

Real Estate Purchase Agreement

This Real Estate Purchase Agreement is dated _____, 2024 and is between Tauke Properties, LLC, an Iowa limited liability company, (the "Seller") and Cedar Rapids Community School District (the "Buyer").

The parties agree as follows:

1. **Purchase and Sale of Property.** The Seller shall convey to the Buyer the real property described as Linn County Tax Parcel No.'s 13011-76001-00000, 13011-76002-00000, 14062-51003-00000, 14062-51004-00000, 14062-51007-00000, 14062-51001-00000 legally described on **Exhibit A** (the "Property") The Seller shall convey the Property together with any easements and servient estates appurtenant thereto and subject to any (i) zoning restrictions, (ii) easements of record acceptable to the Buyer, and (iii) restrictive covenants of record acceptable to the Buyer; provided Buyer, on possession, is permitted to make use of the Property and the improvements constructed thereon for purposes related to school purposes.

2. **Purchase Price.** The Purchase Price shall be \$7,500,000.00 (the "Purchase Price"). The Buyer shall pay the Purchase Price in cash on the Closing Date with adjustments as provided in this agreement.

3. **Family Legacy.** As part of the sale of the Property the Buyer agrees to include in the design of the future CRCSD school building, on this Property, a memorial to the previous owner of the Property, Joan B. Nickol M.D. aka Joan B. Tauke, located with-in the new school as designed in good faith cooperation by the Buyer and the Seller. This shall include artifacts and a historical description as developed and agreed upon in good faith cooperation between the Buyer and the Seller. In addition, the Buyer will include a design and construction of a paved walking path, of at least one mile, on the Property that will be named Tauke Trail. This covenant shall survive the closing on the sale and purchase of the Property.

4. **Trees on Property.** Before the Closing Date, the Seller shall, at its sole cost and expense, harvest and remove any trees the Seller desires to retain from the Property. If Seller fails to timely harvest and remove the cut trees, the Seller waives all rights under this section 4 and the Buyer may retain or dispose of them in Buyer's sole discretion. The Seller shall indemnify, defend, release, and hold the Buyer harmless from any liability arising out of Seller's harvesting and removal of the trees.

5. **Real Estate Taxes.** Seller shall pay all real estate taxes that are due and payable as of the date of possession and constitute a lien against the Property, including any unpaid real estate taxes for any prior years. Seller shall also pay the prorated share of real estate taxes, based upon the Closing Date, for the fiscal year in which Possession is given (due and payable in the subsequent fiscal year). Buyer shall be given a credit for such proration at Closing based upon the last known actual net real estate taxes payable according to public record. Buyer shall pay all subsequent real estate taxes.

6. **Special Assessments.** The Seller shall pay all installments of special assessments payable through the Closing Date. Any preliminary or deficiency assessment which cannot be discharged by payment shall be paid by Seller through an escrow account with sufficient funds to pay such liens when payable, with any unused funds returned to Seller. The Buyer shall pay all other special assessments.

7. **Closing and Possession.** Closing shall occur on February 28, 2025, or such other date mutually agreed to by the parties (the "Closing Date"). The Seller shall deliver possession of the Property to the Buyer on the Closing Date. This transaction shall be considered closed upon: (i) the filing of all title

transfer documents, and (ii) the Seller's receipt of all funds due from the Buyer under this agreement ("Closing").

8. **Realtor Commissions and Brokerage Fees.** Buyer and Seller acknowledge that realtors are not involved in this transaction, so there are no commissions or brokerage fees due to any party.

9. **Seller's Closing Costs.** Seller shall pay the following costs associated with this transaction: (i) Seller's attorney's fees, brokerage fees (if any pursuant to an agreement signed by Seller), or other professional fees incurred by Seller in connection with this transaction; (ii) transfer taxes; (iii) the cost to update the abstract under section 13 of this agreement; (iv) one-half of the closing or settlement fee charged by a closing or title agent; (v) recording fees necessary to cure title defects identified under section 13 of this agreement; and (vi) all other costs customarily paid by sellers of real estate in Iowa.

10. **Buyer's Closing Costs.** Buyer shall pay the following costs associated with this transaction: (i) the Purchase Price under section 2 of this agreement; (ii) Buyer's attorney's fees, brokerage fees (if any pursuant to an agreement signed by Buyer), or other professional fees incurred by Buyer in connection with this transaction ; (iii) one-half of the closing or settlement fee charged by a closing or title agent; (iv) Buyer's expenses incurred during Buyer's Due Diligence Period under section 12 of this agreement; (v) the recording fee to record the deed transferring title to Buyer; and (vii) all other costs customarily paid by buyers of real estate in Iowa.

11. **Fixtures.** Included with the Property shall be all fixtures that integrally belong to, are specifically adapted to, or are a part of the real estate, whether attached or detached.

12. **Condition of Property.**

- a. Except as permitted by section 4, the Seller shall preserve the Property, including buildings, grounds, and all improvements, in its current condition until the Closing Date. The Seller shall ensure the house on the Property is free from all personal property, trash, and debris on the Closing Date.
- b. No later than January 10, 2025, the Seller will provide physical or electronic copies of all documents in its possession, and which are not readily available to Buyer in the public record or noted in the abstract of title for the Property, concerning the Property to the Buyer, including but not limited to surveys, as-built drawings, site plans, maps, historical records, reports, studies, investigations, audits, actions, or tests, relating in any way to the physical or environmental condition of the Property ("Due Diligence Documents"). The Seller authorizes the Buyer to speak to any person involved in the preparation of the Due Diligence Documents. The obligation of the Seller to supply the information, materials, reports, and documents described in this section 12(b) shall be continuing and the Seller shall promptly supply the Buyer with any additional such materials obtained by the Seller prior to Closing.
- c. From the date of this agreement until February 10, 2025 ("Buyer Due Diligence Period"), Buyer may, at Buyer's expense, perform an acquisition study to determine the suitability of the Property for Buyer's intended use, which study may include, but not be limited to, Buyer's evaluation of the Due Diligence Documents; a physical inspection of the Property by persons of Buyer's choice; Buyer's evaluation of the area of the Property and availability to the Property of sufficient sanitary and storm sewer, gas, water, communication, and electrical utility services; Buyer's evaluation of parking availability, traffic flow, and ingress and egress to and from the Property; Buyer's evaluation of the

zoning classification of the Property; Buyer's inspection and review of all agreements, leases, conveyances, encumbrances, restrictive covenants, contracts, or easements affecting the Property in any manner whatsoever; preparation, review, and approval of the Buyer's site and development plans for the Property, if any, by all governing agencies and necessary third parties; and other aspects of the Property pertaining to its use for Buyer's purposes. In the event Buyer is not satisfied for any reason whatsoever with the results of its acquisition study of the Property, then on or before the expiration of the Buyer Due Diligence Period, Buyer may, in its sole discretion, terminate this agreement by providing written notice to Seller.

- d. The Seller agrees that during the Buyer Due Diligence Period, Seller shall provide Buyer and its representatives and consultants with full and complete access to the Property so that Buyer can perform its due diligence on the Property, including without limitation, surveys, audits, tests, physical inspections, title examinations, appraisal inspections, air, soil, and water samples, temporary monitoring wells and soil borings, and other environmental and engineering audits by which Buyer can determine in its sole discretion that the Property is suitable for Buyer's intended purpose. If the Buyer intends to access the interior of the house located on the Property, the Buyer shall schedule a mutually agreed upon inspection date and time with the Seller and Buyer shall permit the Seller to join the inspection at the Seller's request.
- e. Buyer shall release Seller from any liability arising out of Buyer's presence on the Property and/or any activity on the Property. The Buyer shall also obtain and provide Seller with proof of liability insurance carried by any third-party vendor the Buyer uses to perform inspections.
- f. Except as otherwise required by this agreement, Upon Buyer's waiver of its contingencies in this Agreement, Buyer acknowledges and agrees that Buyer and Buyer's representatives have fully inspected the Property, or have been provided with an adequate opportunity to do so, are fully familiar with the financial and physical (including without limitation, environmental) condition thereof, and that the Property and all improvements thereon are being sold, and Buyer accepts the same, in their "AS IS, WHERE IS" condition "WITH ALL FAULTS". Except for the express representations and warranties contained in this agreement, neither Seller nor any party acting on behalf of Seller has made any representations or warranties whatsoever, whether written or oral, express or implied, regarding the Property, its condition or its habitability, merchantability or fitness for a particular purpose, including without limitation any representations or warranties relating to the value, nature or condition of the Property or the subsurface of the Property, suitability of the Property for Buyer's purposes, zoning, title, structural integrity, utilities, adjoining properties, access or the presence of hazardous materials of any kind whatsoever on the Property. This Section 12.f. shall survive the Closing.

13. **Abstract and Title.** Seller, at Seller's expense, shall promptly obtain an abstract of title to the Property continued to within 30 days of the date written in the introductory paragraph of this agreement and deliver it to Buyer's attorney to examine and render a title opinion. If the title opinion does not show marketable title in Seller in conformity with this agreement, Iowa law, and the title standards of the Iowa State Bar Association, the Seller shall reasonably cooperate with the Buyer to remedy any defects to title. If the Seller is unable to cure the defects to title by the Closing Date, then either party may terminate this agreement by giving 10 calendar days written notice to the other party. The abstract shall become the property of Buyer when the Purchase Price is paid in full.

14. **Survey.** Buyer may, at Buyer's expense during the Buyer Due Diligence Period, have the Property surveyed by a registered land surveyor. If the survey shows any encroachment on the Property or if any improvements located on the Property encroach on lands of others, the encroachments shall be treated as a title defect.

15. **Deed.** Seller shall convey the Property to Buyer by warranty deed, free and clear of all liens, restrictions, and encumbrances except as permitted by this agreement.

16. **Seller's Representations and Warranties.** The Seller represents and warrants to the Buyer that:

- a. To the best of Seller's knowledge, there are no known private burial site, solid waste disposal site, underground storage tank, or hazardous waste on the Property. The Property does include one or more wells and one or more private waste sewage disposal sites. The locations of the wells and private waste sewage disposal sites are shown, to the best of the Seller's knowledge, on the attached **Exhibit B**.
- b. The Seller has due capacity to sell the Property and enter into this agreement and is not restricted to execute or perform this agreement in any manner.
- c. The Seller is the owner in fee simple of the Property, and the Seller has the full power and authority to transfer the Property without any further consents or approvals of Seller or any third party.
- d. There are no leases or occupancy agreements concerning the Property.
- e. The Seller is not prohibited from consummating the transaction contemplated by this agreement by any law, rule, regulation, instrument, agreement, order, or judgment.
- f. To the best of Seller's knowledge, Seller has received no notice of any violations of any local, state or federal statutes or laws governing the generation, treatment, storage, disposal or clean-up of hazardous substances, materials, or wastes.
- g. There are no assessments against the Property in the official records of the taxing authorities in whose jurisdiction the Property is located and any prior assessments against the Property that are shown in the official records of the taxing authorities in whose jurisdiction the Property is located have been paid.
- h. To the best of Seller's knowledge, no improvements have been constructed or installed by any public authority, the cost of which may be assessed in whole or in part against any part of the Property in the future.
- i. Seller has not been notified of any possible future improvements that might create an assessment against any part of the Property.
- j. Neither Seller nor any of its affiliates, representatives or agents is, nor will they become, a person or entity with whom U.S. persons or entities are restricted from doing business under regulations of the Office of Foreign Asset Control ("OFAC") of the Department of the Treasury (including those named on OFAC's Specially Designated Nationals and Blocked Persons List) or under any statute, executive order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions with Persons Who

Commit, Threaten to Commit, or Support Terrorism), or other governmental action and is not and will not engage in any dealings or transactions or be otherwise associated with such persons or entities.

- k. Seller has complied with the terms, conditions, and provisions of all agreements affecting the Property.
- l. Seller's execution and delivery of this agreement and consummation of the transaction contemplated by this agreement make this agreement a valid and binding obligation of Seller in accordance with its terms.
- m. Seller's execution of this agreement and consummation of the transaction contemplated hereby does not and will not (i) result in a breach of or default under any indenture, agreement, instrument, or obligation to which Seller is a party, or (ii) violate any applicable law.
- n. The Property has direct access to the public right-of-way, and, to the best of Seller's actual knowledge, no fact or condition exists which would result in the termination of the current access from the Property to the public right-of-way.
- o. The Seller is not involved in any proceedings by or against the Seller in any court under the U.S. Bankruptcy Code or any insolvency or debtor's relief act, whether state or federal, or for the appointment of a trustee, receiver, liquidator, assignee, sequestrator or other similar official of a substantial part of Seller's property; and there are no other actions, suits or proceedings pending, threatened, or anticipated affecting the Property or relating to Seller's ownership and ability to convey the Property.
- p. There is no pending or threatened litigation concerning the Property.

The foregoing representations and warranties and any warranties and representations set forth elsewhere in this agreement, are true and correct on the date of this agreement and on the Closing Date. If the Seller becomes aware that any representation or warranty is untrue, inaccurate, or incomplete, Seller shall deliver written notice to the Buyer within 24 hours of obtaining such knowledge (but, in any event, prior to the Closing Date). The representations and warranties in this section shall survive Closing.

17. Buyer's Conditions to Closing. The Buyer's obligations under this agreement are subject to the fulfillment of each of the following conditions:

- a. This agreement being approved by the Board of Directors of the Cedar Rapids Community School District on or before January 13, 2025.
- b. The Buyer completing, to its satisfaction, a due diligence investigation of the Property under section 12.c. of this agreement.
- c. The Buyer completing, at its cost, an inspection of the wells and private sewage disposal systems on the Property prior to Closing. Buyer will be solely responsible for all costs associated with the abandonment of such wells and/or private sewage disposal systems after Closing.
- d. Seller demonstrating that it owns marketable fee simple title to the Property under section 13 of this agreement.

- e. Seller terminating or assigning, as applicable, all lease or occupancy agreements related to the Property prior to the date of Closing Date.
- f. Seller's representations and warranties set forth in this agreement being true, correct, and complete as of the Closing Date.

If these conditions precedent are not satisfied prior to the Closing Date, Buyer may terminate this agreement by providing written notice to Seller.

18. **Use of Purchase Price.** Seller agrees that at time of settlement, funds of the Purchase Price may be used to pay taxes, other liens, and to acquire outstanding interests, if any, prior to the proceeds being paid to Seller.

19. **Remedies.**

- a. If Buyer breaches, repudiates, or otherwise fails to timely perform this agreement, Seller's sole and exclusive remedy shall be to terminate this agreement by written notice to Buyer and recover Seller's actual, documented expenses associated with this transaction in an amount not to exceed \$5,000.00.
- b. If Seller breaches, repudiates, or otherwise fails to timely perform this agreement, Buyer may elect to (i) terminate this agreement by written notice to Seller, or (ii) to enforce this agreement by any available remedy, including specific performance.
- c. The prevailing party in any dispute arising out of this agreement shall be entitled to obtain judgment for its reasonable costs and attorney fees.

20. **Notice.** For a notice under this agreement to be valid, it must be in writing and must be delivered either (i) in person, (ii) via certified mail to the address noted below, or (iii) via email if the receiving party consents to receiving notice via email. All notices shall be effective upon receipt.

If to the Seller:
Tauke Properties, LLC
6865 Flint Rock Court
Marion, Iowa 52302

If to the Buyer:
Cedar Rapids Community School District
ATTN: Superintendent Grover
2500 Edgewood Rd NW
Cedar Rapids, IA 52405

21. **Time of the Essence.** In the performance of each part of this agreement, time shall be of the essence.

22. **Choice of Law.** All claims relating to this agreement shall be governed by the laws of the State of Iowa without regard to principles of conflicts of law.

23. **Forum.** The sole and exclusive jurisdiction for any action arising from or relating to this agreement shall be in the state courts located in the county in which the Property is located.

24. **Assignment.** Neither party may transfer to any other person (i) any discretion granted under this agreement, (ii) any right under this agreement, (iii) any remedy under this agreement, or (iv) any obligation imposed under this agreement.

25. **Survival.** This agreement shall survive the Closing.

26. **Entire Agreement.** This agreement constitutes the entire understanding between the parties with respect to the subject matter of this agreement and supersedes all other agreements, whether written or oral, between the parties.

27. **Modification and Waiver.** No amendment of this agreement will be effective unless it is in writing and signed by both parties. No waiver under this agreement will be effective unless it is in writing and signed by the party granting the waiver.

28. **Severability.** The parties agree that if a dispute between the parties arises out of this agreement, they would want the court to interpret this agreement as follows:

- a. With respect to any provision that it holds to be unenforceable, by modifying that provision to the minimum extent necessary to make it enforceable or, if that modification is not permitted by law, by disregarding that provision;
- b. If an unenforceable provision is modified or disregarded in accordance with this section, by holding that the rest of this agreement will remain in effect;
- c. By holding that any unenforceable provision will remain as written in any circumstances other than those in which the provision is held to be unenforceable; and
- d. If modifying or disregarding the unenforceable provision would result in failure of an essential purpose of this agreement, by holding the entire agreement unenforceable.

29. **Counterpart and Electronic Signatures.** This agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument. Facsimile and PDF signatures are as effective as original signatures.

[The parties have signed this agreement on the following page]

The parties are signing this agreement as of the date stated in the introductory clause.

SELLER:
TAUKE PROPERTIES, LLC

BUYER:
**CEDAR RAPIDS COMMUNITY
SCHOOL DISTRICT**

Signed by:
By: M. Kathy Tauke
8946A2ED1A0541D...

By: _____
Cindy Garlock, Board President

Print Name: M. Kathy Tauke

By: _____
Ryan Rydstrom, Board Secretary

Title: President/Manager

4867-2404-6578/17872-1020

Exhibit A

Parcel No.'s: 13011-76001-00000, 13011-76002-00000, 14062-51003-00000, 14062-51004-000000

That part of Lot 1 Irregular Survey of the SW $\frac{1}{4}$ of the NW $\frac{1}{4}$ of Section 6-83-7, Linn County, Iowa, lying West of right of way of CR.I. & P. Ry. Co., AND Lot 4 Irregular Survey of the SE $\frac{1}{4}$ of the NE $\frac{1}{4}$ of Section 1-83-8, Linn County, Iowa; AND that part of Lot 2 Irregular Survey of the SW $\frac{1}{4}$ of the NW $\frac{1}{4}$ of Section 6-83-7, Linn County, Iowa, lying North of the right of way of the C.M. St. P. & P. Ry. Co., AND that part of Lot 5, Irregular Survey of the SE $\frac{1}{4}$ of the NE $\frac{1}{4}$ of Section 1-83-8, Linn County, Iowa, lying North of the right of way of the C.M. St. P. & P. Ry. Co., Except public highways;

AND

Parcel 14062-51001-00000

All that part of the SW Fr $\frac{1}{4}$ of the NW $\frac{1}{4}$ of Section 6-83N-7W, Linn County, Iowa, lying NW-ly of Usher's Ferry Road and East of the Chicago, Rock Island and Pacific Railroad right of way, and all that part of the SE $\frac{1}{4}$ of the NW $\frac{1}{4}$ of said Section 6 lying NW-ly of Usher's Ferry Road, totaling 3 .1 acres more or less;

AND

Parcel No. 14062-51007-00000

An irregular shaped parcel of land located in Linn County, Iowa, being in the West One-half of the Northwest Quarter of Section 6, Township 83 North, Range 7 West of the Fifth (5) Principal Meridian, more particularly described as follows: Commencing at the intersection of The Chicago, Rock Island and Pacific Railroad Company's main track centerline as evidenced, monumented or recorded in Linn County, Iowa and the Chicago, Milwaukee and St. Paul Railroad's main track centerline as evidenced, monumented or recorded in Linn County, Iowa, being The Chicago, Rock Island and Pacific Railroad Company's Engineering Profile Station 5552 + 33.5, being the POINT OF BEGINNING; thence Westerly along the Chicago, Milwaukee and St. Paul Railroad's main track centerline for a distance of approximately fifty feet (50') to The Chicago, Rock Island and Pacific Railroad Company's Westerly right-of-way line as evidenced, monumented or recorded in Linn County, Iowa; thence Northerly along The Chicago, Rock Island and Pacific Railroad Company's Westerly right-of-way line for a distance of approximately one thousand one hundred and thirty feet (1,130') to The Chicago, Rock Island and Pacific Railroad Company's Engineering Profile Station 5563 + 65 (\pm); thence East along the line of The Chicago, Rock Island and Pacific Railroad Company's Engineering Profile Station 5563 + 65 (\pm) for a distance of approximately fifteen feet (15'); thence continuing Northerly along The Chicago, Rock Island and Pacific Railroad Company's Westerly right-of-way line for a distance of approximately six hundred fifty-five feet (655') to The Chicago, Rock Island and Pacific Railroad Company's Engineering Profile Station 5569 + 46.00; thence East along the line of The Chicago, Rock Island and Pacific Railroad Company's Engineering Profile Station 5569 + 46.00 for a distance of seventy feet (70') to a point on The Chicago, Rock Island and Pacific Railroad Company's Easterly right-of-way line as evidenced, monumented or recorded in Linn County, Iowa; thence Southerly along The Chicago, Rock Island and Pacific Railroad Company's Easterly right-of-way line for a distance of approximately six hundred fifty-five feet (655') to The Chicago, Rock Island and Pacific Railroad Company's Engineering Profile Station 5563 + 65 (\pm); thence East along the line of The Chicago, Rock Island and Pacific Railroad Company's Engineering Profile Station 5563 + 65 (\pm) for a distance of approximately fifteen feet (15'); thence continuing Southerly along The Chicago, Rock Island and Pacific Railroad Company's Easterly right-of-

way line for a distance of approximately one thousand one hundred thirty feet (1,130') to the Chicago, Milwaukee and St. Paul Railroad's main track centerline; thence Westerly along the Chicago, Milwaukee and St. Paul Railroad's main track centerline for a distance of approximately fifty feet (50) to the POINT OF BEGINNING. EXCEPTING THEREFROM: That portion of the former right of way of the Chicago, Rock Island and Pacific Railroad Company located in the NW $\frac{1}{4}$ of Section 6-83N-7W, Linn County, Iowa, described as follows: All that part of the 70 foot wide strip of former Chicago, Rock Island and Pacific Railroad Company railroad right of way located in the NW $\frac{1}{4}$ of said Section 6, adjoining the West line of Lot 6, Auditor's Plat No. 64, lying South on the South right of way line of Blairs Ferry Road NE, AND ALSO EXCEPTING THEREFROM, the North 655 feet thereof.

Exhibit B



1 = Well

2 = Septic

3 = Septic & Well – Exact Location Unknown. We believe they are both between the old house (pinned on the map) and the barn; We also believe the septic was retired when the house was demolished.

