

LEASE TO PURCHASE AGREEMENT

THIS LEASE TO PURCHASE AGREEMENT ("Agreement") is made and entered into by Mid Central Educational Cooperative, 612 S. Main Street, Platte, South Dakota 57369 ("Seller/Landlord") and CORE Educational Cooperative *Box 518, Platte, SD 57369* ("Buyer/Tenant").

WHEREAS, Seller/Landlord is the fee owner of certain real property located in Platte, Charles Mix County, South Dakota, such real property having a street address of 612 Main Street, Platte, SD 57369 and a legal description of:

Lots 5, 6, 7, 8, 16, E 40' of Lots 17, and 18, Block 25, Milwaukee Land Company's 1st Addition to the City of Platte, Charles Mix County, South Dakota, according to the recorded plats thereof ("Property"); and

WHEREAS, Seller's/Landlord's Board of Directors has, by majority vote, authorized this Agreement; and

WHEREAS, Tenant's/Buyer's Board of Directors has, by majority vote, authorized this Agreement,

NOW, THEREFORE, for and in consideration of the covenants and obligations contained herein and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, Seller/Landlord hereby grants to Buyer/Tenant an exclusive lease to purchase the Property. This purchase agreement will also include the contents of real property excluding only those necessary for Seller/Landlord to continue conducting business. This purchase agreement will also include the contents contained in the real property excluding only those necessary for Seller/Landlord to continue conducting business and which will be set forth on Exhibit 1, attached hereto and incorporated herein by reference the same as if set forth in full and which exhibit will be executed by the director of each party.

Purchase Price

Seller/Landlord and Buyer/Tenant agree that the purchase price of the Property is *TWO HUNDRED NINETY THOUSAND DOLLARS and 00/100 (\$290,000.00)*, which purchase price shall be paid as follows:

1. Until the closure of this contract, Buyer/Tenant shall pay Seller/Landlord the annual rent of *SIX THOUSAND DOLLARS and 00/100 (\$6,000.00)* during said term, in monthly payments of *FIVE HUNDRED DOLLARS and 00/100 (\$500.00)*, each payable monthly on the fifth day of each month in advance at such place as is designated by the parties.

2. Subject to the Buyer/Tenant's ability to obtain financing, Buyer/Tenant shall pay Seller/Landlord the balance remaining in the amount of *TWO HUNDRED NINETY THOUSAND DOLLARS and 00/100 (\$290,000.00)* at time of closing, which shall be within ninety (90) calendar days after all litigation concerning MCEC has ceased.

So long as Buyer/Tenant is not in default of this Agreement and closes the conveyance of the Property within ninety (90) calendar days after all litigation concerning MCEC has ceased, Seller/Landlord shall credit towards the purchase price at closing the sum of money from each monthly lease payment that the Buyer/Tenant timely made.

Exclusivity of Agreement

This Agreement is exclusive and non-assignable and exists solely for the benefit of these parties. Should Buyer/Tenant attempt to assign, convey, delegate, or transfer this Agreement without Seller's/Landlord's express written permission, any such attempt shall be deemed null and void.

Closing and Settlement

Seller/Landlord shall determine the time and place at which closing and settlement shall occur and shall inform Buyer/Tenant of this location in writing.

Remedies Upon Default

If Buyer/Tenant defaults under this Agreement, then in addition to any other remedies available to Seller/Landlord at law or in equity, Seller/Landlord may terminate this Agreement by giving written notice of the termination. If terminated, Buyer/Tenant shall lose entitlement to any refund of rent or other consideration. For this Agreement to be enforceable and effective, Buyer/Tenant must comply with all terms and conditions of this Agreement.

If Seller/Landlord defaults under this Agreement, then in addition to any other remedies available to Buyer/Tenant at law or in equity, Buyer/Tenant shall be refunded any amount not considered rent or lease payment.

Recording of Agreement

Buyer/Tenant may record this Agreement on the Public Records of any public office with the express and written consent of Seller/Landlord.

Utilities and Services and Insurance

Buyer/Tenant shall be responsible for promptly paying all utilities for the Property, including water, electricity, garbage service, and other public utilities during the lease term.

Seller/Landlord does not warrant the quality or adequacy of the utilities or services specified above, nor does Seller/Landlord warrant that any of the utilities or services specified above will be free from interruption caused by repairs, improvements, or alterations of the Property or any of the equipment and facilities of the Property, or any other causes of any kind beyond Seller's/Landlord's reasonable control.

Any such interruption - and any other inability on Seller's/Landlord's part to fulfill Seller's/Landlord's lease obligations resulting from any such cause - will not be considered an eviction or disturbance of Buyer's/Tenant's use and possession of the premises, or render Seller/Landlord liable to Buyer/Tenant for damages, or relieve Buyer/Tenant from performing Buyer's/Tenant's lease obligations.

Buyer/Tenant agrees to maintain insurance in commercially reasonable amounts calculated to protect itself and Seller/Landlord from any and all claims of any kind or nature for damage to property or personal injury, including death, made by anyone, that may arise from activities performed or facilitated by this Agreement. Buyer/Tenant shall procure the required insurance coverage at its sole cost and expense. Buyer/Tenant shall maintain the required insurance coverage during the term of this Agreement. Failure to comply with the insurance requirements shall place Buyer/Tenant in default of this Agreement. Upon request by Seller/Landlord, Buyer/Tenant shall provide a certified copy of any insurance policy to Seller/Tenant within ten (10) business days working days.

Acknowledgments

The parties are executing this Agreement voluntarily and without any duress or undue influence. The parties have carefully read this Agreement and have asked any questions needed to understand its terms, consequences, and binding effect and fully understand them and have been given an executed copy. The parties have sought the advice of an attorney of their respective choice if so desired prior to signing this Agreement.

Timing

Time is of the essence in this Agreement.

Governing Law and Venue

This Agreement shall be governed, construed and interpreted by, through and under the laws of the State of South Dakota. The parties further agree that the venue for any and all disputes related to this Agreement shall be Charles Mix County (South Dakota) Circuit Court.

Further Agreements

Buyer/Tenant further agrees that:

(a) Condition of Premises. Buyer/Tenant shall maintain the Property in its present condition, reasonable wear and tear, fire casualty excepted. Buyer/Tenant shall commit no waste to Property.

(b) Assignment or Subletting. Buyer/Tenant shall not assign or sublet the Property or allow any other person to occupy the Property without Seller's/Landlord's prior written consent.

(c) Alterations. Buyer/Tenant shall not make any material or structural alterations, except cosmetic alterations, to the Property without Seller's/Landlord's prior written consent.

(d) Compliance with Law. Buyer/Tenant shall comply with all building, zoning and health codes and other applicable laws for the use of the Property.

(e) Tenant's Conduct. Buyer/Tenant shall not conduct on premises any activity deemed hazardous, or a nuisance, or requiring an increase in fire insurance premiums.

In the event of any breach of the payment of rent or any other allowed charge, or other breach of this Agreement, Seller/Landlord shall have full rights to terminate this Agreement in accordance with state law and re-enter and re-claim possession of the leased premises, in addition to such other remedies available to Seller/Landlord arising from said breach.

Title

Upon Tenant's/Buyer's payment to Seller/Landlord of the total purchase price, Seller/Landlord hereby agrees to convey the above-described property to Tenant/Buyer by

Warranty Deed, free and clear of all liens and encumbrances of whatsoever nature or kind affecting marketability of title to the above-described premises. For purposes of determining marketability of title, the South Dakota Standards of Title as promulgated and approved by State Bar Association in effect as of the date of this Agreement, shall in all events, be controlling.

A title insurance binder to the above-described premises may be provided to Tenant/Buyer, showing marketable title vested in Seller/Landlord free and clear of all liens and encumbrances or subject to only those liens and encumbrances acceptable to Tenant/Buyer, or to those created or imposed by Seller/Landlord. The cost of title insurance shall be paid one-half by Seller/Landlord and one-half by Tenant/Buyer. Seller/Landlord shall pay the transfer fee (if any) and Tenant/Buyer shall pay the recording costs (if any) to the Charles Mix County (South Dakota) Register of Deeds Office.

Use of Property by Seller/Landlord

The parties agree that Seller/Landlord may use one (1) office space on Property for its continued operation until an alternative space is available and all business materials can be removed. This office space shall be provided to Seller/Landlord rent-free for up to six (6) months.

Entire Agreement and Modification

This Agreement sets forth the entire agreement and understanding between the parties relating to the subject matter herein and supersedes all prior discussions between the parties. No modification of or amendment to this Agreement, nor any waiver of any rights under this Agreement, will be effective unless in writing signed by the party to be charged.

MID CENTRAL EDUCATIONAL COOPERATIVE

Dated this 15 day of June, 2017.

By Farula Hauban

Its Board President

CORE COOPERATIVE

Dated this 8th day of June, 2017.

By Helly Mogerda

Its Board President