

**PURCHASE AND SALE AGREEMENT FOR REAL PROPERTY  
LOCATED IN THE INCORPORATED COUNTY OF LOS ALAMOS  
COMMONLY REFERRED TO AS THE GYMNASTICS SCHOOL**

This Purchase and Sale Agreement (“Agreement”), for good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, is entered into by and between The Los Alamos School of Gymnastics (LASG or Seller), and The Incorporated County of Los Alamos (Purchaser or County) effective the date the Agreement is signed by Purchaser and Seller.

**ARTICLE I  
BASIC INFORMATION**

**Purchaser and Seller have set out the terms and conditions of their agreement in the body of the Agreement below. For convenience, they provide in this Article I certain terms that reappear throughout the Agreement.**

1.1 Certain Basic Terms:

(a) Effective Date: The Effective Date of the Agreement shall be the date the Agreement is fully executed by both the Purchaser and the Seller.

(b) Purchaser and Notice Address:

Incorporated County of Los Alamos  
Attn: County Manager  
1000 Central Avenue, Suite 350  
Los Alamos, NM 87544  
Telephone: (505) 663-1750  
Facsimile: (505) 983-7421  
Email: [lacmanager@losalamosnm.gov](mailto:lacmanager@losalamosnm.gov)

With Copy to:

Incorporated County of Los Alamos  
Attn: County Attorney  
1000 Central Avenue, Suite 340  
Los Alamos, New Mexico 87544  
Telephone: (505) 662-8020  
Email: [lacattorney@losalamosnm.gov](mailto:lacattorney@losalamosnm.gov)

(c) Seller and Notice Address:

Los Alamos School of Gymnastics  
555 North Mesa Road  
Los Alamos, New Mexico 87544  
Telephone: (505)  
Email:

- (d) **Purchase Price:** The Purchaser shall pay the following sum to Seller in exchange for Seller conveying all rights in the Property described in Paragraph 1.2: FIVE HUNDRED THOUSAND DOLLARS AND NO CENTS (\$500,000.00) to be paid in cash at closing, subject to the closing cost allocations and proration set forth.
- (e) **Earnest Money:** FIVE THOUSAND AND NO 00/100 DOLLARS (\$5,000.00) to be delivered to the Escrow Agent within five (5) business days from the Effective Date.
- (f) **Due Diligence Period:** The Due Diligence Period shall begin on the Effective Date and continue for no more than ninety (90) days from the Effective Date.
- (g) **Closing Date:** The Closing Date shall be a date within ninety (90) days after the end of the Due Diligence Period unless otherwise agreed to by the Purchaser and Seller.
- (h) **Title Company:** Any funds escrowed pursuant to this Agreement shall be escrowed with the following Escrow Officer upon Title Guaranty, LLC executing an *Acknowledgement by Title Guaranty, LLC* for all escrowed funds received as shown in **Exhibit A** to this Agreement.

Title Guaranty, LLC  
1200 Trinity Drive  
Los Alamos, New Mexico 87544  
Phone: (505)662-2241  
Fax: (505)662-6891  
Escrow Officer: Denise G. Terrazas  
E-mail: denisgt@titleguarantynm.com

1.2 **Property:** The Seller has a land lease with the County that is attached as **Exhibit B** and is the owner of the improvements on the on certain real property owned by the Purchaser including a building commonly referred to as the Los Alamos School of Gymnastics. Subject to the terms of this Agreement, Sellers agree to sell all improvements located on the certain real property owned by the Purchaser to Purchaser, including the building commonly known as the Los Alamos School of Gymnastics in Los Alamos County, New Mexico, located on Purchaser's real property more particularly described on **Exhibit C** attached hereto. Purchaser agrees to purchase from Seller, all improvements on certain real property owned by the Purchaser including the building commonly known as the Los Alamos School of Gymnastics in Los Alamos County, New Mexico, located on Purchaser's real property more particularly described on **Exhibit C** attached hereto

1.3 **Purchaser Cash Payment:** The Purchase Price, subject to the proration and closing cost allocations as provided in Section 6.1 and Section 1.5 respectively, shall be paid in cash at Closing by Purchaser to Seller. The Earnest Money shall be applied to the Purchase Price as stated in this Agreement.

1.4 **Earnest Money:** The Earnest Money, in immediately available federal funds, shall be deposited by Purchaser with the Escrow Agent as provided in Section 1.1(i). In the event that Purchaser fails to timely deposit the Earnest Money with the Escrow Agent, this Agreement shall

be of no force and effect. The Earnest Money shall be held in an interest bearing account, interest to accrue for the benefit of Seller or Purchaser as the case may be and all amounts deposited pursuant to the terms hereof and interest earned thereon shall be the “Earnest Money”. If this Agreement is terminated by Purchaser during the Due Diligence Period, the Earnest Money shall be paid to Purchaser. In the event this Agreement is not terminated within the Due Diligence Period as permitted under Section 2.4 hereof or as otherwise provided for in this Agreement, the Earnest Money shall be non-refundable except in the event of Sellers’ default for failure or refusal to close as provided in Section 8.2 of this Agreement.

1.5 Closing Costs: Closing costs shall be allocated and paid as follows at Closing:

<u>Cost/Obligation</u>	<u>Responsible Party</u>
Title Commitment required to be delivered pursuant to <u>Section 3.1</u>	Purchaser
Premium for standard form Title Policy required to be delivered pursuant to <u>Section 3.1</u> in the amount of Purchase Price	Purchaser
Premium for any upgrade of Title Policy for extended or additional coverage and any endorsements desired by Purchaser, any inspection fee charged by the Title Company, tax certificates, municipal and utility lien certificates,	Purchaser
Costs of Survey and/or any revisions, modifications or re-certifications thereto (if any)	Purchaser
Costs for UCC Searches (if any)	Purchaser
Recording Fees	Purchaser
Any deed taxes, documentary stamps, transfer taxes, intangible taxes, mortgage taxes or other similar taxes, fees or assessments	Sellers
Any escrow fee charged by Escrow Agent for holding the Earnest Money or Settlement/Closing Fee	Purchaser
Any and all fees associated with Purchaser’s lender (if any)	Purchaser

**ARTICLE II  
INSPECTIONS AND DUE DILIGENCE**

2.1 Property Information: During the Due Diligence Period, as defined in Section 1.1(j), the Purchaser may make written requests upon the Seller for documents. Upon receipt by Seller of a request for documents from the Purchaser, the Seller shall determine whether responsive documents are in the possession and control of the Seller. If the requested documents are in the possession and control of the Seller, the Seller shall furnish the requested additional documents to

the Purchaser as soon as reasonably possible but no later than fifteen (15) days after Seller receives Purchaser's request for documents unless a later time is agreed to by the Purchaser and Seller in writing. If the requested documents enjoy a legal privilege, or the Purchaser is required by law to maintain the confidentiality of the requested additional documents, the Seller shall provide a written response to Purchaser stating that the Seller has the requested documents, and citing legal privilege, if any, and/or the legal authority that requires the Seller to maintain the confidentiality of the documents. If the Seller do not have documents the Purchaser has requested, in its possession and control, the Seller shall provide a written timely response to Purchaser stating same.

## 2.2 Inspections of Property by Purchaser During the Due Diligence Period

a. During the Due Diligence Period, the Purchaser, its agents, and employees shall have the right to enter upon the Property for the purpose of making all such inspections as Purchaser deems appropriate at Purchaser's sole risk, cost and expense. If any inspection or test disturbs the Property, Purchaser will restore the Property to substantially the same condition as existed prior to the inspection or test. All such entries upon the Property shall be at reasonable times.

b. Purchaser acknowledges and agrees that it is relying on its inspections and investigations in acquiring the Property, and that the Due Diligence period allows the Purchaser an adequate opportunity to inspect the Property and perform any other investigation and analysis to determine whether Purchaser wants to purchase the Property per the terms of this Agreement including purchasing the Property "AS IS, WHERE IS, WITH ALL FAULTS" as specifically provided in Section 9.16 of this Agreement.

2.3 Service Contracts: As soon as reasonably possible and at FOURTEEN (14) days prior to the end of the Due Diligence period, Seller shall identify any service contracts that exist between the Seller and a Third-Party that provides services to the Property and notify the Purchaser of such service contracts. Prior to the close of the Due Diligence and after receipt from Seller of the service contract, Purchaser shall notify Seller in writing of any service contract the Purchaser requires the Seller to terminate. Seller shall terminate the service contracts identified by the Purchaser prior to Closing.

2.4 Termination During Due Diligence Period: Purchaser may elect, in its sole unfettered discretion, for any reason or no reason, to terminate this Agreement prior to the end of the Due Diligence Period by giving Seller written notice thereof as herein provided. In the event Purchaser exercises this right of termination, Escrow Agent is hereby irrevocably instructed to refund the Earnest Money to Purchaser without the necessity of Sellers' consent, and neither party shall have any further rights or liabilities hereunder except for those provisions which survive the termination of this Agreement.

## **ARTICLE III TITLE/SURVEY/ENVIRONMENTAL REVIEW**

3.1 Timing of Title/Survey: Within fifteen (15) days after the Escrow Agent's receipt of the Earnest Money, Seller, at Purchaser's cost, shall provide Purchaser, a current American Land Title

Association (ALTA) owner's title commitment for the Property from the Title Company and copies of all documents referenced in exceptions to title shown thereon ("Title Report"). Within thirty (30) days after the Escrow Agent's receipt of the Earnest Money, Seller consents to provide Purchaser permission for the County Surveyor to enter upon the property and conduct a current ALTA Survey ("Survey"), at Purchaser's cost and expense. As used in this Paragraph 3.1 "current" shall mean dated no earlier than thirty (30) days from the Effective Date.

### 3.2 Title/Survey/Environmental Review and Cure:

a. Purchaser shall review the Title Report and Survey obtained pursuant to Section 3.1 hereof, and Purchaser shall review the environmental status of the Property during the Due Diligence Period. Purchaser shall notify Sellers in writing of any title, survey and/or environmental objections prior to expiration of the Due Diligence Period. Seller shall have no obligation to cure any title or survey, or environmental objections, except as expressly required by this Agreement, and Purchaser shall have no obligation to purchase the Property in the event Seller elects not to cure a defect identified by Purchaser.

b. In the event the Purchaser waives objections raised pursuant to Paragraph 3.2(a) and elects to proceed to Closing, the Closing shall occur as contemplated herein and Purchaser shall accept the Property subject to such condition without reduction of Purchase Price.

c. In the event Purchaser does not object to the condition of the title to the Property as shown on the Title Report or Survey within the Due Diligence Period, the condition of the title as shown therein shall be deemed approved and any exceptions to title shown in the Title Report which are approved or deemed approved shall constitute "Permitted Exceptions" for purposes of the Title Policy and the Special Warranty Deed.

d. If the Title Company or surveyor revises the Title Report or Survey after the expiration of the Due Diligence Period and prior to Closing to add or modify exceptions or requirements that adversely and materially affect title to the Property, Purchaser may object to such matter by notice to Seller within ten (10) days after such revised Title Report or Survey is delivered to Purchaser. Seller may, but shall not be obligated to, attempt to cure any title or survey objection by the Closing Date.

e. If Seller elects not to cure any such title or survey objection raised pursuant to Paragraph 3.2(d) or fails to cure any such objection raised pursuant to Paragraph 3.2(d) within fifteen (15) days following Purchaser's notice of objections, then Purchaser shall have no obligation to purchase the Property and may terminate this Agreement by written notice to Seller within forty-five (45) days of the notice of objections Purchaser provided to Seller pursuant to Paragraph 3.2(d). In this event, the Earnest Money shall be refunded immediately to the Purchaser unless the Purchaser waives objections and elects to proceed to closing.

f. In the event the Purchaser waives objections raised pursuant to Paragraph 3.2(d) and elects to proceed to Closing, the Closing shall occur as contemplated herein and Purchaser shall accept the Property subject to such condition without reduction of Purchase Price.

3.3 Title Policy: As soon as possible after the Closing, at Purchaser's cost and expense, the Title Company shall deliver to Purchaser a standard Owner's Title Insurance Policy (the "Title Policy"), issued by the Title Company dated the date of recording of the Special Warranty Deed in the amount of the Purchase Price, insuring Purchaser as owner of fee simple title to the Property subject only to the Permitted Exceptions. Any endorsements or extended and special coverages to the Title Policy shall be obtained by Purchaser at Purchaser's sole cost and expense.

#### **ARTICLE IV CONDEMNATION**

Condemnation: Risk of loss resulting from any condemnation or eminent domain proceeding which is commenced or has been contemplated prior to the Closing, shall remain with Seller. If prior to the Closing, the Property or any portion of the Property shall be subject to a *bona fide* threat of condemnation or shall become the subject of any proceedings, judicial, administrative or otherwise, with respect to the taking by eminent domain or condemnation, Seller shall immediately notify Purchaser thereof after receipt of actual notice thereof by Seller, but in any event prior to Closing. If a material portion of the Property is subject to eminent domain or condemnation, Purchaser may elect within fifteen (15) days after receipt of such notice, to terminate this Agreement (the "Election Period") and receive an immediate refund of the Earnest Money or to proceed to Closing. If the Closing Date is within the Election Period, then Closing shall be extended to the next business day following the end of the Election Period. If Purchaser does not elect to terminate this Agreement, and in any event if the taking is not material, this Agreement shall remain in full force and effect and the purchase contemplated herein, less any interest taken by eminent domain or condemnation, shall be effected and Purchaser shall accept an assignment from Sellers of the condemnation proceeds. For the purposes of this paragraph, "material portion" as to a taking or condemnation means a twenty percent (20%) or greater portion of the Property being condemned or taken.

#### **ARTICLE V CLOSING**

5.1 Closing: The consummation of the transaction contemplated herein ("Closing") shall occur on or before the Closing Date as defined in Paragraph 1.1(g), or such other time as the parties, through their respective agents who are executing this Agreement, may mutually specify in writing for the Closing.

5.2 Conditions to Purchaser's Obligations to Close: In addition to such other conditions to Close as are specified throughout this Agreement, the obligation of Purchaser to consummate the transaction contemplated hereunder is contingent upon the following:

- (a) The representations of Seller contained herein shall be true and correct in all material respects as of the Closing Date.
- (b) Seller shall have performed all obligations required to be performed prior to Closing per the terms of this Agreement.

- (c) Except for the potential condemnation action that could arise from the failure of the County to acquire the Property through a negotiated purchase, there shall exist no pending or threatened legal action, suit or proceeding with respect to the Property or this Agreement.
- (d) No moratoria shall have been imposed, and no moratoria shall be known to be under consideration by a governmental entity or utility provider that would materially and adversely impact the development of the Property or the future economic viability of the Project. If such a moratoria has been imposed, or it is known that such a moratoria is under consideration by a governmental entity or utility provider the Purchaser may, its sole discretion, terminate this Agreement and receive the Earnest Money Deposit, with interest, or delay Closing for the shorter time period of the following; (i) until the moratoria is lifted; (ii) until the moratoria is dismissed from consideration by the governmental entity or utility provider, or (iii) one hundred eighty (180) days. For a moratoria to be deemed under consideration by a governmental entity or utility provider, the moratoria must appear as a potential item for action on an agenda for a meeting of the governing body of the governmental entity or utility provider, or competent evidence must be produced showing that an agent of the governmental entity or utility provider with legal authority to impose such a moratoria, is in fact, likely to impose such a moratoria.
- (e) The Seller represents that they have provided to the Purchaser all documentation, notices, reports, and records concerning the Property.

If any of the foregoing conditions to Purchaser's obligation to proceed with the Closing have not been satisfied as of the Closing Date, Seller may, in its sole discretion, terminate this Agreement by delivering written notice to Purchaser on or before the Closing Date, in which event the Earnest Money shall be disbursed to Seller, or to close, notwithstanding the non-satisfaction of such condition, in which event Purchaser shall be deemed to have waived any such condition.

5.3 Conditions to Sellers' Obligations to Close: In addition to such other conditions to Closing as are specified throughout this Agreement, the obligation of Sellers to consummate the transaction contemplated hereunder is contingent upon the following:

- (a) The representations of Purchaser contained herein shall be true and correct in all material respects as of the Closing Date.
- (b) Purchaser shall have performed all obligations required to be performed prior to Closing per the terms of this Agreement.
- (c) There shall exist no pending or threatened legal action, suit or proceeding with respect to the Property.

If any of the foregoing conditions to Sellers' obligations to proceed with the Closing have not been satisfied as of the Closing Date, Purchaser may, in its sole discretion, terminate this Agreement by delivering written notice to Seller on or before the Closing Date, in which event the Earnest Money

shall be immediately returned to Purchaser, or Purchaser may elect to close, notwithstanding the non-satisfaction of such condition, in which event Purchaser shall be deemed to have waived any such condition.

5.4 Sellers Deliveries in Escrow: Ten (10) days before the Closing Date, Seller shall deliver in escrow to the Escrow Agent, with copies of same delivered to the Purchaser, the following:

- (a) Transfer Documents:
  - (i) FIRPTA: A Foreign Investment in Real Property Tax Act affidavit executed by Seller, reciting under penalty of perjury, that such Seller is not a foreign person;
  - (ii) Authority: Evidence of the existence, organization and authority of the entity Seller and of the authority of the persons executing documents on behalf of such entity Seller, such evidence reasonably satisfactory to Purchaser, the Escrow Agent and the Title Company;
  - (iii) Additional Documents: Any additional documents that the Escrow Agent or the Title Company or Purchaser may reasonably require for the proper consummation of the transaction contemplated by this Agreement including the Title Company's standard lien and possession affidavit;
  - (iv) Closing Statement: A Closing Statement prepared by the Escrow Agent accurately reflecting the Purchase Price, cost allocations and proration as herein provided;
  - (v) Appurtenances: An assignment in recordable form of Sellers right, title, and interests, if any such rights, title and interests are vested in the Seller, to all appurtenances, plans, property contracts, entitlements, intangibles and all other portions of the Property not constituting real property to Purchaser; provided, however, that by accepting such assignment, Purchaser shall not assume any obligations under any instrument or right assigned, unless Purchaser has expressly assumed such obligations in writing. Seller will not amend or modify any of the above items included in the Property without Purchaser's prior written consent; and
  - (vi) Service Contracts: Evidence of termination of any service contracts that the Purchaser has requested Seller to terminate in writing pursuant to Paragraph 2.3 of this Agreement.

5.5 Purchaser's Deliveries in Escrow: On or before the Closing Date, Purchaser shall deliver in escrow to the Escrow Agent the following:

- (a) Purchase Price: The Purchase Price, less the Earnest Money that is applied to the Purchase Price, which shall be delivered to Seller by Escrow Agent, plus or minus applicable

proration. The Purchase Price shall be deposited by Purchaser with the Escrow Agent in immediate, same-day federal funds wired for credit into the Escrow Agent's escrow account;

(b) Additional Documents: Any additional documents that Escrow Agent or the Title Company may reasonably require for the proper consummation of the transaction contemplated by this Agreement;

(c) Authority: Evidence of the existence, organization and authority of Purchaser and of the authority of the persons executing documents on behalf of Purchaser reasonably satisfactory to Seller, the Escrow Agent and the Title Company.

(d) Deed: New Mexico Special Warranty Deed (the "Deed") for review and approval by Seller whereby Seller conveys their property to Purchaser the Property with special statutory warranty covenants. If the Deeds are approved, the Purchaser shall deliver them to Escrow Agent for execution by Sellers.

5.6 Title Policy: The Title Policy (as described in Section 3.3 hereof) shall be delivered to Purchaser as soon as possible after the Closing as provided in Section 3.3 hereof.

5.7 Possession: Seller shall deliver possession of the Property to Purchaser at the Closing, subject only to the Permitted Exceptions.

5.8 Close of Escrow: Upon satisfaction or completion of the foregoing conditions and deliveries, the parties shall direct the Escrow Agent to immediately record and deliver the documents described above to the appropriate parties and make disbursements according to the closing statement executed by Seller and Purchaser.

## **ARTICLE VI PRORATION**

6.1 Proration: The following item shall be prorated between Seller and Purchaser as of the Closing Date with Seller paying the following Property related expenses through the Closing Date.

(a) Taxes and Assessments: General real estate taxes imposed by governmental authority ("Taxes") not yet due and payable shall be prorated. If the Closing occurs prior to the receipt by Seller of the tax bill for the current calendar year or other applicable tax period in which the Closing occurs, Purchaser and Seller shall prorate Taxes for such calendar year or other applicable tax period based upon the most recent ascertainable assessed values and tax rates. Upon receipt of the tax bill for the year of Closing, the Escrow Agent shall make any adjustments to the Closing proration, based upon the actual tax bill.

6.2 Commissions: Seller and Purchaser represent to the other that they have not dealt with any real estate broker, sales person or finder in connection with this transaction.

## **ARTICLE VII**

## REPRESENTATIONS AND WARRANTIES

7.1 Sellers Representations and Warranties: As a material inducement for Purchaser to execute this Agreement and consummate this transaction, Seller represents and warrants to Purchaser that:

- (a) Organization and Authority: Seller has been duly organized and validly exists as a legal entity in good standing in the State of New Mexico. Seller has the full right and authority and will have obtained any and all consents required to enter into this Agreement and to consummate or cause to be consummated the transactions contemplated hereby prior to Closing. This Agreement has been, and all of the documents to be delivered by Seller at the Closing will be, authorized and properly executed and constitute, or will constitute, as appropriate, the valid and binding obligation of Seller, enforceable in accordance with their terms.
- (b) Conflicts and Pending Action: There is no agreement to which Seller is a party or, to Seller's knowledge, is binding on Sellers and which is in conflict with this Agreement. There is no action or proceeding pending or, to Seller's knowledge, threatened against Seller or the Property, including condemnation proceedings, which challenges or impairs Seller's ability to execute or perform their obligations under this Agreement.
- (c) Litigation: There is no litigation or arbitration or other legal or administrative suit, action, proceeding of any kind pending, or to the best of Sellers knowledge, threatened or under investigation against or involving the Property, or any part thereof.
- (d) Environmental, Historical, and the Archeological: The Sellers have searched their records for records containing information regarding the generation, location, transportation, storage, treatment, discharge, disposal, or release of any toxic or hazardous waste or any pollutant upon or under the Property subject to regulation under the Resource Conservation and Recovery Act (as amended by the Hazardous and Solid Waste Amendments of 1984), the Comprehensive Environmental Response, Compensation and Liability Act (as amended by the Superfund amendments and Reauthorization Act of 1986), or any other applicable State or Federal environmental protection law or regulation, as well as for records containing information regarding human burial sites or historical and/or archeological artifacts that may interfere with the use of the Property and have furnished any record found containing such information to the Purchaser. Nothing in this provision relieves the Purchaser of its duty to perform its own investigations and inspections of the Property during the Due Diligence period for purpose of the Purchaser determining whether Purchaser desires to purchase the Property "**AS IS, WHERE IS, WITH ALL FAULTS**" as specifically provided in Section 9.16 of this Agreement.
- (e) Bills: Sellers have paid or will pay in full all bills and invoices for labor and materials of any kind arising from Seller's ownership, operation, management,

repair, maintenance or leasing of the Property, and there are no actual or potential mechanic's liens outstanding or available to any party in connection with the Seller's ownership, operation, management, repair, maintenance or leasing of the Property.

- (f) Possessory Rights: Regarding the sale of the Property to the Purchaser, there are no purchase contracts, options or any other agreements of any kind, oral or written, by which any person or entity other than Seller will have acquired or will have any basis to assert any right, title or interest in, or right to possession, use, enjoyment or proceeds of, any part or all of the Property, except as to rights created under the Leases or Service Contracts or as otherwise disclosed in this Agreement, the Commitments, or in the deliveries made by Seller pursuant to this Agreement. It is understood and agreed that if such leases or contracts or rights do not meet with Purchaser's approval, their existence shall entitle Purchaser to terminate this Agreement and receive back the Earnest Money deposit and interest.
- (g) Violations of Law: Seller has received no notice of violation of any applicable Federal, state or local law, statute, ordinance, order, requirement, rule or regulation, or of any covenant, condition, restriction or easement affecting the Property, or this Agreement and Seller does not have any actual notice of any such violation.
- (h) Ownership: Seller is the fee simple owner of the Property and as of Closing, Seller will own all such Property free and clear of all liens, financial encumbrances, leases, covenants, conditions, restrictions, rights-of-way, easements, encroachments and other matters affecting title, excepting only the Permitted Exceptions. Seller further represents and warrants to Purchaser that no other party has any rights in and to the Property.
- (j) Parties in Possession: To the best of Seller's knowledge, there are no parties other than Seller in possession of any portion of the Property.
- (k) In the event of any material adverse change in any of Seller's representations and warranties in this Article or elsewhere in this Agreement, Seller shall promptly notify Purchaser, in writing, of such change.

7.2 Purchaser's Representations and Warranties: As a material inducement for Seller to execute this Agreement and consummate this transaction, Purchaser represents and warrants to Seller that:

- (a) Organization and Authority: Purchaser has been a duly organized and is a valid existing entity in good standing in the state of New Mexico. Purchaser has the full right and authority and has obtained any and all consents required to enter into this Agreement and to consummate or cause to be consummated the transactions contemplated hereby. This Agreement has been, and all of the documents to be delivered by Purchaser at the Closing will be, authorized and properly executed and

constitute, or will constitute, as appropriate, the valid and binding obligation of Purchaser, enforceable in accordance with their terms.

- (b) Conflicts and Pending Action: There are no agreements to which Purchaser is a party or to Purchaser's knowledge binding on Purchaser which is in conflict with this Agreement. There is no action or proceeding pending or, to Purchaser's knowledge, threatened against Purchaser which challenges or impairs Purchaser's ability to execute or perform its obligations under this Agreement.
- (c) Purchaser warrants that it is relying solely on its inspections and its investigations to determine whether Purchaser desires to purchase "**AS IS, WHERE IS, WITH ALL FAULTS**" as specifically provided in Section 9.16 of this Agreement.
- (d) In the event of any material adverse change in any of Purchaser's representations and warranties in this Article or elsewhere in this Agreement, Purchaser shall promptly notify Seller, in writing, of such change.
- (e) In the event Purchaser terminates this Agreement, Purchaser shall provide Seller timely written notice that states the reason or reasons – if any- for such termination. If the reason or reasons provided in the notice derive from adverse information regarding the Property discovered by the Purchaser during the Due Diligence period, Purchaser agrees to provide that adverse information to Seller.

## **ARTICLE VIII REMEDIES FOR FAILURE TO CLOSE ONLY**

8.1 Default By Purchaser For Failure to Close: In the event that Purchaser fails or refuses to Close the purchase of the Property except as allowed by this Agreement, Purchaser agrees that Seller shall have the right to have the Escrow Agent deliver the Earnest Money to Seller as liquidated damages to compensate Seller for time spent, labor and services performed, and the loss of its bargain as a result of Purchaser's failure or refusal to Close. Purchaser and Seller agree that it would be impracticable or extremely difficult to affix damages in the event of Purchaser's failure or refusal to Close, and that the Earnest Money, together with the interest thereon, represents a reasonable estimate of Seller's damages for Purchaser's failure or refusal to Close, except as allowed in this Agreement. Under such circumstances, Seller agrees to accept the Earnest Money as Seller's total damages and relief for Purchaser's failure or refusal to Close, except when such failure or refusal to Close is expressly allowed by this Agreement. In the event that Purchaser shall fail or refuse to Close, Seller shall be entitled to seek any and all remedies at law and equity including specific performance, however damages shall be limited to actual costs incurred. In the event Seller elects to bring an action, it shall commence such action, if at all, within ninety (90) days after the scheduled Closing date. In the event that Purchaser does so default by failing or refusing to Close, this Agreement shall be terminated, and Purchaser shall have no further right, title, or interest in the Property.

8.2 Default By Seller for Failure to Close: Purchaser and Seller agree that it would be impracticable or extremely difficult to affix damages in the event Seller fails or refuses to Close,

and that the below remedies are sufficient remedies to redress and compensate the Purchaser for Seller's failure or refusal to Close under conditions not allowed by this Agreement. In the event Seller shall fail or refuse to Close the purchase of the Property, except when such failure or refusal to Close is expressly allowed by this Agreement, Purchaser shall be entitled to seek any and all remedies at law and equity including specific performance, however damages shall be limited to actual costs incurred. In the event Purchaser elects to bring an action, it shall commence such action, if at all, within ninety (90) days after the scheduled Closing date hereunder.

8.3 The above default and damages provisions only apply to claims and damages that arise and result from a default for the failure of the Seller or Purchaser to Close. Unless otherwise specifically limited elsewhere in the Agreement, Seller and Purchaser shall retain all rights and remedies provided in law and equity to seek redress of any other default or breach of this Agreement.

## **ARTICLE IX MISCELLANEOUS**

9.1 Parties Bound: The Purchaser may not assign this Agreement without the prior written consent of the Seller, and the Seller may assign this Agreement without the prior written consent of the Purchaser. Any prohibited assignment shall be void. Subject to the foregoing, this Agreement shall be binding upon and inure to the benefit of the respective legal representatives, successors, assigns, heirs, and devisees of the parties.

9.2 Headings: The article and paragraph headings in this Agreement are of convenience only and in no way limit or enlarge the scope or meaning of the language hereof.

9.3 Invalidity And Waiver: If any portion of this Agreement is held invalid or inoperative, then so far as is reasonable and possible and so long as each party obtains the principal benefits for which it bargained, the remainder of this Agreement shall be deemed valid and operative, and effect shall be given to the intent manifested by the portion held invalid or inoperative. The failure by either party to enforce against the other any term or provision of this Agreement shall not be deemed to be a waiver of such party's right to enforce against the other party the same or any other such term or provision in the future.

9.4 Governing Law: This Agreement shall, in all respects, be governed, construed, applied, and enforced in accordance with the law of the state of New Mexico, and the parties agree and consent that the venue for any cause of action arising from this Agreement shall only be the First Judicial District Court of Los Alamos.

9.5 Mediation The parties agree that in the event a dispute arises regarding any of the duties, rights or obligations of any of the parties or regarding any provision in the Agreement, except default for failure to close as provided for in Article VIII of the Agreement, the parties shall first attend a mediation before a mutually agreed upon mediator, to attempt to resolve any disputes prior to filing any cause of action in law or equity. The party seeking mediation shall notify the other party, in writing, of its request to mediate, and said mediation shall occur within thirty (30) days

of said notice unless mutually agreed otherwise by the parties in writing and the costs thereof shall be split equally by the parties.

9.6 Contractual Liability: The parties agree that this is a valid written contract for purposes of NMSA 1978, Section 37-1-23.

9.7 No Third-Party Beneficiary: This Agreement is not intended to give or confer any benefits, rights, privileges, claims, actions, or remedies to any person or entity as a third party beneficiary, decree, or otherwise.

9.8 Entirety and Amendments: This Agreement embodies the entire Agreement between the parties and supersedes all prior agreements and understandings relating to the Property. This Agreement may be amended or supplemented only by an instrument in writing executed by both parties.

9.9 Time: Time is of the essence in the performance of this Agreement.

9.10 Attorney's Fees: Should either party employ attorneys to enforce any of the provisions hereof, the party against whom any final judgment is entered, including but not limited to, judgment on appeal to the New Mexico Supreme Court, shall pay, to the extent allowed by law, the prevailing party's reasonable costs, charges, and expenses, including reasonable attorneys' fees, expended or incurred in connection therewith.

9.11 Notices: All notices required or permitted hereunder shall be in writing and shall be served on the parties at the addresses set forth in Section 1.1. Any such notices shall be either (a) sent by certified mail, return receipt requested, in which case notice shall be deemed delivered upon actual date of receipt, or, (b) sent by overnight delivery for next business day delivery using a nationally recognized overnight courier, in which case notice shall be deemed delivered upon actual date of receipt, or, (c) sent by facsimile, in which case notice shall be deemed delivered upon transmission of such notice and evidence of receipt of said transmission, with a hard copy mailed the same business day, or (d) sent by personal delivery, in which case notice shall be deemed delivered upon receipt. A party's address may be changed by written notice to the other party; provided, however, that no notice of a change of address shall be effective until actual receipt of such notice. Copies of notices are for informational purposes only, and a failure to give or receive copies of any notice shall not be deemed a failure to give notice. As regards notice by email transmission, the parties agree that an email transmission shall not be a proper form of notice under this agreement. provided, the sender require that the email recipient acknowledge receipt of the email and upon such acknowledgment the notice shall be deemed to have been delivered; if acknowledgment of receipt of email is not forthcoming on the day the email was sent, the attempt to give notice via email shall be disregarded and the party seeking to give notice shall do so by one of the methods enumerated above in this Article 9.11.

9.12 Construction: The parties acknowledge that the parties and their counsel have reviewed and revised this Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any exhibits or amendments hereto.

9.13 Calculation Of Time Periods: Unless otherwise specified, in computing any period of time described herein, the day of the act or event after which the designated period of time begins to run is not to be included and the last day of the period so computed is to be included, unless such last day is a Saturday, Sunday or legal holiday for national banks in the location where the Property is located, in which event the period shall run until the end of the next day which is neither a Saturday, Sunday, or legal holiday.

9.14 Execution in Counterparts: This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, and all of such counterparts shall constitute one Agreement. To facilitate execution of this Agreement, the parties may execute and exchange telephonic facsimile or electronic counterparts of the signature pages.

9.15 Section 1031 Exchange: At either party's request (with notice thereof and copies of all documents for execution by either party to be given to the other party not less than five (5) business days prior to Closing), either party shall execute such documents and perform such other acts as the other party reasonably requests in cooperation with such party's effort to have the sale of the Property to Purchaser considered to be part of a so-called "like-kind exchange" under applicable provisions of the Internal Revenue Code of 1986, as amended (the "Code"), provided:

- (a) All such documents shall be prepared by or at the direction and expense of the party making such request;
- (b) Neither party shall incur any expense or be required to assume any obligations in connection with the performance of this Section; and
- (c) Any such requested conduct will not delay the closing of the transaction beyond the specified Closing Date.

By this Agreement or acquiescence to the exchange, neither party shall (1) have its rights under this Agreement affected or diminished in any manner, or (2) be responsible for compliance with or be deemed to have warranted to the other that the exchange in fact complies with the Code.

9.16 Disclaimer: EXCEPT AS EXPRESSLY SET FORTH HEREIN OR IN THE DOCUMENTS EXECUTED AT CLOSING, IT IS UNDERSTOOD AND AGREED THAT THE PROPERTY IS BEING SOLD AND CONVEYED HEREUNDER "**AS IS, WHERE IS, WITH ALL FAULTS**", WITH NO RIGHT OF SETOFF OR REDUCTION IN THE PURCHASE PRICE AND WITHOUT ANY REPRESENTATION OR WARRANTY BY SELLERS EXCEPT AS EXPRESSLY SET FORTH HEREIN. SELLERS HAVE NOT MADE AND ARE NOT MAKING, EXCEPT AS HEREIN MADE IN WRITING, ANY OTHER EXPRESS OR IMPLIED REPRESENTATIONS OR WARRANTIES WHATSOEVER WITH RESPECT TO THE PROPERTY, FITNESS FOR ANY PARTICULAR PURPOSE OF THE PROPERTY, ACCURACY OF DIMENSIONS, AND RELATING IN ANY WAY TO HAZARDOUS MATERIALS OR ANY ENVIRONMENTAL MATTERS, SUITABILITY OF SOIL OR GEOLOGY, OR ABSENCE OF DEFECTS OR HAZARDOUS OR TOXIC MATERIALS OR WASTES; AND PURCHASER ACKNOWLEDGES AND REPRESENTS THAT PURCHASER IS ENTERING INTO THIS AGREEMENT WITHOUT RELYING UPON ANY SUCH STATEMENT, REPRESENTATION OR WARRANTY MADE BY SELLERS OR BY

SELLERS' AGENT OR BY ANY OTHER PERSON AND, EXCEPT AS HEREIN EXPRESSLY SET FORTH IN WRITING, IS ACQUIRING THE PROPERTY BASED SOLELY UPON PURCHASER'S OWN INSPECTIONS, INVESTIGATIONS AND FINANCIAL ANALYSIS. PURCHASER ACKNOWLEDGES IT HAS HAD AN ADEQUATE OPPORTUNITY TO INSPECT THE PROPERTY AND PROPERTY INFORMATION AND HAS CONSULTED WITH SUCH EXPERTS AND PROFESSIONALS AS IT DEEMS APPROPRIATE.

IN WITNESS WHEREOF, the parties have entered into this Purchase and Sale Agreement effective as of the date first written above.



**THE LOS ALAMOS SCHOOL OF GYMNASTICS  
BY AND THROUGH ITS DIRECTOR:  
LOUISE JANECKY**

**BY: \_\_\_\_\_  
LOUISE JANECKY, DIRECTOR  
DATED THIS \_\_\_\_ DAY OF \_\_\_\_\_, 2026**

**ATTEST**

**INCORPORATED COUNTY OF LOS ALAMOS**

\_\_\_\_\_  
**MICHAEL D. REDONDO,  
COUNTY CLERK**

**By: \_\_\_\_\_  
ANNE W. LAURENT, IN HER CAPACITY AS COUNTY  
MANAGER AND AS AN AUTHORIZED AGENT OF THE  
INCORPORATED COUNTY OF LOS ALAMOS  
DATED THIS \_\_\_\_ DAY OF \_\_\_\_\_, 2026**

**Approved as to form:**

\_\_\_\_\_  
**J. ALVIN LEAPHART  
COUNTY ATTORNEY**

**EXHIBIT A**

**ACKNOWLEDGMENT BY ESCROW HOLDER**

The Escrow Holder hereby agrees to perform its obligations under this Agreement and acknowledges receipt of the Earnest Money of \_\_\_\_\_ DOLLARS (\$ \_\_\_\_\_ .00), and a fully executed counterpart of this Agreement.

Escrow Agent shall hold and dispose of the Earnest Money in accordance with the terms of this Agreement. Seller and Purchaser agree that the duties of the Escrow Agent hereunder are purely ministerial in nature and shall be expressly limited to the safekeeping and disposition of the Earnest Money in accordance with this Agreement. Escrow Agent shall incur no liability in connection with the safekeeping or disposition of the Earnest Money for any reason other than Escrow Agent's tortious acts or omissions. In the event that Escrow Agent shall be in doubt as to its duties or obligations with regard to the Earnest Money, or in the event that Escrow Agent receives conflicting instructions from Purchaser and Seller with respect to the Earnest Money, Escrow Agent shall not be required to disburse the Earnest Money and may, at its option, continue to hold the Earnest Money until both Purchaser and Seller agree as to its disposition or until a final judgment is entered by a court of competent jurisdiction directing its disposition, or Escrow Agent may interplead the Earnest Money in accordance with the laws of the State of New Mexico.

Escrow Agent shall not be responsible for any interest on the Earnest Money except as is actually earned, or for the loss of any interest resulting from the withdrawal of the Earnest Money prior to the date interest is posted thereon if such withdrawal is upon instruction of either the Seller or Purchaser.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

DATE: \_\_\_\_\_, 2026

**EXHIBIT B**

Land Lease

DRAFT

**Exhibit C**

**LEGAL DESCRIPTION OF PROPERTY**

DRAFT