

PURCHASE AGREEMENT

THIS PURCHASE AGREEMENT, entered into as of the _____ day of _____, 201____ (the "Effective Date"), by and between Rivers Bend Development Corporation, a North Dakota corporation, whose address is c/o Steve Stoner, 28 North 10th Street, Fargo, ND 58102 (physical address) and PO Box 89, Fargo, ND 58107 (mailing address), and _____ [Buyer name], a _____ [Buyer state of formation and entity form], whose address is _____ (Buyer").

In consideration of the mutual terms, covenants, conditions and agreements herein contained, it is hereby agreed by and between the parties as follows:

1. **Property.** Seller shall sell, and Buyer shall buy, that certain real property described as Lot _____, Block _____, River's Bend at the Preserve _____ Addition to the City of West Fargo, Cass County, North Dakota (the "Property").

2. **Purchase Price and Payment.** The purchase price to be paid by Buyer to Seller for the Property shall be \$_____, payable as follows: \$_____ earnest money paid contemporaneously with the execution of this Agreement, and the balance, subject to the closing adjustments provided in this Agreement, in cash or immediately-collectible funds at closing.

3. **Buyer Contingency.** Buyer's obligation to consummate the transaction contemplated by this Agreement is contingent upon Buyer, at its sole cost and expense and not later than 5 days prior to the Closing Date, obtaining, conducting, reviewing and approving, in its sole and absolute discretion, any and all facts, circumstances, commitments, investigations, tests, analyses, studies, surveys and the like (including obtaining any Phase I, geo-tech and other soils studies, ALTA survey and financing approval) deemed necessary by Buyer to determine whether the condition and features of the Property are acceptable for Buyer's intended acquisition, financing, ownership, use and/or improvements (the "Feasibility Review"). Upon the failure of the foregoing contingency, at the option of Buyer exercised by written notice to Seller not later than 5 days prior to the Closing Date, this Agreement shall terminate and be of no further force or effect and the Earnest Money shall be promptly returned to Buyer. Seller hereby grants to Buyer and Buyer's agents, employees and contractors, at reasonable times and upon reasonable advance notice to Seller, a nonexclusive right and license to enter upon the Property to conduct the Feasibility Review. Upon completion of the Feasibility Review, Buyer will restore the physical condition of the Property to its condition prior to the Feasibility Review. Buyer shall hold harmless and indemnify the Seller from any claims, liability, loss or damage including but not limited to costs of investigation, litigation and attorney fees relating thereto, and arising out of its actions under this paragraph (collectively, "Claims"); provided, however, this hold-harmless and indemnity shall not apply to any Claims related to required remediation, diminution in value or the like arising out of or related to conditions discovered but not created by Buyer.

4. **Title Examination.** Seller shall, not later than 15 days following the Effective Date, obtain and provide to Buyer an updated Abstract of Title for the Property (which shall

include all appropriate searches) (the "Abstract"). Buyer shall have 10 days following receipt of the Abstract to examine title and object to matters disclosed by the Abstract, such objections to be made in writing or deemed to be waived. Seller shall diligently undertake to resolve all matters objected to, and if necessary, the Date of Closing shall be extended to allow Seller to do so (provided, however, the Date of Closing shall not be extended more than 60 days from the date of Buyer's written objections). If all objected to matters are not corrected within 60 days from the date of written objection, this Purchase Agreement may be terminated at the written option of Buyer, and upon such termination, any/all earnest money shall be immediately returned to Buyer, and after such return, neither Seller nor Buyer shall have any further obligation with respect to this Agreement. If all objected to matters are corrected within said time or Buyer elects to close notwithstanding any uncorrected matters, the parties shall promptly close this transaction.

5. **Closing.** The closing shall occur on or before the 30th day following the Effective Date, or the next business day thereafter if such 30th day is not a business day (the "Date of Closing"). If closing does not occur as a result of either a default by Seller or the failure of a Buyer contingency under this Agreement any/all earnest money shall be returned to Buyer. If closing does not occur by reason of a default of Buyer, Buyer's rights to purchase any remaining lots under this and any other agreement with Seller shall immediately and without notice terminate and any/all earnest money applicable to this and any other agreements shall be retained by Seller, provided the disposition of any/all earnest money shall not impair either party's right to seek specific performance of this Agreement so long as action therefore is commenced within six months after the right of action accrues, or any other legal remedies. In establishing the amount of any/all earnest money paid hereunder and in designating such as potential liquidated damages, the Seller and Buyer specifically acknowledge that actual damages resulting from Buyer's breach are impractical or extremely difficult to ascertain. Seller and Buyer have made a reasonable endeavor to fix a fair and reasonable compensation for Buyer's breach and the amount thus established is acknowledged by both Seller and Buyer to bear a reasonable relation to probable damages and it is not disproportionate to any damages that could reasonably be anticipated.

- (a) On the Date of Closing, Seller shall execute and deliver to Buyer the following:
 - (i) A Warranty Deed conveying the Property to Buyer free and clear of all liens, charges and encumbrances, except the following (collectively, the "Permitted Encumbrances"): [a] real estate taxes and installments of special assessments that are the responsibility of Buyer hereunder; [b] the reservation of mineral rights by parties other than Seller; [c] easements, covenants, reservations, restrictions and the like of record that do not impair Buyer's intended use of the Property as a residential dwellings and improvements thereto consistent with such intended use; [d] a Declaration of Restrictive Covenants (the "Covenants") affecting the Property in substantially similar form as the draft of same that has been provided to Buyer; and [e] any others not objected to by Buyer pursuant to Section 4 hereof.

- (ii) A FIRPTA Certificate, 1099-S, customary Seller's Affidavit completed in a manner allowing the title company to remove the standard title policy exceptions covered thereby and all other documents affecting title to and possession of the Property and necessary to transfer or assign the same to Buyer, free and clear of all liens, charges and encumbrances, except the Permitted Encumbrances.
- (b) On the Date of Closing, Buyer shall deliver to Seller cash or immediately-collectable funds as set forth in Section 2.
- (c) The closing and delivery of all such documents shall take place at the offices of The Title Company, 35 4th St N #102, Fargo, ND 58102 (the "Closing Agent"), or at such other reasonable location as may be agreed upon by Buyer and Seller. Seller agrees to deliver physical possession of the Property to Buyer on the Date of Closing. The Abstract shall belong to the Seller until the moment of closing, at which time it shall become the property of Buyer.

6. **Adjustments.** Seller shall be responsible for all real estate taxes and installments of special assessments for 201__ (payable 201__) and all prior years. Buyer shall be responsible for all real estate taxes and installments of special assessments for 201__ (payable 201__) and all subsequent years. Seller shall be responsible for homeowners association dues contemplated by the Covenants for the month in which the Date of Closing occurs and for all periods prior thereto. Buyer shall be responsible for homeowners association dues contemplated by the Covenants beginning the month following the month in which the Date of Closing occurs and for all periods subsequent thereto. Seller shall be responsible for costs related to provision of the Abstract, preparation of the Warranty Deed, any costs and expenses of curing title objections and one-half of any reasonable closing fee charged by the Closing Agent. Buyer shall pay for all elements of its Feasibility Review, all title examination fees including any premiums for title insurance obtained for or by Buyer or Buyer's lender, one-half of any reasonable closing fee charged by the Closing Agent and for recording the Warranty Deed. All costs and expenses for other services and items shall be paid by the party who is responsible for same under other terms of this Agreement, or the party ordering same, if the allocation of same is not described in this Agreement.

7. **Home Construction/Lot Maintenance.** Seller has obtained a Storm Water Permit for the entire development, a copy of which is attached hereto as Exhibit A, and Buyer shall accept all responsibilities thereunder with respect to the Property from and after the Date of Closing. From and after the Date of Closing, Buyer shall be responsible for and shall diligently undertake all maintenance of the Property, including mowing, lot leveling, weed control, debris cleaning and preventing standing or stagnant water.

8. **As-Is.** Buyer acknowledges that Buyer has had the opportunity prior to signing this Agreement, and through its feasibility review will have an additional the opportunity, to fully review and inspect the Property. Buyer further acknowledges that except as expressly provided otherwise herein: Buyer is purchasing the Property without warranty or representation

by Seller of any kind or nature; and Buyer is purchasing the Property in an AS-IS, WHERE-AS, WITH-ALL-FAULTS-AND-VIRTUES condition. By way of example, and not by way of limitation, Buyer acknowledges that it has conducted such soils, environmental and other tests of the Property, and has evaluated the elevations and flood map designations for the Property, and Buyer acknowledges that Seller makes no representations or warranties of any nature whatsoever, express or implied, with respect to such matters. Further by way of example, and not by way of limitation, Buyer acknowledges that soils on the Property may have been disturbed during the process through which the streets and underground utilities were installed in adjacent rights of way and/or utility service stubs were installed to the Property, and Buyer (for itself and its successors and assigns) assumes all "over-dig" and similar risks associated with same, and shall not seek a reduction in price, reimbursement or any other form of recovery from Seller for any costs related to same.

9. **Assignment.** Buyer may not, without Seller's prior consent, assign its rights, duties or obligations under this Purchase Agreement.

10. **Survival.** All of the terms, covenants, conditions, representations, warranties and agreements of this Purchase Agreement shall survive and continue in force and effect and shall be enforceable after the Date of Closing and delivery of the Warranty Deed.

11. **Notices.** Any notice or election required or permitted to be given or served by any party hereto upon any other shall be deemed given or served in accordance with the provisions of this Purchase Agreement if said notice or election is (a) delivered personally, or (b) mailed by United States certified mail, return receipt requested, postage prepaid, to the address specified at the introductory paragraph to this Agreement. Each such mailed notice or communication shall be deemed to have been given on the date the same is deposited in the United States mail. Each such delivered notice or communication shall be deemed to have been given upon the delivery. Any party may change its address for service of notice in the manner above specified.

12. **Effective Date of Purchase Agreement.** This Purchase Agreement shall become effective and shall be binding upon the parties only after it has been executed by each of the parties.

13. **Agreement Construction.** The parties acknowledge that they have both had the opportunity to have this Agreement reviewed by their respective attorneys, and that they have an equal bargaining position in this transaction. No rule of construction that would cause any ambiguity in any provision to be construed against the drafter of this document shall be operative against either Buyer or Seller.

14. **Captions.** The paragraph headings or captions appearing in this Purchase Agreement are for convenience only, are not a part of this Purchase Agreement and are not to be considered in interpreting this Purchase Agreement.

15. **Entire Agreement; Modification.** This Purchase Agreement constitutes the entire and complete agreement between the parties and supersedes any prior oral or written

agreements between the parties with respect to the Property. It is expressly agreed that there are no written or verbal understandings or agreements, including any marketing or other materials provided by Seller or any other person to Buyer, which in any way supplement, modify or change the terms, covenants and conditions set forth herein, and that no modification of this Purchase Agreement and no waiver of any of its terms and conditions shall be effective unless in writing and duly executed by the parties.

16. **Binding Effect.** All covenants, agreements, warranties and provisions of this Purchase Agreement shall be binding upon and inure to the benefit of the parties and their respective heirs, representatives, successors and assigns. When used herein, the singular shall include the plural, the plural shall include the singular, and the use of one gender shall include all other genders, as and when the context so requires.

17. **Controlling Law.** This Purchase Agreement has been made and entered into under the laws of the State of North Dakota, and said laws shall control its interpretation.

18. **Time Of The Essence:** The parties expressly agree that time shall be of the essence in the performance of the parties under this Agreement.

19. **Legal Expense.** If any case, suit or proceeding shall be brought by one party to this Agreement against the other, the prevailing party shall be entitled to recover all costs incurred by the prevailing party related thereto, including reasonable attorney's fees.

20. **Counterparts/Facsimile Signatures.** This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one, complete Agreement. A copy of this Agreement containing a facsimile of a party's signature shall be deemed such party's original, binding signature.

21. **Seller Representation.** Steve Stoner, with ownership interest in the development, is acting as an owner and is not a licensed Real Estate agent.

22. **IN WITNESS WHEREOF,** the parties hereto have executed this Purchase Agreement as of the day and year first written above.

SELLER:

BUYER:

RIVERS BEND DEVELOPMENT
CORPORATION

By: _____

By: _____

Its: _____

Its: _____



October 9, 2013

North Dakota Pollutant Discharge Elimination System (NDPDES)
General Permit for Stormwater Discharges from Construction Activity
NOTICE OF COVERAGE

Permittee(s)

Owner/Operator Steve Stoner
Contact: Rivers Bend Development Corp
PO Box 145
Arthur, ND 58006

Coverage under the 2009 reissued construction general permit (NDR10-0000) is identified as follows:

Permit ID: **NDR105790** Site Name: **Rivers Bend at the Preserve**

Please remember to update the Stormwater Pollution Prevention (SWPP) plan as appropriate for site conditions. The best management practices (BMPs) and temporary structures must be inspected, maintained and adjusted until the site is stabilized following construction activities. Once the site is stabilized as outlined in the general permit, you may end permit coverage by filing a termination notice. Cities or counties may impose additional requirements and/or specific BMPs for construction affecting their storm drainage system. Please check with the local officials to be sure all local stormwater management considerations are addressed.

Additional Information

The permit conditions, forms and related information may be found on our web site at:

www.ndhealth.gov/wq/Storm/Construction/ConstructionHome.htm

Should you have any questions on the permit, please contact a stormwater staff person listed below.

Dallas Grossman
Division of Water Quality
701.328.5242
dgrossma@nd.gov