



Douglas County School District

1638 Mono Avenue • Minden, Nevada 89423

TO: DCSD Board of School Trustees

FROM: Teri White

DATE: July 24, 2017

RE: Fourth Amendment to Purchase and Sale Agreement for KMS



RECOMMENDATION

The Board may deliberate and vote to approve the Fourth Amendment, extending the Close of Escrow to on, or before, July 31, 2017; or vote to decline approval of the Fourth Amendment.

DISCUSSION

The District presented the buyer with the Fourth Amendment to Purchase and Sale of the Kingsbury Middle School property on June 12, 2017, via email. The Amendment requires:

1. the buyer deposit, before 5:00 P.M. on July 13, 2017, an additional \$40,000 non-refundable deposit into Escrow, bringing the total non-refundable deposit to \$55,000;
2. the Board to convene before July 28, 2017 to approve or decline the Amendment;
3. authorizing an extension to the date of Closing to on, or before, July 31, 2017.

Condition Number 1 was met on the morning of July 13, 2017, and verified by the Title Company.

The property has been available for sale for over seven years. The buyer's agreement to put forth additional funds to secure an extension to Escrow indicates that he may be able to close the sale on, or before, July 31, 2017.

The decision before the Board with this item is to consider the attached Amendment and approve it to extend the Close of Escrow, or to decline to approve it. A vote to decline to approve the Amendment would cause the sale to fall out of Escrow. The \$40,000 additional deposit would be refunded to the buyer and the District would receive the original \$15,000 deposit of funds. The District would begin the process of advertising the property for sale.

A vote to approve the Amendment would permit the buyer an extension to July 31, 2017, and should he not be able to Close at that time, the sale would fall out of Escrow and the District would receive the non-refundable deposit funds in the amount of \$55,000.

Respectfully Submitted,

Teri White,
Superintendent

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FOURTH AMENDMENT TO PURCHASE AND SALE AGREEMENT

THIS FOURTH AMENDMENT ("**Fourth Amendment**") is made and entered into as of July __, 2017, by and between the Board of Trustees of the Douglas County School District ("**Seller**") and Lake Parkway, LLC ("**Buyer**"), with reference to the following facts:

RECITALS

A. Seller and Buyer entered into a Purchase and Sale Agreement dated July 12, 2016, relating to that certain property and improvements thereon commonly known as 1900 Echo Drive, Zephyr Cove, Nevada (the "**Property**"), which was amended by the First Amendment to Purchase and Sale Agreement, the Second Amendment to Purchase and Sale Agreement and the Third Amendment to Purchase and Sale Agreement to extend the due diligence period to 5:00p.m. April 17, 2017. The Purchase and Sale Agreement as previously amended is referred to herein as the "Agreement."

B. Seller and Buyer now wish to further amend the Agreement to increase the non-refundable Earnest Money Deposit by \$40,000.00 and to extend the Closing Date to July 31, 2017 on the terms and conditions set forth in this Fourth Amendment.

C. All capitalized terms used in this Fourth Amendment shall have the meanings ascribed to them in the Agreement unless otherwise defined herein.

NOW, THEREFORE, the parties agree as follows:

1. **Satisfaction of Contingencies; Increase in Non-Refundable Earnest Money Deposit.** Buyer acknowledges and agrees that (i) Buyer has approved the title to and condition of the Property, (ii) that Seller has deposited into escrow all documents required to complete the Close of Escrow, (iii) that Buyer has obtained a satisfactory commitment from the Escrow Agent to issue the Title Policy in accordance with Section 3.4 of the Agreement, and (iv) that all contingencies to Buyer's obligation to close set forth in Section 5.1 of the Agreement have been satisfied or waived by Buyer. In consideration for the extension of the Closing Date as provided in paragraph 2 below by Seller, Buyer agrees to increase the Earnest Money Deposit by \$40,000.00 ("Additional Deposit"), to a total of \$55,000.00. This entire \$55,000.00 Earnest Money Deposit shall be fully non-refundable and shall be disbursed immediately to Seller by Escrow Agent following the deposit of fully executed counterparts of this Fourth Amendment into Escrow together with Buyer's Additional Deposit. Buyer shall deposit the Fourth Amendment and Additional Deposit with Escrow Agent on or before July 13, 2017 at 5:00 P.M., PST. If Seller's Board of Trustees do not approve and deposit with Escrow Agent a signed counterpart of this Fourth Amendment on or before July 28, 2017 the Agreement will have terminated, the initial \$15,000 Earnest Money Deposit shall be immediately disbursed by Escrow Agent to Seller, and the Additional Deposit shall be returned to Buyer.
2. **Extension of Closing Date.** The second sentence of Section 6.2 is hereby amended to read as follows: "The Closing Date and Close of Escrow shall occur on or before July 31, 2017."
3. **Ratification of Agreement.** Except as amended hereby, Buyer and Seller hereby ratify and affirm the Agreement and agree it shall remain enforceable in accordance with its terms. In the event of any inconsistency between the provisions of this Fourth Amendment and the Agreement, the terms and conditions of this Fourth Amendment shall prevail. The parties agree that the recitals to this Amendment are true and correct and are incorporated herein by this reference.
4. **Counterparts.** This Fourth Amendment may be executed in any number of identical counterparts, and each counterpart hereof shall be deemed to be an original instrument, but all counterparts hereof taken together shall constitute but a single instrument.