

OFFER TO PURCHASE REAL ESTATE  
THIS IS A LEGALLY BINDING CONTRACT

Date \_\_\_\_\_

To City of Davenport (Seller):

The undersigned, Merge LLC, an Iowa Limited Liability Company d/b/a Merge Urban Development Group (Purchaser), subject to the terms and conditions included herein hereby offers to purchase for the total sum of \$250,000.00, or other valuable consideration, the real estate located in the 200 block of the north side of East 2<sup>nd</sup> Street (herein after referred to as the "Property"), more particularly described as:

The South 122' of Lots 1, 2, and 3, Block 60 of LeClaire's 2<sup>nd</sup> Addition to the City of Davenport, Scott County, Iowa, currently known as Parcel L0009-28B;

The offer and the parties' obligations are outlined per the following terms and conditions:

- a) Within three business days of the execution of this Agreement, the Purchaser shall pay \$10,000 to the Seller as a non-refundable earnest money deposit that will be applicable to the Purchase Price at Closing. If the closing does not occur for any reason other than the Seller's default, the earnest money shall be retained by the Seller and not be refunded to the Purchaser.
- b) The remaining purchase price, as adjusted according to the terms here, will be payable in cash, check or wire transfer at Closing.
- c) The execution of the Agreement between the parties includes the following terms/conditions:
  - 1) The Purchaser agrees to develop a mixed use (residential/commercial) structure on the Property substantially consistent with the concept plans attached hereto as Exhibit A (the "Project");
  - 2) Construction of the Project beginning within 12 (twelve) months of Closing;
  - 3) Completion of the Project (i.e., certificate of occupancy issued by City) within 30 (thirty) months of Closing;
  - 4) If Purchaser fails to begin construction (i.e., excavation/foundation work underway and permits pulled) or complete the project per the timelines above, the Property shall revert to the City for the sale price, minus the non-refundable earnest deposit;
  - 5) Approval of an Urban Revitalization Tax Exemption (URTE) application by the Seller;
  - 6) Approval of a Resolution of Support for an application for Workforce Housing Tax Credits (WHTC) related to Disaster Declaration areas by the Seller
- d) Conditions in Paragraph "c)" above shall survive the Closing.
- e) Purchaser and Seller shall arrange for a mutually acceptable date to close and transfer the Property (the "Closing"), but anticipated to occur within 30 days from Seller approval of the sale.
- f) Purchaser shall have the right to assign this right to purchase to an affiliated entity upon written consent of the Seller, which such consent shall not be unreasonably withheld, conditioned, or delayed.
- g) Property will be conveyed to Purchaser via Quit Claim Deed, free and clear of all liens, encumbrances, and conditions, except for required easements and any other matters of record. Seller shall be allowed to remove signage prior to beginning of construction on the Project.
- h) Seller makes no representation/certification regarding condition or quality of Property.
- i) All real estate taxes shall be paid or prorated between Purchaser and Seller to the date of Closing in accordance with standards adopted by the Scott County Bar Association.
- j) The Purchaser shall be responsible for recording fees for the deed. Each party shall be responsible for its own attorney's fees.

- k) Prior to Closing, Purchaser or its authorized agent(s) shall be permitted to make inspection of the Property and perform necessary analysis as part of its due diligence, provided that written/email notice is provided to Seller's project manager and any damage to the Property shall be at the expense of the Purchaser.
- l) Approval of this Agreement is contingent upon passage by the City Council and compliance with Federal, State, and Local laws and requirements.

Purchaser: Merge LLC                      Tax ID # 83-3243452

Authorized Representative: \_\_\_\_\_

Printed name: \_\_\_\_\_ Brent Dahlstrom \_\_\_\_\_

Phone number: \_\_\_\_\_ 319-505-3609 \_\_\_\_\_

Mailing address: \_\_\_\_\_ 604 Clay Street \_\_\_\_\_

\_\_\_\_\_ Cedar Falls, IA 50613 \_\_\_\_\_

Email address: \_\_\_\_\_ brent@mergeurbandevlopment.com \_\_\_\_\_

Per Council approval, Agreement is accepted on \_\_\_\_\_, 2019.

Seller: City of Davenport, Iowa

Authorized Representative: \_\_\_\_\_

Printed name: \_\_\_\_\_ Corri Spiegel \_\_\_\_\_

Phone number: \_\_\_\_\_ 563-888-3384 \_\_\_\_\_

Mailing address: \_\_\_\_\_ 226 W. 4<sup>th</sup> Street \_\_\_\_\_

\_\_\_\_\_ Davenport, Iowa 52801 \_\_\_\_\_

Email address: \_\_\_\_\_ cspiegel@ci.davenport.ia.us \_\_\_\_\_