

1 **PURCHASE AND SALE AGREEMENT (HANGAR 91– NO LAND)**

2 This Purchase and Sale Agreement (this “Agreement”) is entered into as of the Effective Date, by
3 and between CITY OF ROSWELL, a municipal corporation (“Seller”), and Hangar 91, LLC, a New
4 Mexico Limited Liability Company (“Buyer”). Seller and Buyer are sometimes referred to individually
5 as a “Party” and collectively as the “Parties”.

6 **1. Definitions**

7 1.1 Hangar. “Hangar” means the existing aircraft hangar and related improvements
8 consisting of approximately 21,544 square feet located at 99 Will Rogers Road (commonly
9 referred to as Hangar 91) at the Roswell Air Center (ROW) in Roswell, New Mexico, together
10 with all fixtures, building systems, mechanical, electrical, plumbing, doors, lighting, and other
11 permanently installed components of the structure, but expressly excluding the Land and
12 any property of Seller excluded under Section 2.3.

13 1.2 Land. “Land” means the underlying real property including real property burdened by
14 permanent rights-of-way for public roads, drainage or utilities and any interest therein on
15 which the Hangar is situated at the Roswell Air Center (ROW) in Roswell, New Mexico,
16 which is expressly excluded from this Agreement.

17 1.3 Permitted Encumbrances. “Permitted Encumbrances” means (a) matters of record
18 affecting only the Land and not the Hangar as personal property or removable
19 improvements; (b) applicable building codes and zoning ordinances; and (c) [other agreed
20 items, if any].

21 1.4 Closing. “Closing” means the consummation of the transactions contemplated by this
22 Agreement as provided in Section 7 on the Closing Date.

23 1.5 Closing Date. “Closing Date” means [a date prior to June 1, 2026], or such other date as
24 the Parties may mutually agree in writing.

25 1.6 Purchase Price. “Purchase Price” means the consideration set forth in Section 3.1.

26 1.7 ROW Authority. “ROW Authority” means the applicable municipal or airport authority
27 controlling the Roswell Air Center, including any landlord under a ground lease relating to
28 the Land.

29 **2. Purchase and Sale; Exclusions**

30 2.1 Agreement to Sell and Purchase. Subject to the terms and conditions of this Agreement,
31 Seller agrees to sell, assign, transfer, convey, and deliver to Buyer, and Buyer agrees to
32 purchase from Seller, all of Seller’s right, title, and interest in and to the Hangar as
33 improvements separate and apart from the Land.

34 2.2 No Conveyance of Land. The Parties acknowledge and agree that the Land is not being
35 sold, assigned, transferred, conveyed, or otherwise affected by this Agreement. Title to the
36 Land shall remain with its record owner. Buyer shall acquire no fee, leasehold, easement,
37 or other real property interest in or to the Land by virtue of this Agreement, except as may
38 be set forth in any separate agreement with the ROW Authority including a Ground
39 Agreement, attached as Exhibit “B”, which shall be signed either before or

1 contemporaneously with this Agreement that shall also include easements to ROW Authority
2 runways, and as set forth in the City of Roswell City Ordinance [26-12] _____,
3 2026, attached as Exhibit "B" which describes the Agreement is to include "any land lying in
4 the bed of any street, road, alley or way, whether opened to, in front of or adjacent to the
5 [Hangar], and together with all appurtenances, improvements, easement and hereditaments
6 thereunto belonging."

7 **3. Purchase Price; Deposit; Payment**

8 3.1 Purchase Price. The Purchase Price for the Hangar shall be the appraisal price of
9 \$250,000.00 (USD).

10 3.2 Deposit. No deposit shall be required.

11 3.3 Payment. At Closing, Buyer shall pay the full Purchase Price (less \$55,308.69, a credit
12 for unrepaired damage from the October 2024 flooding) by wire transfer of immediately
13 available funds to an account designated by Seller no later than [two] Business Days prior
14 to the Closing Date.

15 **4. Due Diligence; Access**

16 4.1 Inspection Period. Buyer shall have a period of [7] days after the Effective Date (the
17 Inspection Period) to conduct due diligence regarding the Hangar, including structural,
18 mechanical, environmental, and code-compliance inspections, at Buyer's sole cost and risk.

19 4.2 Access. Upon reasonable prior notice, Seller shall provide Buyer and its consultants
20 reasonable access to the Hangar during normal business hours, subject to ROW Authority
21 rules and safety/security requirements. Buyer shall not interfere unreasonably with
22 operations, shall repair any damage it causes, and shall maintain customary insurance
23 naming Seller and, if required, the ROW Authority as additional insureds.

24 4.3 Termination Right. Buyer may terminate this Agreement by written notice to Seller at any
25 time prior to expiration of the Inspection Period in Buyer's sole discretion, whereupon the
26 Parties shall have no further obligations except those that expressly survive termination.

27 **5. Title to Improvements; Condition**

28 5.1 Title; Deed. At Closing, Seller shall convey to Buyer good and marketable title to the
29 Hangar as improvements separate from the Land, free and clear of all liens, claims, and
30 encumbrances created by, through, or under Seller, other than Permitted Encumbrances,
31 by executing and delivering an As-Is Warranty Deed.

32 5.2 Condition; As-Is. Except as expressly set forth in this Agreement or in any certificate
33 delivered at Closing, Buyer acknowledges and agrees that it is purchasing the Hangar "AS-
34 IS, WHERE IS, WITH ALL FAULTS," with no representations or warranties, express or
35 implied, as to condition, merchantability, fitness for a particular purpose, compliance with
36 law, or otherwise, but all subject to Section 5.4, and that Buyer has had or will have an
37 opportunity to conduct its own inspections and investigations.

38 5.3 Risk of Loss. Risk of loss or damage to the Hangar shall remain with Seller until Closing
39 and shall pass to Buyer at Closing. If there is material damage or destruction prior to Closing,
40 Buyer may elect either (a) to terminate this Agreement; or (b) to proceed to Closing, in which

1 case Seller shall assign to Buyer all applicable insurance proceeds and pay the deductible
2 amount to Buyer at Closing.

3 5.4 Quiet Enjoyment, Latter Improvements, No Condemnation Proceedings, No Code
4 Violations, No Rehabilitation or Abatement Required. Seller, upon delivery of the building,
5 shall ensure that Buyer will have quiet enjoyment of the Hangar, and further that the Hangar
6 will not be subject to condemnation proceedings nor assessed for Code Violations, nor
7 required to rehabilitate any part of the Hangar nor abate any prior existing environmental
8 conditions, nor be required by the Seller to install a fire suppression system unless or until
9 the Hangar has been improved by Buyer for over 50% more of the appraisal value and
10 purchase price of the Hangar.

11 **6. Representations and Warranties**

12 6.1 Seller Representations. Seller represents and warrants to Buyer as of the Effective Date
13 and as of Closing that:

- 14 (a) Organization; Authority. Seller is duly organized, validly existing, and in good
15 standing under the laws of its jurisdiction and has full power and authority to
16 execute and deliver this Agreement and consummate the transactions
17 contemplated hereby.
- 18 (b) Enforceability. This Agreement constitutes Seller's legal, valid, and binding
19 obligation, enforceable against Seller in accordance with its terms.
- 20 (c) Title. Seller owns the Hangar free and clear of all liens and security interests
21 created by, through, or under Seller, other than Permitted Encumbrances.
- 22 (d) No Conflicts. The execution, delivery, and performance of this Agreement by
23 Seller do not violate Seller's governing documents or any agreement to which
24 Seller is a party that would apply to the Hangar.
- 25 (e) Litigation. Seller has received no written notice of any pending litigation or claims
26 specifically relating to Seller's ownership of the Hangar that would prevent
27 consummation of the transaction.
- 28 (f) Compliance Notices. Seller has received no written notice from any governmental
29 authority alleging material violations relating specifically to the Hangar that
30 remain uncured as of Closing.

31 6.2 Buyer Representations. Buyer represents and warrants to Seller as of the Effective Date
32 and as of Closing that:

- 33 (a) Organization; Authority. Buyer is duly organized, validly existing, and in good
34 standing under the laws of its jurisdiction and has full power and authority to
35 execute and deliver this Agreement and consummate the transactions
36 contemplated hereby.
- 37 (b) Enforceability. This Agreement constitutes Buyer's legal, valid, and binding
38 obligation, enforceable against Buyer in accordance with its terms.
- 39 (c) No Conflicts. The execution, delivery, and performance of this Agreement by
40 Buyer does not violate Buyer's governing documents or any agreement to which
41 Buyer is a party that would apply to the Hangar.

- (d) Financial Capacity. Buyer has, or at Closing will have, sufficient funds to pay the Purchase Price and perform its obligations hereunder without contingencies other than those expressly set forth herein.

6.3 Survival; Limitations. The representations and warranties in Sections 6.1 and 6.2 shall survive Closing for a period of [twelve (12)] months. No claim for breach of a representation or warranty may be brought after expiration of the survival period, except for claims asserted in writing before expiration.

7. Closing; Deliveries

7.1 Closing. The Closing shall occur on the Closing Date by exchange of documents and funds, or at such other place and manner as the Parties agree in writing.

7.2 Seller Deliveries. At Closing, Seller shall deliver:

- (a) The executed Deed.
- (b) Possession of the Hangar, subject to Section 8 and any ROW Authority requirements.

7.3 Buyer Deliveries. At Closing, Buyer shall deliver:

- (c) The Purchase Price, less the agreed upon credits as described in Section 3.3, by wire transfer.
- (d) Evidence of authority and good standing reasonably satisfactory to Seller.
- (e) The executed counterpart of any required ROW Authority consents or agreements as set forth in Section 8.

8. ROW Authority; Ground Rights

8.1 No Land Interest; Separate Ground Agreement. Buyer acknowledges that ownership and use of the Hangar after Closing may require a ground lease, license, or other agreement with the ROW Authority or applicable landlord. Buyer's obligation to close is conditioned upon Buyer having entered into, on or before the Closing Date, a ground lease, license, or other occupancy agreement in form and substance satisfactory to Buyer in its sole discretion (the "Ground Agreement", attached as Exhibit "B").

8.2 Required Consents. If any consent of the ROW Authority or other third party is required to transfer ownership of the Hangar or to permit removal or continued occupancy, obtaining such consent shall be a condition precedent to Closing. Each Party shall reasonably cooperate to obtain required consents.

9. Conditions to Closing

9.1 Buyer's Conditions. Buyer's obligations are conditioned upon:

- (a) Accuracy of Seller's representations and warranties as of Closing in all material respects.
- (b) Seller's performance in all material respects of its covenants and obligations.
- (c) Delivery of the Seller Closing Deliveries in Section 7.2.
- (d) Buyer's receipt of all required consents under Section 8.2.
- (e) Buyer's entry into the Ground Agreement under Section 8.1.

- (f) Buyer's satisfaction with due diligence within the Inspection Period or Buyer's waiver thereof.

9.2 Seller's Conditions. Seller's obligations are conditioned upon:

- (a) Accuracy of Buyer's representations and warranties as of Closing in all material respects.
- (b) Buyer's performance in all material respects of its covenants and obligations.
- (c) Delivery of the Buyer Closing Deliveries in Section 7.3.

10. Covenants

10.1 Operation and Maintenance. From the Effective Date until Closing, Seller shall operate, maintain, and repair the Hangar in substantially the same manner as prior to the Effective Date, reasonable wear and tear excepted, and shall not remove any fixtures or equipment that are part of the Hangar except as permitted under Section 2.3 or with Buyer's consent.

10.2 No Transfers. From the Effective Date until Closing, Seller shall not sell, assign, or encumber the Hangar, other than Permitted Encumbrances, without Buyer's prior written consent.

10.3 Insurance. Until Closing, Seller shall maintain property insurance on the Hangar in commercially reasonable amounts, which may be under a blanket policy.

11. Environmental

11.1 Seller shall be responsible during the term of this Agreement for all environmental conditions, existing up to the date of close, particularly those that might create a liability. Any environmental conditions, reasonably attributable to Buyer, that develop or are created after closing, that might result in a liability, shall be the sole responsibility of the Buyer from the date of Closing onward. The environmental responsibility of either party relating to the conditions that developed during that party's ownership shall continue throughout the term of the Ground lease.

12. Land Lease

12.1 The Seller warrants that Buyer shall be entitled to, but limited to FAA regulations and the FAA Indenture that provides for ROW airport, to a land lease of 27,000 square feet under the Hangar at the general aviation land rate of \$0.25 per foot, per year, or at *fair market value* of land leasing at Roswell Air Center whichever is lower, with the potential for adjustments after every 5 (five) year period. The Agreement shall be for an initial term of thirty (30) years, and have the option for two five (5) year extension periods, as well as the option of the Parties to further extend after these initial two (2) extensions. Should Buyer fail to pay it lease for 5 years consecutively, the Hangar shall automatically revert to the Seller. This is the Ground Agreement attached as Exhibit "B".

13. Costs; Taxes

13.1 Transaction Costs. Except as otherwise provided, each Party shall bear its own legal, consulting, and due diligence costs.

13.2 Transfer Taxes. Any sales, use, or similar transfer taxes arising from the transfer of the Hangar as personal property or removable improvements shall be borne by Buyer as required by law, and the Parties shall cooperate in filings and exemptions.

13.3 Recording; Fees. If any filings are required in connection with the transfer of the Hangar as improvements, the Buyer shall be responsible for such.

14. Default; Remedies

14.1 Buyer Default. If Buyer fails to close in breach of this Agreement after satisfaction or waiver of Buyer's conditions, Seller's sole and exclusive remedy shall be to terminate this Agreement and waive all damages.

14.2 Seller Default. If Seller fails to close in breach of this Agreement after satisfaction or waiver of Seller's conditions, Buyer's sole and exclusive remedy shall be to terminate this Agreement.

15. Indemnification

15.1 Seller Indemnity. Seller shall indemnify, defend, and hold harmless Buyer from and against losses arising from (a) liens or claims against the Hangar created by, through, or under Seller prior to Closing, and (b) Seller's breach of this Agreement.

15.2 Buyer Indemnity. Buyer shall indemnify, defend, and hold harmless Seller from and against losses arising from (a) Buyer's access activities during due diligence, and (b) Buyer's breach of this Agreement.

15.3 Survival. The obligations in this Section 13 shall survive Closing or termination for [twelve (12)] months, except for claims timely noticed within such period.

16. Notices

All notices shall be in writing and delivered by personal delivery, recognized overnight courier, or email with confirmation, to the following addresses (or such other addresses as a Party may designate by notice):

Seller: City of Roswell, 425 N. Richardson, Roswell, NM 88201, P.O. Box 1838, Roswell, NM 88202.

Buyer: Hanger 91, LLC, 2202 E College Blvd, Roswell, NM 88201
gizmo.aviation@gmail.com, jon@hitchcocknm.com, johnberrylivestock@outlook.com.

17. Miscellaneous

17.1 Entire Agreement. This Agreement, together with the exhibits, constitutes the entire agreement between the Parties with respect to the subject matter and supersedes all prior agreements and understandings.

17.2 Amendments; Waivers. No amendment or waiver shall be effective unless in writing signed by the Party against whom enforcement is sought.

17.3 Assignment. Buyer may not assign this Agreement without Seller's prior written consent, except to an affiliate controlled by or under common control with Buyer, provided Buyer remains liable. Any prohibited assignment is void.

17.4 Successors and Assigns. This Agreement binds and benefits the Parties and their permitted successors and assigns.

1 17.5 Governing Law; Venue. This Agreement shall be governed by the laws of the State of
2 New Mexico, without regard to conflicts of laws principles. Any action arising out of or relating
3 to this Agreement shall be brought in state court located in [Chaves County, New Mexico],
4 and the Parties consent to jurisdiction and venue therein.

5 17.6 Counterparts; Electronic Signatures. This Agreement may be executed in counterparts
6 and delivered electronically, each of which is deemed an original and all of which together
7 constitute one agreement.

8 17.7 Severability. If any provision is determined to be invalid or unenforceable, the remaining
9 provisions shall remain in full force and effect.

10 17.8 Further Assurances. Each Party shall execute and deliver such further documents and
11 take such further actions as reasonably necessary to effectuate the purposes of this
12 Agreement.

13 17.9 Confidentiality. The Parties shall keep the terms of this Agreement confidential, except
14 as required by law, by the ROW Authority, or to their respective advisors, lenders, and
15 affiliates subject to confidentiality obligations. If Seller or Buyer is subject to public records
16 or similar laws, disclosure shall be limited to what is legally required.

17 17.10 Time of Essence; Business Days. Time is of the essence. Business Day means any
18 day other than a Saturday, Sunday, or legal holiday on which banks are open in New Mexico.

19 17.11 No Third-Party Beneficiaries. There are no third-party beneficiaries to this Agreement.

20 17.12 No Merger. The provisions that are expressly stated to survive Closing shall not merge
21 into the Closing documents.

22 **18. Exhibits.** The following exhibits are attached and incorporated:

23 Exhibit A – City Ordinance 26-12 _____, 2026.

24 Exhibit B – Ground Agreement, December 1, 2026.

25 [Signature Page Follows]
26

1 IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

2 Seller: City of Roswell, a municipal corporation

3

4 By: _____

5

6 Name: _____

7

8 Title: _____

9

10 Date: _____

11

12

13

14 Buyer: Hanger 91, LLC a New Mexico corporation

15

16 By: _____

17

18 Name: Jerry Whitaker

19

20 Title: General Manager

21

22 Date: _____