

## PURCHASE AGREEMENT

Oxbow Golf & CC/Cass County Joint Water Resource District  
(existing clubhouse area)

THIS AGREEMENT, made and entered into this 8 day of January, <sup>2015</sup>~~2014~~  
(the "Effective Date"), by and between **Oxbow Golf and Country Club**, a North Dakota non-profit corporation, hereinafter "Seller", whether one or more and **Cass County Joint Water Resource District**, hereinafter "Buyer".

WITNESSETH:

**WHEREAS**, Seller is the owner of real estate situated in the County of Cass and State of North Dakota, described on attached Exhibit A-1 (the "Property"):

**WHEREAS**, Buyer and Seller have entered into a Master Agreement dated of even date hereof (or, if completed as follows, the \_\_\_\_ day of \_\_\_\_\_, 2014), which addresses not only the purchase by Buyer of the Property identified herein but also additional matters including relocation and replacement of golf holes, the replacement cost for a clubhouse and other amenities (hereinafter the "Master Agreement") and as part of the Master Agreement, Buyer desires to purchase the Property and pay Seller under the terms and conditions hereinafter stated.

**NOW, THEREFORE**, in consideration of the mutual covenants, promises and agreements of the parties, it is hereby agreed as follows:

1. **Subject Matter**. The subject matter of this agreement is the Property, together with any and all buildings on the same.

2. **Purchase Price**. The purchase price will be Three Million Two Hundred Fifty Thousand and no/100 Dollars (\$3,250,000.00). Buyer will pay to Seller the purchase price, payable in cash, at the closing.

3. **Title Examination**. Seller shall, at its expense, within 30 days following the Effective Date, obtain and provide to Buyer a complete updated Abstract or Abstracts of Title covering the Property including all appropriate searches (whether one or more, the "Primary Abstract"). Buyer shall, at its expense, arrange to have title examined in the manner Buyer wishes. If Buyer finds title to be in an unacceptable condition, Buyer may terminate this Purchase Agreement by written notice to Seller not later than 60 days following the Effective Date. If Buyer does not so terminate this Purchase Agreement, Buyer shall be deemed to have waived any title objections, in which case the parties shall promptly close this transaction and Seller shall have no further obligations with respect to any remaining objections.

4. **Closing**. This transaction shall close at such time as identified in the Master Agreement (the "Date of Closing").

(a) On the Date of Closing, Seller shall execute and deliver to Buyer the following:

- (i) A Warranty Deed, free and clear of all liens, charges and encumbrances created by Seller, except the following (collectively, the "Permitted Encumbrances"): [a] real estate taxes and installments of special assessments not yet due and payable; [b] easements, rights of way, reservations, restrictions and the like of record; [c] zoning, land use, building and similar ordinances of applicable governmental entities; and [d] any other matters to which Buyer agrees to take title subject to Section 3 hereof. Notwithstanding the foregoing, Seller shall pay and satisfy prior to the Date of Closing or through the closing any mortgages or other monetary liens affecting the Property.
  - (ii) A FIRPTA Certificate and 1099-S.
  - (iii) A customary Seller's Affidavit completed in a manner allowing the title company to remove the standard title policy exceptions covered thereby.
  - (iv) All other documents affecting title to and possession of the Entire Property and necessary to transfer or assign the same to Buyer, free and clear of all liens, charges and encumbrances, except the Permitted Encumbrances.
- (b) On the Date of Closing, Buyer shall deliver the closing funds as set forth in Section 2 above.
- (c) The closing and delivery of all such documents shall take place at the offices of The Title Company, Fargo, North Dakota 58102, or at such other reasonable location as may be agreed upon by Buyer and Seller. Seller agrees to deliver physical possession of the Property to Buyer on the Date of Closing, subject only to the Permitted Encumbrances. Seller shall transfer ownership to Buyer at closing of any abstracts of title relating to the Property.

**5. Adjustments.** Real estate taxes and installments of special assessments for the year in which the closing occurs, payable in the following year, shall be prorated to the date of closing. Real estate taxes and installments of special assessments for the year prior to the year in which the closing occurs (which are therefore payable the year of the closing) and prior years shall be the responsibility of Seller. Real estate taxes and installments of special assessments for the year following the year in which the closing occurs and subsequent years shall be the responsibility of Buyer. Seller shall pay for providing the Primary Abstract and preparation of the deed. Buyer shall pay for its title examination, all costs of Buyer's Feasibility Review, the costs of recording the deed and any reasonable closing fee charged by the Closing Agent. All costs and expenses for other services and items shall be paid by the party who is responsible for same under other terms of this Agreement, or the party ordering same, if the allocation of same is not described in this Agreement. Seller shall be entitled to any rent payable from any Tenant.

**6. Personal Property.** Personal property and fixtures, furniture and equipment included in this transaction is: Such items on the FF&E inventory attached as Exhibit A-2 that are affixed to the real property but removal cannot be effected without injury to the premises or where the item has become an integral part of the premises by the manner in which it is affixed shall be deemed to be included within this sale from Seller to Buyer. Such items on the FF&E

inventory that are either movable or are not so affixed shall remain the property of Seller and Seller shall remain in possession and ownership thereof.

7. **Contingency.** Buyer's obligation to consummate the transaction contemplated by this Agreement is contingent upon Buyer, at its sole cost and expense and prior to the Date of Closing (the "Feasibility Period"), obtaining, conducting, reviewing and/or approving, in its sole and absolute discretion, any and all facts, circumstances, commitments, investigations, tests, surveys, analyses, studies, building permit and other entitlement availability and the like deemed necessary by Buyer to determine whether the Property is acceptable for Buyer's intended acquisition, financing, ownership, use and/or improvements (the "Feasibility Review"). Upon failure of the foregoing contingency, at the option of Buyer exercised by written notice to Seller not later than the expiration of the Feasibility Period, this Agreement shall terminate and be of no further force or effect. Seller hereby grants to Buyer and Buyer's agents, employees, contractors and the like, a nonexclusive right and license to enter upon the Property to conduct the Feasibility Review. Upon completion of the Feasibility Review, Buyer will restore the physical condition of the Property to its condition prior to the Feasibility Review..

8. **Assignment of Agreement.** Buyer may, without Seller's consent, assign this Agreement to the Metro Flood Diversion Authority or any of its member entities. No other assignment shall be permitted without the consent of Seller, and in no event shall any assignment release Buyer of its obligations hereunder.

9. **As-Is.** Buyer acknowledges that prior to the Date of Closing Buyer will have had the opportunity to fully review and inspect the Property. Buyer further acknowledges that except as expressly provided otherwise in this Agreement: Buyer is purchasing the Property without warranty or representation by Seller of any kind or nature; and Buyer is purchasing the Property in an AS-IS, WHERE-AS, WITH-ALL-FAULTS-AND-VIRTUES condition. By way of example, and not by way of limitation, Buyer acknowledges that it has or will conduct such soils, environmental and other tests of the Property as it desires to evaluate the Property for its use, and has evaluated the elevations and flood map designations for the Property, and Buyer acknowledges that Seller makes no representations or warranties of any nature whatsoever, express or implied, with respect to such matters.

[Remainder of page intentionally left blank]

DATED the day and year as set forth above.

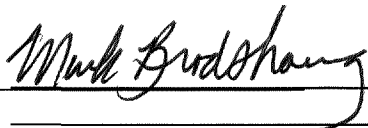
**SELLER:**

**OXBOW GOLF AND COUNTRY CLUB  
A North Dakota non-profit Corporation**

**BUYER:**

**CASS COUNTY JOINT WATER  
RESOURCE DISTRICT**

By: \_\_\_\_\_  
Chris Holland, its President

By: By:   
Its Chairman


DATED the day and year as set forth above.

**SELLER:**

**BUYER:**

**OXBOW GOLF AND COUNTRY CLUB**  
**A North Dakota non-profit Corporation**

**CASS COUNTY JOINT WATER**  
**RESOURCE DISTRICT**

By:   
Chris Holland, its President

By: \_\_\_\_\_  
Its Chairman

**EXHIBIT A-1**  
**Legal Description**

Auditor's Lot No. 1, a part of Lot 162 in OXBOW COUNTRY CLUB AND ESTATES, City of Oxbow, Cass County, North Dakota, with said property also legally described as:

That part of Lot 162 of OXBOW COUNTRY CLUB AND ESTATES, according to the recorded plat thereof on file and of Record in the office of the Recorder, Cass County, North Dakota described as follows:

Commencing at a found iron monument which designates the southwest corner of Lot 109 of said OXBOW COUNTRY CLUB AND ESTATES; thence South 86 degrees 44 minutes 26 seconds West along the north line of Lot 108 of said OXBOW COUNTRY CLUB AND ESTATES for a distance of 22.27 feet to an iron monument; thence North 05 degrees 04 minutes 04 seconds West for a distance of 158.36 feet to an iron monument; thence North 21 degrees 44 minutes 56 seconds East for a distance of 152.01 feet to an iron monument; thence North 35 degrees 27 minutes 33 seconds East for a distance of 573.86 feet to an iron monument; thence North 17 degrees 26 minutes 23 seconds East for a distance of 164.44 feet to an iron monument; thence North 01 degree 53 minutes 15 seconds West for a distance of 89.90 feet to an iron monument; thence North 19 degrees 05 minutes 39 seconds West for a distance of 316.26 feet to an iron monument; thence North 00 degrees 33 minutes 03 seconds East for a distance of 146.36 feet to an iron monument; thence North 29 degrees 08 minutes 34 seconds East for a distance of 767.57 feet to an iron monument; thence North 08 degrees 17 minutes 58 seconds East for a distance of 63.76 feet to an iron monument; thence North 10 degrees 13 minutes 18 seconds West for a distance of 114.12 feet to an iron monument on the southerly right of way line of a dedicated road (Oxbow Drive) according to said OXBOW COUNTRY CLUB AND ESTATES; thence North 73 degrees 26 minutes 26 seconds East along said southerly right of way line for a distance of 40.83 feet to a found iron monument; thence North 73 degrees 25 minutes 32 seconds East continuing along said southerly right of way line for a distance of 147.11 feet to an iron monument, the point of beginning of the land to be described; thence South 07 degrees 40 minutes 36 seconds East for a distance of 127.18 feet to an iron monument; thence South 04 degrees 30 minutes 51 seconds West for a distance of 113.34 feet to an iron monument; thence South 19 degrees 30 minutes 27 seconds West for a distance of 145.80 feet to an iron monument; thence South 34 degrees 39 minutes 52 seconds West for a distance of 55.95 feet to an iron monument; thence South 74 degrees 06 minutes 28 seconds East for a distance of 106.59 feet to an iron monument; thence North 51 degrees 23 minutes 40 seconds East for a distance of 36.01 feet to an iron monument; thence North 89 degrees 01 minute 14 seconds East for a distance of 62.50 feet to an iron monument; thence North 75 degrees 47 minutes 07 seconds East for a distance of 182.81 feet to an iron monument on the westerly right of way line of a dedicated road (Oxbow Drive) according to said OXBOW COUNTRY CLUB AND ESTATES; thence 84.38 feet northerly along said westerly right of way on a non-tangential curve concave to the east, having a central angle of 75 degrees 13 minutes 13 seconds, a radius of 64.27 feet, a chord bearing North 13 degrees 37 minutes 57 seconds West and a chord length of 78.45 feet to a found iron monument; thence 103.94 feet northerly continuing along said westerly right of way line on a non-tangential curve concave to the west, having a central angle of 63 degrees 42 minutes 16 seconds, a radius of 93.48 feet, a chord bearing North 07 degrees 37 minutes 15 seconds West and a chord length of 98.67 feet to an iron monument; thence North 39 degrees 28 minutes 23 seconds West continuing along said westerly right of way line for a distance of 196.47 feet to a found iron monument; thence 96.63 feet continuing northwesterly along said westerly right of way line on a tangential curve concave to the southwest, having a central angle of 37 degrees 06 minutes 05 seconds, a radius of 149.23 feet, a chord bearing North 58 degrees 01 minute 26 seconds West and a chord length of 94.95 feet to a found iron monument; thence North 76 degrees 34 minutes 28 seconds West continuing along said westerly right of way for a distance of 48.64 feet to a found iron monument on said southerly right of way line; thence South 73 degrees 25 minutes 32 seconds West along said southerly right of way line for a distance of 14.17 feet to the point of beginning.

Said tract contains 2.28 acres, more or less, and is subject to all easements, restrictions and reservations of record, if any.

**EXHIBIT A-2**  
**FF & E**

Personal property and fixtures, furniture and equipment included in this transaction:

Items that are affixed to the real property but removal cannot be effected without injury to the premises or where the item has become an integral part of the premises by the manner in which it is affixed shall be deemed to be included within this sale from Seller to Buyer.

[Remainder of page intentionally left blank]