



**AGREEMENT FOR THE PURCHASE OF REAL PROPERTY BY NAVAJO COUNTY,  
ARIZONA FROM SHOW LOW UNIFIED SCHOOL DISTRICT**

This Agreement For the Purchase of Real Property by Navajo County, Arizona from Show Low Unified School District (“Agreement”) is entered into this \_\_\_\_ day of \_\_\_\_\_, 201\_\_ by and between Show Low Unified School District No. 10 of Navajo County, a duly organized school district and political subdivision of the State of Arizona (hereafter "Seller") and Navajo County, a duly organized county and political subdivision of the State of Arizona (hereafter "Buyer"). Each of Seller and Buyer may be referred to herein as “Party”, and collectively may be referred to as the “Parties”).

**WITNESSETH**

WHEREAS, the Seller owns certain real property (Parcels No. 208-12-052, 208-12-054, and 208-12-068A) and improvements located in Navajo County, Arizona which is more specifically described on "Exhibit A," attached hereto and incorporated herein by reference (hereafter “Property”); and

WHEREAS, the Seller is a public entity required to dispose of its Property in a manner that will obtain fair and appropriate consideration, which consideration can include or consist of cost savings to Seller; and

WHEREAS, the Property includes a former school campus and related furnishings, equipment, and other personal property no longer in use as a school for a number of years that is in need of significant and systemic repairs, abatement, and improvements necessary to bring it up to a standard required for public use in an amount estimated in good faith to be between \$200,000 and \$250,000; and

WHEREAS, the Property could bring only \$100,000 to \$200,000 if sold on the open market as an estimate of value based upon the acreage of the Property and the going local rate per acre, which sale would have to subtract from net proceeds either costs to demolish the school campus or require Seller to repair the school campus as described above; and

WHEREAS, Buyer is willing to take over ownership of the Property for a nominal monetary sum and commit to expend funds and make such required repairs, abatements, and improvements to the Property that would result in a cost savings to Seller of no less than \$200,000 to \$250,000; and

WHEREAS, the Seller is authorized by A.R.S. § 15-342(7) to sell to a county any school property required for a public purpose, provided the sale or lease of the property will not affect the normal operations of a school within the school district; and

WHEREAS, the Buyer is a county, and the Seller has determined that a sale of the Property will not affect the normal operations of any school in Show Low Unified School

District as the Property is not currently being, and has not for some time been, used for school purposes; and

WHEREAS, the Buyer is purchasing the Property as required for a public purpose as the Property would be a suitable site for the placement of a community center and a possible location from which the County may provide services, both of which will service Seller's students and families of students as well as the general community; and

WHEREAS, the Seller is ready, willing, and able to sell the Property, and Buyer is ready, willing and able to purchase the Property and make the required repairs, abatements, and improvements, under the terms and conditions contained herein;

NOW THEREFORE, for consideration and the mutual promises and agreements contained herein, the Parties agree as follows:

1.) **The Property:** The Seller is selling the Property with all improvements, equipment, and fixtures thereon, including plants, trees, and shrubbery, in an "as-is condition" with no warranties and Buyer accepts all responsibility and risk for purchasing the Property in such "as-is condition". In addition, Buyer warrants and represents that it will not use the Property, or allow the Property to be used, for any K-12 educational programs, including but not limited to public, charter, or home school education without the express written consent of Seller in Seller's sole discretion. If not for such warranty and representation, Seller would not proceed with this sale. Such warranty and representation shall survive the Closing as defined in Section 9.

2.) **Purchase Price:** Consideration for the Property, shall be (a) the sum of One Dollar (\$1.00) U.S. currency paid by the Buyer upon Closing, (b) the commitment and actions of the Buyer to repair, abate, and improve the Property in a manner that saves the Seller the cost of such at a savings valued between \$200,000 to \$250,000, and (c) the benefit to Seller's students and the family of Seller's students supporting the Seller's overall educational purposes through the provision of an active community center and County services. In addition, it is also monetary and non-monetary consideration to Seller that Buyer's commitment to use of the Property as an appropriate public purpose required by A.R.S. § 15-342(7) allows sale of the Property to Buyer where sale of the Property to a third party would otherwise require the time and expense of seeking an approval of the sale by election under A.R.S. § 15-342(10). Buyer warrants and represents that it will use the Property for the stated public purposes, and that such Property is required for such public purposes, as Seller is relying on such warranties and representations in proceeding with the sale under A.R.S. § 15-342(7). Such warranties and representations shall survive the Closing as defined in Section 9. In addition to the above monetary consideration, Seller shall also be granted by Buyer a Right of First Refusal in the form and on the terms attached hereto as "Exhibit B" and incorporated by reference as if fully set forth herein (noting that the legal description will be attached once supplemented during escrow).

3.) **Transfer of Title:** Seller shall transfer the title of the Property to the Buyer with a quit-claim deed signed upon Closing, and Buyer acknowledges the willingness to accept title to the

Property without any warranty of title or title insurance that Seller would otherwise have to provide to a third-party buyer.

4.) **Survey:** Buyer shall have a reasonable time after the acceptance of this Agreement and prior to Closing to, at Buyer's sole expense, survey the Property. It is a condition precedent to this Agreement that said survey show the Property substantially as set forth on "Exhibit A" and that there be no adverse matters disclosed thereby or, at the election of the Buyer, this Agreement may be canceled with no further obligation on the part of either Party to the other Party.

5.) **Delivery of Documents:** Each Party shall execute and deliver such papers as may be legally necessary to carry out the terms of this Agreement at the time the sale is consummated.

6.) **Condition of Property:** It is a condition precedent that when the sale is consummated, the Property be substantially in the same condition as it is on the date this Agreement is signed by the Parties, natural wear and tear excepted. Should the Property be destroyed or damaged before this Agreement is executed, the Buyer may, in its sole discretion, cancel this Agreement.

7.) **Time is Of the Essence:** Time is of the essence to this Agreement.

8.) **Merger and Modification:** This Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof, and all prior or contemporaneous agreements and understandings, oral or written, are hereby superseded unless expressed herein. No modification of this Agreement shall be binding unless it is made in writing, signed by both Parties, and is attached to this Agreement. No representation, promise, or inducement not included in this Agreement shall be binding on any Party hereto.

9.) **Date of Closing:** Closing for this transaction shall occur on or before \_\_\_\_\_, 201\_\_\_. Buyer shall determine the date, time, and location of Closing and shall notify Seller of the same not less than ten (10) days prior to Closing.

10.) **Notice:** All notices required to be given pursuant to the terms of this Agreement shall be deemed given when delivered by hand or mailed by registered mail, postage prepaid, to the Parties at their respective places of business as addressed in this paragraph or as each Party shall designate in writing:

If to Seller:                      Superintendent  
    Show Low Unified School District No. 10  
    500 Old Linden Road  
    Show Low, Arizona 85901

If to Buyer:                        Navajo County Attorney  
    County Governmental Center  
    P. O. Box 668  
    Holbrook, AZ 86025-0668

11.) **Conflicts of Interest:** This Agreement is subject to cancellation for conflict of interest pursuant to the provisions of A.R.S. § 38-511, the terms of which are incorporated herein by reference.

12.) **Counterparts:** This Agreement may be executed in several counterparts, each of which shall be an original and all of which together shall constitute but one and the same instrument.

13.) **Authorized Representative:** Each Party warrants that the person signing below on behalf of the Party has been duly authorized by its Governing Body to execute this Agreement on behalf of and to bind the Party.

SIGNED, effective as of the date set forth in the preamble above.

SELLER:

---

Authorized Representative, Show Low Unified School District

BUYER:

---

Authorized Representative, Navajo County

**EXHIBIT A**

Parcel No. 208-12-052

CLAY SPRINGS TOWNSITE: LOT 1, BLOCK 13 LESS .28 AC TO NAVAJO CO. (PER 99-10126), also known as Parcel #208-12-052. [Legal to be supplemented in escrow]

Parcel No. 208-12-054

CLAY SPRINGS TOWNSITE: LOT 3, BLOCK 13, also known as Parcel #208-12-054.

Parcel No. 208-12-068A

SECTION 11, T11N, R19E: SW4 SW4 SE4 SW4.....LESS PARCEL IN NW SOLD AKA: BEG SW COR SECTION 11; TH S89DG34'E 1622.36' TPOB; TH N0DG15'E 329.3'; TH N89DG36'W 91'; TH S3DG35'E 120.39'; TH N88DG6'W 207'M/L TO W LINE OF SW4 SW4 SE4 SW4; TH SLY ALONG SAID WEST LINE TO SOUTH SEC LINE; TH ELY ALONG SOUTH SEC LINE 330'M/L TO TPOB ALSO LESS: 0.86 AC TO CLAY SPRINGS PUBLIC LIBRARY, PER 99-9891 (SEE 068B) OUT OF 208-12-068 FOR 2000 ROLL LESS 0.34 AC TO NAVAJO CO. PER (99-10125) FOR 2000 ROLL, also known as Parcel #208-12-068A. [Legal to be supplemented in escrow]

**EXHIBIT B**

RIGHT OF FIRST REFUSAL

{SEE ATTACHED}

## **RIGHT OF FIRST REFUSAL AGREEMENT**

THIS RIGHT OF FIRST REFUSAL AGREEMENT ("***Agreement***") is made and entered into as of the \_\_\_ day of \_\_\_\_\_, 201\_\_\_, by and between Show Low Unified School District No. 10, a duly organized school district and political subdivision of the State of Arizona ("***District***"), and Navajo County, a duly organized county and political subdivision of the State of Arizona ("***County***").

### **RECITALS**

A. WHEREAS, County owns certain real property described on Exhibit A (the "***Property***") that was purchased from District.

B. County and District have entered into a Purchase Agreement dated \_\_\_\_\_, \_\_\_\_\_ pursuant to which, among other things, District agreed to sell the Property to County, as more particularly set forth and described therein (the "***Purchase Agreement***").

C. District agreed to sell the Property to County on certain terms and conditions for the specific use by the County to place and operate a community center which will provide County services to District students and families of students as well as the general community.

D. As partial consideration for District agreeing to sell the Property to County pursuant to the Purchase Agreement, County has agreed to grant District a right of first refusal with respect to the Property on the terms and subject to the conditions set forth herein.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto state, confirm and agree as follows:

### **AGREEMENT**

1. **Right of First Refusal.** County hereby grants to District a right of first refusal with respect to the purchase of the Property. In the event that County intends to sell the Property or any portion thereof, it shall immediately provide written notice to District of the material terms and conditions upon which County intends to sell the Property or such portion thereof (the "***Notice***"), and District shall have a period of sixty (60) days thereafter within which to elect to purchase the Property (or such portion) upon the material terms and conditions set forth in the Notice by providing written notice of such election to County (an "***Election Notice***"). If District fails to deliver an Election Notice within said sixty (60) day period, or fails to complete the purchase of the Property, then, in that event, County shall have the right to sell the Property to the third party

identified in the Notice on the material terms and conditions set forth therein for a period of sixty (60) days, after which (if such sale has not been completed) the procedure set forth in this Section 1 must be repeated. If District does deliver an Election Notice within the sixty (60) day period described above, then District shall complete the purchase of the Property on the material terms and conditions set forth in the Notice.

2. **No Assignment; Successors and Assigns.** Neither party may assign this Agreement without the express written consent of the other party. This Agreement shall be binding upon and inure to the benefit of the parties, and their respective heirs, successors and permitted assigns.

3. **Notices.** All notices or other communications required or permitted to be given or delivered under this Agreement shall be in writing and may be hand delivered or deposited in the United States Mail, certified and return receipt requested, to said party or parties at the addresses shown below, or to such other address as District or County may designate by giving notice in the foregoing manner. Any notice hand-delivered shall be deemed effective when received and any notice sent United States Mail shall be deemed effective two (2) calendar days following the date of mailing.

If intended for District:

Show Low USD  
Attn: Superintendent  
500 Old Linden Road  
Show Low, Arizona 85901

With a copy to:

Brandon J. Kavanagh, Esq.  
Mangum, Wall, Stoops & Warden, PLLC  
100 N. Elden; P.O. Box 10  
Flagstaff, Arizona 86002  
Facsimile No.: (928) 773-1312

If intended for County:

Navajo County Attorney  
County Governmental Center  
P. O. Box 668  
Holbrook, AZ 86025-0668

4. **Time of the Essence.** Time is of the essence for performance or satisfaction of any of the requirements, conditions or other provisions of this Agreement.

5. **Choice of Law and Venue.** Except where preempted by the laws of the United States, or regulations promulgated thereunder, this Agreement shall be governed by the laws of the State of Arizona. Venue for any dispute arising under this Agreement shall be in Navajo County, Arizona.

6. **Default; Injunctive Relief.** The parties expressly agree that District shall be entitled to equitable relief in the event of, or to prevent, a breach of this Agreement by County. Resort to such equitable relief, however, shall not be construed to be a waiver of any other rights or remedies that District may have for damages or otherwise. The various rights and remedies of District under this Agreement or otherwise shall be construed to be cumulative, and no one of them shall be exclusive of any other or of any right or remedy allowed by law. In the event of any action for injunctive relief, to enforce any provision hereof, to secure specific performance hereof or to collect damages of any kind for any breach of this Agreement, the prevailing party will be entitled to all court costs, all expenses arising out of or incurred by reason of the litigation, and all attorneys' fees expended or incurred in any such proceedings, and all such costs, expenses and attorneys' fees will be included in the judgment.

7. **Recording.** County understands and agrees that District shall have the right to record this Agreement with the Navajo County Records Office to confirm and provide notice of District's rights under this Agreement with respect to the Property.

[SIGNATURES AND NOTARY BLOCKS ON FOLLOWING PAGE(S)]





**EXHIBIT A**

LEGAL DESCRIPTION

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION TO ACCEPT REAL ESTATE CONTRACT AND PURCHASE CLAY  
SPRINGS SCHOOL PROPERTY**

WHEREAS, it is the desire of the Navajo County Board of Supervisors to purchase the Clay Springs School Property for the benefit of the citizens of Navajo County, Arizona, and

WHEREAS, the Show Low Unified School District ("District") is the rightful owner of said premises and is authorized to sell the same, and

WHEREAS, the District and the County are ready, willing, and able to enter into an agreement whereby the County would purchase said property for the sum of one dollar (\$1.00), and

WHEREAS, it appears that the terms and conditions of the proposed Real Estate Contract are fair and reasonable to the citizens of Navajo County,

NOW THEREFORE, IT IS HEREBY RESOLVED, that the Navajo County Board of Supervisors approves and accepts the terms and conditions of the Real Estate Contract for the purchase of the Clay Springs School Property.

Adopted this \_\_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_  
Chairman

\_\_\_\_\_  
Attest: Clerk of Board

WHEN RECORDED, MAIL TO:

James Jayne  
County Manager  
P.O. Box 668  
Holbrook, AZ 86025  
(928) 524-4061

---

**QUIT-CLAIM DEED**

For the consideration of one dollar, and other valuable consideration, I/We,

**Show Low Unified School District No. 10**, a political subdivision of the State of Arizona,

as Grantor(s) does hereby convey all of our right, title and interest to:

the Navajo County Board of Supervisors on behalf of **Navajo County**, a political subdivision of the State of Arizona;

as Grantee(s) of the following described real properties situated in Navajo County, Arizona:

**LEGAL DESCRIPTION ATTACHED HERETO AND MADE A PART HEREOF, MARKED "EXHIBIT "A".**

**NAVAJO COUNTY TAX PARCELS: 208-12-052, 208-12-054, and 208-12-068A**

SUBJECT TO: Current taxes, assessments, reservations in patents and all easements, rights of way, encumbrances, obligations, liabilities, liens, covenants, conditions and restrictions as may appear of record.

DATED this \_\_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_  
Kevin Brackney  
Authorized Representative of Show Low Unified School  
District No. 10

STATE OF ARIZONA        )  
                                      )ss.  
County of Navajo         )

This instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_,  
2014, by Kevin Brackney.

\_\_\_\_\_  
Notary Public

My Commission Expires:

**EXHIBIT "A"**

Parcel No. 208-12-052

CLAY SPRINGS TOWNSITE: LOT 1, BLOCK 13 LESS .28 AC TO NAVAJO CO. (PER 99-10126), also known as Parcel #208-12-052.

Parcel No. 208-12-054

CLAY SPRINGS TOWNSITE: LOT 3, BLOCK 13, also known as Parcel #208-12-054.

Parcel No. 208-12-068A

SECTION 11, T11N, R19E: SW4 SW4 SE4 SW4.....LESS PARCEL IN NW SOLD AKA: BEG SW COR SECTION 11; TH S89DG34'E 1622.36' TPOB; TH N0DG15'E 329.3'; TH N89DG36'W 91'; TH S3DG35'E 120.39'; TH N88DG6'W 207'M/L TO W LINE OF SW4 SW4 SE4 SW4; TH SLY ALONG SAID WEST LINE TO SOUTH SEC LINE; TH ELY ALONG SOUTH SEC LINE 330'M/L TO TPOB ALSO LESS: 0.86 AC TO CLAY SPRINGS PUBLIC LIBRARY, PER 99-9891 (SEE 068B) OUT OF 208-12-068 FOR 2000 ROLL LESS 0.34 AC TO NAVAJO CO. PER (99-10125) FOR 2000 ROLL, also known as Parcel #208-12-068A.