

BUYER/GRANTEE: City Of Kansas City, Missouri
SELLER/GRANTOR: Mid-West Land Associates, L.P.
(a New York limited Partnership)

OPTION AND PURCHASE AGREEMENT

THIS OPTION AND PURCHASE AGREEMENT ("Agreement") is made on this 4th day of June 2012, between **Mid-West Land Associates, L.P.**, a New York limited partnership, ("Grantor") and the **City of Kansas City**, a Municipal Corporation of the State of Missouri, ("City" or "Grantee").

ARTICLE I OPTION

1.1. **Grant of Option.** Grantor, in consideration of the sum of Ten Dollars (\$10.00) paid by City, the receipt of which is hereby acknowledged, does give and grant unto City exclusive right and option to purchase under the terms and conditions of this Agreement ("Option"), the following property ("Property"):

See **Exhibit A**, attached hereto and incorporated herein

for the total sum of Three Hundred Fifty Thousand, Three Hundred Twenty-Four Dollars and 00/100 cash (\$350,324.00; "Purchase Price") calculated based upon \$3,333.00 per acre multiplied by an area deemed to contain 105.1076 acres ("Net Area"). Such \$3,333.00 per acre shall be multiplied by the Net Area as defined by the legal description attached hereto as **Exhibit A**, exclusive of any portion of the Property lying in any public roadway, any right of way or easement, except rights of way and easements providing utility services to the Property or to any other property. The Property includes, without limitation, all mineral rights, artifacts, and archeological findings.

- 1.2. **Option Period.** The Option shall run for a period of one hundred twenty days (120) beginning on the date of this Agreement ("Option Period").
- 1.3. **Exercise of Option.** City may exercise the Option by giving written notice from the Director of Aviation to Grantor during the Option Period in substantial compliance with the notice form attached hereto as **Exhibit B**.
- 1.4. **Failure to exercise option.** If the Option is not exercised by the City during the Option Period, the Option shall terminate, be of no further force and effect and neither party shall have any further obligation to the other, other than those provisions of this Agreement that specifically survive the termination of this Agreement.
- 1.5. **Revocable Option.** This Agreement may be terminated and the Option thereby revoked by Grantor at any time during the Option Period by providing notice in writing to the City. In such event, any funds deposited with the Title Company by City shall be refunded to the City and neither party shall have any further obligation to the other, other than those provisions of this Agreement that specifically survive the termination of this Agreement.

1.6. **Grantor Warranties.** Grantor agrees and warrants that:

- A. No lease upon the Property will be given to any person or entity during the Option Period and thereafter, until closing;
- B. The Property will be free of all leases or other agreements known to exist by Grantor.

ARTICLE II
CLOSING

- 2.1. **Closing date.** City shall close the real estate purchase transaction contemplated hereby within 30 days after written notice of the exercise of this Option ("Closing Date"). The City may extend the Closing Date by thirty (30) additional days by providing written notice to Grantor.
- 2.2. **Closing Contingencies.** City's obligation to purchase the Property is expressly conditioned upon the following contingencies being met:
 - A. Existence of an effective ordinance adopted by the City Council of Kansas City, Missouri authorizing the purchase of the Property under the terms and conditions of this Agreement;
 - B. A Phase I environmental assessment of the Property paid for by the City, the results of which are satisfactory to the City.
- 2.3. **Grantor Documents.** At or before the Closing Date, Grantor shall provide the following to Title Company ("Grantor Documents"):
 - A. A properly executed and recordable Special Warranty Deed free and clear of all liens and encumbrances, except those specifically approved by City, conveying the Property to the City in substantial compliance with **Exhibit C**, attached hereto;
 - B. A properly executed and recordable (or a copy of the recorded) quitclaim deed from Brocious and Julie Dudley, showing that they have been the sole tenants under an unrecorded oral agreement and that all crops have been harvested and that they thereby release their tenancy rights;
- 2.4. **City Documents.** At or before the Closing Date, City shall provide the following to Title Company ("City Documents"):
 - A. One original counterpart of this Agreement;
 - B. One original counterpart of the City's written notice of exercise of the Option;
 - C. A certified copy of the City ordinance authorizing purchase of the Property;
 - D. Sufficient information to wire transfer the Purchase Price, minus any Grantor Charges as hereinafter defined, to Grantor; (Grantor's wire transfer information is as follows:)

Name: Midwest Land Associates
Bank: Citibank

1 Park Avenue
New York, New York 10016
Account: 031-11200-6
ABA#: 021001486

- E. Evidence of the survey fee paid by the City for a survey of the Property completed by Schmitz, King & Associates, Inc., dated January 6, 2012, Job. No. 11042.
- F. A statement from the City that a Phase I environmental assessment of the Property has been made and is satisfactory to the City;

ARTICLE III
ESCROW INSTRUCTIONS

3.1. Escrow Agent/Title Company.

- A. The transaction contemplated hereby shall be closed in escrow with the following title company ("Title Company"):

Affinity Title Company
110 North Liberty
Independence, MO 64050
816-833-4567, ext. 222

- 3.2. Escrow Instructions.** This Agreement shall serve as the Title Company's escrow instructions. The Title Company may attach its standard conditions of acceptance to the counterpart, but if its conditions are inconsistent or in conflict with the terms and conditions hereof, those contained in this Agreement shall control.

- 3.3. Title Report/Commitment.** City ordered, at its own expense, a preliminary title report/commitment from the Title Company showing the condition of the title to the Property, attached hereto and incorporated herein as **Exhibit D**. Upon receipt of the title report, City delivered a copy to Grantor noting any defects in the title. Grantor agrees that, it shall satisfy all outstanding lien interests in the Property, shall comply with any Title Company requirements and shall make reasonable efforts to correct any other defects to the title so that the title is good and merchantable, except that Grantor, without penalty, may elect not to correct major defects in the title. If any defects are not corrected, then City shall have the right either to elect not to purchase the Property or to waive the defects and proceed with the purchase.

- 3.4. Title closing.** On the Closing Date, the Title Company shall notify the parties whether the Title Company is then in a position to issue the title insurance. If the Title Company notifies the parties that:

- A. The Title Company will issue title insurance, this transaction shall be consummated in accordance with the terms and provisions of this Agreement; or
- B. The Title Company will not issue title insurance, and if Grantor does not forthwith cure the title defects that the Title Company recites as preventing such issuance in the form required hereunder, or City does not waive the same, this transaction shall be postponed

for a reasonable period of time not to exceed 30 days until Grantor removes such title defects. If Grantor is unable or refuses to do so, this transaction shall be cancelled, the full amount of the Purchase Price deposited with the Title Company shall be promptly refunded to City, and the documents deposited into escrow shall be returned to Grantor or City, respectively. The parties shall be fully released from any liability hereunder except that Grantor shall pay the cost of the escrow and the charges of the Title Company.

C. If City waives the title defects preventing the above issuance by so notifying the Title Company or if Grantor cures such defects, the parties' obligations shall not be affected by reason thereof, there shall be no abatement or reduction of the Purchase Price, and the transaction contemplated hereby shall be consummated in accordance with the terms and conditions hereof. However, any title defects waived by City shall nevertheless be set forth as exceptions in the deed and in the title insurance.

3.5. Duties of Title Company. On the Closing Date, the Title Company shall file or record the Special Warranty Deed and all other required instruments. The Title Company shall then deliver to each party the funds and documents to which it is entitled, together with the Title Company's escrow statement. If this transaction does not close on the Closing Date, Title Company will return any money deposited by City and return all closing documents submitted by Grantor and City to the respective party.

ARTICLE IV **CHARGES TO CITY AND GRANTOR**

4.1. Closing Charges to Grantor. In closing this transaction, Grantor shall be charged with the following costs ("Grantor Costs"):

- A. The full amount of real estate taxes and assessments prorated up to and including the date of transfer of title;
- B. The cost of any transfer tax;
- C. The cost of the title search minus any amounts already paid by the City to the Title Company and a title guaranty policy in the amount of the Purchase Price;
- D. The cost of satisfying any mortgage indebtedness on the property for which Grantor is liable, together with the cost of any mortgage cancellation, recording fee or other costs incident to the satisfaction of any such indebtedness;
- E. The cost of brokerage commissions to Haith & Company in the amount of three percent (3%) of the Purchase Price and to CBRE, Inc. in the amount of three percent (3%) of the Purchase Price. (Grantor and City each represent to the other that neither had any dealings with any other brokers with respect to the Property; the commission will not be deemed earned or payable except upon an actual closing of title and receipt of the Purchase Price, minus Grantor Costs, by Grantor; and failure, default or willful default which prevents conveyance of the Property will not result in any commission becoming due or payable.)
- F. One-half of the survey fee for a survey of the Property completed by Schmitz, King & Associates, Inc., dated January 6, 2012, Job. No. 11042.

G. All other charges properly borne by Grantor consistent with the terms of this Agreement.

4.2. Closing Charges to City. In closing this transaction, City shall be charged with the following costs ("City Costs"):

A. The cost of filing the deed for record;

B. All of the escrow fee;

C. One-half of the survey fee for a survey of the Property completed by Schmitz, King & Associates, Inc., dated January 6, 2012, Job. No. 11042.

C. All other charges properly borne by City consistent with the terms of this Agreement.

Note: The City is exempt from property taxes so no property taxes will be prorated and payable by the City.

ARTICLE V
MISCELLANEOUS

5.1. Notices. All notices made or required to be made under this Agreement shall be in writing and sent by one of the following: a) registered or certified mail; b) personally delivered (including delivery by recognized national overnight courier service, i.e. Fed Ex or UPS); c) email with return email acknowledgment; or d) telecopy followed by delivery by recognized national overnight courier service or by registered or certified mail. Notice shall be considered given and received upon actual receipt, or if Notice is mailed or sent by recognized national overnight courier service, as above provided, and delivery is refused or cannot be completed, upon first attempted delivery.

Notices shall be sent to the following. Either party may change these persons or addresses by giving notice to the other party as provided herein.

City:

Kansas City International Airport
Aviation Department
Attn: Judi O'Donnell, Aviation Manager
Properties & Commercial Development
601 Brasilia Avenue
Kansas City, Missouri 64153

Phone: 816-243-3021
FAX: 816-243-3070
Email: judith.odonnell@kcmo.org

Grantors:

Mid-West Land Associates, L.P.
Attn: Mr. Richard Brock
P.O. Box 418

534 Willow Avenue
Cedarhurst, New York 11516

Phone: 516-569-0200
FAX: 516-569-0629
Email: richard@libertyequitiesusa.com

and also to

Mid-West Land Associates, L.P.
Attn: Mr. Steven Yavers
c/o: Citrin Cooperman
529 5th Avenue, 10th floor
New York, New York 10017

Phone: 212-697-1000, ext. 1579
FAX: 212-681-9270
Email: lbonilla@citrincooperman.com

- 5.2. **Binding effect.** This Agreement shall be binding upon and inure to the benefit of the parties and their respective heirs, executors, administrators, and assigns.
- 5.3. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Missouri.
- 5.4. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.
- 5.5. **Time of essence.** Time is of the essence of this Agreement.

IN WITNESS WHEREOF, Grantor and City have executed this instrument the day and year first above written.

MID-WEST LAND ASSOCIATES, L.P.
(a New York limited partnership)

By: 
Richard Brock, General Partner

By: 
Steve Yavers, General Partner


Witness

CITY OF KANSAS CITY, MISSOURI

Mark VanLoh, AAE, Director of Aviation

INDEX OF EXHIBITS

Exhibit A	Legal Description from January 6, 2012 Survey performed by Schmitz, King & Associates
Exhibit B	Exercise of Option to Purchase
Exhibit C	Specialty Warrant Deed
Exhibit D	Affinity Title Report

EXHIBIT A

LEGAL DESCRIPTION:

All that part of the Northeast Quarter of Section 35, Township 52 North, Range 34 West of the 5th Principal Meridian, in Kansas City, Platte County, Missouri, including Tracts A, B, C, and Lot 3, Block 2, and Lots 3, 4 and 5, Block 4 and Lot 2, Block 5, KCI Industrial Park, a subdivision in Kansas City, Platte County, Missouri, according to the recorded plat thereof, all being more particularly described as follows: (Note: The bearing system in the following described is based on the North line of the Northeast Quarter of said Section 35 being North 89 degrees 44 minutes 29 seconds East, as shown on the plat of KCI Industrial Park). Commencing at the Northeast corner of the Northeast Quarter of said Section 35; thence South 89 degrees 44 minutes 29 seconds West, 926.01 feet, along the North line of the Northeast Quarter of said Section 35, to the "true point of beginning" of the tract herein described; thence continuing South 89 degrees 44 minutes 29 seconds West, 1,722.49 feet, along said North line, to the Northwest corner of the Northeast Quarter of said Section 35; thence South 00 degrees 32 minutes 12 seconds West, 2,647.28 feet, along the West line of the Northeast Quarter of said Section 35, to the Southwest corner of the Northeast Quarter of said Section 35; thence North 89 degrees 43 minutes 13 seconds East, 455.31 feet, along the South line of the Northeast Quarter of said Section 35, to the Southwest corner of Lot 5, Block 2, of said plat of KCI Industrial Park; thence North 00 degrees 32 minutes 08 seconds East, 275.25 feet (275.00 feet - Plat), along the West line of said Lot 5, to the Northwest corner of said Lot 5; thence North 89 degrees 42 minutes 30 seconds East, 163.04 feet, along the North line of said Lot 5, to a point on the Northwesterly line of said Lot 5; thence North 59 degrees 46 minutes 09 seconds East, 176.84 feet, along said Northwesterly line, to the Northeast corner of said Lot 5; thence South 00 degrees 32 minutes 08 seconds West, 46.55 feet, along the East line of said Lot 5, to a point on the Southeasterly line of said Lot 5; thence South 59 degrees 46 minutes 09 seconds West, 133.83 feet, along said Southeasterly line, to a point on the East line of said Lot 5; thence South 00 degrees 32 minutes 08 seconds West, 250.21 feet (249.91 feet - Plat), along said East line, to the Southeast corner of said Lot 5 and the Southwest corner of said Lot 3, Block 2; thence North 89 degrees 43 minutes 13 seconds East (North 89 degrees 42 minutes 30 seconds East - Plat), 673.50 feet, along the South line of said Lot 3, to the Southeast corner of said Lot 3; thence North 00 degrees 31 minutes 49 seconds East, 502.96 feet (502.52 feet - Plat), along the East line of said Lot 3, to the Northeast corner of said Lot 3; thence South 81 degrees 54 minutes 09 seconds East, 51.49 feet (South 81 degrees 54 minutes 19 seconds East, 51.51 feet - Plat) along the South line of said plat of KCI Industrial Park; thence North 07 degrees 35 minutes 49 seconds East, 47.80 feet along said South line; thence North 74 degrees 10 minutes 38 seconds East, 96.39 feet along said South line; thence North 04 degrees 41 minutes 23 seconds West, 47.06 feet along said South line; thence North 44 degrees 10 minutes 26 seconds East, 29.21 feet along said South line; thence South 64 degrees 57 minutes 03 seconds East, 62.61 feet along said South line; thence South 80 degrees 55 minutes 37 seconds East, 32.17 feet along said South line; thence North 20 degrees 17 minutes 22 seconds East, 72.47 feet along said South line; thence North 64 degrees 33 minutes 25 seconds East, 56.11 feet along said South line; thence South 22 degrees 21 minutes 37 seconds East, 67.10 feet along said South line; thence South 63 degrees 29 minutes 46 seconds East, 89.77 feet along said South line; thence North 71 degrees 35 minutes 40 seconds East, 70.27 feet along said South line; thence North 38 degrees 54 minutes 09 seconds East, 72.80 feet along said South line; thence North 06 degrees 37 minutes 24 seconds West, 48.29 feet along said South line; thence North 57 degrees 26 minutes 29 seconds East, 37.83 feet along said South line; thence South 51 degrees 32 minutes 08 seconds East, 99.32 feet, along said South line, to the Southeast corner of said Lot

2 Block 5; thence North 00 degrees 32 minutes 08 seconds East, 268.72 feet, along the East line of said Lot 2, to the Northeast corner of said Lot 2, said point being on the South right-of-way line of N.W. 101st Terrace, as now established; thence South 89 degrees 44 minutes 29 seconds West, 315.00 feet, along the North line of said Lot 2 and said South right-of-way line, to a point on the West line of said plat of KCI Industrial Park; thence North 00 degrees 32 minutes 08 seconds East, 80.01 feet, along said West line, to a point on the North right-of-way line of N.W. 101st Terrace, as now established; thence North 89 degrees 44 minutes 29 seconds East, 478.74 feet, along said North right-of-way line, to the beginning of a curve concave to the Northwest having a radius of 25.00 feet; thence Northeasterly 38.93 feet, along said curve to the left having a chord bearing of North 45 degrees 08 minutes 09 seconds East, 35.11 feet, to a point on the West right-of-way line of North Everton Avenue, as now established; thence North 00 degrees 31 minutes 49 seconds East, 849.99 feet, along said West right-of-way line, to the beginning of a curve concave to the Southwest having a radius of 25.00 feet; thence Northwesterly 39.61 feet, along said curve to the left having a chord bearing of North 44 degrees 51 minutes 51 seconds West, 35.60 feet, to a point on the South right-of-way line of N.W. 103rd Street, as now established; thence South 89 degrees 44 minutes 29 seconds West, 342.97 feet, along said South right-of-way line, to the Northwest corner of said Lot 3, Block 4; thence North 00 degrees 32 minutes 08 seconds East, 60.01 feet to a point on the North right-of-way line of N.W. 103rd Street, as now established; thence North 89 degrees 44 minutes 29 seconds East, 33.31 feet, along said North right-of-way line, to the Southwest corner of Lot 7, Block 3, of said plat of KCI Industrial Park; thence North 00 degrees 31 minutes 49 seconds East, 280.00 feet, along the West line of said Lot 7, to a point on the South line of Lot 3, Block 3, of said plat of KCI Industrial Park; thence South 89 degrees 44 minutes 29 seconds West, 671.21 feet, along said South line, to the Southwest corner of a certain tract of land conveyed by Warranty Deed recorded in Book 687 at Page 756; thence North 00 degrees 31 minutes 49 seconds East, 340.00 feet, along the West line of said certain tract of land conveyed by Warranty Deed recorded in Book 687 at Page 756, to the Northwest corner of said certain tract of land conveyed by Warranty Deed recorded in Book 687 at Page 756; thence North 89 degrees 44 minutes 29 seconds East, 560.21 feet, along the North line of said certain tract of land conveyed by Warranty Deed recorded in Book 687 at Page 756, to the Northwest corner of said Lot 3; thence North 00 degrees 31 minutes 49 seconds East, 40.00 feet, to the "true point of beginning" of the tract herein described.

EXHIBIT "B"

NAME OF GRANTOR
Mid-West Land Associates, L.P.
(a New York Limited partnership)

NAME OF GRANTEE
City of Kansas City, Missouri
Aviation Department

EXERCISE OF OPTION TO PURCHASE

Kansas City, Missouri
Date: _____ (Eff. date Ordinance passed)

This is to notify you that the City of Kansas City, Missouri (Grantee/City), a municipal corporation, elects to and does hereby exercise the option granted by Mid-West Land Associates, L.P. (Grantor) under the date of June 1, 2012, for the purchase of the following described property in Kansas City, Platte County, Missouri to wit:

See **Exhibit A** (attached) - also known as Tracts 191, 193, 196 and 221 on KCI Airport maps at 104th & Amity Road

for the sum of Three Hundred Fifty Thousand, Three Hundred Twenty-Four Dollars and 00/100 cash (\$350,324.00 – “Consideration”) calculated based upon the agreed to amount of \$3,333.00 per acre multiplied by an area deemed to contain 105.1076 acres (“Net Area”). Such \$3,333.00 per acre shall be multiplied by the Net Area as defined by the legal description attached hereto as Exhibit A. Such sum shall be paid (minus closing costs) at closing and all documents, provisions and exhibits listed within the Option to Purchase shall be completed and delivered.

If you have any documents necessary to the closing, please deliver them at once to:

Affinity Title Company
Attn: Ted Wilch
110 North Liberty
Independence, MO 64050
816-833-4567, ext. 222

Please advise said title company when you are ready to sign the closing documents so there will be no delay in closing.

IN WITNESS WHEREOF, Grantor and Grantee/City have executed this instrument the day and year first above written.

GRANTEE/CITY - Kansas City, A Municipal Corporation of Missouri

APPROVED BY:

Mark VanLoh, AAE
Director of Aviation

Director of Finance

APPROVED AS TO FORM:

Law Department

I, GRANTOR(S), acknowledge receipt of the above notice and will proceed in accordance with said option.

Dated: _____

By: Mid-West Land Associates, L.P.
(a New York limited partnership)

Richard Brock, General Partner

Steve Yavers, General Partner

SPECIAL WARRANTY DEED

THIS INDENTURE, Made on _____, 2012 by and between

Grantor: **Mid-West Land Associates, L.P., a New York limited partnership, formerly known as Ford Land Associates**

AND

Grantee: **City of Kansas City, Missouri, a Municipal corporation**

Grantee's mailing address: KCI Airport, Aviation Department-Commercial Dev., 601 Brasilia Avenue, Kansas City, Missouri 64153

WITNESSETH: THAT THE SAID GRANTOR(S), in consideration of the sum of **ONE DOLLAR AND OTHER VALUABLE CONSIDERATIONS** to be paid by said Grantee(s) (the receipt of which is hereby acknowledged), do by these presents, **SELL, CONVEY AND CONFIRM** unto said Grantee(s) and unto the heirs, successors and assigns of Grantee(s), the following described lots, tracts or parcels of land lying, being and situate in the County of **Platte** and State of **Missouri**, to-wit:

Legal Description:

SEE ATTACHED EXHIBIT A

SUBJECT TO COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS, IF ANY, NOW OF RECORD.

TO HAVE AND TO HOLD The premises aforesaid, with all and singular the rights, privileges, appurtenances and immunities thereto belonging to or in anywise appertaining unto said Grantee(s), and unto the successors and assigns of Grantee(s) forever; said Grantor hereby covenanting that the said premises are free and clear from any encumbrance done or suffered by it; and that it is one and the same entity as the Ford Land Associates, a New York limited partnership that previously acquired title to the land through the deed recorded in Book 666 at Page 223, having subsequently changed its name to Mid-West Land Associates, L.P., and that it will warrant and defend the title to said premises unto said Grantee and unto the successors and assigns of Grantee(s) forever, against the lawful claims and demands of all persons claiming under Grantor but none other.

IN WITNESS WHEREOF, The said Grantor(s) has/have signed as of the day and year above written.

Mid-West Land Associates, L.P., a New York limited partnership, formerly known as Ford Land Associates

By: Richard Brock, General Partner

By: Steve Yavers, General Partner

STATE OF _____)
)ss
COUNTY OF _____)

On _____, 2012, before me personally appeared Richard Brock and Steve Yavers who declared that they are the all of the general partners of Mid-West Land Associates, L.P., a New York limited partnership, formerly known as Ford Land Associates, to me known to be the person(s) who executed the foregoing instrument, and acknowledged that they executed the same as the free act and deed of said partnership.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed by official seal in the County and State aforesaid, the day and year first above written.

Notary Public

My Commission Expires: _____