

MEMORANDUM

COMMUNITY AND ECONOMIC DEVELOPMENT DEPARTMENT

TO: Thomas Thomas, City Manager

SUBJECT: Police Station Property Purchase

DATE: 6/12/13

The City worked with the Development Association of Rock Island to procure contracts to purchase property for the new police station. The purchase contracts need to be assigned to the City of Rock Island. Each of the contracts will be assigned to the City for a sum of ten dollars (\$10.00) and the City will assume responsibilities under the contract.

The property purchases are as follows:

- 1) Richard T. Willis, Executor of the Estate of Robert G. Kling, Richard T. Willis, individually and Thomas B. Willis purchase price \$20,000
- 2) Sandra G. Sisco purchase price \$250,000
- 3) Bob White Masonry purchase price \$460,000

Recommendation:

Council Authorize the assignment of agreement for sale of commercial real estate for the total sum of \$730,000 plus \$30 total assignment fee for the above listed properties, authorize the City Manager to execute the contract documents, and refer to the City Attorney for an ordinance.

Submitted by: Jeffery A. Eder, Community and Economic Development Director

Approved: Thomas Thomas, City Manager

ASSIGNMENT OF AGREEMENT FOR SALE OF COMMERCIAL REAL ESTATE

For good and valuable consideration in the sum of Ten and No/100's Dollars (\$10.00) the receipt of which is hereby acknowledged, the Development Association of Rock Island (hereinafter Assignor) hereby assigns, conveys and transfers all of its rights, title and interest in the Agreement For Sale Of Commercial Real Estate, (hereinafter Agreement), dated May 17, 2013, (a copy of which is attached hereto and incorporated herein as part of this Assignment), entered into with Richard T. Willis, Executor of the Estate of Robert G. Kling, Richard T. Willis, individually, and Thomas B. Willis, individually, hereinafter collectively as Sellers and Assignor as Purchaser, to the City of Rock Island, Illinois (hereinafter Assignee). As part of this assignment of said Agreement, Assignee assumes all debts, obligations, expectancies under said Agreement that are owed to Seller and said Assignee is accorded and due all rights, promises, debts, obligations and expectancies that were due Assignor from Seller under said Agreement including the right by Assignor to assign said Agreement to any other person or entity without Seller's prior written consent.

Assignor:

Development Association of Rock Island

By: B. H. H. H.

(Title) President

Dated: 6/12/13

Assignee:

City of Rock Island, Illinois

By: _____

City Manager

Dated: _____

3. EVIDENCE OF TITLE

Within a reasonable time, Seller shall deliver a commitment for title insurance issued by a title insurance company regularly doing business in the County where the Property is located, committing the company to issue an owner's policy in the usual form insuring merchantable title to the Property. If title evidence discloses exceptions other than those permitted under the rules for examination for abstracts of title adopted by the County Bar Association in which the Property is located, Purchaser or Purchaser's attorney shall give written notice of such exceptions to Seller within a reasonable time. Seller shall have a reasonable time to attempt to have such title exceptions removed, ~~or any such exception, which may be removed by the payment of money may be cured by deduction from the purchase price at the time of closing.~~ If Seller is unable or unwilling to cure such exception, Purchaser shall be entitled to a refund of the earnest money. Furnishing a title insurance commitment insuring over an exception shall constitute a cure of such exception.

4. CONVEYANCE OF TITLE AND DOCUMENTS OF SALE

The parties agree to execute any transfer declarations or other documents required by the state, county or municipality in which the Property is located, as well as any documents required by the title insurance company in order to issue title insurance.

5. PRORATIONS AND ADJUSTMENTS

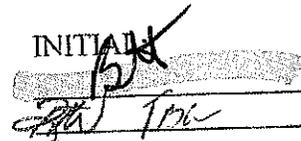
The following items shall be prorated at closing as of the date of delivery of possession:

A. Prorations

- (1) Real estate taxes, based on the most recent tax information available, which, in the absence of fraud, shall be final;
- (2) Rent, if any, (with transfer in full of any security/damage deposit);
- (3) Interest on any assumed indebtedness;
- (4) Insurance premiums if policy assigned to Purchaser;
- (5) Other income and operation expenses, if any.

B. Adjustments

Utility charges shall be adjusted by the parties by appropriate meter readings at or about the time of delivery and surrender of possession.

INITIALS


6. ASSESSMENTS

Seller shall pay all special assessments, which are a lien on the Property as of the date of closing. Seller acknowledges that prior to the execution of this Agreement Seller has no knowledge of or no notice has been received from any municipal authority concerning improvements which could result in a special assessment on the Property.

7. FIXTURES AND PERSONAL PROPERTY

All fixtures presently installed on the Property including but not limited to; brackets and fixtures, all carpeting, electric light fixtures, bathroom fixtures and accessories, telephone lines, central heating and cooling units and attached equipment, all shrubs and trees, shall be left by Seller in or upon said Property exactly as they are as of the date of this Agreement, and shall be deemed a part of the Property and title thereto shall pass to Purchaser at closing. The following personal property shall be sold to Purchaser as part of the closing: None _____

Seller shall deliver a Bill of Sale to Purchaser at closing for same. The parties agree that \$ NA of the Purchase Price shall be allocated toward the purchase of said personal property.

8. CONDITION OF PROPERTY

The parties agree that the Purchase Price reflects the condition of the Property and personal property being purchased (if any) and Purchaser acknowledges that the Property, the improvements and personal property (if any) thereof have been inspected, and Purchaser is acquainted with the condition thereof and accepts the same in:

X A. "As-Is" Condition.

B. "As-Is" condition except Seller warrants the plumbing, heating and electrical systems to be in normal working condition on date of possession and further warrants _____
Written notice of breach of the warranty contained above must be served upon Seller, Seller's attorney, or Seller's agent within two (2) business days of the date of possession. Purchaser shall have the right to inspect the Property during the 48-hour period immediately prior to closing.

INITIAL: RA

STW TOW

12. 1031 EXCHANGE

Purchaser agrees that it shall be an accommodation party, if requested by Seller, in a "1031 Starker Exchange," provided that Purchaser shall incur no additional cost with regard to said accommodation, shall not be required to take title to any property other than the Property, and said accommodation does not delay the closing of the transaction for the Property.

13. ESCROW

This agreement will be closed through an escrow either with the (CHECK ONE) (A.) ___ Purchaser's attorney, (B.) ___ Mortgage lender, or (C.) X Meridian Title Co. The funds held in escrow shall be paid out upon recording of the necessary documents and the vesting of merchantable title of the Property in Purchaser.

14. REPRESENTATIONS OF SELLER

Seller hereby represents to Purchaser that, to the best of Seller's knowledge, the Property is not contaminated with, nor threatened with contamination from outside sources by, any chemical, material or substance to which exposure is prohibited, limited or regulated by any federal, state, county, local or regional authority or which is known to pose a hazard to health and safety and that Seller has not used the Property as a landfill or dumpsite, or for storage of hazardous substances, or has not otherwise done anything to contaminate the Property with hazardous wastes or substances. Seller warrants that the Property is not subject to any local, state or federal judicial or administrative action, investigation or order, as the case may be, regarding wells or underground storage tanks, solid waste disposal sites, or hazardous wastes or substances. In the event Purchaser notifies Seller before closing that the representations and warranties set forth herein are untrue and such notice is accompanied by a report from an engineering company or environmental consultant with experience in evaluating such matter, then Purchaser, at its option, may terminate this Agreement, and the earnest money paid herein shall be returned to Purchaser.

15. LEASES

As of the date of this Agreement, the Property is subject to the following leases: NONE. Prior to closing, Seller shall not enter into any new leases or agree to extend any existing leases without Purchaser's prior written consent. All leases shall be assigned to Purchaser at closing.

16. SELLER'S CONSENT TO ASSIGNMENT

This Agreement may be assigned by Purchaser to any other person or entity without Seller's prior written consent.

INITIAL: RH
 JL

17. NOTICES AND ELECTRONIC TRANSMISSION

All notices required pursuant to this Agreement shall be in writing and signed by the party or party's agent (an "agent" shall be any person or persons designed in writing as such by a party and any attorney representing said party) and shall be given to the other party or that party's agent by:

A. Personally served upon the other party or that party's agent, in which case notice shall be effective upon the date of delivery;

B. By electronic transmission to the other party or that party's agent, in which case notice shall be effective on the date of the electronic transmission; or

C. Certified or registered mail, return receipt requested, and sent to the address of the party set forth below, which case notice shall be effective on the date of mailing.

If to Purchaser: Brian Hollenback
 100-19th St., Suite 109
 Rock Island, Ill. 61201

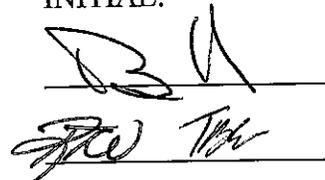
If to Seller: Dee A. Runnels , Atty.
 1530-5th Ave.
 Moline, Illinois 61265

With copy to: Estate of Robert G. Kling
 c/o Richard T. Willis, Executor
 4418-8th Ave.
 Rock Island, Illinois 61201

Notice to any one party of a multiple person party shall be sufficient notice to all.

For the purpose of negotiating and finalizing this Agreement, any document transmitted electronically shall be treated in all manner and respects as an original document. The signature of any party shall be considered an original signature and such electronic document shall be considered to have the same binding legal effect as an original document.

INITIAL:



18. GENERAL CONDITIONS

This Agreement shall be binding upon the parties and their successors and assigns. Time is of the essence of this Agreement. This Agreement shall be governed by and enforced in accordance with the laws of the state in which the Property is located. This Agreement contains the entire agreement of the parties and no representations, warranties, or agreements have been made by either party except as set forth herein. No modification, waiver, or amendment of the Agreement shall be effective unless made in writing and signed by the parties. All representations, warranties and covenants made by the parties shall survive closing. Paragraph headings are for the convenience of reference and shall not limit or affect the meaning of this Agreement.

19. BROKER REPRESENTATIONS

It is understood that no representation made by the Broker or Salesperson in the negotiation of this Agreement are being relied upon unless incorporated herein in writing. Broker and Salesperson make no representations or warranties, either expressed or implied, as to the physical or mechanical condition of the Property, the improvements thereon, or any personal property being transferred.

20. BROKERS AS AGENTS

Parties acknowledge that agency disclosures have been made and signed prior to signing of this Agreement. The Broker, the Broker's agents, employees, and associates agree to respond to all questions of the parties accurately and honestly, to the best of their knowledge, and agree to disclose all material defects about which they have knowledge, but are not required to discover hidden defects in the Property or defects of which they have no knowledge or give advice on matters outside the scope of their real estate licenses.

INITIAL: BA
SPW TSW

21. AGENCY

Listing Agent: None

Purchaser's Agent: William Fitzsimmons
Company: Mel Foster Co.

A. An agency disclosure must be made at the time specific assistance is provided to Purchaser or Seller. By signing below, Purchaser and Seller confirm that prior informed written disclosure of agency representation was provided to them, that they understand said representation and that the disclosure was provided prior to signing. Purchaser and Seller acknowledge and agree that:

CHECK ONE:

- (1) The Listing Agent is representing the Seller and the Purchaser's Agent is representing the Purchaser.
- (2) The Agent, who is both the Listing Agent and the Purchaser's Agent, is acting as a Dual Agent with full knowledge and prior consent of both parties.
- (3) The Purchaser's Agent is representing the Purchaser only.
- (4) The Listing Agent is representing the Seller only.

B. Seller and Purchaser request that Mel Foster Co. Inc. of Iowa select, prepare, and complete documents allowed by law or rule, and may contact their client by telephonic or electronic communication.

[Signature] 5/21/13
Purchaser Date

[Signature] 5/21/2013
Seller Date

[Signature] 5/21/2013

Thomas B. Withers 5/21/2013

22. RIDERS

This Agreement is subject to the following riders: None

INITIALS:
[Signature]
FWC TBW

23. ACCEPTANCE

When accepted, this Agreement shall become a binding a contract for the sale and purchase of the Property. If this Agreement is not accepted by the Seller on or before May 22, 2013, at 5:00 p.m., it shall become null and void and the earnest money shall be refunded to the Purchaser. This is a legally binding contract. If not understood, consult with legal counsel of your choice. Receipt of a copy of this Agreement is acknowledged by the parties hereto. This Agreement has been read and executed on the dates beside our signatures.

Executed by Purchaser:

Development Association of Rock Island
Purchaser

By: [Signature] 5/22/2013
Purchaser Date
Brian Hollenback, President

Executed by Seller:

Estate of Robert G. Kling

[Signature] 5/21/2013
Executor Date

[Signature] 5/21/2013
Richard T. Willis Date

[Signature] 5/21/2013
Thomas B. Willis Date

This Agreement has been prepared by:

Bill Fitzsimmons
Agent

MEL FOSTER CO. INC. OF IOWA
3245 E. 35th St. Ct.
Davenport, Iowa 52708
Work 563-823-5278/ Fax 563-344-5803
bfitzsimmons@melfosterco.com

ASSIGNMENT OF AGREEMENT FOR SALE OF COMMERCIAL REAL ESTATE

For good and valuable consideration in the sum of Ten and No/100's Dollars (\$10.00) the receipt of which is hereby acknowledged, the Development Association of Rock Island (hereinafter Assignor) hereby assigns, conveys and transfers all of its rights, title and interest in the Agreement For Sale Of Commercial Real Estate, (hereinafter Agreement), dated May 17, 2013, (a copy of which is attached hereto and incorporated herein as part of this Assignment), entered into with Sandra G. Sisco as Seller and Assignor as Purchaser, to the City of Rock Island, Illinois (hereinafter Assignee). As part of this assignment of said Agreement, Assignee assumes all debts, obligations, expectancies under said Agreement that are owed to Seller and said Assignee is accorded and due all rights, promises, debts, obligations and expectancies that were due Assignor from Seller under said Agreement including the right by Assignor to assign said Agreement to any other person or entity without Seller's prior written consent.

Assignor:

Development Association of Rock Island

By: B. Acker

(Title) President

Dated: 6/12/13

Assignee:

City of Rock Island, Illinois

By: _____

City Manager

Dated: _____

AGREEMENT FOR SALE OF COMMERCIAL REAL ESTATE

THIS IS A BINDING REAL ESTATE CONTRACT

Development Association of Rock Island
Purchaser

Sandra G. Sisco
Seller

Purchaser

Seller

1. THIS "AGREEMENT" IS DATED: May 17, 2013

Purchaser agrees to purchase from the Seller and the Seller agrees to sell to Purchaser the real estate and any improvement thereon, commonly known as: 501 and 511- 12th Street, Rock Island, Illinois and legally known as: Lots 5,6 and 7, Ellen Roches Addition to the City of Rock Island, Illinois (to be supplied by Seller's Attorney) situated in the County of Rock Island and the State of Illinois (the "Property"), for the sum of ~~\$200,000.00~~ (the "Purchase Price") to be paid as follows:

~~51~~
~~343~~

~~\$200,000.00~~
\$256,000.00 B/S

\$1,000.00 EARNEST MONEY in the form of a check, which shall be held in trust by Mel Foster Co. Inc. of Illinois and is part of the cash at closing. In the event any contingency is not met by the date contained in such contingency, the Seller recognizes the earnest money will be returned to the Purchaser. Seller and Purchaser agree to indemnify, defend and hold harmless Mel Foster Co. Inc. of Iowa from and against any and all liabilities and claims arising out of Mel Foster Co. Inc. of Iowa's duties as escrow agent hereunder.

~~\$199,000.00~~ ADDITIONAL CASH PAYMENT, which shall be paid at time of closing.

B/L
S/S

\$249,000.00 B/S

OTHER TERMS: The above Purchase Price shall be the entire compensation for the real property, and no further compensation shall be paid for moving expenses, business relocation or any other expense to the Seller.

INITIAL: RA
S/S

2. POSSESSION AND CLOSING (choose A or B)

X A. Possession on Closing:

- (1) Seller shall deliver possession of the Property to Purchaser concurrently with the closing of this transaction, which shall be held on or before September 2, 2013.

_____ B. Possession after closing:

- (1) Closing shall be on or before _____ and Seller shall deliver possession of the property to Purchaser on or before _____ days after said closing.
- (2) Per diem rent in the amount of \$ _____ shall be paid by Seller to Purchaser for each day the delivery of possession is beyond the date of closing, but under no circumstances shall the Seller be able to remain in possession more than _____ days after closing.

C. Additional Provisions:

- (1) Possession shall be deemed delivered when Seller has vacated the Property and delivered the keys to Purchaser or Purchaser's agent. In the case where the Seller does not physically occupy the Property and tenants are in place, possession shall be deemed delivered when the leases are assigned to Purchaser and any keys are delivered to Purchaser or Purchaser's agent.
- (2) Necessary timely legal notices to tenants, if any, shall be given by Seller unless otherwise agreed to by the parties.
- (3) If Seller shall fail for any reason whatsoever to vacate the Property after the above specified number of days, the Purchaser shall in addition to all other remedies have the right to commence any legal action or proceeding to evict and remove the Seller from the Property with Seller hereby agreeing to reimburse Purchaser for all reasonable attorney fees and expenses incurred by the Purchaser in the enforcement of Purchaser's rights under this Agreement.

INITIAL: BCA
S.S.S.

3. EVIDENCE OF TITLE

Within a reasonable time, Seller shall deliver a commitment for title insurance issued by a title insurance company regularly doing business in the County where the Property is located, committing the company to issue an owner's policy in the usual form insuring merchantable title to the Property. If title evidence discloses exceptions other than those permitted under the rules for examination for abstracts of title adopted by the County Bar Association in which the Property is located, Purchaser or Purchaser's attorney shall give written notice of such exceptions to Seller within a reasonable time. Seller shall have a reasonable time to have such title exceptions removed, or any such exception, which may be removed by the payment of money may be cured by deduction from the purchase price at the time of closing. If Seller is unable to cure such exception, Purchaser shall be entitled to a refund of the earnest money. Furnishing a title insurance commitment insuring over an exception shall constitute a cure of such exception.

4. CONVEYANCE OF TITLE AND DOCUMENTS OF SALE

The parties agree to execute any transfer declarations or other documents required by the state, county or municipality in which the Property is located, as well as any documents required by the title insurance company in order to issue title insurance.

5. PRORATIONS AND ADJUSTMENTS

The following items shall be prorated at closing as of the date of delivery of possession:

A. Prorations

- (1) Real estate taxes, based on the most recent tax information available, which, in the absence of fraud, shall be final;
- (2) Rent, if any, (with transfer in full of any security/damage deposit);
- (3) Interest on any assumed indebtedness;
- (4) Insurance premiums if policy assigned to Purchaser;
- (5) Other income and operation expenses, if any.

B. Adjustments

Utility charges shall be adjusted by the parties by appropriate meter readings at or about the time of delivery and surrender of possession.

INITIAL: _____

BD
SES

9. DEFAULT

If Purchaser fails to make any payment or to perform any obligation imposed upon Purchaser by this Agreement, Seller may serve written notice of default upon Purchaser and if such specified default is not corrected within ten (10) days thereafter, Seller, subject to the terms of any listing agreement, may accept the earnest money and any additional down payment as damages or may pursue any available legal remedy including specific performance. In the event Seller fails to perform any obligation imposed upon Seller by this Agreement, Purchaser may serve written notice of default upon Seller and if such default is not corrected within ten (10) days thereafter, earnest money and any additional down payment deposit shall be refunded to Purchaser without prejudicing the Purchaser's right to any available legal or equitable remedy including specific performance. In the event of default the defaulting party shall be liable to the other party for reasonable attorney fees, expenses incurred by reason of default, and the real estate brokerage fee.

10. CASUALTY CLAUSE

Seller shall bear the risk of loss or damage to the Property prior to closing or possession, whichever first occurs. In the event all or a material part of the Property is damaged or destroyed prior to closing or possession, whichever first occurs, this Agreement shall terminate and be of no further force and effect, unless the Property can be restored to its present condition on or before the closing date. Seller shall keep adequate insurance, including fire and other extended coverage, on improvements on the Property until title has passed to Purchaser or possession is delivered to Purchaser, whichever first occurs. Purchaser shall be responsible for insurance coverage upon taking title to or possession of the Property, whichever occurs first.

11. EXPENSES OF TRANSFER

A. Seller shall pay:

- (1) Cost of owner's title policy or the initial updating of the abstract(s) of title prior to closing;
- (2) Revenue stamps and recording of any releases.

B. Purchaser shall pay:

- (1) Recording fee for deed and mortgage;
- (2) Cost of Purchaser's mortgage title insurance policy as required by mortgagee or the costs of re-continuing the abstract(s) of title post closing.
- (3) Brokerage commission

Each party shall be responsible for their own attorney fees and customary closing costs for the County in which the Property is located. Closing costs do not include charges incident to the Purchaser's financing, and Purchaser shall pay such charges.

INITIAL: 



12. 1031 EXCHANGE

Purchaser agrees that it shall be an accommodation party, if requested by Seller, in a "1031 Starker Exchange," provided that Purchaser shall incur no additional cost with regard to said accommodation, shall not be required to take title to any property other than the Property, and said accommodation does not delay the closing of the transaction for the Property.

13. ESCROW

This agreement will be closed through an escrow either with the (CHECK ONE) (A.) ___ Purchaser's attorney, (B.) ___ Mortgage lender, or (C.) X Meridian Title Co. The funds held in escrow shall be paid out upon recording of the necessary documents and the vesting of merchantable title of the Property in Purchaser.

14. REPRESENTATIONS OF SELLER

Seller hereby represents to Purchaser that, to the best of Seller's knowledge, the Property is not contaminated with, nor threatened with contamination from outside sources by, any chemical, material or substance to which exposure is prohibited, limited or regulated by any federal, state, county, local or regional authority or which is known to pose a hazard to health and safety and that Seller has not used the Property as a landfill or dumpsite, or for storage of hazardous substances, or has not otherwise done anything to contaminate the Property with hazardous wastes or substances. Seller warrants that the Property is not subject to any local, state or federal judicial or administrative action, investigation or order, as the case may be, regarding wells or underground storage tanks, solid waste disposal sites, or hazardous wastes or substances. In the event Purchaser notifies Seller before closing that the representations and warranties set forth herein are untrue and such notice is accompanied by a report from an engineering company or environmental consultant with experience in evaluating such matter, then Purchaser, at its option, may terminate this Agreement, and the earnest money paid herein shall be returned to Purchaser.

15. LEASES

As of the date of this Agreement, the Property is subject to the following leases: Lucky Enterprises Inc. Prior to closing, Seller shall not enter into any new leases or agree to extend any existing leases without Purchaser's prior written consent. All leases shall be assigned to Purchaser at closing.

16. SELLER'S CONSENT TO ASSIGNMENT

This Agreement may be assigned by Purchaser to any other person or entity without Seller's prior written consent.

INITIAL: BA
S.S.S

17. NOTICES AND ELECTRONIC TRANSMISSION

All notices required pursuant to this Agreement shall be in writing and signed by the party or party's agent (an "agent" shall be any person or persons designed in writing as such by a party and any attorney representing said party) and shall be given to the other party or that party's agent by:

A. Personally served upon the other party or that party's agent, in which case notice shall be effective upon the date of delivery;

B. By electronic transmission to the other party or that party's agent, in which case notice shall be effective on the date of the electronic transmission; or

C. Certified or registered mail, return receipt requested, and sent to the address of the party set forth below, which case notice shall be effective on the date of mailing.

If to Purchaser: Brian Hollenback
 100-19th St., Suite 109
 Rock Island, Ill. 61201

If to Seller: Sandra G. Sisco
 3802- North Shore Dr.
 Moline, Illinois 61265

With copy to: _____

Notice to any one party of a multiple person party shall be sufficient notice to all.

For the purpose of negotiating and finalizing this Agreement, any document transmitted electronically shall be treated in all manner and respects as an original document. The signature of any party shall be considered an original signature and such electronic document shall be considered to have the same binding legal effect as an original document.

INITIAL:
BA
SSS

18. GENERAL CONDITIONS

This Agreement shall be binding upon the parties and their successors and assigns. Time is of the essence of this Agreement. This Agreement shall be governed by and enforced in accordance with the laws of the state in which the Property is located. This Agreement contains the entire agreement of the parties and no representations, warranties, or agreements have been made by either party except as set forth herein. No modification, waiver, or amendment of the Agreement shall be effective unless made in writing and signed by the parties. All representations, warranties and covenants made by the parties shall survive closing. Paragraph headings are for the convenience of reference and shall not limit or affect the meaning of this Agreement.

19. BROKER REPRESENTATIONS

It is understood that no representation made by the Broker or Salesperson in the negotiation of this Agreement are being relied upon unless incorporated herein in writing. Broker and Salesperson make no representations or warranties, either expressed or implied, as to the physical or mechanical condition of the Property, the improvements thereon, or any personal property being transferred.

20. BROKERS AS AGENTS

Parties acknowledge that agency disclosures have been made and signed prior to signing of this Agreement. The Broker, the Broker's agents, employees, and associates agree to respond to all questions of the parties accurately and honestly, to the best of their knowledge, and agree to disclose all material defects about which they have knowledge, but are not required to discover hidden defects in the Property or defects of which they have no knowledge or give advice on matters outside the scope of their real estate licenses.

INITIAL
 Bd
 SJS

INSPECTION RIDER

This Inspection Rider is a supplement to and made a part of the Agreement for Sale of Commercial Real Estate (the "Agreement") dated May 17, 2013, by and between Sandra G. Sisco, as "Seller" and Development Association of Rock Island, as "Purchaser".

The following listed inspections of the Property shall be conducted and paid for by the indicated party:

TYPE OF INSPECTION

Environmental at Purchaser's option, paid for by Purchaser

All inspections shall be completed on or before July 15, 2013.

If such inspections indicate approval of the condition of the item or items to be inspected, the Agreement shall remain in full force and effect. If any such inspection states disapproval of any item or items to be inspected and notice of such disapproval is given to the Seller within THREE (3) business days of Purchaser receiving the results of any given inspection, the Agreement shall be terminated and the earnest money as set forth in the Agreement shall be returned to Purchaser. If Purchaser does not provide said notice of disapproval to Seller within the time period specified above, then same shall constitute a waiver of the deficiency or defect found in said inspection. Notwithstanding the above, the parties may remedy said deficiency or defect shown by any given inspection by amendment to the Agreement, and proceed to closing.

Purchaser:

Development Association of Rock Island

By: [Signature]

Dated: 5/17/13

Seller:

Sandra G. Sisco

Sandra G. Sisco

Dated: 5-17-13

ASSIGNMENT OF AGREEMENT FOR SALE OF COMMERCIAL REAL ESTATE

For good and valuable consideration in the sum of Ten and No/100's Dollars (\$10.00) the receipt of which is hereby acknowledged, the Development Association of Rock Island (hereinafter Assignor) hereby assigns, conveys and transfers all of its rights, title and interest in the Agreement For Sale Of Commercial Real Estate, (hereinafter Agreement), dated May 31, 2013, (a copy of which is attached hereto and incorporated herein as part of this Assignment), entered into with Bob White Masonry as Seller and Assignor as Purchaser, to the City of Rock Island, Illinois (hereinafter Assignee). As part of this assignment of said Agreement, Assignee assumes all debts, obligations, expectancies under said Agreement that are owed to Seller and said Assignee is accorded and due all rights, promises, debts, obligations and expectancies that were due Assignor from Seller under said Agreement including the right by Assignor to assign said Agreement to any other person or entity without Seller's prior written consent.

Assignor:

Development Association of Rock Island

By: B. H. White

(Title) President

Dated: 6/12/13

Assignee:

City of Rock Island, Illinois

By: _____

City Manager

Dated: _____

AGREEMENT FOR SALE OF COMMERCIAL REAL ESTATE

THIS IS A BINDING REAL ESTATE CONTRACT

Development Association of Rock Island
Purchaser

Bob White Masonry
Seller

Purchaser

Seller

1. THIS "AGREEMENT" IS DATED: May 31, 2013

Purchaser agrees to purchase from the Seller and the Seller agrees to sell to Purchaser the real estate and any improvement thereon, commonly known as 513,517,537,539,545-12th Street; 516,522,524,526,528(rear),528,602,612-13th Street; 1221,1231-6th Avenue; and 1221,1225,1231-7th Avenue, Rock Island (legal description to be supplied by Seller's Attorney) situated in the County of Rock Island and the State of Illinois (the "Property"), for the sum of \$460,000.00 (the "Purchase Price") to be paid as follows:

\$1,000.00 EARNEST MONEY in the form of a check, which shall be held in trust by Q.C. Iowa Realty and is part of the cash at closing. In the event any contingency is not met by the date contained in such contingency, the Seller recognizes the earnest money will be returned to the Purchaser. Seller and Purchaser agree to indemnify, defend and hold harmless Q.C. Iowa Realty from and against any and all liabilities and claims arising out of Q.C. Iowa Realty's duties as escrow agent hereunder.

\$459,000.00 ADDITIONAL CASH PAYMENT, which shall be paid at time of closing

The above Purchase Price shall be the entire compensation for the real property, and no further compensation shall be paid for moving expenses, business relocation or any other expense to the Seller.

INITIAL:

 BW
 RW

2. POSSESSION AND CLOSING (choose A or B)

A. Possession on Closing:

(1) Seller shall deliver possession of the Property to Purchaser concurrently with the closing of this transaction, which shall be held on or before August 1, 2013.

B. Possession after closing:

(1) Closing shall be on or before _____ and Seller shall deliver possession of the property to Purchaser on or before _____ days after said closing.

(2) Per diem rent in the amount of \$ _____ shall be paid by Seller to Purchaser for each day the delivery of possession is beyond the date of closing, but under no circumstances shall the Seller be able to remain in possession more than _____ days after closing.

C. Additional Provisions:

(1) Possession shall be deemed delivered when Seller has vacated the Property and delivered the keys to Purchaser or Purchaser's agent. In the case where the Seller does not physically occupy the Property and tenants are in place, possession shall be deemed delivered when the leases are assigned to Purchaser and any keys are delivered to Purchaser or Purchaser's agent.

(2) Necessary timely legal notices to tenants, if any, shall be given by Seller unless otherwise agreed to by the parties.

(3) If Seller shall fail for any reason whatsoever to vacate the Property after the above specified number of days, the Purchaser shall in addition to all other remedies have the right to commence any legal action or proceeding to evict and remove the Seller from the Property with Seller hereby agreeing to reimburse Purchaser for all reasonable attorney fees and expenses incurred by the Purchaser in the enforcement of Purchaser's rights under this Agreement.

INITIAL:

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3. EVIDENCE OF TITLE

Within a reasonable time, Seller shall deliver (A.) An abstract of title or (B.) A Commitment for Title Insurance issued by a title insurance company regularly doing business in the County where the Property is located, committing the company to issue an owner's policy in the usual form insuring merchantable title to the Property. If title evidence discloses exceptions other than those permitted under the rules for examination for abstracts of title adopted by the County Bar Association in which the Property is located, Purchaser or Purchaser's attorney shall give written notice of such exceptions to Seller within a reasonable time. Seller shall have a reasonable time to have such title exceptions removed, or any such exception, which may be removed by the payment of money may be cured by deduction from the purchase price at the time of closing. If Seller is unable to cure such exception, Purchaser shall be entitled to a refund of the earnest money. Furnishing a title insurance commitment insuring over an exception shall constitute a cure of such exception.

4. CONVEYANCE OF TITLE AND DOCUMENTS OF SALE

The parties agree to execute any transfer declarations or other documents required by the state, county or municipality in which the Property is located, as well as any documents required by the title insurance company in order to issue title insurance.

5. PRORATIONS AND ADJUSTMENTS

The following items shall be prorated at closing as of the date of delivery of possession:

A. Prorations

- (1) Real estate taxes, based on the most recent tax information available, which, in the absence of fraud, shall be final;
- (2) Rent, if any, (with transfer in full of any security/damage deposit);
- (3) Interest on any assumed indebtedness;
- (4) Insurance premiums if policy assigned to Purchaser;
- (5) Other income and operation expenses, if any.

B. Adjustments

Utility charges shall be adjusted by the parties by appropriate meter readings at or about the time of delivery and surrender of possession.

INITIAL:


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9. DEFAULT

If Purchaser fails to make any payment or to perform any obligation imposed upon Purchaser by this Agreement, Seller may serve written notice of default upon Purchaser and if such specified default is not corrected within ten (10) days thereafter, Seller, subject to the terms of any listing agreement, may accept the earnest money and any additional down payment as damages or may pursue any available legal remedy including specific performance. In the event Seller fails to perform any obligation imposed upon Seller by this Agreement, Purchaser may serve written notice of default upon Seller and if such default is not corrected within ten (10) days thereafter, earnest money and any additional down payment deposit shall be refunded to Purchaser without prejudicing the Purchaser's right to any available legal or equitable remedy including specific performance. In the event of default the defaulting party shall be liable to the other party for reasonable attorney fees, expenses incurred by reason of default, and the real estate brokerage fee.

10. CASUALTY CLAUSE

Seller shall bear the risk of loss or damage to the Property prior to closing or possession, whichever first occurs. In the event all or a material part of the Property is damaged or destroyed prior to closing or possession, whichever first occurs, this Agreement shall terminate and be of no further force and effect, unless the Property can be restored to its present condition on or before the closing date. Seller shall keep adequate insurance, including fire and other extended coverage, on improvements on the Property until title has passed to Purchaser or possession is delivered to Purchaser, whichever first occurs. Purchaser shall be responsible for insurance coverage upon taking title to or possession of the Property, whichever occurs first.

11. EXPENSES OF TRANSFER

A. Seller shall pay:

- (1) Broker's Commission;
- (2) Cost of owner's title policy or the initial updating of the abstract(s) of title prior to closing;
- (3) Revenue stamps and recording of any releases.

B. Purchaser shall pay:

- (1) Recording fee for deed and mortgage;
- (2) Cost of Purchaser's mortgage title insurance policy as required by mortgagee or the costs of re-continuing the abstract(s) of title post closing.

Each party shall be responsible for their own attorney fees and customary closing costs for the County in which the Property is located. Closing costs do not include charges incident to the Purchaser's financing, and Purchaser shall pay such charges.

INITIAL: 

12. 1031 EXCHANGE

Purchaser agrees that it shall be an accommodation party, if requested by Seller, in a "1031 Starker Exchange," provided that Purchaser shall incur no additional cost with regard to said accommodation, shall not be required to take title to any property other than the Property, and said accommodation does not delay the closing of the transaction for the Property.

13. ESCROW

This agreement will be closed through an escrow either with the (CHECK ONE) (A.) Purchaser's attorney, (B.) Mortgage lender, or (C.) Meridian Title Co. The funds held in escrow shall be paid out upon recording of the necessary documents and the vesting of merchantable title of the Property in Purchaser.

14. REPRESENTATIONS OF SELLER

Seller hereby represents to Purchaser that, to the best of Seller's knowledge, the Property is not contaminated with, nor threatened with contamination from outside sources by, any chemical, material or substance to which exposure is prohibited, limited or regulated by any federal, state, county, local or regional authority or which is known to pose a hazard to health and safety and that Seller has not used the Property as a landfill or dumpsite, or for storage of hazardous substances, or has not otherwise done anything to contaminate the Property with hazardous wastes or substances. Seller warrants that the Property is not subject to any local, state or federal judicial or administrative action, investigation or order, as the case may be, regarding wells or underground storage tanks, solid waste disposal sites, or hazardous wastes or substances. In the event Purchaser notifies Seller before closing that the representations and warranties set forth herein are untrue and such notice is accompanied by a report from an engineering company or environmental consultant with experience in evaluating such matter, then Purchaser, at its option, may terminate this Agreement, and the earnest money paid herein shall be returned to Purchaser.

15. LEASES

As of the date of this Agreement, the Property is subject to the following leases: NONE. Prior to closing, Seller shall not enter into any new leases or agree to extend any existing leases without Purchaser's prior written consent. All leases shall be assigned to Purchaser at closing.

16. SELLER'S CONSENT TO ASSIGNMENT

This Agreement may be assigned by Purchaser's Agent to any other person or entity without Seller's prior written consent.

INITIAL:

17. NOTICES AND ELECTRONIC TRANSMISSION

All notices required pursuant to this Agreement shall be in writing and signed by the party or party's agent (an "agent" shall be any person or persons designed in writing as such by a party and any attorney representing said party) and shall be given to the other party or that party's agent by:

A. Personally served upon the other party or that party's agent, in which case notice shall be effective upon the date of delivery;

B. By electronic transmission to the other party or that party's agent, in which case notice shall be effective on the date of the electronic transmission; or

C. Certified or registered mail, return receipt requested, and sent to the address of the party set forth below, which case notice shall be effective on the date of mailing.

If to Purchaser: Brian Hollenback
100-19th St., Suite 109
Rock Island, Ill. 61201

With copy to: Bill Fitzsimmons
3245 East 35th St. Ct
Davenport, Iowa 52807

If to Seller: Bob White Masonry
603-12th Street
Rock Island, Ill. 61201

With copy to: Andy Doyle
4550 E. 53rd St.
Davenport Iowa 52807

Notice to any one party of a multiple person party shall be sufficient notice to all.

For the purpose of negotiating and finalizing this Agreement, any document transmitted electronically shall be treated in all manner and respects as an original document. The signature of any party shall be considered an original signature and such electronic document shall be considered to have the same binding legal effect as an original document.

INITIAL:

BA
RLW

21. AGENCY

Listing Agent: Andy Doyle

Purchaser's Agent: Bill Fitzsimmons

Company: Q.C. Iowa Realty

Company: Mel Foster Co.

A. An agency disclosure must be made at the time specific assistance is provided to Purchaser or Seller. By signing below, Purchaser and Seller confirm that prior informed written disclosure of agency representation was provided to them, that they understand said representation and that the disclosure was provided prior to signing. Purchaser and Seller acknowledge and agree that:

CHECK ONE:

- (1) The Listing Agent is representing the Seller and the Purchaser's Agent is representing the Purchaser.
- (2) The Agent, who is both the Listing Agent and the Purchaser's Agent, is acting as a Dual Agent with full knowledge and prior consent of both parties.
- (3) The Purchaser's Agent is representing the Purchaser only.
- (4) The Listing Agent is representing the Seller only.

B. Seller and Purchaser request that Mel Foster Co. Inc. of Iowa select, prepare, and complete documents allowed by law or rule, and may contact their client by telephonic or electronic communication.

Development Assoc. of Rock Island

Bob White Masonry

By: [Signature] 5/28/13
Purchaser Date

By: [Signature] 5-28-2013
Seller Date

22. RIDERS

This Agreement is subject to the following riders: Inspection

INITIAL: [Signature]
[Signature]

23. ACCEPTANCE

When accepted, this Agreement shall become a binding a contract for the sale and purchase of the Property. If this Agreement is not accepted by the Seller on or before June 1, 2013, at 5:00 p.m., it shall become null and void and the earnest money shall be refunded to the Purchaser. This is a legally binding contract. If not understood, consult with legal counsel of your choice. Receipt of a copy of this Agreement is acknowledged by the parties hereto. This Agreement has been read and executed on the dates beside our signatures.

Executed by Purchaser:

Development Association of Rock Island
Purchaser

By:  5/28/13
Agent for Purchaser Date

Executed by Seller:

Bob White Masonry
Seller

By:  5-28-2013
Seller Date

This Agreement has been prepared by:

Bill Fitzsimmons

MEL FOSTER CO. INC. OF IOWA
3245 E. 35th St. Ct.
Davenport, Iowa 52807
WORK (563) 823-5278 /FAX (563) 823-5803
bfitzsimmons@melfosterco.com

INSPECTION RIDER

This Inspection Rider is a supplement to and made a part of the Agreement for Sale of Commercial Real Estate (the "Agreement") dated May 31, 2013, by and between Bob White Masonry, as "Seller" and Development Association of Rock Island, as "Purchaser".

The following listed inspections of the Property shall be conducted and paid for by the indicated party:

TYPE OF INSPECTION

Environmental at Purchaser's option , paid for by Purchaser

All inspections shall be completed on or before July 1, 2013.

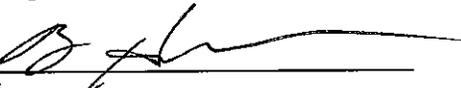
If such inspections indicate approval of the condition of the item or items to be inspected, the Agreement shall remain in full force and effect. If any such inspection states disapproval of any item or items to be inspected and notice of such disapproval is given to the Seller within THREE (3) business days of Purchaser receiving the results of any given inspection, the Agreement shall be terminated and the earnest money as set forth in the Agreement shall be returned to Purchaser. If Purchaser does not provide said notice of disapproval to Seller within the time period specified above, then same shall constitute a waiver of the deficiency or defect found in said inspection. Notwithstanding the above, the parties may remedy said deficiency or defect shown by any given inspection by amendment to the Agreement, and proceed to closing.

Purchaser:

Seller:

Development Association of Rock Island

Bob White Masonry

By: 
Purchaser

By: Robert White

Dated: 5/31/13

Dated: 5-28-2013