

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM is made and entered into this _____ day of _____, 2014, by and between The Clinton Industrial Authority, an Oklahoma Municipal Trust, and the United States Department of Agriculture.

WHEREAS, in 2011 the Custer County Conservation District #88 (CCCD #88) and the United States Department of Agriculture (USDA) solicited offers for real property on which to construct the Custer County USDA Service Center;

WHEREAS, the Clinton Industrial Authority (Authority) committed to convey approximately five (5) acres in the NW 1/4 of 34-12-17 WIM, Custer County to CCCD #88 and the USDA;

WHEREAS, the Authority did convey the subject tract to the USDA, for no compensation by Quit Claim Deed, in February of 2011, subject to the right of reverter;

WHEREAS, the USDA destroyed the Quit Claim Deed from the Authority;

WHEREAS, the CCCD #88 relocated their facility to an existing building on Highway 183;

WHEREAS, the CCCD #88 and the USDA again desire to acquire property for the construction of a new facility;

NOW THEREFORE, the parties agree as follows:

1. **Property.** In consideration of good and valuable consideration, the sufficiency of which is mutually acknowledged, Authority agrees to convey the below described real property to the USDA, within sixty (60) days of a Notice to Proceed, issued by the USDA:

Surface and surface rights only to Lot 3 of the Commerce Industrial Center, a part of the NW 1/4 of Section 34, Township 12, Range 17 W.I.M., Custer County, Oklahoma.

2. **Title Requirements.** Within ten (10) days of a Notice to Proceed from USDA, Authority shall furnish USDA an abstract of title certified, at least to the date hereof, showing marketable title to the property in Authority, subject only to reasonable utility easements and building restrictions of record, if any, covering the property. Within thirty (30) days from the date the abstract is delivered to USDA (Inspection Period), USDA shall submit to Authority a Statement of any objections USDA has to the status of title. In the event objections are raised to the title by USDA, Authority shall have thirty (30) days after receipt of said objections within which to cure such objections and, if requested by USDA, to have the same abstracted at Authority's sole cost and expense. No matter shall be construed as a valid objection to title under this agreement, unless it is so construed under the Real Estate Title Examination Standards of the Oklahoma Bar Association, where applicable.

In the event Authority is unable or unwilling to comply with or satisfy USDA=s objections to title, USDA shall have the right, at USDA=s election: (i) to waive such objection or requirement and to proceed to closing, without any abatement of the purchase price, or (ii) to terminate this agreement. Should USDA elect to terminate this agreement, USDA shall do so by giving Authority written notice of the election, whereon this agreement shall become null and void and of no further force and effect at law and in equity.

3. **Closing.** This transaction shall be closed at City Hall, Clinton, Oklahoma, or at such other place as may be agreed upon by USDA and Authority, after all conditions of Closing and other requirements have been satisfied, waived or otherwise provided for on or before October 1, 2016, unless the date of closing is accelerated or extended in a written instrument signed by Authority and USDA. If the agreement is not extended in writing, the agreement to convey shall become null and void and of no further force and effect.
4. **Deliveries at Closing.** At the time of closing, Authority shall execute and deliver a good and sufficient Quit Claim Deed conveying all right, title and interest thereto, free and clear of all liens and encumbrances whatsoever. USDA shall pay all closing costs.

The deed shall contain provisions, which shall read as follows:

- (1) If at any time USDA desires to sell the subject property, then USDA shall, at least thirty (30) days prior to any sell, submit a written offer to sell the property to the Authority on the terms and conditions, including price, not less favorable to the Authority than those on which USDA proposes to sell the subject property.
 - (2) Construction on the subject property shall commence within ninety (90) days of closing. If construction is not commenced, the Authority may recover and take possession thereof and this deed shall be of no force or effect.
5. **Proration of Taxes and Assessments.** All ad valorem taxes and special assessments thereon for the current year shall be prorated to date of closing. If the amount of ad valorem taxes or special assessments for the current tax year has not been fixed by the date of closing, the proration of such taxes shall be based upon the rate of levy for the preceding year.
 6. **Possession and Construction.** Possession of the property shall be delivered to USDA at closing and construction shall commence within ninety (90) days of closing.
 7. **Default/Remedies.** In the event that USDA breaches any term or condition contained herein, Authority shall be entitled to terminate this agreement and recover all attorney's

fees and costs associated with the USDA=s breach.

8. **Assignment.** This agreement shall be binding upon the parties hereto, their respective heirs, successors and assigns, but shall not be assigned by any party hereto without the written consent of the other party.
9. **Choice of Law.** This agreement shall be governed, construed and interpreted in accordance with the laws of the State of Oklahoma.
10. **Counterparts.** This agreement may be executed in counterparts, each of which will be deemed an original and all of which together will constitute one instrument.
11. **Severability.** If any one or more of the provisions of this agreement shall, for any reason, be held to be invalid, illegal or unenforceable under applicable law, this agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein. The remaining provisions of this agreement shall be given effect to the maximum extent then permitted by law.
12. **Forbearance; Waiver.** Failure to pursue any legal or equitable remedy or right available to a party shall not constitute a waiver of such right, nor shall any such Forbearance, failure or actual waiver imply or constitute waiver of subsequent default or breach. No waiver of a breach of any provision of this agreement shall be construed to be a waiver of any breach of any other provision of this agreement or any succeeding breach of the same provision. No delay in acting with regard to any breach of any provision of this agreement shall be construed to be a waiver of such provision.
13. **Authority.** Each party warrants and represents that with respect to entry into and consummation of this agreement and the transaction contemplated hereby, all necessary approvals and authorizations required have heretofore been obtained and satisfied; Authority covenants to maintain such authority to and until closing and agrees to furnish the other party with indicia of such authority upon request.
14. Each party is hereby released, acquitted and forever discharged, along with any agent, servant or employee, of and from any and all action, causes of action, claims, demands, damages, costs, expenses and compensation or account of the conveyance of real property afore described in the NW 1/4 of 34-12-17 WIM, Custer County, Oklahoma, which was conveyed by Quit Claim Deed in 2011 by Authority to USDA. This release shall survive termination of this agreement, whether by closing the transaction or any other provision in this contract.

IN WITNESS WHEREOF, the parties have hereunto set their hands this _____ day of _____, 2014.

UNITED STATES DEPARTMENT OF
AGRICULTURE

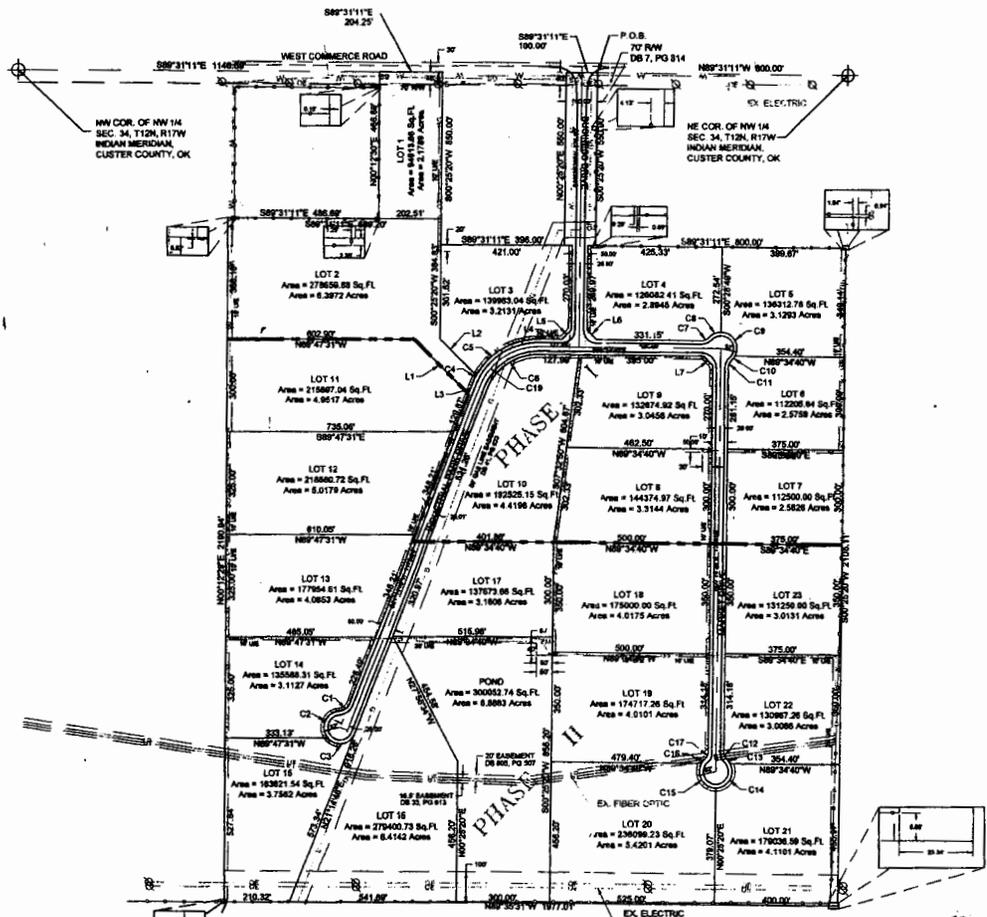
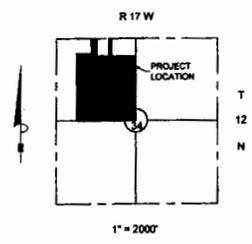
By: _____
Its _____

THE CLINTON INDUSTRIAL AUTHORITY

By: _____
Its _____

FINAL PLAT OF COMMERCE INDUSTRIAL CENTER

A PART OF THE NW 1/4 OF
 SEC. 34 T-12-N, R-17-W, I.M.
 CUSTER COUNTY, OKLAHOMA



L1	S44°47'31"E	252.87'
L2	S44°47'31"E	188.00'
L3	S21°14'48"W	28.89'
L4	N89°34'40"W	75.99'
L5	S45°22'20"W	42.43'
L6	S44°47'31"E	42.43'
L7	S44°47'31"E	42.43'

C1	R=40.00'	L=45.32'	CB=N57°54'19"E	CB=42.84'
C2	R=43.00'	L=115.61'	CB=S22°13'34"W	CB=81.17'
C3	R=43.00'	L=98.58'	CB=S89°41'40"E	CB=83.27'
C4	R=245.00'	L=268.00'	CB=S41°40'00"W	CB=28.04'
C5	R=245.00'	L=263.58'	CB=S89°41'40"E	CB=21.17'
C6	R=175.00'	L=111.29'	CB=S89°30'00"W	CB=188.89'
C7	R=37.00'	L=258.89'	CB=N47°30'00"E	CB=238.87'
C8	R=43.00'	L=41.89'	CB=S71°11'17"W	CB=83.87'
C9	R=43.00'	L=107.71'	CB=S30°10'51"E	CB=88.48'
C10	R=43.00'	L=115.61'	CB=N57°42'41"E	CB=15.47'
C11	R=37.00'	L=258.89'	CB=S22°13'34"W	CB=8.35'
C12	R=30.00'	L=25.00'	CB=S22°30'36"W	CB=26.39'
C13	R=43.00'	L=117.37'	CB=N57°30'00"E	CB=17.23'
C14	R=43.00'	L=115.78'	CB=S11°10'30"W	CB=8.49'
C15	R=43.00'	L=107.71'	CB=N40°17'36"W	CB=38.44'
C16	R=43.00'	L=117.37'	CB=S89°41'40"W	CB=17.23'
C17	R=43.00'	L=258.89'	CB=S41°40'00"W	CB=26.39'
C18	R=200.00'	L=241.41'	CB=N55°30'03"E	CB=227.07'

Base for Bearing
 GPS Observation



Surveyor
 Darrel McCarther
 Certificate of Authorization is 1686, Expires 6-30-14
 1113 Blackstone, Clinton, OK 73601
 Phone Number: 580-323-0019
 Email Address: big_mac16@sboglobal.net

Final Plat of - Commerce Industrial Center
 Joe Ridley
 P.E. 19123, Exp: 11-30-14
 CA 6565, Exp: 6-30-15
 P.O. Box 2147
 Weatherford, Oklahoma 73096
 Phone: 580-695-0118
 e-mail: joeridley2@sboglobal.net
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