relating to this Agreement shall be brought in the Third District Court in Salt Lake City, Utah or in the United States District Court for the District of Utah in Salt Lake City, Utah.
16. **Assignability.** This Agreement shall bind and inure to the benefit of the assignees, heirs, and successors-in-interest of the Buyer and the Seller. Neither the Buyer nor the Seller shall assign its rights or delegate its obligations hereunder without the prior written consent of the other.

17. **Time of the Essence.** Time is of the essence with respect to the performance of the parties under this Agreement.
18. **Waiver.** A waiver by either party of any provision of this Agreement shall not operate or be construed as a waiver of any other subsequent breach.

(signatures follow)

EXHIBIT A

Legal Description

Parcel of land beginning at a point on the east right of way line of 6400 West Street, said point being North 0°06'27'' West along the section line 1,049.42 feet and East 33.00 feet from the Southwest Corner of Section 2, Township 2 South, Range 2 West, Salt Lake Base and Meridian; and running thence North 0°06'27'' West along said east line 100.00 feet to a southerly boundary of Valley Fields Phase 5, according to the official plat thereof, as recorded in the office of the Salt Lake County Recorder; thence East 100.00 feet along said southerly boundary; thence South 0°06'27'' East 100.00 feet along a westerly boundary of said subdivision to the northerly boundary of Lot 131 of Vistas at Westridge No. 3B; thence West 100.00 feet along the northerly boundary of said subdivision to the Point of Beginning.

Parcel # 20-02-300-002

EXHIBIT B
FORM OF QUIT-CLAIM DEED

WHEN RECORDED MAIL TO:

West Valley City Recorder's Office
3600 South Constitution Blvd.
West Valley City, Utah 84119

Parcel #20-02-300-002

**WEST VALLEY CITY
QUIT-CLAIM DEED**

Questar Service Corporation, a Utah corporation, located at 180 East 100 South, Salt Lake City, Utah, GRANTOR, hereby conveys and quit claims to **West Valley City, a Utah municipal corporation**, located at 3600 Constitution Blvd., West Valley City, Utah, GRANTEE, for the sum of \$10.00 and other good and valuable consideration, receipt of which is hereby acknowledged, a parcel of land in fee, located at **4575 South 6400 West**, in West Valley City, Salt Lake County, State of Utah. The boundaries of said parcel of land conveyed by this Warranty Deed are described as follows:

Parcel of land beginning at a point on the east right of way line of 6400 West Street, said point being North 0°06'27" West along the section line 1,049.42 feet and East 33.00 feet from the Southwest Corner of Section 2, Township 2 South, Range 2 West, Salt Lake Base and Meridian; and running thence North 0°06'27" West along said east line 100.00 feet to a southerly boundary of Valley Fields Phase 5, according to the official plat thereof, as recorded in the office of the Salt Lake County Recorder; thence East 100.00 feet along said southerly boundary; thence South 0°06'27" East 100.00 feet along a westerly boundary of said subdivision to the northerly boundary of Lot 131 of Vistas at Westridge No. 3B; thence West 100.00 feet along the northerly boundary of said subdivision to the Point of Beginning.

Subject to easements, rights, rights-of-way, reservations, conditions, restrictions, covenants, and taxes and assessments of record or apparent or enforceable in law or equity.

(signature follows)

WITNESSED the hand of said GRANTOR this _____ day of _____, 2015.

GRANTOR

State of _____)
:ss
County of _____)

On the _____ day of _____, 2015, personally appeared before me _____, who affirmed that he is the _____ of Questar Service Corporation, a Utah corporation, and that this Quit-Claim Deed was signed by him / her in behalf of said Questar Service Corporation by authority of its bylaws or of a resolution of its board of directors, and he / she acknowledged to me that said corporation executed the same.

NOTARY PUBLIC