

REAL ESTATE PURCHASE AGREEMENT

THIS REAL ESTATE PURCHASE AGREEMENT (the “Agreement”) is entered into on the _____ day of _____, 2026 by and between Lipspace, LLC, hereinafter designated as the “Seller”, and the City of Tontitown, Arkansas, hereinafter designated as the “Buyer”; pursuant to the Buyer's offer to purchase from Seller the property described in Paragraph 1 below, (the “Property”) subject to the terms and conditions set forth herein.

WHEREAS, Seller is the owner of certain real property located in the City of Tontitown, Washington County, Arkansas, and desires to sell such property to Buyer; and

WHEREAS, Buyer desires to acquire the Property from Seller for public use, specifically for the construction and operation of a municipal police station to serve the City of Tontitown and its residents, upon the terms and conditions set forth herein.

NOW THEREFORE, in consideration of the mutual covenants stated herein, Buyer and Seller hereby agree as follows:

1. **The Property**: For the price and upon and subject to the terms, conditions and provisions set forth in this Agreement, Seller shall sell and convey to Buyer and Buyer shall purchase from Seller that certain real estate owned by Seller located at E. Fletcher Avenue, City of Tontitown, Washington County, Arkansas, being a portion of parcel number 830-37615-007 (the “**Property**”), and as more particularly described on Exhibit A attached hereto, together with all Seller's rights, title and interest in all public and private streets, roads, avenues, alleys and passageways, and all and singular the estates, rights, privileges, easements and appurtenances belonging or in any way appertaining to the Property.
2. **Purchase Price**: The purchase price for the Property (“Purchase Price”) shall be Four Hundred Ninety-Five Thousand Dollars (\$495,000.00). No earnest money deposit shall be required under this Agreement.
3. **Deed**: On the Closing Date, Seller shall execute a deed to sell and convey to Buyer good and marketable title to the Property by special warranty deed in the form reasonably prescribed by Buyer (the “Deed”), subject to no liens, claims, or encumbrances (“Encumbrances”), except for (a) liens for ad valorem taxes that are not yet due and payable and (b) those title and survey exceptions either waived or approved in writing by Buyer after Buyer's review of the Commitment, Survey (as those terms are hereinafter defined), and legible copies of all title exception documents identified on the Commitment and Survey (the “Permitted Exceptions”). Title to the Real Property as aforesaid shall be insured by the Title Company as provided in Section 5.
4. **Survey**: Buyer will order an ALTA survey (the “Survey”) within five (5) days of the execution of this Agreement. The Survey will include the location and boundaries of the

Property. The Survey and the boundary lines of the areas surveyed therein shall be subject to the mutual agreement of Buyer and Seller.

5. **Title Requirements:**

a. **Commitment and Title Policy.** Within five (5) business days after the date of this Agreement, Buyer will order a title insurance commitment (the “Commitment”) from **XXXXXXXXXX** (the “Title Company”) pursuant to which the Title Company shall agree to issue to Buyer, an ALTA owner’s policy of title insurance (the “Title Policy”) in the amount of the Purchase Price, insuring marketable fee simple title to the Real Property in Buyer upon recording of the Deed.

b. **Seller’s Title Documents.** Seller shall, at Buyer’s sole expense, execute, acknowledge, and deliver or cause to be executed, acknowledged and delivered to the Title Company, on or before the Closing Date, such affidavits and other documents approved by the Seller, to the extent reasonably available to Seller, as the Title Company shall require as a condition to issuance of the Title Policy in the form herein provided (collectively, “Seller’s Title Documents”).

c. **Title and Survey Defects.** Buyer shall have ten (10) days from the receipt of the Title Commitment and copies of documents constituting exceptions to title and the Survey to examine the same and to specify to Seller in writing any matters which Buyer finds objectionable (the “Encumbrances”). expense. Buyer shall have the right, in its sole discretion, to determine whether title and survey matters are acceptable.

Seller shall have thirty (30) days after receipt of Buyer’s written notice of objections to cure such matters. If Seller fails to cure such matters within such period or notifies Buyer that it will not cure such matters, Buyer may, in its sole discretion: (i) terminate this Agreement upon written notice to Seller; (ii) extend the time for Seller to cure; or (iii) elect to accept title subject to such matters, which shall thereafter be deemed Permitted Exceptions.

6. **Investigation by Buyer:** Buyer has the right to conduct such due diligence as Buyer deems necessary in Buyer’s sole discretion from the date of the execution of this agreement and continuing through five (5) business days prior to Closing; provided, however, Buyer may not conduct any intrusive testing in the subsurface soil or take any bore samples without the prior, written consent of the Seller.

Buyer may terminate this Agreement for any reason or no reason, in Buyer’s sole and absolute discretion, at any time prior to Closing by providing written notice to Seller, whereupon this Agreement shall terminate and neither party shall have any further obligation hereunder. Without limiting the foregoing, if Buyer determines, in its sole discretion, that any environmental condition or Hazardous Substance is present on or affecting the Property, Buyer may terminate this Agreement or require Seller to remediate such condition prior to Closing.

7. **Representations and Warranties of Seller:** Seller represents and warrants to Buyer the following through the date hereof and as of the Closing Date to the best of Seller's knowledge:

- a. Except as disclosed to Buyer in writing, there are no unrecorded leases, arrangements, agreements, understandings, options, contracts, or rights of first refusal affecting or relating to the Property in any way.
- b. Seller represents and warrants that at the time of acceptance hereof and at Closing, Seller is not a "foreign person" as such term is defined in Section 1445(f) of the Internal Revenue Code of 1954.
- c. There are no actions, suits, lawsuits, proceedings, or claims affecting any part of the Property, or affecting Seller with respect to the ownership, occupancy, use, or operation of any part of the Property pending in or before any court, agency, commission, or board.
- d. No petition in bankruptcy, voluntary or otherwise, assignment for the benefit of creditors, or petition seeking reorganization or arrangement or other action under Federal or State bankruptcy laws is pending against Seller.
- e. Seller has not received notice from any governmental authority, stating that the Property is currently in violation of any zoning, environmental, or other land use regulations or in violation of any required licenses, registrations, certificates, permits, approvals, or other governmental authorizations relating to the use and operation of the Property. If Seller receives such a notice prior to Closing, Seller shall promptly notify Buyer of such a notice and deliver a copy thereof to Buyer.
- f. Seller has not received any notice relating to its period of ownership of the Property that the Property is in violation of any applicable governmental law, regulation, or requirement relating to environmental or occupational health and safety matters or Hazardous Substances ("Environmental Laws"). As used in this Agreement, the term "Hazardous Substances" means any and all substances, materials, and wastes which are regulated as hazardous or toxic under applicable local, state, or federal law or which are classified as hazardous or toxic under applicable Environmental Laws.
- g. Seller has not stored, processed, or disposed of hazardous or toxic substances on the Property.
- h. No underground storage tanks are located on the Property.
- i. The Property has legal and physical access to a public right-of-way.
- j. Utilities, including water, sewer, and electricity, are available to the Property or can be made available without unreasonable costs.

k. **Buyer's Acknowledgment; Condition of Property.** Buyer acknowledges that it has been afforded the opportunity to conduct such inspections, investigations, and due diligence as Buyer deems necessary with respect to the Property. Except for the express representations and warranties of Seller set forth in this Agreement or in any document delivered at Closing, Buyer agrees that, upon Closing, the Property shall be conveyed in its "AS IS," "WHERE IS," and "WITH ALL FAULTS" condition.

Notwithstanding the foregoing:

(a) Buyer's agreement to accept the Property in such condition shall apply only upon Closing and shall not limit Buyer's right to terminate this Agreement in accordance with its terms;

(b) Nothing herein shall limit, waive, or otherwise affect any representations or warranties expressly made by Seller in this Agreement or in any closing document;

(c) Nothing herein shall limit or waive any claim by Buyer arising from fraud, misrepresentation, or the willful concealment of material facts by Seller; and

(d) Buyer shall not be deemed to have waived any rights or remedies available at law or in equity with respect to matters not discoverable through reasonable due diligence.

"Seller's knowledge" means the actual knowledge of the Seller, without any duty of inquiry or investigation.

8. **Taxes and Assessments.** Seller shall pay all real estate taxes and current installments of assessments, if any, for the year 2026. All real estate taxes and assessments, if any, levied against the Property for the year 2027, shall be prorated between Buyer and Seller as of the Closing Date based upon the latest available information.

9. **Closing Costs and Adjustments:**

a. **Buyer's Costs.** Buyer shall pay the costs at Closing:(1) the documentary stamps; (2) Title Company's standard closing fee; (3) Buyer's own legal fees; and (4) the Survey cost as expressly set forth herein.

Buyer shall not be responsible for any additional title charges, endorsements, extended coverage, recording fees, or other closing-related costs unless expressly agreed to in writing by Buyer.

b. **Closing Adjustments.** The following adjustments shall be made at the Closing: Taxes and assessments as set forth in Section 8 of this Agreement. If at any time any of the amounts to be apportioned under this Section cannot be calculated with complete precision because the amount or amounts of one or more items included in such calculation are not then known, such calculations shall be made on the basis of a reasonable estimate by Seller and Buyer of the amount or amounts of

the item or items in question, based upon the previous amounts paid with respect to the Property, if any.

- c. **Limitation on Buyer Costs.** Notwithstanding anything herein to the contrary, Buyer shall only be responsible for those costs and expenses expressly identified in this Agreement as Buyer's responsibility. Any and all other costs, fees, charges, or expenses associated with the transaction, including but not limited to title-related expenses, recording costs, endorsements, additional title requirements, or third-party charges not expressly allocated to Buyer herein, shall be the sole responsibility of Seller.

10. **Condemnation, Casualty and Other Encumbrances.** If, prior to the Closing Date, all or any material portion of the Property is condemned or taken by governmental authority, Buyer may, at its option, terminate this Agreement upon written notice to Seller

If the Property, or any portion thereof, is damaged or destroyed by fire or other casualty prior to Closing, then, at the option of Buyer, exercised by delivery to Seller of written notice of such election on or before the fifteenth (15th) business day following the date on which Buyer receives from Seller written notice of such damage or destruction, or the Closing Date, whichever last occurs, this Agreement shall terminate. In the event Buyer does not elect to terminate the Agreement, this Agreement shall remain in full force and effect without abatement of the Purchase Price except that Seller, at Closing, shall transfer and assign to Buyer all of Seller's right, title and interest in and to the insurance proceeds when, as, and if received by Seller by reason of such damage or destruction, and shall convey the Property to Buyer subject to such casualty. Seller shall furnish to Buyer such documents, reasonable cooperation and assistance as Buyer requires in order for Buyer to process any insurance claim. If such damage or destruction is material, Buyer may terminate this Agreement in its sole discretion.

During the period from the date of this Agreement to and including the Closing Date, Seller shall not, without the prior written consent of Buyer enter into a lease of the Property that has a term extending beyond the Closing Date.

Seller shall not cause or permit any liens, encumbrances, or claims to be placed upon the Property from the date of this Agreement through Closing.

11. **Closing.**

- a. **Closing Date.** Provided all conditions to closing set forth in this Agreement have been satisfied or waived by Buyer and Seller, and this Agreement has not been terminated in accordance with the provisions herein set forth, the transaction contemplated herein shall close on **XXXXXX**, or such other date as is mutually agreeable to Seller and Buyer. Such date for the closing of title is herein called the "**Closing Date**" or such occurrence is called the "**Closing**" or "**closing**".

Buyer's obligation to close is expressly contingent upon approval of this Agreement and the acquisition of the Property by the Tontitown City Council.

b. **Seller's Deliverables.** On or before the Closing Date, Seller shall deliver or cause to be delivered to the Title Company the following items, to the extent in Seller's possession and to the extent not previously provided to Buyer: (a) Special Warranty Deed; and (b) Seller's Closing Statement and such other documents as Title Company may require at Closing and which are approved by the Seller.

c. **Buyer's Deliverables.** On or before the Closing Date, Buyer shall deliver or cause to be delivered to the Title Company the following: (a) by federal wire transfer of funds to the Title Company's escrow account an amount equal the aggregate amount of closing costs for which Buyer is responsible as provided herein, all as shown on Buyer's closing statement; (b) and Buyer's Closing Statement and such other documents as Title Company may require at Closing.

d. **Possession:** Possession of the Property shall be delivered to Buyer, no later than **XXXXXXXXXX**. Seller shall deliver possession of the Property vacant, free of debris, and in substantially the same condition as of the date of this Agreement, ordinary wear and tear excepted.

e. **Conditions to Buyer's Obligation to Close.** Buyer's obligation to close is subject to the satisfaction or waiver, in Buyer's sole discretion, of the following conditions:

(i) Title to the Property shall be marketable and acceptable to Buyer;

(ii) The Survey shall be acceptable to Buyer;

(iii) All representations and warranties of Seller shall be true and correct in all material respects as of Closing;

(iv) No material adverse change shall have occurred with respect to the Property;

(v) The Property shall be suitable, in Buyer's sole discretion, for Buyer's intended public use;

(vi) No condemnation or casualty affecting the Property shall have occurred, or if so, shall be acceptable to Buyer; and

(vii) All conditions set forth in this Agreement shall have been satisfied or waived by Buyer.

12. **Assignment:** This Agreement may not be assigned by Seller without Buyer's consent. Buyer may assign this Agreement, without Seller's consent, to any governmental entity, public authority, or instrumentality affiliated with Buyer.

13. **No Agents**: Both parties represent and warrant each to the other that no real estate agents or brokers have been involved in this transaction.

14. **Survival**. Except as otherwise set forth herein, all warranties, representations, covenants, obligations, and agreements contained in this Agreement shall survive Closing hereunder and the transfer and conveyance of the Property and any and all performances hereunder for a period of three (3) months.

15. **Time**. Time is of the essence of this Agreement.

16. **No Waiver**. Except as herein expressly provided, no waiver by a party of any breach of this Agreement or of any warranty or representation hereunder by the other party shall be deemed to be a waiver of any other breach by the other party (whether preceding or succeeding and whether or not of the same or similar nature), and no acceptance of payment or performance by a party after any breach by the other party shall be deemed to be a waiver of any breach of this Agreement or of any representation or warranty hereunder by such other party, whether or not the first party knows of such breach at the time it accepts such payment or performance. No failure or delay by a party to exercise any right it may have by reason of the default of the other party shall operate as a waiver of default or modification of this Agreement or shall prevent the exercise of any right by the first party while the other party continues to be so in default.

17. **Binding Contract**: This Agreement shall be binding upon the parties hereto and is enforceable in Arkansas Courts and applying Arkansas law; the prevailing party in litigation arising out of this contract shall be entitled to recover attorney's fees and costs.

18. **Merger**: This Agreement, when executed by both Buyer and Sellers, shall contain the entire understanding and agreement between Buyer and Sellers with respect to all matters referred to herein and shall supersede all prior or contemporaneous agreements, representations, discussions and understandings, oral or written, with respect to such matters.

19. **Severability**: The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect.

20. **Governing Law**: This Agreement is entered in the State of Arkansas, and it shall be construed and applied in all respects in accordance with the laws of the State of Arkansas. Both parties consent to the exclusive jurisdiction of the Circuit Court of Washington County, Arkansas, or the United States District Court for the Western District of Arkansas.

21. **Waiver of Jury Trial**. TO THE EXTENT PERMISSIBLE UNDER APPLICABLE LAW, EACH PARTY HEREBY WAIVES TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY ANY PARTY AGAINST

THE OTHER PARTY ON ANY MATTER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS AGREEMENT.

22. **Attorney's Fees.** If either party is required to bring litigation to enforce its rights under this Agreement, the prevailing party shall be entitled to recover its attorney's fees and costs.

IN WITNESS WHEREOF, Buyer and Sellers hereto have duly executed this Agreement as of the day and date written above:

SELLERS: LIPSPACES, LLC

By: _____

Address: _____

BUYER: CITY OF TONTITOWN, ARKANSAS

By: _____

Address: _____

EXHIBIT A

TRACT A SURVEY DESCRIPTION:

A PART OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 07, TOWNSHIP 17 NORTH, RANGE 30 WEST OF THE FIFTH PRINCIPAL MERIDIAN, WASHINGTON COUNTY, ARKANSAS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS, TO-WIT:
COMMENCING FROM AN EXISTING RAILROAD SPIKE MARKING THE NORTHWEST CORNER OF SAID N $\frac{1}{2}$ NW $\frac{1}{4}$ THENCE ALONG THE NORTH LINE OF SAID N $\frac{1}{2}$ NW $\frac{1}{4}$ S87°29'37"E 299.78 FEET TO AN EXISTING #4 REBAR, THENCE CONTINUING ALONG SAID NORTH LINE S87°35'39"E 134.34 FEET TO A SET #4 REBAR, THENCE LEAVING SAID NORTH LINE S03°08'39"W 13.66 FEET TO THE TRUE POINT OF BEGINNING, THENCE ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF 465.80 FEET FOR A CHORD BEARING AND DISTANCE OF S55°11'53"E 96.75 FEET TO A SET #4 REBAR, THENCE S49°13'32"E 330.99 FEET TO A SET #4 REBAR, THENCE S41°11'16"W 366.19 FEET TO A SET #4 REBAR, THENCE S03°04'31"W 324.25 FEET TO A SET #4 REBAR, THENCE N87°16'55"W 221.99 FEET TO AN EXISTING #5 REBAR, THENCE N03°04'31"E 626.64 FEET TO AN EXISTING #5 REBAR, THENCE S87°22'39"E 103.53 FEET TO AN EXISTING #5 REBAR, THENCE N03°08'39"E 239.57 FEET TO THE POINT OF BEGINNING. CONTAINING 4.95 ACRES, MORE OR LESS. SUBJECT TO ALL RECORD AND NON RECORDED EASEMENTS, RESTRICTIONS, RESERVATIONS, COVENANTS, MINERAL RIGHTS AND RIGHTS-OF-WAY, IF ANY.

TRACT B SURVEY DESCRIPTION:

A PART OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 07, TOWNSHIP 17 NORTH, RANGE 30 WEST OF THE FIFTH PRINCIPAL MERIDIAN, WASHINGTON COUNTY, ARKANSAS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS, TO-WIT:
COMMENCING FROM AN EXISTING RAILROAD SPIKE MARKING THE NORTHWEST CORNER OF SAID N $\frac{1}{2}$ NW $\frac{1}{4}$ THENCE ALONG THE NORTH LINE OF SAID N $\frac{1}{2}$ NW $\frac{1}{4}$ S87°29'37"E 299.78 FEET TO AN EXISTING #4 REBAR, THENCE CONTINUING ALONG SAID NORTH LINE S87°35'39"E 134.34 FEET TO A SET #4 REBAR, THENCE LEAVING SAID NORTH LINE S03°08'39"W 13.66 FEET ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF

465.80 FEET FOR A CHORD BEARING AND DISTANCE OF S55°11'53"E 96.75 FEET TO A SET #4 REBAR, THENCE S49°13'32"E 330.99 FEET TO A SET #4 REBAR TO THE TRUE POINT OF BEGINNING, THENCE S49°13'32"E 159.24 FEET, ALONG A CURVE TO THE LEFT HAVING A RADIUS OF 534.94 FEET FOR A CHORD BEARING AND DISTANCE OF S68°21'02"E 350.13 FEET, THENCE S87°25'13"E 734.69 FEET TO A SET #4 REBAR, THENCE S02°04'41"W 400.98 FEET TO AN EXISTING #5 REBAR, THENCE N87°16'55"W 1425.57 FEET TO A SET #4 REBAR, THENCE N03°04'31"E 324.25 FEET TO A SET #4 REBAR, THENCE N41°11'16"E 366.19 FEET TO A SET #4 REBAR TO THE POINT OF BEGINNING. CONTAINING 14.15 ACRES, MORE OR LESS. SUBJECT TO ALL RECORD AND NON RECORDED EASEMENTS, RESTRICTIONS, RESERVATIONS, COVENANTS, MINERAL RIGHTS AND RIGHTS-OF-WAY, IF ANY.

RIGHT OF WAY TO BE DEDICATED PER THIS PLAT:

A PART OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 07, TOWNSHIP 17 NORTH, RANGE 30 WEST OF THE FIFTH PRINCIPAL MERIDIAN, WASHINGTON COUNTY, ARKANSAS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS, TO-WIT: COMMENCING FROM AN EXISTING RAILROAD SPIKE MARKING THE NORTHWEST CORNER OF SAID N½ NW¼ THENCE ALONG THE NORTH LINE OF SAID N½ NW¼ S87°29'37"E 299.78 FEET TO AN EXISTING #4 REBAR, THENCE CONTINUING ALONG SAID NORTH LINE S87°35'39"E 134.34 FEET TO A SET #4 REBAR, THENCE LEAVING SAID NORTH LINE S03°08'39"W 7.74 FEET TO AN EXISTING #5 REBAR ON SOUTHERLY RIGHT-OF-WAY OF E FLETCHER AVENUE, BEING THE TRUE POINT OF BEGINNING THENCE ALONG SAID RIGHT-OF-WAY ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF 470.00 FEET FOR A CHORD BEARING AND DISTANCE OF S55°20'05"E 100.26 FEET, THENCE S49°12'43"E 490.19 FEET, ALONG A CURVE TO THE LEFT HAVING A RADIUS OF 530.00 FEET FOR A CHORD BEARING AND DISTANCE OF S68°19'11"E 346.99 FEET TO AN EXISTING #5 REBAR, THENCE S87°25'51"E 629.60 FEET TO A SET #4 REBAR, THENCE S87°24'26"E 105.02 FEET TO AN EXISTING #5 REBAR, THENCE LEAVING SAID RIGHT-OF-WAY S02°04'41"W 5.13 FEET TO A SET #4 REBAR, THENCE N87°25'13"W 734.69 FEET, ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF 534.94 FEET FOR A CHORD BEARING AND DISTANCE OF N68°21'02"W 350.13 FEET, THENCE N49°13'32"W 490.23 FEET TO A SET #4 REBAR, ALONG A CURVE TO THE LEFT HAVING A RADIUS OF 465.80 FEET FOR A CHORD BEARING AND DISTANCE OF N55°11'53"W 96.75 FEET TO A SET #4 REBAR, THENCE N03°08'39"E 5.92 FEET TO THE POINT OF BEGINNING. CONTAINING 0.20 ACRES, MORE OR LESS. SUBJECT TO ALL RECORD AND NON RECORDED EASEMENTS, RESTRICTIONS, RESERVATIONS, COVENANTS, MINERAL RIGHTS AND RIGHTS-OF-WAY, IF ANY.

